COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 1 CITY COUNCIL CITY OF NEW YORK -----Х TRANSCRIPT OF THE MINUTES Of the COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT ----- X April 8, 2025 Start: 1:02 p.m. Recess: 3:08 p.m. COMMITTEE ROOM - CITY HALL HELD AT: B E F O R E: Gale A. Brewer, Chairperson of the Committee on Oversight and Investigations Amanda Farías, Chairperson of the Committee on Economic Development COUNCIL MEMBERS OF THE COMMITTEE ON OVERSIGHT AND INVESTIGATIONS: Chris Banks Rita C. Joseph Shekar Krishnan Lincoln Restler Nantasha M. Williams COUNCIL MEMBERS OF THE COMMITTEE ON ECONOMIC DEVELOPMENT: Alexa Avilés Erik D. Bottcher Jennifer Gutiérrez Kevin C. Riley World Wide Dictation 545 Saw Mill River Road - Suite 2C, Ardsley, NY 10502 Phone: 914-964-8500 \* 800-442-5993 \* Fax: 914-964-8470 www.WorldWideDictation.com

## COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH

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COUNCIL MEMBERS OF THE COMMITTEE ON ECONOMIC DEVELOPMENT: (CONTINUED)

Rafael Salamanca, Jr. Inna Vernikov

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## A P P E A R A N C E S

Kate McKenzie, Executive Director of the Mayor's Office of Food Policy

Michele Lamberti, Vice President of Legislative Affairs from the New York City Economic Development Corporation

Arthur Goldstein, Davidoff Hutcher and Citron, LLP

Matthew D'Arrigo, Hunts Point Produce Market

Stephen Katzman, Co-President of Hunts Point Produce Market

Adaeze Okoli, Chief-of-Staff of Rethink Food

Rae Gomes, Cultivating Justice LLC

Anita Lee, self

Rachel Lyons, Legislative Director for the United Food and Commercial Workers International Union

Karen Karp, Founder and Partner of Karen Karp and Partners

Christopher Leon Johnson, self

Sharon Brown, Rose of Sharon Enterprises

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 4 1 2 SERGEANT-AT-ARMS: This is a mic check on 3 Committee on Oversight and Investigations in the Committee Room, recorded by Tayshia Sherman. Today's 4 5 date is April 8, 2025. 6 SERGEANT-AT-ARMS: Good afternoon, and 7 welcome to today's New York City Council hearing for 8 the Committee on Oversight and Investigations. 9 At this time, we ask that you silence all 10 electronic devices, and at no time is anyone to 11 approach the dais. 12 If you would like to sign up for in-13 person testimony or have any other questions 14 throughout the hearing, please see one of the 15 Sergeants-at-Arms. 16 Chair, we're ready to begin. CO-CHAIRPERSON BREWER: [GAVEL] I'm Gale 17 18 Brewer. I am Chair of the Committee on Oversight and 19 Investigations. Obviously, this hearing is Committee 20 on Oversight and Investigation, but it's also 21 Economic Development. Thank you for joining us. 22 We will be examining the City's food 23 infrastructure and its effect on the quality and cost 24 of produce we consume. I would really, really, really 25 like to thank Majority Leader Amanda Farías, Chair of

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 5 1 2 the Committee on Economic Development, for Co-3 Chairing this hearing and for going with me. I 4 learned from her at Hunts Point. I'd also like to thank the representatives from the Administration, 5 the public, and my Council Colleagues who will join 6 7 us later today.

8 In our country and city's ongoing cost of 9 living crisis, the rise of food prices has hit many New Yorkers very hard. No question that food prices 10 11 soared after the COVID-19 pandemic and years of 12 supply chain disruptions that followed. But even 13 before 2020, our city had long struggled to supply 14 its communities with fresh food at the same price and 15 the quality of even nearby suburbs. Our density is unique for America and the source of many of our 16 17 greatest strengths, but it also makes life hard for 18 food distributors who overwhelmingly rely on trucks that cannot easily navigate our tight street network, 19 despite efforts to use rail and water. The 20 21 specialized infrastructure we've developed to get food in and out of our dense metropolis, mostly at 2.2 23 the Hunts Point Market in the Bronx, is somewhat obsolete, too small, and inefficient to accommodate 24 New Yorkers' nutritional needs. Trucks idle for hours 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 6 1 outside Hunts Point, waiting to unload goods, spewing 2 3 exhaust into the neighborhoods, wasting workers' 4 time, and increasing costs, all while produce loses its freshness before it can be delivered to grocery 5 stores, although when you're there, you see the 6 7 amazing hard work of the companies and the workers to make sure that it is fresh. They really go to the nth 8 degree. At the same time, modern supermarkets and 9 food distribution systems have struggled to establish 10 11 themselves in many parts of the city, with many local 12 chains, such as Pathmark, closing over the past several decades. I know they certainly did on 125th 13 Street. Research shows that as the size of urban food 14 15 retailers increases, so does the quality and 16 affordability of produce. Yet New Yorkers 17 overwhelmingly rely on small corner groceries with 18 limited fresh food options, although I'll speak for 19 myself, I like the small options in terms of the 20 delis, the bodegas, and even the smaller supermarkets, but I know they're not as inexpensive 21 2.2 as the larger suburban ones, which I do not like 23 going to. Today, we are talking to the Mayor's 24

25 Office of Food Policy and the Economic Development

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 7 1 Corporation to get a better understanding at what can 2 3 be done to improve New York City's food distribution 4 system and improve the quality and affordability of 5 fresh food. Certainly, we learned a whole lot at Hunts Point, although I know that my Colleague 6 7 already knows all that. We want to talk about recent 8 developments in the ongoing effort to renovate and 9 expand Hunts Point, as well as the state of tax and zoning incentive programs to draw larger supermarkets 10 11 into underserved communities, and that's not even 12 easy, even with a fresh program. We want to hear what 13 steps the City can take to beat our reputation for overpriced produce, which plagues food markets 14 15 everywhere.

16 I'd like to thank the following Council 17 Staff who have worked incredibly hard, from the O and 18 I Committee, Nicole Catá, Erica Cohen, Alex Yablon, and Owen Kotowski; from the Division Staff at O and 19 20 I, Meg Powers, Uzair Kwartar, Brian Parkhan, and 21 Amisa Ratliff; and on my staff, Shula Puder, and Sam 2.2 Goldsmith. Everyone has been helpful, and I also want 23 to let you know that we've been joined by Council Member Banks. 24

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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 8 1 I will now turn it over to the awesome 2 3 Co-Chair, Majority Leader Amanda Farías. CO-CHAIRPERSON FARÍAS: Good afternoon, 4 and welcome to this joint hearing of the New York 5 City Council Committees on Economic Development and 6 7 Oversight and Investigation. 8 I'm Majority Leader Amanda Farías, Chair 9 of the Economic Development Committee, and I'd like to thank my amazing colleague and Co-Chair, Council 10 11 Member Gale Brewer, not only for this joint hearing, but for also loving the Bronx a little bit with me 12 13 last week in Hunts Point. I also want to extend my appreciation to the New York City Economic 14 15 Development Corporation, the Mayor's Office of Food 16 Policy, and other stakeholders for participating in 17 this important hearing. 18 Today's hearing, we will examine the overall topic of City's food infrastructure system 19 and how the City provides affordable, quality food to 20 21 New Yorkers. During my tenure as Chair of the 2.2 Committee on Economic Development, I have held 23 several hearings focusing on the City's food policy and distribution, including our City's Good Food 24 Purchasing Program, discussing the redevelopment of 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 9 1 2 the Hunts Point Distribution Center, and a recent 3 hearing on the food quality in City shelters. Part of 4 what the Committees look to discuss today is the City's responsibility to ensure that people have 5 access to the most basic human needs, such as healthy 6 7 and affordable food. The Committees are looking 8 forward to discussing various initiatives with the 9 Mayor's Office of Food Policy and about the City's progress made during its 10-year policy plan, Food 10 11 Forward New York, and how it is expanding access to 12 nutritious foods and engaging businesses in New York 13 City.

14 This past Friday, Chair Brewer and I toured the Hunts Point Distribution Center. We saw 15 16 firsthand the synergy that drives vibrant marketplace 17 and how essential the market is not only to the Bronx 18 but to our great city. We look forward to hearing 19 from EDC on the Administration's ongoing steps to 20 improve and how investments in the Hunts Point 21 Distribution Center are coming along. We also plan to hear about the Administration's progress and 2.2 23 challenges with respect to the market's expansion and infrastructure development. 24

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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 10 1 Again, thank you to all for being here. 2 3 And before I conclude, I'd like to thank the Economic 4 Development Team here at the Council, Council Luke Hamill, Senior Policy Analyst William Hongach, and 5 Finance Analyst Glenn Martelloni for all their hard 6 7 work preparing for this hearing. 8 I'll now turn it over to my Co-Chair, 9 Chair Brewer. CO-CHAIRPERSON BREWER: Now we'd love to 10 11 hear from the Administration. Go ahead. Thank you so 12 much. 13 We've also been joined by Council Member Riley, but I know first of all we have to swear you 14 15 in. 16 COMMITTEE COUNSEL: Thank you, Chairs. We 17 will now hear testimony from the Administration. We 18 will hear from Kate MacKenzie from the New York City Mayor's Office of Food Policy and Michele Lamberti 19 20 from the New York City Economic Development 21 Corporation. Before we begin, I will administer the 2.2 23 affirmation. Panelists, please raise your right hand. Do you affirm to tell the truth, the 24 25 whole truth, and nothing but the truth before this

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 11 1 2 Committee and to respond honestly to Council Member 3 questions? 4 EXECUTIVE DIRECTOR MACKENZIE: I do. 5 VICE PRESIDENT LAMBERTI: I do. 6 COMMITTEE COUNSEL: Thank you. You may 7 begin when ready. 8 EXECUTIVE DIRECTOR MACKENZIE: Thank you. 9 Good afternoon, Chair Brewer, Chair Farías, and Members of the Committees on Oversight and 10 11 Investigations and Economic Development. My name is Kate MacKenzie and I serve as Executive Director of 12 13 the Mayor's Office of Food Policy. Joining me today is my colleague Michele Lamberti from the New York 14 15 City Economic Development Corporation. I welcome the opportunity to speak with you today about food 16 17 infrastructure, the quality, and the cost of produce. 18 At MOFP, our mission is to advance the 19 City's efforts to increase food security, promote 20 access to and consumption of healthy foods, and 21 support economic and environmental sustainability across the food system. Our work is guided by Food 2.2 23 Forward New York City, the City's 10-year food policy plan, which lays out a comprehensive goal framework 24 to reach a more equitable, sustainable, and healthy 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY 12 WITH COMMITTEE ON ECONOMIC DEVELOPMENT 1 2 food system by 2031. Food Forward New York City 3 emphasizes the importance of equity and choice, 4 enabling a food system where everyone is able to 5 access nutritious, high-quality foods that are culturally relevant and affordable. The plan also 6 7 highlights the ways in which the City is committed to 8 supporting both our food workers and our food 9 businesses, strengthening the sustainability and resiliency of our food system, rethinking our food 10 11 infrastructure, and deepening our connections with the region. 12 13 A key focus of Food Forward is the need to develop infrastructure that supports sustainable 14 15 and equitable food production and distribution. This includes reinforcing the City's own food 16 infrastructure while also strengthening regional 17 18 partnerships to create a more resilient and 19 interconnected food system. Another way of saying 20 this is that through advancing the plan, we are 21 improving food system infrastructure across urban and regional levels, including the infrastructure for 2.2

23 managing the flows of food through primary and 24 secondary processors and distributors serving 25 wholesale and retail markets, the emergency food COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLYWITH COMMITTEE ON ECONOMIC DEVELOPMENT13

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2 system, and City institutional food service. By
3 taking this type of integrated approach, we achieve
4 economic efficiency and build appropriate food supply
5 redundancy as well as resilience.

When Food Forward was released in 2021, 6 it responded to the lessons learned during the early 7 8 days and continuing days of the COVID-19 pandemic. Our food supply chains and the infrastructure to 9 support them weren't yet ready to withstand major 10 11 disruptions, limiting our ability to transport and 12 store perishable foods and guarantee their quality. 13 Food supply chain disruptions that you've pointed out and labor shortages during the pandemic spurred 14 15 widespread price volatility. While some of those 16 immediate shocks have subsided, it is clear that food prices have continued to rise, straining household 17 18 and City agency budgets across the country. For example, since 2022, food prices have increased by 19 20 about 2.6 percent annually across the United States. 21 Between January of 2024 and this January, grocery 2.2 prices rose by nearly 2 percent and restaurant prices 23 climbed 3.5 percent. Notably, it almost goes without saying, the cost of eggs has reached record highs, 24 increasing by over 10 percent in February and 60 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 14 1 percent over the past year. These rising prices 2 3 impact the food and nutrition security of New 4 Yorkers. A 2024 No Kid Hungry New York poll found 5 that nearly four in five New Yorkers said that affording groceries has become more difficult, and 85 6 7 percent have reported that rising costs of food have outpaced their incomes. According to the Department 8 9 of Agriculture, in 2023, a typical U.S. household spent 75 dollars per person per week on food, 5 10 11 dollars more than the previous year and 25 dollars 12 more than pre-pandemic times in 2019. Overall, food 13 prices are anticipated to increase by yet another 3.5 14 percent this year. 15 Before diving into the causes and implications of food price volatility, it's important

16 17 to understand them in the context of New York City's 18 food system and the critical role of strong 19 infrastructure. About 19 billion pounds of food flow 20 through New York City each year. This flow is the 21 product of a complex mix of regional, national, and 2.2 global supply chains that grow, process, and 23 distribute food in a rich local food economy that prepares food for purchase and disposes of food 24 waste. The workings of these supply chains affect the 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 15 1 daily life of every single New Yorker. Yet, unlike 2 3 New York City's other essential systems from our 4 roads and our water and electrical networks, for example, our food system is not centralized in design 5 or management. Our food system is what we call a 6 7 distributed system made up of tens of thousands of 8 large and small businesses and non-profit, essential 9 non-profit organizations in the local, regional, national, and global, and millions of consumers 10 11 interacting largely independently to match food 12 supply and demand.

