



MURIEL BOWSER
MAYOR

April 26, 2024

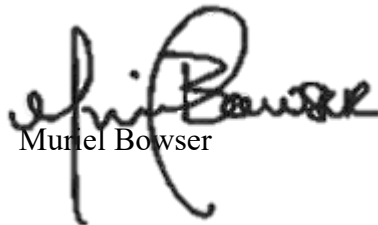
The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

I am pleased to submit to the Council of the District of Columbia the 2023 Food System Assessment, prepared by the Food Policy Council and Office of Planning pursuant to Section 3(c) of the Food Policy Council and Director Establishment Act of 2014, effective March 10, 2015 (D.C. Law 20-191; D.C. Official Code § 48-312(c)). The report includes information on the state of the local food economy and food access across the District.

If you have any questions regarding this report, please contact Caroline Howe, Food Policy Director at 202-442-7604, or caroline.howe@dc.gov.

Sincerely,


Muriel Bowser



FOOD SYSTEM ASSESSMENT 2023

DECEMBER 2023

The annual Food System Assessment reports on the state of the District food system, highlights innovative local programs, and presents opportunities to ensure all residents benefit from a healthier, more equitable, and sustainable food system.

District of Columbia
Food Policy Council



District of Columbia
Office of Planning



Food Security & Equitable Access

Inflation and the End of Pandemic Benefits

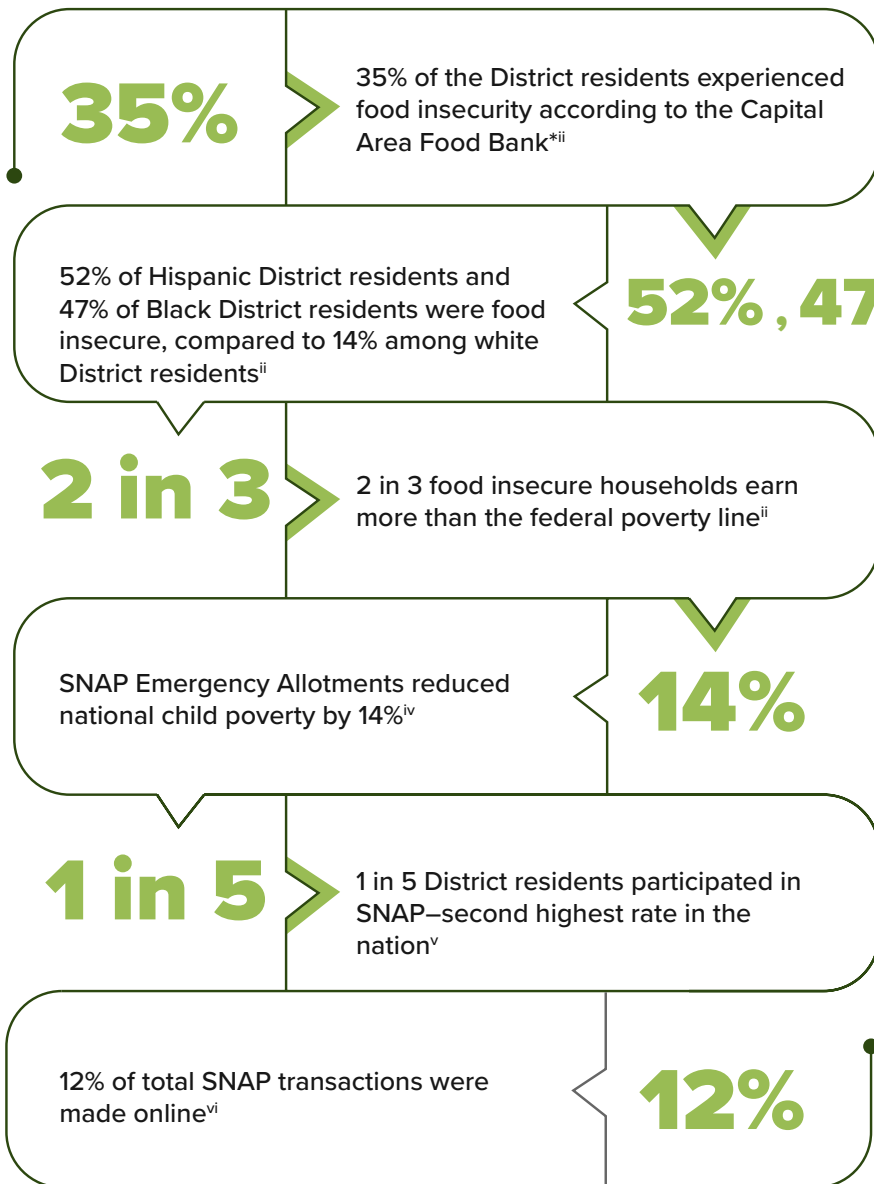
The District set the goal of ensuring that all residents have access to affordable, quality, and nutritious food in the [Sustainable DC 2.0 Plan](#). The federal and District-funded initiatives such as nutrition assistance programs, the [Nourish DC Collaborative](#), and the [Food Access Funds](#) play a critical role in advancing this goal. While the government investments have proven to be beneficial, the District's food insecurity rate in 2022 remains high; and unchanged from that of 2021. Moreover, Black and Latino/a households in the District continued to have significantly higher rates of food insecurity. Slow decrease in the food insecurity rate can be attributed to several factors such as racial disparities stemming from structural and systemic racism, a historical disinvestment in communities of color, and the racial wealth gap.



