ANCHORING WEALTH CREATION, INNOVATION AND SUSTAINABILITY IN LOCAL FOOD ECONOMIES
FY 2010

The re-visioning and reorganizing of local food infrastructure is now at a crossroads in Ohio. Large purchasers, from mass market grocers to institutional buyers, are poised to have significant economic impacts in the state. Opportunities for fresh pack, fresh cut, frozen and thermally-processed products produced with specialty crop and other locally raised ingredients are more likely to grow with "Farm to School" initiatives. Specialty crop growers could access wholesale markets interested in sourcing local if aggregation hubs for packing and micro-processing were regionally available at affordable rates. To reach wider and more lucrative markets, small producers need local food infrastructure and new partnerships with regional economic development organizations to promote public and private investment. Main activities accomplished under this grant include listening sessions to obtain input from farmers, local food entrepreneurs and support organizations from the northeastern, central, northwestern, western and southeastern regions of the state; case studies of best practices for processing, aggregation, marketing and distribution; creation of a website for the assessment and Tool Kit design; and detailed information on planning and creating kitchen incubator facilities for value added processing.

FINAL REPORT

ANCHORING WEALTH CREATION, INNOVATION AND SUSTAINABILITY IN LOCAL FOOD ECONOMIES

Contacts:
Lori Panda
Senior Program Manager
OHIO PROUD Program
Ohio Department of Agriculture
614-466-8798
www.ohioproud.org
panda@agri.ohio.gov

Leslie Schaller
ACEnet
740-592-3854 ext 115
leslies@acenetworks.org

Outline of the Issue Statement

The re-visioning and reorganizing of local food infrastructure is now at a crossroads in Ohio. Larger purchasers, from mass market grocers to institutional buyers, are poised to have significant economic impacts for Ohio. Opportunities for fresh pack, fresh cut, frozen and thermally-processed products produced with specialty crop and other locally raised ingredients are more likely to grow with "Farm to School" initiatives. Specialty crop growers could access wholesale markets interested in sourcing local if aggregation hubs for packing and micro-processing were regionally available at affordable rates. To reach wider and more lucrative markets, small producers need local food infrastructure and new partnerships with regional economic development organizations to promote public and private investment.

Project Approach to Address Issue

The original project was planned for an 18 month timeline. This timeline became compressed in the summer of 2011 with an earlier project end date of August 31, 2011. The majority of the strategies and implementation phases were completed. The scope of work comprised the following and with the following outcomes:

1. Smaller, sub-regional listening sessions where in-depth input is provided, drawing upon expertise within the sub-state quadrant.
   - Listening sessions and infrastructure presentations were held in Yellow Springs, Dayton, Cleveland, Ohio City, Millersburg, Wooster, Archbold and Marietta.
   - The session and presentations drew farmers, local food entrepreneurs and support organizations from the Northeastern, central, northwestern, western and southeastern region of the state.
   - A database was collected of participants and various initiatives taking place in the various regions were cataloged.

2. Targeted "best practices" convenings among Local food "Think Tank" members and new and emerging food system initiatives in the selected case study regions.
   - Five case studies were collected of best practices for processing, aggregation, marketing and distribution – primarily in the northeastern and southeastern regions of the state.
   - Six short videos were created and hosted on Youtube, Northeast Ohio Food Web and the Ohiofoodshed websites as supplementary case studies.
   - 4 assessment documents were completed in Northeastern Ohio during the project timelines – also posted on the various website portals.
   - A southeastern Ohio Local Food Value Chain powerpoint presentation and webinar was developed and has been presented across the state at other conferences

3. Budgeted contract fees to connect with national consultants during the assessment design and evaluation process.
   - ACEnet provide financial match for two consultants to assist with assessments in Northeast Ohio: Michael Shuman and Brad Masi.

4. Ongoing peer learning and expertise gathering will be collected through a PAD infrastructure website for the assessment and Tool Kit design.
   - The tool kit is in the final stages of editing and will be posted on the following websites: acenetworks.org, ohiofoodshed.org, neofoodweb.org, cannetworks.org and ruralaction.org
   - The toolkit will be available for anyone to download.
   - ACEnet will continue to update and disseminate the toolkit for application at the national level.

