FAIR FOOD NETWORK & NOURISH COLORADO

DENVER'S GROWTH LEAVES GROCERS AND HEALTHY FOOD EFFORTS IN ITS WAKE

Cities like Denver are booming. The past ten years have seen Denver and its metropolitan population grow by nearly 20 percent. Real estate prices, speculation, and development are surging.

Such explosive growth and gentrification can be dizzying, bringing instability and risk for residents and businesses alike — especially for small, independent businesses and those serving lower-income residents.

Such has been the story for Denver's small, neighborhood grocers, which are at risk of being washed away in the wake of the city's rapid growth. In recent years, Denver, like many other US cities, has invested in healthy food access programs with a focus on supporting neighborhood grocers, which are seen as community anchors. These efforts are an attractive way to both address affordability and transportation barriers experienced by low-income residents and boost local businesses owned by people of color (POC) in recognition of persistent racial wealth gaps.

Despite such investments, many such businesses are now at risk of being displaced. Indeed, the past year has seen the closure of multiple grocers participating in such programs.

What can be done in the face of such growth to reduce the risks to small grocers and other healthy food access investments?

Statewide leader Nourish Colorado and national nonprofit Fair Food Network teamed up to explore these dynamics and identify interventions and investments. As this paper illustrates, policymakers and other local stakeholders have an opportunity to step up and support local grocers from being displaced as cities gentrify and grow. This requires moving beyond traditional technical assistance to explore new policy solutions, coordination, and public/private partnerships that can help small grocers retool and adapt.

Research

Nourish Colorado and Fair Food Network started with discovery including talking with multiple neighborhood grocers, community members, and city leaders in Denver as well as the surrounding Wheat Ridge and Aurora communities.

They also reviewed two reports that collected community feedback. This included The Park Hill Golf Course Community Survey and Food in Communities, which reflected priorities set by Denver and Aurora residents. In both reports, community members identified a wide range of priorities, yet food access was a focal point, with two-thirds of Park Hill respondents identifying a grocery store as a top priority.

Among Food in Communities' community-identified priorities, expanding the capacity of small markets ranked #3 in 2020 and moved to #1 in 2021, with a focus on culturally relevant foods and support for small, local businesses.

Topline themes from on-the-ground research and field reports include:

What Store Owners Want

Rent stabilization and greater site control

Grants for store upgrades; low or no-cost ways to try out new offerings to differentiate from competition

Business planning, accounting systems

Succession planning and network of other interested buyers and sellers

To contribute to health and wellbeing of their neighborhood

What Customers Want

Space for minority-owned businesses

Grocery stores in their neighborhoods

Increased/expanded capacity of small markets (e.g., ethnic markets, convenience stores) to receive and sell more fresh food

Developed or expanded community wealth building and/or cooperative models for food business entrepreneurship

Greater connectivity between local producers, food businesses, food assistance programs, and consumers

Affordable, healthy food

Culturally important food

What Cities Want

Healthy residents

Economic opportunities for resident business owners

Economic development and reinforcement of commercial anchors like grocers

Property and sales taxes

Other Cities' Models

In addition to local insights, we also researched and talked to agency staff in other large US cities about their resources for neighborhood grocers. Many have long-running programs that address healthy food access, environmental sustainability, racial equity, and/or general small business development.

Here are some of the resources that came up in conversations.

