Promoting Recovery, Growth, and Resiliency That Builds a More Robust, Sustainable, and Equitable Infrastructure for New York City’s Food Distribution, Retail, and Service Economies
NEW YORK FOOD 2025 GOAL 4

Promoting Recovery, Growth, and Resiliency That Builds a More Robust, Sustainable, and Equitable Infrastructure for New York City’s Food Distribution, Retail, and Service Economies

New York Food 2025 is a collaborative effort by the Hunter College NYC Food Policy Center, The Laurie M. Tisch Center for Food, Education & Policy, and The CUNY Urban Food Policy Institute to examine the effects of the pandemic on New York City’s food policies and programs and propose specific policy measures the NYC Mayor and City Council can consider and implement to build a stronger, healthier, more just, and sustainable food system in New York City. This policy brief is one part of a 7-part series of policy briefs and recommendations and builds on our group’s earlier report, New York Food 20/20: Vision, Research, and Recommendations During COVID-19 and Beyond, on the impact of the pandemic on New York City’s food system and food workforce.

Background

New York City’s (NYC) food system is made up of tens of thousands of businesses and nonprofit organizations and millions of consumers, moving approximately 19 billion pounds of food through NYC every year. This food is sourced from across the world with many complex supply chains to accommodate the City’s market size and incredible diversity. The food system is further complicated by the fact that the majority of food businesses and entities are independently-owned, rather than part of national chains. This bodes well to serving NYC residents’ varied needs and supporting a local food economy; however, it also creates challenges to a coordinated and cohesive food system.

NYC, as a municipality, purchases $500 million worth of food each year, across many agencies with different needs. Beyond City service agencies, the food economy in NYC is made up of food distribution to thousands of food businesses (which include restaurants and retail food entities). The City’s food system is critical to its economy, but it is also fragmented, which leads to a lack of healthy and affordable food in under-resourced communities, inefficient supply chains, challenges to make profit in food businesses, and unjust labor conditions for food workers.

A key component of NYC’s food system is the Hunts Point Distribution Center (the Distribution Center) through which 4.5 billion pounds of food passes through each year from 155 public and private wholesalers, distributors, and manufacturers. Having a wholesale food distribution center in the City is a crucial aspect of maintaining a strong urban food system; the Distribution Center allows for reduced shipping costs and competitive prices of goods, which can create lower food costs for consumers. The Distribution Center also provides thousands of jobs to New York residents. However, concentrated reliance on the Distribution Center can lead to distribution interruptions if any vulnerabilities impact the Distribution Center, including natural disaster, as well as COVID-19 employment shortages or labor strikes.

Prior to COVID-19, the supply chain across the City faced difficulties and inefficiencies, now underscored by the more recent interruptions nationwide in the wake of the pandemic. Food supply chains have been disrupted by a decrease in demand from restaurant and catering businesses, due to the temporary and permanent closures of businesses across the City. Farmers and producers have lost prof-
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In the next four years, the Mayor and City Council should take measures to promote recovery, growth, and resiliency that builds a more robust, sustainable, and equitable infrastructure for New York City's food distribution, retail, and service economies.

Existing Programs and Policies
Since 2015, efforts to revitalize and improve the Hunts Point Distribution Center’s infrastructure have begun, through the New York City Economic Development Corporation (NYCEDC) Hunts Point Resiliency Project and funding from former Mayor de Blasio’s 12-year plan. These two programs focus on expanding rail capacity, fortifying the center’s systems against flooding, and modernizing existing buildings, as well as energy resilience through solar storage. While the City has made significant investments into the Distribution Center, there needs to be greater transparency to monitor the progress of ongoing critical infrastructure projects.

New York City’s Mayor’s Office of Food Policy (MOFP) oversees the Good Food Purchasing initiative within City agencies that procure and serve food. This initiative, paired with the New York City Food Standards, are already working to focus on and improve healthy procurement practices. In February 2022, NYC Mayor Eric Adams signed Executive Order 8, which indicates that the MOFP will publish revised Food Standards by April 1, 2022, and update them every three years. Additionally, Executive Order 8 codified the existing Good Food Purchasing Program into law. The City’s top seven food purchasing agencies — including the Department of Education (DOE), NYC Health+Hospitals, the Department of Homeless Services (DHS), the Department of Correction (DOC), the Human Resource Administration (HRA), and the Administration for Children’s Services (ACS) — currently participate in Good Food Purchasing. The MOFP had already been working with participating City agencies to create supply chain transparency and improve purchasing practices towards environmental sustainability, animal welfare, nutrition, local economies, and a valued workforce, now formalized through the Executive Order.

Within the New York City Housing Authority (NYCHA), the Food Business Pathways program (FBP) demonstrates best practices of a business training program for NYCHA and NYCHA Section 8 residents in beginning food businesses across the City. FBP includes a free, 10-week business course, free licenses and permits, group and one-on-one business coaching, all specifically designed to grow and improve food businesses. The program has awarded commercial kitchen incubator space grants for 42 businesses, and since its launch in 2015, more than 300 public housing residents have graduated and created 189 registered businesses. Throughout the COVID-19 pandemic, the Growing NYCHA Food Entrepreneurs initiative has helped expand FBP in order to expand food access in under-resourced communities by providing meal delivery to NYCHA residents with gas outages, while also connecting NYCHA entrepreneurs who have graduated from the Pathways program with employment opportunities. The program was scaled with additional commitment...
from the City for 13,400 additional meal purchases in order to provide NYCHA residents with culturally appropriate, quality meals.24

