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THE COUNCIL OF THE CITY OF NEW YORK

CHAIR GENERAL WELFARE

COMMITTEES
EDUCATION
ENVIRONMENTAL PROTECTION
FINANCE
TECHNOLOGY IN GOVERNMENT
CIVIL RIGHTS

October 26, 2009

Dear Colleagues,

I am pleased to support the Carroll Gardens/Columbia Street Contextual Rezoning. The proposed rezoning will not only protect against overdevelopment in these neighborhoods, but set the standard for contextual zonings in low rise neighborhoods city wide.

Although City Planning surgically developed this proposal, there has been some concern regarding the R6A zoning designation proposed for parts of Henry St, President St, Union St, Clinton St, and First Pl. I strongly believe that the proposed R6A zones are the appropriate zoning designation for those areas. Those areas are to dense to be mapped with a lower density zoning designation. If those areas were mapped R6B over 70% of homeowners would be over the permitted floor area. This would leave those homeowners without the options to minor additions to their homes including the installations of some large bay windows, rear yard extensions, bathroom additions, or any other addition that would add additional livable space.

If you have any questions or concerns please contact Tom Gray at 718-854-9791.

Sincerely,

Bill de Blasio

Bill de Blasio

- Cria N. Sivial -

Legislation and Committee: Zoning & Franchises 9:30am Monday, October 26th at City Hall

NYC CITY COUNCIL - Zoning Committee

Dear Chairman Tony Avella and distinguished Councilpersons:

Good morning, my name is Josephine Carita presenting zoning testimony on behalf of Joe Nardiello -- who is a candidate for City Council seeking to represent the very communities of Cobble Hill and Carroll Gardens of which we speak today. Joe Nardiello asked me to firstly relay his **compliments** to **Councilman Avella** for a truly inspiring candidacy...and to convey Joe's warm commendation to the many Councilpersons who likewise handled the pressures of campaigning, and the unique way we all must balance our family time, along with the demands of the process.

The subject matter of zoning before this honorable committee has been long-debated and anticipated in my home areas of Brooklyn, which is called "Brownstone Brooklyn". But, for perspective — this neighborhood's architecture is as diverse as the people who transverse its streets at any given moment.

As you may know, while it does have a certain character of low-lined limestone, brownstone and brick row houses, and tree-lined streetscapes that have been depicted in movies...

...our areas *also* have a surprising number of larger apartment buildings interspersed that were built generations ago from Union to Pacific St., and from Degraw to Columbia St. These buildings were designed by size and appearance to blend into the streetscapes. In fact, I (Josephine Carita) live on Sackett St. in a building constructed in 1898 and one of 8 apartments. There's a duplicate, 'sister' building beside it – and there's another even wider structure that runs the length of Clinton St. around the block to Union. Each has been here for ages – has housed generations of low and moderate income families -- and each structure is no higher than *4 stories* from the sidewalk.

I mention this fact, because there seems to have been a time when developers & builders – were thoughtful enough not to push boundaries ever higher and distort the character of the community. But that was then, and this is now...

Our local realtors take FULL advantage of the demand for homes and rental apartments – setting skyrocketed pricing... and modern builders have tried to exploit that demand, at every turn. Today, we do absolutely need to apply and enforce stronger restraints for modern builders. Unfortunately, it's not enough to expect builders to design for the character of these areas – like our older, but larger buildings had done in the past...

Like unruly children, today's developers need harder rules – and stronger guidelines.

Now, developers usually *challenge limits* and tempt local Community Boards to oppose monster-sized plans that have made phrases like "air rights" and "sidewalk encroachment" phrases that can be heard as easily at Board meetings, as they could be heard among neighbors simply greeting each other. Larger developments take advantage of space and their property ownership rather than try to blend in.

For example, a larger development on Carroll St. off Hoyt St. was stopped due to non-compliance for going 40-feet over its agreed upon restriction — and now, 3 years after its violations were detected, sits unfinished and in the same state it was, nearly as if in a *spiteful response* to the community itself.

It is imperative to vote for the height restrictions — to keep today's developers from causing the problems we have seen, and trying to build *UP*. The historic character and beauty of Carroll Gardens and Cobble Hill, overall has got to be protected.

While larger buildings can house more people, and certainly provide more by way of *tax income* when bought/sold to our City... there's also the additional aspect of how smaller buildings add to the movement and human interactivity on the street.

Halloween's "Trick or Treating" which will happen this coming weekend...provides an illustration of the difference larger buildings can have. Children don't visit larger apartment buildings on their hunt for candy, unless they know someone there in particular. They simply walk by these monoliths. There's a detachment sometimes, with residents. In smaller buildings, you

see & notice the people living there, even in a visual sense as you happen to walk by...2, 3, 4x a day. ..Eventually, you know them.

Smaller buildings are more inviting, and there's more of a feeling of involvement with what's going on *outside of them*. In larger buildings, usually you're either 'inside' or 'outside' of them – and generally, there's not that *aspect of Brooklyn architecture* that invites neighbors to stop, pause and talk with each other... meaning: "the stoop". We can lose the character of the community and neighbors have less of a chance to interact, and this is the meaning of what *it means to live in our areas*. This is why people come here, and stay here – in the first place.

Please side with new zoning and height limits – which were brought to your attention today through hard work of community leaders that worked to *push their elected officials* and nudge this forward for quite some time. Reward their efforts!

Builders can and *will adjust* to our new height and zoning regulations – changes and ceilings which are endorsed today wholeheartedly by Josephine Carita, Celia Maniero Cacace who is here with me today, and by Joe Nardiello who has been concerned with this particular issue throughout his campaign for City Council in the 39th district.

Thank you for your time and consideration.

Committee Chairperson
Tony Avella

Legislative Office Address 250 Broadway, 17th Floor, 10007

Phone: (212) 788-7250

Committee Members

Chairperson: Tony Avella

Simcha Felder

Eric N. Gioia

` <u>1</u>:

Robert Jackson

Melinda R. Katz

Joel Rivera

Larry B. Seabrook

Helen Sears

Albert Vann

Testimony

of

Barry Dinerstein

Deputy Director of Housing, Economic and Infrastructure Planning
NYC Department of City Planning

before the
New York City Council Subcommittee on Zoning
regarding
The Food Retail Expansion to Support Health (FRESH) Program
October 26th, 2009

City Hall Council Chambers New York, NY Good morning, my name is Barry Dinerstein and I am the Deputy Director of the Housing, Economic and Infrastructure Planning Division at the Department of City Planning. As Andy just described, The Food Retail Expansion to Support Health program, or FRESH, is a unique initiative aimed at encouraging the development, renovation or expansion of grocery stores in underserved areas of the City.

DCP worked collaboratively with the Supermarket Commission, organized labor, industry groups, health organizations, and Speaker's Office on the design of the zoning text changes that are before you today. Additionally, we conducted extensive outreach on the proposed text amendment. We presented to all of the affected Borough Presidents, and most of the affected Community Boards. The Borough Presidents and Community Boards were incredibly supportive. Twenty-one people provided testimony at the City Planning Commission public hearing on FRESH and every speaker was supportive of the zoning incentives.

The zoning incentives are responding to a number of barriers for grocery stores. They recognize that:

- Grocery stores require a larger footprint than other retailers, and in the dense, built-out neighborhoods where FRESH is applicable, large sites are exceedingly difficult to find and finance;
- Grocery stores can't compete for existing, large storefronts against retailers selling products with higher profit margins; but
- Grocery stores can compete if you reduce their development and operation costs.

FRESH makes including a grocery store in a development attractive because it reduces the underlying costs associated with developing a grocery store. These incentives will only be available to full-line grocery stores – those with at least 6,000 square feet of selling area, where at least 30% of the space is dedicated to the sale of perishable goods including dairy, produce and frozen foods and at least 500 square feet is dedicated to the sale of fresh fruits and vegetables. This definition was developed with the input of industry stakeholders to ensure small grocers and larger grocers could participate. We've provided two examples of existing grocery stores in the program areas that would qualify under this definition. The Key Food on Walton Avenue in the Bronx is approximately 9,000 sq. ft. and the Food Dimensions on Myrtle Avenue is approximately 20,000 sq. ft.

If a store meets the requirements for certification, they would have access to the following three incentives:

• First, more residential units will be allowed in a building with a ground floor FRESH

or larger would be required to provide parking. This incentive greatly reduces the costs associated with providing a parking lot or structured parking. However, in more auto-oriented areas, primarily in the area south of Linden Boulevard in Brooklyn, or in areas where regional shopping centers already exist, the reduced parking requirements won't apply. At the Gateway II and Shops at Gateway centers, the parking requirement for a FRESH food store will be equalized with the parking requirement for other retail.

Third, the program will permit FRESH stores to locate in M1 districts up to 30,000 square feet in size. Currently, food stores are capped at 10,000 square feet unless they receive a Special Permit. This incentive will eliminate ULURP costs and uncertainty associated with neighborhood based grocery stores, while maintaining full ULURP review for regional stores in M1 districts.

FRESH will not be applicable in special districts where modified rules for grocery stores already exist, or where its provisions would be inconsistent with the objectives of the special district, including the Special Hunts Point District, the Special Manhattanville Mixed Use District, the Special Madison Avenue Preservation District, and the Special Park Improvement District. In addition, FRESH food stores will need to be good neighbors, adhering to special design regulations. FRESH stores must:

- Display the FRESH sign at the entrance to the store
- Provide 70% glazing on the streetwall facing the primary street, 50% of which must be transparent. By Chairperson certification, the glazing requirement may be reduced when a store fronts multiple streets or where a building receives public funding
 - Install security gates that permit visibility of at least 75% of the area covered when the gate is closed.

The program includes controls to ensure the incentives are not exploited. First, we want to make sure that only legitimate grocery stores participate in the program. In order to become a FRESH food store and receive the zoning incentives, a building must meet the FRESH food store definition and be certified by the Chairperson of the CPC. This application must also be referred to the affected Community Board for a review period of 45 days – a modification that the CPC made in response to community board suggestions. As part of the certification, the development will need to have an agreement with an operator to occupy the space for the FRESH food store and the building owner must record a restrictive declaration on the deed to the property specifying this commitment to retain a FRESH food store in perpetuity.

We also want to make sure developments that receive the incentives continue to provide space

- 1. If the alternative use complies with the underlying zoning, the owner must receive a Chairperson certification. The Chairperson will merely certify that the alternative use meets the parking and bulk regulations for the zoning lot.
- 2. If the alternative use does not meet all zoning requirements, the owner must receive a CPC Authorization. The findings are more rigorous, and the applicant must prove that the site is not an economically viable place to operate a grocery store and demonstrate that the unfavorable conditions were not self-created.

The zoning incentives are an essential component to the FRESH program. These zoning incentives can work in tandem with existing NYCIDA financial incentives to close the underlying cost gap in the development, renovation and operation of grocery stores over other types of retail and help to retain and attract stores in neighborhoods that sorely need them. Without these incentives, grocery stores will continue to be placed at a disadvantage. They will have little leverage in lease negotiations when other retailers can pay more for rent. They will continue to pay more for land acquisition if they can't develop in light manufacturing areas of the city and to provide larger parking lots than what are necessary to run their businesses.

Not only are more grocery stores crucial to the physical health of the residents in these neighborhoods, they are crucial to the economic and physical health of the neighborhood streets. In adopting the FRESH food store text amendment, the City would be adopting a program that has the potential to improve the quality of life in many of NYC neighborhoods where the retail amenities are somewhat marginal and stores stocking fresh foods are scarce.

Thank you for the opportunity to testify today. I'd be happy to answer any questions you may have.

FOR THE RECORD

Matt Ryan, New York Jobs with Justice Zoning & Franchises Sub-committee hearing on FRESH October 26, 2009

My name is Matt Ryan, Campaign Director of New York Jobs with Justice. Jobs with Justice is a permanent coalition of worker and community organizations focused on securing good jobs and strong communities for all New Yorkers.

Many years before we began using the term "food desert," low-income neighborhood residents in New York knew the realities of not having access to supermarkets that sell fresh fruits, vegetables, meats, and dairy. Communities suffered years of rising rates of obesity, diabetes, and other health related problems. Today, according to the City's statistics, over 3 million New Yorkers currently live in high need areas such as the South Bronx, Harlem, and Jamaica Queens. We commend the City for introducing the FRESH initiative and beginning the challenging work of establishing new neighborhood full-line grocery stores in underserved communities.

The City hopes FRESH will improve health and quality of life, create neighborhood jobs, and stimulate neighborhood revitalization. We support these goals, however, must point out that the current program only speaks food standards and falls short by not also creating job standards to ensure supermarket developments create good jobs.

Supermarkets without standards can cause harm to a community and, as evidence of that, we can look to recent newspaper headlines. In July of this year, an investigation by the New York State Attorney General lead to the owners of two Bushwick supermarkets paying back over \$1.1 million in unpaid wages to their employees. Baggers at both stores were paid no wage for their work and had to rely on tips for income. Clearly, we do not want to inadvertently subsidize supermarkets like these.

Other cities recognize that creating good jobs should not be left up to chance. Minneapolis, for example, requires that at least one living wage job is created for every \$25,000 of public subsidy a business receives. If the business fails to meet this requirement, the city government can enforce penalties, or what is commonly referred to as "clawbacks." St. Louis, Cleveland, Oakland, Los Angeles, and Boston are just a handful of other large cities that tie living wage requirements to city economic development subsidies.

We urge the City to improve the FRESH program by including clear job standards that will ensure broad community benefits. Without standards, the FRESH initiative risks turning sour. Many Community Boards and Borough Presidents already have spoke out in support of greater community and job standards. We hope the City will incorporate these recommendations into the FRESH initiative and create a program that will benefit our neighborhoods with healthy food and good jobs for the decades to come.



FOR THE RECORD

Testimony of United Way of New York City City Council Hearing

Subcommittee on Zoning

Food Retail Access to Support Health (FRESH) program

October 26, 2009

New York City

Good afternoon, I am Myeta Moon, Associate Vice President of Health at United Way of New York City. I am presenting testimony on behalf of United Way of New York City (UWNYC).

UWNYC is pleased to present this testimony in support of the Food Retail Access to Support Health (FRESH) program. Because of our work with community-based organizations to increase food access, UWNYC knows well that there are not enough retail outlets in New York City that sell quality, affordable produce and low-fat dairy products in low-income neighborhoods.

UWNYC firmly believes that access to healthy food is a key component to improving health outcomes in low income neighborhoods and is engaged in several activities aimed at increasing access. As the State's local administrator of the State funded Hunger Prevention Nutrition Assistance Program (HPNAP), we partner with 285 agencies operating in 385 program sites across the city, to increase access to safe and nutritious food for vulnerable New Yorkers through soup kitchens, food pantries and other emergency food organizations.

For nearly a decade, UWNYC has developed, provided, and implement programs and policies designed to increase the supply of healthier foods for our community-based emergency food partners. For example, in 2000, UWNYC-HPNAP implemented a policy requiring that 15% of a soup kitchen or food pantry's total food dollars had to be spent on fresh produce. Since that time, most of our grantees have reached and exceeded the 15% requirement. Another example of our work to increase the availability of fresh produce is our Local Produce Link (LPL) Initiative; whereby soup kitchens and food pantries receive farm fresh produce weekly from June-November from a local farmer. During the 2008-2009 Local Produce Link season, \$200,000 of HPNAP funds allowed for the distribution if over 132,000 pounds of fresh produce for soup kitchens and food pantries in New York City. Currently, twenty one out of a total of thirty six LPL sites that we work with are located within the proposed FRESH catchment areas. Qualitative evaluation measures also have documented that soup kitchens and food pantries would like to have more fresh produce available for their clients.

UWNYC supports the City's efforts to provide greater access and meet the demand for healthier foods in food desert communities. From 2008-2009, UWNYC's Senior Vice President Jennifer Jones Austin served with Nick D'Agostino of D'Agostino Foods as co-chair of the New York State Supermarket Commission. The New York State Supermarket Commission was a time-limited convocation of leaders from the business, government, public health, civic and community sectors of New York City, and the UFCW Local 1500, brought together to develop a strategy to establish more supermarkets in lower- and moderate-income communities. It was convened by the Governor's Office, the Mayor's Office and Food Policy Coordinator, the New York City Council, the Food Industry Alliance of New York, the Food

Bank of New York City, and UWNYC to elevate the discussion and work being done to increase the supply and affordability of healthy food in underserved communities throughout this city and the State.

In 2008, Food Trust, a Philadelphia based nonprofit, which works to improve the health of children and adults, promote good nutrition, and increase access to nutritious foods, released a report titled, "The Need for More Supermarkets in New York." This report was based on a study conducted by the Food Trust on the availability and accessibility of supermarkets in low income communities throughout New York City. It found that New York City food retailers and public sector development agencies had, whether intentionally or unintentionally, essentially "redlined lower-income communities, by failing to aggressively combat the factors that have led supermarkets to disinvest from these neighborhoods."

The report articulated several findings. It stated that there are one-third fewer supermarkets in New York's five boroughs today than there were six years ago; that compared to the national number of supermarkets per capita, New York City has 137 too few supermarkets; and that large areas of New York City have few supermarkets, and in many neighborhoods, none exist. Furthermore, in lower-income neighborhoods, the lack of a supermarket negatively impacts people's ability to obtain a nutritionally adequate diet, which can significantly impact their health.

Through mapping, the Food Trust's study and report showed that many neighborhoods in New York City with poor supermarket access also have a high incidence of diabetes-related deaths and diet-related diseases, leading to the conclusion that convenient access to supermarkets is a key factor contributing to the health and development of neighborhoods and the people who reside in them.

In part, in response to the report, but also as the next step of a series of activities and initiatives undertaken by the Mayor's Office, the City Council and the Governor's Office, key representatives of these government offices, collaborated with the Food Trust and other nonprofit entities in New York to establish the New York State Supermarket Commission in 2008.

The overall goal of the Commission was to help protect and improve the health of children and families by issuing a set of recommendations that, if acted upon, would ensure access to nutritious food, by ensuring a healthy balance of food retail as a priority for the comprehensive development of communities. Over a period of approximately six months, the commission met four times as an entire group and smaller groups were developed to focus on the issues that surfaced at these meetings.

The Commission arrived at a set of nine recommendations focused on supporting and balancing the needs and concerns of all critical stakeholders -- consumers, retailers, communities, employers and employees, and local farmers -- in the supermarket development process. In summary, the recommendations call for State and local government leaders to engage with industry and the civic sector to take critical steps with regard to supermarket financing, location siting, and development activities, to ensure the growth and expansion of supermarkets in communities with great need throughout the state.

UWNYC is pleased that the City has taken steps consistent with the findings and recommendations of the Food Trust and the Commission. The FRESH program is a positive step in the right direction to increase access to healthy foods in low income communities. In addition, the City has listened to the needs of the community and modified the proposal accordingly. We believe that the financial incentives and zoning components presented in the

FRESH program will address barriers that the Supermarket Commission worked to bring to the forefront and the basic needs of access to healthy and nutritious foods that exist in the communities in which we work.

Thank you.



NEW YORK STATE SENATE

DANIEL SQUADRON STATE SENATOR 25th District

TESTIMONY OF STATE SENATOR DANIEL SQUADRON BEFORE THE CITY COUNCIL ON OCTOBER 26, 2009, REGARDING THE PROPOSED REZONING OF CARROLL GARDENS AND THE COLUMBIA WATERFRONT DISTRICT

Thank you for the opportunity to testify here today. My name is Daniel Squadron and I represent the 25th Senate District in the New York State Senate. My district includes the Brooklyn neighborhoods of Greenpoint, Williamsburg, Vinegar Hill, Fulton Ferry, Brooklyn Heights, Cobble Hill, Carroll Gardens and Gowanus, and the Manhattan neighborhoods of Tribeca, Battery Park City, the Lower East Side, Chinatown, the Financial District, Little Italy, SoHo and the East Village.

As many of my neighbors in Carroll Gardens know, I do not just represent the neighborhood in the State Senate; I live there too. As a resident and a representative, I continue to support a comprehensive, contextual rezoning of the entire community, from the Gowanus Canal to the water. A rezoning is a vital component of a broader strategy to preserve the unique nature of the community while allowing responsible, contextual development.

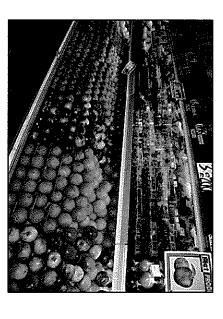
Community members and community groups have long advocated for a rezoning, and I appreciate the willingness of the Department of City Planning to work collaboratively to incorporate their input into the rezoning proposal. We are at this stage in the rezoning in large part thanks to the advocacy of Carroll Gardens and Columbia Waterfront residents and organizations, who have dedicated time, expertise and labor to his endeavor. This proposal is the product of extensive conversation between the City and the community. That history of engagement is reflected in the quality of the proposal.

Much of the proposal serves the long-stated community goals of encouraging responsible growth and protecting the unique, historic character of the neighborhood. Fifty-foot height limits throughout much of the area will encourage contextual development and preserve the low-rise nature of the community. A thoughtful approach to the Columbia Waterfront will allow for future commercial and residential growth on a comparable scale with existing buildings, and the careful targeting of commercial overlays will help new commercial growth fit contextually with existing commercial uses, protecting the character of the neighborhood's side streets and many residential blocks.

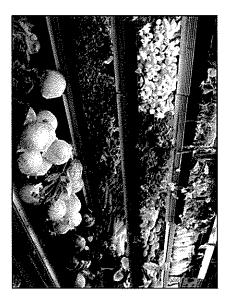
I do have some concerns about the current proposal. Several residential corridors are proposed for R6-A zoning, which would allow for a maximum building height of seventy feet and a Floor Area Ratio (FAR) of 3.0. R6-A is an appropriate zoning designation for certain wide commercial streets, but seems excessive for portions of Clinton and Henry, as the current plan proposes, as well as President Street and First Place. These streets are almost entirely residential and are largely defined by historic, low-density brownstones.

While I understand that DCP has chosen the R6-A designation because some existing buildings exceed the maximum area for an R6-B designation, I remain concerned that stretches of R6-A zoning on these streets could encourage irresponsible, non-contextual development that would conflict with long-held community goals and other components of this generally thoughtful rezoning plan. While I certainly support this rezoning effort, I urge the Council to particularly examine the proposal on these streets.

A rezoning of Carroll Gardens and Columbia Waterfront is long overdue, and I am pleased that DCP has been so inclusive of community residents and organizations in the development of its plan. Planning the future development of Carroll Gardens and the Columbia Waterfront raises questions that cut to the core of the neighborhood's identity; such an important process should be undertaken with the input and participation of the entire community. I look forward to working with the Community Board, with the City and with many of my neighbors to push the plan forward and re-zone responsibly for the future of our community.







The FRESH Food Store Area Program

Food Retail Expansion to Support Health:

Promoting Grocery Stores in Underserved Areas of New York City





NEW YORK CITY, MAKE IT HERE.



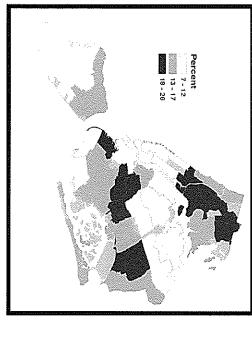
Five Borough Economic Opportunity

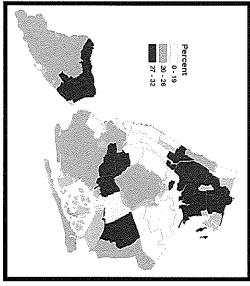
Neighborhoods Where Fruit & Vegetable Consumption is Low Have High Rates of Obesity & Diabetes

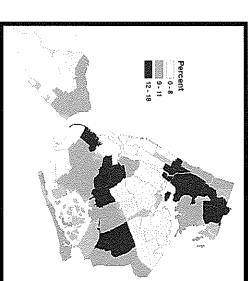
Percent of New Yorkers Who
Did Not Eat Fruits or Vegetables
on the Previous Day

Percent Obese

Percent with Diabetes







Percent of New Yorkers that ate no fruit or vegetables the previous day

South Bronx

23%

Central Brooklyn

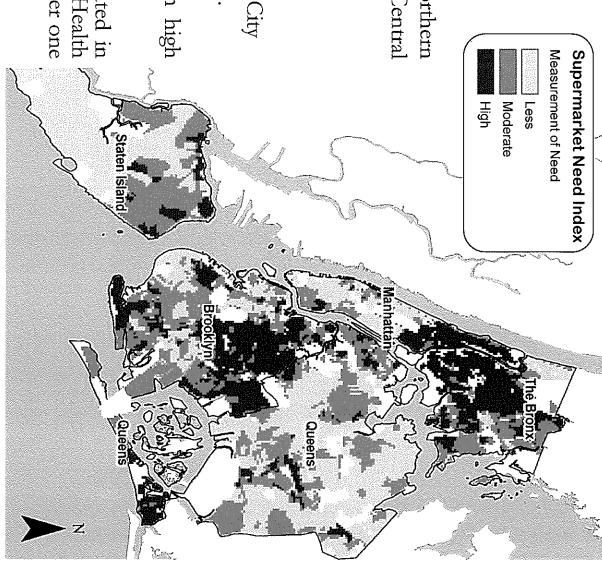
20%

East & Central Harlem

20%

Findings:

- Highest need exists in northern Manhattan, the South Bronx, Central Brooklyn, and Jamaica, Queens.
- More supermarkets are needed citywide. EDC estimated approximately \$1 Billion in lost City grocery sales to suburban stores.
- 3 million New Yorkers live in high need areas.
- High need areas are concentrated in and around the District Public Health Office (DPHO) areas where over one million New Yorkers live.

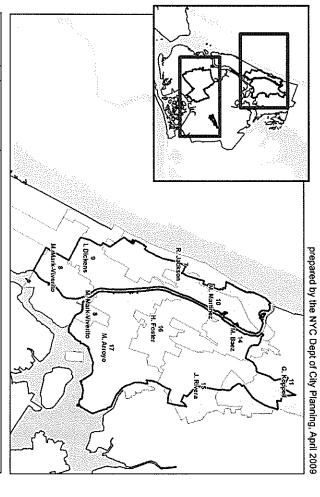


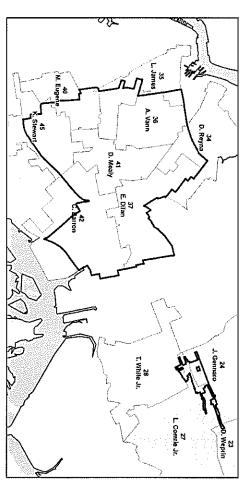
FRESH FOOD STORE AREAS

FRESH food store text amendment affects:

Council Districts included in NYC FRESH Program Areas

- Portions of 21 Council Districts
- Northern Manhattan: Generally CDs 9-12
- South Bronx:
- Generally CDs 1-7
- Central Brooklyn: Generally CDs 3, 4, 5, 8, 9, 16, 17
- Jamaica, Queens:
 Special Downtown Jamaica District



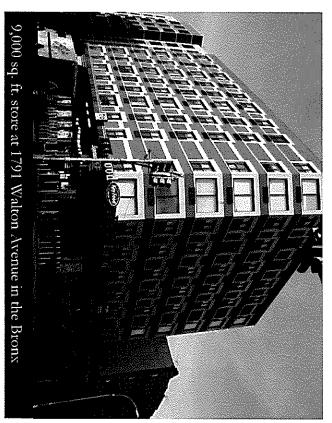


DEFINITION

What food stores qualify for FRESH?

A store whose primary business is the sale of a general line of food products intended for home preparation and consumption, including a healthful selection of fresh fruits and vegetables; fresh and prepared meats, fish, and poultry; canned and frozen foods; and dairy.

