

N.Y.C. Groceries: A Recipe for Affordability

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Mission

N.Y.C. Groceries is a new initiative to bring down the cost of everyday groceries and household staples, strengthen neighborhood food access and economic activity, and demonstrate a new role for public sector leadership in food affordability. Drawing on proven models, N.Y.C. Groceries treats access to affordable food as an essential public service.

N.Y.C. Groceries will offer a **30% discount** across a large variety of healthy foods that New Yorkers purchase the most—delivering predictable, meaningful savings that shoppers will feel at checkout.



The Need: Food Affordability in NYC

New Yorkers must be able to meet their basic grocery needs without spending an unreasonable share of their income.

For too many New Yorkers, access to affordable groceries is increasingly out of reach. Across the five boroughs, families are paying more for food while also facing increasing costs for housing, childcare, and healthcare, among other essential needs.

Since the pandemic, the cost of groceries increased by roughly 30 percent and never came back down.¹ Today nearly 80 percent of New Yorkers report concern about rising food prices.²

This burden is not shared equally. On average, NYC Metro Area households spend about 6 percent of their income on groceries, but for lower-income New Yorkers, that share can reach more than 25 percent.³

Even middle-income families are feeling strained, often without qualifying for traditional assistance programs like SNAP. For an overwhelming 86 percent of New Yorkers, the rising cost of food is outpacing their incomes.⁴ Combined with a lapse in federal assistance programs, food insecurity remains a reality for many, affecting approximately 15 percent of New Yorkers and reaching significantly higher levels in some parts of the city.⁵

Grocery prices are tied to wholesale food costs, and high operating expenses make it challenging for many stores to bring prices down on their own,

especially independent grocers that lack the scale of larger chains. The private market alone has not consistently delivered affordable, full-service grocery options, especially in communities with the greatest need.

N.Y.C. Groceries is the City's direct response to this gap. It is government action to directly reduce prices and improve access in ways the private market alone cannot.

This document defines the City's approach to grocery affordability, outlines how the new N.Y.C. Groceries stores will work, and sets a clear plan for implementation and impact.



86%

of New Yorkers see
the rising costs of food
outpacing their income

“We cannot accept a status quo where even the most fundamental needs—putting food on the table—feel out of reach. This is about ensuring that every New Yorker, regardless of income or ZIP code, has access to fresh, healthy food at a price they can afford.”

Mayor Zohran Kwame Mamdani



Photo Credit: Kara McCurdy, Mayoral Photography Office

A Targeted Response: N.Y.C. Groceries

N.Y.C. Groceries reflects a more active public sector role in addressing rising grocery costs and gaps in access to grocery stores with a full range of fresh, healthy food.

The initiative will establish a first-of-its-kind model in major US cities: City-owned supermarkets with private grocery store operators with a mandate for lower prices, improved access, and clear standards for quality and accountability. Each N.Y.C. Groceries store will be open to all New Yorkers, not be means tested, and offer meaningful discounts on a core basket of fresh produce and essential foods.

N.Y.C. Groceries is not a standalone solution to food affordability nor is it intended to replace the private grocery market. It will not eliminate the need for private supermarket investment, address all food access gaps citywide, or replace existing programs that support grocery development and small businesses.

N.Y.C. Groceries will increase access to affordable, healthy food, which is a critical determinant of health and a component of stronger, more resilient communities.

“Economic justice means making sure the basic necessities of life—starting with food—are affordable and accessible in every borough. The city-owned grocery stores initiative is a centerpiece of our economic justice agenda because it addresses affordability, worker dignity, and neighborhood vitality all at once.”

Deputy Mayor for Economic Justice
Julie Su

N.Y.C. Groceries is built on a suite of core tenets:

01

Citywide Presence

Establish one public grocery store in each borough, with locations selected based on the opportunity to improve food access and affordability within a neighborhood

05

Support for Small Businesses and Local Economies

Incorporate local vendors and suppliers where it is feasible to strengthen the local economy and drive foot traffic to other nearby businesses

02

Meaningful Affordability

Deliver predictable, meaningful savings on everyday grocery items, reducing household food costs and making budgets more manageable

06

Public Accountability

Set clear performance standards and report on outcomes to ensure stores deliver on affordability, quality, and service

03

Price Transparency

Make pricing clear and easy to understand so customers can see and trust the value of their purchases

07

Excellent Shopping Experience

Provide clean, well-designed stores that are welcoming and accessible to all New Yorkers

04

High-Quality Jobs and Worker Safety

Create stable, family-sustaining jobs with best-in-class wages and benefits, strong workplace protections, and safe working conditions

How We Measure Affordability

Affordability at the grocery store means New Yorkers should be able to afford the basics without having to make tradeoffs between healthy food and other essential expenses.

