

BUSINESS

Charlotte grocery store boom continues to skip over poor neighborhoods

BY KATHERINE PERALTA



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Charlotte's lack of grocery stores in low-income neighborhoods makes access to fresh fruit and vegetables difficult for residents.

By Lorena Rios Trevino

At the old Harveys store on The Plaza in northeast Charlotte, a "For Lease" sign hangs in the front window. Fluorescent lights still illuminate empty aisles once packed with fruits and vegetables, cereal, fresh bread and deli meats.

The supermarket, which opened as a Bi-Lo in 2002 and was renovated and re-branded as Harveys in 2016, has remained empty since April. That was a month



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after its parent company filed for bankruptcy and closed nine under-performing stores in North Carolina, including six in the Charlotte area.

Experts say the move helped exacerbate a long-standing problem in Charlotte: While grocery stores keep popping up all over high-income areas, residents in several low-income neighborhoods still have limited access to fresh groceries.

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“If you’ve never had to worry about where your next meal is coming from, you don’t understand how stressful that can be,” said Elliott Royal, Mecklenburg County’s food access coordinator, responsible for studying and working to improve fresh-food availability.

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Charlotte’s grocery wars leave poor neighborhoods behind

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In Mecklenburg, [two Bi-Lo stores that closed](#) both operated as Harveys in mostly black neighborhoods where the median income is at least 20 percent lower than the rest of the county, census figures show. (A third Mecklenburg County Bi-Lo closed in a mostly white part of Pineville that has a median income slightly lower than the county’s.)

Development by other low-cost grocers continues to lag, too. Food Lion, Walmart, Aldi and Lidl have not opened any stores in Mecklenburg County over the last



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year, the companies have said.

Meanwhile, wealthier neighborhoods are experiencing a boom in grocery-store openings.

The Whole Foods in uptown Charlotte debuted in June to lines around the corner. On any given weekday, the upscale grocer is routinely crowded with working professionals packing cardboard containers full of kale, organic chickpeas and chopped salmon.



When the Whole Foods supermarket opened uptown in June, it drew lines of customers around the corner.

Katherine Peralta *Charlotte Observer*

Mecklenburg County has seen a flurry of other supermarkets opening in the last year, too: the Harris Teeter in South End, the Sprouts in Ballantyne and the Publix in Cotswold. All opened in predominantly white neighborhoods where the median income is at least 14 percent higher than Mecklenburg County’s median income of \$59,268, according to the latest [census figures](#).

That contrasts with low-income parts of Charlotte considered “food insecure,” where a job loss or car breakdown could compromise a family’s access to fresh food. In those areas, driving to the nearest supermarket isn’t as easy as it is in high-income areas, since not everyone has a car.

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“It’s the tale of two Charlottes,” said Justin Harlow, a Charlotte city councilman whose district includes the Brookshire Boulevard corridor.

This area, which stretches from Interstate 85 to Interstate 485, is one of three so-called “high food insecurity risk areas” in Charlotte, as identified in the 2015 “[State of the Plate](#)” report by the Charlotte-Mecklenburg Food Policy Council. Food insecure areas, defined [by the federal government](#) as “the disruption of food intake or eating patterns because of lack of money and other resources,” are sometimes referred to as “food deserts.”



Justin Harlow, a Charlotte city councilman whose district includes the Brookshire Boulevard corridor

File photo

“We haven’t done anything, to be blunt, when it comes to food insecurity policy,” Harlow said. “We have a responsibility though.”

THE NEED FOR MORE STORES

At the Family Dollar on Rozzelles Ferry in northwest Charlotte, customers drift in and out on a recent rainy Wednesday afternoon.

There aren’t any full-service grocery stores within walking distance to surrounding neighborhoods, so residents visit the discount store to buy staples such as milk, bread and butter. The only fruit comes in cans.

Brandy and Willie Walker’s house is about a 10-minute walk from the Family Dollar, but getting to the nearest supermarket for fresh produce requires a ticket on the No. 30 bus to the Walmart off Wilkinson Boulevard.

It’s a lengthy trip that the Walkers only make about once a month.

Having a full-service grocery store in the neighborhood “would be much more convenient,” said Brandy Walker, a nurse’s aid. “It would do a lot of business here, and bring a lot of jobs.”

The only other walkable food options in the Walkers’ neighborhood are a handful of corner stores and fast-food restaurants. The next closest grocery store is a Food Lion 2.4 miles away on Beatties Ford Road.



Tanya Lee sits on her front porch.
Lorena Trevino Rios *Charlotte Observer*

Tanya Lee is a disabled resident of Graham Heights, near NoDa. Her neighborhood doesn't have any full-service supermarkets within walking distance, so getting her grocery shopping done is difficult and sometimes expensive. She relies on Uber, Lyft or friends to drive her.