- (1) the total store selling area occupies a minimum of 6,000 sq. ft.;
- (2) a minimum of 30 percent of total store selling area is devoted to the sale of perishable products that includes dairy; fresh produce; fresh meats, poultry, and fish; and frozen foods; and
- (3) a minimum of 500 sq. ft of selling area is devoted to fresh produce (fruits and vegetables).





ZONING INCENTIVES

Additional floor area in a residential building with a ground floor FRESH food store

- One additional square foot of residential floor area would be allowed for every square foot provided for a FRESH food store up to 20,000 sq. ft.
- Where contextual envelopes apply, buildings would be required to abide by height limits and other bulk regulations.
- By City Planning Commission Authorization, the development could apply to exceed the height limit by a maximum of 15 feet if the contextual envelope prevents them from achieving the full development potential on site.



If this new building in Manhattan included a 15,000 sq. ft. FRESH food store, it could provide approximately 15 additional dwelling units.

ZONING INCENTIVES

2. Reduction in required parking

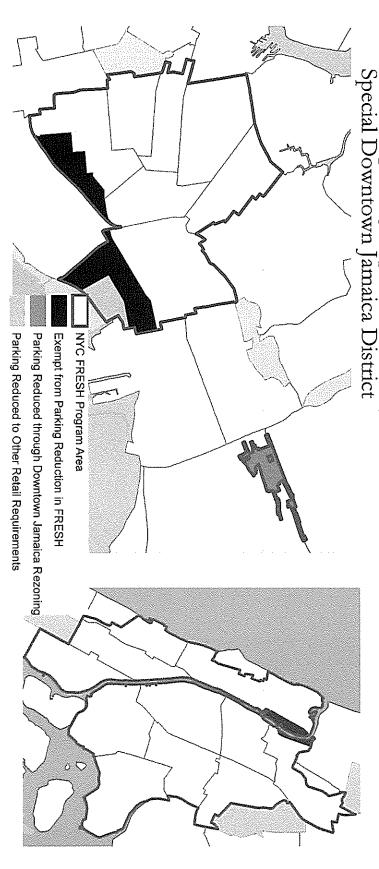
- In commercial districts that require parking, except for C8- districts, FRESH food stores up pedestrian-oriented, and current parking requirements are unnecessarily high. to 40,000 sq. ft. would **not** be required to provide parking. These areas are dense and
- requirement. After the first 15,000 sq. ft. underlying parking requirements would apply. In C8- and M1- districts, the first 15,000 sq. ft. of grocery store would have a low parking These areas are generally adjacent to residential areas, where some parking is necessary for
- stores along pedestrian-oriented retail streets in the FRESH Food Store Areas Reduced parking requirements will decrease costs associated with parking for FRESH food



REDUCED PARKING CARVE-OUT AREAS

- by automobile are excluded from the reduced parking requirements for FRESH food Lower-density neighborhoods and zoning districts where shoppers are likely to arrive
- requirements as other retailers, rather than higher requirements as under current and then walk to multiple stores, FRESH food stores would have the same parking In other selected shopping center districts, where people tend to arrive by car, park,

Reduced parking requirements for grocery stores have already been applied in the



ZONING INCENTIVES

3. Modified light manufacturing use regulations

- M1 districts within FRESH Food Store Areas Permit FRESH food stores as-of-right up to 30,000 sq. ft. from 10,000 sq. ft. in all
- environmental review for stores up to 30,000 sq. ft. Eliminates the need for a special permit and its costly and lengthy land use and

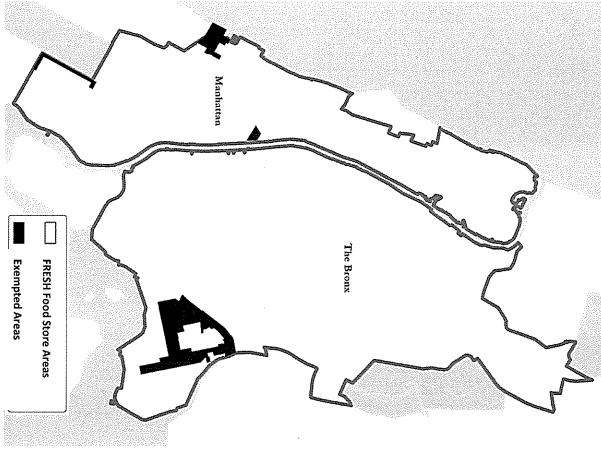


allow a 10,000 sq ft grocery store to be built on this site in the Bronx. Under the proposal, a FRESH food store up to 30,000 sq. ft. would be permitted as-of-right. This site is more than a ½ mile from the nearest existing grocery store in a Mixed Use District.

TREST

PROGRAM AREA EXCLUSIONS

Certain districts will be excluded from the FRESH Food Store Areas



FRESH will not be applicable in special zoning districts where modified rules for grocery stores already exist, or where its provisions would be inconsistent with the objectives of the special district. The Special Districts include:

- Special Hunts Point District
- Special Manhattanville Mixed Use District
- Special Madison Avenue Preservation District
- Special Park Improvement District

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DESIGN REGULATIONS

FRESH food stores will be required to adhere to special design regulations:

- Must display sign declaring participation in FRESH
- Urban design rules would require
 70 percent glazing on ground floor,
 50 percent of which must be
 transparent
- By Chairperson Certification, the glazing requirement may be reduced where a store fronts multiple streets or where a building receives public funding
- All security gates must permit visibility of at least 75 percent of area covered by gate when viewed from street



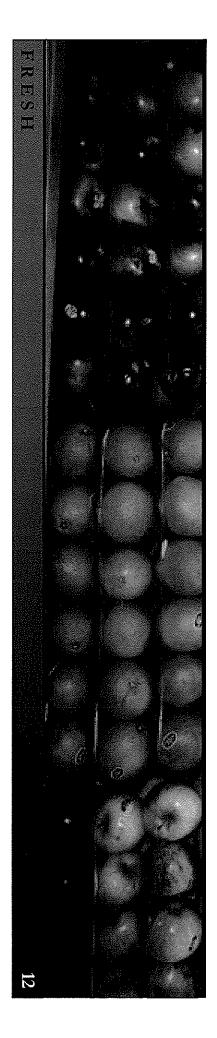
CERTIFICATION

Buildings receiving zoning incentives must:

- Have a FRESH food store certified by the City Planning Commission Chair;
- Provide certification application to affected Community Board for 45-day review;
- the building that meets the floor area requirements; and Demonstrate a commitment, through lease or MOU, to continually tenant a FRESH store in
- Record declaration of restrictions on the deed to the property specifying this commitment to retain a FRESH food store

Buildings receiving additional floor area must:

issued for increased residential floor area in the building. Have grocery store Temporary Certificate of Occupancy (TCO) issued before a TCO can be



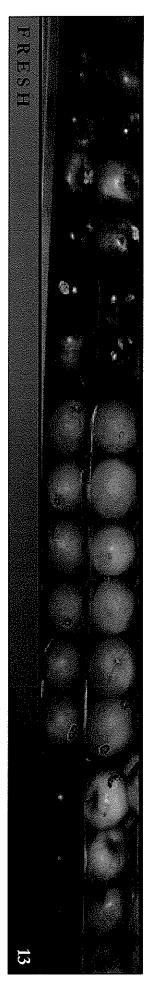
ENFORCEMENT & RESTRICTIONS

Periodic Compliance Reporting

three years documenting the condition of the store as further evidence, is required every An affidavit attesting that the certified FRESH food store continues to operate in accordance with the restrictive declaration, with accompanying photos

Clauses for non-compliance and release from program

- operate a FRESH food store exist: incentives, stringent rules for being released from the continuing commitment to If a FRESH food store is not viable despite the FRESH Food Store Area
- Change of use permitted by a City Planning Commission (CPC) Chair the zoning lot; or Certification only if proposed alternative use meets all zoning regulations for
- demonstrate that market conditions are unable to support a grocery store at prior tenant. that location, and such conditions were not created by the applicant or a not meet all zoning regulations for the zoning lot. Applicant must Change of use permitted only by a CPC Authorization if alternative use does



FRESH FOOD STORE AREAS



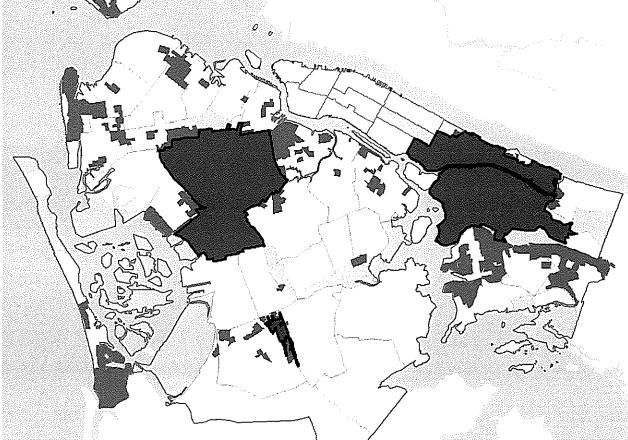
•Additional floor area in residential buildings with a certified ground floor FRESH food store.

•Reduction in parking requirements for certified FRESH food stores.

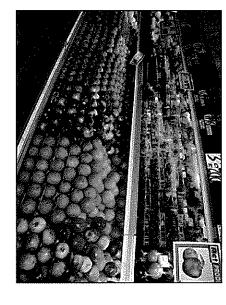
•Modification of M1 regulations to permit certified FRESH food stores up to 30,000 square feet.

incentives may be available (financial incentives are already available through the NYC IDA).

Additional areas where



The FRESH Food Store Area Program







Questions

Testimony of Benjamin Thomases New York City Food Policy Coordinator Office of the Mayor

before the
New York City Council Subcommittee on Zoning
regarding
The Food Retail Expansion to Support Health (FRESH) Program
October 26th, 2009

City Hall Council Chambers New York, NY Good afternoon, Chairperson Avella and members of the Sub-Committee on Zoning. My name is Andrea Cohen, and I am the New York City Director of Health Services. I am here offering testimony for Ben Thomases, the City's Food Policy Coordinator.

The zoning text changes before you today are unusual because they are an important response to a public health crisis. Like the rest of the nation, New York City is in the midst of an increasingly serious epidemic of obesity and diet-related disease. In NYC, obesity rates have increased more than 70% since 1994. Nearly 60% of New York City adults are either overweight or obese. The situation among young people is also alarming, with 39% of children between kindergarten and eighth grade overweight or obese. Similarly, diabetes has more than doubled in NYC over the past 10 years. More than 500,000 adult New Yorkers have diagnosed diabetes and it is estimated that an additional 200,000 have diabetes and do not yet know it. Furthermore, heart disease is the leading cause of death in NYC; in 2007 it accounted for over 21,000 deaths or 40% of the total deaths in NYC. All of these disease risks can be significantly reduced through a healthier diet, and a healthier diet is promoted by increased availability of healthier food.

In November of 2006, in response to this crisis, Mayor Bloomberg and speaker Quinn joined together to create the position of Food Policy Coordinator, and the Food Policy Taskforce. The Taskforce created a framework for the Mayor's Office, the City Council, and City agencies to join together to promote access to healthy food for all New Yorkers.

While rates of obesity, diabetes and heart disease are high across the entire City, there is a remarkable geographic concentration of the problems in specific neighborhoods with high concentrations of poverty. As you can see on Slide 1, there are substantial differences among neighborhoods in rates of obesity and diabetes; these differences coincide with variation in the consumption of fruits and vegetables. The neighborhoods with low consumption of fruits and vegetables have the highest prevalence of obesity and diabetes.

Many factors contribute to the rise in obesity, but there is a growing body of literature establishing a specific link between lack of retail access to fresh produce with obesity and poor health outcomes. One study, published in the American Journal of Preventive Medicine in 2006, focused on the relationships between supermarkets and obesity in populations across four states. This study found that—while controlling for individual level factors such as race/ethnicity, age, income, and education—the presence of supermarkets in a census tract was associated with a 17% lower prevalence of obesity. The City's 2008 study, "Going to Market," quantified and mapped the lack of sufficient healthy food retailing in underserved areas throughout the five boroughs. The index indicates a widespread shortage of grocery stores and supermarkets throughout the City but a concentration of high need areas in Northern Manhattan, the South Bronx, Central Brooklyn, and small portions of Queens and Staten Island.

The map on Slide 2 shows that the areas with the greatest shortage of supermarkets are almost exactly the same areas as those with low consumption of fruits and vegetables and high rates of obesity and diabetes. In these areas, food dollars are likely being spent at discount and convenience stores whose line of food products is limited, of poor

nutritional quality, and generally more expensive than the same products sold at supermarkets.

In response to this evidence, the Food Policy Taskforce has expanded the City's efforts to increase access to fresh produce in underserved communities through a variety of retail outlets including bodegas, Green Carts, and farmers' markets. We would like to take this opportunity to thank Speaker Quinn and the Council for participation in the Taskforce and leadership and vision in advancing the City's food policy agenda.

These efforts built upon the City's work to improve nutrition through the District Public Health Offices. Located in Harlem, the South Bronx and Central Brooklyn, these offices coordinate and target the Health Department's programs, while building strong relationships in the neighborhood to better support residents and community based organizations.

Since 2007, the administration and Speaker's Office have been designing the Food Retail Expansion to Support Health, or FRESH, initiative to attract supermarkets to these same communities. The zoning text proposal before you today is one critical component of the FRESH program.

The City designed the FRESH program with assistance from many key stakeholders under the auspices of the New York Supermarket Commission. Starting in 2007, the City Council joined the Gerald J. and Dorothy R. Friedman Foundation in funding the work of the Commission. The Commission was jointly convened by the United Way of New York City, the Food Industry Alliance of New York, the Food Bank for New York City, the Food Trust, and the Mayor's Office. The Commission was an extraordinarily productive collaboration, and we would like to thank the co-conveners and participants including organized labor, supermarket operators, children's health advocates, and economic development experts for their contributions to this effort.

Through the Commission the City identified numerous barriers to supermarket investment: difficulty of finding suitable sites for supermarkets, zoning restrictions and the frequent need for expensive and risky public review processes, high costs compared to suburbs, various sources of risk aversion, and difficulties navigating the permitting process. At the same time, EDC has estimated that there is \$1 billion in grocery spending leaving the City each year. This revenue represents approximately 20% of the total grocery store sales in the City and could support more than an additional 100 stores. In order to strengthen existing supermarkets and facilitate the development of new stores, we developed the FRESH program.

The proposed FRESH zoning incentives encourage neighborhood grocery stores to locate in some of the most underserved neighborhoods in the City with primarily pedestrian-oriented, local shopping districts. In a moment, City Planning will offer much more detailed testimony regarding these proposed zoning changes.

In addition to these zoning changes, the FRESH initiative also includes discretionary financial incentives offered by the NYC Industrial Development Agency to help new and

existing grocers overcome barriers to entry and operation. The benefits include: sales tax exemption on materials for construction and fit-out, and on equipment costs; a mortgage recording tax waiver; and property tax abatements for up to 25 years with a phase-out beginning in year 21. The financial incentives offered through FRESH are available now, and we have been meeting with operators to market the program and encourage them to consider both renovation and new construction projects.

Additionally, we received grant funding from New York State to hire a Healthy Business Development Coordinator at EDC. The Coordinator will conduct outreach to the supermarket industry, assist with marketing analyses and identify sites and appropriate incentives for supermarkets. The coordinator will also inform operators of existing energy efficiency programs offered by NYSERDA.

Additionally, New York State has announced a \$10 million revolving loan fund to help build new stores statewide. The State is working on the details of the program, and we expect that it will help complement the zoning incentives.

Taken together, these measures have the potential to attract supermarkets to the New York City neighborhoods that need them most. In conjunction with the City's many other food policy initiatives, the FRESH Program will help us become a City where all residents have access to healthy food—where eating five servings of fruits and vegetables a day is as easy as finding a subway that goes to Fulton Street.

We urge you to approve the proposed FRESH zoning changes, and we'd like to thank the Council for its leadership on food policy issues, for its support for the Supermarket Commission, and for the opportunity to testify today.



United Food and Commercial Workers Union Local 1500 (UFCW 1500)

Testimony before the New York City Council

Zoning and Franchise Committee

The F.R.E.S.H. Initiative

October 26th, 2009

Good morning Chairman Avella and members of the Subcommittee. My name is Patrick Purcell and I am the Assistant to the President of United Food & Commercial Workers Local 1500. We are New York State's largest local union representing grocery store workers. Local 1500 represents over 23,000 workers employed by Pathmark, Stop and Shop, Shop Rite King Kullen, Gristedes, Key Food, D'Agostino's, Fairway, and many other independent stores.

Eighteen months ago, Local 1500 started a campaign to raise awareness of the need for more supermarkets throughout New York City. We especially focused on underserved communities. With the assistance of Speaker Quinn and her staff, members of the City Council, members of the City Council, the Bloomberg Administration, dozens of community groups and the Department of City Planning, we find ourselves here today reviewing the F.R.E.S.H. initiative, we find ourselves here today discussing the fruits of our labor, FRESH.. We are grateful for everyone's guidance and support.

As you know, F.R.E.S.H has two components: a zoning text change and economic incentives. Local 1500 support's the zoning text changes you find before you today. We believe they are the product of many hours of negotiations between all of the parties. The strength of our united voice has improved the zoning text change part of F.R.E.S.H. from its original form. The program now includes key provisions for community involvement, and it requires participants to apply for the EBT and WIC programs.

It is the financial incentives/tax subsidies that kick in for Supermarkets certified under F.R.E.S.H. that prevents us from completely supporting the entire F.R.E.S.H. initiative as of today. Before I explain our issues, I would add that over the past several weeks we have engaged in very constructive negotiations with all parties about our concerns with the financial incentive part of F.R.E.S.H. I can happily report that I feel that we are making great progress and believe we will resolve our remaining differences.

What are those differences we are bridging?

Local 1500 echoed the concerns of many New Yorkers who are tired of seeing their tax dollars wasted on subsidy programs that incentivize bad behavior. Zoning incentives and financial subsidies should not go to unscrupulous stores that exploit workers, ignore the voices of communities or show little respect for the environment.

Since others will focus on community involvement and the environment, I will spend a little time on job standards. With job standards, an effort can be made to either eliminate or reduce the amount of subsidy that goes to irresponsible employers. To be successful and not wasteful, the F.R.E.S.H. initiative must recognize an important fact: supermarket jobs are not all the same. New York City's supermarkets are represented by the good, the bad, and the ugly.

Good supermarkets provide living wages, health benefits, opportunities for advancement, and a voice on a job. Working at a good supermarket, a person can make a living, support a family, and work with dignity.

Bad supermarkets pay poverty-level wages. They do not provide affordable health insurance and force people to rely on government programs. We've actually seen cases where stores provide employees with handbooks that tell them how to sign up for Medicaid. These stores keep people in poverty. They also lack any reasonable grievance procedure and therefore often fire people without cause or worse, because they try to form a Union.

The ugly stores are the ones that flagrantly break the law. There are too many cases where a supermarket will totally disregard labor laws. Just last June, the New York State Department of Labor found that eight supermarkets in NYC literally did not pay their workers: many baggers at these stores were paid only with tips. Last February, the DOL announced a \$1.5 million settlement with a chain called Amish Markets. Amish had violated overtime laws at nine of its stores. Workers clocked in up to 60 hours a week without being paid overtime, as required by law. New hires received less than the minimum wage during a so-called "trial period."

I would also call special attention to Whole Foods Markets, a supermarket that recently said that passage of F.R.E.S.H. might increase their interest in moving into underserved communities. This is a Supermarket that completely disgusts me. This is a company who has aggressively fought against healthcare reform and the use of tax-payer dollars to help the uninsured yet feels it would be ok to accept tax dollars to expand their narrow minded kingdom.

Whole Foods President of the Northeast Region said this about F.R.E.S.H "It's definitely enticing for us." Incentives might help Whole Foods move into areas they might not normally look into because Whole Foods stores need a certain concentration of "people that live our lifestyle," which includes a concern for "what they're putting into their bodies." That comment is deplorable and the company's views are hypocritical. If the only way they would consider going to a neighborhood that doesn't necessarily "live their lifestyle is with tax subsidies that they do not want used to provide healthcare to these same people, then I say these communities rare better off without them.

If F.R.E.S.H. subsidizes these kinds of stores, the program will be an embarrassment for the City and a waste of our tax dollars. Without standards, the program will actually incentivize poverty. By giving tax breaks to bad stores, we will make it easier for them to compete against good stores. We will be interfering in the labor market and will artificially depress wages.

We have offered many mechanisms that would include standards in F.R.E.S.H. One possible avenue that we are exploring is a "score card," that would be part of the existing VENDEX. The City currently uses VENDEX to grade a business's eligibility before the business can receive City subsidies. We believe that we should look at a way for VENDEX to be expanded and more focused on the Supermarkets industry, because as it is the VENDEX does not take into consideration the important differences between a supermarket and other types of businesses. In particular the VENDEX should score stores based on their ability to provide good food and good jobs.

To conclude, the 23,000 members of UFCW Local1500 are asking that the City Council only support the zoning text changes included in F.R.E.S.H., if the program's economic subsidies are linked to job standards.

Thank you.

FRESH: Food Retail Expansion to Support Health COMMUNITY BENEFIT SCORECARD

Store Name/DBA	
Address	
City	Zip

FRESH definition

As a condition of EDC subsidy request, operators must meet the following FRESH store definition:

- at least 10,000 (6,000 FRESH definition) square feet of selling area is used for a general line of food and nonfood grocery products such as dairy, canned and frozen foods, fresh fruits and vegetables, and fresh and prepared meats, fish, and poultry, intended for home preparation, consumption and utilization;
- at least 75 (50 FRESH definition) percent of such selling area is used for the sale of a general line of food products intended for home preparation, consumption and utilization;
- at least 30 percent of such selling area is used for the sale of perishable goods that shall include dairy, fresh produce, and frozen foods and may include fresh meats, poultry, and fish; and
- d) least 500 square feet [or 10% of such selling area, whichever is greater,] is used for the sale of fresh produce.

Scoring:

Scores of 0-45 do not qualify for subsidy.

Scores of 45-55 qualify for a subsidy at 50% of maximum subsidy amount.

Scores of 56-65 qualify for a subsidy at 75% of maximum subsidy amount.

Scores of 66-75 qualify for a subsidy of 100% of maximum subsidy amount.

*Where applicable documentation should be provided to support answers.

		Possible points	Score
ty(30)	Will the proposed store accept: Food stamps/EBT WIC Carry full WIC package Will the proposed Supermarket have supplemental departments with specialized staff to provide personalized service in: Deli Meat and seafood Bakery	2 2 2 2 2 2 2 2	
	Supermarket will not charge a membership fee (excluding food coops)	2	
Community(30)	Will the supermarket commit to have a program to promote public health including such activities as providing free health screenings, nutritional education, and/or allow organizations to provide these services at stores?	2	
1	Will the supermarket have a management training program?	2	
	Will the supermarket hire management from the surrounding community where store is located?	2	,
	Will the store offer healthy food options including: Soy products Organic products (as approved by the USDA or accrediting	.5 .5	
	agency recognized by the USDA) Diabetic products such as items high in fiber, low-sugar and	.5	

sugar-free Low-fat food options such as low-fat milk and lean meat	.5	
Will the supermarket commit to hire more than 50% of total employees from surrounding community where store is located?	5	
Will the supermarket provide the following services? Bag groceries Carry groceries to car Shuttle service	1	,
Will the supermarket commit to notify surrounding area of potential store closing at least 60 days prior to closure?	2	

Will the supermarket employ: Below 25 employees Between 25 and 50 So or more What is the mean hourly wage for full-time, non-management level employees within the supermarket? Mean wage is between \$10.00-11.99 Mean wage is between \$12.00-14.99 Mean wage is between \$15.00 or greater Will the Supermarket maintain employees at a minimum of 16 hours of work per week? Will the Supermarket have a clearly defined salary progression schedule for employees that rewards experience and longevity? (please attach a copy of policy) Will the Supermarket provide affordable health benefits for full time employees? Not subsidized Mill the Supermarket provide affordable health benefits for part time employees (with no more than a 6 month eligibility delay)? Offer employer-paid vision coverage? Offer employer-paid vision coverage? Offer employer-paid dental coverage? Will the Supermarket have a written grievance policy? (please attach) Will supermarket have a written grievance policy? (please attach) Will supermarket have a written grievance policy? (please attach) Will supermarket have a written grievance policy? (please attach) Will supermarket have a written grievance policy? (please attach) Will supermarket have a written promotion policy? A will the Supermarket maintained responsible and lawful employment practices over the last five years by complying with: New York State wage and hour laws New York Workers Compensation requirements For that period, please provide information on any violations, including pending complaints or settlements, and please furnish proof	
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For that period, please provide information on any violations,	
For that period, please provide information on any violations, including pending complaints or settlements, and please furnish proof	
including pending complaints or settlements, and please furnish proof	
of workers compensation coverage.] [

	Will the supermarket be a participating member of the Pride of New York program?	1	
	Will the supermarket sell environmentally friendly household items such as non-toxic cleaning products, recycled paper products, and compact fluorescent light bulbs?	1	
	Will the supermarket provide bottle return service?	1	
<u>0</u>	Will the supermarket offer bagging alternatives such as canvass bags, paper bags, and reusable bags?	1	
Environment (10)	Will the proposed store implement energy efficiency programs for Electricity use	1	
l u	 Water usage 	1	
일	Waste	1	
2	Will the supermarket participate in the "Million Trees NYC" program?	1	
ш	Will the proposed store be L.E.E.D. certified?	2	
Score			

<u>Transparency & Accountability*</u>
Supermarket will fill out scorecard and submit to NYC EDC on December 1 each year that it receives NYC economic subsidies. The following penalties apply to scores:

Overall Scorecard Value	Penalties
66-75	No penalties
45-65	Permanent reduction in future benefits (not including growth credits). If reduction calculations exceed remaining benefits, company must pay IDA the difference.
45 and below	The IDA may, at its discretion, terminate all future benefits, cancel PILOT and Lease Agreements, cancel sales tax letter, and divest from any interest in company property.

^{*}Based on EDC agreement (approved 6/10/03) with Pfizer development at 685 Third Avenue, Manhattan.

Good morning,

My name is John Tyus and I am a member of F.U.R.E.E., Families United for Racial and Economic Equality, a grassroots organization committed to the economic and political empowerment of low income and poor communities of color. As an F.U.R.E.E member I have taken on the responsibility to gain and share knowledge of the FRESH program. This is the basics for my involvement and work with the coalition to improve the standards of FRESH.

I would like to begin by thanking you for you're efforts to improve the quality of food distributed in the poorest communities of NYC. It is my understanding that you have made significant progress in establishing standards for FRESH. However, it is also clear that there is much work regarding good job standards for business receiving public subsidies through this program. I can tell you point blank that my organization would not be supportive of FRESH with out them.

Presently, I have been forced to shop outside of my neighborhood because the local supermarkets operating within it, are distributing foods that are unhealthy and of extremely poor quality. The tactics and practices of these food chains are in pursuit of profits without regard to the long term damage being inflicted on the community. Bravos my representation of a Bad Store and other local chains routinely raise their prices on the first of the month and on the fifteenth of the month when food stamps are typically distributed.

Our communities need you to consider that many of the local supermarkets are poorly lit making it virtually impossible for seniors to shop intelligently and most don't pay a living wage or provide health benefits. It is customary for store operators to direct employees to family services, food stamps and other programs to subsidies their incomes. This practice must not continue with FRESH after all just how much subsidy is a business entitled to. Paying living wages and benefits would go a long way to eliminating poverty.