13 So, our food system is unique in two major ways. First, our city's ethnic diversity 14 15 necessitates multiple complex supply chains that source products from across the region and the globe 16 17 to cater to our distinct tastes and needs of New 18 Yorkers. Second, and relatedly, the majority of food businesses, as you've pointed out, Council Member, 19 20 from grocery stores to restaurants and distributors, 21 are small-scale and independently owned rather than 2.2 national operations. This varied and nimble business 23 landscape is well-suited to serve our unique needs and supports both economic opportunity and food 24 system resilience, but it also poses risks, including 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 16 1 coordination challenges and the general vulnerability 2 3 associated with small-scale independent businesses. With that in mind, our food 4 infrastructure is similarly varied and complex. Our 5 infrastructure spans multiple phases of the food 6 system, includes both physical spaces, such as 7 warehouses, storage, and storefronts, as well as 8 networks of transportation and market systems, from 9 our rich farmers market to online retail access, and 10 11 clearly our emergency food providers of food pantries 12 and kitchens. Across these settings, the City has 13 made significant investments to improve all types of infrastructure. So, you've just visited Hunts Point, 14 15 and so I just want to point for everyone's attention 16 that the Hunts Point Distribution Center is the 17 largest food distribution hub in the country, 18 distributing over two and a half million pounds of produce alone every year. However, having opened in 19 20 1967, the existing produce market facility is way 21 beyond its useful life. It no longer adequately 2.2 serves the space and operational needs of the 23 cooperative. The existing refrigerated warehouse buildings do not have the capacity to meet market 24 25 needs and must rely on idling trucks to serve as

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 17 1 2 additional warehouse storage. Infrastructure deficiencies have also created problems, leading to 3 4 the persistent intermodal traffic conflicts, delays, congestion, and idling. Taken all together, the 5 existing conditions result in operational 6 7 inefficiencies, increased costs, and increased diesel 8 emissions.

As part of Hunts Point Forward, a 2022 9 report that included over 70 recommendations for 10 11 investment throughout the peninsula, EDC and SBS have 12 been redeveloping and modernizing the market, the 13 produce market. To strengthen New York City's 14 infrastructure and increase storage capacity, New 15 York City has dedicated 130 million in addition to 16 state and federal monies that will amount to 17 approximately 630 million in total. The project will 18 replace the existing produce market facility with a 19 modern, state-of-the-art intermodal facility. It 20 includes the replacement of all existing buildings 21 with two new refrigerated warehouse buildings, a new 2.2 administrative building, a waste management building, 23 and a maintenance facility totaling approximately 916,000 square feet. The new facility will expand the 24 produce market's current capacity, increasing 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 18 1 operational efficiency, eliminating the need for 2 3 diesel-powered transport refrigeration units 4 currently operating on site, and keep jobs in the Bronx. The project will meet the space and 5 operational needs of the cooperative's produce 6 7 market's current location while improving traffic patterns and site-wide circulation, addressing again 8 9 those intermodal traffic conflicts and encourage rail 10 usage.

11 In addition to the produce market renovations, after nearly 10 years, GrowNYC's 12 regional food hub located in the Hunts Point 13 14 neighborhood is finally set to open in May. The new 15 60,000 square foot food distribution hub will 16 quadruple Grow's aggregation and distribution square 17 footage, allowing them to expand their food 18 distribution capacity to 20 million pounds a year, 19 which is a significant increase from the 20 organization's current capacity of 5 million pounds 21 per year. The hub will support mid-sized regional 2.2 farms by connecting New York City's wholesale buyers 23 with high-quality farm products while ensuring all New Yorkers have access to these fresh, nutritious 24 foods. The facility has seven produce coolers and a 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 19 1 2 freezer, a biodigester on-site to reduce food waste, 3 a gray water system, green and blue roof features, 4 drought-tolerant plants, and a rainwater collection 5 system, permeable pavement, and EV charging stations. This facility will distribute to its current 370 food 6 7 partners throughout the city and continue to grow in that place. 8

New York State produces enormous 9 quantities of diverse food products, the majority of 10 11 which are marketed nationally and internationally. With demand rising for local and regional food for 12 13 urban, public, and private markets, there's new attention to the infrastructure gaps that limit the 14 15 quantity of New York and neighboring state food 16 supply to both public and markets in the city. Recent 17 and ongoing research for the investment of 18 infrastructure to scale up the volumes of regional food supply for city markets, including public 19 agencies that serve schools, our hospitals, and our 20 21 senior and early feeding sites, have resulted in 2.2 state and federal investments in regional 23 infrastructure, and these projects are going forward. New York City is supportive of these investments in 24 25 regional food infrastructure.

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Another key aspect of our food 2 distribution is, of course, the transportation of 3 food itself. Nearly 90 percent of goods in New York 4 City are transported by truck, and roughly half of 5 the City's food supply moves through just four major 6 7 bridges and two tunnels, making the City's food distribution system vulnerable to traffic congestion 8 9 and infrastructure strain. Instead of viewing our island geography as a limiting factor, we're working 10 11 to capitalize on the waterways that surround us. In 12 2023, Department of Transportation and EDC announced 13 the Blue Highways Initiative to shift more freight transport from congested roadways to the city's 14 15 waterways. Marine transportation has the potential to 16 reduce transportation costs, decrease roadway wear 17 and tear, streamline delivery routes, and ensure more 18 reliable distribution in the face of emergencies or 19 road closures.

Hunts Point's proximity to the water and its position as a critical City food distribution node provide an opportunity to utilize the Blue Highways network in connection with the Brooklyn Marine Terminal. The redevelopment of the Brooklyn Marine Terminal will invest in the site and

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 21 1 operational upgrades make it more efficient and 2 3 competitive, allowing the Marine Terminal to attract 4 more businesses. A Hunts Point Marine Terminal would enable the barging of perishable food into the Bronx 5 and the nearby Hunts Point Food Distribution Center 6 7 from Brooklyn Marine Terminal, again decreasing truck traffic in the city, adding resiliency, and making 8 9 New York City more competitive in the food distribution supply chain as food distribution 10 11 companies consider where to locate their warehouses, their distribution centers, and ultimately where they 12 13 create jobs. By investing in infrastructure to improve port operations at Hunts Point, Brooklyn 14 15 Marine Terminal and other sites along the East River, we're increasing resiliency to ensure New York City 16 17 is better equipped to move food in and around the 18 city, especially during times of emergency. 19 Nearly half of the food distributed 20 citywide is refrigerated or frozen, requiring 21 specialized storage and transportation. Cold storage 2.2 maintains the quality and freshness of items like 23 produce. However, the finite supply of real estate in this city makes it difficult to expand or establish 24 large-scale cold storage facilities, something we 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 2.2 1 became increasingly aware of during COVID, and in 2 3 response, the City is exploring avenues to expand its 4 cold storage infrastructure. So, certainly cold storage makes fresh produce more accessible, and 5 multiple access points to healthy and affordable food 6 is the primary goal of Food Forward, whether through 7 traditional supermarkets, farmers markets, bodeqas, 8 street vendors, or through the City's emergency food 9 network. 2,000 stores across the city participate in 10 11 the Health Department's Shop Healthy NYC, which increases nutritious options in neighborhoods that 12 13 otherwise have little access to healthy foods. The FRESH program, Food Retail Expansion program to 14 15 Support Health, supports the development of fullservice grocery stores in low-income areas by 16 17 providing both zoning and tax incentives to property 18 owners and supermarket operators. The tax incentive program is administered by the New York City 19 Industrial Development Agency, and the zoning benefit 20 is administered by the Department of City Planning. 21 To qualify for the IDA benefits, supermarkets must 2.2 23 make capital investments into or existing space, dedicate 30 percent of retail space to perishable 24 goods, and devote at least 500 square feet of retail 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 23 1 space to fresh produce. Currently, there are 43 IDA 2 3 and DCP FRESH incentivized supermarkets open and 17 4 more in development. 5 Through zoning, we can attract supermarkets as well as other food businesses. Recent 6 zoning changes through City of Yes for Economic 7 8 Opportunity allow food production and processing in 9 storefront space for the first time. These new regulations could facilitate multi-use food spaces. 10 11 City of Yes is building on increasing commercial 12 vitality. According to a DCP report last November, more than 70 percent of neighborhoods across the city 13 have seen an increase in food and drink businesses 14 15 since 2020, providing more options where New Yorkers 16 can eat. Our city's soft infrastructure provides 17 additional food access points, the network of farmers 18 markets that serve as access points for regionally sourced fruits and vegetables, and the network of 19 20 more than a thousand emergency food providers creates 21 an essential safety net of support that connects some 2.2 of our most vulnerable neighbors to quality healthy 23 food. Given the complexity of access and 24 affordability, Mayor's Office of Food Policy launched 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 24 1 a food access and affordability work group last June 2 3 which convened City agencies, our academic 4 institutions, public health foundations, and community partners to coordinate information sharing. 5 A report later this spring from this work group will 6 7 outline immediate priorities. This effort is part of the Health Department's chronic disease prevention 8 plan and will shed light into how food pricing, 9 retail environments, and the choices and behaviors 10 11 that New Yorkers have the ability to make and 12 purchase healthy food. 13 With this understanding of the City's food system and our infrastructure, I'm now very 14 15 briefly going to address some of the causes of rising 16 food prices, their impacts on City agencies, and how 17 the City can help New Yorkers stretch their food 18 budgets. The rise in food prices that we've seen is a complex issue that involves a mix of domestic and 19 20 global factors. In the last two decades, there have 21 been food system shocks affecting food prices and supply volatility from terrorism, notably 9/11, 2.2 23 hurricanes, in particular for us, Irene and Sandy, the COVID-19 pandemic, overall global conflict, and 24 now trade tariffs. Drought, avian flu, and access to 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 25 1 2 undocumented labor are contributing factors to these 3 increases as well. Climate change and extreme weather events pose additional challenges to the 4 affordability by impacting food production, storage, 5 and distribution. Increasingly unpredictable and 6 7 extreme weather conditions can both raise production costs for farmers, for things like irrigation, their 8 pesticides, and fertilizers, yet reduce their crop 9 yields. Extreme weather events can disrupt food 10 11 distribution networks and further limit the supply of 12 fresh and available produce, all of which lead to a 13 higher food cost borne by New Yorkers. Food prices are influenced by ripple effects from these shocks, 14 15 including labor shortages, supply chain disruptions, 16 and inflationary costs impacting every single stage 17 of food supply chains. It's often not just one 18 factor, but a combination of factors that pushes food prices higher over time. 19 20 Generally, City policy and programs cannot address the primary drivers for price 21 2.2 volatility, which, besides the larger system shocks, 23 are also influenced by the production and manufacturing decisions of supply chain actors, 24 consumer demand, and by the speculation in financial

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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 26 1 markets. At the City level, we do not have the 2 3 ability to mitigate the impact of these costs, with 4 the exception of the authority held by the Department of Consumer and Worker Protection during states of 5 emergency to enforce against price gouging. DCWP's 6 7 ability to address price gouging complaints applies 8 to a subset of products that are deemed essential, such as milk, eggs, bread, and most recently, baby 9 formula. Nonetheless, policy and programs that 10 11 improve efficiency, expand storage capacity, like I've described, and provide alternative distribution 12 13 channels can have a price mitigating effect. So, to turn back just very briefly to the 14 15 impacts of rising food prices, my office has been in 16 very close touch with City agencies to assess the 17 impact on meals served to their clients. While 18 agencies are committed to maintaining their menu items, these rising food prices, especially for eggs, 19 20 require staff to explore alternative solutions, 21 including temporarily removing items from the menu if 2.2 needed. Agency's food contracts account for more than 23 food prices. They also cover the logistics, the

25 all of which have risen and put pressure on existing

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labor, and the meal delivery and food delivery costs,

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 27 1 contracts. For example, following negotiations with 2 3 its distributor, the School's Office of Food and 4 Nutrition Services approved an updated food distribution contract that accounted for a higher 5 delivery markup to account for rising costs. That 6 said, the agencies are committed to serving meals 7 8 that consistently meet nutritional requirements and are very closely monitoring this evolving situation 9 to maintain the quality of meals being served. 10 11 While the City cannot control prices, we 12 do administer programs that help food budgets stretch 13 farther. The Health Department's several nutrition security programs to lower barriers to fresh, quality 14 15 produce for New Yorkers with low incomes, such as Get 16 the Good Stuff and Groceries to Go, provide discounts 17 on fruits and vegetables at grocery stores and

bodegas. And Health Bucks, as you all know, enables
SNAP participants to access more fresh produce at all
New York City farmers markets.

When New Yorkers need additional support to feed their families, they also turn to the Emergency Food Network. In Fiscal '22, the Department of Social Services transformed its 30-year-old Emergency Food Assistance Program to become Community

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 28 1 Food Connection and introduced fresh produce for the 2 very first time. In Fiscal '24, nearly 700 food 3 4 pantries and soup kitchens participated in the program, which saw more than 35 million visits and 5 allocated more than 43 million dollars in fresh 6 7 fruits, vegetables, beans, and other staple foods. 8 And of course, we rely on our safety net program of 9 SNAP, which serves nearly 1.8 million New Yorkers, is the largest safety net program to provide income 10 11 assistance to eligible families. In conclusion, rising food prices 12 13 continue to pose significant challenges for food and nutrition security in New York City, making it more 14 15 difficult for many residents to access fresh and 16 healthy affordable food. The City remains committed 17 to strengthening its food infrastructure and 18 Emergency Food Network, providing these essential nutrition security programs, and serving healthy 19 20 foods. That said, fluctuations in food prices are 21 multifaceted and largely beyond our control as 2.2 they're influenced by geopolitical factors, supply chain disruptions, local challenges and constraints. 23 Nonetheless, we welcome this discussion, truly 24 welcome this discussion, and look forward to 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 29 1 identifying opportunities for continued collaboration 2 3 with both of you, your teams, and further advocacy. Thank you for the opportunity to speak, and we 4 welcome your questions. 5 CO-CHAIRPERSON BREWER: Thank you. Council 6 7 Member Gutiérrez is also on Zoom along with Mr. Banks, and we are really pleased that Council Member 8 9 Riley is here in person. First of all, thank you very much for all 10 11 of your advocacy, Kate MacKenzie, because you've been 12 doing this for a long time and it's really, really, 13 appreciated. I want to just ask about the Food Forward 14 15 because that was a 10-year policy plan published in 16 2021, as you said, and you know the food prices were 17 up then but obviously much more now so I didn't know if your office has adjusted its approach to any of 18 the contents of the plan considering our current 19 environment, and you did list some ways in which the 20 City can address quality and rises in food prices, 21 2.2 but is there something else that we should be doing 23 in terms of publishing and updating the plan? EXECUTIVE DIRECTOR MACKENZIE: Thank you 24 so much for that question. So, the five goals of the 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 30 1 2 plan, the first one that we've spent a lot of time 3 talking about here, which is ensuring access to 4 affordable, culturally appropriate food, and the others are sort of ever clear. Those goals, I can't 5 see any reason to change those, but the strategies 6 7 and the rising, the change in the context, it pushes us to do more in different things. So clearly right 8 after the pandemic, as you witnessed and experienced 9 too, we needed to really shore up our emergency food 10 11 system in a different way so things like looking at 12 the allocations that we provide to our food pantries 13 and our soup kitchens, influencing the things like the racial inclusion and equity neighborhoods, giving 14 15 an extraordinary amount of choice for all of those 16 food pantries to order what they want and need. That 17 was not the case before that. So, recognizing, I'll 18 point out one from your District, Westside Campaign Against Hunger, who has a number of food sources, 19 20 they should be able to figure out what they need and 21 order accordingly so some of those changes to long-2.2 standing programs are things that we made in response 23 to the plan. Things like Groceries to Go, which was ultimately from get food to a recovery food program 24 25 to now ensuring that some of our neighbors who