Another major factor is inflation, which rose to the highest level in four decades, significantly increasing the District's already high costs of living, from housing to childcare to food. Prices of groceries rose by 11.4% nationally, more than triple the 3.4% increase in 2021.ⁱ At the same time, the temporary SNAP benefit boost known as the Emergency Allotment, which supported over 90,000 District households since the onset of the COVID-19 pandemic, ended in March 2023. This federal action meant that these households saw their monthly benefits reduced by \$95 to \$250. Consequently, total District SNAP purchases dropped by over a third from February 2023 to March 2023. Many impacted residents have reported that this led them to use extreme coping mechanisms such as skipping meals, going to free food distributions, and borrowing to make ends meet.ⁱⁱ Additionally, while the District's average unemployment has returned to the pre-pandemic level, employment has not been equitably distributed. There continues to be a significant gap between unemployment rates for Black residents and white residents.ⁱⁱⁱ


Food Insecurity: a lack of consistent access to enough food for an active, healthy life.


Community Eligibility Provision: a federal funding option that allows schools with high percentages of families who qualify for free or reduced-price meals to provide free meals to all students.



*USDA estimates that the 2020-2022 three-year average food insecurity rate for the District was at 10%.^{vii} However, this nationally collected data does not account for the high cost of living in metropolitan areas such as the District because USDA excludes many households above 185% of the Federal Poverty Line from its full food insecurity survey. Therefore, District residents above this threshold and experiencing food insecurity may not be captured by the USDA data. For the purpose of this report, we cited the regional data from the annual general population survey conducted by the Capital Area Food Bank (CAFB) and NORC at the University of Chicago, which includes disaggregated demographic data. The survey used a multi-mode address-based approach and online interview method. To identify the food insecure population, CAFB asked all respondents, regardless of their income, the full set of eighteen-question screener used by USDA. The food insecurity rate of 35% is comparable to peer cities and has not increased significantly from 2022. For more information, visit dcfoodpolicy.org/measuringfoodinsecurity.

Other Key Challenges

 A large gap remains in numbers of full-service groceries between west and east of the Anacostia River. In 2022, Good Food Markets in Ward 8's Bellevue closed, and Giant Foods has reported challenges to the long-term viability of their Alabama Ave SE store. While Healthy Corner Stores, smaller grocers, and mobile markets have expanded in Ward 8, access to full-service groceries remains a challenge.

