

EXECUTIVE SUMMARY

Economic Impacts of Walmart's First Two Stores in the District of Columbia

The District of Columbia has long lacked sufficient retail options for its diverse and growing base of residents. For years, District residents have had to travel to surrounding jurisdictions to shop for basic goods, costing the District lost sales taxes and undercutting the City's efforts to support more vibrant, mixed-use neighborhoods. Unmet retail potential in Washington, DC is estimated at over \$3 billion per year. Walmart's¹ arrival in the District in December 2013 is stemming that negative trend, while delivering an array of other benefits to the District and its residents.



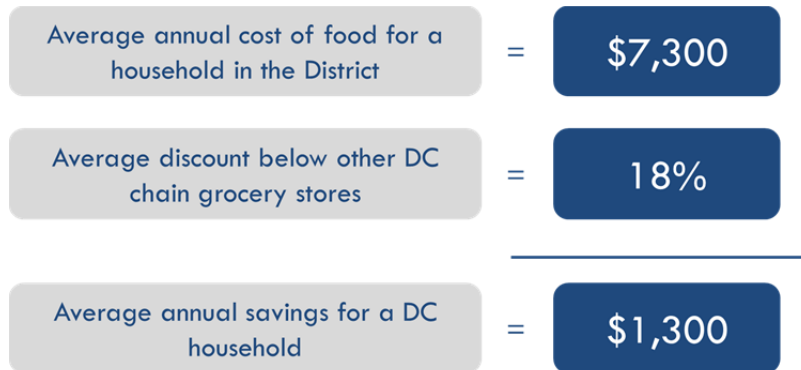
One year after the first two Walmart stores opened in the District, a study commissioned by Walmart and conducted by HR&A Advisors defines these benefits:

- Walmart will generate more than \$6 million in taxes to the District this year based on the operations of its 2 open stores. These net new revenues can help the District meet a wide array of needs. By way of example \$6 million in District revenue could support the annual costs of:
 - Salaries for nearly 120 teachers or police officers;
 - Refurbishments of 6 playgrounds; or
 - Debt service on bonds for the construction of 6 new or significantly modernized community centers².

¹ Wal-Mart Stores, Inc.

² Assumes a level-debt service payment over a 20 year period with a 5% interest rate.

- Walmart can save a DC family of four approximately \$1,300 per year – 18% of the average DC household's annual grocery store bill – on food and other typical grocery store items.³ In addition, each District Walmart will bring fresh food at affordable prices to areas identified by the U.S. Department of Agriculture as “food deserts.” Every District Walmart store is or will be in locations where healthy food shopping options make up less than 10% of the current neighborhood retail offerings.



- Construction of the first two stores and the Fort Totten store, which is currently under construction, supports 630 direct and multiplier jobs.
- Walmart's two stores employ more than 700 people, 65% of which are District residents. Walmart is responsible for half the growth in retail jobs in the District in 2013. Walmart stores in the District hire more people per square foot of store space than other grocery or convenience stores on average. A higher percentage of Walmart employees live in the same ward as the store than is typical for all employment in the 2 wards with open stores.
- 810 total jobs (direct employment by Walmart plus multiplier jobs) are supported by Walmart's first two stores.
- Walmart is catalyzing additional community investment in parts of the District that need it. More than 26,000 SF square feet of additional new development – including restaurants, banks, and retailers – and more than 300 new residential units are directly attributable to the open Walmart stores.

Georgia Ave Walmart

New retail establishments have opened in the commercial area adjacent to and around Walmart, including a bank, restaurants, a gym and a salon.






The Fitness Factory

Decadence Restaurant

B Forever Flawless Salon

99 H St. Walmart

4 out of 5 store spaces in the 10,000 SF of ancillary retail are occupied by a range of businesses serving local residents and workers.

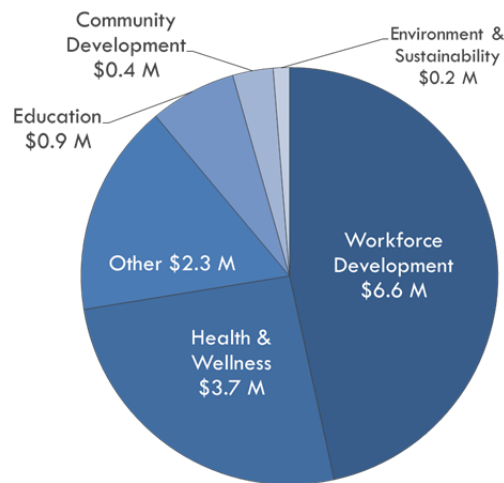





CH Brite Cleaners

³ Estimates are based on 2014 HR&A analysis of October 2013 industry benchmark data from Checkbook.org, Super Market Comparison as reported in "Guess Which DC Grocery Store is Cheapest and Which is Most Expensive", Anthony Sodd, October 2013, Streetwise Media. <http://dcinno.streetwise.co/2013/10/24/guess-which-dc-grocery-store-is-cheapest-and-which-is-most-expensive/>; Washington, DC Economic Partnership; HR&A.

- Walmart and the Walmart Foundation's support for District community-based social service organizations has also generated significant economic and fiscal benefits for the city. Walmart and the Walmart Foundation's \$14 million annual philanthropic investment in the District through 2014 has generated 185 jobs and \$16.5 million in total compensation at more than 200 organizations. These organizations generate additional benefits to the District through their activities.



- For example, the Walmart Foundation's \$3 million investment in the Washington@Work customer service training program was created to help District residents get the skills and training they need to gain employment, and has resulted in 618 job placements and 30 promotions since 2011.