"My options are to ... pray first, or call someone and someone will come and help me eventually," Lee said.

In 2003, the Observer published a series about the lack of grocery stores in poor neighborhoods in Charlotte. At that time, there were no walkable supermarkets to the West Boulevard corridor, near the Wilmore, Southside and Brookhill neighborhoods. Now many residents in the area rely on the Walmart Supercenter on Wilkinson Boulevard a couple miles away that opened in 2005.

Compare Foods, a family-owned chain that offers low prices similar to Walmart's, operates six grocery stores throughout Mecklenburg County, all of which are in areas where the median income is at least 20 percent lower than the rest of the county's.

In areas with few to no full-service grocery stores, residents routinely rely on convenience stores or shops such as Family Dollar for groceries.

Family Dollar doesn't carry fresh fruits or vegetables in any of its roughly 8,200 stores nationwide, spokesman Randy Guilar said. Offering fresh produce "is certainly something we would consider in the future," he said. "But this would be tested in select markets prior to rolling out across the store base."



People waiting for the bus in front of Walmart on Wilkinson Avenue.
Lorena Trevino Rios *Charlotte Observer*

SCOUTING SITES

For grocery store operators, opening in under-served areas isn't as simple as building a store in a food insecure area and hoping that the dearth of nearby fresh-food options will prompt neighbors to flock in.

Grocery stores, which already operate with thin margins, use a number of metrics when scouting for new locations.

Harris Teeter, for instance, looks at existing traffic patterns, proximity to existing/future Harris Teeters and competitors, and economic considerations such as residential growth, spokeswoman Danna Robinson said.

Florida-based Publix targets the same customer base as Harris Teeter, which is why the competitors have stores within a mile of each other in South End, Cotswold, Highland Creek, Steele Creek and Cornelius, among other areas.

Neither grocer, however, has said it has an obligation to open stores in low-income areas struggling with access to fresh food. Harris Teeter said it works through the Second Harvest Food Bank of Metrolina to support food-insecure households.

David Livingston, a Wisconsin-based supermarket analyst who helps grocers identify and evaluate new store locations, said the reason full-service grocers won't expand into a low-income area is straightforward: They worry the investment won't pay off.

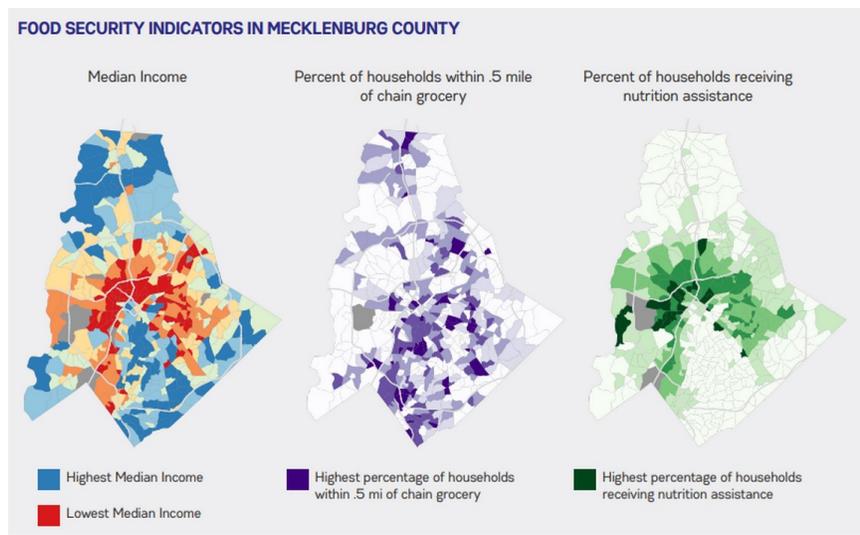
He said the number of risks that grocers weigh — including real or perceived crime, shrink (loss of inventory through theft and operational problems) and low incomes — outweigh the potential rewards.

“There are just too many reasons not to open a store and really no reason to open a store” in a low-income area, Livingston added.

POLICY CONCERNS

For years, improving economic mobility has been a dominant talking point among Charlotte politicians. The Charlotte-Mecklenburg Opportunity Task Force came together in 2015 to address a Harvard University/ University of California-Berkeley study that ranked Charlotte dead last among all U.S. metros in terms of economic mobility.

The 2016 fatal police shooting of Keith Lamont Scott, and the days of unrest in its aftermath, spurred even more heated discussions about ways to improve economic mobility, including investment in affordable housing and early childhood education.



Courtesy of The City of Charlotte

Access to fresh food, however, remains largely absent from policy conversations about economic inequality, despite the link between poor nutrition and chronic disease, pricey hospital visits and lower performance in school.

