



Chapter 5: Mobile Food Retail

**Encouraging Healthier Mobile Food Retailers
to Operate in Underserved Areas**

General Strategy Overview

This chapter discusses the public health role in developing initiatives to encourage healthier mobile food retailers to operate in underserved areas.

Some states and communities are supporting the development of mobile food retail in order to get healthier foods and beverages into areas where residents may not be able to access permanent food retail venues. Because mobile food initiatives are generally less resource intensive than other healthier food retail approaches, public health practitioners may seek to implement them when funding is limited or when longer-term initiatives are just getting underway. Healthier mobile food retail initiatives are also a favorable option because they can create economic opportunities for individual entrepreneurs.⁹⁸

What is Healthier Mobile Food Retail?

Mobile food retailers are comprised of a variety of vendors who sell food out of a moveable vehicle, such as a truck, cart, trailer, kiosk, or stand.⁹⁹ Food delivery services can also be considered another form of mobile food retail.

Healthier mobile food retailers typically offer their customers healthier options such as fresh or cut fruit and vegetables, water or low-fat/skim milk, and whole grain foods. However, municipalities may specifically define healthier food options for mobile vendors, such as allowing only whole fruits and vegetables or explicitly defining nutritional criteria.⁹⁸

Mobile Farmers Markets and Produce Markets

Mobile retail strategies that focus on the sale of local and regional food are sometimes called “mobile farmers markets.” These mobile retailers are able to move to various locations easily to sell the food they have collected from producers. Some of these retailers are able to accept Supplemental Nutrition Assistance Program (SNAP) benefits. For example, Real Food Farm in Baltimore, Maryland (<http://www.realfoodfarm.org/get-food/mobilemarket/>) uses a mobile farmers market to increase food access into food desert areas of Baltimore. They accept Electronic Benefits Transfer (EBT) for SNAP from their customers, and have used a double coupon incentive program for the SNAP clients. In the Washington, D.C. area, Arcadia’s Mobile Market (<http://arcadiafood.org/programs/mobile-market>) is a “farm-stand-on-wheels” bringing local, sustainably produced farm products to underserved areas. The market accepts all forms of food assistance benefits, has a “Bonus Bucks” incentive program that doubles the purchasing power of food assistance benefits, and provides nutrition education.¹⁰⁰

When developing programs for mobile food retail, keep in mind that mobile food retailers will incur initial and ongoing costs, such as the purchase and maintenance of a vehicle to store, prepare, and distribute food; licensure of the vehicle; registration of the business with appropriate agencies; and vehicle and product storage (parking and refrigeration). Healthier mobile food retail programs that provide incentives, such as subsidies or reduced fees, may help defray some of the ongoing costs mobile vendors face and can be used to help mobile retailers provide healthier food options to consumers in underserved areas.

Working with Partners and Leveraging Resources

Public health practitioners may play varied roles in encouraging mobile food retailers to operate in underserved areas and to carry healthier food options. In most instances, a variety of partners are required to create and sustain a mobile food retail program from inception to implementation.

The [Partnerships, Assessment, and Evaluation](#) chapter has detailed information on partnering for healthier food retail initiatives. Additionally, there are a variety of potential partners that you can include to encourage healthier mobile food retailers to operate in underserved areas of your state or region. You may want to include representatives of:

Government Agencies and Regulatory Groups

- ▶ State and city agencies on economic development and labor force training.
- ▶ State and local agencies that regulate food establishments and services like environmental health or safety and sanitation.
- ▶ Planning groups and other organizations who may regulate permitting of vendors or signs for vending.
- ▶ Food and Drug Administration, Food Retail Protection Programs.
- ▶ Law enforcement and the legal community.

Agriculture Offices and Growers/Producers

- ▶ U.S. Department of Agriculture's (USDA) Office of Rural Development and Food and Nutrition Services state or regional offices.
- ▶ Food producers or suppliers.
- ▶ Cooperative extension agencies.



