

<u>Testimony of Kate MacKenzie, Executive Director, NYC Mayor's Office of</u> Food Policy

Before the New York City Council's Committees on Contracts, Economic Development, and Small Business Oversight Hearing on the Role of Small Businesses in Shelter Food Procurement.

December 12, 2023

Good morning, Chair Won, Chair Farías, Chair Menin, and members of the Committees on Contracts, Economic Development, and Small Business. My name is Kate MacKenzie, and I am the Executive Director of the Mayor's Office of Food Policy. Joining me today are my colleagues from the Department of Social Services, the Mayor's Office of Contract Services, the Mayor's Office of Minority and Women-Owned Business Enterprises, and NYC Health + Hospitals. I appreciate the opportunity to speak with you today about the city's efforts to equitably provide nourishing meals to asylum seekers, as well as individuals and families experiencing homelessness, and how various agencies are utilizing local small businesses, in particular Minority and Women's Business Enterprises (M/WBEs) in doing so.

To start, I would like to explain the role that Mayor's Office of Food Policy has played in the provision of food through the hotels functioning as shelters as well as the asylum seeker emergency sites. As a Mayor's Office, we advise agencies on the strongest program considerations and practices that achieve the Administration's goals related to food policy. As such, we encouraged adherence to City food standards, prioritization on cultural food options, equity, and reporting requirements of Executive Order 8. That is, the types of meal provision we offer should model existing program provisions to the greatest degree possible. For example, in our traditional shelter system, three meals a day are provided, with the requirement that one meal is a hot meal. It was important to keep that requirement to maintain a standard service, as well as adherence to our food standards, and ensuring vendors submit menus for review.

In addition to providing nutrition and meal service guidance, MOFP worked closely with MOMWBE, SBS, and MOCS to identify and maximize small business opportunities for meal provision. This required getting very clear on the services needed, so an appropriate scope of work could be identified for the Requests for Proposal that H+H developed. Specifically, that means preparing breakfast, lunch, and dinner that meet food and nutrition standards, packaging



them and transporting them to various sites. Given that scope, businesses that could complete the work could be considered. For the hotels serving as shelters for asylum seekers, DHS leveraged its existing contracts with vendors who provide meals, and notably two of the three prime vendors are M/WBE certified.

Under the leadership of Mayor Adams and First Deputy Mayor Wright, the MOMWBE has taken several proactive steps to increase M/WBE participation. These include weekly meetings at City Hall, with agencies involved in food and other procurements for Asylum Seekers. The objective of these meetings is to review upcoming procurements to ensure that M/WBE contracts are being maximized, whether as prime or sub-contractors. The Mayor also issued Executive Order 34, which strengthened M/WBE utilization on emergency contracts.

Additionally, in collaboration with MOFP, HPD, H+H, DHS, MOCS, and SBS, MOMWBE hosted an outreach event to introduce prime vendors to M/WBE vendors. This effort resulted in subcontracting opportunities for M/WBEs. When H+H issued its most recent food procurement in September, MOFP posted that opportunity on our website. Additionally, on October 2nd, MOFP co-hosted an opportunity room on food procurement at the largest-ever Annual Citywide M/WBE Procurement Fair at the Barclays Center. We shared a calendar of agency food RFPs with vendors, the food and meal requirements in the NYC Food Standards, and data requirements under EO 8 of 2022 (Good Food Purchasing). MOFP created materials for businesses to understand the city's food needs and requested feedback on M/WBEs' experiences doing business with the City.

While health, nutrition, and equity are important values that we are committed to advance through food, so is a thriving food economy and supporting the diversity of food businesses across the 5 boroughs. MOFP released a report to outline recommendations to support more M/WBE businesses with City contracts. As noted, my colleagues here from the Mayor's Office of M/WBEs convene a weekly meeting for agency chief contracting officers and their teams to ensure M/WBEs are utilized across all procurements, including food where there's substantial M/WBE vendor availability and capacity.

To that end, I'm pleased to share the M/WBE utilization within Asylum seeker food contracts: As of November 30th, the total value of prime food contracts for Asylum Seeker operations stands at \$463,408,171.50. Of this amount, \$284,185,212.00 was awarded to M/WBE, achieving a record-breaking 61% M/WBE utilization rate.



In particular, I'd like to highlight Rethink Food, a non-profit organization, that has partnered with 12 restaurants and small businesses as sub-contractors. Another vendor, Kommissary, a M/WBE, has over 150 staff members. It is 98% Minority-employed and 100% staffed by local talent.

While the figures and examples I mentioned reflect direct contracts, we know M/WBE participation is significantly greater when considering sub-contractors associated with other food-related DHS, HHC, and HPD-leveraged contracts. For example, DHS is working with Whitsons to bring in new M/WBE subcontractors, and HPD is doing the same with its Prime vendor for asylum seeker work. Also, due to the complexity of human service contracts, MOMWBE and agencies are working hard to have a better line of sight into the myriad of M/WBE subcontracts performing food and meal provision for both Asylum Seekers as well as in agencies' standard services.

And, I will remind the Council, due to Local Law, both Emergency and Human Services contracts are exempt from M/WBE goals. Despite these exemptions, our collaborative efforts with city agencies involved in food procurement for Asylum Seekers have resulted in remarkable success in promoting M/WBE participation. This achievement reflects the City's unwavering commitment to ensuring that small businesses, especially M/WBEs, fully participate in the procurement of food for the Asylum Seekers.

The city has served the more than 150,000 asylum seekers who have come through our system since last spring, but with hundreds of people arriving daily and over 67,200 migrants still currently in the city's care, New York City is left responding to this humanitarian crisis without the level of support needed from other levels of government to manage this national crisis. We have undertaken substantial efforts to ensure culturally responsive, healthy, and equitable food service provision across all sites, including across all sites, including asylum seeker emergency sites and emergency overflow hotels.

Intro 964 would require MOFP to develop and implement a plan to prepare farmers' markets in the city for use in winter weather. Farmers markets are essential to NYC, and the Administration supports their growth and viability in a myriad of ways. However, MOFP questions the need for a winterization plan. Grow NYC and other market operators have managed winters for more than 50 years. At this point, we do not offer support for this legislation and would like to



engage with the Council to understand more about the desired impact and utilization.

I would like to thank the City Council for its leadership and its partnership in addressing and improving food access in our city. From ensuring emergency food resources, to expanding food education in our schools, addressing diet-related diseases, and building out infrastructure at Hunts Point and other food hubs throughout the boroughs, we value your commitments to advancing Food Forward NYC, our 10-year food policy plan.

Thank you for your time and consideration. I am happy to address any questions or concerns you may have.