



## Going to Market: New York City's Neighborhood Grocery Store and Supermarket Shortage



On April 21, 2008, the Housing, Economic and Infrastructure Planning division within the Department of City Planning presented an overview of their findings related to supermarket need in the City of New York. The study was initiated at the request of the Mayor's Office in response to growing concerns over a shortage of supermarkets and was conducted with assistance from the New York City Food Policy Coordinator, the NYC Economic Development Corporation (NYCEDC), and the Department of Health (DOH).

The analysis shows a widespread shortage of supermarkets and neighborhood grocery stores in the city. It also measures the areas with the greatest level of need for fresh food purveyors based on neighborhoods with the highest levels of diet-related diseases and largest populations with limited opportunities to purchase fresh foods. Approximately three million New Yorkers live in high need areas.

The study also assesses the implications of lack of access to supermarkets on the quality of life for neighborhood residents, and begins to identify barriers to access and opportunities for encouraging the development of supermarkets in underserved areas.

### **Why Was This Study Needed?**

City Planning identified neighborhoods with the greatest need for local supermarkets and grocery stores in order to develop policies that address the built and local food environments as they relate to the mounting health crisis of obesity and diabetes. NYC's population increased by approximately three percent from 2000 to 2006<sup>1</sup>, yet several neighborhoods lost supermarkets and more are in jeopardy of closing. Closures are also occurring in neighborhoods already poorly served by fresh food purveyors. Residents in Harlem and the Bronx have been particularly vocal about the loss of neighborhood grocery stores and supermarkets.

#### Quality of Life and Health Benefits

Residents in some areas have limited opportunity to buy fresh, nutritious food, which may reduce their chances of preparing healthy meals. Large amounts of the household food budget may be spent in establishments not carrying fresh foods, such as discount stores and convenience stores.

More neighborhood grocery stores and supermarkets would reduce food costs. Additional stores could also increase convenience and the availability of fresh foods, empowering consumers to make healthier decisions about what to buy and what to eat.

Rates of obesity and diabetes have dramatically increased in New York City. A recent study by DOH found New Yorkers gained an accumulative 10 million pounds over the past two years. Diabetes now affects over 700,000 people in New York City, over 1.1 million New Yorkers are obese, and another 2 million are overweight.

In 2006, a study published in the American Journal of Preventive Medicine found the presence of a supermarket within a Census tract alone or in combination with a grocery store was associated with lower prevalence ratios of obesity and overweight residents<sup>2</sup>. The article defines supermarkets as: 'large corporate owned "chain" food stores, distinguished grocery stores, or smaller non-corporate-owned food stores'.

#### Economic Development Benefits

- The introduction of new neighborhood grocery stores increases property values, expands the city's

tax base and creates jobs.

- Full-line food stores are high-value magnets that attract complementary stores and services, creating opportunities for additional private sector investment.
- New stores contribute to the physical revitalization of communities.

### **Supermarket Need Index**

A Supermarket Need Index (SNI) was created to determine the areas in the city with the highest levels of diet-related diseases and largest populations with limited opportunities to purchase fresh foods. The index measures the need for supermarkets based on high population density, low access to a car at the household level, low household incomes, high rates of diabetes, high rates of obesity, low consumption of fresh fruits and vegetables, low share of fresh food retail, and capacity for new stores. The index shows:

- Three million New Yorkers live in neighborhoods with high need for grocery stores and supermarkets. Neighborhoods such as Central and East Harlem and Washington Heights in Manhattan; Bushwick, Bedford Stuyvesant, East New York and Sunset Park in Brooklyn; Corona, Jamaica and Far Rockaway in Queens; areas of the South Bronx, Williamsbridge/Wakefield and portions of Pelham Parkway in the Bronx; and St. George and Stapleton in Staten Island show the greatest need for full-line supermarkets.
- Low income households may be further adversely affected without competitively-priced fresh food available at the neighborhood level. The consequences include more time and money being budgeted for grocery shopping.
- Food dollars are likely being spent by residents in high need areas at discount and convenience stores whose line of food products is limited, of poor quality, and generally more expensive than the same products sold at supermarkets. These stores do not generally carry produce and meat at affordable prices or at all.
- 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<sup>3</sup>. The loss in sales is enough to support more than 100 new neighborhood grocery stores and supermarkets.

### **Policy Recommendations and Next Steps**

The implications of underserved communities include greater incidences of diet-related diseases including diabetes and obesity, low consumption of fresh fruits and vegetables by area residents, lost business opportunities, and a diminished quality of life in neighborhoods. The American Planning Association has adopted guidelines to address food security and a cornerstone of the movement is an increased emphasis on food retail in economic development and community revitalization initiatives as one means of increasing the supply of fresh food at the local level.

Land constraints in New York City are an inherent factor limiting the expansion of existing supermarkets and creation of new grocery stores. City policies, however, can encourage retail development in underserved areas. Listed below are general recommendations that may guide City Planning.

- City Planning should continue working with other agencies to identify need and coordinate city support for more supermarkets. Already, City Planning is working with the Mayor's office, NYCEDC, the Department of Housing Preservation and Development, and DOH. The agency is also helping to identify citywide policies with the NYC Food Policy Coordinator and The Food Trust, a nonprofit based in Philadelphia that was instrumental in creating a \$120 million initiative in Pennsylvania to assist in financing supermarkets and healthy bodegas in underserved communities.
- Land use regulations affecting supermarkets should be modified where appropriate.
- Future rezonings should consider supermarket need<sup>4</sup>.
- City-owned property offers potential for new supermarkets. The appropriateness of supermarkets should be evaluated in projects containing a retail component on city-controlled sites.



 [View the slideshow presentation - updated October 29, 2008 to reflect recent rezonings](#)

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<sup>1</sup>Population Division, New York City Department of City Planning

<sup>2</sup>Kimberly Morland, Ana V. Diez Roux, Steve Wing, Supermarkets, *Other Food Stores, and Obesity: The Atherosclerosis Risk in Communities Study*, [American Journal of Preventive Medicine, Volume 30, Issue 4, April 2006, Pages 333-339](#).

<sup>3</sup>Estimate by the New York City Economic Development Corporation

<sup>4</sup>Since presenting to the City Planning Commission on April 21, 2008, new rules for supermarkets have been adopted in three areas of the city. In the Dutch Kills subdistrict of the Special Long Island City District and the Special Hunts Point District, supermarkets are now permitted as-of-right and the parking requirement is reduced for their use. The parking requirement for supermarkets was also reduced in the Special St. George District. These actions reduce costs for the development of new stores.

## Related Notes

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-  Items accompanied by this symbol require the [free Adobe Acrobat Reader](#).