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 31 1 otherwise would not qualify for SNAP have benefit 2 3 programs available to them. That's something like 4 we've done with groceries to go. A significant amount of work is going into really rethinking the FRESH 5 program. I took a note how you pointed out the 6 7 connection between the larger size of stores and the 8 quality. There's often a relationship there and 9 recognizing that with our real estate in this city, it's often hard to attract those types of businesses. 10 11 I'm personally interested in finding ways that are 12 not just about retailers, but also things like we've 13 seen in Boston and up in Utica, other forms of retailers that might be trying non-profit models of 14 15 grocery stores and things like that. So those are the 16 things that we're working with some of our City 17 agencies to expand on. Again, I think really doubling 18 down in these times more than ever, the support for 19 our safety net programs of SNAP and even things like 20 childcare and, certainly, now that we have our 21 universal school meals nearly made permanent, those ensure that our children are fed at least two meals a 2.2 23 day without question. In addition to underscoring the safety net programs that we have, shoring them up, 24

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 32 1 we're also looking at the businesses and clearly the 2 3 infrastructure that I've outlined. 4 CO-CHAIRPERSON BREWER: It's particularly 5 important because I believe that the number of people receiving SNAP benefits in New York was 1.8 million, 6 7 but a 5.8 percent increase in the first four months of 2025. That's a huge number. 8 9 I believe there's a, as a result of the report, the New York City Regional Food Working Group 10 11 that you convene, and I want to know more about what they do. I guess they're about 100 regional partners. 12 13 You focus on things like my favorite topic, agriculture in the watershed, infrastructure issues, 14 15 which you have mentioned, and other long-term topics 16 so I just didn't know what can you share about any 17 takeaways from those meetings? Do they meet? What do 18 they talk about? What can we do to add to this 19 discussion today from that discussion? 20 EXECUTIVE DIRECTOR MACKENZIE: Sure. So, just for context for others, the Regional Food 21 2.2 Working Group started during the pandemic, early days 23 when we were thinking about like interstate travel, and you needed something to put in your windshield 24 that you could move from one place to another, and 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 33 1 2 having, I think it was long-haul storage so that some 3 of our trucks could stay at Hunts Point overnight. So just talking across state lines seemed so obvious and 4 something that we continued throughout certainly the 5 pandemic, and I would say into and until about 2023. 6 7 Now, we've taken a lot of those conversations and some work that my team is working on with something 8 called the City Food Policy Project, which is looking 9 at certain crops that are grown in New York State, 10 11 and really finding ways that we might be able to 12 maximize things like cabbage, or things like ... 13 CO-CHAIRPERSON BREWER: Lettuce, lettuce. EXECUTIVE DIRECTOR MACKENZIE: Things like 14 15 lettuce and leafy greens, to find ways to get them 16 into a washed and bagged facility that could come 17 into our public schools. But there's a lot of, you 18 know, certainly with DCP and looking at ways in which some of these, like not one-off at this point, but 19 what that did, and again I'll refer to the soft 20 infrastructure of simply maintaining relationships, 21 2.2 has really proven successful in ways that we see a 23 lot of fruits to their labor right now. CO-CHAIRPERSON BREWER: Okay. I mean they 24 25 all know the story, but many years ago when I was in

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 34 1 2 the Council, I talked about the lettuce washing 3 machine. Do I have one yet? I was going to bring the 4 little one that EDC gave me 20 years ago, but I'm 5 just wondering, are we any closer to getting a lettuce washing machine because they have one in 6 7 California. So Californians brings the lettuce, they wash it in California, they bring it to New York. 8 9 Bumpity, bumpity, bump, all the way across the United States. So I'm wondering, can we get a lettuce 10 11 washing machine? You could call it the Gale Brewer 12 lettuce washing machine. 13 EXECUTIVE DIRECTOR MACKENZIE: The naming opportunities are wonderful, and I would say that 14 15 some of the produce. CO-CHAIRPERSON BREWER: I'm not kidding. 16 17 EXECUTIVE DIRECTOR MACKENZIE: No, I hear 18 you, and I think this, you're describing a lot of the 19 parts of the supply chain, right, of like in order to 20 get lettuce into our salad bars and schools, they get 21 it in a way that is bagged and washed and chopped and 2.2 all the things, and I believe that as we're looking 23 at the modernized Hunts Point marketplace, things like that will certainly be considered. 24 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 35
2	CO-CHAIRPERSON BREWER: You'll put one in
3	in the modernized? I didn't see it in the RF
4	EXECUTIVE DIRECTOR MACKENZIE: I would
5	imagine it would be for consideration at that, but
6	some of the looking outside of the five boroughs to
7	be able to bring it in, that's the regional
8	connections that we're making as well.
9	CO-CHAIRPERSON BREWER: Council Member
10	Krishnan joined us. Thank you very much.
11	One more question, then I'm going to turn
12	it over to my Colleague. In that same report, New
13	Yorkers voted to create a true cost of living measure
14	to track the annual costs in our city of meeting
15	essential needs, including food. How is your office
16	working with agencies to implement that measure?
17	Because if we have, it's like everything else, you
18	have data, you can make the policy and change it if
19	necessary. It's all about data.
20	EXECUTIVE DIRECTOR MACKENZIE: Deputy
21	Mayor Almanzar's portfolio is also my colleague,
22	Sadia Sherman, and Sadia is with the Mayor's Office
23	of Racial Equity and Justice, and Sadia's team is
24	coming out with some of the true cost accounting
25	methodologies, and we have been chatting with her
l	

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 36 1 2 team for the better parts of two years to make sure 3 that things specifically around food prices are 4 captured within that. CO-CHAIRPERSON BREWER: So when is that? 5 EXECUTIVE DIRECTOR MACKENZIE: I believe 6 7 it is this, I'm 99 percent sure it is this spring, but we'll get back to you and invite you to learn 8 9 more about that. CO-CHAIRPERSON BREWER: Okay. I'd like to 10 11 turn it over to my Colleague. CO-CHAIRPERSON FARÍAS: Thank you, Chair. 12 13 Food system experts say produce freshness depends on adequate refrigerated storage space, yet we know in 14 15 New York City, in our region, we really don't have that many refrigerated storage spaces and warehousing 16 17 considering the size of the population that we have 18 to serve. Has MOFP done any research into why New York City and the region have such a shortfall of 19 20 cold storage space for produce? 21 EXECUTIVE DIRECTOR MACKENZIE: Do you want to take this? So, in my testimony, I noted the very, 2.2 23 very high cost of real estate in this city, and I know that there have been some studies that are 24 looking at like what is the capacity that's needed, 25
COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 37 1 and certainly as the produce market is modernized, I 2 3 referred to, I believe, a whole brand new set of refrigeration specifically for produce. I just want 4 to also point out what Council Member Brewer said in 5 her remarks about really how grocery store workers 6 7 are really working hard at this, and I want to lift that up too because it's also about, you know, the 8 proper like storage temperatures and what goes where, 9 and so much of that is something that the grocery 10 11 stores are supporting as well to make sure that we 12 don't have just, you know, lettuce on the floor, but 13 it's also refrigerated in the right way. So, I do know, is there anything else that my colleague from 14 15 EDC might like to share on that? VICE PRESIDENT LAMBERTI: No. I think that 16 17 was great. Thanks, Kate, and thank you for the 18 question. I think from EDC's perspective, we are really focused right now on the Hunts Point produce 19 market redevelopment, and so a big focus of that will 20 be on the two new refrigerated warehouses, which 21 2.2 we're really excited to be able to bring online, both 23 for the additional refrigeration capacity, but also really so we can get rid of those thousand transit 24 trailers that are sitting outside so that's the first 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 38
2	step that we're most focused on, but excited to see
3	those come online in the future.
4	CO-CHAIRPERSON FARÍAS: Great. Thank you.
5	We like to just keep posted on that. You know, a lot
6	of those trucks end up idling, and you know, it's
7	been going on for several years, so it's important to
8	be looking at that infrastructure.
9	And then in terms of looking at enough
10	support for building out our food system
11	infrastructure here in the city, do we have any
12	natural linkages with regional food farm hubs? And
13	just kind of touching on your testimony speaking
14	about the regional food hub with GrowNYC that's set
15	to open in May, is that going to be a system we
16	depend on to help alleviate or reduce some of the
17	costs for the essential foods that we're looking at
18	that maybe are going to fluctuate, dependent on all
19	the factors that was mentioned in your testimony?
20	EXECUTIVE DIRECTOR MACKENZIE: Yeah. So,
21	GrowNYC's regional food hub is to supply great
22	quality wholesale product to, currently it's a lot of
23	non-profit organizations that maybe have childcare
24	centers or other programs, so it is a source of food
25	that is to buy in the same way that another, you

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 39 1 know, source might be. But they're really connecting, 2 again, on the great quality of that product, and 3 again, having, I think it's close to 400 partners 4 5 right now, but looking to grow even more. So, we also, and I can share, you know, sort of a spin off 6 7 of what Council Member Brewer was speaking about with the regional working group. We have a lot of, 8 there's, I think, four other aggregation sites across 9 the state, some of whom are even supplying the city 10 11 with food. Headwaters Food Group is one of them, and 12 there are others that might even be providing 13 testimony here. So, really trying to look to those programs, not just certainly to supply us, but also 14 15 teach us a lot about how they're operating, how they, 16 you know, meet their margins. We all know that food 17 businesses are really hard to, it's almost unheard of 18 to make a profit, but thinking about what is the successful model that we can learn from. 19 CO-CHAIRPERSON FARÍAS: Great. We've also 20 been joined by Council Member Williams and Salamanca. 21 2.2 Is there a need to support hyper-local 23 food production systems where access is greatest and affordability can be addressed? And what do you folks 24 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 40 1 2 think that support looks like in terms of it being 3 hyper-local? 4 EXECUTIVE DIRECTOR MACKENZIE: Yeah, so in 5 May, the report from the affordability and access working group that's been not just interagency, but 6 7 with academic partners and community groups, we'll be 8 coming out with some recommendations to address some 9 of that, because we all know, depending on where we live, the same market basket of food can cost 10 11 something very different. So, while we may not have 12 the ability to intervene in the prices, we can really 13 understand more about that and then figure out how we could maybe get things like more Health Bucks or more 14 15 of those incentives programs in those areas with highest costs. 16 17 CO-CHAIRPERSON FARÍAS: Thank you for that 18 response. I'd like to just ask a couple questions on 19 the Hunts Point redevelopment. Is NYC considering, I 20 know you folks are considering activating the Blue 21 Highway and moving the food via barge and water to 2.2 reduce truck dependency? Is that something that we're 23 looking at? VICE PRESIDENT LAMBERTI: Yes. 24 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 41 1 CO-CHAIRPERSON FARÍAS: Okay. And then 2 3 have we examined the ability of the existing ports 4 and related infrastructure to contribute to that effort? 5 VICE PRESIDENT LAMBERTI: Yeah. I mean, I 6 7 would say that in general, we're looking very 8 holistically at the Blue Highways Network. We are trying to utilize our great position on the water to 9 really be able to take trucks off the road and to try 10 11 to move as much by barge as possible. I'd say that we are looking at a number of like different sites. 12 13 Hunts Point, obviously, because of its location on the water could be a great opportunity. And we've 14 15 also explored, you're familiar with some of the other 16 sites, but also on the Brooklyn Marine Terminal as 17 well. CO-CHAIRPERSON FARÍAS: Sure. And then, 18 you know, when we were there visiting, we were able 19 to see the accessibility or maybe even the prospect 20 21 of the accessibility towards the train lines that are 2.2 there. To what extent will the plan redevelopment 23 reactivate existing train lines? We know we have several that are active, but majority of them are 24 inactive in this current moment. 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 42 1 2 VICE PRESIDENT LAMBERTI: Sure. And so I 3 think in tandem, I think the reality is that most of 4 the produce is still going to move by a truck, but we do think Blue Highways and rail are a great way to 5 kind of move some of that produce into a different 6 7 mode, such as rail. We anticipate utilizing rail to a 8 greater extent at the Hunts Point produce market, and 9 to that end, one of the requirements for our design build, the RFQ that's up now, is to add another 10 11 platform. We're really hopeful that that will both 12 reduce some kind of congestion between trucks and 13 rail, which should make some of our suppliers able to use it more readily, so we are definitely looking at 14 15 ways to improve and increase rail freight at Hunts 16 Point as part of the redevelopment process. 17 CO-CHAIRPERSON FARÍAS: And is that 18 currently included in the price point that we have in terms of the estimate? 19 20 VICE PRESIDENT LAMBERTI: I believe so, 21 yes. CO-CHAIRPERSON FARÍAS: Okay. Great. I'm 2.2 23 going pause for now on my questions and kick it back over to Chair Brewer, and the last thing I'd say is 24 we've also been joined by Council Member Avilés. 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 43 1 2 CO-CHAIRPERSON BREWER: Thank you very 3 much. 4 We'll go to the questions from my 5 Colleagues in a minute. I just want to talk about the 6 7 supermarkets for a minute, because two questions. 8 One, do you talk with grocers about impediments to 9 investment in new supermarkets or renovation of existing locations? I know you talked about the FRESH 10 11 program. I'm concerned in Manhattan, because I have a 12 bill that says from Murray to 96th Street, which is 13 that commercial rent tax, which I hate, at least exempt the grocery stores, and particularly the small 14 15 ones. Maybe skip Amazon and Whole Foods and so on, but I can't get any traction because everybody says, 16 17 oh, we lose money. Well, the supermarkets are barely 18 surviving. So my question is, what do we do to help 19 our supermarkets generally? That's the one way I 20 would like to help them. And then do you keep track of the number and size of supermarkets in our city? 21 EXECUTIVE DIRECTOR MACKENZIE: DCP 2.2 23 maintains a list of the sizes, in particular because the current iteration of FRESH has such size 24 recommendations and requirements. But, Council 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 44 1 2 Member, one of the recommendations that we'll be 3 advancing this summer is a more intentional and 4 engaged dialogue with supermarket providers to 5 understand, to your point, are the current zoning and tax incentives that we have useful? If not, what 6 7 would be? And also, particularly, I feel it's 8 important to mention that with the potential cuts 9 around our federal SNAP program, we really want to be in deep partnership with our supermarket advocates. 10 11 CO-CHAIRPERSON BREWER: And when I say 12 supermarket, I'm talking about delis, bodegas, etc. I 13 assume you're talking about the same thing. EXECUTIVE DIRECTOR MACKENZIE: All the 14 15 things, yes. 16 CO-CHAIRPERSON BREWER: I have to say that 17 that must be a high, high priority. I can't tell you 18 how hard it is. As you know, I'm in them all day 19 long, how hard it is for the smaller ones. 20 EXECUTIVE DIRECTOR MACKENZIE: Yes. 21 CO-CHAIRPERSON BREWER: Okay. The other 2.2 thing was, just back to this cold chain business 23 again, because it comes up a lot in the discussions. I understand that you have a concern because of the 24 25 cost of land. I got all that. But what are we doing