Finally, as you review the pros and cons of our standards, understand that we need you to think about the fact that any supermarket chain that receives public subsidies through Fresh must have a business model that will allow them to establish their pricing for the existing customer base in our community and not the middle class consumer being sought after by the developers. We need you to consider along with the other factors, that our communities are being poisoned in the richest city, within the richest country in the world and that is unacceptable.

Thank You





Testimony of Kerry Birnbach, IVAH Coordinator New York City Coalition Against Hunger before the New York City Subcommittee on Zoning and Franchise

Regarding the Food Retail Expansion

to Support Health, ("FRESH,") Program

Introduction

Good morning. I am Kerry Birnbach, IVAH Coordinator of the New York City Coalition Against Hunger (NYCCAH), which represents the more than 1,200 food pantries and soup kitchens in New York City and the 1.3 million low-income New Yorkers forced to obtain food from these charities; this testimony is submitted on their behalf. As Coordinator of the Interfaith Voices Against Hunger group, I work with faith leaders and community organizers to do advocacy and outreach work promoting food security throughout New York City.

First, I want to thank the subcommittee for having this vital hearing. The Fresh Retail Expansion to Support Health (FRESH) program addresses a critical need for supermarkets in low-income areas. We join UFCW Local 1500 and other non-profit groups to applaud the City for undertaking this initiative at the same time as we strongly suggest that the City be more specific in its quality standards for food in low-income neighborhoods, as well as more specific about a requirement that the stores pay their workers a living wage.

Food Deserts - the Need for FRESH Stores

The lack of supermarkets makes a vast impact on the health of a community. Areas without a full range of markets are "obesogenic" (obesity producing). Four different studies have demonstrated a positive association between access to food stores and improved dietary choices. A study in four states found that areas with high numbers of supermarkets had lower rates of obesity while areas with higher numbers of convenience stores had higher levels of obesity. Nationwide, for every additional supermarket in a census tract, fruit and vegetable consumption increases by as much as 32 percent.

Even if low-income New Yorkers could afford nutritious food, it is often simply unavailable in their neighborhoods. The FRESH Program is the first step in providing nutritious food in low-income communities.

The Importance of Nutritious Food to Combat Obesity

The link between obesity and diabetes is particularly strong in low-income neighborhoods, as the neighborhoods with the highest rates of diabetes are the neighborhoods with the highest rates of obesity and, not coincidentally, the highest rates of poverty and food insecurity. Nutrition-related diabetes has now reached epidemic proportions in the United States. Establishing supermarkets in low-income communities is an excellent preventative measure to these diseases, but to ensure that people utilize these supermarkets, they need to accept SNAP/WIC benefits and provide their workers with living wages so they can afford to buy healthy food.

We cannot improve the health of these communities without assisting them out of poverty. To do this, workers need living wages and health benefits so they can afford to buy healthy food from the stores they work in. As it stands, the FRESH program reduces food insecurity, but it will not reduce poverty, or obesity and diabetes, without supporting the surrounding community.

Low Income Communities- the Need for SNAP/WIC Benefits and Affordable Prices at FRESH Stores

For people who rely on the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program), the healthiest food choices can be even more difficult to access, and the hardest to afford. Out of the 162,015 retail outlets in America authorized to accept SNAP/WIC benefits in 2007, only 2,010 were farmers' markets or produce stands. While it's certainly helpful that there are now more than 4,385 farmers' markets in the country—an 18 percent increase since 2004—only 10 percent of them accept food stamp benefits. For the FRESH program to be effective in promoting healthy eating, it has to be accommodating to the needs of the community by accepting SNAP/WIC benefits.

As the number of SNAP/food stamp applicants in New York City increased by almost 30 percent since January last year, there are approximately 1.6 million New Yorkers on the food stamp rolls according to the Independent Budget Office of New York City. Emergency food providers (EFP's) are also experiencing increased demand- in 2008 EFP's served 28 percent more people than they had in 2007. To ensure that stores cater to low-income communities we recommend adding stronger language in the FRESH program text that stores will apply to accept for SNAP/WIC benefits.

It is crucial that FRESH stores sell produce and food products that low-income communities can afford. While the City does not control food prices, it can provide incentives to stores with reasonably priced food. One University of Washington study in Kings County, Seattle measured the cost of market baskets (consisting of 100 food items

from the U.S.D.A Thrifty Food Plan). The study found that prices of markets baskets varied significantly between seven chain supermarkets: mean total costs ranged from \$218.22 to \$405.69. This study exemplifies the importance of supporting supermarkets that provide affordable food, and it shows that some chain supermarkets provide more affordable food than others.

Bringing Money Into the Local Economy: Local Food in FRESH Stores

In addition to accommodating the local community, accepting SNAP/WIC benefits in FRESH stores helps to bring federal dollars into the local economy. Another way to boost the local economy through FRESH stores is to participate in the Pride of New York program that supports locally grown products. The Pride of New York program

FRESH in the Context of a New Food Security Public Policy Agenda

Government can do a much better job of encouraging new supermarkets in low-income neighborhoods and in preventing existing food stores from going out of business. The study conducted by the City of New York that prompted the FRESH Program found that: "The city is vastly underserved by local grocery stores. NYC has the potential to capture approximately \$1 billion in grocery spending lost to suburbs." The need for the FRESH program is clear, but it will not properly serve the community unless it is attached to good food and good job standards.

Mayor Bloomberg has done excellent work on food safety issues: he appointed the city's first-ever Food Policy Coordinator. The city launched a "Healthy Bodegas Initiative" to help small food stores increase the availability of fresh produce and low-fat milk. The city created a "Health Bucks" program to give low-income New Yorkers more purchasing power at farmers' markets. In 2008, Bloomberg, as well as the City Council, put their weight behind a controversial (yet courageous) proposal to create a "Green Carts" program to place fresh fruit and vegetable vendors in underserved neighborhoods.

Given the great need for more fresh food in low-income neighborhoods to fight hunger and prevent against disease, we join the UFCW and other organizations on this panel in making the following recommendations:

The FRESH supermarkets must be required to accept WIC and SNAP benefits so that low-income residents are able to benefit from these stores and that New York City can bring federal SNAP dollars into the City through this initiative.

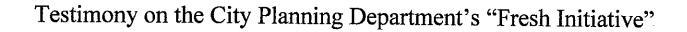
Participate in the Pride of New York Program so that FRESH stores will support local farmers and the local economy.

¹Mahmud, Nadia, Et Al. CPHN Public Health Research Brief. "The Search for Affordable Nutrient Rich Foods." July 2009. Center for Public Health Nutrition, University of Washington.

Fight poverty. The FRESH supermarkets should be required to pay their workers prevailing wages in the New York City supermarket industry. This will help provide more jobs for low-income New Yorkers that will allow them to also feed their families. Bring federal dollars into the City.

Taken together, those steps could go a long way towards bringing healthy, affordable food into New York's low-income neighborhoods. Thank you for this opportunity to testify.

Richard Lipsky Associates, Inc. Legislative and Public Relations Consultants



Prepared for the City Council's Zoning and Franchises Subcommittee

Dr. Richard Lipsky

October, 26, 2009

We applaud the fact that the City Council has taken the lead in trying to address the supermarket gap that has been determined to make it difficult for residents in certain low income areas to access healthier foods to consume. The underlying rationale, which we would agree is sound, is that supermarkets are an essential public health service; since their presence in a neighborhood has been shown to reduce certain unhealthy outcomes for area residents.

That being said, the next question policy makers need to address is, what should be done to remedy the lack of supermarkets in certain city neighborhoods? In order to answer this question correctly, we need to better gauge the reasons for the relative market scarcity.

In 2008, the Department of City Planning conducted a study that determined that a supermarket gap existed in NYC. As the department's report stated; "There is enormous capacity for new supermarkets throughout the city. NYC has the potential to capture approximately \$1 billion in lost grocery sales to suburbs. The loss in sales is enough to support more than 100 new neighborhood grocery stores and supermarkets."

Absent from the analysis, however, is the fact that-over the past eight or nine years-the city has lost over 300 local supermarkets. So, if indeed there is a gap, than the gap has come as a result of the loss of existing markets. But instead of addressing the **disappearance** factor-the underlying causes of store closings-City Planning devised an elaborate plan for incentivizing new market penetration in areas it considers to be underserved.

At the same time, the Department doesn't appear to have taken into consideration the impact that new-tax subsidized-store penetration would have on the stability of the supermarkets still doing business in the targeted neighborhoods. It is logical to assume, that if stores were leaving many city neighborhoods, than certain underlying business factors must have contributed to their de-stabilization. Adding new stores when these underlying factors haven't been addressed, then, is likely to exacerbate the disappearing supermarket trend.

What should be clear is that NYC is losing supermarkets; and that good public policy must address the underlying causes of the disappearance. The current supermarket initiative, however, appears to be a good answer to the

wrong question-a non sequitor that won't remedy the supermarket deficit that it purports to ameliorate.

So, what do we believe the city should do? Here are some areas that we should consider in the effort to give the city's policy more substance, and relevance to the problem of supermarket retention;

- (1) Reducing the Cost of Doing Business: The city's initiative provides tax abatements to new store development; but doesn't provide similar support for existing markets. The city should look to create a real estate tax abatement program that would treat neighborhood markets as public health facilities. By doing so-and the abatement must be significant-the city is acknowledging that these retail outlets are essential city services and need to be subsidized so that they can profitably remain in the city's most underserved neighborhoods;
- (2) <u>Living Wage</u>: Any real estate tax relief should be tied to living wage standards to avoid subsidizing lower wage workers to compete with employers who hire union workers;
- (3) <u>Peddling</u>: Peddling in front of existing supermarkets needs to be curtailed as part of any retention program. It makes no sense to allow low overhead street vendors to take away business from supermarkets struggling with high rents and onerous regulations-not to mention the issue of union wages and benefits-that creates a severely unlevel playing field;
- (4)<u>Supermarket Impact Statement</u>: Any zoning change, and/or regulatory proposal should be subject to a mandatory, "supermarket impact analysis;" so as to determine if the proposal would hurt the productivity of these vital retail outlets. The impact analysis must be independent of the developer designated;
- (5)<u>Commercial Waste Disposers</u>: An effort should be made to revisit the proposal to allow for a pilot program for food waste disposers in supermarkets. With disposal costs skyrocketing, this cost reduction initiative would help stores reduce the cost of doing business;
- (6) <u>City-Owned Property</u>: Any disposition of large parcels of city-owned land should be evaluated for the potential that the site has for a new supermarket. If it

is determined the site would be viable, than the city should look to craft a development scenario that would allow for the supermarket citing to be economically viable. One such scenario is to deed the property over to a local LDC for a nominal sum so that it can partner with an operator. Just as we suggest the use of an impact proviso for regulations, it would similarly make sense to examine whether supermarkets should be given priority when considering the disposition of city property;

- (7) Revamping the Municipal Code: City supermarkets are subject to a voluminous-and often difficult to understand-compendium of obscure regulations. The city council and the mayor should set up a commission to go over this code, eliminate what isn't relevant to protecting the public interest, and modernize this code so that it is less onerous to retailers;
- (8) <u>Eliminate "Below Grade" Zoning Loophole</u>: Currently there is a loophole that allows a developer to skirt the land use review and environmental assessment process if he/she builds below grade; since all square footage below grade isn't considered for the threshold required to trigger the review process. As a result, box stores of over 140,000 sq. ft. can be built as of right. This should be amended and all large retail projects subject to proper review.

Since the city's zoning initiative will eventually end up in the city council, the legislature will have the opportunity to pursue some of these proposals in a parallel tract; especially since the overall issue of supermarket growth and retention will be on the table. We need to evaluate all of the above, and then prioritize what initiatives we would like to feature front and center.

Testimony on the City Planning Department's "Fresh Initiative" for Supermarkets

City Council's Zoning and Franchises Subcommittee

October, 26, 2009

Morton Sloan; President

MortonWilliams Supermarket

Good morning council members. My name is Morton Sloan and I am the president of the family-owned Morton Williams Supermarkets headquartered in the Bronx across from the Kingsbridge armory.

We employ over 750 people with full time union jobs including health insurance and pension plans; about 500 are Bronx residents from the Kingsbridge Road area.

I am here this morning to let you know how my company feels about the proposal to incentivize new supermarket growth in New York City.

We applaud the fact that the City Council has taken the lead in trying to address the continuing loss of supermarkets in the city. We also applaud the desire to improve the distribution of fresh foods into low income areas.

At the same time, however, the current proposal has a number of drawbacks that, if not addressed, could make the current supermarket deficit even worse.

The city has lost hundreds of supermarkets in the last decade. The dramatic loss of so many stores is a direct result of the extremely high cost of doing business in the city - a cost that is directly related to taxes, regulations, sky-high rents, and the entrance of big box stores.

What this plan needs is a specific supermarket retention strategy that will directly address these issues. If supermarkets serve an essential public health purpose, the city needs to figure out how to insure that the cost of operating is lowered so that more markets can stay in business. The city must also understand that allowing Big Box stores into neighborhoods results in the closure of neighborhood grocery stores.

In Manhattan, we see Big Box Whole Food stores opening up and/or negotiating leases on every major artery. Houston Street, 14th Street, 57th Street, 86th Street, etc. The result will eventually be the closure of smaller grocery stores in between as they will not have the volume necessary to remain profitable when their lease expirations come up.

In the outer-boroughs, we see BJ's, Pathmark, and Costco Big Box stores resulting in the closure of neighborhood grocery stores.

This is exactly what happened with the neighborhood bookstores throughout the city that are now shuttered. Like buying a book, grocery shopping will require commuting to a destination store.

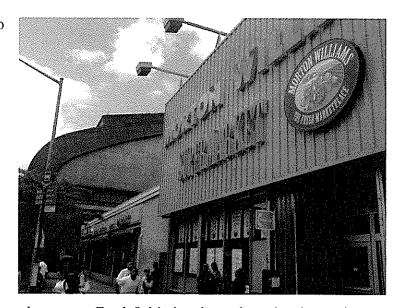
Even without the Big Box stores, supermarkets face tremendous pressures. Incredibly, the city allows produce peddlers to set up shop directly in front of supermarkets. These peddlers do not pay city rents, property taxes nor provide employee benefits. The police do not want to get involved in enforcing the regulations. Additionally, city agencies such as Sanitation, Consumer

Affairs, Fire Department, Building Department, etc. routinely go around to supermarkets and impose tremendous fines as a way to generate revenue. Delivery trucks are ticketed to such an extent that some companies now will not deliver to our supermarkets in the city.

In poorer neighborhoods, the result is devastating. Single parents and couples must travel further to buy their groceries, reducing the amount of time they can spend with their children. If they cannot travel they rely on junk food, snacks, and quick meals to feed their families.

The Fresh initiative should therefore be enhanced to protect existing businesses and to promote local supermarket growth in neighborhoods. The proposal, as it now stands, has the unintended consequence of putting existing stores at greater risk of failure.

In a few weeks you will be asked to vote on a proposal for the development of the Kingsbridge Armory. This project is being heavily subsidized by the taxpayers. The proposal includes a Big Box supermarket that will shutter my own flagship store and corporate headquarters directly across the street, as well as our other nearby store. Many other local grocery stores will likely close as well.



If the City Council is going to support the current Fresh Initiative, it needs to develop a plan to nurture existing supermarkets. If not, the current proposal before you will lead to the continued exit of supermarkets from New York City, thereby reducing the availability of fresh foods to New Yorkers.



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Testimony

of Stefanie Marazzi, William R. Ginsberg Practitioner Fellow at Citizens Housing and Planning Council, for the New York City Council Subcommittee on Zoning and Franchises on the FRESH zoning text amendment

October 26, 2009

Good morning Chairman Avella and members of the Subcommittee. My name is Stefanie Marazzi and I am a William R. Ginsberg Practitioner Fellow at Citizens Housing and Planning Council. Thank you for the opportunity to testify at today's hearing.

We have previously submitted written comments to DCP on this matter, and we are delighted that DCP eliminated a requirement that residential stories have a minimum floor-to-ceiling height of 8 feet 6 inches in mixed and mixed-use buildings that include a FRESH food store. The eliminated requirement would have added 6 inches per story to the 8 foot minimum required under the NYC Building Code, thereby detracting from the additional 15 feet for the maximum building height provided by the FRESH zoning incentive.

There is a dire need for food markets selling fresh fruits and vegetables in New York City's neediest neighborhoods and we applaud DCP's efforts to highlight this issue and to incentivize the creation and retention of fresh food markets across the city. However, we have serious reservations about the unintended disincentives that this amendment may create. We anticipate that prospective grocery store developers will find the program restrictions excessively costly and burdensome. Unless the amendment is modified, it may not encourage new grocery development and ownership in New York City's neediest and most economically depressed neighborhoods. To ensure that these measures in fact encourage the creation of much needed fresh food stores in underserved communities, we recommend the following modifications:

 Allow an increase of up to 15 feet to the <u>maximum base height</u> in addition to an increase of up to 15 feet to the <u>maximum building height</u> of buildings containing a FRESH food store. Additional floors above the setback suffer from inefficient layout and are costlier to build than floors along the street wall, especially considering the additional rear setback requirements required in many neighborhoods.

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- 2. Allow modifications to maximum building or base height <u>as-of-right</u>, or, at the very least, by <u>certification</u>. The extra time and added costs of the authorization process, which includes CEQR analysis, at the inception of the project would discourage developers from participating in the FRESH program. Development projects often require extra height to accommodate additional floor area; by making the height bonus burdensome, the amendment, as written, would effectively eliminate the floor area bonus.
- 3. Allow an owner to, as of right, change the use of a building with a FRESH food store to a complying use if there is no non-compliance. In such a case, an owner might record a declaration (in a form pre-approved by DCP) stating that the FRESH use has been discontinued. The mutability of uses over time is a vital (and inevitable) characteristic of urban land; as demographics change and time passes, so too does commercial enterprise. The amendment must allow for the natural fluctuation of uses over time by lessening the burden of converting the site to another use in the event that the FRESH food store becomes economically unviable.
- 4. Include a sunset provision, with an option to extend, in the text amendment. After a period of time (perhaps ten years), the FRESH program should automatically terminate, unless extended by CPC, in which case CPC should undertake a mandatory review of the NYC neighborhoods underserved by grocery stores and amend the program to include those underserved areas.

Finally, we do think it's important to consider that the Zoning Resolution may not be the appropriate tool to address social problems such as this. By doing so, DCP runs the risk of making the Zoning Resolution more confusing for the public and too burdensome for the public sector to enforce. We believe our proposals adequately balance the competing needs of cost-viable grocery development and sensible urban design and planning – and we hope that you consider our opinion as you review this amendment. Thank you.



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New York City Council Subcommittee on Zoning and Franchise Hearing on the FRESH Program October 26, 2009

Testimony of Ana Garcia, MPA, Senior Policy Associate

Thank you for the opportunity to speak with you about increasing access to fresh foods in New York City's disadvantaged neighborhoods. The New York Academy of Medicine (NYAM) has been advancing the health of people in cities since 1847. An independent organization, NYAM addresses the health challenges facing the world's urban populations through interdisciplinary approaches to research, education, community engagement, and policy leadership. Our current priorities include creating environments that support healthy aging; strengthening systems that prevent disease and promote the public's health; and working to eliminate health disparities.

The New York Academy of Medicine supports the FRESH program because the current, unequal access to healthy foods in our City is a serious threat to the health of the public. Access to healthy food is a basic human need. People who have poor nutrition have poor health. The national epidemic of nutrition-related chronic diseases is well known: heart disease, diabetes, and cancers are our top killers. Sadly, New York's poorer communities disproportionately experience the physical and economic burden of these diseases. People in our poorest neighborhoods have 8 years less of life expectancy than those in our wealthier neighborhoods; they are twice as likely to be obese; and they have higher rates of diagnoses for diabetes and high blood pressure.

It is often said that people don't want to eat a healthy diet, and that they prefer junk foods. But when attractive, fresh fruits and vegetables are easily accessible and affordable, people do eat them. We know this from the tremendous success of the Health Department's Health Bucks program, which allows food stamp recipients to purchase foods at farmers' markets, and from national studies that have shown the success of fresh food promotion among adolescents, older adults, minority populations, and others. We also know this from numerous studies that show an association between the presence of supermarkets and higher fruit intake.

The food stores incentivized through the FRESH program, that is, larger stores that offer dairy, fresh fruits and vegetables, fresh and prepared meats and fish, will be an important part of improving the diets of New Yorkers in low-income neighborhoods. In 2007, NYAM conducted a food store survey in 36 low-income neighborhoods (Manhattan: East & Central Harlem, Chelsea, Lower East Side; Brooklyn: Bushwick, Bedford-Stuyvesant; Bronx: South Bronx, Tremont, Hunts Point; Queens: Corona, Jamaica, Long Island City) to determine the availability and cost of selected fresh food items. We found corner stores, bodegas and grocery stores were significantly less likely to have reduced fat or skim milk, low fat yogurt and fresh fruits and vegetables compared to supermarkets. And reduced fat milk, skim milk, and low fat yogurt were more expensive in corner stores, bodegas and grocery stores compared to supermarkets. In other words, we found that a lack of full service supermarkets translated into limited availability of healthy fresh food choices.

The New York Academy of Medicine supports the zoning changes proposed through the FRESH program. However, we encourage you to ensure implementation of the program results in a net increase in the availability of healthy-food retailers at the neighborhood level. We need to be careful to add to the existing array of shopping options and avoid driving out smaller stores. Neighborhoods can best serve their residents, particularly their older residents, if they offer a variety of easy-to-reach food shopping options. During the 45-day review period recently added to the FRESH program design, Community Boards should complete a brief impact study to confirm that the new supermarket will result in a net gain in food options for residents.

The chronic disease rates affecting our low-income communities are dire, but NYAM is encouraged by the Administration and City Council's interest in promoting access to healthy foods. The FRESH program is an appropriate complement to the recent Greenmarket and Green Cart initiatives. We hope it will be supported with additional healthy zoning efforts, like Complete Streets, xi and Health Impact Assessments xii for our most disadvantaged neighborhoods.

##

For more information, please contact Ana Garcia at 212-419-3536 or agarcia@nyam.org.

¹The New York City Department of Health and Mental Hygiene. City Health Information. April/May 2007. Electronic document, http://www.nyc.gov/html/doh/downloads/pdf/chi/chi26-4.pdf, accessed October 22, 2009.

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- ixMorland et al., 2006K. Morland, A. Diez Roux and S. Wing, Supermarkets, other food stores, and obesity: the atherosclerosis risk in communities study, *American Journal of Preventive Medicine* 30 (2006), pp. 333–339.
- * Ompad DC, Standish KR, Nandi V, Galea S, Beard JR, Vlahov D. Availability and cost of healthy fresh food choices in 36 New York City neighborhoods. Oral presentation at the 6th International Conference on Urban Health. Baltimore, Maryland. November 2007.
- xi Complete Streets policies assure that road repairs and new transportation routes support equal access for cars, bicycles, and pedestrians, including pedestrians with disabilities. These policies enable increased physical activity by people of all ages and abilities. xii Health Impact Assessments help policymakers, community members, and planners judge the health effects of proposed changes to the built environment. See "Health Impact Assessment: A Step Toward Health in All Policies" by Janet Collins and Jeffrey Koplan. http://jama.ama-assn.org/cgi/content/full/302/3/315

^v Neumark-Sztainer, Dianne, Melanie Wall, Cheryl Perry, and Mary Story. Correlates of fruit and vegetable intake among adolescents: Findings from Project EAT. Preventive Medicine 37(3): 198-208. September 2003.

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FOR THE RECORD

Testimony prepared by

Áine Duggan and Triada Stampas

for the

City Council Subcommittee on Zoning and Franchises

on

FRESH Food Stores

(Land Use Application #1244-2009)

October 26, 2009

on behalf of

Food Bank For New York City

INTRODUCTION

Good morning and thank you for the opportunity to present testimony to the City Council Subcommittee on Zoning and Franchises regarding increasing access to fresh food in New York City.

Food Bank For New York City works to end food poverty through a range of programs and services that increase access to nutrition, education and financial empowerment. We warehouse and distribute food to approximately 1,000 emergency and community food sites citywide; provide food safety, networking and capacity-building workshops; manage nutrition education programs for schools and community-based organizations; operate food stamp outreach and education programs; coordinate the largest civilian Earned Income Tax Credit (EITC) volunteer tax preparation program in the country; and conduct research and develop policy to inform community and government efforts to end hunger throughout the five boroughs.

Food Bank was also a co-convener of the New York Supermarket Commission, whose work was the catalyst for the Food Retail Expansion to Support Health (FRESH) initiative, and joins in the effort to secure permanent, local access to fresh, affordable, nutritious food for low-income New Yorkers. Today's testimony briefly describes the need for increased access to fresh food in a retail environment that allows low-income New Yorkers to redeem Electronic Benefits

Transfer (EBT), food stamps and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) benefits, and its importance to combating food poverty in New York City.

IN ORDER TO BE ACCESSIBLE, FRESH FOOD MUST BE AVAILABLE

Accessibility comprises two key considerations: availability and affordability. In order to be accessible, fresh, healthy food must be available locally, as easy to obtain as other local food options. As a number of recent studies have shown, however, consumer access to fresh food is not distributed uniformly across New York City; neighborhoods with lower concentrations of supermarkets and other fresh food retailers tend also to be areas of both low income and high incidence of obesity, diabetes and other diet-related diseases. This is no accident or coincidence; one's food environment profoundly impacts one's ability to maintain healthful dietary practices, particularly for people whose low incomes and tight budgets additionally limit their options.

The New York City Department of City Planning (DCP) recognized this link, and the Supermarket Need Index (SNI) it created to identify areas of limited opportunity to purchase fresh food includes low household income as a factor.² DCP found approximately three million New Yorkers live in high-need neighborhoods. Given the geographic concentration of poverty in certain areas of New York City, there is no doubt significant overlap between these three million New Yorkers, the four million New Yorkers who have difficulty affording food, and the over 1.5 million currently enrolled in the Food Stamp Program.³ To access fresh, healthy food if it is not available within their neighborhoods, the New Yorkers least able to afford it are forced to bear the additional costs of time and travel.

IN ORDER TO BE ACCESSIBLE, FRESH FOOD MUST BE AFFORDABLE

Local availability is indeed crucial. But without measures to ensure low-income New Yorkers can afford it, local availability alone is no guarantee of access to fresh, healthy food. Affordability is equally important.

Food, like other basic needs in New York City, is not cheap. Between 2003 and 2008, the cost of groceries in the New York metropolitan area increased 22 percent, more than the national average of 19 percent.⁴ In that time, increases in the costs of housing, fuel and utilities, transportation and medical care in our area also outpaced the national average.⁵ It should come as little surprise, then, that the number of New York City residents having difficulty affording food over those years nearly doubled, from approximately 2 million in 2003 to approximately 4 million in 2008 – nearly half of New York City residents.⁶

¹ See, for example, "Going to Market: New York City's Neighborhood Grocery Store and Supermarket Shortage." (2008). New York City Department of City Planning, New York City Department of Health and Mental Hygiene, and New York City Economic Development Corporation; or *The Need for More Supermarkets in New York.* (2008). The Food Trust (Philadelphia, PA).

² "Going to Market: New York City's Neighborhood Grocery Store and Supermarket Shortage." (2008). New York City Department of City Planning, New York City Department of Health and Mental Hygiene, and New York City Economic Development Corporation

³ NYC Hunger Experience 2008 Update: Food Poverty Soars as Recession Hits Home. (2008). Food Bank For New York City; "HRA Facts: August 2009." (http://www.nyc.gov/html/hra/downloads/pdf/hrafacts_2009_08.pdf)

⁴ U.S. Department of Labor Bureau of Labor Statistics.

⁵ Ihid

⁶ NYC Hunger Experience 2008 Update: Food Poverty Soars as Recession Hits Home. (2008). Food Bank For New York City.

