

MANHATTAN COMMUNITY BOARD FOUR

CITY OF NEW YORK

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JEFFREY LEFRANCOIS Chair

JESSE R. BODINE District Manager

February 8, 2022

Hon. Adrienne Adams Speaker New York City Council City Hall New York, NY 10007

Re: Ultrafast Grocer Industry

Dear Speaker Adams,

Manhattan Community Board 4 (MCB4) at its February 2nd Full Board meeting by a vote of 40 in favor, 0 opposed, 1 abstaining, and 0 present but not eligible voted to request that the New York City Council (the "Council") pass necessary legislation to regulate certain practices of the rapidly expanding "Ultrafast Grocer" industry that affect our district. These online or app-based grocery delivery services—including Doordash, Buyk, JOKR, 1520, Fridge No More, and Gorillas—assure customers of their ability to deliver groceries or household essentials to customers in New York City within "15 minutes," "minutes," or "in the moment." Ultrafast Grocers' promises of near-instantaneous delivery not only constitute a danger to pedestrians and delivery-workers alike, but these venture capital-backed enterprises with unlimited ability to

¹ https://www.bloomberg.com/news/articles/2021-12-06/doordash-launches-instant-delivery-run-by-fulltime-employees (reporting DoorDash's "Dashmart" will "allow customers to order anything from fresh produce and dry-goods to household products from the app and have it at their doorstep in 15 minutes or less"); https://buyk.com/ (advertising "[g]roceries delivered in 15 minutes"); https://www.1520min.com/ (promising "groceries delivered free in 15-20 mins"); https://www.fridgenomore.com/ (advertising "15 minute grocery delivery").

² https://gorillas.io/en-us (marketing customers will "get [their] groceries delivered in minutes").

https://www.jokr.com (advertising "fresh products & favorite local brands delivered before the water boils").

incur losses, threaten to undermine the quality of our neighborhoods with "dark stores" closed to the public, and present an existential crisis to many small businesses in our district already struggling to rebound after the pandemic.

First, the Ultrafast Grocer business model requires employees to pick, pack, and deliver items to customers in near-real time, creating a situation where delivery workers are incentivized to prioritize speed over safety. Unlike traditional delivery services where customers understand there may be a lapse in time between an online order and delivery, customers of Ultrafast Grocers are promised as close to instant delivery as possible.⁴ The members of the Board are extraordinarily concerned that when delivery workers race to meet these targets, and with battery-powered bikes reaching speeds of 28 mph,⁵ collisions are likely to occur with potentially fatal consequences. Our district's streets are already densely populated with pedestrians, private and commercial vehicles, and outdoor seating, creating an extremely hazardous environment for any individual motivated by punctuality.

MCB4 commends the Councils' passage of recent legislation to improve working conditions and quality of life for food delivery workers, including the requirement that delivery workers be allowed to use restaurant bathrooms and guaranteeing minimum per-trip payments. MCB4 requests that the Council now go a step further to address food delivery worker and pedestrian safety in the Ultrafast Grocer sector by:

- Prohibiting Ultrafast Grocers from paying or distributing cash or other incentives for delivery workers to meet timed delivery targets, or from penalizing delivery workers who do not meet such targets;
- Mandating Ultrafast Grocers provide safety trainings and equipment to delivery workers, such as helmets and reflective vests;
- Proscribing delivery workers from making deliveries at speeds in excess of 20 mph; and
- Mandating that all bike parking be inside the premises.
- Mandating Ultrafast Grocers treat delivery workers as full-time employees in order to provide insurance and afford their workers health benefits if accidents do occur.⁶
- Mandating a Fire Safety plan which includes the safe storage and charging of e-bike batteries.

⁴ Compare https://www.freshdirect.com/help/delivery_info_express.jsp (identifying "express delivery" as "two-hour delivery") with https://apps.apple.com/us/app/getir-groceries-in-minutes/id995280265 (promoting Getir as "fast delivery within 8-12 minutes").

⁵ https://www.theverge.com/22667600/delivery-workers-seamless-uber-relay-new-york-electric-bikes-apps

⁶ MCB4 commends Doordash for already implementing these policies, which should serve as indication to the Council that such measures are both reasonable and attainable. However, MCB4 continues to have reservations about Ultrafast Grocers in our district, including Doordash's Dashmart, for the other reasons described in this letter.

Second, Ultrafast Grocers have occupied commercial real estate to operate "dark stores," where "in-person shopping [is] prohibited" and which function as "small fulfillment warehouses." We are first concerned about the dark store effect on pedestrian safety, since many such stores in our district do not have unobstructed window frontage and lighting commensurate with a retail operation. Likewise, dark stores degrade the character and quality of our neighborhoods, which function best with foot-traffic generating storefronts and commercial spaces. MCB4 supports Councilwoman Gale Brewer's efforts to enforce current zoning laws, and demand that Ultrafast Grocers move their dark stores to areas zoned for warehouses. We further request that legislation:

- Mandate unobstructed street frontage windows and lighting commensurate with retail operations to help keep sidewalks safe for pedestrians and free of conflicts with delivery bike entries/exits.
- Mandate that all stores allow for pick-up by customers who so chose.

Finally, MCB4 recognizes the obvious—Ultrafast Grocers have the potential to destroy our local bodegas. Corner bodegas are the lifeblood of the city, a "major part of what defines a neighborhood's character," and a critical lifeline to many during the pandemic. MCB4 supports our district's bodegas, which are being challenged by this new industry selling identical products at deeply discounted prices. The members of our board request that, at minimum, the Council direct the NYC Department of Small Business (SBS) to support bodegas in developing e-commerce, online marketing, and delivery capacities. We note that some Ultrafast Grocers offer partnerships with bodegas within their delivery radius for such services; these programs should be regulated so that the fees charged bodegas are capped.

Thank you for your consideration of this matter affecting the safety of pedestrians in our district and elsewhere in our city.

Sincerely,

Jeffrey LeFrancois

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Chair

Manhattan Community Board 4

⁷ See https://thehill.com/changing-america/sustainability/infrastructure/584994-how-dark-stores-are-taking-over-american

⁸ https://ny.curbed.com/2019/10/23/20925428/nyc-bodega-corner-store-design

⁹ See https://www.nytimes.com/2020/04/09/nyregion/bodegas-coronavirus-nyc.html

¹⁰ See https://www.nytimes.com/2021/11/09/nyregion/online-grocery-delivery-nyc.html

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Cc: Hon. Gale Brewer, New York City Council

Hon. Erik Bottcher, New York City Council Hon. Eric Adams, New York City Mayor

Kevin D. Kim, Commissioner, NYC Department of Small Business Services

Bodega Small Business Group