N.Y.C. Groceries is designed to make that expectation real by delivering consistent, everyday savings on a core basket of foods families need most.

Each store will operate as a full-service grocery store, offering a wide range of products customers typically expect, while focusing **targeted savings on a standardized core basket of goods that will include fresh produce, meat, fish, seafood, plant-based proteins, pantry staples, and other nutritious foods.** Each store will stock selections that are culturally responsive to the diversity of New York and to the specific neighborhood the store is located within.

The discounted core basket will include all fresh produce, meats, and seafood, in addition to select dairy, shelf-stable grocery, and frozen items. Items in this core basket will be priced on average **30 percent below market prices**, delivering real, everyday affordability on the essentials New Yorkers rely on most.

Operators will be required to stock items across key food categories and offer clear, reliable pricing on the shelf, with **prices for core basket items held consistent, subject to change only periodically to reflect market conditions.** This approach gives families predictability and the ability to budget ahead with confidence.

Store operators will be held to clear, enforceable standards, including **meeting pricing requirements, maintaining consistent pricing on core basket items, fair pricing on all non-discounted items, and regularly reporting data to the City.**

Sustaining these lower prices will require targeted public investment. With access to lower-cost space and targeted investment for lower-cost food from the City, operators will pass on those savings to customers while covering costs for staff, space, and operations.



The Operating Model

N.Y.C. Groceries is a City-led, publicly accountable network of stores designed to deliver affordable food and reliable access. The City sets the mission, standards, and store design; experienced third-party operators run the stores day-to-day under those requirements.

THE ROLE OF THE CITY

While the City can reduce costs and set public priorities, it does not operate grocery stores day to day. Delivering affordable food at scale requires deep operational experience, strong supply chains, and proven retail execution.

The City will provide the foundation and deliver grocery-ready sites, cover rent and property taxes, fund initial buildout, and establish a single public brand for all N.Y.C. Groceries locations. The City will also set clear requirements for affordability, job quality, transparency, and performance. The City will:

- **Provide low- or no-cost access to real estate**, including public sites
- **Offer subsidies** that will lower grocery prices within the core basket
- **Set clear standards** for stocking, job quality, and pricing transparency
- **Oversee performance** to ensure accountability

THE ROLE OF THE OPERATORS

Operators will be responsible for all daily aspects of store operations, running full-service stores that meet high operational standards, reflect neighborhood needs, and consistently deliver low prices on a core basket of essential goods.

Job quality and accountability are nonnegotiable, including access to benefits, safe working conditions, and respect for workers' right to organize.

Further, operators will be held to clear performance expectations, with public support tied directly to results. The selected grocery store operators will:

- **Manage day-to-day store operations**, including staffing, stocking, and merchandising
- **Bring expertise** in grocery retail, supply chains, and customer experience
- **Meet affordability and operational standards** defined by the City
- **Pass on the savings** from the City's subsidy directly to consumers in the form of lower-priced groceries

The City's role is to set the conditions for success.
The operator's role is to execute with excellence.
New Yorkers deserve nothing less.

Site Selection

Selecting the locations for stores matches need with the ability to reach New Yorkers consistently, sustain operations, and deliver real affordability over time.

BRONX SITE PROFILE: The Peninsula

On May 19, 2026, Mayor Mamdani announced The Peninsula in Hunts Point as a N.Y.C. Groceries location—the program’s first site in the Bronx. The 15,000-square-foot grocery store is planned to be the first N.Y.C. Groceries store to open, with a target opening in late 2027.

Affordable groceries at The Peninsula will be part of a larger community investment and a multi-phase redevelopment led by New York City Economic Development Corporation (NYCEDC).

The project will create a mixed-use campus with 740 units of 100 percent affordable housing, more than 50,000 square feet each of public open space and community facilities, and commercial space anchored by the N.Y.C. Groceries store.

The Peninsula will be the first store milestone for the N.Y.C. Groceries initiative, bringing the model to life and delivering affordable food in Hunts Point sooner.



Rendering Credit: WXY

MANHATTAN SITE PROFILE: La Marqueta

On April 14, 2026, Mayor Mamdani named La Marqueta, a City-owned public market in East Harlem, as an N.Y.C. Groceries location. The program's first site in Manhattan, this new 9,000-square-foot grocery store is planned to open in 2029, bringing affordable groceries and culturally relevant options closer to home for the community.