Business Groups and Entrepreneurs

- ▶ Small Business Association.
- ▶ Groups that fund micro-enterprise or other relevant funding streams.
- ▶ Individual entrepreneurs who are interested in or are currently operating a healthier mobile food business.
- ▶ Private companies such as mobile vending or online delivery companies.

Nutrition and Food Access Groups

- ▶ Federal nutrition assistance programs at the state-level administering agency.
- ▶ Private and non-profit organizations focused on food access or food assistance.

Action Items

As a public health practitioner, you can do the following to work with partners and leverage resources:

- ✔ **Lead or support assessment and planning efforts** to identify communities that can benefit from healthier mobile food retail services. Mobile food retail may be most viable in areas where few permanent retailers are located and where transportation is a challenge for community residents, or where there is a need to augment offerings from other retailers. Refer to the [Partnerships, Assessment, and Evaluation](#) chapter for additional information on assessment.
- ✔ **Convene partners who are interested in mobile food retail** as a means to bring healthier food options to communities. Think about organizing a sub-group from a larger collaborative group, like a food policy council, to focus on mobile food retail.
- ✔ **Build or support programs with partners that encourage new mobile retailers** to come to underserved areas and offer healthier foods and beverages. In addition, support programs that encourage existing mobile retailers to expand their services into underserved neighborhoods or to increase the variety of healthier food options offered. Consider an interdisciplinary approach to programs where health promotion may not be the primary focus, such as one that focuses on small business entrepreneurship.
- ✔ **Educate stakeholders about the potential health benefits** of increasing access to healthier foods and beverages in underserved areas and about state and local programs or policies that may help support healthier mobile food retail.
- ✔ **Partner with private entities to facilitate innovative, cost-saving approaches** to barriers. For example, renovating vehicles or carts for storing and displaying fruits and vegetables facilitates vendors overcoming the barrier of having inadequate equipment for selling produce.

Mobile Food Retail in Action: Peapod and Neighbor Capital Team Up to Deliver Produce to Chicago's Food Deserts

Peapod, an online grocery delivery service, and Neighbor Capital, a social enterprise firm, have collaborated on the Healthy Families Project to explore solutions to issues related to food deserts in Chicago communities. The partners first worked with a research firm to identify the areas of greatest food retail need. They then connected with community leaders to identify and address issues of internet access and education, a basic requirement for feasible grocery delivery services.¹⁰¹ Peapod subsequently subsidized a special produce package at discounted prices to residents in areas of need via community pick-up sites, while internet access and education activities continued. A promotion of “The Best Fruit of the Season Offering” included 10 pieces of varied fruit for \$2.99, a discount of 40% for residents in underserved neighborhoods. To enhance the program, the Healthy Families Project offered free samples and provided information to the community about job opportunities with Peapod.¹⁰¹ Although different from a traditional mobile food retail model, this project has a similar flexibility in bringing healthier items into communities.

Providing Training, Technical Assistance, and Education

Training, technical assistance, and education for local public health practitioners, mobile entrepreneurs, and communities is a crucial component of promoting mobile food retail as a mechanism for increasing access to healthier food options in underserved communities.

General training and education can be offered to a broad group of partners and stakeholders to promote the concept that mobile retailers can help supply healthier food options to underserved communities. Additionally, training and technical assistance can be offered to prospective, new, or existing healthier mobile food retail vendors on topics such as start-up requirements, operational issues, and participation in healthier food retail programs. Public health practitioners can work with partners in these efforts to ensure that healthier mobile food retail programs are broadly understood and supported by all stakeholders.



