## **NYC Good Food Purchasing**

# Citywide Goals & Strategy for the Implementation of Good Food Purchasing

Mayor's Office of Food Policy (MOFP)
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# INTRODUCTION

What do we know about our food?

That should be an easy question. Yet until now, information about where The City of New York's \$500m yearly food expenditures go, where our food comes from and how it is produced have been hard to measure. Working across different agencies who purchase food, with thousands of vendors and a complex bidding process, understanding where our food comes from and how it impacts us is more challenging than it should be.

This, our first-ever Citywide Goals & Strategy for the Implementation of Good Food Purchasing, is the new baseline. Today we establish a transparent, clear foundation for tracking The City of New York's food purchasing: who supplies our food, what we serve and to whom, and how we are performing against (5) key values each tied to clear data and metrics: nutrition, support for local economies, a valued food production and delivery workforce, environmental sustainability and animal welfare.

We are committed to helping New Yorkers understand more about their food, and to a procurement strategy that inspires new ways of thinking about our food and drives positive change across the local, regional and even global food system with the purchasing power of The City of New York.

This report is a first step, as we embark on the complex and often challenging process of building the infrastructure to track the impact of our food purchasing. This means building data systems and processes to ensure we are getting the information we need, and then becoming radically transparent in sharing this information with all stakeholders. Progress in the implementation of GFP depends not only on the actions of the City of New York, but also on changes across the entire food system. The City's 10 Year Food Policy Strategy, FoodForward NYC, outlines the way the City will advocate on the state and federal level and partner on the regional level to help bring along the system change necessary to increase the pipeline of good food. While we are making great progress, not every metric, every vendor or every meal will reflect what we hope to achieve over time. By assessing progress and tracking key metrics over time, we can hold ourselves to higher standards, and provide transparency about how we're reaching for success. What follows is an overview of our performance to date; key data; an overview of our goals and relationship to the "Good Food Purchasing" framework and our action plans for continued progress.

Institutional food purchasing is an enormous lever for change and a critical tool for equity. Together, we can deliver higher-quality food and make progress on climate, animal welfare, workers' rights and supporting minority and women owned businesses. We value your partnership and feedback as we strive to feed New Yorkers and bring a dynamic new value system to The City of New York's procurement of food and ultimately meals for our residents.

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## **Key Takeaways**

- NYC agencies and their suppliers have completed, for the first time ever, a rigorous data collection, analysis, and strategic planning process showing a strong commitment to prioritizing values based procurement.
- In total, over \$200 million annually in NYC food purchases across 7 city departments and agencies who provide food to 1 million students, as well as families, seniors and other vulnerable populations were evaluated in FYI 2019.
- The City of New York continues to make clear progress in the area of nutrition, with NYC agencies exceeding initial goals and procuring more whole and minimally processed foods, more seafood and less red and processed meat than other regions.
- The City of New York's assessment also reflects strong performance in "Valued Workforce," with more than \$15.8 million at unionized or worker-owned sites based on purchasing data provided in Fiscal Year (FY) 2019.
- Investments in "Local Economies" surpassed other regions participating in Good Food Purchasing with over 15% of food purchases from local family-owned and operated businesses in FY 2019.
- The Department of Education is the largest purchaser of food and drives overall procurement results for FY 2019.
- As is true for many cities nationally, "Environmental Sustainability" and "Animal Welfare" show the most room for improvement and positive impact on regional and national food systems.

## Why is NYC implementing the Good Food Purchasing framework?

The City of New York serves over 230 million meals and snacks every year to over a million New Yorkers, including public school students, seniors, homeless individuals and families, and patients in our public hospitals. These New Yorkers, often our most vulnerable residents, deserve delicious, healthy and high-quality food. The City aims to continuously improve the food it purchases and serves.

In order to improve the quality of the City's food, we need a deeper understanding of where it comes from. This can include the environmental and animal welfare conditions of the food procured, the well-being of the workers producing the food, whether the food is purchased locally, from a small or minority and women-owned business, and of course the nutritional profile of the food itself.

**But finding out more about the City's food is harder than it looks**. Think about your own experience in a grocery store or a restaurant - it is uncommon to know much more about the food you purchase beyond what type of food it is - an apple or a roast chicken - and how much it costs. New York City faces a similar challenge, at a much larger scale. This is largely due to the fact that the U.S. food system is highly fragmented, and there are not consistent data standards around the various dimensions of food production.

This is where the Good Food Purchasing framework comes in. This framework, developed by <a href="The Center for Good Food Purchasing">The Center for Good Food Purchasing</a>, who is partnered with The City of New York on this effort, is a values-based procurement framework that helps institutions better understand the source of the food they purchase, and provides a methodology to quantify the impact of that food along five core values: nutrition, local economies, valued workforce, environmental sustainability, and animal welfare. Launched in Los Angeles in 2012, the National Good Food Purchasing Program now incorporates dozens of institutions and agencies in cities across the country, with more than \$1 billion in annual food spend leveraged.