Government nutrition assistance programs like food stamps and WIC significantly increase the ability of millions of New Yorkers to purchase food. With recent changes to the food stamp program at the State and federal level to increase benefit amounts, food stamp recipients in New York City now receive approximately \$160 per month for food purchases. In short, food stamps and WIC make food more affordable.

CONCLUSION

The FRESH initiative's targeted zoning incentives for supermarkets and other fresh food retailers in high-need neighborhoods give it the potential to address half of the accessibility equation: it can make fresh, healthy food available in areas where it is currently scarce.

In order to have a truly meaningful impact on the food choices low-income New Yorkers are able to make for themselves and their families, however, affordability cannot be ignored. While acceptance of EBT, Food Stamps and WIC might be, strictly speaking, outside the realm of a zoning text amendment, Food Bank urges the New York City Council to take appropriate measures to ensure that recipients of zoning and financial incentives under FRESH accept EBT and WIC.

Doing so will not only help ensure low-income New Yorkers are actually able to avail themselves of the fresh, healthy foods the new supermarkets created by this initiative will no doubt carry, it is an example of responsible fiscal stewardship that serves both to protect the public's investment in these businesses and to generate the greatest economic benefit for the city.

The Food Stamp Program's impact on the food purchasing power of low-income New Yorkers is significant; in July 2009 alone, the food stamp program boosted the ability of New York City residents to purchase food by approximately \$245 million. By requiring supermarkets that accept incentives to site in high-need neighborhood to also accept EBT/food stamps and WIC, the City will ensure both that these businesses are operating smartly by capturing the full purchasing power of the residents in their communities and that it is creating conditions for these businesses to succeed.

In addition, acceptance of EBT/food stamps and WIC will provide a much-needed economic boost in a flagging economy. Food stamps are a potent economic stimulant – every dollar of food stamp benefits is estimated to generate \$1.73 of economic growth. Many of the more than 1.5 million New Yorkers who receive food stamps, however, are forced to shop outside their neighborhoods; some shop outside New York City completely. Requiring acceptance of these benefits will mean that the City's local businesses – and the workers who rely on them for employment – will be supported with federal dollars, and that the City will capture their full economic development potential.

⁷ Temporary and Disability Assistance Statistics, July 2009. New York State Office of Temporary and Disability Assistance.

 ⁸ Ibid.
 ⁹ Mark Zandi, Chief Economist and Co-Founder, Moody's Economy.com, in written testimony before the House Committee on Small Business Hearing on "Economic Stimulus For Small Business: A Look Back and Assessing Need For Additional Relief," July 24, 2008.



FOOD INDUSTRY ALLIANCE OF NEW YORK STATE, INC.

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Comments of the Food Industry Alliance of New York State, Inc. On LU 1244-2009

An Amendment of the Zoning Resolution of the City of New York Concerning Provisions Related to the Establishment of FRESH Food Stores New York City Council Subcommittee on Zoning and Franchises October 26, 2009

Good morning Chairman Avella and members of the committee. I am Nicholas D'Agostino III, president and chief operating officer of D'Agostino Supermarkets. My family has owned and operated supermarkets in New York City since 1932. I also currently serve as chairman of the Food Industry Alliance of New York State, Inc. (FIA), the statewide trade association of retail and wholesale grocery companies, including nearly 800 individual supermarkets doing business in New York City under banners such as AIM Stores, Bravo Supermarkets, C-Town, D'Agostino Supermarkets, Fairway Market, Food Basics, Food City Markets, Food Emporium, Foodtown, Gristede's, Key Food Stores, King Kullen Grocery Company, Met Food, Pathmark, Pioneer Supermarkets, PSK Supermarkets, Shoprite Supermarkets, Stop & Shop, and Waldbaum's. I am joined this morning by colleagues from A&P, Key Food Stores, and White Rose Foods.

We appear in support of the amendment to the Zoning Resolution related to the establishment of so-called FRESH food stores in areas of the City with the highest levels of diet-related disease and limited access to fresh food.

Improved access to healthy food choices as part of an overall strategy to improve health outcomes has emerged as a key policy priority in New York City with the City Council, the Mayor's Office, the borough presidents, a wide and varied group of food related advocacy and interest groups, unions and others participating in the conversation and developing and promoting healthy food initiatives including Food Stamp outreach, farmers markets, green carts etc. Because supermarkets are an essential component of the infrastructure for assuring access to a wide variety of nutritious, affordable food, I was pleased to co-chair the Supermarket Commission, charged with identifying the barriers to opening and maintaining a successful food store in the City and recommending policy changes the City can implement to encourage, support and promote grocery stores in underserved neighborhoods.

This proposed zoning text amendment relates directly to those recommendations. Most companies are actively looking for sites for new stores but face obstacles related to site availability, unaffordable rent, cumbersome and time consuming approval processes, cost – of land, site preparation, building, renovation, and navigating and negotiating the process itself, and the overall regulatory climate. Building costs alone are typically 30 percent higher in New York City than in suburban locations. Grocery retailing is a penny on the dollar net profit margin business. It is also a business with significant labor and energy costs. It is a business that trades in highly perishable products that must be carefully and safely handled. It is a business that is customer driven and whose customers, now more than ever, are shopping by price. Every requirement has a cost and every cost manifests itself in price.

Permitting grocery stores up to 30,000 sq. ft. as of right in M1 districts will provide more development opportunities and significantly reduce the time it takes, and thus the up front financial investment, to open new stores. Obtaining the special permit currently required for food stores in excess of 10,000 sq. ft. in M1 districts (but curiously, not for all categories of retail) can take years. It is not an overstatement to say

that a project will cost hundreds of thousands of dollars in direct project related costs, carrying costs and lost income during the period it takes to complete the ULURP review. And, there is no guarantee that a store will be built at the end of the process. Removing this uncertainty for neighborhood supermarkets up to 30,000 sq. ft. addresses a critical barrier to new projects.

Also, the provision of additional floor area in mixed use buildings that incorporate a FRESH food store provides an incentive to developers to include a much needed grocery by off-setting any potential revenue disparity between a retail food store and other types of retail that are willing and able to pay higher rents. Easing parking requirements is also helpful as it reduces the space required and permits more space to be devoted to revenue generating activity.

FIA members view these zoning amendments as a good first step and we hope that they are adopted. Although driven by the compelling correlation between access to healthy food and improved health outcomes, support for neighborhood supermarkets is also support for jobs (entry level and career path, full time and part time, flexible hours, all ages and abilities), expansion of the tax base, access to food assistance programs, increased traffic for adjacent businesses, participation in neighborhood events and causes, and a stable community anchor. If adopted, FIA will work with the Council, city planners and others to encourage operators to take advantage of these and other components of the supermarket initiative (e.g. the state revolving loan fund, IDA financial incentives, and NYSERDA energy efficiency benefits).

Thank you for your attention to this important health and economic development initiative.



Paul K. Sonn National Employment Law Project

Hearing before the New York City Council Subcommittee on Zoning and Franchises of the Committee on Land Use

on

The Food Retail Expansion to Support Health (FRESH) Program

City Hall, New York City

October 26, 2009

I would like to thank the Subcommittee on Zoning and Franchises of the City Council, and its Chair, Councilmember Tony Avella, for the opportunity to testify here today.

My name is Paul Sonn. I am legal co-director of the National Employment Law Project (NELP). NELP is a national research and advocacy organization that partners with federal, state and local leaders on employment-related policy.

Millions of New Yorkers live in "food deserts" – neighborhoods that lack supermarkets providing quality, fresh food at reasonable prices. A growing body of research confirms the unsurprising fact that lack of access to quality food retailers in many urban neighborhoods has serious adverse health consequences for low-income families.

The Food Retail Expansion to Support Health (FRESH) Program is an important initiative to begin to address the problem through a combination of zoning changes, subsidies to incentivize new stores, and initiatives to use city-owned land for this purpose. ¹

But these same neighborhoods suffer from another equally serious crisis: lack of good jobs. According to the Community Service Society, in low-income New York families, fully two-thirds of workers make less than \$10 an hour. Retail jobs are the second fastest growing occupation nationally and in New York.² But they are also one of the lowest paying, generally offering poverty-wage jobs that provide scant benefits.

But the industry-wide statistics hide important differences. Within food retailing there are defined segments that provide better or worse jobs. One major segment consists of green grocers and the emerging "gourmet" grocery chains that one sees increasingly across the city. These food retailers

almost uniformly pay very low wages and either provide no benefits, or benefits that are so minimally subsidized by the employer that few employees can afford to access them. A key practice, which is a hallmark of these employers, is not paying their employees an hourly wage at all, but instead paying many employees a flat weekly salary – typically \$300 or \$400 – which doesn't vary with number of hours worked. Evidence indicates that employers that pay flat weekly salaries are much more likely to violate minimum wage, overtime and other basic workplace laws than other employers.

The New York State Department of Labor (DOL) and legal services advocates have documented in high profile lawsuits how employers in this segment routinely violate even minimal workplace protections. Representative was DOL's enforcement action in February 2009 against the Amish Market gourmet grocery chain, which operate across the city, under a variety of names including Zeytuna. DOL's settlement which recovered more than \$1.5 million in unpaid wages for 550 workers, found that many workers were paid only \$300 a week for 60 to 70 hours of work, which translates to four to five dollars an hour – far less than the minimum wage.³

My organization, NELP, has just published a major study of employment practices among low-wage employers in New York and other cities. The report, *Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities*, found that such violations are not an exception. Rather, in our survey of 4,400 employees we found that they are virtually the norm in food retailing and other low-wage industries, and that violations are much higher among smaller employers and those that pay flat weekly salaries. This is precisely the segment of the industry represented by green grocers, gourmet grocers, and the smaller, non-union supermarket chains.

In contrast to this segment of food retailers stand full-service supermarkets. They pay hourly wages, not flat weekly salaries, and they are far less likely to violate minimum wage and overtime laws, because they are large companies with standardized payroll systems and human resources departments. But even among full-service supermarkets there are important differences, marked chiefly by whether the supermarket chain is unionized. Unionized chains provide pay levels that are consistently higher than non-union supermarkets; provide health benefits that are more substantially subsidized by the employer, which is necessary in order for them to be even remotely affordable for low-wage employees; and provide other basic benefits such as retirement programs and paid days off. New York's non-unionized supermarkets, by contrast, provide lower wages, more limited benefits, and are far more likely to violate basic workplace laws.⁵

Thus the types of food retailers that are likely to participate in the FRESH program represent distinct segments of the industry – with one, high road, unionized supermarkets, providing clearly better jobs for low-income New Yorkers than the others.

The FRESH program as now proposed ignores the job impacts that are associated with bringing more fresh food retailers into New York's food deserts. In its current form, it is likely to incentivize the creation of more bad jobs in the city's needlest neighborhoods, and to miss the chance to address jointly the shortages of fresh food and quality jobs afflicting low-income communities. The program should therefore be modified to take into consideration the wages, benefits and working conditions that are offered by food retailers seeking to participate in the program.

A coalition led by United Food and Commercial Workers (UFCW) Local 1500 has developed a realistic proposal for doing this, which is currently under consideration by the Bloomberg Administration. Under the proposal, which is similar to one being considered in Los Angeles, food retailers applying to participate in the program would be evaluated by the city using a scorecard. The scorecard would assign points based not just on retailers' capacity to provide fresh food, but also based in part on the wages, benefits and working conditions that they offer – together with other factors. Applicants would be required to meet a minimum level on the scorecard in order to be eligible for benefits under the Fresh program.

The decent job standards proposed under the scorecard would include:

- Non-poverty wages
- Affordable health insurance
- Other basic benefits such as retirement program contributions and paid days off-
- Not being repeat violators of wage and hour laws, and workers compensation requirements

These are not by any means unrealistic standards. New York's high road, unionized supermarkets, which comprise a significant segment of the city's food retailing, meet them. The FRESH Program should be focused on these sorts of retailers, who can deliver the quality food and decent jobs that New York's low-income communities need.

It makes little sense for the city council to approve the zoning changes that have been proposed as part of the FRESH program until the city has resolved these important questions about how the program's incentives will be directed. Instead, the Council should decline to act on the zoning changes – or disapprove them, if necessary – until the Bloomberg Administration has agreed to revise the rules for the accompanying incentive program to ensure that food retailers participating in the program will provide decent jobs. Only with these changes can the program deliver the food retail options that will help New York's low-income communities the most.

Thank you for the opportunity to testify today. I would be delighted to try to answer any questions that members of the subcommittee may have.

¹ Http://www.nyc.gov/html/dcp/html/fresh/index.shtml.

⁴ Annette Bernhardt, et al., Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities (Sept. 2009), http://www.nelp.org/BrokenLaws.

² Source: U.S. Bureau of Labor Statistics, http://www.bls.gov/news.release/ecopro.t05.htm.

³ Abha Bhattarai, Grocery Chain to Pay Back Wages to 550 Workers, New York Times (Feb. 26, 2009).

⁵ For background on the segments of New York City's grocery and supermarket industry, and the differences between unionized and non-unionized stores, see Brennan Center for Justice, Unregulated Work in the Grocery and Supermarket Industry in New York City (2007), http://www.nelp.org/page/-/EJP/Unregulated_Work_Grocery.pdf. (The Brennan Center's Economic Justice Project, which published this report, merged with NELP in 2008.) For more general background on wage and benefits differences between unionized and non-unionized supermarkets, see Robert Johansson and Jay Coggins, Union density effects in the supermarket industry, *Journal of Labor Research* (Dec. 2002).



OFFICE OF THE BROOKLYN BOROUGH PRESIDENT

Testimony by Brooklyn Borough President Marty Markowitz To the City Council Subcommittee on Zoning and Franchises Regarding provisions related to the establishment of FRESH Food Stores October 26, 2009

I WANT TO THANK COUNCILMEMBER TONY AVELLA AND MEMBERS OF THIS SUBCOMMITTEE FOR GIVING ME THE OPPORTUNITY TO SPEAK TODAY.

FIGHTING OBESITY HAS ALWAYS BEEN A TOP PRIORITY OF MY OFFICE.
THIS IS ONLY POSSIBLE IF ALL BROOKLYNITES, NO MATTER WHAT
NEIGHBORHOOD THEY LIVE IN, HAVE AN AFFORDABLE, FULLY-STOCKED
SUPERMARKET NEARBY—

A PLACE THAT OFFERS A WIDE ARRAY OF HEALTHY FOODS, INCLUDING PLENTY OF FRUITS AND VEGETABLES.

IT HAS ALWAYS BEEN MY ULURP POLICY TO SEEK THE INCLUSION OF A SUPERMARKET AS PART OF MY DISCRETIONARY LAND USE REVIEW —

WHICH IS WHY I APPLAUD D-C-P AND E-D-C FOR SUPPORTING THESE EFFORTS.

IT IS SIMPLY UNBELIEVABLE THAT IN THE 21ST CENTURY — IN THE GREATEST CITY IN THE WORLD — THERE ARE NEIGHBORHOODS WHERE RESIDENTS HAVE TO TRAVEL FAR AND WIDE TO GET A PIECE OF FRUIT — SOME VEGETABLES — OR ANY OF THE OTHER NOURISHING, WHOLESOME FOODS THAT WE NEED TO LIVE HEALTHY, PRODUCTIVE LIVES.

IN A CITY OF SO MUCH ABUNDANCE, HOW IS IT POSSIBLE THAT THERE ARE SO MANY BARREN "FOOD DESERTS"?

HOW IS IT POSSIBLE THAT IN THE "BIG APPLE," THERE ARE ACTUALLY NEIGHBORHOODS WHERE IT IS DIFFICULT TO BUY AN APPLE?

FORTUNATELY, WITH THIS "FRESH" INITIATIVE, WE ARE "SETTING THE TABLE" FOR A FUTURE WHEN EACH OF TOMORROW'S "FOOD DESERTS" IS TRANSFORMED INTO A "FOOD OASIS" — ONE THAT IS SURELY NOT A "MIRAGE"!

BUT ALTHOUGH I STRONGLY BELIEVE THAT THESE NEW "FRESH" SUPERMARKETS WILL HAVE A POSITIVE IMPACT ON COMMUNITIES, I DO HAVE SOME SUGGESTIONS FOR MODIFICATIONS TO THE INITIATIVE THAT WERE NOT INCORPORATED AS MODIFICATIONS BY THE CITY PLANNING COMMISSION THAT I BELIEVE WARRANTS CONSIDERATION BY THE CITY COUNCIL.

WHEN CONSIDERING WHICH STORES SHOULD RECEIVE FINANCIAL INCENTIVES, I BELIEVE THE INDUSTRIAL DEVELOPMENT AGENCY SHOULD FAVOR THOSE WHO USE LOCAL BUILDING CONTRACTORS, AND THOSE WHO PURCHASE LOCALLY PRODUCED FOOD.

THE OPERATORS OF THESE NEW STORES MUST BE REQUIRED TO ACCEPT FOOD STAMPS AND W-I-C — TO MAKE THIS FOOD AFFORDABLE FOR CONSUMERS OF LOW AND MODERATE INCOME LEVELS.

THEY SHOULD STAFF THEIR STORES WITH RESIDENTS FROM THE NEIGHBORHOOD, AND THEY SHOULD PAY THEIR EMPLOYEES A LIVING WAGE, WITH HEALTH BENEFITS.

THE I-D-A SHOULD CLOSELY MONITOR STORES THAT RECEIVE FINANCIAL ASSISTANCE, TO MAKE SURE THEY ARE ADHERING TO THESE STANDARDS.

THERE IS ALWAYS THE POSSIBILITY THAT A NEW SUPERMARKET MAY IMPACT SMALLER NEIGHBORHOOD STORES AND "MOM AND POP" RETAIL.

FOR THIS REASON, ELIGIBILITY FOR FINANCIAL INCENTIVES SHOULD BE EXPANDED TO EXISTING STORES, INCLUDING THOSE THAT ARE UNDER SIX THOUSAND SQUARE FEET.

THIS WILL GIVE THESE STORES THE OPPORTUNITY TO EXPAND AND INCREASE THEIR HEALTHY FOOD OPTIONS.

WE SHOULD ALSO CONSIDER THE POSSIBILITY THAT SOME LANDLORDS MAY DECIDE TO PREMATURELY OPT OUT OF THE "FRESH" INITIATIVE IN ORDER TO TAKE ADVANTAGE OF ESCALATING RENTS.

IF LANDLORDS WHO RECEIVE FINANCIAL ASSISTANCE UNDER THE PROGRAM RENEGE ON THEIR PROMISES, THEY SHOULD BE FORCED TO RETURN ANY FUNDS THEY HAVE RECEIVED.

EATING HEALTHY IS A NECESSARY COMPONENT TO BEING HEALTHY.
AND THE ONLY WAY TO EAT HEALTHY IS TO MAKE SURE BROOKLYN HAS
ACCESS TO AFFORDABLE, HEALTHY, WHOLESOME FOOD — THE KIND THAT CAN
ONLY BE FOUND IN FULL-SERVICE SUPERMARKETS.

I KNOW THAT THE "FRESH" INITIATIVE IS A STEP IN THE RIGHT DIRECTION TOWARD CREATING A CITY WHERE GOOD FOOD IS NEVER FAR AWAY.



New York City Council Zoning and Franchises Sub-committee Hearing on F.R.E.S.H City Hall, October 26, 2009

Testimony of Lisa Sharon Harper
Co-founder and Executive Director of NY Faith & Justice

Honorable City Council members, thank you for this opportunity to address the Zoning and Franchises Subcommittee today regarding the city's proposed F.R.E.S.H program.

New York Faith & Justice is a collaborative network of individuals, churches, and organizations dedicated to ending poverty in New York. Our network reaches nearly 1400 New Yorkers and others across the nation. Among them, approximately 150 faith leaders from all five boroughs and surrounding suburbs of New York City participate in the Faith Leaders for Environmental Justice initiative, a diverse network of inter-faith leaders and advocates committed to leveraging its collective influence in partnership with communities suffering under the weight of environmental injustice. Today, we stand in solidarity with the coalition of labor unions, food justice advocates, community based organizations and borough presidents calling for good food and good jobs standards to be attached to F.R.E.S.H. program participation.

On November 5, 1984, our city passed a law with the best of intentions. Local Law No. 71 created the Industrial and Commercial Incentive Program (ICIP), now the Industrial and Commercial Abatement Program (ICAP). Among the many intended benefits of ICIP was the creation of jobs in low-income areas as the law paved the way for chain stores to enter under-resourced neighborhoods. Fast food establishments took advantage of this program and now line the corridors of low-income communities. Supermarkets were ineligible for ICIP/ICAP.

Lisa Sharon Harper Co-founder and Executive Director

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lsharper@nyfaithjustice.org www.nyfaithjustice.org The 1984 City Council had good intentions, but history has revealed a plethora of problems in its wake. The council provided jobs, but demonstrated no concern for these communities' access to healthy food. The result?

- 40% of new cases of Type 2 diabetes cases in Central and East Harlem are children, according to a recent report issued by the New York City Department of Health and Mental Hygiene. NOTE: Type 2 diabetes usually occurs in adults 40 years and older.
- 61% percent of people in under-resourced neighborhoods are obese.
- Fast food establishments and pharmacies now line the streets of poor areas while supermarkets are closing.

What's worse, the ICAP strategy only brought a marginal number of good jobs to targeted neighborhoods.

Now, the current economic downturn is exacerbating the unemployment disparity between black and white New Yorkers. According to a July 12, 2009 report by the New York Times, "Job Losses Show Wider Racial Gap in New York," the unemployment rate among blacks is rising 4 times faster than among whites in our city. Who is being hit the hardest? The residents of neighborhoods targeted by the F.R.E.S.H. program are.

Consider this: In a September 23, 2009 New York Times report, "A Plan to Add Supermarkets to Poor Areas, With Healthy Results," Whole Foods executive Christina Minardi voiced interest in the F.R.E.S.H. program. "It's definitely enticing for us," she said.

I ask you; without good jobs guaranteed, will the residents of F.R.E.S.H. target neighborhoods really have *access* to the high-priced fruit and vegetables offered by stores like Whole Foods? Most likely, they will not. With no job standards attached to the F.R.E.S.H. program there is no guarantee these stores will hire from the community. There is also no assurance that unscrupulous stores will not take advantage of F.R.E.S.H. communities by targeting residents for low wage jobs. More likely, residents will be priced out of the only fresh food being offered in their neighborhoods and unregulated stores will trigger accelerated gentrification and displacement of the very people the F.R.E.S.H. program intends to help. Good jobs would put money into the hands of residents, making it possible for them to buy the food offered by F.R.E.S.H. markets.

Lisa Sharon Harper Co-founder and Executive Director

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Isharper@nyfaithjustice.org www.nyfaithjustice.org The 1984 City Council passed policy that provided jobs without good food. History is revealing the repercussions of their vote. Today, this Council considers another proposal with good intentions. This time it offers food with no guarantee of good jobs. The members and organizational partners of New York Faith & Justice urge you not to make the same mistake as your predecessors. Not now. Not when the cost would be so real, so quick, and so dire for people already hurting so much.

Food without jobs is not enough. At best it is charity. At worst it is a tease. With the real threat of gentrification bearing down on F.R.E.S.H. target communities, the Council must go beyond charity.

This Council has an opportunity today. Supermarkets naturally employ large numbers of staff. Good food with good jobs attached can empower more people in F.R.E.S.H. target communities and lay the groundwork for a transformational kind of development—the kind that stabilizes at-risk communities from the inside out. By attaching good food and good job standards to F.R.E.S.H., you have the opportunity to keep families in their homes while lifting the health and buying power of entire neighborhoods.

Mahatma Ghandi said, "A society's greatness is measured by how it treats its weakest members." Cardinal Roger Mahony echoed Ghandi: "Any society is judged on the basis of how it treats its weakest members -- the last, the least, the littlest."

History will look back on this City Council. She will judge you not by your good intentions, but by the effect of your policies on the last, the least, and the littlest in our city. The 1984 Council had its watch. This is your watch. Take this opportunity to make things right.

We are praying for you and we are watching.

Lisa Sharon Harper Co-founder and Executive Director

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Testimony for the Zoning and Franchises Committee On the Food Retail Expansion to Support Health Proposal

Good morning Committee Chair, Council member Tony Avella and his fellow Council members. I thank you very much, for having me here today and giving me this wonderful opportunity to speak on behalf of UFCW Local 1500 members. My name is Morenike Dagbo and I am a Local 1500 member and employee of Pathmark.

I would like to speak to you today about the Food Retails Expansion to Support Health proposal. I feel that any company receiving public subsidies should not put their employee's at an economic disadvantage, but they should work toward increasing their employee's betterment. Therefore, public subsidies should go to employers that will promote a better well being for their employees.

These employers should be required to provide a large spectrum of essential benefits ranging from stability, to better nutrition, which would in turn create and a better livelihood for them and their families.

So, how will they do this?

Well, they would provide healthier food choices for families in urban communities that do not have adequate access to fresh food. In addition, they would provide good job opportunities that might not have been available in the past.

In today's struggling economy companies should be able to improve the lives of the communities in which they thrive.

FOR THE RECORD

TESTIMONY of ED FOWLER,

EXECUTIVE DIRECTOR, NEIGHBORS TOGETHER

for the OCTOBER 26, 2009, CITY COUNCIL SUBCOMMITTEE ON ZONING AND FRANCHISES on FRESH FOOD STORES (LAND USE APPLICATION #1244-2009)

I am grateful for the opportunity to share with you one key observation from one of the "food desert" neighborhoods in Brooklyn: low-income people *want* the access to less-expensive food and a variety of produce that comes with a supermarket.

Neighbors Together is a soup kitchen and community center in the Ocean Hill/Brownsville/Bedford-Stuyvesant area of Brooklyn, created in 1982 by a group of Catholic nuns and community residents who recognized that more and more of their neighbors were unable to buy food because of limited incomes.

I have been the Executive Director since 2002 and have seen the community change significantly: housing stock has expanded and improved bringing an influx of middle-class people, businesses have opened, crime has decreased. At the same time, the number of people relying on our soup kitchen for food had increased dramatically. Even before the current recession, more and more people were being squeezed by rising prices and falling incomes.

We now serve lunch and dinner five days a week to almost 500 people a day. And we are only one of about 50 emergency food providers in our zip code.

One of the struggles our neighbors face is that there is only one supermarket in a 20 block radius, making it very difficult for people who do not live near that supermarket to get quality, affordable food.

The people who must rely on our soup kitchen to make ends meet want fresh produce. We have done a lot of education around healthy eating and how to prepare fresh vegetables and fruits; people are eager to incorporate fresh produce into their cooking. But they just cannot afford the time, energy and money required to traipse all over the city for quality produce, and they cannot afford to spend their meager resources on the limited selection of pricey, low-quality produce that may be available in corner stores.

Supermarkets provide great opportunities for low-income communities: more affordable food, a wider selection of foods especially healthier foods, jobs. We need more supermarkets in our communities, supermarkets that meet the needs of a wide array of residents.

Neighbors Together is committed to ending hunger and poverty in the Ocean Hill/Brownsville/Bedford-Stuyvesant area, one of the lowest income communities in the United States.

Our mission is deeply grounded in our belief in the dignity and potential of each person. Since 1982 we have been fighting hunger on three levels:

- Our daily soup kitchen alleviates the immediate crisis by providing hot, nutritious meals to more than 500 people a day;
- Our case management services address the struggles which go hand-in-hand with hunger: unemployment, lack of education, homelessness, addiction, inadequate health care;
- Our community action program strives to transform social structures that result in poverty and hunger.

True to our name, we collaborate with many partners in a crucial endeavor: to ensure that all members of our community have the resources to feed themselves and their families.