Action Items

As a public health practitioner, you can do the following to provide training, technical assistance, and education to support healthier mobile food retail:

- ✔ **Coordinate with state and local agencies that are developing programs** that designate some mobile food vendors as healthier retailers. You may want to assist program staff in developing appropriate criterion for participating retailers or provide them with nutritional data to help them develop program guidelines.
- ✔ **Educate communities** about how mobile food vendors can increase the communities' access to healthier food options. You can also describe how programs that subsidize, waive, or reduce permit fees for vendors selling food items that meet nutritional standards can potentially increase the number of healthier food vendors.
- ✔ **Encourage the use of micro-loans** from economic development agencies to offset the initial purchase of vehicles or enhancements to existing vehicles for healthier food vending.
- ✔ **Help communities assess which model of mobile food retail would be most appropriate** for their specific underserved area. For example, a more traditional "cart" model works in densely populated urban areas, whereas a weekly delivery of fresh produce to a community location may be favorable in rural areas where residents must travel long distances to a grocery store.
- ✔ **Offer training or educational resources** for healthier mobile food retail programs with prospective, new, or existing vendors on topics such as:
 - ▶ The areas with limited healthier food options and untapped market potential that vendors may want to consider as possible locations to operate and sell their products.
 - ▶ Licensing requirements for various municipalities in which the vendor is considering.
 - ▶ Sources of produce from local farmers or from distributors that will sell to vendors at wholesale prices.
- ✔ **Offer training on how mobile food vendors can accept federal nutrition assistance program benefits** such as Supplemental Nutrition Assistance Program (SNAP) benefits, or refer them to program administrators.
- ✔ **Coordinate with state and local agencies** that have regulatory or compliance responsibilities for food safety to:
 - ▶ Ensure that compliance officers, like city inspectors or local law enforcement, are aware of incentive programs that give certain privileges to participating retailers, such as roaming privileges or approval to operate near schools.
 - ▶ Identify mechanisms for vendors to receive food handling training and certification. For example, many mobile vendors participate in certification programs such as those available from ServSafe.

Continued

- ✔ **Coordinate with local university extension programs** to develop business and marketing courses that can be offered to healthier mobile food retailers.
- ✔ **Inform community organizations of grant opportunities** that could help fund healthier mobile food retail activities.



Mobile Food Retail in Action: Technical Assistance to Healthier Mobile Food Retail Programs in Detroit, Michigan, and New York, New York

Michigan Neighborhood Food Movers in Detroit. In order to provide healthier food options to Detroit residents, Michigan’s governor developed the Neighborhood Food Movers Program. The governor’s office called on the Michigan Department of Community Health (MDCH) to participate by serving in an advisory capacity for the program. Because the program was a governor’s initiative, it sparked the interest of multiple stakeholders and community partners. A \$75,000 grant for a micro-loan program kick-started the program. That and other funding allowed Michigan mobile food retail companies to obtain low-interest loans to participate in the program.

Participating vendors bought and maintained their own trucks, had set routes and times, and offered culturally appropriate foods for their customers. Michigan Neighborhood Food Movers prioritized locally-grown produce over other distributors and often sourced from the Detroit Eastern Market, a distribution or food hub model (see the [Distribution](#) chapter for more on food hubs).

For their participation, mobile food vendors were educated on how to run a small business, prepare a business plan, and source and price produce. During this training and technical assistance initiation, vendors selected routes in neighborhoods with the least access to healthier foods and the greatest financial need. When setting prices, vendors seriously considered what consumers in communities could afford and recognized that the retail mark-up had to be competitive to attract customers.

Continued

The governor's office and community partners created a manual which walked potential vendors through the processes of:

- ▶ Business planning.
- ▶ Market (neighborhood) identification.
- ▶ Business registration and licensing.
- ▶ Loan application.
- ▶ Supply acquisition.
- ▶ Produce purchase and storage.
- ▶ Accepting Supplemental Nutrition Assistance Program (SNAP) benefits through Electronic Benefits Transfer (EBT).

Key lessons learned from Michigan's Neighborhood Food Movers program include the following:

- ▶ Bringing diverse and non-traditional partners to the table encouraged innovative programming.
- ▶ Helping entrepreneurs put a business plan in place ensured a commitment and competence among vendors to get healthier food options to the most underserved communities.
- ▶ Ensuring that a variety of payment options are in place, including SNAP/EBT, allowed consumers to maximize their benefits and retailers to increase their revenue.