5. Collation of an extensive state and national database of existing value chain initiatives relating to PAD infrastructure.
   - The database has been started and ACEnet staff member Jennifer Harvey will have copies to share for any interested parties. The data will continue to be update, as ACEnet continues to work at the statewide level on local food infrastructure issues.

Contribution of Public and Private Partners

The primary ACEnet partner on the project have been peer assessment team for the Northeast Ohio Local Food Assessment. ACEnet continues to work with Brad Masi, Michael Shuman, and staff leaders of the following organizations on infrastructure projects in Cleveland, Ohio City and Youngstown: Common Wealth Inc., Ohio City Incorporated, the Gund Foundation, the New Agrarian Center, the Ohio Employee Ownership Center and the OSU Market Ready team.

Contracts from some of the funders provided ACEnet match for the project implementation and website development for www.neofoodweb.org. The neofoodweb site was modeled on the southeast Ohio foodshed portal, but is a vast improvement for the implementation of an assessment process.

Results and Lesson Learned

The following work plan results were accomplished:

A. Design an assessment process that assist stakeholders within local food economies to assess the infrastructure assets and opportunities to process, distribute, aggregate, store, and market local fresh and processed food products.

Activity

At the beginning of the timeline in September ACEnet staff met with OFPAC task forces: Market Connections and Food System Assessment to identify resources, studies and expertise on PAD to begin data collection of regional initiatives and organizational partners
Project managers coordinate calendar and plan, select communication systems for work plan implementation --- Northeastern and Southeastern Ohio were set as the first regions to focus on: facility assessments were completed for Ohio City and Youngstown during the grant timeline
Hold 5 sub-state quadrant listening sessions on infrastructure needs from community stakeholders and regional experts in:
A. Northwest Ohio – this session was held on April 2, 2011 with 74 in attendance
B. Northeast Ohio – 3 sessions were held in Cleveland in March, May and November 2010 – over 110 unique attendees participated in at least 1 or more sessions
C. North Central Ohio – 1 session was held in Millersburg in Dec 2010 (12 attendees) and 1 in Wooster in August 2010 (21 attendees)
D. Southwest Ohio --- 2 session occurred in Yellow Springs and Dayton in October 2010 (37 attendees)
E. Southeast Ohio – 1 session in Marietta occurred in April 2011 (31 attendees)
ACEnet and partners develop methodology and stakeholder input process for PAD assessment tool ---draft assessment documents which can be found on neofoodweb.org and ohiofoodshed.org. Various surveys are available by request.
ACEnet staff have presented assessment process at conference or other gathering in the various regions—other locations include: Piketon, Columbus, Youngstown and Wilmington Ohio

B. Complete and extensive literature review and identify, recruit and convene a "Think Tank" of state and national PAD experts to provide input during design phase and evaluation of the assessment system.

Activity
ACEnet completed a literature review of successful PAD infrastructure models and created a bibliography
ACEnet completed research from national kitchen incubator facilities and programs (6 facilities that focus on local food systems that will be included in the tool kit document
ACEnet Identified and worked with potential national experts for minimum contract services for input and assessments: Brad Masi, Ken Meter and Michael Shuman
ACEnet designed 4 surveys each focusing on processing, aggregation and distribution
ACEnet distribute surveys and collate results with project partners in Cleveland, Oberlin and Youngstown for Northeast Ohio Assessment and three facility feasibility studies.

C. Test-run the assessment system to produce feasibility plans within in two regions in Ohio.

Activity
Listening sessions were held in most regions of the state and 1 assessment was completed in Northeast Ohio.
ACEnet and ODA staff had one initial regional partner meeting to review project work plan,

roles & feasibility assessment assumptions
Project implementers test-run assessment process through 5 stakeholder convenings in each sub-region
Draft case studies & feasibility assessment documents, videos were completed and made available online. For the most detail see www.neofoodweb.org
Present case studies to OFPAC task forces for evaluation – this did not happen since the Food Policy Council was disbanded in January 2011, but we have continued to share project strategies with other partners.