Stuart Appelbaum, President Jack C. Wurm, Jr., Secretary-Treasurer

Retail, Wholesale and Department Store Union

Testimony before the New York City Council
Subcommittee on Zoning and Franchises
Amendment of the Zoning Resolution of the City of New York
(Special Regulations Applying to FRESH Food Stores)

Retail, Wholesale and Department Store Union Stuart Appelbaum, President

October 26, 2009

Good morning. Thank you Chairman Avella for the opportunity to participate today in your committee's hearing on "FRESH Food Stores." My name is Jane Thompson. I am the Special Assistant for Public Policy at the Retail, Wholesale and Department Store Union (RWDSU). I am here on behalf of our President, Stuart Appelbaum and the 45,000 men and women we represent in the New York City area, many whom work in grocery stores located throughout the five boroughs.

While the RWDSU applauds efforts to expand access to fresh food for New York City residents, we cannot support the FRESH amendment as it currently stands.

Section 63-00(d) of the amendment states that one of the four goals of the program is to "strengthen the economic base of the city."

Providing tax incentives and subsidies to build new supermarkets can help provide needed healthy food in underserved areas. The underserved areas that are targeted by the program are also some of the poorest in New York City. Obesity and diabetes rates are high and so is the poverty level.

However, in order to strengthen the economic base of the City we must address the additional problem of poverty and the lack of good jobs in the underserved neighborhoods.

It is unacceptable that New York City provides tax incentives and subsidies to employers who will keep the people who live and work in these neighborhoods in poverty wage jobs. As much as residents need access to good food, they also need access to good jobs.

And there is no reason why this program cannot achieve both goals.

There is also a concern that this program might inadvertently help non-union, low-wage employers open in areas where they might be competing with union stores who pay good wages and benefits. This would put pressure on these existing markets to lower their standards to compete.

The FRESH amendment also does not offer assistance to operators who are already in these underserved areas to renovate and update their stores. In many cases, these are businesses that have invested much in the community and to allow new employers to come in to the area with taxpayer assistance would create an unlevel playing field.

The RWDSU proposes that as this initiative moves forward, the City Council mandate that the use of tax subsidies for new supermarket development ties in directly to the creation of living wage jobs. When businesses pay a living wage to their employees, the resulting buying power improves the entire community, not just the individual. When supermarkets pay less than a living wage, this creates a downward pressure on the wages of workers all other area businesses. The result is a continuing downward spiral of poverty for the entire community.

In addition, any supermarket developer receiving government subsidies must be held accountable to the local community. Residents in the area need to be first in line to get the jobs offered by the government subsidized supermarkets. It is unfair to residents if the jobs offered by a new supermarket went to those living outside the neighborhood.

During this economic downturn, it is vital that the use of tax dollars to subsidize businesses is used to benefit the entire community.

We know that both a healthy diet and a living wage can provide life-long benefits. We must make sure that the healthy food initiatives are designed to provide access to living wage jobs and healthy food for all New Yorkers.



Testimony to the City Council Zoning & Franchises Subcommittee Hearing on the FRESH Food Store Area Program

October 26, 2009

I am Paula Crespo, a planner with the Pratt Center. Adam Friedman, our Director, was unable to attend this hearing because of a prior commitment and asked that I present this testimony.

This proposal is a tremendous and welcome reversal of City Planning's past practice. In the past when this Council and communities said they did not want superstores or offices in M Zones, City Planning's position was that they couldn't articulate and enforce the difference between a Price Club and a wholesale warehouse, between a garment showroom and a garment factory, or an office that was part of a manufacturer and one that was independent. Now they can tell the difference between two types of supermarkets. That's a remarkable change and suggests that they could make those distinctions, they just chose not to.

Another welcome departure from past practice is reinforcing program services — such as public education about nutritional health — with zoning, today's proposal. For example, the city established Industrial Business Zones to, in the Mayor's words "create safe havens" for manufacturers. To date, they have not reinforced the IBZ program through zoning so hotels, offices and other uses can still be developed as-of-right in the IBZs. Today's proposal is a tremendous step forward in using zoning to reinforce programs and it too suggests that in the past City Planning could have strengthened the IBZs but it chose not to.

The Pratt Center firmly supports the FRESH program's goals of increasing access to higher quality affordable foods and good jobs in underserved and underinvested neighborhoods. However, we have two major objections to the proposal as it currently stands: allowing supermarkets to be developed as-of-right in M zones will displace existing manufacturing jobs, and the program lacks firm job quality standards.

Creating additional incentives for supermarket development on existing commercial streets near where people live is the right approach. We support the reduction in the parking requirements and the addition of a floor area bonus. Encouraging supermarket development in M zones, however, is bad policy for a number of reasons:

1. **Displacement:** The City has rezoned over 20 million sq. ft. of industrial space during this administration and there is almost no vacant industrial space. Adding supermarkets to these areas will inevitably lead to the direct displacement of manufacturing firms. *(over)*

Page 2 October 25, 2009

2. Land speculation and new retail clusters: While the proposal narrowly defines FRESH supermarkets, the big picture message will be that more retail uses are being encouraged in M zones. Smaller neighborhood retail uses like dry cleaners, restaurants, and liquor stores are already allowed in M Zones. A new supermarket would create an anchor that draws shoppers and businesses and diverts spending away from existing commercial corridors. The recession has left many of our traditional commercial streets with high vacancy rates. Small independent retailers are particularly at risk. It is particularly unwise and unnecessary to create new retail clusters at a time of recession.

- 3. **Underserved households' lack of proximity to M1 zones** Most of the people who lack access to food stores do not own a car and do not live close enough to an M1 zone to walk there. They will have to use a car service, and those who do own cars will drive, thereby increasing auto dependency and undermining the Council's sustainability goals.
- 4. **Overly-broad proposal:** DCP states that it only expects 10 to 15 new supermarkets to be built in the next five years, including stores in newly constructed buildings in residential areas and on city-owned land. So very few stores may ultimately be developed in M zones, but the inclusion of M zones means that they may be destabilized by real estate speculation.
- **5. Job standards:** It is time to put an end to allowing City subsidies to be used for low-wage jobs. *The most important single variable in predicting a community's public health is income*. Without guaranteeing job standards, it makes no sense to launch a public health initiative such as the creation of FRESH supermarkets, which risks the health of the supermarket workers and also the factory workers whose jobs may be displaced.

In summary, I urge the Council to remove the M Zone provisions and to compel the City to impose job quality standards in this initiative.

Thank you.



FRESH Food Stores Zoning Resolution New York City Council Hearing-- Subcommittee on Zoning and Franchises October 26, 2009

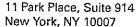
My name is Amy Anderson and I am the Project Manager for Sustainable Initiatives at the New York Industrial Retention Network ("NYIRN"). NYIRN is a citywide economic development organization that works with manufacturers to retain and create jobs and to promote sustainable development.

In conjunction with the Pratt Center for Community Development, NYIRN wrote a white paper on the proposed FRESH initiative stating our support for the project with reservations concerning the siting of stores within Manufacturing Zones.

NYIRN is in favor of the City's goals to increase access to higher quality, affordable foods and good jobs in underserved and underinvested neighborhoods. While most of the provisions in the current zoning proposal will advance these goals, others that allow supermarket development in M-Zones will not. In fact, they could lead to a net loss of jobs. We urge you to remove the provisions related to Manufacturing Zones and incorporate UFCW 1500's community and good job standards into this initiative before approving the proposal.

Encouraging supermarket development in M-Zones through the Department's as-ofright approach creates a conflicting policy for a variety of reasons. Despite assertions to the contrary, it will:

- Create even more competition for manufacturing space that is already seeing a shortage and decrease opportunities to grow green collar jobs—a priority of this Administration;
- 2. Destabilize industrial areas by establishing new retail clusters anchored by the new supermarkets;
- 3. Undermine existing neighborhood shopping areas by drawing away consumers;
- 4. Waste scarce public resources by subsidizing conflicting uses in manufacturing areas.





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www.NYIRN.org

We appreciate the imperative in planning to balance competing public needs and policies. That is why we support the existing special permit process for siting supermarkets in M-Zones. The review process not only creates an opportunity to assess the specific impacts— displacement, diversion from existing commercial areas, traffic, etc., but by being site-specific avoids sending a message that Man ufacturing Zones remain open to speculation and alternative uses.

We urge the City Council to modify the current proposal by removing M-Zones as an as-o f-right location possibility and incorporating community and good job standards.

Thank you.

October 26th, 2009 - Testimony to City Council's Land Use Committee on the New York Supermarket Commission

Brian Lang, Associate Director, The Food Trust

Good afternoon committee members. My name is Brian Lang, and I'm an Associate Director at the Food Trust, a non-profit organization whose mission is to ensure people's access to affordable nutritious food. We work in cities and states across the country to advocate for policies that bring nutritious food to communities that need it most - places where people are suffering from high rates of diet-related disease. As many here know, with funding from City Council, my organization wrote a report on the need for more supermarkets in New York that I've distributed along with my testimony today. And with a grant from the Friedman foundation, we staffed the New York Supermarket Commission, a group of city and state officials, including representatives of City Council, participants from UFCW 1500, supermarket industry executives, children's advocates, and community development experts. That group met four times over the course of 2008 to study the barriers to investment in New York, and make a series of policy recommendations to address the issue. Included in that report are recommendations that the City make economic development programs available to the supermarket industry, and develop incentives in the zoning code to encourage healthy food retailing: exactly what the FRESH program proposes to do. For the next few minutes I would like to 1) briefly give you an overview of the issue of food access and it's impact on people's health, 2), discuss the need for more supermarkets in New York, and the work of the New York Supermarket Commission, and 3) place New York in the context of other cities and states as they seek to address the issue.

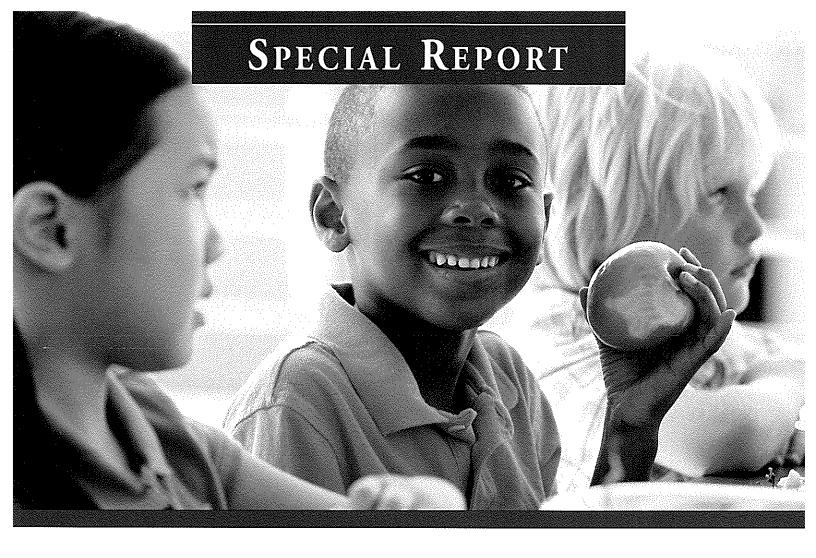
First off, let's review the connection between food access and people's health. Folks are no doubt well aware of the increases in obesity, childhood obesity, and especially here in New York, Type II diabetes over the past thirty years. Nationally, rates of childhood overweight and obesity have tripled since 1980. Experts attribute these epidemics to changes in physical activity and diet. Where people live goes a long way towards influencing these behaviors. When people don't have convenient access to nutritious food, they eat poorly. Research backs this up. A number of studies over the past ten years indicate a significant relationship between the presence of a supermarket in a community, and people's 1) increased consumption of fruits and vegetables, and 2) higher likelihood of maintaining a healthy weight. At the same time, research indicates that supermarkets are less likely to invest in low-income neighborhoods, the same places where people, including our most vulnerable population, children, are suffering from higher rates of diet-related disease.

To address the need for more supermarkets, the Food Trust compiled a report on the need for more supermarkets in New York with funding from City Council. It found that large areas of New York City have few stores, and in many neighborhoods, none exist. This uneven distribution of food disproportionately affects large numbers of low-income people. A 2008 article in the Washington Post reported that despite a growing population, there are one-third fewer supermarkets in New York's five boroughs today than there were six years ago. When compared to the national average of people per supermarket, the City has 137 too few. At the same time, low-income New York City residents are likely to suffer from health problems such as diabetes at rates significantly higher than those of the population as a whole. Diabetes rates here have doubled in the past ten years. For children, diabetes has reached epidemic proportions; at least one-third of five year olds will develop the disease in their lifetime. And so we believe there is a pressing need for more affordable, nutritious food in many neighborhoods here in New York.

To follow up our report, The Food Trust, along with the New York City Food Policy Coordinator, the Food Bank For New York City, the United Way of New York City, and the Food Industry Alliance of New York convened the New York Supermarket Commission, to promote the role of the public sector in supporting the development of new stores in underserved communities. Other members of the commission included representatives from UFCW 1500, City Council, and supermarket industry executives. We began our work by researching the barriers to supermarket investment. Our principal findings were that a confluence of factors including high rents, the scarcity of suitable parcels of land, the need for adequate business financing, and a complex regulatory environment, make it difficult for the industry to invest in New York. In response to these barriers, we developed a series of 9 policy recommendations for the public sector to address the issue. Those include two recommendations that the FRESH proposal addresses directly: making economic development programs available to the supermarket industry and creating density bonuses for real estate developments that incorporate healthy food. Both tools could lead to lower operating costs for supermarkets thereby helping them overcome the high rents so prevalent in the city. More information on our work is compiled in a special report entitled "Stimulating Supermarket Development: A New Day for New York City" that I've brought with me today.

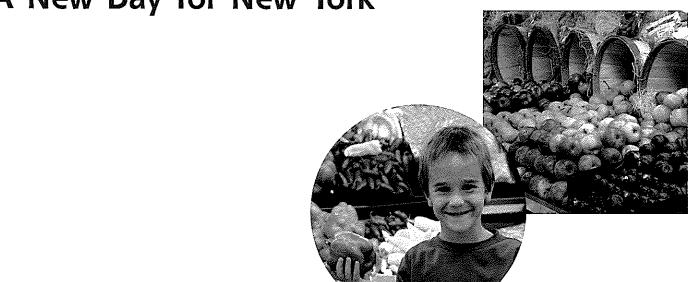
New York City is not alone in its efforts to encourage more healthy food retailing in its neighborhoods. The State has also created a robust, \$10 million program, Healthy Food Healthy Communities, that will provide grants and loans to supermarkets investing in underserved communities. Taken together, the combined effort could go a long way towards ensuring that children grow up eating healthy. These efforts are best understood in a national context. Several years ago Pennsylvania created a \$120 million business financing program for fresh food retailers that invested in 70 new stores across the state. Cities as diverse as Washington D.C., and New Orleans, Louisiana have utilized a variety of economic development tools, including tax incentives and CDBG funding, in an effort to make it easier for their residents to obtain a nutritionally adequate diet. I am proud to note that the Food Trust has been involved in many of these efforts. While I am unaware of a City elsewhere in the country creating incentives in the zoning code similar to those being proposed in FRESH, I think they are a well considered, NYC-oriented approach to dealing with the issue, and they respond directly to the barriers to supermarket development discussed during the work of the New York Supermarket Commission.

In conclusion I would like to thank City Council for providing the funding that made this work possible. As a national advocate on this issue, I believe that implementing the FRESH program as part of the recommendations developed by The New York Supermarket Commission will be a significant step to bringing more nutritious food into the communities that need it most. The response to the work of the New York Supermarket Commission, which also includes the State's Healthy Food / Healthy Communities Initiative will go a long way towards ensuring that children are able to obtain a nutritious diet, so that they can grow up healthy and strong. Thank you.



Stimulating Supermarket Development:

A New Day for New York



food for every child





STATE OF NEW YORK

EXECUTIVE CHAMBER

ALBANY 12224

DAVID A. PATERSON GOVERNOR

Dear New Yorkers,

Childhood obesity has become a public health epidemic. One out of every four New Yorkers under the age of 18 is obese. In many high-poverty areas, the rate is closer to one out of three. We must move urgently to reduce these rates.

Obesity causes serious health problems, including type 2 diabetes, high blood pressure and high cholesterol. Furthermore, obesity puts children at greater risk for life-threatening conditions such as heart attacks, stroke, limb loss, and cancer, and it places an enormous strain on our healthcare system. Last year our state spent \$6.1 billion to treat obesity-related health problems, the second highest expenditure in the nation.

We know that obesity is preventable and I believe we can ultimately curb this epidemic the same way we curbed smoking: through smart public policy.

For example, there are too few supermarkets in urban and rural communities throughout New York State. The lack of affordable, nutritious food is impeding the revitalization of our communities, and negatively impacting the health of our neighbors, especially children.

Research shows that the presence of supermarkets in communities helps people maintain a healthy weight, and eat more fruits and vegetables. Developing supermarkets in underserved communities is a critical public policy goal in our fight against childhood obesity.

I strongly support public policies that encourage the development of supermarkets in undeserved communities, connect New Yorkers to local food grown right here in New York, and create opportunities to build environmentally sustainable supermarkets. Good policies like these will help us reduce the incidence of childhood obesity and promote New York State agriculture.

The recommendations presented by the New York Supermarket Commission are an important step toward these goals.

I thank New York City Mayor Michael Bloomberg, the Food Industry Alliance of New York, the New York City Council, the Food Bank for New York City, The Food Trust and the United Way of New York City for their leadership in convening the New York Supermarket Commission. I would also like to thank the Gerald J. and Dorothy R. Friedman Foundation for their support of this work. Most importantly, I thank the commission members for their help in ensuring the health of our children.

Sincerely,

David A. Paterson

David a. Paterson



THE CITY OF NEW YORK OFFICE OF THE MAYOR NEW YORK, NY 10007

Dear Friends:

The twin epidemics of obesity and diabetes are major public health problems facing New York City and State. Nearly half of all elementary school children in New York City are overweight or obese, putting them at risk of serious consequences like hypertension, heart disease, and strokes. These trends are significantly worse in low-income communities: where rates of poverty are high, so are rates of obesity and diabetes. These are also the communities with the least access to supermarkets and other healthy food retailers.

Research shows that residents of communities well-served by supermarkets are more likely to maintain a healthy weight and avoid the health problems associated with obesity and diabetes. That's why New York City's Food Policy Task Force—which our administration worked with the City Council to create in 2006—has focused on making nutritious foods like fruits, vegetables, whole grains, and low-fat products more readily available in communities around our city. Our efforts include the expansion of the Greenmarket program and the creation of the Healthy Bodegas and Green Cart programs. We also strongly support policies designed to attract and retain supermarkets in underserved communities.

The recommendations presented by the New York Supermarket Commission will do more than promote the health of our communities and bring good jobs to local residents—they also mark an important step in our efforts to build partnerships between city and state government, the supermarket industry, and the nonprofit sector. On behalf of the City of New York, I thank Governor Paterson, New York City Council Speaker Christine Quinn, The Food Trust, the Food Industry Alliance of New York, and United Way of New York City for the important leadership role they have played in the commission. I also thank the Gerald J. and Dorothy R. Friedman Foundation for supporting the commission's work, and all the commission members for providing their invaluable assistance and expertise. Working together, we can build a stronger, healthier future for all the residents of New York State.

Sincerely,

Michael R. Bloomberg

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Mayor

Dear Neighbor,

As co-chairs of the New York Supermarket Commission, we are very pleased to present this report containing the recommendations of commission members on how city and state officials can increase the availability of nutritious, affordable food in communities throughout New York.

The commission convened more than 40 experts from the private, public, and civic sectors who build and operate supermarkets, plan and finance the development of supermarkets, and work with communities and families who deserve better access to food. Over a six-month period, these experts met and developed nine policy recommendations that the city and state could implement to stimulate supermarket development and promote renovations that will help preserve existing stores in underserved areas in New York.

The recommendations require changes but are built on the work that city and state officials have begun. For instance, the City of New York's Department of City Planning and the Economic Development Corporation are working closely with supermarkets interested in developing urban stores to identify sites.

Supermarkets are not the answer for every community, but they provide the greatest variety of fresh, affordable, and nutritious food. The success of new supermarkets in New York City and elsewhere has demonstrated that there is substantial untapped demand for food retail. Taking advantage of this opportunity makes good business sense, will create new jobs and will contribute to the vitality of New York's neighborhoods.

Implementing the recommendations outlined in this report will require strong private, public, and civic sector leadership to market and attract new supermarkets to New York. There is a growing body of evidence that an increased presence of supermarkets in underserved communities helps people live healthier lives. We deeply appreciate the hard work and commitment of the New York Supermarket Commission and Mayor Bloomberg's policy initiative that led to the formation of the commission. Together, our work now begins in earnest, to ensure that there is fresh and nutritious food for every child.

Sincerely,

Jennifer Jones Austin Senior Vice President

Community Investment

United Way of New York City

In autin

Nicholas D'Agostino, III

President & COO

D'Agostino Supermarkets, Inc.

Retialor J D'Agostino III

NEW YORK SUPERMARKET COMMISSION

Mindy A. Bockstein

Chairperson & Executive Director New York State Consumer Protection Board

Bruce Both

President United Food and Commercial Workers Union; Local 1500

Amanda Burden

Chairwoman
City of New York
Department of City Planning

Dr. Lucy Cabrera

President & CEO Food Bank for New York City

John Catsimatidis

Chairman & CEO Gristedes

Jerry Cesaro

Senior Vice President, Sales & Marketing Key Food Stores Cooperative, Inc.

Greg Collins

Senior Manager of Government Affairs The Penn Traffic Company

Nicholas D'Agostino, III

President & COO D'Agostino Supermarkets, Inc.

Judith Enck

Deputy Secretary for the Environment Office of Governor David A. Paterson

Thomas Frieden

Commissioner City of New York Department of Health and Mental Hygiene

Alicia Glen

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Dan Glickberg

Executive Vice President Fairway Market

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Leora Jontef

Director of Policy and Operations City of New York Department of Housing Preservation and Development

Francisco Jorge

Owner Compare Foods

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Director, New York Region
Low Income Investment Fund

Mitch Klein

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Executive Director
Citizen's Committee for Children

Jennifer Marino Rojas

Deputy Director Children's Defense Fund of New York

Richard Matwes

Senior Real Estate Representative WakeFern/ShopRite

Jonathan Mintz

Commissioner City of New York Department of Consumer Affairs

Carin Mirowitz

Senior Policy Analyst New York City Council Speaker Christine Quinn Appointee (Ex-Officio)

C. Warren Moses

CEO Children's Aid Society

William E. Rapfogel

CEO Metropolitan Council on Jewish Poverty

lim Ried

President & CEO Olean Wholesale Grocery Cooperative

Jim Rogers

President & CEO
Food Industry Alliance of
New York State, Inc.

L. Nicolas Ronderos

Senior Planner Regional Plan Association

Denise Scott

Managing Director Local Initiatives Support Corporation, New York

Tokumbo Shobowale

Chief Operating Officer New York City Economic Development Corporation

Abby Sigal

Director Enterprise Community Partners, New York

Ben Thomases

Food Policy Coordinator City of New York, Office of the Mayor

Robert Volosin

Senior Director of Real Estate A & P

Jack Zumba

Senior Vice President White Rose Food



SUMMARY OF RECOMMENDATIONS

To protect the health of children and families by ensuring access to affordable nutritious food, the city and state should ensure a healthy balance of food retail as a priority for the comprehensive development of communities. The following recommendations describe critical steps toward achieving that goal:

Recommendation #1: State and local economic development programs and public incentives should be targeted to the supermarket industry to maximize their impact on supermarket site location decisions.

Recommendation #2: The State of New York should develop a business financing program to support local supermarket development, renovation, and expansion projects.

Recommendation #3: State and local governments should streamline the development process to make opening a supermarket more efficient and provide assistance to operators to negotiate the approval process.

Recommendation #4: Local governments should give priority to assembling land for supermarket development and make city- and state-owned property available to the industry. Governments should identify targeted areas for investment and promote them to real estate developers and the supermarket industry.

Recommendation #5: City, state, and regional transportation agencies should develop transportation services for shoppers without convenient access to a full-service supermarket.

Recommendation #6: State and local governments should employ up-to-date and data-driven market information that highlights unmet market demand for food to the supermarket industry and real estate developers.

Recommendation #7: The State of New York and the City of New York should promote green supermarket development and renovation by providing incentives for energy-efficient equipment and systems, and environmentally sustainable building materials.

Recommendation #8: The State of New York should require that all projects receiving assistance through a state financing program enroll in the Pride of New York Program. Stores should be encouraged to carry products from farms within 300 miles of their location.

Recommendation #9: State and local governments should engage leaders from the industry and civic sector to guide the implementation of these recommendations.

INTRODUCTION

The New York Supermarket Commission, a group of leaders from the supermarket industry, government, and civic sector, believes that this list of nine recommendations supports New York's commitment to protecting the health and welfare of its families and children. With strong leadership and dedicated resources from New York State and City, new supermarkets and quality food stores can improve people's health, create jobs, and contribute to community revitalization.

The Food Trust, a nationally recognized nonprofit organization, issued a special report entitled "The Need for More Supermarkets in New York City" as part of an initiative to provide food for every child. The research study concluded the following:

- New York City has too few supermarkets in low-income areas of the city;
- low-income New York citizens suffer from diabetes-related and other diet-related diseases at rates significantly higher than the general population;
- access to fresh, affordable, nutritious food must be improved if the health and well being of New York citizens is to improve.

In November 2006 Mayor Michael R. Bloomberg and City Council Speaker Christine C. Quinn began a concerted effort to increase access to healthy foods in low-income communities by creating a Food Policy Task Force and the position of Food Policy Coordinator. This effort is part of the Center for Economic Opportunity, the innovative anti-poverty initiative created by Mayor Bloomberg in 2006 and overseen by Deputy Mayor Linda Gibbs.

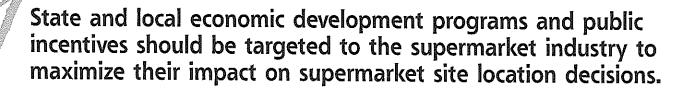
The Food Policy Task Force created a working group focused on food retailing that began to examine barriers to supermarket investment in New York City. This work was rooted in a growing body of evidence that increasing retail access to healthy foods, particularly fruits and vegetables will increase consumption and improve health outcomes. After researching successful initiatives to encourage supermarket investment across the country, the Food Policy Coordinator requested that The Food Trust and the Food Bank for New York City work together to document the lack of access to supermarkets in New York, with funding from New York City Council.

Following that research, the Food Policy Coordinator, City Council, Food Bank, and Food Industry Alliance, with the funding from the Friedman Foundation, asked The Food Trust to

assemble the New York Supermarket Commission to educate the public, policy makers, and business leaders about the need for more supermarkets and to develop public policy recommendations intended to reverse the documented diet and health problems. The commission, co-chaired by Jennifer Jones Austin of the United Way of New York City and Nicholas D'Agostino, III of D'Agostino Supermarkets, met to craft a plan for supermarket development in New York. With the advice and consultation of commission members, nine recommendations are presented for action to the City and State of New York.

New York Supermarket Commission members and The Food Trust directors and staff will continue to advocate for better access to nutritious, affordable food for families, nutrition education in schools, and programs that deliver wholesome food for every child in the implementation of these recommendations and through other activities.

RECOMMENDATIONS



The food retail industry needs public support to overcome the costs of urban development, which are on average 30 percent higher than in the suburbs. Existing economic development financing programs are often not available to, or not marketed to, food retailers. Supermarkets and food retailers have not traditionally been viewed as drivers of economic growth. Retailers have often been specifically excluded from economic development programs. Food access is too important to be left solely to market forces. Public financing and tax credit programs should be reconfigured so that they can be made available for supermarket investments. These investments should include new stores and existing stores looking to expand their offerings.