Green Carts in New York City. In March 2008, New York City passed a law to create 1,000 mobile vending permits specifically to sell only fresh, whole, unprocessed fruits and vegetables in designated underserved areas of the City. In its initial years, apart from the usual work of establishing new permits, waiting lists and inspections, the Green Cart Initiative was supported by a \$1.5 million grant from the Laurie M. Tisch Illumination Fund. The grant funded micro-loans and technical assistance for Green Cart retailers, as well as branding, marketing, and outreach to encourage residents of the Green Cart areas to purchase fresh produce from the carts. A total of 501 permits were issued from 2008 to 2011.

To support Green Cart efforts, the New York City Department of Health and Mental Hygiene (NYC DOHMH) hosts a web portal that describes the program and requirements for vendors, and provides information on free training resources and promotional materials for consumers and community members, such as the *Eating Street Smart* brochure. NYC DOHMH also helps vendors obtain wireless EBT terminals in order to accept SNAP benefits. More than 70 Green Carts currently have EBT terminals, and plans are to double the number of vendors with EBT capability. More information regarding the evaluation component of the Green Carts program is included in the [Partnerships, Assessment, and Evaluation](#) chapter. Additional information on the program can be found at <http://www.nyc.gov/greencarts>.



Addressing Other Common Concerns in Healthier Mobile Food Retail

Zoning restrictions and regulatory processes can sometimes inhibit rather than enable mobile food retailers to operate or expand in certain locales. In addition, some retailers may have perceptions about mobile food retailers that could cause friction around a healthier mobile food retail program. Public health practitioners can help address these concerns when planning and implementing healthier mobile food retail initiatives.

Zoning and Regulatory Processes

Rules and regulations related to mobile food retail may vary by state, and by county or city within a state. Some rules and regulations will be permissive, encouraging and even incentivizing mobile food retail, while others will be restrictive or not address the issue at all. Some states, cities, and counties also have regulations about where mobile vending can or cannot take place, how many hours mobile vendors can operate in a day, and how long mobile vendors can remain in one place.¹⁰²

Perceptions

Mobile food vendors may be viewed as unwelcome competition by other food retailers because they may offer more produce or healthier beverage options, may have higher quality produce, or may be more convenient to customers. They may also be able to set lower prices because they do not bear other typical retail costs, such as rent and electricity.⁹⁸ In addition, mobile retail operators who do not participate in healthier retail programs may feel that other vendors are being provided resources, and thus a competitive advantage, over their businesses.⁹⁸

Action Items

As a public health practitioner, you may be able to address concerns about zoning restrictions, regulatory processes, and perceptions with the following actions:

- ✓ **Summarize findings from health impact assessments^{##}** and other practice-based evidence on how existing municipal codes and zoning regulations support or hinder mobile food retail and share with partners working on land use. Educate decision makers about simple ways to address key barriers.
 - ✓ **Provide models in which vendors who sell only healthier items** are granted special permits to operate in certain locations, such as outside of schools and recreational facilities.
 - ✓ **Work with healthier mobile retailers on how to complement existing retailers**, such as small stores. For example, healthier mobile retailers may be able to offer a different product line than other retailers.
 - ✓ **Work with partners to resolve or mediate concerns** about mobile food retail as an effective food business model that can bring healthier options to communities.
-

^{##} A health impact assessment (HIA) is “a systematic process that uses an array of data sources and analytic methods and considers input from stakeholders to determine the potential effects of a proposed policy, plan, program, or project on the health of a population and the distribution of those effects within the population. Health impact assessment provides recommendations on monitoring and managing those effects.” Source: National Research Council, <http://dels.nas.edu/resources/static-assets/materials-based-on-reports/reports-in-brief/Health-Impact-Assessment-Report-Brief-Final.pdf>, Accessed February 19, 2014. More information on HIAs is available at <http://www.cdc.gov/healthyplaces/hia.htm>.