D. Design a Tool Kit that could be utilized by other communities re-localizing PAD infrastructure.

Activity
ACEnet staff has collated assessment process and case study documents-transform into Tool Kit
The case studies provide excerpt "community of practice" models
The draft of national and state database is still being updated and will continue on an on-going basis.

GOAL 2

A. Presentations on the assessment, case studies and the PAD infrastructure tool kit will be delivered at over 4 conferences and ODA Roundtables across the state and at a minimum of 2 national conferences within the project timeline.

Activity
ACEnet staff presented and had a booth on the assessment process at OEFFA conference in February 2011
Presentation on NEO assessment occurred at Cleveland State in November 2010
ODA Local Food Roundtable – Assessment process presentation did not occur during the project timeline, but could be held in the future.

B. Utilize web technology, social networking site and webinars for tool kit and case study dissemination.

Activity
Development of web and social networking sites for input, peer learning and assessment process, case study and Tool Kit evaluation--ohiofoodshed.org and neofoodweb.org are the best online repositories of information.
Project partners developed power points for webinars and videos the southeast Ohio Value Chain and the Northeast Ohio Assessment process.
A final tool kit collating all the documentation is being edited and made available online at the various partners websites and social media sites

Current or Future Benefits

We believe that documentation and assessment tools can continue to be updated and useful for projects across the state. The NEO Assessment has already received quite a bit of attention and has been referenced by Senator Sherrod Brown in his announcement:

> "U.S. Sen. Sherrod Brown (D-OH) and Congresswoman Chellie Pingree (D-ME) introduced legislation today to support family farms, expand farming businesses, create rural jobs, and invest in local and regional food economies. *The Local Farms, Food, and Jobs Act* is a comprehensive package of reforms that would help Ohio farmers and ranchers by addressing production, aggregation, marketing and distribution needs."

Project partners will also continue use the strategies and tools created to work with other infrastructure initiatives across the state. Currently ACEnet staff are implementing additional feasibility assessments and facility projects in Mansfield, Ohio City and Youngstown. We will continue provide presentation and webinar content on the development of processing, marketing, aggregation and distribution initiatives in the various regions of Ohio.

Recommendations for Future Research

ACEnet project staff believe that on-going research on policy and funding issues as it pertains to rebuilding local food economy infrastructure is critical. Experts on value chains and food incubators could also benefit from working more closely together. The rebuilding of infrastructure also need the support of both private and public investment, so additional work on community capital models, such as the Slow Money movement should be further investigated.

Description of the Project Beneficiaries

The project beneficiaries at the various sessions, planning gatherings and presentations primarily included farmers, local food producers and support organizations. Other participants included: elected officials, restaurant chefs, grocery store and institutional buyers, Community College and University staff, extension staff, regional planners, economic development professionals, Main Street program staff and retailers and various farm organizational staff and members.

The number in attendance at each session was highlighted in the Activity A section according to each region.

Additional Information

Output from the project: websites, assessment documents, powerpoints, webinars, videos and other tools can be found at a few of the various links below. All information can be made available on request.

- www.neofoodweb.org
- www.ohiofoodshed.org (check out online communities)
- http://www.youtube.com/watch?v=suLxLZsmTvk
- http://www.neofoodweb.org/sites/default/files/resources/the25shift-foodlocalizationintheNEOregion.pdf
- Example of southeastern Ohio video case study - http://www.youtube.com/watch?v=1lATAi5bKdE&feature=player_embedded
- Example of Noutheastern Ohio case study - http://www.youtube.com/watch?v=rpcwYgFv7SQ&feature=player_embedded

Contact Person for third party delivery of project

Leslie Schaller
ACEnet
94 Columbus Road
Athens Ohio 45701
740-592-3854 ext 115
leslies@acenetworks.org