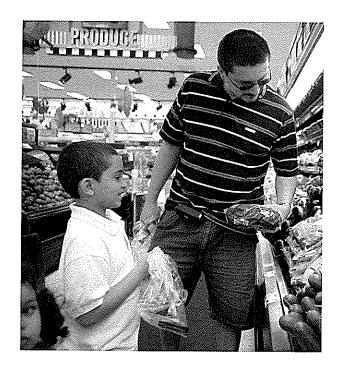
Example:

Cities across the country have successfully utilized economic development subsidies to bring supermarkets into select areas. Examples include a Shaw's in New Haven, an Albertsons in San Diego, a ShopRite in Philadelphia, and the East Harlem Pathmark here in New York City.

Anchored by a 56,000-square-foot Shaw's supermarket, the Dwight Place development in New Haven, CT, brought a much-needed supermarket to the heart of city. The project was made possible with funding from a variety of public and private sources including the Office of Community Services-U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development; \$3 million in financing from Local Initiatives Support Corporation's The Retail Initiative (TRI); and a \$1 million grant from the state of Connecticut. The project also received additional assistance from the city of New Haven and Yale University. With this development, Shaw's became the first major supermarket to locate within the city of New Haven in decades, improving fresh food access for the city's residents and creating over 200 jobs.

Tax exemptions can encourage developers to include supermarkets over other competing retail uses. In Washington, DC, the Department of Planning and Economic Development approved the Supermarket Tax Exemption Act in 2000. This act is part of a citywide supermarket attraction and retention effort which has resulted in several new store openings and expansions in targeted areas throughout the city. New stores include Giant, Safeway, and Harris Teeter supermarkets. In addition to benefiting from the tax exemption, the new developments received additional incentives from the city, including Community Development Block Grant funding.

While these successes speak to the potential for public incentives to influence supermarket development and help close the financing gap, a comprehensive program is needed to stimulate supermarket development in neighborhoods throughout New York.



The State of New York should develop a business financing program to support local supermarket development projects.

The State of New York should dedicate funds to stimulate the development, renovation, and expansion of supermarkets in underserved communities, in the form of grants and loans to fund soft costs, including feasibility and marketing studies, as well as to offset development and construction costs.

The state should assure that all funded stores participate in food assistance programs. The Food Stamp Program provides additional food purchasing power to more than 2 million low-income New York State residents, including working families, the elderly, and the disabled. The program can be a substantial source of revenue to supermarkets in underserved communities.

Example:

In 2004, the Pennsylvania legislature enacted a nationally significant economic stimulus package (SB 1026) containing provisions supporting the development of supermarkets in underserved communities throughout Pennsylvania. Promoted by Governor Edward G. Rendell and an alliance of food and farming interests, this legislation positions Pennsylvania as a national leader in developing supermarkets in underserved communities and promoting the sale of Pennsylvania farm products at farmers' markets.

The state appropriated \$30 million over three years to create the Fresh Food Financing Initiative (FFFI). State funding was leveraged by The Reinvestment Fund, a Community Development Financial Institution, to create a flexible financing pool that provides grants and loans to supermarkets investing in underserved communities.

FFFI is an innovative program designed to meet the financing needs of supermarket operators that want to operate in these communities, where infrastructure costs and credit needs are often higher and unmet by conventional financial institutions. The initiative helps new supermarkets get off the ground and existing ones to refurbish and replace old capital to improve efficiency and lower costs. FFFI provides grants and loans to qualified food retail enterprises for predevelopment costs including, but not limited to, land acquisition financing, equipment financing, capital grants for project funding gaps, construction and permanent finance, and workforce development. To be eligible, stores must be located in low- to moderate-income areas that are currently underserved and must also provide a full selection of fresh foods.

In just four years, the Fresh Food Financing Initiative has funded over 60 projects across Pennsylvania, resulting in the creation or retention of approximately 3,500 jobs and 1.4 million square feet of food retail space. These projects have included major national chains and stores of up to 69,000 square feet, as well as smaller local, independently

operated stores. The initiative was named one of the top 15 Innovations in American Government for 2008 by Harvard University's John F. Kennedy School of Government.

One of the first projects financed by FFFI was the ShopRite of Island Avenue, a 57,000-square-foot supermarket located in the Eastwick section of Philadelphia. The supermarket received a \$5 million loan for construction and renovation of the store and \$250,000 in grant funding to help with workforce development training costs. The supermarket has created 258 quality jobs in the community, most of which qualify for attractive employee benefits.

To date, the program has also benefited 31 existing stores, providing them with financing for renovations and/or expansions.

State and local governments should streamline the development process to make opening a supermarket faster and more efficient and provide assistance to operators to negotiate the approval process.

State and local government approval processes can add several years and substantial cost to a supermarket project in an underserved area. Government can show preference to development it wants to encourage by expediting approval processes, thereby reducing project costs. Creating a single point of access for interacting with government would help supermarket operators navigate the complex process of developing a supermarket in underserved communities. Codes should be reviewed with consideration given to shortening the length of time it takes to develop a supermarket.

Example:

Local governments can expedite the permitting approval process for development they want to encourage. The Chicago Department of Buildings (DOB) has developed an expedited permit process for projects that incorporate innovative green building strategies, and similar strategies could be used for supermarket development in underserved communities. The DOB Green Permit Program provides developers and owners with an incentive to build green by streamlining the permit process timeline for their projects. Projects accepted into the Green Permit Program can receive permits in less than 30 business days or in as little as 15 business days, a significant improvement over standard processing times. The number of green building elements included in the project plans and project complexity determines the length of the timeline. The more green building elements, the shorter the timeline to obtain a permit. Applicants that demonstrate an extraordinary level of green strategy implementation may have consultant code review fees waived. Similar strategies could be employed to encourage real estate developments that plan for a supermarket.





Local governments should give priority to assembling land for supermarket development and make city- and state-owned property available to the industry. Governments should identify targeted areas for investment and promote them to real estate developers and the supermarket industry.

Adequate sites to accommodate supermarkets near areas where they are needed most are difficult to identify and assemble. New York should give priority to acquiring, assembling, and conveying land for new supermarket development. In addition, local governments should offer density bonuses or other preferences in their zoning codes for projects that include a supermarket.

Example:

St. Petersburg, FL, assisted in assembling 32 parcels of land to develop the Tangerine Plaza shopping center in an economically distressed area. This 47,000-square-foot neighborhood shopping center is anchored by Sweetbay Supermarket, the first full-service grocery store and pharmacy in the neighborhood. The city bought the land, cleared the liens and other encumbrances against the properties, and rezoned the site for neighborhood commercial development. Once the land was ready for construction, the city leased the property to the developer for 99 years for an annual payment of \$5. Since opening its doors, the Sweetbay Supermarket in Midtown has set sales records for the Florida-based company. In addition, the property tax revenue for the city increased from \$6,000 to over \$110,000 per year.



City, state, and regional transportation agencies should develop transportation services for shoppers without convenient access to a full-service supermarket.

Low-income households are six to seven times less likely than other households to own a car – and also less likely to live in a neighborhood with a supermarket. Many low-income families, as well as the elderly, disabled, and other transit-dependent consumers, have to take multiple bus rides to access the nearest supermarket. Lack of convenient and affordable transportation makes it difficult for these shoppers to purchase fresh, healthy foods. Transportation expenses can contribute an additional \$400 per year to household budgets; this represents an increase of nearly 20 percent of the annual household food budget for the lowest income families. In rural areas, additional transportation costs exact an even greater toll on household food budgets.

To benefit existing stores, a transportation needs assessment should be conducted to explore transportation barriers in neighborhoods that lack a full-service supermarket. Neighborhood shuttles represent a short-term strategy to address the problem of poor food access.

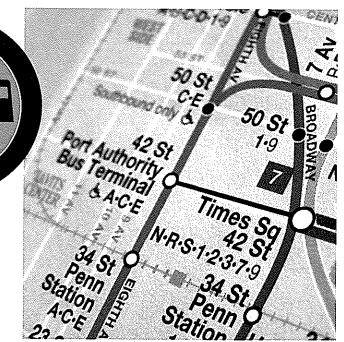
Example:

An extensive study of store-operated shuttle services in low-income communities in California showed that these programs have the potential to improve the fiscal health of urban stores by strengthening customer loyalty and winning new customers.

A number of innovative grant-funded food transportation programs and public-private partnerships have been tried in recent years. For instance, Knoxville (Tennessee) Area Transit developed the highly successful Shop & Ride program, which provides shoppers who spend a minimum of \$10 at a number of participating supermarkets a free one-way ticket on any city bus. The city provides the bus service and bills the stores each month for the fares. Businesses appreciate the program because it brings in more shoppers, while shoppers benefit from having a convenient ride home from the store.

Some cities have developed incentives for businesses to locate along public transportation routes. For instance, Massachusetts offers Smart Growth tax breaks, financing, and "as of right" zoning incentives to developments locating near transit stations. Other cities, such as Portland, OR, require pedestrian-friendly development along major transit routes, with

parking located behind the store.



State and local governments should employ up-to-date and data-driven market information to highlight unmet market demand for food to the supermarket industry and real estate developers.

Accurate information about the underlying market potential of city neighborhoods is crucial to attracting new food retail investment. New York City should follow the lead of other major cities by funding and disseminating an innovative retail analysis of its neighborhoods.

In the last ten years, a new consensus has emerged that urban retailers have underestimated the potential of emerging markets in inner city areas. New data-driven market analysis techniques have shown that many national market analysis consulting firms undercount city residents, make generalizations, and do not include local data in trend analysis. These models often miss many positive developments in today's dynamic, diverse metropolitan economy. Using new, more accurate data sources, metrics, and modeling techniques can reveal the unmet demand for food retail in urban areas.

Example:

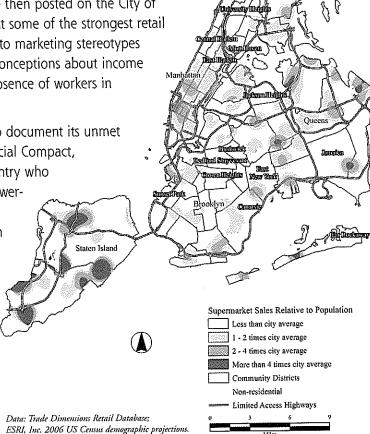
bill payment data.

The City of Milwaukee's Department of City Development has successfully used independent data analysis to attract new supermarket chains to the city. Milwaukee utilized a state-of-the-art methodology relating detailed income tax filing data and other current information on residents' spending patterns to describe

the income concentration and spending power around commercial districts. The city mapped the purchasing power and economic assets of all commercial districts in the city. The purchasing power profile reports were then posted on the City of Milwaukee's website. Milwaukee's data showed that some of the strongest retail markets in the city have been ignored in part due to marketing stereotypes promulgated by commercial marketing firms, misconceptions about income

status, and persistent "urban legends" about the absence of workers in inner-city neighborhoods.

The City of Baltimore is using similar techniques to document its unmet demand for food. Recent research compiled by Social Compact, a coalition of business leaders from across the country who are promoting successful business investment in lower-income communities for the benefit of current residents, indicated that an estimated \$217 million in grocery leakage could support an additional 633,000 square feet of grocery retail space in Baltimore. The analysis uses information similar to that used by the City of Milwaukee, including local tax assessments, building permits, consumer credit bureaus, and utility



The State of New York and the City of New York should promote green supermarket development and renovation by providing incentives for energy-efficient equipment and systems, and environmentally sustainable building materials.

Both existing and newly developed stores would benefit from a targeted incentive program designed to meet the energy-efficient, green building priorities of New York. The cost of energy for supermarkets is second only to labor. For both new and existing supermarkets in underserved communities, the costs of operating with inefficient, antiquated mechanical systems and infrastructure place additional pressure on the balance sheet, eroding an already razor-thin profit margin.

The public sector should play an important role in providing incentives for energy-efficient equipment and systems, and environmentally sustainable building materials. This support will make it possible for grocery store operators to realize energy savings today that will provide access to affordable, nutritious food in communities for years to come.

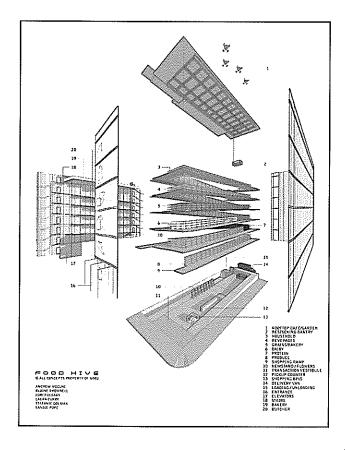
Example:

Since 1999, the New York State Energy Research and Development Authority (NYSERDA) has given more than \$92 million in federal and state funds to provide assistance for projects affecting more than 137 million square feet of building space in New York State. NYSERDA encourages green building by providing a variety of services to help design teams make new and rehabilitated commercial, industrial, and institutional buildings green.



Supermarket operator Price Chopper recently broke ground on a new 69,000-square-foot store in Colonie, NY, that plans to seek silver LEED certification. Price Chopper partnered with NYSERDA throughout the planning of the project. The state-of-the-art store will serve as a prototype for future Price Chopper supermarkets that will implement green building improvements. NYSERDA will provide incentives through the New Construction Program for green building which will enhance the economic and environmental performance of the building.

The new store will have a fuel cell that will efficiently, quietly, and with little-to-no emissions provide electricity and heat. It will be built of precast concrete panels to reduce construction waste. Colored concrete floors will allow Price Chopper to avoid using harsh chemicals while cleaning. To encourage more of this type of innovative development, the city and state should more aggressively market assistance from NYSERDA to supermarkets and package it with other incentives discussed earlier in this report.



The State of New York should require that all projects receiving assistance through a state financing program enroll in the Pride of New York Program. Stores should be encouraged to carry products from farms within 300 miles of their location.

Selling locally grown and produced products helps to sustain local farms, promotes a vibrant regional economy, and makes good business sense. Surveys repeatedly show that U.S. consumers believe fresh and locally grown products are tastier and healthier than their packaged counterparts.

The Pride of New York Program was developed to promote and support the sale of agricultural products grown and food products processed within New York State. The program's growing membership now includes supermarkets, farmers and processors, distributors, restaurants, and related culinary and support associations – all working together to bring consumers wholesome, quality New York State products.

In 2008, the Pride of New York retail program assisted over 500 supermarkets in sourcing local products and incorporating the "buy local" message into their marketing campaigns. Pride staff worked with store and produce managers, distributors, and other partners in the food supply chain to develop a variety of customized point-of-sale

materials that emphasized participating stores' "buy local" efforts with New York farmers. As a result, over a dozen new partnerships between supermarket chains and the Pride were developed across the state – from Long Island to Buffalo – and interest continues to grow.



State and local governments should engage leaders from the industry and civic sector to guide the implementation of these recommendations.

Lessons from other cities and states show that leadership from the supermarket industry, public officials, and the civic sector is crucial to the redevelopment of supermarkets in urban and rural areas. The complementary strengths of the public and private sectors should continue to guide the implementation of these recommendations.

Example:

Closing the financing gap faced by many supermarket developments will take visionary leadership from both the public and private sector. In San Francisco, a Local Initiatives Support Corporation (LISC) was critical to fulfilling Mayor Gavin Newsom's promise to bring a new full-service grocery store to Bayview-Hunters Point, a predominately low-income neighborhood. Even after the mayor's Office of Economic and Workforce Development (OEWD) connected Fresh & Easy, a company of U.K.-based Tesco, with the developer of housing units in the neighborhood, financing for the deal still fell short. Fortunately, the LISC stepped in to provide New Markets Tax Credits to help close the gap in the project. The New Market Tax Credit program, run by the U.S. Department of Treasury, is designed to stimulate investment and economic growth in low-income urban neighborhoods. Additional city support has helped to expedite the necessary zoning and traffic approvals, and the store is scheduled to open later in 2009, a flagship in broader efforts to support the revitalization of the neighborhood.

Public leadership has also proved critical to the development of supermarkets in low-income neighborhoods. In Rochester, NY, the mayor ran his re-election campaign promising a new supermarket in a low-income neighborhood called Upper Falls. Despite several overtures from city planners, local retailers showed little interest in the neighborhood. Tops Markets, Inc., the region's second-ranked supermarket chain, wanted to develop multiple stores in Rochester to counter a competitor's expansion into its home base in Buffalo, NY. The city utilized the Federal Enterprise Community Zone program, the CDBG program, the Urban Renewal Trust Fund. and the HUD 108 program to help Tops develop four stores and expand another.

SELECTED RESOURCES

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City of Chicago. Department of Buildings. http://egov.cityofchicago.org/city

City of Milwaukee. Department of City Development. http://www.mkedcd.org/PurchasingPower

City of Rochester. Rochester Economic Development Corporation. http://redco.net

Commonwealth of Massachusetts.

Massachusetts Smart Growth Energy Toolkit.

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BUILDING STRONG COMMUNITIES THROUGH HEALTHY FOOD

The Food Trust, a nonprofit organization based in Philadelphia, was founded in 1992 in response to the critical need for stable, nutritious, and non-emergency food supplies in urban neighborhoods. Now in its second decade, the Trust is a national leader in the increasingly active dialogue concerning the diet-related health problems that are endemic in America's lower-income communities.

With partners at The Reinvestment Fund and the Greater Philadelphia Urban Affairs Coalition, the Trust manages the Fresh Food Financing Initiative (FFFI), a public/private partnership that works to increase supermarkets and healthy corner stores in economically disadvantaged communities throughout Pennsylvania. To date, the FFFI has financed more than 60 supermarket projects in low-income communities across Pennsylvania, which will create or retain more than 3,500 jobs and 1.4 million square feet of retail space. The initiative was named one of the top 15 Innovations in American Government for 2008.

The Trust works in Philadelphia-area schools and recreation centers, teaching and motivating youth in grades K-12 to adopt healthier lifestyles, including choosing more nutritious foods and getting regular physical activity. In addition, the Trust developed and implements the Kindergarten Initiative, an innovative school-based program that teaches young children about healthy eating by providing nutrition education and fresh fruit-and-vegetable snacks in the classroom as well as field trips to local farms. Trust educational programs are geared to children and families from economically disadvantaged communities in which culturally diverse, minority populations predominate. The Kindergarten Initiative was chosen as the model for a statewide initiative in Pennsylvania, which provides grants to schools across the state to start similar programs.

As the Regional Lead Agency for the Mid-Atlantic Farm to School Network, The Food Trust promotes and provides technical assistance to farm-to-school projects in the five-state area (Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia, and Washington, DC). The Trust also operates 30 regional farmers' markets with community partners and advocates for public policies that promote good nutrition in schools and communities.

For more information, or to order additional copies of this report, visit thefoodtrust.org or contact The Food Trust at:

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1617 John F. Kennedy Blvd.
Philadelphia, PA 19103
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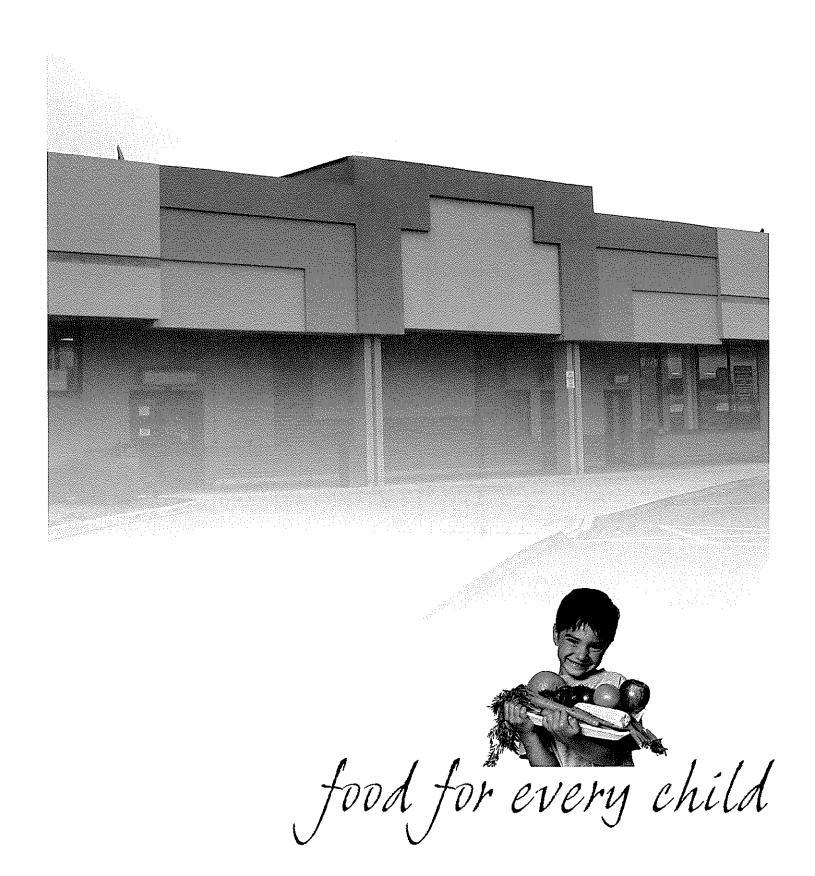
Website: thefoodtrust.org

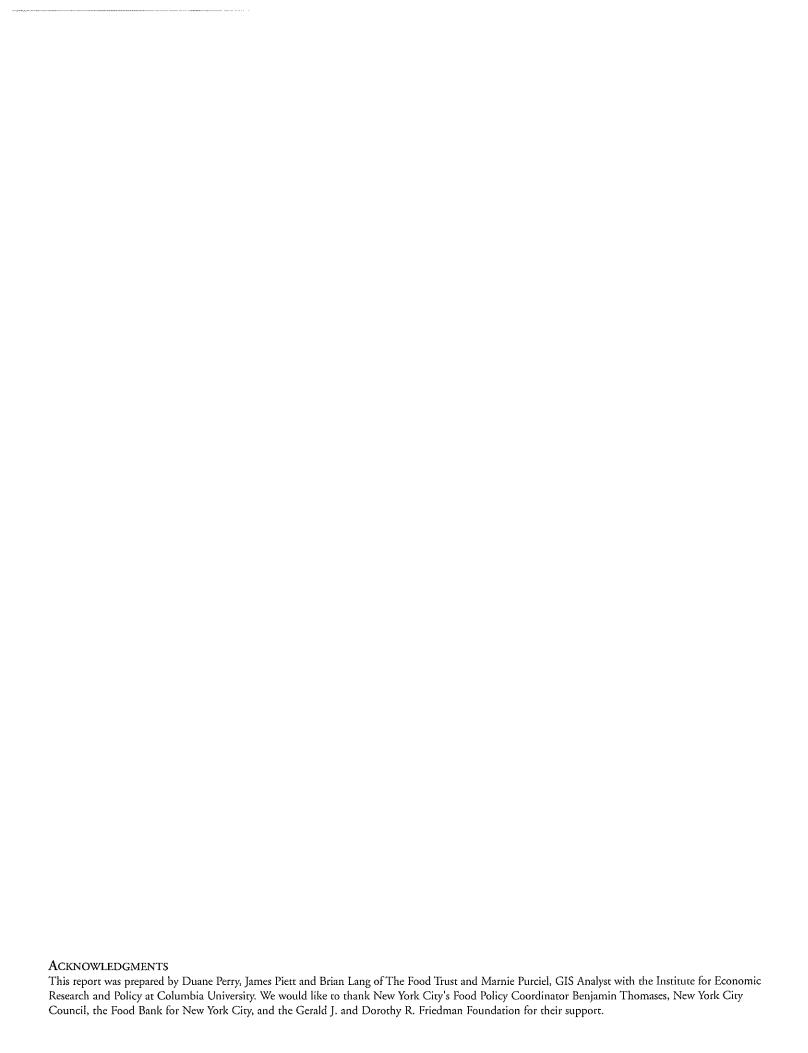




SPECIAL REPORT

The Need for More Supermarkets in New York







FOOD FOR EVERY CHILD

The Need for More Supermarkets in New York

EXECUTIVE SUMMARY

New York City must address the significant and growing need for supermarkets and food resources in its neighborhoods. Food retailers and public sector development agencies have, in essence, redlined lower-income communities, failing to aggressively combat the factors that have led supermarkets to disinvest from these neighborhoods. The Food Trust researched and wrote "Food for Every Child" to ensure that all children live in communities that have access to safe, healthy and affordable food. A key goal of this initiative is to stimulate the development of supermarkets in lower-income neighborhoods.

New York City is not exceptional in terms of the characteristics or poverty status of its residents when compared to other large urban areas, yet despite a growing population, there are one-third fewer supermarkets in New York's five boroughs today than there were six years ago.' There is a pressing need for more affordable, nutritious food in many neighborhoods. When compared to the national number of supermarkets per capita, New York City has 137 too few supermarkets.²

Large areas of New York City have few supermarkets, and in many neighborhoods, none exist. This uneven distribution of food in New York City disproportionately affects large numbers of low-income people. In a nationwide study of 21 metropolitan areas analyzed by zip code, the number of supermarkets in the lowest-income neighborhoods was almost 30 percent less than the number in the highest-income neighborhoods.³

In lower-income neighborhoods, the lack of a supermarket negatively impacts people's ability to obtain a nutritionally adequate diet. At the same time, the incidence of diabetes is disproportionately high in lower-income neighborhoods. Increasing the availability of nutritious and affordable food in neighborhoods with high rates of diabetes does not guarantee a reduction in the incidence of this disease. However, by removing this as a barrier to healthy eating, we can better focus on helping people improve their diets and health.

The public sector has a responsibility to provide a safe and stable food supply in underserved communities. As supermarkets replaced public markets, the public sector largely withdrew from food retailing. Supermarkets later withdrew from many communities, leaving many neighborhoods and large numbers of people without a stable food supply. At the same time, the incidence of diabetes and diet-related diseases increased in these neighborhoods.

Through mapping, this study shows that many neighborhoods in New York City with poor supermarket access also have a high incidence of diabetes-related deaths. The location of supermarkets—access to supermarkets—is a key factor contributing to the health and development of neighborhoods.

This study builds on the excellent work undertaken in the past several years by a variety of government, private and civic leaders in New York City and the State of New York. The Food Trust is committed to building on this work, and working with these leaders to address the problem and improve supermarket access for residents of New York City and State.

We call upon the City and State governments to take the lead in developing a public-private response to this problem. While not a situation of any one sector's making, it is in the interest of the entire community to solve this problem. Solutions that have proven helpful elsewhere in the country include:

- Convening leaders from the business, government, public health, civic and community sectors to develop a strategy
 to establish more supermarkets in lower- and moderate-income communities.
- Strategic investments with public funds to reduce the risks associated with the development of more supermarkets in lower- and moderate-income communities.

¹ Shulman, Robin (2008). Groceries Grow Elusive For Many in New York City. Washington Post, February 2008.

² National supermarket estimates based on data from the Food Marketing Institute (www.fmi.org) and U.S. Census Bureau (www.census.gov)

³ Zy Weinberg (1995). No Place to Shop: The Lack of Supermarkets in Low-Income Neighborhoods. Public Voice for Food and Health Policy, May 1995.

food for every child

Introduction

New York City is not exceptional in terms of the characteristics or poverty status of its residents when compared with other large urban areas, yet New York City has fewer supermarkets per resident than many of the nation's largest metropolitan areas. This shortage of supermarkets means that lower-income residents must travel out of their neighborhoods to purchase food, or shop at more expensive corner and convenience stores with less selection and often poor quality food. The insufficient access to affordable and nutritious food in lower-income neighborhoods reduces the purchasing power of neighborhood residents, and may exacerbate long-term health problems resulting from nutritionally inadequate diets.