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 45 1 to try to address some of those in the five boroughs? 2 3 I can't believe there aren't some other locations that could be used as cold chambers. Is there 4 anything more that you could say about that? 5 EXECUTIVE DIRECTOR MACKENZIE: So, outside 6 7 of the role of EDC and the development of that, we 8 are investing capacity building for our emergency food network, and certainly to ensure that there's 9 proper refrigeration in those because we have such a 10 11 strong focus on produce going through that network. 12 So, whether it's in the emergency food system, 13 certainly again, thinking about those grocery stores and the like, we are certainly invested in making 14 15 sure that we have enough capacity for cold storage 16 there. 17 CO-CHAIRPERSON BREWER: Okay. It is not 18 only, in my opinion, which is so important, the emergency opportunities that you have made. I have to 19 say congratulations to you, focus, a huge focus. But 20 21 also, there are all those micro-fulfillment centers, 2.2 I don't know, they have names as we know, I don't 23 need to name them all, which are in the residential areas, and they're shipping directly to consumers. 24

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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 46 1 2 So, do you know whether those new cold chain systems 3 are feasible in New York City? EXECUTIVE DIRECTOR MACKENZIE: I do not 4 5 know. And also, as we were putting together Food Forward back in 2020, the emergence of a lot of 6 7 those, and I remember your ... 8 CO-CHAIRPERSON BREWER: They didn't exist 9 before. EXECUTIVE DIRECTOR MACKENZIE: Your focus 10 11 specifically on drawing attention to the emergence of 12 that was something that we were following closely. 13 CO-CHAIRPERSON BREWER: Okay. And then just finally, the trucks that come into our city are 14 15 huge. Obviously, we're trying to do other methods, 16 rail, water, etc., not just at the hub, but in our 17 city. So how do you, how does that, I mean, again, 18 it's not your business specifically, I suppose it's DOT, I don't know who else, these trucks are huge, 19 they're not weighed, they're killing the streets, 20 21 they're bad for the traffic. Just generally, do the 2.2 supermarkets request them? Do they need them? Is 23 there some other way to work with those supermarkets? EXECUTIVE DIRECTOR MACKENZIE: I don't 24 25 have the answer to that, but I would be happy to

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 47 1 2 include that in some of our conversations with the 3 grocers. 4 CO-CHAIRPERSON BREWER: Okay. First, Council Member Salamanca and then Council Member 5 Riley. Go ahead. 6 7 COUNCIL MEMBER SALAMANCA: Thank you. Thank you both, Madam Chair and Majority Leader, and 8 9 welcome. So I represent Hunts Point, I represent the world's largest produce markets, well, produce, meat, 10 11 fish, and the over 700 businesses that are at Hunts 12 Point. If we can just start with, can you give us a 13 percentage of the food that comes from Hunts Point? It feeds what percentage of New Yorkers in the tri-14 15 state area? Do you have a number on that? 16 VICE PRESIDENT LAMBERTI: Thank you for 17 the question, Council Member. I do not. I could 18 probably speak more broadly to the amount of, like I know for the produce that market, I think it's like 19 20 at least 50 percent of the produce that runs through 21 the market feeds New Yorkers. I think it's 35 percent 2.2 of New York City's meat runs through the meat market, 23 and 45 percent of the fish runs through the meat market. They're really significant. 24 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 48 1 2 COUNCIL MEMBER SALAMANCA: I go around, I 3 got a number one time that the markets gave me. They 4 said they feed about 75 percent of New Yorkers in the tri-state area. So, we could say that the markets 5 play a major role in our food source in the City of 6 7 New York. My question is, I saw here that the 8 Governor just made an announcement regarding the 9 potential cuts from the federal government for the elimination of the Building Resilient Infrastructure 10 11 and Communities Program, which will result in the loss of over 325 million dollars. Are you aware of 12 13 that? 14 VICE PRESIDENT LAMBERTI: We are. I would 15 say that we have been in constant communication with 16 our federal partners at the Federal Highway 17 Administration, and have been told our grant is 18 executed. They've already committed a million dollars 19 to the design, and we are not aware of any concerns 20 with that funding. But we are fully on top of that, 21 and understand like the concern around federal 2.2 funding. 23 COUNCIL MEMBER SALAMANCA: All right. So, they're saying here in this statement that there is a 24 25 potential of 13 million dollars that will be lost,

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 49
2	and this project aims to increase community
3	resilience and protect New Yorkers' food supply by
4	protecting two critical facilities against flooding.
5	So, should we lose that funding, what is EDC prepared
6	to do to fill in that gap?
7	VICE PRESIDENT LAMBERTI: Yeah. I mean, I
8	think I can say, Council Member, that like you, we
9	are fully committed to this project going forward.
10	It's like a huge priority for us, as I know it is for
11	you. We would explore all other public and private
12	options to fill in any future gaps, but are not at
13	this point anticipating one.
14	COUNCIL MEMBER SALAMANCA: Okay. All
15	right. My other question is, I know that the produce
16	market is up for a facelift, and I know that my
17	Colleagues were there last week. My dad worked in the
18	produce market for 18 years, was a Local 202 member.
19	He took me to work with him when I was a young
20	adolescent. So, I understand the importance of the
21	markets, not only in terms of job creation and
22	employment and what it does for families, I'm here
23	today because of that job that my dad had, but also
24	the importance that it plays for in terms of our food
25	supply. But the concern that I do have, it has a

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY 50 WITH COMMITTEE ON ECONOMIC DEVELOPMENT 1 negative effect, which is the environment and the air 2 3 quality and how it affects our air qualities, and 4 right now these markets are running on diesel fuel, 5 especially, well, the produce market is running on diesel fuel because the tractor trailers, they use it 6 7 for refrigeration, and I know that we've been able to secure, I believe we're at 600 million dollars, 8 right, for a facelift. Can you give us an update as 9 to what's the next steps? Where are we with the 10 construction of a new market? 11 12 VICE PRESIDENT LAMBERTI: Yeah. I'm really 13 happy to do that and really want to echo our concern. We share like your same concern around environmental 14 15 concerns, particularly in the neighborhood around 16 those refrigerated truck units. And so one of the 17 main components of the complete redesign of the 18 produce market is really to eliminate those. Like we 19 want those gone and we'll have two new, much larger 20 refrigerated warehouses so that we can get rid of 21 those. 2.2 In terms of the process, we released a 23 request for questions, I think it was like early March. We had an initial info session with over 80 24 25 attendees. Responses are due at the end of April and

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 51 1 this is for the design build, as you know, and we 2 3 anticipate the RFP for the design build to go out 4 this summer. 5 COUNCIL MEMBER SALAMANCA: Would this be a design and build project? 6 7 VICE PRESIDENT LAMBERTI: Yes. COUNCIL MEMBER SALAMANCA: Okay. I look 8 9 forward to this project and you will have my full support on how we can do to move this forward. 10 11 I know that the Majority Leader spoke a 12 little bit on the Blue Highway project, which I am 13 extremely happy about. Through the advocacy of my office, we were able to clear out the barge, right, 14 15 and move the detainees out of there. So, do you have an idea when we're going to actually get rid of that 16 17 floating jail that's just sitting there empty? 18 VICE PRESIDENT LAMBERTI: Unfortunately, Council Member, I am not as up to date on the barge 19 20 as you, but I am happy to bring that back and get you 21 an answer on that. 2.2 COUNCIL MEMBER SALAMANCA: Okay. The only 23 concern that I have is, and I wanted to put this on the record. It's important, I know that there's a 24 letter floating around from EDC trying to get support 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 52 1 on the Blue Highway project on the property where the 2 3 barge is currently located. But in conversations with 4 my office, we had conversations on the parking lot of the fish market. And so I just want to make it clear 5 that (TIMER CHIME) that barge was there for over 30 6 7 years. The community wants access to that waterfront space. It's not to say that we can't share that 8 9 property, but it's important that you go back to the community before a letter starts circulating for a 10 11 letter of support and actually get a vote from the 12 community board. Let the community tell us what we 13 actually want on that piece of property. But know that I am supporting this process. Just looking for 14 15 transparency and ensuring that they are part of that 16 process. 17 VICE PRESIDENT LAMBERTI: Thank you for 18 that, Council Member. I'm happy to bring that back. 19 COUNCIL MEMBER SALAMANCA: Thank you. 20 Thank you, Madam Chairs. 21 COUNCIL MEMBER RILEY: Thank you, Chair 2.2 Brewer and Chair Farías. Good morning, good 23 afternoon. How are you doing today? Just a few questions regarding the FRESH 24 program. In 2009, the FRESH program was launched and 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 53 1 2 up to date, and please correct me if I'm wrong, 28 3 projects have obtained the FRESH tax incentives and 4 22 have completed it. Can you briefly describe the mission and current priorities that EDC has 5 pertaining to the FRESH program? 6 7 VICE PRESIDENT LAMBERTI: Sure. Thank you for the question, Council Member Riley. So, as you 8 described, the FRESH program is a way that we are 9 able to help supermarkets come into communities, 10 11 particularly like low-income communities, povertyburdened communities, communities that lack access to 12 13 food. And so to date, we're excited to say that it's actually 43 IDA and DCP-incentivized FRESH 14 15 supermarkets are open, and we have 17 more in development. 16 17 In terms of the program, my colleague 18 Kate mentioned there are specific criteria, so it has 19 to be like 500 square feet, it has to have 30 percent available for perishable foods, and we're able to 20 21 provide a couple of different incentives so it's like 2.2 a building tax stabilization, a lands tax abatement, 23 reduction of mortgage recording taxes. And so I can speak generally about how 24

25 | the IDA would evaluate, I think, looking at those

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 54 1 criteria, making sure it meets the criteria of the 2 3 neighborhoods that those that really need those 4 supermarkets the most. And also know we're really excited that over 200,000 New Yorkers live within a 5 quarter of a mile of an IDA FRESH supermarket. So 6 7 really happy with that program. Those supermarkets, 8 as you know, exist in all five boroughs. Bronx is 9 actually our number two borough in terms of number of supermarkets. But yeah, happy to try to answer any 10 11 other questions. If I don't know, to get back. 12 COUNCIL MEMBER RILEY: Does EDC 13 incentivize existing grocery stores to lower prices 14 through examples like the FRESH program? VICE PRESIDENT LAMBERTI: I don't believe 15 16 so, Council Member. I really think it's for getting 17 new supermarkets or I think it's new supermarkets or 18 supermarkets who are entering an existing or newly 19 created space to begin operations. 20 COUNCIL MEMBER RILEY: Does EDC keep 21 record of M/WBE businesses that apply for the FRESH 2.2 program tax incentive? 23 VICE PRESIDENT LAMBERTI: I'm pretty sure we do, but I can check on that and get back to you. 24 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 55 1 2 COUNCIL MEMBER RILEY: Can you get that 3 information to me? VICE PRESIDENT LAMBERTI: Of course, of 4 5 course. COUNCIL MEMBER RILEY: When identifying a 6 7 food desert, can you identify what metrics you guys utilize to identify food deserts in New York City? 8 VICE PRESIDENT LAMBERTI: Yeah, and I can 9 get back to you on specifics. I know DCP has a map, 10 11 and I don't know if my colleague is able to talk to 12 this more, that kind of lays out the criteria and 13 also the neighborhoods in the city that are eligible. 14 But Kate, if you ... 15 EXECUTIVE DIRECTOR MACKENZIE: Well, just 16 to say, yes, the Health Department is also very 17 influential in this. And I will say that since, and 18 you pointed out the FRESH program started, and I think it was 2008, 2009, how we buy food has changed 19 a lot since then. And I'm particularly interested 20 also in how we factor in things like online purchases 21 2.2 of food to determine proximity of grocery stores in 23 neighborhoods. So, that's something that we don't have the perfect science to yet, but we do know that 24 25 more and more people are able to buy food online. And

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY 56 WITH COMMITTEE ON ECONOMIC DEVELOPMENT 1 2 yes, there are pros and cons to all of that, but 3 looking at that when it comes to neighborhood 4 proximity to quality grocers. COUNCIL MEMBER RILEY: Okay. And last 5 question. If large grocery chains divest from 6 7 neighborhoods, does EDC maintain awareness of the 8 situation and attempt to conduct outreach with 9 smaller vendors in the area? VICE PRESIDENT LAMBERTI: I know that our 10 11 FRESH program is always looking to provide more 12 information about what's available. I'm not sure in 13 particular about when larger supermarkets close, but happy to look into that and get back to you. 14 15 COUNCIL MEMBER RILEY: All right. Thank 16 you. 17 VICE PRESIDENT LAMBERTI: Thank you. 18 COUNCIL MEMBER RILEY: Thank you, Chair. 19 CO-CHAIRPERSON BREWER: Council Member 20 Farías is next for questions. 21 We've been joined by Council Members 2.2 Bottcher, Vernikov, and Council Member Joseph, who 23 had to go back to the other. Council Member Avilés going to ask 24 25 questions. Thank you.