Anchoring Wealth Creation, Innovation and Sustainability in Local Food Economies

Local Food Facility Assessments

ACEnet
growing our regional economy

Leslie Schaller, Larry Fisher & Brad Masi

Anchoring Wealth Creation, Innovation and Sustainability in Local Food Economies

The re-visioning and reorganizing of local food infrastructure is now at a crossroads in Ohio. Larger purchasers, from mass market grocers to institutional buyers, are poised to have significant economic impacts for Ohio. Opportunities for fresh pack, fresh cut, frozen and thermally-processed products produced with specialty crop and other locally raised ingredients are more likely to grow with "Farm to School" initiatives. Specialty crop growers could access wholesale markets interested in sourcing local if aggregation hubs for packing and micro-processing were regionally available at affordable rates. To reach wider and more lucrative markets, small producers need local food infrastructure and new partnerships with regional economic development organizations to promote public and private investment.

This publication outlines various options local food advocates can implement to complete an assessment process. Throughout the narrative we have included Ohio and Central Appalachia sub-regional case examples to assist rural and urban communities to develop processing, aggregation and distribution (PAD) infrastructure for value-added agriculture.

The assessment process will focus on regional prioritization, networked technical assistance and be customized to the agricultural and entrepreneurial profile of the regions prepared to amplify the economic impacts of local food economies.

> *"Ohio is uniquely positioned to benefit from the development of local food systems. The state has 16 metropolitan regions, many of which are located on or surrounded by prime and unique farmland. This has presented challenges to maintaining the agricultural land base, but also presents a tremendous opportunity for increasing direct markets for agricultural products, reducing negative environmental impacts of long distance transportation, and increasing the economic and job creation benefits of local food systems."*
>
> **Ohio Food Policy Advisory Council: Bringing Everyone to the Table, August 2009**

Opportunity

The local food movement is now on the radar of state, regional and federal policy makers—no longer a blip but a significant seismic shift---as all actors in the local food chain are re-visioning and reorganizing the way food is produced, sourced, processed, distributed, marketed and consumed. In this changing climate, Ohio has been well ahead of the curve, with a strong foundation of sub-regions engaging diverse stakeholder networks to re-localize their food and farm economies.

From a consumer perspective the *locavore movement*, once dismissed as a bi-coastal fad for hardcore foodies and environmentalists, is now at home in the heart of Ohio. Local food policy councils are sprouting up across Ohio advocating for on the ground change within their communities. Slow Food chapters promote local food products and culinary tourism, making market connections between rural producers and urban consumers. Established producer organizations, such as the Ohio Ecological Food and Farm Association and the Innovative Farmers of Ohio, advocate on behalf of their members for the ascendancy of local food systems at the state and federal level. ***Our Ohio*** supported by the Ohio Farm Bureau produces a television show, magazine and website telling the stories of the local food economies and capturing the imaginations of statewide

consumers. The recently relaunched Ohio Proud program serves over 476 members connecting local food producers to markets and promoting the awareness of Ohio's agricultural base.

In this environment more and more Ohio farmers are experiencing a growing demand for organic and sustainably raised specialty crops, as well as value-added products processed at the peak of the season. Farmers markets and other farm gate direct marketing mechanisms are proliferating from innovative ecommerce ordering systems, to new models of agritourism. Ohio has numerous models of direct marketing success.

Driven by consumer demand for local food, wholesale and institutional buyers are more inclined to source local when feasible supply channels and systems can be designed. Traditional market partners can become responsible players in a local food supply chain if mutual interests can be overlapped to satisfy the growing customer demand for locally-produced foods. Many market partnerships are shifting focus to anticipate the changing customer taste for fresh, local and seasonal. According to recent research by USDA-AMS economists, consumer demand for locally grown foods is predicted to reach $7 billion by 2012.[1] How can Ohio farmers and food processors of local ingredients meet the demand? How will regions in Ohio meet the economic development challenge of harnessing investment and technical assistance provision to ensure local food economies can prosper?

Ohio is one of the most urbanized states in the country, yet retains over half its land base in agricultural uses (Clark, Sharp, Irwin & Libby, 2003). Seventy-three (73%) of all urban land cover in Ohio is located within 5 miles of a highway (Reece & Irwin, 2002). This, combined with growing interest in local foods, presents unique marketing opportunities. Since market systems are rarely defined by state boundaries, it is also significant that Ohio is conveniently located to North America's most lucrative and diverse food markets. Ohio's rich agricultural heritage and diverse regional agriculture enables specialty crop producers and value-adders to take advantage of new niche markets for local, fresh and micro-processed produce.