Low-income New York City residents are likely to suffer from health problems such as diabetes at rates significantly higher than those of the population as a whole. Diabetes rates in New York City have doubled in the past ten years.⁵ For children, diabetes has reached epidemic proportions; at least one-third of five year olds will develop diabetes in their lifetime.⁶

Many low-income families in New York City have limited funds with which to purchase nutritionally adequate foods. Additionally, recent increases in the cost of food place further strain on these limited resources. These families are also likely to have few to no places in their communities in which to shop for reasonably priced foods.

The region's supermarket deficit could be eased and diet related health problems decreased through a highly visible initiative to build more supermarkets in lower-income neighborhoods, and improve the health and nutrition of the children who live here.

The Food Trust has launched "Food for Every Child," to ensure all children live in communities that have access to safe, nutritious and affordable food. This initiative is designed, in part, to stimulate the construction of supermarkets in lower-income neighborhoods. As part of that, this study outlines the extent and implications of the supermarket shortage, identifying the gaps in food availability and the relationship between diet-related diseases and lower-income neighborhoods.

Methodology

To demonstrate which neighborhoods lack supermarkets, a geographical representation of food access, income and diabetes was created by mapping the locations of supermarket sales, income and diabetes mortality data (see Appendix for more detail). Retail sales data for supermarkets were obtained from Trade Dimensions, and reviewed with the New York City Department of City Planning. Diabetes mortality rates were provided by the New York City Department of Public Health and 2006 demographic projection data were derived from the 2000 U.S. Census.

A series of maps was created using Geographic Information Systems computer mapping software. Weekly sales volume at supermarkets was distributed over a mile radius to plot the concentration of sales, then divided by the density of total population and divided by \$15.24 (the citywide ratio of sales to population) to calculate a ratio for weekly supermarket sales per person. The ratios were mapped; ratios greater than 1 represent high sales and ratios less than 1 represent low sales. Median household income was multiplied by the number of households to determine total income density.

A total of 1,729 diabetes-related deaths were mapped. "High" diabetes-related mortality areas are defined as having ratios greater than the citywide rate, and "low" areas have ratios less than the citywide rate. Only data for New York City were analyzed, so the maps do not show ratios outside of the city.

⁴ Trade Dimensions International, Inc. (2004). 2005 Marketing Guidebook. Wilton, CT; US Census Bureau (2000). Census 2000. Retrieved from http://www.census.gov/main/www/cen2000.html

New York City Department of Health and Mental Hygiene (2007). More Than 100,000 New Yorkers Face Complications Due to Seriously Out of Control Diabetes. Retrieved from http://www.nyc.gov/html/doh/html/pr2007/pr002-07.shtml

⁶ Narayan, et al., Lifetime risk of diabetes in the United States. JAMA. 2003; 290:1884-1890.

In the analysis, TradeDimension data for supermarkets and grocery stores with sales above \$2 million or recognized in coordination with the New York City Planning Commission as a store that sells a wide range of products, including fruits and vegetables.

⁸ All data was prepared in MS Excel and mapped in ArcGIS 9.2 with Spatial Analyst extension. Also used were ET GeoWizards v9.5.1 for ArcGIS 9.x and Hawth's Analysis Tools v3.26. Cell size of 1/40 mile, or 132 feet, was used for all raster datasets. The Analysis mask used for all rasters was the City of New York City boundary. The coordinate system and projection used during mapping and analysis were North American Datum 198.

Key Findings

Access to food is not evenly distributed in New York. Many people have to travel excessive distances to buy food at a supermarket.

The uneven distribution of supermarkets is a serious problem in New York City. There are large areas of the city with few supermarkets, and many neighborhoods where none exist.

Map 1: Weekly Sales Volume for Supermarkets, shows the location of 798 stores throughout New York City, and the weekly sales volume for each store. The smaller red circles represent lower weekly sales volume; the larger red circles represent higher weekly sales volume.

Supermarket sales in New York City are concentrated, instead of being dispersed throughout the city in relation to the population. This indicates that many people are traveling considerable distances to buy food at supermarkets in the few neighborhoods where supermarkets are easily accessible. The gray shading shows how supermarket sales are distributed across the city. The darkest areas represent areas where the highest supermarket sales are concentrated. Union Square, Greenwich and West Village, and Midtown South, all in lower Manhattan, have the highest concentrations of supermarket sales in the city, with the Upper East Side and the Columbus Circle area exhibiting dense sales volumes as well. The light areas are where sales are lowest, indicating that there are fewer or no supermarkets located there. In contrast to most of Manhattan, large portions of Brooklyn, the Bronx, and Queens contain low concentrations of supermarket sales.

Map 2: Supermarket Sales and Total Population, shows that the location of supermarket sales does not appear to be associated with total population. The map plots the density of supermarket

sales by the density of population. The map piots the density of supersales by the density of population. Communities with greater than average per capita supermarket sales are shown in yellow and brown tones. In these communities, people are either spending more than average in supermarkets, as might be the case in higher-income communities, or more people are buying food in these communities than the number of people who live there, indicating that people are traveling from outside the area to shop there.

MAP 1

Weekly Sales Volume for Supermarkets

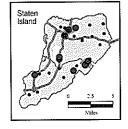
Supermarkets by Weekly Sales Volume

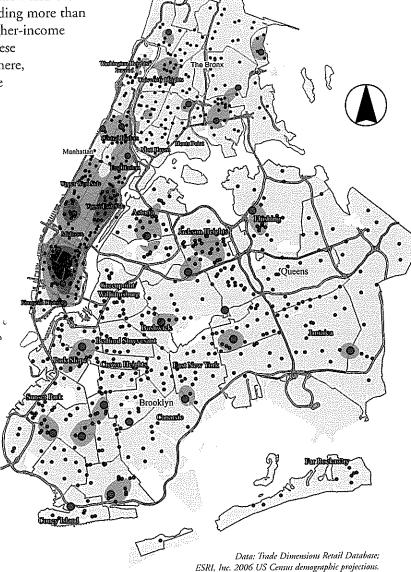
- \$39,000 \$557,000
- **\$557,000 \$1,075,000**

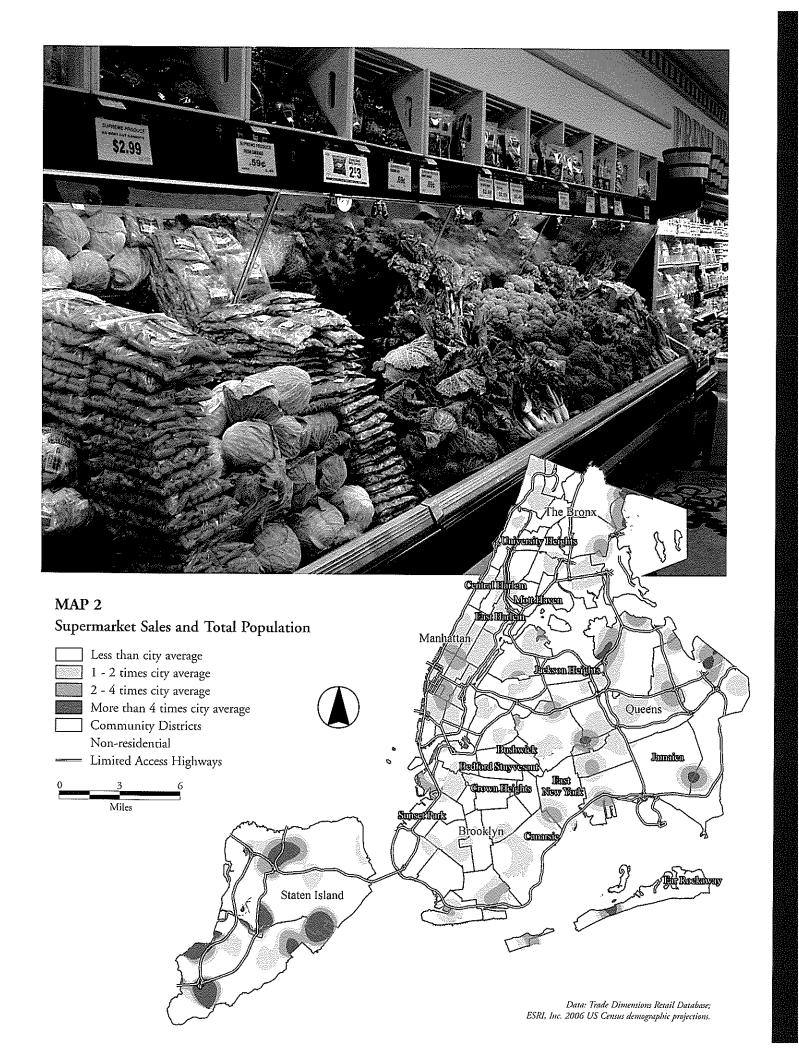
Weekly Sales Volume for Supermarkets

- \$0 \$900,000/sq.mile
- \$900,001 \$1,800,000/sq.mile
- \$1,800,001 \$2,700,000/sq.mile
- \$2,700,001 \$3,600,000/sq.mile
- Community Districts
 - Non-residential
- Limited Access Highways









The uneven distribution of food in New York disproportionately affects large numbers of low-income people.

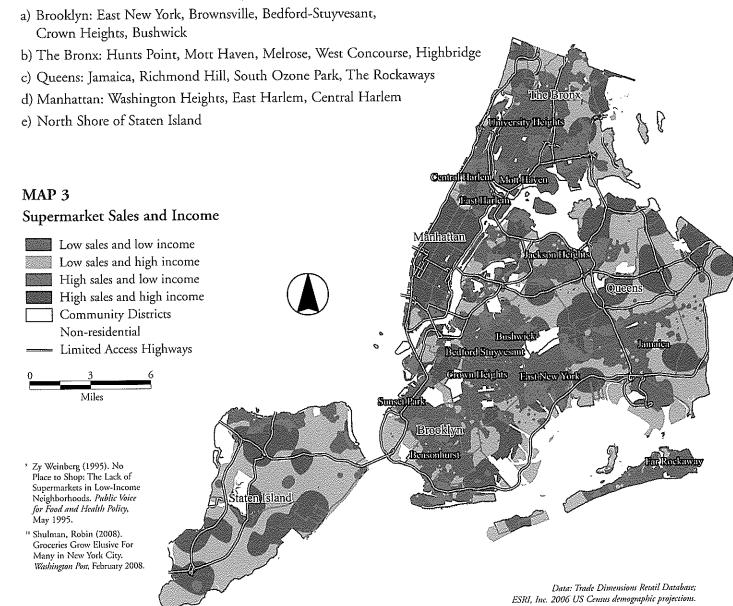
A nationwide study of 21 metropolitan areas calculated the number of supermarkets per 10,000 residents in every zip code. The study found that the number of supermarkets in the lowest-income neighborhoods was almost 30 percent less than the number in the highest-income neighborhoods. In New York City, the number of supermarkets has declined by one third in the past six years. One third in the past six years.

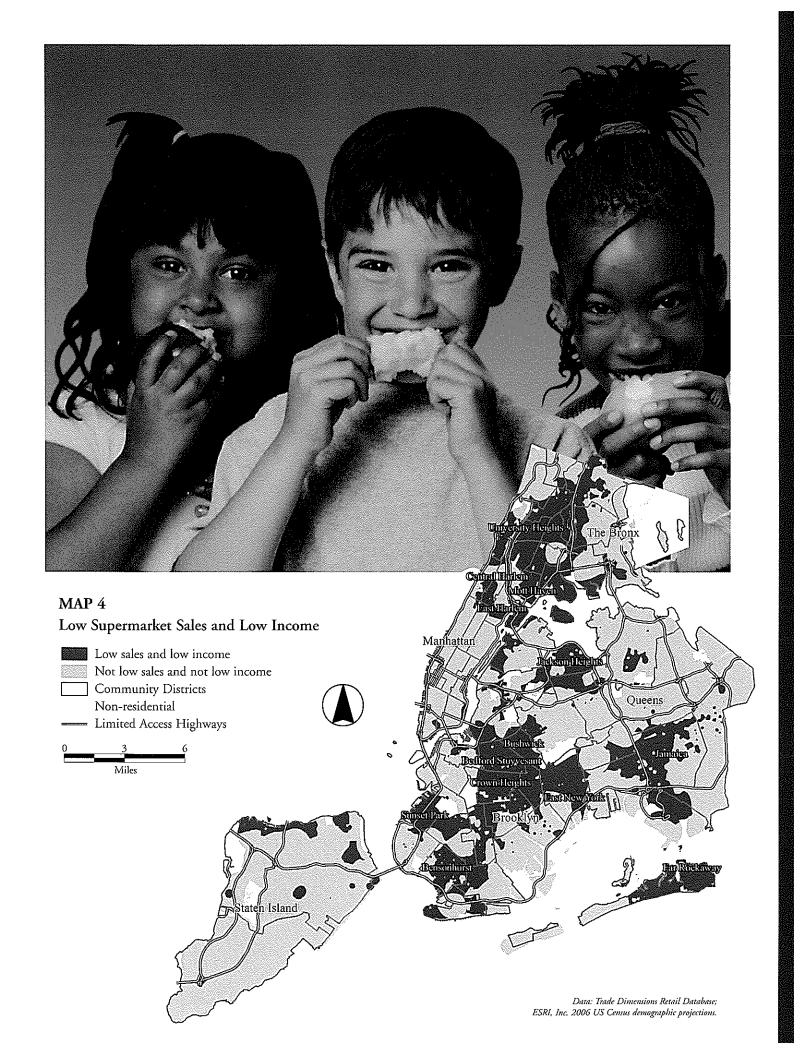
Map 3: Supermarket Sales and Income, shows the distribution of supermarket sales and the distribution of income throughout the city. People in the areas shown in yellow have fewer supermarkets to shop at in their community. However, these communities are higher-income where residents can afford to drive to stores, shop at small specialty and fresh food purveyors, or rely on grocery delivery services.

Higher-income areas with higher supermarket sales have the best access to food resources and are indicated by the green areas of the map. In some lower-income areas, there are supermarkets with higher than average supermarket sales volumes, as highlighted in blue.

The red areas represent neighborhoods that are not adequately served by supermarkets.

Highlighted in Map 4, Low Supermarket Sales and Low Income, are areas with low supermarket sales because there are few to no supermarkets. Income is also lower in these areas, indicating that people living there are less able to afford to travel to the areas where supermarkets are concentrated. This map, then, identifies those areas where people have low incomes and insufficient access to a supermarket, including:





There is a connection between diabetes and lack of supermarket access.

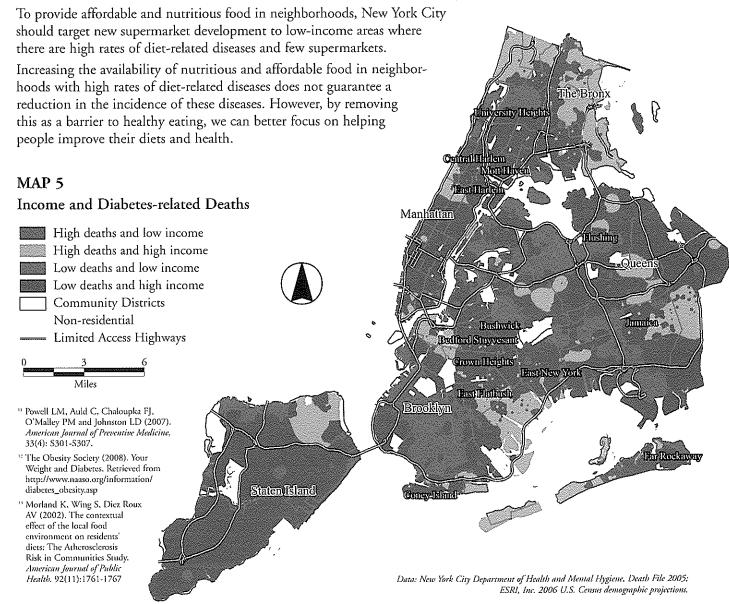
Emerging research demonstrates a relationship between supermarkets and health. One recent study found lower body mass index among adolescents who live near a supermarket.¹¹ People who are overweight are at much greater risk of developing type-2 diabetes than normal weight individuals.¹² Another study documented that fruit and vegetable intake increases as much as 32 percent for each additional supermarket in a community.¹³

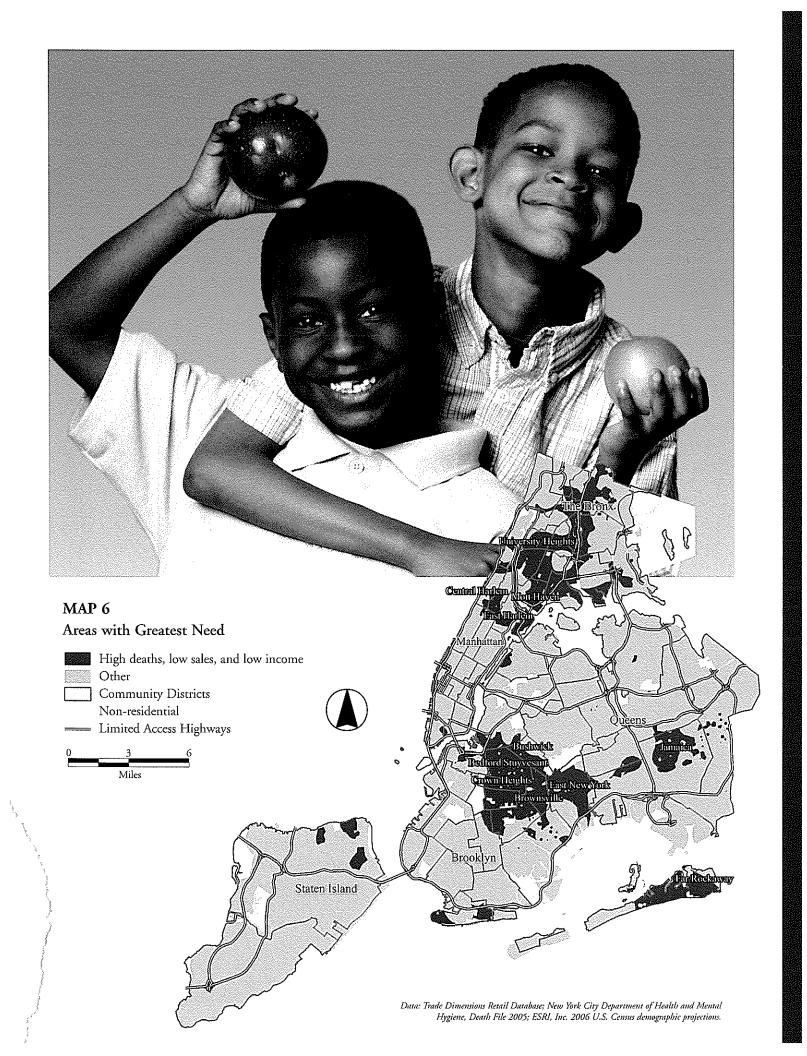
Map 5: Income and Diabetes-related Deaths, shows mortality data by income in New York City for diabetes. The red areas indicate a higher rate of diabetes-related deaths occurring in lower-income areas. The yellow areas indicate a higher rate of diabetes-related deaths occurring in higher-income areas of New York City. The blue and green areas indicate a lower rate of diabetes-related deaths.

Diabetes-related deaths create untold suffering and expense in communities. Diabetes-related deaths are associated with many factors, including the procurement of a nutritionally adequate diet. As the maps show, many communities are not well served by supermarkets. For lower-income neighborhoods, the lack of a supermarket negatively impacts people's ability to obtain a nutritionally adequate diet.

Map 6: Areas with Greatest Need, shows lower-income neighborhoods in New York City where there are low supermarket sales because there are few to no supermarkets located there, and a high number of deaths due to diabetes. These neighborhoods have the greatest need for more supermarkets.

As this and previous maps demonstrate, many areas in New York City are underserved by supermarkets. As a result, lower-income residents have to rely on expensive and limited corner stores, or travel long distances to shop for affordable food. At the same time, the incidence of diabetes-related deaths is extremely high, especially in inner-city neighborhoods.





Condusion

The number of supermarkets—access to supermarkets—is a problem in many neighborhoods, but exceedingly so in lower-income neighborhoods where the incidence of diabetes is alarmingly high.

The lack of supermarkets in certain neighborhoods means that residents must shop at convenience and corner stores. Diets that rely on food from convenience stores are often higher in foods that contribute to diet-related disease.

The increased incidence of diabetes in lower-income neighborhoods suggests that the public sector needs to invest in supermarket development in neighborhoods, to help combat disease. Many neighborhoods have few to no supermarkets. The greatest needs are in those neighborhoods where the incidence of diet-related disease is highest.

Supermarkets exist in lower-income neighborhoods in New York City and inner-city communities across the nation. However, supermarket developers seek sites with specific characteristics, and assembling sites with these characteristics is more challenging in inner-city environments.

The public sector has a responsibility to help provide a safe and nutritious food supply in underserved communities, in order to safeguard public health and promote economic development. As supermarkets replaced public markets, the public sector largely withdrew from food retailing. Supermarkets later withdrew from many communities, leaving neighborhoods and large numbers of people without a stable food supply. At the same time, the incidence of diet-related diseases increased in these neighborhoods.

This conclusion is stark for people of lower incomes. People who live in lower-income areas without access to supermarkets appear to suffer from diabetes-related deaths at a rate higher than that experienced by the population as a whole. Based on additional studies conducted by The Food Trust,¹⁴ and others,¹⁵ access to fresh, affordable and nutritious food plays a role in determining what people eat. People with access only to poor food eat poorly.

Through mapping, this study shows that many low-income neighborhoods in New York City have both poor supermarket access and a high incidence of diabetes-related deaths. The number of supermarkets in New York City has declined by one-third in the past six years. This study demonstrates that this issue is related to significant health problems that adversely impact lower-income neighborhoods.

Recommendations

The number of supermarkets in a neighborhood is a key factor contributing to the health and development of that community. People living in lower-income areas, without access to supermarkets, suffer from diabetes-related deaths at a rate higher than that experienced by the population as a whole.

In response to this problem, we are making three key recommendations to New York state and local governments.

First, we need to erase the gap in the number of supermarkets between low- and higher-income communities, through significant public investment.

In order to do that, we need to build on the groundwork that has already been laid, and convene leaders from the business, government, public health, civic and community sectors to develop a strategy to create more supermarkets in lower-income communities.

Finally, a lynchpin of that strategy is for state and local governments to create a grant and loan program to support local supermarket development projects in order to increase the availability of affordable and nutritious food in underserved communities.

¹⁴ The Food Trust, The Philadelphia Health Management Corporation (2006). Food Geography: How Food Access Affects Diet and Health. Philadelphia, PA

¹⁵ Morland K, Wing S, Diez Roux AV (2002). The contextual effect of the local food environment on residents' diets: The Atherosclerosis Risk in Communities Study. American Journal of Public Health. 92(11):1761-1767

¹⁶ Shulman, Robin (2008), Groceries Grow Elusive For Many in New York City. Washington Post, February 2008.

Appendix: GIS Methodology

SUPERMARKET SALES

Trade Dimensions 2007 Supermarket data was mapped in ArcGIS 9.2. Stores were plotted using the Latitude and Longitude coordinates for each record. A supermarket was defined as having an annual sales volume equal to or greater than \$2 million or recognized by The Food Trust in coordination with the New York City Department of City Planning as a store that sells a wide range of products, including fruits and vegetables. There were 798 supermarkets in New York City with an aggregate weekly sales volume of \$126,041,000. The results for the density of supermarket sales are displayed in Map 1: Weekly Sales Volume for Supermarkets.

POPULATION

Population data for 2006 was obtained at the Census block group level through the ArcGIS Business Analyst extension, which includes estimates for key demographic variables from the U.S. Census of the Population. Block groups with no population were removed from the analysis and indicated on each map. The population density (per sq. mile) was calculated from the Census block group points using kernel density estimation.

SALES AND POPULATION

Sales to population ratios were obtained by dividing the raster grid of weekly sales volume density (from Map 1) by the raster grid of population density. The citywide sales to population ratio was calculated by dividing NYC's total weekly supermarket sales by its total population (\$126,041,000 / 8,270,881 = \$15.24). The odds ratio of sales to population was obtained for each supermarket by dividing the raster grid representing the local sales to population ratio by the citywide ratio (\$15.24). An odds ratio of 1 is equivalent to the citywide rate. Anything below 1 is below the city rate. An odds ratio of 2 means the local area is twice the citywide sales to population ratio. This is used for Map 2: Supermarket Sales and Total Population.

INCOME

The median household income, the number of households and the total population in 2006, as estimated by ESRI (Environmental Systems Research Institute), Inc. and made available through the ArcGIS Business Analyst extension, was used to calculate the odds ratio of per capita income for each block group. The median household income of the block group was multiplied by the number of households and then divided by the total population of the block group. The citywide per capita income was calculated by multiplying the citywide median household income by the total number of households and then dividing by the total population of the city ((\$46,720 * 3,095,513) / 8,270,881 = \$17,485.73). The local per capita income was divided by the citywide per capita income (\$17,485.73) to obtain the odds ratio for each block group. A raster grid of the odds ratio was then interpolated using inverse distance weighting. An odds ratio was considered high if it was greater than 1, so greater than the citywide per capita income, and low if it was less than 1.

SALES AND INCOME

The sales to population and per capita income odds ratio raster grids were reclassified into high and low areas (above 1 is high and below 1 is low). The reclassified raster grids were then converted to polygons to facilitate the association of areas with high and low sales odds ratios with areas that have high and low income odds ratios. The areas were combined with a union operation and display as four possible high and low combinations. The four combinations are displayed on Maps 3 and 4: Supermarket Sales and Income and Low Supermarket Sales and Low Income.

DIABETES-RELATED DEATHS

Mortality data, which contained a list of codes indicating the cause of death, was obtained from the New York City Department of Health and Mental Hygiene for the year 2005. The dataset consisted of all deaths recorded in New York City and included 57,068 records; 52,957 of which were persons who lived in one of the five boroughs of New York City. A total of 1,729 diabetes-related deaths (out of the 52,957 total deaths for New Yorkers) were recorded in New York City in 2005.

Mortality data were made available at the zip code level of geography. The data were summarized for each zip code to obtain a count of diabetes-related deaths per zip code and tabular data was joined to the polygon shapefile of zip codes for NYC.

DIABETES-RELATED DEATHS AND POPULATION

Given mortality data is at the zip code level. Zip code population data for 2006 was obtained from ESRI's Business Analyst extension data, which provides projections of demographics based on the 2000 U.S. Census of the Population.

The total number of diabetes-related deaths attributed to each zip code was divided by the total population of that zip code. This result was then divided by the citywide ratio of diabetes-related deaths to total population (1,729 / 8,270,881 = 0.000209046654, or 2.0905 diabetes-related deaths per 10,000 people) to create an odds ratio.

The raster grid of the odds ratio for diabetes-related deaths was reclassified into two levels—below and above 1. An odds ratio of 1 or less means the local number of diabetes-related deaths per capita is less than or equal to the citywide rate of diabetes-related deaths. An odds ratio greater than 1 means the local rate is greater than the citywide rate of diabetes-related deaths. The reclassified raster was converted to a polygon shapefile consisting of the areas with high and low diabetes-related deaths.

D IABETES-RELATED DEATHS AND INCOME

The polygon shapefile of high and low values for diabetes-related deaths was merged, using a union, with the polygon shapefile of high and low values for per capita income, which was created for Map 3: Supermarket Sales and Income. Areas with high and low diabetes-related death rates were matched with areas with high and low income odds ratios. The result is displayed in Map 5: Income and Diabetes-related Deaths.

DIABETES-RELATED DEATHS, SALES AND INCOME

The polygon shapefile of high and low values for the diabetes-related deaths odds ratio was merged, using a union, with the polygon shapefile of high and low values for the supermarket sales and per capita income odds ratios. Areas with high odds ratios for diabetes-related deaths were matched with areas with low odds ratios for supermarket sales and income. The result is displayed in Map 6: Areas with Greatest Need.