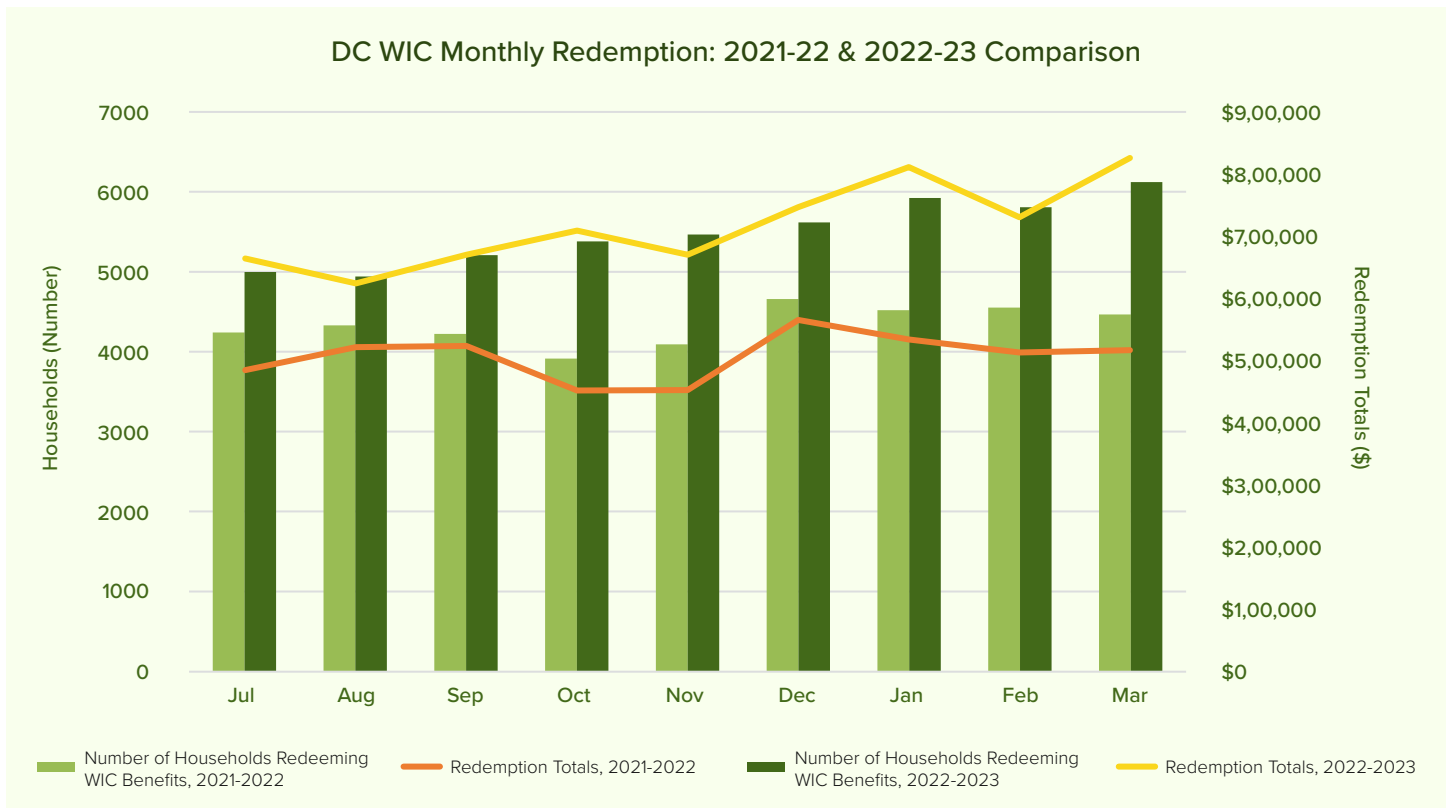
 The COVID-19 federal waivers that provided free school meals to all children expired. Starting in the school year 2022-2023, students whose schools were not part of the Community Eligibility Provision were required to pay or apply for free or reduced-price meals. This return to the pre-pandemic system led to a reduction in overall school lunch participation.^{viii}