To meet these emerging market opportunities farm and food enterprise development is happening in even the smallest rural communities. Yet often these fledging projects lack much needed economic development support or resource provision to enable local food producers' access to more profitable markets and distribution channels. The proposed project will focus on Ohio's place-based assets and foundation in local food systems to amplify wealth creation through new enterprise and infrastructure development, focusing on bridging the marketing gap for small producers through processing and distribution innovation, all grounded in sustainable agriculture.

Marketing Barriers

Small producers have limited access to or bargaining power with the traditional supply chains: terminal markets, large scale producer cooperatives, processors and packers, national distributors, state or federal government procurement programs. The Ohio Food Policy Advisory Council has charged two task forces to address barriers for the improvement of local food economies: the Market Connections and the Food System Assessment task forces have both identified expertise and suggested recommendations to tackle market barriers.

[1] USDA-AMS: http://www.ers.usda.gov/Publications/ERR128/ERR128.pdf

What are the barriers to mid-tier markets for Ohio farmers and how do they sustainably scale their operations to meet opportunities that shifting wholesale and institutional buying trends present? There are still currently many obstacles---scarce capital for expansion, limited knowledge about how to reach, supply and meet the food safety needs of wholesale buyers, lack of micro-processing infrastructure, underfunded Extension and business assistance programs---to name just a few. But within this environment the barrier most vocalized as a concern by Ohio specialty crop and livestock producers is the lack of facilities and their operational specialization for processing, aggregation and distribution infrastructure in the state. In many cases, private enterprises either lack the capital or mindset of innovation to serve new market patterns. Larger processors are either unwilling or lack the capacity to provide with smaller producers desire to value-add specialty crops.

Publicly-held, shared-use facilities are few and far between. Only two shared-use facilities currently serve farmers value-adding or processors processing local foods with Ohio grown ingredients. Currently three non-profit food processing facilities provide technical assistance and processing facilities for farmers and Ohio food producers to value-add Ohio specialty crops. The facilities include: The Appalachian Center for Economic Networks—Food Ventures Center (ACEnet-FVC) serving food and farm entrepreneurs across the state and the Northern Ohio Cooperative Kitchen (NOCK) in northwestern Ohio serving their agricultural tenants and local food entrepreneurs in the northern tier of Ohio.

Over the past several decades, agriculture has been increasingly marginalized among economic development agencies in rural America. During that same period, rural economic development strategies have largely become explicitly *non-rural* – auto parts manufacturing, telecommunications centers, big box outlets, broad band infrastructure – thereby ignoring critical assets such as farms and agricultural resources. Community based strategies have focused on recruitment and attraction rather than focusing on the agricultural assets and the recession-proof reality of local food consumption. With the recent surge in public interest in local foods, and the twenty year track record for organic foods, the food and agriculture sector has the potential to revitalize rural economies, improve public health, and contribute to ecological restoration and global carbon balance. Elected official and civic leaders need to view successful models that could scale in their communities to garner political support, leverage private investment and flex policy to overcome barriers or create incentives.

Timely Need

Obviously a rebuilding of local food system infrastructure is now at a crucial crossroads in Ohio and likewise across the United States. Larger purchasers, from mass market grocers to institutional buyers, are poised to have significant economic impacts for Ohio producers as they develop new marketing approaches to fill the demand. But critical barriers remain for small producers to access these new market opportunities. Ohio producers have pioneered market partnerships with restaurants and grocers based more on relationship of trust and less on market systems and logistics.

Market watchers foresee local food as a strong trend. How will Ohio farmers, scale and innovate their operations to meet the needs of conventional market partners experiencing demand for local foods? To reach wider and more lucrative markets, local food producers need local food infrastructure and new partnerships with regional economic development organizations to promote

access to public and private investment. Opportunities for fresh pack, fresh cut, frozen and thermally-processed products produced with specialty crop and other locally raised ingredients are more likely to grow with "Farm to School" initiatives. Specialty crop growers will be able to reach wholesale markets interested in sourcing local with aggregation hubs for packing and micro-processing.