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 57 1 COUNCIL MEMBER AVILÉS: Thank you, Chairs. 2 3 Thank you. Good to see you today. 4 Apologies if this might be a repeat 5 question. I wasn't here earlier, but in the discussion around cold storage, can you tell me what 6 7 the need for cold storage facilities are and kind of where is EDC in its planning to meeting that need 8 and/or vision? 9 VICE PRESIDENT LAMBERTI: Sure. Thank you 10 11 for the question, Council Member. I might defer the 12 study on the need for cold storage to my colleague, 13 but I can say with respect to cold storage at EDC, right now our focus is really on the redevelopment of 14 15 the Hunts Point produce market. And so, as you're 16 probably aware there, we really have a serious lack 17 of refrigeration, and so there are a thousand of 18 these transport refrigeration units that are really idling on diesel, unfortunately, and are not great 19 20 for our community members, like a challenging and 21 already environmental justice community, and so our 2.2 priority right now is to really focus on the 23 redevelopment of the produce market where we will be building two new larger warehouse refrigerated 24 facilities that will be able to really take those 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 58 1 trailers offline so that's where our focus is right 2 3 now. And I would defer if Kate has anything to add on 4 just broader cold storage. EXECUTIVE DIRECTOR MACKENZIE: I would say 5 certainly that that's right. Also, it's a question 6 7 that has to be asked sort of in the what is the use 8 case, right? And I think we learned, you know, during 9 the pandemic where we needed to store so much food to get it into people's homes, that was a specific use 10 11 case, and it's sort of like we would never have that 12 need, you know, to be able to do anyone that needs 13 food to get that to them. But what I can tell you is that where, for instance, in the emergency food 14 15 space, we hear a need for cold storage or 16 refrigeration, we work to make grants possible for 17 what we call capacity building within the emergency 18 food space. If we hear, you know, I spoke earlier 19 about GrowNYC, which is opening up a regional food 20 hub that will have seven different refrigerated units 21 available in that so the use case is to be able to 2.2 have a 20-million-pound-a-year food distribution 23 flow. So, that's thinking about that use case. And I think, you know, it is just clearly acknowledged that 24 when we were, whether it was storing vaccines or 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 59 1 2 storing meals, we acknowledged that we were 3 challenged when it came to refrigerated space in the 4 city. And, as there's a lot in the testimony here about just the distributed network of our 5 infrastructure in New York City, how we have assets 6 7 like these big hubs of whether it be the fresh direct building that wasn't there years and years ago, it 8 has the capacity for cold storage. And so just 9 looking at, and my colleagues at NYCEM, Emergency 10 11 Management, do have a catalog, it's probably more 12 than a catalog, but an inventory of all of the 13 different assets in the city that have cold storage capacity, so that if and when we needed to activate 14 15 something, we would know who to call. COUNCIL MEMBER AVILÉS: So, I guess I have 16 17 several questions related to that. I'd love to 18 understand. I continue to hear that there is a lack of cold storage facility in the city and an enormous 19 amount of produce, food product is getting 20 21 transported still very far to only come back into the 2.2 city on a daily basis on trucks so still that we're 23 hearing double routes of moving. So, I guess, so do we have a sense of how much storage we would just 24

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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 60
2	need for our basic daily consumption network and how
3	much we'd need to build out?
4	EXECUTIVE DIRECTOR MACKENZIE: I think as
5	it relates again to my colleagues speaking about the
6	asset that is managed here around Hunts Point,
7	they've scoped that out and are building to suit
8	those needs. But I would be very interested to hear
9	more about the stories that you're hearing about
10	trucks coming in and coming out. I would very much
11	like to learn from that.
12	COUNCIL MEMBER AVILÉS: So, how large are
13	the warehouses that are getting built to offline the
14	thousand transport units?
15	VICE PRESIDENT LAMBERTI: Thank you,
16	Council Member. I do not know the answer to the
17	question of how large they are. I know the size of
18	the whole site will be 916,000 square feet, but we
19	can follow up with you on the size of the warehouses.
20	COUNCIL MEMBER AVILÉS: Yeah. I mean, I
21	represent Brooklyn Marine Terminal and this question
22	of obviously cold storage and lack of and emergency
23	use clearly, which is why we are so keen on
24	protecting the Marine Terminal for its actual use was
25	the port that was being able to bring in when trucks

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 61 1 didn't (TIMER CHIME) want to come into Brooklyn 2 3 during COVID. So, cold storage is critical, but 4 having a workable port also is critical to the blue highway system and minimizing its footprint 5 significantly is a huge problem for so many of us, 6 7 but, thank you. Thank you, Chairs. I have more 8 questions, but I could go on next round. 9 CO-CHAIRPERSON BREWER: Council Member Bottcher. 10 11 COUNCIL MEMBER BOTTCHER: Thank you so much. Good afternoon. 12 13 What's your opinion about the idea of City-owned grocery stores? 14 15 EXECUTIVE DIRECTOR MACKENZIE: As I mentioned in my testimony, we have a great deal of 16 17 different sizes and supermarkets, and I think that 18 there are a lot of new and different forms of grocery 19 stores. As I was mentioning to Council Member Brewer, 20 there are some stores in Utica, for example, called 21 Bargain Grocery. We've been in conversation to 2.2 understand how we can really utilize a low-cost 23 grocery model. Sometimes in other parts of the state or country, it's operated in a non-profit model. So, 24 I am more than happy to learn about any form of 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 62 1 2 grocery stores to be able to serve the needs of New 3 Yorkers. 4 COUNCIL MEMBER BOTTCHER: What about the notion of the City owning and operating grocery 5 stores itself? 6 7 EXECUTIVE DIRECTOR MACKENZIE: What I have learned is that operating a grocery store is hard, 8 9 and ensuring the quality of certainly the worker protections, ensuring the quality of food, the 10 11 margins are slim at best, and it's a hard business so 12 I would want to make sure that, any market can be 13 successful, and I'd want to understand more from perhaps my colleagues in Chicago or Washington who 14 15 have dabbled in those ideas. 16 COUNCIL MEMBER BOTTCHER: Thank you. 17 CO-CHAIRPERSON BREWER: I think it's a 18 terrible idea. I'm just throwing that out. We can't even figure out how to run too many things right 19 20 here. 21 Council Member Avilés, do you want to go 2.2 ahead with your other question then I'll go ahead? Go 23 ahead with your other questions. COUNCIL MEMBER AVILÉS: Oh, it's good to 24 know the Chairs. Thank you, Chairs. 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 63 1 So in terms of, let's see, so you're 2 3 going to get back to me on the warehouse sizes and 4 you mentioned the discussion around the use cases. And so I quess NYCEM is the holder of this map that 5 will tell us what our capacity is during an emergency 6 7 situation. 8 EXECUTIVE DIRECTOR MACKENZIE: It's an, 9 catalog was not the right word, it's an inventory, yeah, of different existing assets, whether they be 10 11 non-profit partners, corporate partners, and others, 12 so that, again, if we needed to activate, we would 13 know where to be. COUNCIL MEMBER AVILÉS: And does EDC have 14 15 a map of its current facilities and capacity in terms 16 of coal storage across the city? 17 VICE PRESIDENT LAMBERTI: I'm sorry, 18 Council Member. I spaced out for a minute. 19 COUNCIL MEMBER AVILÉS: I have been there 20 a lot. 21 VICE PRESIDENT LAMBERTI: Apologies. COUNCIL MEMBER AVILÉS: No worries, no 2.2 23 worries. VICE PRESIDENT LAMBERTI: Can you repeat 24 25 the question?

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 64 1 COUNCIL MEMBER AVILÉS: Does EDC have an 2 3 inventory of coal storage facilities across New York 4 City? VICE PRESIDENT LAMBERTI: I don't know the 5 answer to that question, but I'm happy to look into 6 7 it and get back to you. COUNCIL MEMBER AVILÉS: Great. And in 8 9 terms of the investment my Colleague was mentioning, the 600 million dollars for, I guess, the produce 10 11 market itself. I guess my understanding is this 12 investment has been happening over time. Could you 13 tell me a little bit about the investment to improve the produce market, and if it is New York City's one 14 15 of our main assets? 16 VICE PRESIDENT LAMBERTI: Yeah, sure. So, 17 I can talk through, probably, it's easiest for me to 18 talk to, probably, the city, state, and federal funding, and my understanding is that we are really 19 at the initial stages of using that funding, even 20 21 though it's been committed. So, it would be 130 2.2 million of New York City capital, 130 million of 23 State capital, 110 million from USDOT, another 10 million from USDOT for EV freight charging, and a 24 another 25 million from USDOT for another grant. So, 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 65 1 2 that's 145 from USDOT. And then the rest, we are 3 working on a robust like public-private partnership 4 to fill in the remaining financing. COUNCIL MEMBER AVILÉS: Got it. Thank you 5 for that. 6 7 And in terms of the charging capacity, which I know is something you've been working on, can 8 9 you explain a little bit to me about where you are in that process of electrification? 10 11 VICE PRESIDENT LAMBERTI: Yeah. Sure, 12 sure, sure. So, my understanding for, and that's the 13 EV freight charging hub that will be, I believe, at the AOU-2 site, my understanding is that we 14 15 anticipate awarding off the RFP this summer. 16 COUNCIL MEMBER AVILÉS: And how much is 17 the RFP? 18 VICE PRESIDENT LAMBERTI: I'm sorry. I don't have that number off the top of my head, but I 19 can find that out for you. 20 COUNCIL MEMBER AVILÉS: Got it. All right, 21 Chairs. 2.2 23 CO-CHAIRPERSON BREWER: So, back to the market. So, we do know that the RFQ is due on April 24 25 28th, as I understand it, and then there'll be a

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 66 1 request for proposals to be released to short-listed 2 3 options during the summer. So, what factors will EDC 4 use to determine which RFQ submission will be shortlisted? This is a big question, a big deal for all of 5 6 us. 7 VICE PRESIDENT LAMBERTI: Sure. 8 CO-CHAIRPERSON BREWER: And also, I want 9 to add, when we were there, I have an idea. They all may laugh at me, but it's something to consider. 10 11 There are places in the country where you can, as a 12 tourist, meaning a New Yorker or a visitor, visit the 13 market. You can't do the current one. There are safety concerns. And obviously, safety concerns, 14 15 intellectual property, and staff would have to make sure that it was safe for everybody. But is that part 16 17 of your discussion? And my lettuce washing machine. 18 VICE PRESIDENT LAMBERTI: Thank you, Council Member Brewer. I will bring back the request 19 20 for the lettuce washing machine. I, myself, am a 21 frequent visitor to other markets when I'm not in New 2.2 York so we'll bring back that request as well. 23 In terms of, I am obviously not on the team that will be deciding on the recipient of the 24 25 developer for the project. I can get back with

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 67 1 specific criteria, but I'm assuming it's the usual 2 3 like financial viability of the project, like 4 commitment to our hiring goals and standards, like 5 making sure that they can really fulfill the project, because this is something that we want and will go 6 7 forward with, but in terms of the specific criteria, 8 I can check back for you on those, and I'm not sure 9 if those may also be available on our website with the request for the RFQ. 10 11 CO-CHAIRPERSON BREWER: All right. 12 EXECUTIVE DIRECTOR MACKENZIE: Council 13 Member, if I could just share, the last time I visited the market, 4 o'clock in the morning in 14 15 September with NYC Tourism to consider something just 16 like that. 17 CO-CHAIRPERSON BREWER: That's great. I'm 18 glad we're all thinking along the same lines, but it 19 would have to be into the RFQ or only in the RFP. In 20 other words, you can't do this unless you have 21 somebody including it in their proposal so now I'm 2.2 worried April 28th is soon. I don't know if you can 23 add to an RFQ or can you get back to us as to how that would be possible? 24

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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 68
2	VICE PRESIDENT LAMBERTI: I can get back
3	to you on that.
4	CO-CHAIRPERSON BREWER: Okay. Thank you.
5	CO-CHAIRPERSON FARÍAS: In addition to the
6	need for general redevelopment of the market as a
7	whole, many of the cooperators will also need to
8	install their own equipment specific to their
9	products and operations. Has the EDC worked with
10	cooperators to take those needs into consideration
11	during the planning stages?
12	VICE PRESIDENT LAMBERTI: (INAUDIBLE)
13	CO-CHAIRPERSON FARÍAS: Okay. And how does
14	EDC plan to balance maintaining continuity of
15	existing operations? This is something that's super
16	important to me as we've had many conversations about
17	the large plans that come in front of us in the city
18	and the continuation of those, including the
19	transition of individualized team members, which in
20	the Bronx, we've seen some transitions of who reps
21	the Bronx and the planning of that, of the projects
22	and assets, but also just in the continuity of the
23	larger politics of New York City from one mayor to
24	the next. How do you folks plan to take those things
25	into consideration and implementing any of the

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 69
2	substantial changes or processes of the redevelopment
3	of Hunts Point?
4	VICE PRESIDENT LAMBERTI: Sure. And thank
5	you for that question. I think in general, as you've
6	noted, EDC, as other full City agencies, and this is
7	a quasi-agency, have obviously worked through like a
8	number of different administrations, a number of
9	different changes. I'd say that this project is a
10	priority for us. It will be continued throughout
11	changes in administration, just as our other projects
12	are, and we will ensure that it is stewarded through
13	because it is so important to the city.
14	CO-CHAIRPERSON FARÍAS: And is there like
15	a strategic plan, strategic vision? Is there points
16	during a calendar that we have? I know we're coming
17	closer. Our goal is to wrap up all of the
18	negotiations and agreements by end of year at Hunts
19	Point to move the project along. But is there like a
20	physical piece of paper that has a timeline that will
21	then be transferred over? I'm more so worried about
22	the continuity of planning. And this isn't just Hunts
23	Point continuity, we're looking at BMT, we're looking
24	at Industry City, like all of these other areas that
25	we have large plans, large contracted negotiations,
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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 70 1 2 and strategic plans for that we need to make sure 3 continue on and someone is focused on maintaining the 4 funding or keeping to the budgets that are allocated, and the commitments to community. 5 VICE PRESIDENT LAMBERTI: Yeah. Sure, and 6 7 I definitely hear your concern, Council Member. I 8 think we share the concern in making sure that the 9 project goes forward. I can say for now that the set points in time at least are really like the RFQ 10 11 process, the RFP process, and hoping to have that 12 done obviously by the end of the year but we'll see 13 what happens with the administration. But making sure that we can do as much as possible, as quickly as 14 15 possible, which is what we will continue to do. 16 CO-CHAIRPERSON FARÍAS: Okay. And can I 17 get an overview of the lands at the produce market? 18 How much is City land versus state land, federal or 19 private lands? Do we have that in front of us? 20 VICE PRESIDENT LAMBERTI: I do not, but I 21 am happy to get back to you with that. CO-CHAIRPERSON FARÍAS: And I quess my 2.2 23 follow-up is the nature of the relationships between