In North Carolina, 21.3 percent of children live in food insecure areas, according to a [recent report](#) from the Brookings Institution, a non-partisan Washington, D.C. think tank that notes that food security is “an important indicator of economic health.” In Mecklenburg County, 16 percent of households do not have consistent access to fresh-food, county [data](#) show.

Charlotte Mayor Vi Lyles was on city council in 2015 when it [approved the Publix](#) in Cotswold across from Harris Teeter. Residents had voiced concern about traffic that two competing grocers would generate.

Lyles pointed to metrics that grocers use in their site selection process as the reason stores don't exist in some areas. It's the city's job to help improve those metrics, not to deal directly with grocery operators, she said in a recent interview.

"The city doesn't do grocery stores," Lyles said. "The city builds sustainable neighborhoods that grocers should be attracted to."

One city that has intervened in grocery-store development is Detroit.

In June 2013, Whole Foods opened a store in an impoverished part of the city thanks in large part to \$5.8 million in public subsidies and private grants for the developer that the grocer had selected, according to a [2014 Slate story](#). The incentives helped subsidize Whole Foods' rent, since the grocers' initial projections indicated it could be a money-losing venture.



Charlotte Mayor Vi Lyles
John D. Simmons
jsimmons@charlotteobserver.com

At the time, Whole Foods said it hoped to not only be a large employer and provider of fresh groceries in a neighborhood that badly needed them, but also a catalyst for future development in Detroit, which at the time had an unemployment rate of 15 percent.

Whole Foods said the store has been successful thanks to collaboration "with grassroots leaders and neighbors.

"Our Detroit store continues to thrive as part of Whole Foods Market's effort to listen to the communities it serves and increase access to fresh foods across all income levels," the company said in an email to the Observer.

Charlotte has offered tax breaks and subsidies to help attract and retain a slew of businesses, from Sealed Air to [the Carolina Panthers](#).

"Usually when we have economic incentives, companies have contacted us and said they wish to come here. I can't recall a grocery chain asking for incentives," Lyles said.

GRASSROOTS MOVEMENT

To be sure, there are grassroots efforts underway in Charlotte to improve low-income residents' access to fresh food outside of commercial grocery-store development.

When Angie Gray was a kid growing up a few miles from where the Whole Foods would later open in Detroit, she'd ask her mom why the grocery stores around their house were dirty, and why the food cost more than at a bigger supermarket

in a rich neighborhood.

The lack of high-quality food bothered her. She made it a goal to launch “a grocery store for poor people” one day.

Gray moved to Charlotte about 11 years ago for a banking job, and opening up a nonprofit grocery store still is her goal. To fund the project, she established the nonprofit Roots In the Community Market Foundation in 2014. The foundation is now working to secure funding and a store location.

It’s a complicated plan, Gray concedes, because the kind of nonprofit grocery store she envisions doesn’t exactly exist anywhere.

One somewhat similar example is the 7,000-square-foot nonprofit grocery store the Salvation Army opened in Baltimore this spring. The organization doesn’t have plans to expand outside of that market.



Angie Gray, founder of the Charlotte nonprofit Roots In the Community Market Foundation.
Lorena Rios Trevino *Charlotte Observer*

The store Gray envisions would be at least 25,000 square feet, and would accept Supplemental Nutrition Assistance Program (SNAP) payments, formerly called food stamps. It would be in an underserved area in Charlotte, she says and even could go into a shuttered Bi-Lo or other grocery store. It’d be a job-creating opportunity and a way to educate people about the food they eat.

Ultimately, Gray said, “the goal is to empower and train the community to take over the store.”

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FARMERS MARKETS

Another way to improve access to fresh food is to grow the number of farmers markets in the area.

Charlotte lags other N.C. cities in terms of farmers market offerings. According to the county, Charlotte had 546,638 visitors to its 45,000 square feet of farmers market retail space in 2016.

By comparison, Asheville, with a population one-tenth the size of Charlotte’s, had 1.4 million visitors at its over 100,000 square feet of farmers market space last

year. Raleigh had 3.5 million visitors at its 61,000 square feet of market space.

In Charlotte, only three of the region's 25 farmers markets accept SNAP, or food stamps, said Royal, the county's food access coordinator.

On most Tuesday afternoons, Royal can be found talking with vendors and shoppers at the county's Rosa Parks Farmers Market on West Trade Street. There, dozens of area farmers sit with rows of zucchini, collard greens, basil, peaches, sweet potatoes and other produce.

Royal hopes to expand the number of farmers markets that accept SNAP so fresh options are more accessible to poor residents.

Nicole Peterson, vice chairman of the Charlotte-Mecklenburg Food Policy Council, lauds the grassroots efforts to improve access to fresh produce.

"They're not going to wait for the grocery stores to do this," Peterson said. "They're moving in the right direction."

"While we haven't seen grocery stores moving into those areas, we've seen other efforts."

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