Modernization of Nutrition Programs

The DC WIC Program transitioned from paper vouchers to the Electronic Benefit Transfer (EBT) system known as eWIC. WIC customers can now use their benefits over multiple visits throughout a month instead of having to use them all at once. This flexibility substantially improved shopping experiences and contributed to a significant increase in the number of WIC customers actively redeeming benefits. Between July 2022 and March 2023, the monthly totals of benefits redeemed by all WIC customers increased

by nearly \$210,000 on an average month compared to the 2021 levels.

Farmers Market Nutrition Programs also transitioned from paper coupons to electronic benefits in 2023. **Produce Plus** extended the season by two months and transitioned to a debit card system in 2022. 89% of survey respondents agreed the electronic card was easier to use than the paper checks.



Source: Government of the District of Columbia Department of Health



Source: FRESHFARM

Farmers Market Nutrition Programs: federal benefits for WIC customers and seniors to buy fresh, local fruits and vegetables at farmers markets

Produce Plus: farmers market benefits funded by DC Health and operated by FRESHFARM, serving District residents with low incomes

Food Access Highlights

To increase senior participation in SNAP, the Department of Human Services (DHS) launched **the Elderly Simplified Application Project (ESAP)**—a USDA demonstration project that streamlines the process for seniors and people with disabilities. DHS, the DC Food Policy Council, and the Lab@DC hosted multilingual focus groups to solicit input from seniors and nutrition providers.

54 Healthy Corner Stores, operated by DC Central Kitchen through local and federal funds, continue to expand access to affordable fresh produce while supporting local businesses in neighborhoods with low food access. In FY22, over \$146,000 in \$5 SNAP match coupons were redeemed—a 91% redemption rate—delivering nearly 400,000 units of nutritious food.

Joyful Food Markets, operated by Martha's Table through DC Health's Community Health Administration Grants, expanded from 249 markets to 499 markets in FY2022, increasing the number of unique shoppers by 28% and total food distributed by 70% over FY2021. Additionally, through the USDA Local Food Purchasing Cooperative Agreement, the program partnered with Dreaming Out Loud to source produce from 13 local Black farmers and producers.

Department of Aging and Community Living's **home-delivered meal programs for seniors** doubled the numbers of participants from FY2019 to FY2022—nearly 973,000 meals were delivered to 5,447 seniors, the majority of whom live in Wards 5, 7, and 8.



Key Policy Changes Enacted

Give SNAP a Raise Amendment Act of 2022 (enacted in January 2023)

This law provides all SNAP recipients in the District an increase of up to 10% of their household’s federal maximum, on top of what they already receive. The Council funded the temporary benefits for January 2024 to September 2024.

Impact

Studies have long pointed out that SNAP benefits are often not adequate to buy enough food for a family for an active and healthy life.^{ix} Moreover, the high cost of healthy food is the biggest barrier to eating healthy for SNAP participants.^x The additional benefits will help families spread their budgets while supporting local retailers and market vendors.

No Senior Hungry Omnibus Amendment Act of 2021 (enacted in January 2023)

The law takes a comprehensive approach to addressing senior hunger, including an interagency task force to create a District-wide response plan, the creation of a communications plan to increase outreach, and the expansion of the Elderly and Persons with Disabilities waiver to include home-delivered meals and medical nutrition therapy.

Impact

The law takes a critical step in addressing the District's senior food insecurity rate of 11.2%, the highest in the country.^{xi} Increased coordination among nutrition programs and expanded outreach will help more District seniors access nutritious foods.

Policy and Legislative Opportunities



Bolster locally-funded nutrition programs including permanent funding for the Give SNAP a Raise Amendment Act and No Senior Hungry Omnibus Amendment Act



Fund and implement a permanent Summer Electronic Benefit Transfer Program, a new program to help low-income families buy food for their school-aged children during the summer.



