

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To establish a program to attract grocery stores to and renovate grocery stores in low-income areas in the District; to require participating grocery stores to employ District residents, accept SNAP benefits, and accept WIC benefits; to designate a grocery ambassador to assist grocery retailers; to clarify the Supermarket Tax Exemption, to establish a program to expand access to healthy foods in low-income areas in the District by providing assistance to corner stores and farmers markets; to develop a plan for establishing a commercial distribution system for fresh produce and healthy foods to corner stores; to assist corner stores in becoming more energy efficient; and to improve the accessibility of public nutrition benefits programs.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Food, Environmental, and Economic Development in the District of Columbia Act of 2010".

TITLE I. DEFINITIONS.

Sec. 101. Definitions.

For the purposes of this act:

- (1) "Corner store" means a retail establishment that:
 - (A) Sells grocery products;
 - (B) Has less than 5,000 square feet of selling area;

(C) Does not have a “Class A” license, established by D.C. Official Code § 25-112(d)(1); and

(D) Meets the eligibility requirements for the Supplemental Nutrition Assistance Program, established by 7 C.F.R. § 278.1(b)(1)(B).

(2) “Eligible area” means a Low-Income Housing Tax Credit Qualified Census Tract, as defined by the U.S. Department of Housing and Urban Development.

(3) “Farmers market” means a nonprofit business entity that organizes events at which farmers and other producers sell fresh produce and healthy foods.

(4) “First source agreement” means the agreement required by D.C. Official Code § 2-219.03.

(5) “Grocery store” means a retail establishment that:

(A) Has a primary business of selling grocery products;

(B) Has at least 5,000 square feet of selling area that is used for a general line of food and nonfood grocery products; and

(C) Meets the eligibility requirements for the Supplemental Nutrition Assistance Program, established by 7 C.F.R. § 278.1(b)(1)(B).

(6) “SNAP benefits” means benefits provided by the Supplemental Nutrition Assistance Program, established by 7 U.S.C. § 2011 *et seq.*

(7) “WIC benefits” means benefits provided by the Special Supplemental Nutrition Program for Women, Infants, and Children, established by 42 U.S.C. § 1786.

TITLE II. GROCERY STORE DEVELOPMENT PROGRAM.

Sec. 201. Establishment of a grocery store development program.

(a) The Mayor shall establish a “Grocery Store Development Program” within the Office of the Deputy Mayor for Planning and Economic Development to attract grocery stores to and renovate grocery stores in eligible areas in the District.

(b) The District of Columbia Housing Authority, Office of Planning, and the Washington, D.C. Economic Partnership shall assist this program.

(c) This program shall:

(1) Establish a working group of Community Development Financial Institutions, District agencies, nonprofit organizations, and other community stakeholders to seek federal funding through the Healthy Food Financing Initiative, New Market Tax Credits Program, and other programs;

(2) (A) Provide a combination of any or all of the following to grocery stores in eligible areas:

(i) Grants;

(ii) Loans;

(iii) Tax credits;

(iv) Other financial assistance; and

(v) Technical assistance;

(B) The benefits provided by this paragraph shall be awarded on a competitive basis, with priority given to eligible areas that are underserved by grocery retail.

Sec. 202. Requirements.

(a) As a condition of participating in the program established by Sec. 201, a grocery store shall:

(1) Accept SNAP benefits;

- (2) Apply to accept WIC benefits and accept WIC benefits if eligible;
- (3) Enter into a first source agreement; and
- (4) Sell fresh produce.

(b) A grocery store shall commit in writing to the conditions set forth in subsection (a) of this section for a period of 5 years after participating in the program established by Sec. 201; provided, that this requirement shall not be enforceable if the business ceases to operate.

Sec. 203. Grocery ambassador program.

(a) The Deputy Mayor for Planning and Economic Development shall designate a District employee as a “grocery ambassador” to assist retailers in building or renovating grocery stores in eligible areas by:

- (1) Providing research and data on eligible areas with insufficient grocery access;
- (2) Coordinating with all relevant District agencies and public utilities; and
- (3) Expediting regulatory procedures and approvals; and
- (4) Providing other assistance as needed.

Sec. 204. Other incentives.

(a) The Zoning Commission should adopt regulations that permit bonus density or other appropriate zoning flexibility for projects in eligible areas with grocery stores, consistent with the Comprehensive Plan.