The City of New York is working to implement the framework across all its agencies. By taking advantage of these strategic tools to help collect accurate data about its food supply chain and identify the most high impact actions to improve upon, the City can then better align our purchases with our values.

# **BACKGROUND**

## How the City Purchases Food

The City purchases \$500 million worth of food each year. This money is spent by many different departments with varying missions, all serving New Yorkers with very different needs. The Department of Education (DOE) is the largest food purchaser, typically spending about \$200 million annually. The amount each agency spends varies greatly. The Department for the Aging (DFTA) spends about \$55 million annually. The Department of Homeless Services (DHS) spends about \$45 million annually, while the Human Resources Administration (HRA)¹ spends about \$16 million annually. NYC Health & Hospitals Corporation (NYC H+H) spends about \$20 million annually. The Department of Correction (DOC) spends about \$16 million annually. The Administration for Children's Services (ACS) spends \$1 million annually.

Other agencies also make micro-purchases of food, run food pantries, or lease property to food businesses.

In addition to serving vastly different populations and varying budget sizes, City food contracts can take on many different forms based on operational considerations of the agency or how the contracts are funded. For these reasons, only \$200M of the \$500M total food spend was analyzed for this report.

For example, the Department of Citywide Administrative Services (DCAS) buys food directly for DOC, ACS, and HRA via competitive sealed bids, in which a bidder submits their best price, and the award is made to the lowest responsive, responsible bidder or bidders. In comparison, DFTA and DHS have contracts with vendors for a full range of human services such as operating senior centers or homeless shelters that may include the provision of meals.

The legal framework for the City's procurement process itself is governed by New York State's General Municipal Law. Core to the intent of this process is ensuring both robust competition and a fair process. However, by its nature the process can also be complex and hard to understand. It is not surprising therefore that thousands of City staff work on procurement issues every day. The City, led by the Mayor's Office of Contract Services (MOCS), is constantly working to streamline its procurement processes.

As the City seeks to implement the Good Food Purchasing framework, it needs to understand the different pathways and processes each agency undertakes to purchase food in order to identify the most strategic areas to intervene and integrate Good Food Purchasing framework elements.

## **Good Food Purchasing Implementation to Date**

The City's top seven food purchasing agencies currently participate in Good Food Purchasing. The first agencies to adopt Good Food Purchasing were DOE and NYC H+H, working with the Center for Good Food Purchasing to collect data and release a baseline assessment, covering FY 2017 and 2018. DHS, DOC, HRA and ACS are releasing baseline reports for FY 2019, thus effectively making the Good Food Purchasing framework

<sup>&</sup>lt;sup>1</sup> The annual estimates are based on FY 2019 actuals and will vary year to year and in particular due to the COVID19 pandemic.

a citywide effort. As the City continues to further its efforts around Good Food Purchasing, we hope to bring on those additional agencies with micro-food purchases.

Baseline assessments are critical for a successful launch of the program, and it has taken agencies and the Center, working closely with City vendors, much time and work to identify and collect the relevant data. Once baseline assessments were complete the agencies transitioned to action planning, using the data on their food purchasing to inform areas of opportunity.

Although DFTA has been actively involved in the implementation of GFP citywide, it does not have a baseline assessment or action plan at this time. This is because DFTA's food provision is done by hundreds of small providers, mostly older adult centers who are contracted by the City to provide social services, including meal provision. These centers, therefore, indirectly purchase food. This model represents a particularly hard data collection challenge - far greater than other agencies' food purchasing model. Therefore, the City is developing a tailored data collection model. Once operational, a baseline assessment and action plan will be developed.

Similarly, DHS's food procurement includes both direct and indirect purchasing of food. DHS's current assessment and action plan are focused only on its direct purchasing. Once the City develops a data collection model for indirect purchasing with DFTA's providers, it can be tested out with DHS's providers.

## **CITYWIDE GOALS & STRATEGIES**

## Steps for the implementation of Good Food Purchasing:

#### STEP 1: DATA COLLECTION.

Accurate data allows City agencies and partners to develop assessments and to identify strategic opportunities and priorities to set and advance GFP goals. Due to the fragmented and complex nature of the food system, it can take years to get a complete data set.

#### STEP 2: INTEGRATION OF GFP INTO CONTRACTS.

City agencies integrate the GFP framework into contracts by amending contract language. This process varies depending on specific agencies' governance structure, funding sources, contract cycle, product availability, etc., and requires extensive legal input to understand what is allowable within the current regulatory environment.

#### STEP 3: STREAMLINING THE CITY'S PROCUREMENT PROCESS.

The City's procurement process can be difficult for small food vendors to navigate. The City continues to improve its technology systems and is exploring innovative ways to make it easier to contract with the City. The City will also work to identify marketing opportunities around GFP.