25 that? If the cooperatives at the market want to make

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the markets at EDC. Can you talk a little bit about

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 71 1 2 capital improvements, who's the approval process? Is 3 it just EDC? Is it independently? Is it another 4 agency? 5 VICE PRESIDENT LAMBERTI: Yeah. Sure, and so that's a question that I probably will have to 6 7 take back to get more clarity on, but I'm happy to do that so the approval process for capital improvement. 8 9 CO-CHAIRPERSON FARÍAS: I will follow up with... 10 11 VICE PRESIDENT LAMBERTI: Yeah, of course. CO-CHAIRPERSON FARÍAS: The individualized 12 13 questions. 100 million was allocated for 14 15 infrastructure improvements at the Fulton produce market. That's something we spoke about actually when 16 17 we were on the tour. And an additional 40 million was 18 given to Hunts Point area by Mayor Adams for the 19 Rebuild, Renew, Reinvent plan. Do you folks have what 20 the funding will be used for at Hunts Point and how 21 the funding is going to be utilized? 2.2 VICE PRESIDENT LAMBERTI: Sure. I'm happy 23 to talk about that. So, from the Hunts Point Forward plan, the money was transferred to the New York City 24 25 Department of Parks and the Department of

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 72 1 Transportation in 2022. My understanding is that on 2 3 the Parks side, 15 million dollars has been put 4 towards Barretto Park and that that's in the design phase. And that 25 million is with Department of 5 Transportation and they were looking at six 6 7 intersections along Hunts Point Avenue and in design procurement. 8 9 CO-CHAIRPERSON FARÍAS: Okay. And in 2012, the plan was short of the funding needed to upgrade 10 11 Hunts Point. Does this funding aid in completing that 12 long-term goal or is there still a budget gap? 13 VICE PRESIDENT LAMBERTI: I'm not certain 14 on that answer. 15 CO-CHAIRPERSON FARÍAS: Okay. We'll send 16 that as follow-up. 17 I will end there and pass it back over to 18 Chair Brewer. Thank you. 19 CO-CHAIRPERSON BREWER: I just want to 20 know that in terms of the produce that comes into 21 Hunts Point produce market, how much is local and how 2.2 much is from out of town? And then following up from 23 my other long-term question of how can we get more local products to be purchased by City agencies, 24 which is, you know, again, sort of like the lettuce 25
1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 73
2	washing machine has been going on for years. This is
3	purchased by DOE, meaning the Department of
4	Education, by Correction, by DFTA, etc. Does that go
5	through Hunts Point or is it directly? All right, so
6	that doesn't have any impact. But my question would
7	be how much is local, how much is out of town, and
8	does any of this discussion have anything to do with
9	New York City purchasing locally?
10	EXECUTIVE DIRECTOR MACKENZIE: All great
11	questions.
12	CO-CHAIRPERSON BREWER: Yeah, but they
13	never get answered.
14	EXECUTIVE DIRECTOR MACKENZIE: But here's
15	what I can tell you. We know that what we're buying
16	from, let's say, Chair Farías has a distributor. Her
17	company is based in New York, and I'm asking her to
18	tell me of the potatoes, the carrots, the lettuce,
19	where's everything coming from. We have now been at
20	that for four years, and increasingly the data that I
21	get from the, not you, but you, store is improving.
22	So, we're closer than we've ever been to knowing how
23	much is coming from New York state fields as opposed
24	to having an address in New York. I think it is a
25	really important question that we want to get more
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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 74 1 clarity around as it comes to Hunts Point directly, 2 3 especially in light of things like tariffs and 4 understanding what our vulnerability to really higher prices are there. But I can tell you also that since 5 we've been in conversations, we now require, through 6 7 DCAS, all of our apples and onions to come from New 8 York State. That was always not the case, but that is 9 the case now. And increasingly, with some federal funding that is still here, we are buying more and 10 11 more New York State-specific products, everything 12 from yellow and green squash to shredded white 13 potatoes to corn on the cob to sweet corn, apple slices, and a lot more. So, through those 14 15 opportunities, and again, all of that regional 16 infrastructure that we're building, we're getting 17 more specific food products in. And as you know, 18 because you know this so well, the opportunities for 19 that largely are through schools, and then 20 secondarily through the DCAS agencies of corrections 21 and ACS, because they're buying the ingredients for 2.2 meals, not necessarily the full package. 23 CO-CHAIRPERSON BREWER: Right. Okay. All right. And so in terms of the market, you don't have 24 that data, local versus ... 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 75 1 2 VICE PRESIDENT LAMBERTI: I do not, 3 Council Member. I know that I believe some of our market operators may be here later, and they may be a 4 great source for that type of information. 5 CO-CHAIRPERSON BREWER: Okay. 6 7 CO-CHAIRPERSON FARÍAS: Sorry. I just have one more last question. Can we talk a little bit 8 about, if you can, on the interconnectedness of our 9 food networks, food waste, even just like our 10 11 composting program that we're now rolling out, the 12 Sharing Excess programs that we have, and the network 13 of going either to schools or to pantries, etc., and how we're holistically looking at this from, yes, 14 15 this space's aggregate amount of food, but also the 16 larger network of making sure people have the food 17 that they need on their tables. 18 EXECUTIVE DIRECTOR MACKENZIE: Yeah. And I love that, because it's also where we started in 19 looking at the whole system of the food system, and 20 that's from growing food to getting rid of the waste 21 2.2 and the non-edible parts. Also appreciate the 23 acknowledgement of Sharing Excess, which is a new partner at Hunts Point Produce Market, and some of my 24 colleagues on my food policy team have been 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 76 1 2 connecting colleagues at EDC with places like 3 Barcelona and other cities, Milan, that have an 4 actual tenant in their Hunts Point equivalent to deal with the organics. And so that is both from a, when I 5 say deal with it, that means disposing of things in 6 7 an appropriate way that are not edible, but also in 8 this context supporting places like City Harvest or 9 Entire Food Bank Network with the edible product. And so I would like to see that developed even more as an 10 11 intentionality of the produce market, and also, you 12 know, as you pointed to, whether it's the organics 13 collection, it's an interesting question of like we want to see the organics clearly thrive and grow, but 14 15 also we ultimately don't want to see it survive and 16 grow, because we don't want there to be the organics 17 waste in the first place. So, this all, you know, 18 whether it's from teaching kids in schools to teaching neighbors about how to compost, that is all 19 part of the cycle that we're clearly committed to, 20 and I am looking forward to build like the further 21 upstream solutions, like working with Hunts Point in 2.2 23 an even more intentional way. CO-CHAIRPERSON FARÍAS: I appreciate that 24

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response. I also want to just state that, you know,

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 77 1 even in our shelter system and getting meal preps to 2 3 certain, you know, we have the hot food programs and 4 the Meals on Wheels programs, those could also be included in this network of getting fresh produce or 5 getting the fresh produce to cook those meals. You 6 7 know, we have a lot of different providers with a lot 8 of large contracts that are always trying to keep 9 food or keep pricing in our communities. I mean, we consistently talk about Rethink NYC as an 10 11 organization that we like to utilize and build 12 partnerships with because they go to our local 13 places. They could also be looked at as partners and 14 being able to help the local food network, too, in 15 this way with fresh produce and fresh foods. 16 EXECUTIVE DIRECTOR MACKENZIE: Yeah. And 17 in the spirit of infrastructure, we consider that to 18 be some of the soft infrastructure of making sure, 19 whether it's GrowNYC's regional food hub who's 20 supplying older adult centers with ingredients to 21 cook meals or even Rethink, right? Like part of this 2.2 is, again, helping break down some of the historic 23 silos or historic partners so that we can be doing more with some of the ... I think one of the best things 24 to come from the pandemic is the emergence of food 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 78 1 businesses and people interested in doing business 2 3 with the City, and we are really trying to support 4 and nurture that. CO-CHAIRPERSON BREWER: One last question, 5 this is the last one, I believe, is that local 6 7 community gardens, local school gardens, etc., and I wanted to know if, I know there's another office that 8 deals with that in the City Administration, but are 9 there ways in which you think they, meaning the 10 11 local, local, local farmers, not the ones upstate, 12 which I also, as you know, appreciate tremendously, 13 they can help us with some of these food problems? Is there some way that they can be involved? Obviously, 14 15 they're not large farms, they're smaller, but is there something that they can do to help feed people? 16 17 EXECUTIVE DIRECTOR MACKENZIE: Absolutely, 18 and I think similar to the grocery store question, there is a, there is not a one-size-fits-all approach 19 here, and I really want to appreciate the work of my 20 21 colleague, Kiana, and especially in the Data Explorer 2.2 Hub that was recently launched, that can also help 23 pinpoint some of where food production is happening. As a mom of two public school kids, I love that my 24 kids get a chance to see and learn about food through 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 79 1 the growing programs at their schools, and as we're 2 3 doing a lot, again, around education, but clearly 4 it's about more than that, and seeing especially some of our community gardens and urban farms that are 5 growing, maybe it's at production scale, but also 6 7 just that connection to food is so essential, and so 8 I love certainly the urban agricultural plan, the 9 progress reports that they've had too, but really support, again, the both-and approach to all of this. 10 11 CO-CHAIRPERSON BREWER: Thank you both 12 very much. We are now going to go to our next panel. 13 Thank you. 14 EXECUTIVE DIRECTOR MACKENZIE: Thank you. 15 CO-CHAIRPERSON BREWER: I now open the 16 hearing for public testimony. We're going to hear 17 specifically from the leaders of Hunt's Point, but we have to read the statement. 18 19 I remind members of the public that this 20 is a government proceeding, that decorum shall be 21 observed at all times. Members of the public, as such, shall remain silent at all times. 2.2 23 The witness table is reserved for people who wish to testify. No video recording or 24 photography is allowed from the table. Members of the 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 80 1 public may not present audio or video recordings as 2 3 testimony, but may submit transcripts of such 4 recordings to the Sergeant-at-Arms for inclusion. If you want to speak at today's hearing, 5 please fill out an appearance card with the Sergeant-6 7 at-Arms and wait to be recognized. You will have two 8 minutes to speak on today's oversight hearing topic, 9 which, as you know, is the City's Food Infrastructure and Cost and Quality of Produce in New York City. 10 11 If you have a statement or additional 12 testimony you wish to submit, please provide a copy 13 to the Sergeant-at-Arms. You may also email written testimony to testimony@council.nyc.gov within 72 14 15 hours of the close of the hearing. Audio and video 16 recordings will not be accepted. 17 Now we're going to turn to an online 18 panel. I must admit, we're not going to put them, 19 make them speak just for two minutes. They can talk 20 longer. We're going to hear from Arthur Goldstein, 21 Nick Rodelli (phonetic), and Matthew D'Arrigo. Thank 2.2 you very much. And they are on Zoom. 23 ARTHUR GOLDSTEIN: Hi. It's Arthur Goldstein here. I'm going to turn it over to Matthew 24 25 D'Arrigo, a Board Member, and to Nick Rodelli, but

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 81 1 appreciate that the Council and EDC had a fabulous 2 3 tour of the market last Friday, and we look forward 4 to the conversation. 5 MATTHEW D'ARRIGO: Shall I go next, Arthur? I'd be happy to. 6 7 CO-CHAIRPERSON BREWER: Go ahead. Thank 8 you. 9 MATTHEW D'ARRIGO: I'm Matthew D'Arrigo. I am an owner of one of the 26 merchant firms at the 10 11 Hunts Point Market, have been coming here to work for 12 51 years now since I was in high school. Growing up 13 in this market, it's more of a home to me than my home almost, I would say. The changes in our industry 14 15 and the changes in our city and the changes in our 16 food supply have been slow and steady over the years and over the last, if you look at it every five 17 18 years, you notice it, but you don't notice it day to 19 day. Our market is 58 years old now. It's been a 20 wonderful asset for the City of New York and has done 21 a tremendous job of distributing produce. The New 2.2 York metropolitan area is a unique area for produce 23 distribution because of the density of population, the high price of real estate. I've heard a lot of 24 25 talk about cold storage and things of that nature.