(b) When considering applications for special exceptions or planned unit developments, the Zoning Commission and Board of Zoning Adjustment should give favorable weight to projects in eligible areas with grocery stores.

(c) Grocery stores in eligible areas may participate in the Green Building Expedited Construction Documents Review Program, established by Section 7 of the Green Building Act of 2006, effective March 8, 2007 (D.C. Law 16-234; D.C. Official Code § 6-1451.01 et seq.).

Sec. 205. Supermarket tax exemption clarification.

(a) Section 3801 of Title 47 of the District of Columbia Official Code is amended by:

(1) Deleting the phrase “priority development area” in paragraph (1B) and inserting “eligible area” in its place:

(2) Deleting the phrase “priority development area” in paragraph (2) and inserting “eligible area” in its place; and

(3) Creating a new paragraph (1C) to read as follows:

“(1C) ‘Eligible area’ means a Low-Income Housing Tax Credit Qualified Census Tract, as defined by the U.S. Department of Housing and Urban Development.”.

(b) Section 3802 of Title 47 of the District of Columbia Official Code is amended by adding a new subsection (c) to read as follows:

“(c) The Mayor and the Office of Tax and Revenue shall process the exemptions contained under subsection (a) pursuant to the procedures and timelines set forth in D.C. Official Code § 47-859.02.”.

TITLE III. HEALTHY FOOD RETAIL PROGRAM.

Sec. 301. Establishment of a healthy corner store program.

(a) The Mayor shall establish a “Healthy Food Retail Program” within the Department of Small and Local Business Development to expand access to healthy foods in eligible areas in the District by providing assistance to corner stores and farmers markets.

(b) The Department of Health, District Department of the Environment, Office of the Deputy Mayor for Planning and Economic Development, Office of Planning, and the University System of the District of Columbia shall assist this program.

(c) This program shall provide, on a competitive basis, a combination of any or all of the following to corner stores and farmers markets in eligible areas:

- (1) Grants;
- (2) Loans;
- (3) Tax credits;
- (4) Equipment;
- (5) Other financial assistance; and
- (6) Technical assistance.

(d) The benefits provided by subsection (c) of this section may be used to improve the display areas and interiors of corner stores.

(e) The Department of Small and Local Business Development may engage nonprofit organizations in implementing this program.

(f) The University System of the District of Columbia may provide nutrition education resources to eligible corner stores and farmers markets.

Sec. 302. Requirements.

(a) Corner stores and farmers markets participating in the program established by Sec. 301 shall be strongly encouraged to:

- (1) Accept SNAP benefits;
- (2) Accept WIC benefits; and
- (3) Employ District residents.

(b) As a condition of participating in the program established by Sec. 301, corner stores and farmers markets shall commit in writing to sell produce or other healthy foods for a minimum of 3 years; provided, that this requirement shall not be enforceable if the business ceases to operate.

Sec. 303. Healthy food distribution.

(a) The Department of Small and Local Business Development shall convene a working group to develop a plan for establishing a commercial distribution system for fresh produce and healthy foods to corner stores.

(b) The working group shall include representatives from:

- (1) District agencies;
- (2) Nonprofit organizations;
- (3) Corner stores and their trade associations; and
- (4) Produce wholesalers.

(c) The working group shall issue a report and recommendations to the Mayor and the Council on or before June 30, 2011.

(d) The Department of Small and Local Business Development may issue grants, on a competitive basis, for the establishment of a commercial distribution system for fresh produce and healthy foods

Sec. 304. Energy efficiency.

The District Department of the Environment shall:

- (1) Develop tools and resources for corner stores to reduce their operating costs by becoming more energy efficient; and
- (2) Promote energy efficiency programs to corner stores.

Sec. 305. Access to be public nutrition benefits.

(a) The Office of the Chief Technology Officer shall assist the Department of Human Services in developing tools to allow:

(1) Corner stores and farmers markets to accept SNAP benefits, WIC benefits, and other public benefits programs onsite; and

(2) Residents to apply for SNAP benefits, WIC benefits, and other public benefits programs onsite.

(b) On or before April 30, 2011, the Office of the Chief Technology Officer shall submit a report to the Council describing the efforts taken to implement this section, the challenges that remain, and the projected timeline for completion.

TITLE IV.

Sec. 401. Rulemaking.

The Mayor may issue rules to implement the provisions of this act.

Sec. 402. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).

Sec. 403. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.