Building Strong Communities through Healthy Food

The Food Trust is a nationally recognized nonprofit organization working to ensure that every child and family has equal access to affordable and nutritious food. The mission of the Trust is to increase the availability of fresh foods, develop a stable food supply in underserved communities, and improve the connection between urban and agricultural communities.

The Trust partners with over 100 organizations nationally. Our goal is to create a fair and responsible food and farming system that prioritizes resources for lower-income people, especially children, and consists of better food stores, nutrition education in schools, and grassroots leaders in underserved communities working with state and federal government leaders to ensure that everyone has equal access to affordable and nutritious food.

To bring this new food system to fruition, we focus our work in three key areas: initiatives to improve food access; education and marketing campaigns to help consumers improve their health and sustain the environment; and public policies that advance these initiatives. We work with farmers, teachers, health practitioners, food retailers, nutrition educators, policy-makers, grassroots leaders, anti-hunger advocates, and nonprofit and for-profit entrepreneurs.

In Pennsylvania, the Trust led an advocacy campaign that resulted in the creation of the nation's first statewide financing program. The Fresh Food Financing Initiative (FFFI) is an innovative program that works to increase the number of supermarkets or other grocery stores in underserved communities across Pennsylvania. The initiative serves the financing needs of supermarket operators that plan to operate in these underserved communities where infrastructure costs and credit needs cannot be filled solely by conventional financial institutions.

Financial support for the work of the Trust comes from individual contributions, grants from private sources, churches, government agencies and foundations, and fees for services.

For more information, or to order additional copies of this report, visit www.thefoodtrust.org or contact the Trust at:

THE FOOD TRUST

One Penn Center, Suite 900 1617 John F. Kennedy Blvd. Philadelphia, PA 19103 215 575-0444 215 575-0466 FAX

e-mail: contact@thefoodtrust.org web site: www.thefoodtrust.org







Heart Disease and Stroke. You're the Cure.

American Heart Association / American Stroke Association

122 E. 42nd Street, 18th Floor New York, NY 10168 212.878.5922

Testimony of American Heart Association / American Stroke Association Submitted by, Robin Vitale, Senior Director, Advocacy

Position: <u>In Support</u>
Re: FRESH Proposal
Date: October 26, 2009

Honorable members of the New York City Council Sub-Committee on Zoning and Franchise, Chairman Avella, thank you for allowing me to express the support of the American Heart Association and American Stroke Association regarding this important issue. The American Heart Association strongly applauds New York City's efforts to greatly increase the access of healthy and fresh fruits and vegetables to our residents and visitors through the FRESH Food Stores proposal.

The American Heart Association is the oldest and largest voluntary health organization in our nation, dedicated to building healthier lives, free of cardiovascular diseases and stroke. One of the most prevalent threats to our mission is the increasing rates of obesity in New York City. More than half of adult New Yorkers are overweight (34%) or obese (22%). Alarmingly, 1 in 5 kindergarten students, and 1 in 4 Head Start children, is obese. We are unfortunately getting fatter at a faster rate than our counterparts across the nation, with newly identified obese patients in the city escalating at 17% over two years, compared to only 6% nationally. Land Use application 1244-2009 is a welcome assistance in our organization's fight against this growing obesity epidemic.

The 2008 study conducted by the New York City Department of Health and Mental Hygiene, the Department of City Planning, and the New York City Economic Development Corporation showed that many city residents identified as possessing a low to moderate socioeconomic status are not able to access fresh fruits and vegetables in grocery stores. Poor neighborhoods in New York City were found to have fewer grocery stores than wealthier areas, and consequently residents have limited access to the healthy produce. The shortage of fruits and vegetables translates into poorer diets and increased risk for chronic conditions, including cardiovascular disease, New York City's number one cause of death. The Food Retail Expansion to Support Health (FRESH) proposal addresses the goal of the American Heart Association to promote healthier eating habits as a way to motivate a healthier New York City population.

http://www.nyc.gov/html/doh/html/cdp/cdp_pan_know_obesity.shtml

² Van Wye G, Kerker BD, Matte T, Chamany S, Eisenhower D, Frieden TR, et al. Obesity and diabetes in New York City, 2002 and 2004. Prev Chronic Dis 2008; 5(2).

³ http://www.nyc.gov/html/dcp/html/supermarket/index.shtml

The American Heart Association is tremendously concerned about the diet and nutrition of New York City residents as obesity is a leading preventable cause of cardiovascular diseases and stroke. If our rate of being labeled overweight or obese does not lessen, this next generation will be the first to live shorter lives than that of their parents. On an economic level, the fiscal strain on our state budget due to obesity-related illness is staggering. Indeed, in a study conducted in 2003, New York ranked second highest among all states in total adult obesity related medical expenditures, with estimated spending of nearly \$6.1 billion.

In closing, the American Heart Association and American Stroke Association strongly supports appropriate incentives that can be provided to retailers to encourage access to healthier food options. It is our belief that the FRESH Food Stores initiative accomplishes this goal and will be a welcome tool in our efforts to encourage a healthy diet as a step in reducing obesity as a risk factor for heart disease and stroke.

⁴ Katzmarzyk PT, Janssen I, Ardern CI. Physical inactivity, excess adiposity and premature mortality. Obes Rev. 2003;4:257–290.

⁵ Elaine M. Urbina, et al. Youth With Obesity and Obesity-Related Type 2 Diabetes Mellitus Demonstrate Abnormalities in Carotid Structure and Function. *Circulation* 119: 2913-2919.

⁶ Finklestein, E.A., I.C. Fiebelkorn and G. Wang. "State-Level Estimates of Annual Medical Expenditures Attributable to Obesity." *Obesity Research* (January 2004): 22.

Testimony on FRESH Proposal to Subcommittee on Zoning and Franchise Of

The City Council of New York City

Submitted by: Walter C. Houston, Chief Executive Officer Local Development Corporation of West Bronx October 26, 2009

I want to thank the Zoning and Franchise Subcommittee for allowing me the opportunity to testify about an initiative the South Bronx, and many other communities across New York City has been waiting for, for a long time: Food Retail Expansion to Support Health, FRESH.

My name is Walter Houston, and I am the CEO of the Local Development Corporation of the West Bronx; representing neighborhoods like Highbridge, Mott Haven, Morrisania, and Melrose to name a few. These communities the LDC serves are reflective of many other neighborhoods around the City like Harlem, Washington Heights, East New York, Canarse, South Jamaica, or the Rockaways; we all are communities of color and we all must bare the burden of much higher than average diet related illnesses. In addition, South Bronx neighborhoods, as with these other communities, are plagued with high poverty rates and chronic unemployment or under-employment. Therefore, when an opportunity like FRESH presents itself, communities like ours see a new chance at not only improved health, but a new means for a decent quality of life.

A recent study by the New York City Department of Health's Bronx District Office suggests one in seven South Bronx residents and food shoppers lack a substantial knowledge of daily dietary needs. Four in ten South Bronx residents also lack the ability to purchase high quality, more healthy foods due to the lack of supermarkets or local food retailers in their neighborhoods. In addition, nearly one in four children in elementary school is obese, and nearly four in ten is over weight or obese. One in four South Bronx adults is obese with two out three South Bronx adults being overweight. Being overweight or obese increases the risk for many health problems, including diabetes, high blood pressure, high cholesterol, cancer, and heart disease; which has been documented as "entrenched" in the South Bronx with astronomical numbers.

The unemployment rate remained higher last month among residents of in the Bronx (10.8 percent) and Brooklyn (8.8 percent) than Manhattan (7.7 percent). The number of unemployed Manhattanites has doubled in the last year, while the ranks of the jobless have increased by about 83 percent in the Bronx and 89 percent in Brooklyn. These alarming unemployment rates only exacerbate income levels and poverty rates for South Bronx residents. The average annual income for families in the South Bronx is now \$22,000 and the South Bronx poverty rate is now at 48.9 percent, with unemployment at a whopping 55 percent; making the South Bronx the poorest, highest jobless, most unhealthy section in New York City.

Thus, the Local Development Corporation of West Bronx thoroughly supports the FRESH initiative. Based on health statistics and current economic conditions and trends of the South Bronx and other underserved communities of the City, the FRESH initiative must be a vehicle of economic growth as well as a means to improved community health and quality of life. We implore the City Council to consider employment and living wage standards in your consideration of FRESH as it has been documented some developers or food retailers currently do not comply with these standards and therefore should not be eligible for FRESH financial or zoning incentives.

Hiring locally, providing employee health benefits, listening to and engaging the community, as well as providing high quality food to communities that need it most could only be a pathway to better health, economic opportunity, as well as community and food infrastructure improvement. For us, this is totally FRESH...!!!

Thank you.



Department of Epidemiology

Andrew Rundle Dr.P.H.

Testimony for New York City Council Committee on Community Development hearing "Access to Fresh Food in NYC Neighborhoods and Associated Health, Economic, and Community Impacts".

I am Associate Professor of Epidemiology at Columbia University's, Mailman School of Public Health. My research focuses on obesity, physical activity and cancer and a large portion of my time is spent studying neighborhood characteristics and obesity in New York City.

We recently published a research article in the scientific journal Environmental Health Perspectives documenting how differences in neighborhood availability of supermarkets, produce markets and health food stores predicts obesity in New York City (Environment Health Perspectives, 2009, vol 117, issue 3, pages 442-7, PMID 19337520). The study involved 13,102 residents of New York City for whom we had data on height, weight, socio-demographic variables (age, race, gender and education) and home address. The food environment within ½ mile of each study subject's home was characterized. Eighty two percent of study subjects had at least one healthy food outlet in their neighborhood, either a supermarket, produce market or health food store, while 99% of study subjects had at least one unhealthy food outlet (i.e. fast food, pizza, convenience store, bodega etc.) in their neighborhood. The data show that increasing density of healthy food outlets was significantly associated with lower body mass index and lower odds of obesity. These results hold even after accounting for the individual's socio-demographic characteristics, their neighborhood's socio-demographic characteristics, and the number of unhealthy food outlets. Increasing access to unhealthy food outlets, as a group, and to fast food outlets and pizzerias alone was not associated with body mass index.

We have conducted similar research using data from ~200,000 pregnant women in New York City. In this analysis the women's exact addresses were not available for the research study but we knew their home Census tract. Compared to women with 2 or more healthy food outlets in their tract, women with no healthy food outlets were significantly more likely to suffer from maternal obesity prior to pregnancy. These results hold even after accounting for maternal age, race, education and measures of Census tract level socio-economic deprivation. Once again availability of unhealthy food outlets was not associated with obesity.

The research documents that, after accounting for many other predictors, the body size of residents of New York City is inversely associated access to healthy foods. That is, individuals living in neighborhoods with high access to healthy food outlets are less likely to be obese than individuals living in neighborhoods without healthy food outlets.



Testimony of

Danielle Marchione Director of Communications and Government Relations Citizens' Committee for Children of New York, Inc.

> Before the New York City Council Subcommittee on Zoning and Franchises

> > October 26, 2009

My name is Danielle Marchione and I am the Director of Communications and Government Relations at Citizens' Committee for Children of New York (CCC). CCC is a 66- year old privately supported, independent, multi-issue child advocacy organization whose mission is to ensure that every child is healthy, housed, educated and safe. I would like to thank Subcommittee Chair Avella and members of the Subcommittee on Zoning and Franchises for holding this hearing and for allowing me to testify.

We would like to express our support for the City's Food Retail Expansion to Support Health (FRESH) initiative. Escalating rates of obesity, diabetes and heart disease plague New York City residents and the epidemic is growing for children. Obesity and diabetes rates are particularly high in low-income communities, which have the limited access to fresh affordable food. There are often few to no supermarkets, farmer's markets, or other fresh food outlets within walking distance of these neighborhoods. As a result, families have little choice but to buy unhealthy 'convenience' foods, most of which are packaged and processed – and overpriced. The American Journal of Preventive Medicine reported in a 2006 study that the presence of a neighborhood supermarket reduces the incidence of overweight and obese residents.

We believe that healthy eating is neither solely a matter of personal responsibility nor a matter of personal taste; it is also a matter of making healthy and affordable food accessible and available in all New York City communities. By providing zoning incentives to bring new supermarkets into high need underserved communities the FRESH incentive program will provide healthier options to these communities. Not only will the program bring new retail options to the areas that need them most, but it will also provide financial incentives to existing food retailers — encouraging their investment in capital improvements and renovations, which will increase their capacity to sell fresh fruits and vegetables. This will strengthen current businesses and support the development of additional food retail options for communities. In addition, by spurring the creation of new supermarkets and capital improvements of existing retail outlets, the FRESH proposal will create jobs and improve property values, while providing a much-needed economic stimulus to New York City neighborhoods.

We are also pleased that improvements have been made to the initial FRESH proposal as clearly suggestions provided during the City Planning Commission process have been incorporated. Specifically we are pleased to see that there is now a 45-day referral period during which the affected community board can review and give feedback to the City Planning Commission. We also support new reporting mechanisms, which will ensure that these stores are tracked and remain in the designated space that enabled them to draw down the incentives. We also support the City's commitment to designate appropriate City-owned land for supermarket development and that FRESH stores state their intention to apply to participate as vendors in the WIC and Food Stamp programs.

We strongly urge you to support this vital piece of legislation, and help to create a healthier, more vibrant, New York.

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ſ	Appearance Card	1244
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	n fayor Jin opposition	on 10. 110.
	Date:	1214
)ames	(PLEASE PRINT)	
rvame:	- JANGAV	
Address:	r	1
I represent: WEA	ci for FNV	· Justice
Address:		<u> </u>
Pleuse complete ti	nis card and return to the Ser	gennt at Arms

4	Appearance Card	1244
I intend to appear and	speak on Int./No.	Res. No
	in favor in opposit	•
•	Date: _	10/26/09
· 1-1	(PLEASE PRINT)	
Name: HZQ FEQ	Kim.	Charle he Was
Address: 69 6 82	of St. Apt 3C News	1 1002 C
I represent: East Ha	rken Community	Health Committee
Address: 1468 1	Madison Are My,	NY 100219
	THE COUNCIL	
/EVEKIO	THE COUNCIL	VADIZ 1244
THE	CITY OF NEW Y	YORK 12 14
	Appearance Card	12 11/1
		1219
I intend to appear and	speak on Int No in favorin oppositi	Res. No
Č.		Jetober 26, 2009
1:0	(PLEASE PRINT)	JONO1001 2 (0 , 1004
Name: (IM)	avan Hansey	, garager and the second of th
Address: 475	Riverside Onie	Ste 500 MY 10115
I represent: NY	Farth & Justico	and
Address: Fa	ith land not for	Environmental
	- COSTA DV (1 - 1	Jarbie
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ا لمحق	Date:	10/26/09/244
	(PLEASE PRINT)	10/224/01
Name: Kerry BIM	rbach	
Address:	Beaver St. 1	14 NY 11217
I represent: NYC	Coalition Ago	unst Hunger
Address:	seaver st.	NY NY 117 AT
A	his card and return to the S	
— Yieuse complete t	Die Card and raturn to 45 - C-	

Appearance Card /244
I intend to appear and speak on Int, No Res. No
in favor in opposition
Date:
(PLEASE PRINT)
Name: John'Tylis
Address: & Willoughby St
I represent: Families Witedfur Raged+
Address: economic equality
THE COUNCIL
THE CITY OF NEW YORK
Appearance Card
I intend to appear and speak on Int. No Res. No
in epposition //
Marie: 16/26/77
AA I (PLEASE PRINT)
Name: Name:
Address: 50 Browding 16 h
I represent: Jobs who from
Address:
THE COUNCIL
THE CITY OF NEW YORK
Appearance Card +244
I intend to appear and speak on Int. No Res. No
in favor in opposition
Date:
Name: Partick PRINT)
27/ (6
Address: 221-10 Jamaica Aue
I represent: VFCW Local 1500
Address:
Please complete this card and return to the Sergeant-at-Arms

Appearance Card
I intend to appear and speak on Int. No Res. No
☑ in favor ☐ in opposition
Date: 10-26-09
Name: Jenny He
Address: 84-25 EINHUIST AUR Apt 11
I represent: Hunger Action Network.
Address:
THE COUNCIL THE CITY OF NEW YORK
Appearance Card
I intend to appear and speak on Int. No Res. No
in favor in opposition
Date:
Name: DV, Kquer
Address:
represent: Mortw W. Many
Address:
THE COUNCIL
THE CITY OF NEW YORK
Appearance Card 1244
I intend to appear and speak on Int. No Res. No
in favor in opposition
W/conditions Date: 10.26.09
· · · · · · · · · · · · · · · ·
Name: TRIADA STAMPAS
Address:
represent: FOOD BANK For NYC
Address: S9 BROADWAY, 10th FI, NY, NY 10006
Please complete this card and return to the Sergeant-at-Arms

	Appearance Card
	speak on Int. No Res. No. 1244
,	in favor in opposition
`	Date: 0(+ 26, 2009
Name: Daniell	(PLEASE PRINT) E Marchian
Address:	
_	s' Committee for Children of WY
Address: 105 E.	22nd St, New York, NY
And the second s	THE COUNCIL
THE	CITY OF NEW YORK
	Appearance Card 1244
I intend to appear and	speak on Int. No Res. No
$oldsymbol{ abla}$	in favor in opposition
· · · · · · · · · · · · · · · · · · ·	Date: 10/26/09
Name: Liz Gilb	(PLEASE PRINT)
Address:	
1 represent: Hunger	- Action Network of NYS
Address: 75 Varick	St NY NY 10013
and the second s	THE COUNCIL
/INTERIO A	
THE (CITY OF NEW YORK
	Appearance Card 1246-47
I intend to appear and s	peak on Int. No./ Res. No
	in favor 🔃 in opposition
	Date: 10/24/09
,	(PLEASE PRINT)
Name: //////	LONY MAMMINA
Address: 1478	SUTTER AVE.
I represent:	
Address:	342
<u>.</u>	this card and return to the Sergeant-at-Arms

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	Appearance Card	1245
I intend to appear and	speak on Int. No.	Res. No.
2	in favor 🔲 in oppositio	on /
	Date:	0/26/09
Name: JOSEPI	(PLEASE PRINT)	1 - 10
Address: 276	BACKETT ST.	117A 不以以上 11721
	/. A/	TRAIN //20/
27.1	11.	OLL GARDENS,
Address: 354	B)	WLYN 11231
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Vister	(PLEASE PRINT) Mancin ela	•
Name: 477 M	villoughby Ave	
0.1.	HOMPST	
I represent:	Sth can liv	my imme
Address:)/3	3177 704 101	<u> </u>
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	in favor in opposition	
The state of the s	Date: 10	126/09
Name: Gina Lo	(PLEASE PRINT)	e No.
Name: 700 F	t Washington Au	36
Augustin Augustin	+ Washington Av w Rundle, Colu 1 168th St, N	17. 1000
represent: TYMATE	1 168th St 11	and Yack land
Address: / CC	100. 3.	W 101 K, 1003E
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	Appearance Card	12 44
I intend to appear and	speak on Int. No.	Res. No
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u	of Londitions Date: _	10/26/09
Name: Paula	(PLEASE PRINT)	(
Name: Vaula	Crespo	
Address:	0 1 0 0	
I represent: Val	Center for Con	munity
Address:	Development	<i></i>
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	THE COUNCIL	
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•	— 	10/26/09
1	(PLEASE PRINT)	
Name: WAITER	HOUSION	
Address: 4/9 E	. 9360 STREET	NY, NY 10128
I represent: LDC	OF WEST BR	CONK
Address: 1219 JE.	ROME AUE, BX	NY 10452
	THE COUNCIL	
THE	CITY OF NEW Y	ZADIZ
1111	CILL OF NEW 1	i ur n
	Appearance Card	
I intend to appear and	speak on Int. No. 1941	L Res. No.
	in favor 🔲 in oppositi	ion
,	Date:	10/26/09
D 1	(PLEASE PRINT)	,
Name: Robin	litale , 42no St. 18	W- Cl -
Address: DOE		
I represent:	ican Heart Associa	ation
Address: 50	SMC	
Please complete	this card and return to the Se	prapantat. Arme

	Appearance Card
I intend to appear and	speak on Int. No. FRESH Proposition
	in favor in opposition
	Date: 10/26/2009
	(PLEASE PRINT)
Name: My eta	MODN
Address: 2 Po	VIC Ave, NY, NY
I represent: United	d Way of NYC 1
Address:	l
The second of th	THE COUNCIL
THE	CITY OF NEW YORK
(Appearance Card
I intend to annear and	speak on Int. No. 1244 Res. No.
	in favor in opposition
	Date:
Kace	(PLEASE PRINT)
Name: 80 Ma	iden Ln, 215 Fl, NY, NY 10138
Address: 0 11 a	1
I represent: VICIVO	oction. Council on Javish Poverty
Address:	
	THE COUNCIL
THE	CITY OF NEW YORK
	Appearance Card
I intend to appear and	speak on Int. No. 1244 Res. No.
i intend to appear and	in favor in opposition /
	Date:
1.0	(PLEASE PRINT)
Name: HMAS	Tav (100
Address: 3+0	CFU
I represent:	Academy of Mew one
Address: 17 10 C	5th AV/C
Please complet	te this card and return to the Sergeant-at-Arms

Appearance Card				
I intend to appear and speak on Int. No I Res. No.				
⊠ in favor ☐ in opposition				
Date: 10 2-6 09 000				
(PLEASE PRINT)				
Name: Perry Gesaro				
Address:				
I represent: Keytood Stoves Cooperative Lic.				
Address: 1200 South Ave Staten Island WY 10314				
THE COUNCIL				
THE CITY OF NEW YORK				
Appearance Card				
I intend to appear and speak on Int. No Lu 1344 Res. No.				
🔯 in favor 🔲 in opposition				
Date:				
(PLEASE PRINT)				
Name: Jack Zumha				
Address:				
I represent: Whate Pose tood				
Address: 380 Middlesex Rd., Carteret, NJ 07008				
THE COUNCIL				
THE CITY OF NEW YORK				
Appearance Card				
I intend to appear and speak on Int. No. Lu 1244 Res. No.				
in favor in opposition				
Date: Oct. 26, 2009				
(PLEASE PRINT)				
Name: Pat Gillespie				
Address:				
I represent: The Great Atlantic + Pacific Tea Co.				
Address: 2 Parceon Dr., Montuale, W.J 07645				
Please complete this card and return to the Sergeant-at-Arms				

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*	I intend to appear and speak on Int. No. Lu 1244 Res. No.	
	☐ in favor ☐ in opposition	
	Date: Oct. 26, 2009	FIE.
	Name: Patricia Brodlagen	الايط
\$ 8 C = F	Address: 130 Walhongton Ave., Alban, NY	in he sa
A Carry	I represent: Food Industry Allvance of UVS Inc.	+i]r
a fillian tean	Address: Same	4 5 1
72 P		
direct.	THE COUNCIL	. " . "
	THE CITY OF NEW YORK	350
Estas Care	Appearance Card	in y ti
	I intend to appear and speak on Int. No. 1245 Res. No	girni
J. 41 - 126 3	🔀 in favor 🔲 in opposition	f j
. If shirts	Date: 10/26/09	10
	(PLEASE PRINT) Name: DURNIMA KAPUR	15
350011 212	Name: DURNIMA KAPUR Address:	\$ 80 K
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ar a vitagali	Address:	als .
	The state of the s	41.0
	THE COUNCIL	1 (4)
7 Y	THE CITY OF NEW YORK	i si
21.15.4	Appearance Card	. العند
	I intend to appear and speak on Int. No. 245 Res. No	
	X - Date: 10/26/09	
	(PLEASE PRINT)	
	Name: AIKO NOSE	
	Address:	
	I represent: BROOKYN OFFICE CITS FLANNING	
	Address:	

	Appearance Card
I intend	to appear and speak on Int. No. 1244 Res. No.
	☑ in favor ☐ in opposition
	Date: 10/26/69
	(PLEASE PRINT)
Name: _	RAPRE DINFRSTEIN
Address:	
I represen	ent: CITE, PLANNING
Address:	
	THE COUNCIL
	THE CITY OF NEW YORK
	Appearance Card
7	3,54
1 intend	to appear and speak on Int. No. 1244 Res. No
	10/2/100
	♥ Date:(0/20/07
Name: _	ANDY COHEN
Address:	
I. represei	IN: OFFICE OF OFRITZY MAYOR GIRBC
	× × × × × × × × × × × × × × × × × × ×
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I intend Name:	THE CITY OF NEW YORK Appearance Card to appear and speak on Int. No. 1244 Res. No. in favor in opposition Date: 10/26/05 (PLEASE PRINT) MATT KELLY

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	Appearance Card	
	speak on Int. No. 1232) Res. No
ζį	in favor 🔲 in oppositi	ion / /
Const.	Date:	10/26/2009
No.	(PLEASE PRINT)	,
-u-	HODAK	
	8th AVE NYC MY	
I represent: SCLE	TABOON RESTAU	KANT
Address: 773	10 5 AVE NYC	10019
630.93	THE COUNCIL	C15076274
TITE		
IHE	CITY OF NEW Y	UKA
	Appearance Card	
I intend to appear and	check on Int. No.	Par N. 124C
i miona to appear and	speak on Int. Noin favor in opposit	ion res. 110.
T.		10/26/09
^^	(PLEASE PRINT)	
Name: \\C_1	can la	CG
Address: 360	Court Stre	et /
I represent:	DED 3	
Address:	ROLGARDS	X)S
Western Co.	THE CATINITY	
	THE COUNCIL	
THE	CITY OF NEW Y	ORK
	Appearance Card	*
I intend to appear and	speak on Int. No. 1244	Res. No
<. □	in favor 🔲 in oppositi	on
•	Date:	10/26/09
	(PLEASE PRINT)	
Name: Stefanie	1	
Address: 42 Sr	padway, NY, N	Y
	ns Housing + Pl	
Address: 42 R	roadway, Ny, A	y J
Dla	akin annul mud massum an ak a Co	

THE COUNCIL CITY OF NEW YORK Appearance Card I intend to appear and speak on Int. No. ∫in favor in opposition (PLEASE PRINT) Address: 835 Harris Please complete this card and return to the Sergeant-at-Arms THE COUNCIL 1.36 THE CITY OF NEW YORK Fire in. Appearance Card 1246 I intend to appear and speak on Int. No. Res. No. in favor in opposition Date: . (PLEASE PRINT) I represent: Address: Please complete this card and return to the Sergeant-at-Arms

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	Appearance Card
	I intend to appear and speak on Int. No Res. No
	in favor W in opposition
\mathcal{E}	3 1246 + 1947 Date: _10/26/09
	(PLEASE PRINT)
	Name: Konald J. Dillon
	Address: 10 Box 880744 BKlyn WY 1/208-0144
	Programme of the same of the s
	I represent: Concerned Homeowners Association
	Address: BOBOX DEDITY BRIGH NY 1/208 00 1944
	A Plant I had been a facility of the state o
	Please complete this card and return to the Sergeant-at-Arms
	And the second s
	THE COUNCIL
	THE CITY OF NEW YORK
•	THE CITT OF MEW TORK
	Appearance Card
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	I intend to appear and speak on Int. No. 1244 Res. No.
0.88.8.5	☑ in favor ☐ in opposition
3/08/2/98	Date: 10/26/09
erited L	(PLEASE PRINT)
3 100 6 01	Name: Amy Anderson
sid Li	Address: 11 Park Place, St 914 NYC 10007
3 દ !ઇસ્સાફ	
	I represent: NPW York Industrial Rotention Network
25 N S	Address: Sauce
in Bres	· •
Jr 44.70	Please complete this card and return to the Sergeant-at-Arms
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