Permanently provide universal free school meals



Support the expansion of farmers markets in Wards 5, 7, and 8, and for all markets to have a longer season

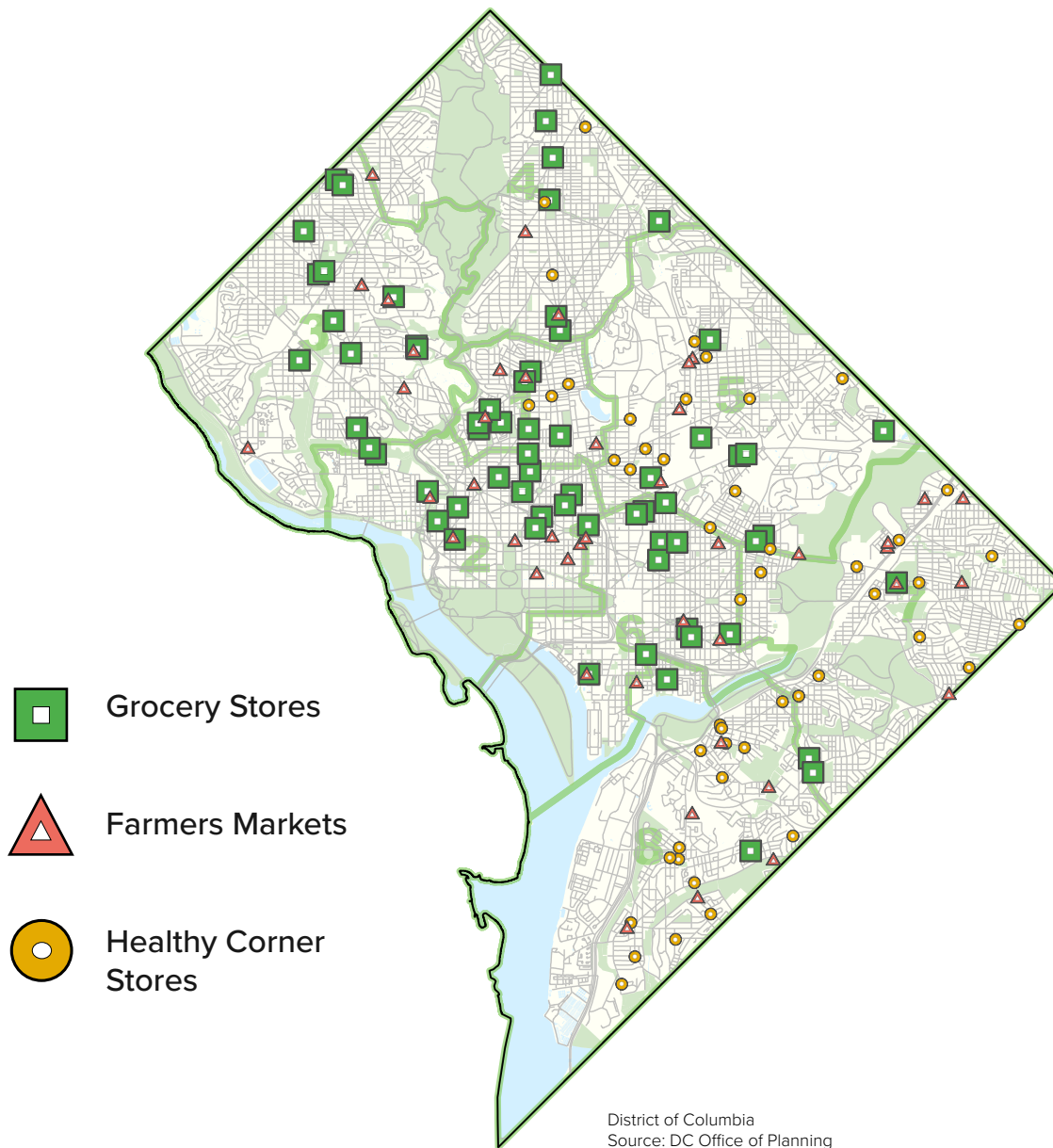


Expand Food Is Medicine programs by leveraging additional federal funds available through the 1115 Medicaid Demonstration Waivers



