CITY OF CLEVELAND
Mayor Justin M. Bibb

Good Food Retailer Certification & Tax Credit

Health, Human Services, & the Arts Committee

October 19th, 2026

Grocery Landscape

- **Our Reality:**
  - *Cleveland has suffered the loss of **several** grocery stores in recent history, leaving residents without consistent access to fresh, nutritious food.*
  - *Grocers continue to struggle to serve our communities.*

- **The Opportunity**
  - *We can better support grocers to retain jobs, sustain food access, and promote both economic development and public health.*

Good Food Retailer Certification

- Food retailers must:
  - *Demonstrate financial need.*
  - *Meet criteria, including:*
    - Selling a minimum percentage of fresh, nutritious food
    - Accepting SNAP and WIC
    - Hiring Cleveland residents
    - Providing wages above the applicable minimum wage
    - Implementing environmentally sustainable practices, including, but not limited to, water conservation and energy efficiency measures
    - Donating excess edible food to local food pantries, meal programs, or mutual aid organizations or other organizations
    - Obtaining food or other products from growers or producers in Ohio
- Recommendations will be presented to Council *before* certification.

Job Retention Income Tax Credit

Purpose: Preserve existing grocery stores, retain local jobs, and protect neighborhood access to fresh food.

Eligibility: Available exclusively to certified Good Food Retailers that demonstrate financial need.

Incentive: Income tax credit up to 100% based on municipal income taxes generated by retained employees.

Term: Up to 2 years, subject to an individual agreement and Council approval.

Accountability: Annual reporting, continued certification, and compliance with job retention requirements.

Council Oversight: Each tax credit requires separate legislative authorization.

Fiscal Impact: Actual amount can't be determined until applications are reviewed and approved by Council. Rough *estimate* is between $500,000 and $1,000,000 annually.

Good Food Retailer Certification Process

1 Application

Grocer applies to Public Health with all necessary documentation to evaluate eligibility and financial need.

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2 Review

Public Health and Development review the eligible grocers and prepare recommendations for Council approval.

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3 Tax Credit Agreement

Development drafts tax credit agreement with recommended tax credit percentage, term, and retention requirements.

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4 Council Approval

Public Health and Development present recommendations to Council, including ordinances for each tax credit authorization.

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5 Compliance

Grocer submits ongoing reports to maintain certification throughout the two-year period.

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6 Expiration

Good Food Retailer Certifications expire following a two-year term. Grocers may reapply for certification.

Illustrative Tax Credit Calculation

Grocer's annual payroll	Cleveland income tax (2.5%)	100% tax credit	Two-year credit value
$250,000	**$6,250**	**$6,250**	**$12,500**

Illustrative only. Credit percentage and term require individual agreement and Council approval; actual eligible withholding may vary.

Future of the Program

- Build out Good Food Retail Fund.
  - This foundation will allow us to fundraise to provide a source of capital for grocers in need of equipment, renovations, and operating support.
- Expand the program to enhance our ability to *attract* good food retailers.
- Explore alternative food retail models.

Thank you!