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 82 1 2 It's a real challenge to find space. None of our 3 small greengrocer customers have a lot of back room 4 refrigeration, so they rely on our Hunts Point Market as their warehouse. The rebuild that we've been 5 trying to get done for 25 years now, we have a real 6 7 shot at it again at this point. The size of the 8 market and the size of the cold storage that would occur from the rebuild, I would think would be about 9 a 50 percent increase. The new market is mapped out 10 11 currently at 42,000 pallet positions. Our current 12 four buildings, row A, B, C, D, have about 20,000 13 pallet positions and there's about eight or 10,000 pallets that are on the TRUs, the storage trailers 14 15 that we use. The market has not been big enough to 16 hold its inventory since the early '70s. We are a 17 little bit of an overflow market, so there's always a 18 bit of oversupply there, but it's also what drives 19 bargains for the consumers. Produce is very much a 20 supply-demand dominant business. Contracts and things 21 like that do not impact our market. We are more a 2.2 day-to-day trading place. Our customers come every 23 day. They look for bargains. They negotiate very hard with our salesmen, and every day things work out, and 24 sometimes prices go up, sometimes they go down, but 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 83 1 2 we are a market of last resort, and therefore we always have a little bit of an oversupply on, say, 3 4 half of the commodities we sell and a little bit of 5 an undersupply on half the commodities we sell, just as an average over time. The relationship we have 6 7 with our customers and with our city is symbiotic in nature. There would not be a Hunts Point Market the 8 9 size that we have if there weren't thousands of small greengrocers that use us as their warehouse and 10 11 survive because there's no super large supermarket 12 chain around them competing. They rely on us for 13 their supply. They shop five days a week. The market has maybe two or three days of supply in it before it 14 15 runs out, and I would say our customers have about another day, so it's very, very fresh by necessity. 16 17 You really can't do it any better, and I don't think 18 you want to because you want produce to stay fresh, and you want it to turn over as quickly as possible, 19 so the symbiosis has been around forever, and I don't 20 21 anticipate it going anywhere unless the big banner 2.2 chains figure out a way to battle the real estate 23 business in New York and come in and invade our boroughs. There are a few examples of success, but I 24 25 don't anticipate anything happening to our customer

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 84 1 base or happening to the necessity of the Hunts Point 2 3 Market. I can go on and on and on here. There was 4 talk about rail, the barge, and over-the-road trucks being weighed, and so I can answer any specific 5 questions that anybody might want to, but I think 6 7 I'll end my comments here. 8 CO-CHAIRPERSON BREWER: I think you're the 9 only one speaking from the Market, right? Is that correct? 10 11 MATTHEW D'ARRIGO: I think so, yes. CO-CHAIRPERSON BREWER: All right. Thank 12 13 you, and thank you for the wonderful hospitality. CO-CHAIRPERSON FARÍAS: Can you give us 14 15 the topline issues facing the markets today and any 16 primary requests around alleviating some of those 17 concerns or top line issues? 18 MATTHEW D'ARRIGO: Well, topline has always been that our market has not had adequate 19 20 capacity to hold the inventory that the industry 21 demands we take on, and we don't turn down product 2.2 because it really offers a downward price situation 23 which gives better options and opportunities for the consumer. So, to me, number one, lack of capacity for 24 25 storage. We've made up for that in large measure by

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 85 1 the TRUs. Nobody likes those, including us. It puts a 2 3 whole other level of handling and cost into our 4 business. Instead of take it off, bring it in, and then load it back out, we take it off, put it on a 5 cold storage van, take it back on, put it in the 6 warehouse, and so you're moving things around 7 unnecessarily. It would be wonderful to have a market 8 9 where that does not happen, and the new rebuild would accomplish that. As far as other topline issues, the 10 11 Market's 58. It's a noble beast, but it's time for a 12 dramatic redevelopment. I think our refrigeration is 13 inefficient. I think there's ways to have much better efficiency and energy savings for the market and 14 15 lower our overhead, but it's a fairly simple place, 16 the Market. So, our topline needs are pretty much 17 right in front, and I've just told you what those 18 are. CO-CHAIRPERSON FARÍAS: Thank you. I 19 appreciate your response. 20 21 CO-CHAIRPERSON BREWER: The biggest 2.2 question, of course, for the consumer is how we can 23 lower prices, and obviously, I think that the quality stays pretty high, but prices are challenging. 24 Obviously, the tariffs are making it even worse. So, 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 86 1 I was wondering if you felt the tariffs already, if 2 3 you feel how it will impact, and I guess what we can 4 do about it, if anything. MATTHEW D'ARRIGO: So, the tariff question 5 is going to have a couple of, I mean, this is just an 6 7 opinion. I'm not an economist, and the economists 8 can't agree on it in the first place. So, we are a spot market market. The tariffs, short term, I think 9 for sure, are going to raise prices, and it will also 10 11 drive down consumption a little bit, but we're 12 heading out of import season right now. So, most, if 13 not all of our produce, with the exception of Canada, because Canada has year-round supply of hydroponic 14 tomatoes and things like that, Mexico will finish 15 16 with grapes and melons in May, and then they'll be 17 done until next October or so, or earlier than that. 18 They have tomatoes earlier than that, but the vast 19 majority of our product for the next six months is 20 going to be domestically grown. So, the impacts of 21 tariffs will only be on imports to growing, and I 2.2 cannot think of any other imports off the top of my 23 head. So, over the next six months, we're going to get a pass. Then, when you get back into import 24 25 season, if the tariff war is still going on, you'll

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 87 1 2 see less imports coming because the importers will 3 have had full warning. Right now, the importers are 4 getting caught flat-footed. They've got deals that suddenly are going to have a tariff attached to them 5 if it happens, and that's never good. So, there'll be 6 7 some money lost at the import level, but next year, the money will be lost at the grower level in the 8 9 other countries where the product is being produced, and so there'll be a lot of scrambling and contracts 10 11 and how the business is going to be done. What that means in the Hunts Point Market is it's almost we're 12 13 on the sideline because we take positions day to day, so nothing's going to sneak up on us and get us for a 14 15 long period of time, but it will create, I think, in 16 general, a little higher-priced market structure for 17 produce next fall through winter and into spring as 18 the import season unfolds. I think this summer, if there are higher prices, I think it's more from 19 Mother Nature creating shortages and things of that 20 21 nature. 2.2 CO-CHAIRPERSON BREWER: Okay. Council 23 Member Avilés. COUNCIL MEMBER AVILÉS: Hi there. Thank 24 25 you so much for your testimony.

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I was curious about the capacity issue 2 3 that you were talking about and, you know, obviously 4 using the TRUs to try to address it. So, I represent the area that includes Brooklyn Marine Terminal, and 5 we talk a lot about cold storage. Do you need this 6 7 cold storage on site or would a southern location 8 that could be used through a barge service help to alleviate some of that challenge that you're facing 9 with storage capacity? 10

11 MATTHEW D'ARRIGO: Speaking personally 12 from the Bronx perspective, the market redevelopment 13 will go a long way to solving our capacity issues. New York is expensive. I always have thought that the 14 15 oversupply that comes into our market might be better 16 off being handled in New Jersey at a cold storage for 17 17 cents a square foot rather than 32 or whatever it 18 is, although we don't pay it, but that's what the market would dictate normally. But if you had cold 19 storage in other boroughs, like in Brooklyn, I would 20 urge that the City tries to keep it privatized 21 2.2 because I do think that the one-size-fits-all and the 23 kind of rigid structure that would develop from a public project, I think it would be overbuilt, 24 25 frankly. So, the Brooklyn produce market, there's

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 89 1 2 merchants there. I think that's a good place to start 3 about whether they need a redevelopment because that 4 market might even be older than our market. There's, 5 I think, almost no hope at the individual greengrocer level, except for maybe small business loans to get 6 7 some infrastructure there. But if you've got the 25 merchants in the Hunts Point Market an adequate 8 9 refrigeration system, which the new market would do, I think a whole lot would develop that would be very 10 11 positive. I think it would add shelf life to the 12 product, add freshness to the product, and generally 13 be very beneficial to the industry. I'm not really 14 sure I answered your question. 15 COUNCIL MEMBER AVILÉS: No, thank you. 16 Your response is helpful. I appreciate it. Thank you 17 so much. 18 CO-CHAIRPERSON BREWER: I think that's it. We really appreciate that. We had a great tour. Much 19 thanks to your colleague. We love the bananas. We 20 love the bananas. 21 MATTHEW D'ARRIGO: So, let me just, could 2.2 23 I just interrupt for one minute, Council Member. The Council Member Brewer salad washing machine. 24 25

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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 90
2	CO-CHAIRPERSON BREWER: Yes. How are we
3	doing that?
4	MATTHEW D'ARRIGO: I will single-handedly
5	spearhead the RFP to find the processing company to
6	come into the market and work there. I will tell you
7	this, it would be done by a firm and not by the
8	market because that's a highly specialized business
9	and you need a processing company to do it, but we
10	don't have one in there and we could sure use one so
11	I think you're on to something.
12	CO-CHAIRPERSON BREWER: You have made my
13	day. You've made my family's day. You've made my
14	history. I have this stupid little machine that they
15	gave me from EDC from 20 years ago on my counter at
16	home. I forgot to bring it in. You can't imagine and
17	thank you. I have no words.
18	MATTHEW D'ARRIGO: They're anything but
19	little in the industry. They're very sizable. (CROSS-
20	TALK)
21	CO-CHAIRPERSON BREWER: We're going to
22	make a big one privately done. Thank you so much.
23	MATTHEW D'ARRIGO: You got it.
24	CO-CHAIRPERSON BREWER: Okay. Thank you
25	very much for your testimony, and we will be working

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 91 1 2 together. It's going to be called after you, Nick. 3 Thank you so much. 4 Stephen Katzman. We've also been joined online by Council 5 Member Restler. 6 7 Matthew D'Arrigo, if you want to come on. Oh, you were just finished. We're looking for Stephen 8 9 Katzman. STEPHEN KATZMAN: I'm here. 10 11 CO-CHAIRPERSON BREWER: Okay. Go ahead. 12 STEPHEN KATZMAN: I am here. CO-CHAIRPERSON FARÍAS: You can begin your 13 testimony. 14 15 CO-CHAIRPERSON BREWER: Go ahead. STEPHEN KATZMAN: Not sure what I'm 16 17 supposed to be saying. CO-CHAIRPERSON BREWER: Well, whatever you 18 19 wanted to talk about the market, the current and 20 future, anything to do with food in our city, food 21 production. 2.2 STEPHEN KATZMAN: Production? Okay, 23 Arthur, you're muted. 24 ARTHUR GOLDSTEIN: Thank you. Just to bring Steve up to speed, he was in a meeting. So, 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 92 1 Matthew D'Arrigo basically did the overview and 2 3 answered specific questions. So, if the Council 4 Members have any further questions, Steve Katzman is one of the Co-Presidents of the Produce Market. You 5 may, Steve, just want to mention the few years that 6 7 you've been at the market as an overview. 8 CO-CHAIRPERSON BREWER: I think we're 9 okay, Arthur, but thank you very much and thank him also for his participation. Thank you. 10 11 So, coming to the podium, please. Adaeze Okoli from Rethink Food, one of our favorite 12 13 organizations, Rae Gomes from the Fulton Street, Brooklyn, and Anita Lee. 14 15 ADAEZE OKOLI: Thank you. 16 CO-CHAIRPERSON BREWER: You have two 17 minutes to speak. Whomever would like to start, go 18 ahead. 19 ADAEZE OKOLI: Wonderful. Majority Leader 20 Farías, Chair Gale Brewer, and Members of the 21 Committee on Economic Development, Oversight and 2.2 Investigation, thank you for the opportunity to 23 testify today. My name is Adaeze Okoli, and I have the pleasure of serving as Chief-of-Staff for Rethink 24 25 Food. Since our inception in 2017, Rethink has been

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 93 1 dedicated to creating a fairer, more sustainable food 2 3 system and ensuring that every New Yorker has access 4 to dignified, nutritious meals that reflect their cultural backgrounds. Through our network of local 5 independent restaurants and our sustainable community 6 7 kitchen, Rethink has delivered over 40 million highquality meals that celebrate diversity in various 8 9 cultures. We've also injected over 130 million dollars into our local economy, supporting 230 10 11 community-based organizations, partnering with 145 12 different restaurants across the city. Our 13 partnership with Council Members gives us keen insight into community needs, helping us to ensure 14 15 meals reach families who truly need them most. This 16 year, Rethink is requesting 150,000 dollars from the 17 Speakers' Initiative Welcome NYC, or Food Pantries Initiative, to support and drive our mission forward 18 19 and provide meals to communities for holiday 20 distributions, special community-based events, or 21 emergencies that arise throughout the year, such as 2.2 fires, outages, and more, and we hope to count on 23 your support. Our collaboration with partners in 24

government has also offered us opportunities to

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COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 94 1 2 expand our partnerships with restaurants, a key part 3 of New York City's food infrastructure that we are 4 empowering to drive change by feeding New Yorkers and creating jobs in our community. While restaurants 5 consistently rank among the top industries for 6 7 creating new jobs, approximately 60 percent of 8 restaurants fail within their first year and about 80 percent close within five years. To that end, Rethink 9 is currently exploring a proposal that can mutually 10 11 support New York State restaurant and agriculture 12 industries, as well as non-profits, while promoting 13 less food waste and healthier food options. This would be in the form of a food donation (TIMER CHIME) 14 15 tax credit for donated meals to independent non-16 profits to then distribute to communities facing food 17 insecurity. We believe there's a real opportunity 18 here to incentivize even more restaurants and small businesses to make a difference by donating their 19 20 surplus food. We appreciate the Council's attention 21 to creative solutions to support our city's food 2.2 infrastructure. Thank you so much for your 23 partnership in working with New Yorkers. CO-CHAIRPERSON BREWER: Thank you very 24 25 much. Who would like to go next?

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 95 1 RAE GOMES: I can go next. Hi everyone. My 2 3 name is Rae Gomes. I'm representing Cultivating 4 Justice LLC. It's my food equity consultancy. I've also been in food access and food systems work for 5 over 10 years. So, I was very disheartened to hear 6 7 some of the ways that MOFP and EDC plan on solving 8 some of these problems that have been ongoing in New 9 York City for years. And I just want to read a couple of things. I did some quick and dirty research 10 11 around, and especially hearing, you know, wanting to 12 support capacity building and emergency food 13 organizations and also centering businesses. So those are the two things I just want to address. So in 14 15 2020, Food Bank of New York had 35.4 million dollars 16 in their budget and, in 2022, they had 97.5 million dollars. City Harvest had 209 million dollars in 2020 17 18 and then in 2021, had 337 million dollars. And then 19 Campaign Against Hunger in 2020 had 8.5 million 20 dollars in their budget, and in 2022, they had 16.5 million dollars. 21 2.2 UNIDENTIFIED: (INAUDIBLE) 23 RAE GOMES: I'm not sure what that is. New York Common Pantry in 2019 had 12.6 million dollars 24 in their budget, and in 2021, had 20.3 million 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY 96 WITH COMMITTEE ON ECONOMIC DEVELOPMENT 1 2 dollars. All this is to say that if these 3 organizations wanted to solve food insecurity in New 4 York City, their budgets doubled during COVID, and 5 the problem of food insecurity still exists. The status quo to center businesses and corporate 6 7 emergency food structures has not worked. It will not 8 work. It will continue to not work. And as long as we keep relying on these approaches, food insecurity, 9 high food costs will persist in the city. 10 11 And I also just want to distinguish between profit-based institutions (TIMER CHIME) and 12 community-centered solutions. Hunts Point is a 13 14 profit-based center. Their food hub and food system 15 solutions that center communities, start with 16 community, and are only interested in supporting 17 community and not increasing their profits, and I 18 implore you all to please look at these alternative 19 food systems as a way of solving these entrenching 20 issues. Thank you. 21 CO-CHAIRPERSON BREWER: Thank you. Next. 2.2 ANITA LEE: Hi. My name is Anita Lee. This 23 is my first time testifying for City Council, so excuse anything I don't do right. I applaud MOFP's 24 and this Council's effort in creating a more 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 97 1 2 resilient food infrastructure system. One point I 3 would like to make is to ensure to create a framework 4 so that these hubs like Hunts Point are accessible to a diverse set of food distributors and producers as 5 reflective of the demographics and needs of the New 6 7 York City. From my understanding, anyone can pay a daily rate to enter Hunts Point, but in order to rent 8 space in the Hunts Point hub, you need to be approved 9 by the existing members and pay duties to be a 10 11 member. Members being anyone, even companies as large 12 as Costco. And like apartment co-ops, becoming a 13 member is very political and complicated since votes are involved, which may discourage diversity. In this 14 15 vein, building a new produce hub at Hunts Point using 16 City funds while keeping the rental entry system the 17 same feels like concentrating opportunities to just a 18 select few, which limits the opportunities for other competitors. Concentrating power to a few players 19 20 does not reduce food prices. It does the opposite. Second point, has there been any movement to develop 21 2.2 the Brooklyn Terminal as a food hub as well? Third 23 point, regarding City-owned grocery markets, Essex Markets in Lower Manhattan is owned by New York City 24 25 and leases its space to various accessible purveyors,

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 98 1 2 meat, fish, fruits, and vegetables, and finished 3 foods for a diverse set of consumers so the idea of a 4 City-owned grocery market in the model of a publicly traded grocery market chain should be expanded to 5 City-owned public markets that lease spaces to 6 7 various independent family-run businesses, which might avoid the over-complication of a City-owned 8 9 supermarket. If you want to consider successful Cityowned public markets, food markets, I feel Essex 10 11 Market in Lower Manhattan might be one to look at for 12 learning lessons. 13 In conclusion, please consider creating a set of rules to ensure that this taxpayer-funded 14 15 Hunts Point project maintains easy access to a 16 diverse set of small, medium, food distributors, and 17 producers, so that we don't fund a project just for 18 big players who already have a seat at the table and 19 increase their power to set prices. Perhaps we should 20 consider something similar to how a certain 21 percentage of affordable housing is set aside and new 2.2 housing develops in exchange for City financial 23 support for Hunts Point and its food distributors, produce, tenants. Thank you for the opportunity to 24 25 speak.