Support small grocery retailers to participate in Online SNAP Program

Inequitable Access to Affordable Quality Foods



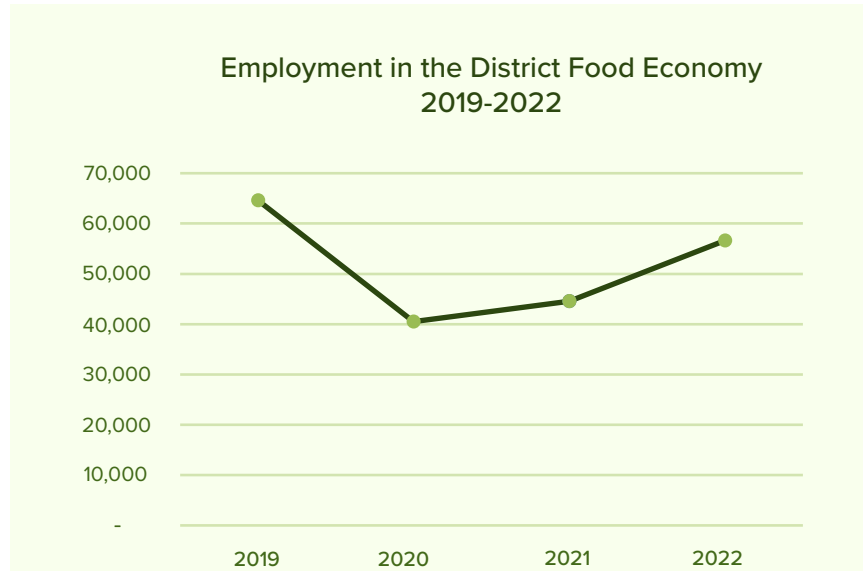
Communities of color and low-income neighborhoods lack grocery stores and quality fresh foods due to structural racism and the history of disinvestment. For instance, while Ward 3 had 14 full-service grocery stores, or one for every 5,900 residents, there are currently only four full-service grocery stores for the over 150,000 residents living east of the river. Mayor Bowser has prioritized opening more grocery stores east of the river, with three stores slated to open in 2024. This means that 93% of residents living east of the river will live within one mile of a grocery store, a significant progress compared to only 49% in 2015. Additionally, in these neighborhoods with low access to food, small retailers such as those participating in the Healthy Corner Stores program, Farmers Markets, and mobile grocers are stepping up to bring more fresh produce to residents.

While the District has ongoing programs that incentivize full-service grocery stores as well as the Food Access Fund and Nourish DC grant, and loan programs that have supported smaller retailers, the District needs to continue to expand, develop, and build programs that can bring affordable, nutritious food into every neighborhood. Other peer cities have invested in expanding Online SNAP programs, offering government-owned properties for community-run food cooperatives, leveraging public-private partnerships for small format grocery stores in non-traditional retail spaces, and encouraging mobile markets with improved licensing and legislation.

Local Food Economy

Local Food Businesses and Workforce

While employment in the food service sector is showing some signs of recovery from the COVID-19 pandemic, local food businesses continue to face challenges with inflation, increased labor costs, ongoing shifts in consumer buying patterns, and increased crime. Both existing and new food businesses struggle with increased costs of rent, food, and supplies, as well as supply chain delays. The Restaurant Association Metropolitan Washington's survey found that 40% of restaurants saw a drop in sales in September 2023 compared to last year, with an average decline of 28%. Furthermore, customer traffic fell for 46% of restaurants compared to last year. Additionally, recruiting and retaining workers continues to be another major challenge.