The market opened in 1936 under Mayor LaGuardia as the Park Avenue Retail Market and grew into La Marqueta—an economic and cultural hub for El Barrio and East Harlem—shaped by generations of Puerto Rican, Dominican, Cuban, and Mexican New Yorkers. Today, NYCEDC

operates La Marqueta as one of the City's six public markets.

Close to major public investments in East Harlem, including housing, cultural projects, and open space, La Marqueta currently supports 20 small businesses and helps grow local jobs and opportunity. The new N.Y.C. Groceries store will complement these existing small businesses.

Future investment will strengthen La Marqueta as a neighborhood anchor and show how public markets can advance food access, public health, and inclusive economic growth.



N.Y.C. Groceries Sites Portal

In May 2026, the City launched the N.Y.C. Groceries Sites Portal to find possible locations for future public grocery stores in Brooklyn, Queens, and Staten Island.

Through the portal, private property owners can now submit locations for consideration. **Property owners in Brooklyn, Queens, or Staten Island**

who think their site could work for a grocery store are invited to submit it through the portal at grocery.nyc/portal.

NYCEDC will review submitted sites to determine fit, considering characteristics like size, location, project timeline, among other basic requirements.



Public & Stakeholder Collaboration

The City is committed to building this initiative with the people closest to the issue of affordability, including community members, workers, grocery operators, advocates, small businesses, and City agencies, among others.

New Yorkers understand grocery affordability better than anyone. They know what it costs to put food on the table, what is missing in local stores, and what predictable prices actually mean for their households.

To guide this work, City Hall has convened **an interagency taskforce** bringing together agencies responsible for food policy, public health, consumer and worker protection, small business services, and city planning.

This taskforce ensures that City agencies work together to deliver grocery affordability, quality jobs, and access to nutritious food.

In parallel, the City has engaged key stakeholders through **a series of expert roundtable discussions**. Independent grocery operators and industry experts have helped stress test the operational model. Labor and workforce partners have informed expectations for job quality and safety and dignified working conditions. Community advocates and food system leaders have helped define what affordability and access look like at the neighborhood level.

Public engagement will not stop once the planning stage concludes. Working in coordination with the Mayor's Office of Mass Engagement, the City will continue **outreach and listening efforts across all five boroughs** as the program moves toward opening.

New Yorkers will have multiple ways to share feedback and directly shape how N.Y.C. Groceries stores operate in their communities. On a macro level, the City will collect feedback through surveys and open forums. On the community level, neighborhood conversations and targeted focus groups will capture robust input across the city.

Engagement will be ongoing through development, opening, and store operations, ensuring this program remains grounded in real needs and lived experience.



Supporting the Broader Grocery Ecosystem

N.Y.C. Groceries is not a stand-alone initiative. It is designed to work alongside existing stores and strengthen the broader food and grocery ecosystems that New Yorkers rely on every day.

N.Y.C. Groceries will add five stores to New York City's diverse food retail landscape, which is home to more than 1,100 grocery stores and over 10,000 bodegas. Grocery affordability is shaped by this full ecosystem, not just prices inside these five stores. It depends on a well-functioning network of retailers, clear and predictable prices, accessible locations, and policies that support store owners.

Through engagement with local grocery operators, bodega owners, and other industry stakeholders, the City is designing N.Y.C. Groceries physical stores, pricing, and product offerings to fill gaps in food access and affordability, not to displace existing retailers.

These conversations have surfaced key considerations to site new stores in areas of need while remaining mindful of existing retail density. Stakeholders have also highlighted opportunities to support local and regional suppliers to strengthen distribution networks, along with the need to build stronger workforce development pipelines across the ecosystem.

The City will continue to invest in the broader grocery ecosystem while also identifying new opportunities to reduce regulatory burdens and streamline permitting, with the goal of making it

easier for full-service grocery stores and other grocery retail establishments to open and operate affordably across the five boroughs.

For customers, **N.Y.C. Groceries will align with the City's existing food assistance and consumer protection efforts.**

Improving food affordability requires multiple approaches to working together, and the City is committed to ensuring that N.Y.C. Groceries strengthens the existing food system by complementing neighborhood retailers.



The Path Forward

N.Y.C. Groceries is well underway, moving from vision to stores, and from promises to prices New Yorkers can count on.

The City has already begun moving N.Y.C. Groceries from vision to execution. Following the Mayor’s initial announcement and call for public input in spring 2026, New Yorkers, workers, and industry experts have helped shape this initiative through ongoing roundtables and focus groups.