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY 99 WITH COMMITTEE ON ECONOMIC DEVELOPMENT 1 2 CO-CHAIRPERSON BREWER: Thank you very 3 much. I just want to clarify when I say against New 4 York City-run, but I love Essex Street. That's different. That's the underlying is owned by the 5 City, but the markets are individually, privately 6 7 owned, and it's fabulous. 8 All right. Thank you all very, very much. 9 We have two people online. Karen Karp first and then Rachel Lyons. 10 11 Karen Karp. 12 KAREN KARP: Hi, everyone. Hi, Gale. Hi, 13 everybody. How are you? I just need to pull up my testimony, which I'm afraid is very long. 14 15 CO-CHAIRPERSON BREWER: Two minutes. 16 KAREN KARP: I'm going to try to ... 17 Actually, I'm sorry. You just caught me a little bit 18 by surprise at this moment. I was just about to sign 19 off. Could I defer to Rachel, and could you come back 20 to me? Would that be okay? 21 CO-CHAIRPERSON BREWER: Sure. Yeah. 2.2 KAREN KARP: Thanks. 23 CO-CHAIRPERSON BREWER: Rachel Lyons. RACHEL LYONS: Hi. Can you hear me now? 24 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 100
2	CO-CHAIRPERSON BREWER: We can hear you.
3	We love you. Go ahead. We love your union.
4	RACHEL LYONS: Hey, everybody. Hi, there.
5	My name is Rachel Lyons. I'm the Legislative Director
6	for the United Food and Commercial Workers
7	International Union. We represent 1.2 million members
8	in North America and 65,000 members here in the State
9	of New York. We work across all kinds of food retail,
10	from retail to meatpacking, food processing, grocery,
11	as well as in healthcare and cannabis. Thank you so
12	much for the opportunity to join the conversation
13	today. Thank you, Chair Brewer and Chair Farías.
14	The conversation about a successful food
15	system and what it takes to make it successful is
16	fundamentally important to our members. We are here
17	to say that every part of this should include
18	provisions that support good jobs in New York City
19	for the nearly 1,000 grocery stores, and that should
20	include food safety and delivery in your
21	recommendations. The resilience of New York City's
22	food system is intimately connected to the success of
23	the workers. Worker-friendly food policies ensure
24	revenue for the City, customers for City businesses,
25	groceries for low-income workers, and jobs for union

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 101 1 workers. Two key points I'm going to drive home. Good 2 3 jobs in grocery are good for everyone. We ensure that our shelves are stocked. We administer SNAP at the 4 5 grocery store and are part of the food safety system. We really want everything to support all these 6 7 economic development policies to include labor 8 standards that support food workers. For example, in 9 the FRESH program that we've been talking about today, we want to ensure that in the application 10 11 process, stores operating with a collective 12 bargaining agreement are part of the application 13 process, as well as taking into account proximity to another union brick-and-mortar store. We know that we 14 15 were talking about the geographic, the good job that it's done, including creating new grocery stores, but 16 17 some of those (TIMER CHIME) pop up right next to an ... 18 SERGEANT-AT-ARMS: Your time has expired. 19 Thank you. 20 RACHEL LYONS: Existing union grocery store that's been providing good jobs for the workers 21 2.2 and members of that neighborhood. 23 And then a quick switch to another topic. Let's talk a little bit about delivery and food 24 25 safety. The pandemic accelerated consumer habits of

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 102 1 ordering food for homes and has done so faster than 2 3 anybody could have predicted. But there's a lack of 4 food safety protection that applied to the delivery of groceries from store to consumer. 5 CO-CHAIRPERSON BREWER: Start to 6 7 summarize, Rachel. 8 RACHEL LYONS: We have safety provisions 9 out at meat processing plants. We already have City provisions for in-store, but that crucial moment from 10 11 store to consumer is without a ton of protections. We 12 want to ensure that food originating from grocery 13 stores is safely delivered to the front doors of consumers everywhere and ensure that whatever we do 14 15 require is the burden and the funding comes from the 16 employer to provide food safety training and proper 17 equipment to the drivers who deliver from store to 18 home. 19 CO-CHAIRPERSON BREWER: Rachel, can you 20 summarize up? Can you sum up? 21 RACHEL LYONS: Yep. In conclusion, UFCW members urge this Committee and the Council to 2.2 23 incorporate strong labor standards in these food policies, as well as fair wages and good food 24 25 protections. Thank you so much for your time.

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 103 1 2 CO-CHAIRPERSON BREWER: Thank you very 3 much. 4 And now we're going back to Karen Karp. 5 Thank you. KAREN KARP: Thanks, everybody. And 6 7 actually, I'm very glad that I'm going after Rachel 8 today because my testimony actually supports one of 9 her major points. I have really two major points to make. One is I wanted to bring up a specific element 10 11 about food affordability and about the role of City food infrastructure to maintain food affordability. 12 13 One of the reasons that food has become so expensive, both for consumers, but if we talk about buyers that 14 15 buy in a commercial environment, is because the food 16 system has become so concentrated over the last 50 17 years. And now, most buyers, specifically who are 18 serving City agencies and other corporations and restaurants, hotels, etc., are unfortunately too 19 frequently bypassing public infrastructure like the 20 21 Hunts Point Market because they are part of a 2.2 vertically integrated supply chain where companies 23 are contracting with farmers for direct shipment to their warehouses, which too frequently do not exist 24 25 in New York City or even in the New York City

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 104 1 metropolitan area, but in New Jersey, Connecticut, 2 3 etc., and then those same companies are creating contracts with buyers, including institutional 4 buyers, including institutional food buyers in New 5 York City and elsewhere, with fixed prices. And so 6 there is very little room, there is no room actually 7 for negotiation of those prices because the food 8 9 system is concentrated and vertically integrated end to end. The function of the Hunts Point Produce 10 11 Market in particular keeps an open environment of 12 competition available for food buyers. And there's 13 hundreds of buyers there every day, there's dozens of vendors there every day selling food and competing 14 15 against each other for that food, keeping competition 16 alive. 17 SERGEANT-AT-ARMS: Your time has expired. 18 Thank you. 19 KAREN KARP: Okay. Thank you. 20 CO-CHAIRPERSON BREWER: If you want to sum up, go ahead. If you want to sum up. Go ahead. Yeah. 21 2.2 KAREN KARP: My second point echoing 23 Rachel's, which is the summary, is that the food system needs more highly educated, highly trained 24 individuals, which will create good food jobs, which 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 105 1 will alleviate at least for the 9 percent of people 2 3 that work in food in New York City to have better 4 incomes, which will improve affordability for them. 5 So, in summary, I am fully in support of the renovation of the Hunts Point Produce Market with 6 7 programmatic elements built in for education, training, innovation, incubation, energy resilience, 8 9 etc. Thank you. CO-CHAIRPERSON BREWER: Okay. Thank you 10 11 very much. Christopher Leon Johnson and Sharon 12 13 Brown, and we're here to talk about the food 14 infrastructure. 15 CHRISTOPHER LEON JOHNSON: Ready? Yeah. Hello. Hello, Chairs Farías and Chair Brewer. My name 16 17 is Christopher Leon Johnson. I'm speaking in 18 opposition to all New York City-owned food stores. Let me explain why. Because that concept is nothing 19 but a communist, Soviet, Leninist, Marxist idea that 20 21 was set up by the New York City DSA and Zohra 2.2 Mahdani, who will not be mayor of New York City. 23 Let's make that clear. We all know that Andrew Cuomo will be mayor of New York City. Let's make that 24

25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 106 1 clear. I'm calling on the next mayor of New York 2 3 City, Andrew Cuomo, to reject all ... wait. (CROSS-TALK) CO-CHAIRPERSON FARÍAS: This is a 4 5 government proceeding. CHRISTOPHER LEON JOHNSON: You took a 6 7 picture of Cuomo. You took a picture of Cuomo. CO-CHAIRPERSON FARÍAS: It's a government 8 9 proceeding. You have to stay on topic. 10 CHRISTOPHER LEON JOHNSON: I'm staying on 11 topic. I'm staying on topic. 12 CO-CHAIRPERSON FARÍAS: (INAUDIBLE) 13 staying on topic. You have to stay on topic. CHRISTOPHER LEON JOHNSON: He's a 14 15 politician, right? CO-CHAIRPERSON FARÍAS: The food quality. 16 17 CHRISTOPHER LEON JOHNSON: Yeah. CO-CHAIRPERSON FARÍAS: There's a 18 19 difference between electoral politics and government 20 functionality. This is a government... CHRISTOPHER LEON JOHNSON: Yes. 21 CO-CHAIRPERSON FARÍAS: Hearing where 2.2 23 we're solely talking about the Economic Development Corporation Oversight and Investigation Committees ... 24 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 107 1 2 CHRISTOPHER LEON JOHNSON: Yeah. I'm doing 3 that. CO-CHAIRPERSON FARÍAS: Focused on Food 4 Infrastructure and Quality of Food in New York City 5 so if you would like to make a comment on topic, you 6 7 are allotted time. 8 CHRISTOPHER LEON JOHNSON: I am. 9 CHRISTOPHER LEON JOHNSON: You took a picture with him so let's get that. You took a 10 11 picture, right? Let's go for it. You took a picture 12 with him so let's keep that real. You took a picture 13 with Andrew Cuomo. All right. So, but like I said, this is a bad idea for the City of New York. I'm 14 15 calling on our next mayor to reject the proposal. 16 This does nothing but benefit DSA. These corrupt 17 unions like Unite Here 100, DC37, 32BJ. This benefits 18 all the corrupt unions and let's keep this real. They're not going to hire people, regular people. 19 20 They're going to hire their own people, the DSA and 21 members, the little corrupt members of DC37 within 2.2 the major unions to work those type of jobs. This is 23 not going to benefit nobody at all within these Cityowned food stores. Bottcher, I don't know what he's 24 25 thinking. I don't know if that donut that he ate from

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 108 1 the string has gone to his head, but this is not 2 going to work. City-owned food stores is nonsense. I 3 4 call on the City to completely reject this notion (TIMER CHIME) and ... 5 CO-CHAIRPERSON BREWER: Thank you. 6 7 CHRISTOPHER LEON JOHNSON: Thank you. CO-CHAIRPERSON FARÍAS: Thanks for your 8 9 testimony. CHRISTOPHER LEON JOHNSON: Thank you. 10 11 Thank you. 12 SHARON BROWN: Hello. My name is Sharon 13 Brown. Before I get started, remember the hostages, release the hostages, let Yahweh's people go, defend 14 15 Israel. Also, some of our hostages were starved because it's a food theme. Just remember our 16 17 hostages. We have 59. 18 Okay. Homeless to homes and home gardens. We need to get people into homes, and then when we 19 20 get people into homes, directly into homes without 21 red tape, we can also start helping them make gardens 2.2 so that they can sustain living in a home of their 23 own, even plants and things in their house, and they can learn how to grow food, and it will be 24 sustainable for them, not only to go places and get 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 109 1 food, but also to grow fruits, vegetables, and 2 3 whatever kinds of foods they can grow in their home, 4 and also in their backyard, front yard, or something like that. If we can try to get people into homes, 5 veterans, military, homeless, we would be able to 6 7 help them with food. I want, as I said before, I want 8 to make not-for-profit restaurants and grocery stores, clothing stores, different kinds of chain 9 stores, and people can go there for free. Of course, 10 11 there are going to be regular stores where people 12 purchase things, but we can have not-for-profit 13 stores where people go to if they have some kind of need over time that is consistent regularly. If 14 15 something arises, some kind of emergency, they can go 16 to these kinds of stores and shop. They don't have to 17 use money. They can come in and shop. We can find out 18 what they need, and they, I don't know that everybody needs a referral because we can't have red tape, so 19 (TIMER CHIME) I would like a store where people feel 20 21 free to shop. CO-CHAIRPERSON FARÍAS: Thank you. 2.2 23 CO-CHAIRPERSON BREWER: We've now heard from everyone who has signed up to testify. If we 24 inadvertently missed anyone who would like to testify 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS JOINTLY WITH COMMITTEE ON ECONOMIC DEVELOPMENT 110
2	in person, please visit the Sergeant's table and
3	complete a witness slip.
4	If we inadvertently missed anyone who
5	would like to testify virtually, please use the raise
6	hand function in Zoom, and a Member of our Staff will
7	call on you in the order of hands raised.
8	Okay. No one is coming forth.
9	So, I'd like to note again that written
10	testimony, which will be reviewed in full by
11	Committee Staff, may be submitted to the record up to
12	72 hours after the close of this hearing by emailing
13	it to testimony@council.nyc.gov, and I would like to
14	thank our wonderful Co-Chair, Council Member Amanda
15	Farías, and all Staff. Okay. [GAVEL]
16	CO-CHAIRPERSON FARÍAS: Thanks, Gale.
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## CERTIFICATE

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date May 7, 2025