Financial

Grant or flexible capital for store improvements

Programs like SNAP incentives (e.g., Double Up Food Bucks) that drive demand

Property and sales tax incentives

Intellectual

Business planning technical assistance around financials, real estate, sourcing

Mentorship, coaching, advocates, peer-to-peer learning

Relationships

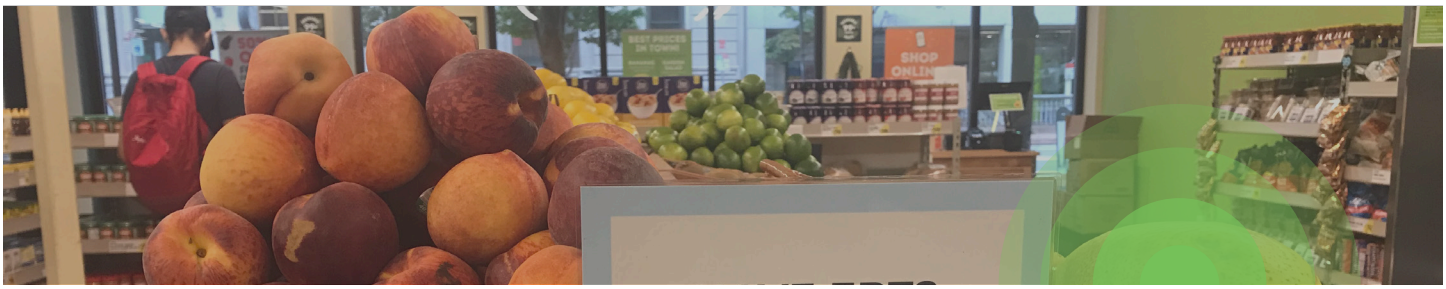
Technical assistance to navigate grants, taxes, business planning

Succession options

Help finding affordable rental locations

Help finding healthy food vendors

Many of these could be helpful for grocers in fast-changing communities like Denver. Still, we heard from staff that these resources are often individually housed in siloed agencies or organizations, in part because there are many different sources of funding (i.e., city, county, state, federal, or private dollars) that flow to different agencies. Staff in one agency may not know of or feel confident in describing the resources outside their own agency, which can act as a barrier if grocers must navigate this network all on their own.



Recommendations

Through this process, Nourish Colorado and Fair Food Network identified three recommendations to invest in and secure the critical place of neighborhood grocers in communities.

1. Organize Community Grocers

An entity accountable to small grocery owners' interests and needs is a missing but critical piece of relational and intellectual infrastructure in many cities. Indeed, we heard there is little voice, organization, and representation for the small retail community in the Denver Metro area, particularly for immigrant- and refugee-owned businesses.

There are many models for such networks: A neighborhood grocers association could convene owners, help grocers navigate resources, support succession between owners, and advocate for better policy. In some places, a mission-aligned nonprofit like Saba Grocers in Oakland or a trade association like the Dominican Grocers Association in Philadelphia or MIRA (Midwest Independent Retailers Association) in Michigan and Ohio play this role. Alternatively, an ombudsman or advocate role could be housed within a local economic development agency, like at Healthy Retail SF in San Francisco. Finally, Fair Food Network's place-based impact investing work is also showing how an entrepreneur-centered approach can curate and align the financial capital and wrap-around technical assistance that grocers need to plan and grow their businesses, whether in the context of gentrification or other challenges and ambitions.

2. Integrate Resources

In many places, resources exist but are scattered and uncoordinated. In addition, each resource may have a limited focus — from a one-time facade upgrade to a single healthy food program. In most cases, it is up to individual grocery owners to navigate this terrain.

Another key intervention would be to support stronger coordination between staff across various agencies that touch grocers (e.g., small business, economic development, food access, sustainability). Such coordination and collaboration could advance more holistic, innovative investments that would benefit store owners while also setting the stage for healthier and more equitable growth for residents and neighborhoods.

3. Explore Municipal Tools & Public-Private Partnerships

Finally, there are a variety of municipal tools that could be explored, including incentives or rent control, that can support small grocers staying in place. In addition, public private partnerships between city development and food retailers that can secure food retailers' critical place in neighborhood ecosystems could also be explored. Although there are less models to draw from, some cities do have mechanisms to support small, local businesses such as Legacy Business Programs in cities such as San Antonio, San Francisco, and Seattle. These programs may have a different intent than strengthening food access but offer a model or specific small business support that meets community goals in changing neighborhoods.

Conclusion

Organizations, funders, and policymakers have an opportunity to step in and support neighborhood local grocers before they are displaced. This requires reimagining how we support small grocers beyond individual grocer technical assistance programs. Yet the benefits are many: healthy food access, culturally relevant foods that support residents in ways that larger grocery options may not, job creation, and locally rooted economic opportunity.

About Nourish Colorado

Nourish Colorado transforms the food system to ensure equitable access to nutritious foods for all Coloradans. **NourishColorado.org**

About Fair Food Network

Fair Food Network is a national nonprofit on a mission to connect people to the power of food to grow community health and wealth. **FairFoodNetwork.org**