Mobile Food Retail in Action: Healthier Mobile Food Retail in Neighborhoods, Cities, and Parks

The Veggie Mobile in the Capital District of New York. Since 2007, The Veggie Mobile™, a traveling market operated by Capital District Community Gardens (CDCG), has been delivering fresh, affordable produce to childcare centers, senior independent-living communities and low-income neighborhoods throughout three counties in upstate New York. The program's startup costs were funded by a combination of individual donations and grants, including a five-year grant from the New York State Department of Health's Hunger Prevention and Nutrition Assistance Program. The Veggie Mobile's™ daily operations are managed by a team of CDCG staff members and devoted volunteers. Since 2011, CDCG has been connecting even more communities to fresh food with their second mobile market, the Veggie Mobile Sprout. The Veggie Mobile™ runs on biodiesel fuel, and both markets meet their electrical needs with solar panels. Both markets are also equipped with an Electronic Benefits Transfer (EBT) machine to allow redemption of Supplemental Nutrition Assistance Program (SNAP) benefits. CDCG is a 38 year-old non-profit that nourishes healthy communities by providing access to fresh food and green spaces for all. You can learn more about CDCG's mobile produce markets at <http://www.cdcg.org/programs/veggie/veggie/>.

Food Peddlers in Chicago, Illinois. Chicago's specialized Food Peddler designation allows for retail vendors to sell whole, uncut fruits and vegetables from "a wagon, pushcart, handcart, pack or basket." Although Food Peddlers are not allowed to prepare or sell any other food items, they are granted a reduced permit fee of \$165 (compared to \$275 for Mobile Food Dispensers). Seniors, veterans, and people with disabilities pay only an \$88 fee to become Food Peddlers.¹⁰³ The City of Chicago provides more information on this program at <http://www.cityofchicago.org/content/dam/city/depts/bacp/general/Peddlers%20License%20Fact%20Sheet.pdf>.

Healthier Food Vendors in Parks in Kansas City, Missouri. In Kansas City, mobile food retailers who operate in parks are regulated by the Kansas City Parks and Recreation Department. With the stated goal "to increase access to healthier food and beverage alternatives," the Parks and Recreation Department offers scaled permit discounts for mobile retailers who meet criteria for "Healthier" and "Healthiest" categories based on the percentage of healthier items for sale.¹⁰⁴ To be a "healthier" food vendor, 50% of the items for sale must adhere to the nutrition guidelines set out by the Parks and Recreation Department; for "healthiest" food vendors, 75% of stock must meet the criteria. In return, "healthier" food vendors receive a 50% reduction in the cost of their Parks and Recreation vending permits, and "healthiest" food vendors gain roaming permits, allowing retailers to operate in up to three parks on one permit.¹⁰⁴

Healthier Mobile Food Resources

ChangeLab Solutions

ChangeLab Solutions provides multiple web-based products that outline policy strategies for various mobile healthier food retail initiatives.

Mobile Vending Laws in the 10 Most Populous U.S. Cities is a table that outlines mobile food retail laws in 10 cities and includes applicable nutrition incentives, operational regulations, and licensing fees. <http://changelabsolutions.org/publications/mobile-vending-10-cities>

Creating a Permit Program for Produce Cart Vendors is a fact sheet that describes the benefits of produce cart vending in communities. <http://changelabsolutions.org/publications/permit-produce-cart-vendors>

Healthy Mobile Vending Policies is a fact sheet that outlines and provides examples on how mobile vending regulations can promote healthier food retail access in underserved communities. <http://changelabsolutions.org/publications/mobile-vending-policies>

PolicyLink, The Food Trust, and The Reinvestment Fund

The *Healthy Food Access Portal* provides a variety of resources to support implementation of healthier food retail strategies. The Web page on mobile markets offers success stories, resources, and strategies. <http://www.healthyfoodaccess.org/retail-strategies/alternative-markets>

Arcadia

The document *Mobile Markets: Applying the Food Truck Model to Mobile Access* provides a case study of the pilot season of Arcadia's Mobile Market, describing the development, implementation, and evaluation results of this mobile farmers market. The Mobile Market brought locally-grown fruits, vegetables, milk, eggs, and meats to neighborhoods in Washington, D.C. and Virginia that are underserved by traditional grocery stores. The program includes incentives for customers using nutrition assistance program benefits. <http://arcadiafood.org/news/mobile-market-report>