# STEP 4: ADVOCACY FOR SYSTEMS CHANGE IN SUPPORT OF GOOD FOOD PURCHASING.

Successful implementation of GFP depends not only on the actions of the City of New York but also on changes across the food system that support the creation of new food products and vendors that align with the values of GFP. FoodForward NYC outlines how the City will advocate on the state and federal level and partner on the regional level to help bring along the system change necessary to increase the pipeline of good food. These actions are outside the scope of this document but essential for long term success.

## ...and iterate

The Citywide goals were developed based on the results of the baseline assessments and what previous experience from across the nation suggests would be ambitious yet achievable goals. The agency action plans, and the citywide strategies outline the actions that the City intends to take to reach these goals. With that in mind, these goals and the agencies' action plans should be read as living documents - to be updated annually based on updated learnings from future assessments, operational opportunities and challenges, and ever-evolving supply chain dynamics.

## **Citywide Goals**

Percent food spend:	Actual - FY 2019	Goal - FY 2022	Goal - FY 2025
Total Food Spend Captured	74%	90%	100%
Full Sourcing Details	7%	20%	60%
Percent qualified city spent on:	Actual - FY 2019	Goal - FY 2022	Goal - FY 2025
Local Economies	15%	15%	22%
M/WBE	0%	3%	5%
Environmental Sustainability	1%	5%	15%
Raise Without Routine Antibiotic Use	27%	25%	30%
Valued Workforce	8%	9%	15%
Animal Welfare	3%	5%	15%
Nutrition	77%	90%	90%
Whole/Minimally Processed	25%	33%	46%

## **Agency Assessments & Action Plans**

The assessments and action plans for the following agencies are the backbone of the Citywide goals:

Administration for Children's Services
Department of Correction
Department of Education

They can be found at: nyc.gov/gfp

Department for Homeless Services
Human Resources Administration
NYC Health + Hospitals

## **Citywide Strategy**

The Citywide strategy, led by the Mayor's Office of Food Policy (MOFP), is intended to assist each agency to implement their own action plan, as well as to support outreach and communications and promote systems change.

#### 1. DATA COLLECTION

• Work with the Center to improve data quality standards, ensure integration into contract language and their accurate implementation.

#### 2. INTEGRATION OF GFP INTO CITY CONTRACTS

#### General

- Develop a "library" of legal procurement best practices.
- Conduct landscape analysis of contracts governing City owned or leased properties including cafes, restaurants and commissaries.

#### **Local Economies**

• Explore opportunities for collaborative purchasing strategies across agencies or smaller contract sizes to encourage smaller vendors.

#### **Environmental Sustainability**

- Explore partnerships with external stakeholders for accurate carbon accounting, including ways to identify foods that are carbon sinks that can be integrated into City procurement.
- Explore potential implementation of pesticide-free affidavit for produce procurement.
- Leverage existing City sustainable food programs and imagine new initiatives in service of GFP

#### **Animal Welfare**

- Understand implications of citywide meat reduction strategies and policies for alignment with AW goals.
- Continue to increase the amount and variety of minimally processed plant-based entrees purchased and prepared by the City so that by FY2025 less than 25% of meat purchased by the City is red meat or highly processed meat.

#### Valued Workforce

• Explore ways to integrate worker-driven social responsibility into City procurement.

#### Nutrition

• Explore ways to incorporate experiential and traditional and culturally appropriate food, nutrition, or agricultural education activities in program planning.

#### 3. STREAMLINING THE CITY'S PROCUREMENT PROCESS

- Develop a list of potential vendors that are compatible with the GFP framework that agencies can refer to.
- Explore different ways to make it easier for food vendors to do business with the City, including, potentially, by doing one or more of the following:
  - Undertaking a study to identify ways to streamline the City's internal procurement processes to make them even more efficient.
  - Reviewing supplier diversification best practices, determine viability and implementation timeline for relevant elements.
  - o Exploring opportunities to partner with organizations that support farmers and M/WBEs to provide technical assistance to potential vendors on applying to City contracts.

#### 4. ADVOCACY FOR SYSTEMS CHANGE IN SUPPORT OF GOOD FOOD PURCHASING

- Advocate on the federal and state level for policies that increase transparency and develop consistent data collection standards around working conditions, animal welfare and different dimensions of environmental sustainability.
- Work with the USDA to bring more plant-based proteins into the National School Lunch program
- Advocate on the federal and state level for increased food budgets or subsidies for food that align with the values of GFP.
- Explore federal funding opportunities for investments in commissary kitchens and distribution centers to enable the City to provide more whole and minimally processed foods.
- Advocate for federal research into the environmental impacts of transportation and distribution of food that can inform City procurement policy.

#### **5. ENGAGEMENT AND COMMUNICATIONS**

- Convene guarterly with the New York City Good Food Purchasing Program Coalition.
- Work with agency and citywide leadership to ensure continued support and ownership of GFP.
- Develop a strategic communications plan that translates the complexities of GFP and municipal procurement for the public.

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