During the pandemic, food assistance benefits were expanded significantly. This included an increase in the total benefit amount provided to each individual and household receiving SNAP, as well as the creation of new food assistance programs, such as Pandemic EBT, that provided people who had not previously been eligible for assistance with nutrition benefits. These programs increased residents’ purchasing power, helping small businesses and food producers that were hard-hit by the pandemic. According to the USDA’s Economic Research Service (ERS), SNAP serves as an automatic stabilizer during times of economic downturn when more people become eligible for the program. Increases in SNAP spending generates income for all involved in the production, distribution, marketing, and sales of the products sold, creating a multiplier effect throughout the economy. A 2019 ERS study examined the multiplier effect and estimated that a $1 billion increase in SNAP benefits would support 13,560 jobs and create an additional $32 million in farm income.25,26

Signed into Legislation in November 2021, Nourish New York is a program that strengthens regional agriculture while simultaneously creating greater access to emergency food providers across the City.27 Implemented first as a COVID-19 initiative, this program has dedicated over $85 million in funding that allows New York’s emergency food providers, including food pantries and soup kitchens, to purchase surplus products from New York farmers and dairy manufacturers.28

Urban agriculture in the five boroughs provides increased access to healthy, local foods, jobs, educational opportunities, stronger connections within communities, and improved environmental sustainability within the food system.29 Schools and youth-focused programs (such as Harlem Grown and Green Bronx Machine) as well as small, commercial agricultural businesses (such as Oko Farms and Brooklyn Grange) create indoor farms, hydroponic systems, and aquaponic systems to produce high-quality, nutritious food within the urban setting. In 2021, then Brooklyn Borough President, Eric Adams released a report titled A New Agrarian Economy that highlighted how expanding urban agriculture in NYC will aid in the City’s economic recovery and promote health.30

**Policy Recommendations**

In order to achieve the goal of promoting recovery, growth, and resiliency that builds a more robust, sustainable, and equitable infrastructure for NYC’s food distribution, retail, and service economies, the Mayor and City Council should consider the following recommendations.

*By the end of 2022, the Mayor and City Council should:*

Provide funding and assistance for initiatives that support food infrastructure improvements at the community level throughout all five boroughs. Streamlining the systems in place for small businesses and individuals working in the food system (e.g. fruit and vegetable carts, independent grocers) will ensure a more equitable, efficient, and resilient food system. The City must support both existing and start-up small food businesses (especially BIPOC- and women-owned businesses located in marginalized communities) with access to commercial space leased at inexpensive rates as well as business management assistance for accounting and/or human resources. The City should also provide funding for generalized assistance to expand the number of food retailers who accept EBT (including wireless EBT equipment), especially small
and independent businesses located in marginalized communities.

**2025**

Between 2022 and 2025, the Mayor and the City Council should:

**Strengthen the regional food system, and expand and create material to provide incentives and accountability for purchasing local and regional products by NYC agencies.** Nourish New York is an important program that supports the regional food system by connecting farmers to food banks for the purchase of surplus agricultural products such as produce, meat, eggs and dairy products. The City should create incentives to maximize participation by emergency food providers in this program, especially among smaller, less resourced pantries and soup kitchens. The City should provide food safety training to help emergency food providers build capacity to store and distribute fresh food items as well as provide technical assistance to help sites apply for equipment grants. Additionally, NYC agencies participating in the Good Food Purchasing Program must aim to increase the share of food it purchases directly from local or regional sources. NYC agencies are one of the City’s largest procurers of food. For foods that are grown regionally, shifting into a closer, more sustainable supply chain will position NYC as a leader in environmentally conscious food systems, while simultaneously improving the freshness and overall quality of food received, prepared, and served by City institutions. Increased purchasing of regionally-grown foods will also foster economic resilience among agriculturalists in the Northeast region.

**Invest in Hunts Point Distribution Center and Increase Transparency.** The Distribution Center is a critical part of the NYC food system. However, this centralized system can pose major infrastructure risks to the food distribution system in the case of a disaster. A system-wide disruption to the food supply would be particularly problematic in underserved, food-challenged communities and would have the greatest impact on independent businesses like small grocery stores and bodegas in marginalized communities. The City must continue its commitment to a full infrastructure upgrade of the Distribution Center in order to minimize its vulnerability to future disaster, remain competitive, and to address the environmental, health and economic impacts on the Hunts Point community. While the City has made significant investments to mitigate flood risk, provide backup power, and reduce emissions at the Distribution Center, there needs to be greater transparency to monitor the progress of ongoing critical infrastructure projects. The City should develop a regularly-updated, publicly-facing website dedicated to the revitalization of the Distribution Center. This would include resiliency projects, revitalization efforts, community improvements and integration, and transportation modifications.

**Support community-based urban agriculture by providing spaces and funding for local urban farming.** In order to position NYC as a leader in commercial urban farming, investments must be made into urban agricultural jobs, training, and space for community- and faith-based organizations to create urban gardens and for urban agriculture organizations led by culturally diverse teams that mirror the demographic make-up of NYC communities. The City must create clear pathways and more opportunities for the use, sale and distribution of urban agriculture produce and products in community settings. NYC should support and/or increase community-based partnerships with schools, public housing and hospitals and identify pre-existing and accessible space to create gardens. With City support for these community-based programs and spaces, the NYC food system has the potential to be more just and environmentally sustainable than it currently is.
References


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30 A New Agrarian Economy. Brooklyn Borough President’s Office. February 2021.