



ALABAMA HEALTHY FOOD ACCESS CAMPAIGN



Healthy Food Financing

WHY IT MAKES CENTS FOR ALABAMA

A Healthy Food Financing Initiative is an effective, viable and economically sustainable policy solution to the problem of limited food access to fresh healthy foods in communities. Such initiatives attract healthy food retailers including grocery stores, farmers' markets, cooperatives, mobile markets and other vendors of healthy, foods in underserved communities.

Healthy food financing initiatives can have a long lasting economic impact through local communities and the state. Some of these benefits include:

- **Increased home value.** Proximity to a grocery store can have a direct impact on home value. There can be a 4 to 7 percent increase to existing home value when a new grocery store is built nearby.¹
- **Boosted economic activity.** Bringing grocery stores to communities stimulates the local economy. Research conducted in South Dakota concluded that people who had previously traveled over 30 miles out of their local community to shop instead spent their money locally, it changed hands in town eight times.²
- **New jobs.** The average grocery store generates 48 to 120 new, local jobs.² The average supermarket hires 90 people or more directly from the areas where they operate.³ In Pennsylvania, a similar strategy created 88 new grocery stores and 5,000 new jobs.²
- **Increased wages.** A team of researchers gathered data on a large, new grocery store being built in a food desert in Mississippi. The average wage of the positions amounted to \$44,218 - - as opposed to the county's median wage of \$25,250.⁴
- **Increased tax revenues.** The same project in Mississippi is estimated to amount to a \$210,000 fiscal impact in sales tax revenues and property tax revenues.⁴ A single store in Philadelphia generated a 540,000 increase in local tax revenue.²

FOOD FOR THOUGHT

35% of Alabama's Children are considered overweight.

1.8 million Alabamians, nearly half a million children live in communities with limited access to fresh healthy food.

70 plus empirical studies done in the past three years have found healthy eating and positive health outcomes associated with access to healthy foods.

If Alabama reduces its average BMI by 5 percent, the state could save approximately \$3.38 billion in obesity-related health care costs by 2020.





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Urban and rural communities tend to have lower grocery store availability.⁵ Such communities are often times cut off from all of the economic benefits that accompany grocery store development: the creation of new jobs, wages, and tax revenues and the creation of complementary retail stores and services nearby.⁵

The food industry plays an important role in the state's overall economic well-being. In fact, accommodation and food services accounts for one of the top three industries in Alabama with the most small business employment.⁶ However, grocers tend to face larger barriers when trying to locate in underserved communities. An initial investment by a state can multiply and become an engine for economic growth.

VOICES for Alabama's Children Recommends: State, local and private industries prioritize healthy food retail development in underserved communities. In order to reduce the number of communities across the state with limited access to healthy food outlets, also known as food deserts, the State of Alabama must reduce economic barriers and provide financial incentives for farmers markets, grocers and other small healthy food retailers to locate in underserved communities.



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Sources:

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2Hagan, E. and Rubin, V. "Economic and Community Development Outcomes of Healthy Retail." (2013). PolicyLink, <http://www.rwjf.org/content/dam/fam/reports/reports/2013/rwif406490>

3"Access to Healthier Foods: Opportunities and Challenges for Food Retailers in Underserved Areas." (July 2011). Food Marketing

Institute. <http://www.fmi.org/docs/health-wellness-research-downloads/access-to-healthier-foods.pdf?sfvrsn=2>

4Wiseman, Ph.D., W. Martin et al. "The Economic Impact of Vowell's Market Place." (December 2013). The Stennis Institute of Government at Mississippi State University.

5"A Healthy Food Financing Initiative: An Innovative Approach to Improve Healthy and Spark Economic Development." (March, 2012). PolicyLink, http://thefoodtrust.org/uploads/media_items/hffi-one-pager.original.pdf

6 "Alabama Small Business Profile." (2014). U.S. Small Business Administration, Office of Advocacy.