Source: US Bureau of Labor and Statistics: Quarterly Census of Employment and Wages Data Tables

Employment in the District food sector grew by 27% from 2021. However, it has not returned to pre-pandemic levels, and remains 12% less than in early 2020.^{xii} Employees in food service continue to earn less than their counterparts in other sectors. In 2022, the median annual wage for this sector was \$36,300, less than 40 percent of the Districtwide median household income.^{xiii} While still significantly lower than the Districtwide income, average annual wages increased over all types of food businesses.^{xii}

- ✓ The District food sector employed 56,850 individuals^{xii}
- ✓ Food sector accounted for 7.6% of the total workforce^{xii}
- ✓ Licensed cottage food businesses tripled from 12 to 33^{xiv}



Other Key Challenges

Registered Certified Business Enterprises (CBEs) received less than 0.01% of District food procurement contracts in 2022. Of the thousands of catering and food businesses in the District, only 38 are registered as CBEs. Barriers reported include the size of District contracts, insurance and regulatory burdens in applications, payment lags, low reimbursement rates from federal funds, as well as the certification challenges for caterers to become CBEs. There is progress in tackling this challenge. In 2022, the Department of Parks and Recreation (DPR) split their summer meals contracts to serve 10-15 sites instead of much larger groups to make it more accessible for small businesses to compete. This was coupled with outreach support from the Department of Small and Local Business Development (DSLBD) to food-based CBEs. In 2024, DSLBD, DPR and the Food Policy Council plan to collectively offer support for food businesses to access District contracts.

The number of cottage food businesses with licenses remains low three years after the passage of the Cottage Food Expansion Act due to barriers in awareness and accessibility of the licensing process. While emerging networks are helping to sell and promote cottage food entrepreneurs, they continue to face challenges in selling products in stores and finding affordable commercial kitchen space to grow their businesses.

District Investment in Food Businesses

The District continued to increase investments in small food businesses through a variety of channels in 2022. Under the leadership of the Office of the Deputy Mayor for Planning and Economic Development, the Food Access Fund and the Nourish DC Collaborative supported a total of 31 small food businesses in neighborhoods with low food access. In March 2023, the Nourish DC Collaborative leveraged District funds and local philanthropic dollars to award \$500,000 to 13 food businesses owned by people of color. This included a local catering business, Marty's Food, which focuses on contracts with nonprofits and social services agencies to be able to get hot, healthy meals to those in need; a blended whole juice company, Fight Juice; two full-service restaurants in

Anacostia, including Kitchen Savages and Africa Kitchen LLC's Open Crumb; and a worker-owned cooperative meal kit service, SouthEats, which sources fresh produce and processes into partially prepared meals.

Grants from Department of Energy and Environment – Donation and Reuse and Ditch the Disposables in 2022 and early 2023—helped food businesses reduce both food and plastic waste. By driving the transition to more reusable foodware in restaurants, these grants also enable more composting by reducing contamination of compost with disposable plastic foodware.



Food Economy Highlights

- ✓ While still smaller than most other sectors of the food economy, employment with farm product wholesalers continues to increase as several District organizations increase their role as farm product aggregators and distributors.^{xii}
- ✓ Beverage manufacturing also continues to increase in the District, despite the closings of two decades-old establishments.^{xii}
- ✓ Average wage increased in all food business sectors from 2019 to 2022,^{xii} majority of which outpaced the inflation.^{xv}



Key Policy Changes

Street Vendor Advancement Amendment Act of 2023 (enacted in May 2023)

This law decriminalized vending without a license, created a new license category exclusively for street vendors who prepare their food in their homes, and waived unpaid civil citations related to licensing.

Impact

Street vending has long provided an entrepreneurial opportunity for many who face barriers to jobs and owning brick & mortar businesses. Streamlining what was a complex, burdensome, and high-cost licensing process has removed barriers for vendors. More data on the impact will be discussed in a future report.