As N.Y.C. Groceries moves toward opening, the City will create additional opportunities for New Yorkers to share feedback, raise concerns, and help shape how these stores operate in their communities. This program is being built with the people it is meant to serve, and the public will continue to matter at every stage.

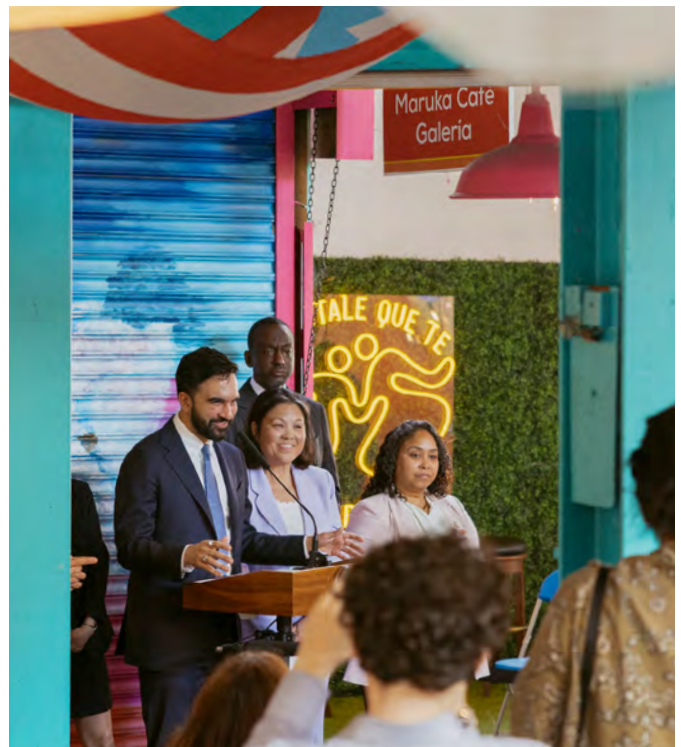
Upcoming Milestones:

In July 2026, the City launched a public, competitive procurement to identify experienced grocery operators across all five boroughs.

In early 2027, the City will announce selected operators and advance site-specific design, permitting, and development. This phased approach allows sites that are ready sooner to move forward first, while more complex projects continue to develop on longer timelines.

By the end of 2027, the first N.Y.C. Groceries location at The Peninsula is expected to open.

By the end of 2029, the store at La Marqueta is expected to open, with the City continuing development of this ground-up public market project.



The Promise of N.Y.C. Groceries

Imagine walking into an N.Y.C. Groceries store. It's clean, bright, easy to navigate, with a proud NYC look and feel. You see clear prices on shelves, simple labels that make it easy to spot your discounted core items. You can fill your cart with the everyday staples you count on most—while paying less. The goal is simple: be able to afford what you need, and leave with a little more cash left in your wallet. That is the promise of N.Y.C. Groceries, and the City is committed to delivering on it.

Stay Informed

For general information about the initiative and to stay up to date on opportunities, public engagement, and more, visit grocery.nyc.

Endnotes

- 1 Calculation using data from U.S. Bureau of Labor Statistics, “Selected Northeastern Metropolitan Statistical Areas: Average annual expenditures and characteristics, Consumer Expenditure Surveys” (2019-2020) and (2023-2024). <https://www.bls.gov/cex/tables/geographic/mean.htm#msa>
- 2 Siena Research Institute, “After Election NYS Consumer Sentiment Rises – Tops Breakeven Point,” Jan. 8, 2025. <https://sri.siena.edu/2025/01/08/after-election-nys-consumer-sentiment-rises-tops-breakeven-point-republicans-up-by-25-points-democrats-lower-by-14/>
- 3 Calculation using data from U.S. Bureau of Labor Statistics, “New York: Quintiles of income before taxes: Annual expenditure means and characteristics, Consumer Expenditure Surveys” (2022-2023). <https://www.bls.gov/cex/tables/geographic/mean.htm#msa>
- 4 Fee Pelz-Sharpe, New Poll: New Yorkers are Going into Debt Over the Rising Cost of Food (No Kid Hungry, 2025), cited in The Cost of Living in New York City: Food (Office of the New York State Comptroller) (2025).
- 5 NYC Mayor’s Office of Food Policy, “Food by the Numbers: January 2025 Report” <https://www.nyc.gov/assets/foodpolicy/downloads/pdf/NYC-Food-by-the-Numbers-2024.pdf>

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