Initiative 82 (passed in November 2022)

Voters passed the ballot measure to eliminate the tipped minimum wage and raise the base pay for servers, bartenders, and other tipped workers to be in line with the District's minimum wage by 2027.

Impact

Seven states require employers to pay tipped employees full state minimum wage before tips.^{xvi} The full extent of the impact of this change in the District is unclear.



Policy and Legislative Opportunities



Support local food businesses navigate inflation, including both retail and non-retail grants for food businesses



Remove regulatory barriers for new food businesses including clarifying cottage food process



Leverage federal funds through USDA Resilient Food System Infrastructure Program and Regional Food Business Centers to support small producers



Expand access to affordable commercial kitchens in all 8 Wards



Continue to explore how a Central Kitchen or Distributed Food Processing Facilities can serve the District needs



Support small businesses in obtaining District procurement contracts



Food System Spotlights

Commercial Composting

The District has taken substantial action in reducing food waste, especially for local businesses. By reducing food waste, businesses can cut costs, reduce rodents, and reduce carbon emissions all at the same time. In 2022, the Department of Small and Local Business Development launched the [Food Waste Innovation Grants](#), awarding \$500,000 to 22 small businesses to help reduce food losses, divert edible food to consumers, and process food scraps into compost. Additionally, the program provided multilingual training, waste assessments, and composting services in partnerships with Latino Economic Development Center and Compost Cab. As a result, 76,000 pounds of food waste were diverted from landfill, which is equivalent to 95 tons of CO₂. The grant also supported the work of Food Rescue US in donating over 2 million pounds of edible food waste from District businesses to communities facing food insecurity.



DSLBD, Urban Garden Brewing, and Right Proper Brewing Company collaborated during DMV Food Waste Prevention Week to turn stale bread into beer and showcase food waste innovations.



The Food Policy Council Urban Agriculture Working Group tour of My Seniors Keeper, a 2022 Urban Agriculture Grant awardee

Urban Agriculture Grants

The Office of Urban Agriculture awarded nearly \$150,000 in 2022 and early 2023 in the [Urban Agriculture Infrastructure and Operations Grant](#). The funds helped 13 farms in neighborhoods with low food access expand their production capacity for direct-to-consumer sales, extend the season by installing hoop houses, improve their irrigation systems, and purchase new distribution equipment such as an electric bike for deliveries. The grant also funded FoodScapes DC, a proof-of-concept program that installed 7 raised beds in residential homes in Ward 7—nearly 170 residents applied, which demonstrated an overwhelming interest among residents in growing food at home.

Green Food Purchasing Act of 2021

In 2022, the [Green Food Purchasing Amendment Act of 2021](#) was put into action: Department of Energy and Environment hired a Green Food Program Analyst to launch annual analysis of each agency's carbon emissions from food purchasing. In partnership with the World Resources Institute, the District has established a baseline and identified meat as the largest source of greenhouse gas emissions from the District's purchasing. The agency and the DC Food Policy Council's Sustainable Supply Chain Working Group have continued to explore and share behavioral science strategies to increase the consumption of plant-based foods.



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^{vii} U.S. Department of Agriculture. Economic Research Service. Household Food Security in the United States in 2022. October 2023.

^{viii} Food Research & Action Center. Large School District Report. June 2023. <https://frac.org/wp-content/uploads/large-school-district-report-2023.pdf>

^{ix} Urban Institute. Does SNAP Cover the Cost of a Meal in Your County? July 2023 <https://www.urban.org/data-tools/does-snap-cover-cost-meal-your-county-2022>

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^{xiii} U.S. Bureau of Labor and Statistics. Occupational Employment and Wage Statistics Survey. May 2022 Estimates.

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^{xv} U.S. Bureau of Labor and Statistics. CPI Inflation Calculator. September 2023. https://www.bls.gov/data/inflation_calculator.htm

^{xvi} U.S. Department of Labor. Minimum Wages for Tipped Employees. September 2023. <https://www.dol.gov/agencies/whd/state/minimum-wage/tipped>