It is also important to identify gaps in information and propose a means for collecting that information. Dr. Jill Clark, a member of the Food System Assessment Task Force, developed resources to guide the Council in identifying processing and distribution gaps for smaller producers. It is clear from this analysis that there are many opportunities for Ohio producers and demonstrates the opportunity for Ohio farmers to diversify and fill the gaps in production, and the opportunity for Ohio distributors and retailers to be the connection between producers and consumers in the state.[2] Dr. Clark's analysis found that overall, slightly less than half of all Ohio consumption could come from local sources if Ohio farmers continued with current lines of production.

To meet these emerging market opportunities farm and food enterprise development are occurring in even the smallest rural communities, but lack economic development support or resource provision for the necessary infrastructure to enable local producers access to more profitable markets and innovative distribution channels. For many local farm and food entrepreneurs trying to fit their practices and systems into the regional supply chain is like trying to put a square peg into a round hole. This is equally true for rural family farmers and organic producers attempting to reach metro markets or urban farmers going to scale in city cores.

Market Need for Local Food Infrastructure

Ohio is particularly poised to connect farmers to the growing demand from *locavore* consumers-consumers that favor locally grown food where they know the farmers that produced it. The Ohio Food Policy Council has developed a number of recommendations to policy makers and elected officials to re-examine food supply chains.

Expanded local food infrastructure can immediately accelerate the development of Ohio's food economy. Local food infrastructure, as defined in this study, includes production capacities, skills, market access, and facilities and capital to support aggregation, distribution, and processing.

First and foremost, local food infrastructure investments are necessary to support a strong base of farmers. Since the 1980's, an aging farm population, has lost both the labor and innovation of the next generation through outmigration. In many cases family farm operators encourage their children to seek other career paths. It often makes more sense to sell their farms to suburban developers due to a lack of technical or capital support enabling them to reinvent a farm viability model.

Identifying appropriate infrastructure and distribution systems for this emerging sub-sector of farmers can be daunting given the diversity of their enterprise characteristics. Ohio contains a diverse eco-system of farm operators. Small and mid-size farm operators range significantly from types of agricultural production, acreage in cultivation, years in operation, and the locations of their farm (urban, suburban, or rural). But a few commonalities distinguish farmers serving local markets:

[2] (Webb and Clark, 2009).

a) rural and urban farmers use organic, sustainable, or environmentally friendly production and livestock management practices;
b) they produce for stratified and diversified markets: direct sales, farmers market, restaurants, niche wholesale, and secondary markets; and
c) they incorporate diversified production practices, innovative technologies, and promote their operations within a values-based food supply chain that favors health and environmental stewardship.

Many small and mid-sized farmers are now interested in scaling their operations to access wholesale markets. Without affordable warehousing, packing and processing infrastructure many barriers exist for Ohio farmers to meet the market opportunities that shifting wholesale and institutional buying trends present.

Small farmers and food producers have limited access to or bargaining power with traditional supply chains. Terminal markets, large-scale producer cooperatives, processors and packers, national distributors, and state or federal government procurement programs do not have the capital or logistics in place to accommodate small producers even as new markets become apparent. The recent SWOT (Strength, Weakness Opportunities and Threats) analysis conducted during the Northeast Ohio Food Assessment[3] in 2010 illustrates that farmers and other local food advocates view processing and distribution resources as inadequate in the region and a deterrent to business growth.

The infrastructure and training obstacles---scarce capital for expansion, limited knowledge about how to reach, supply and meet the food safety needs of wholesale buyers, underfunded Cooperative Extension and business assistance programs, uneasiness with transition or risk---significantly slow the opportunity for economic growth in re-localized food economies. In this environment public and private partnerships can be harnessed to design facilities customized for processing, aggregation, and distribution operations within local food value chains.

One important public-private partnership includes emergency food relief and community stakeholders working to grow opportunities for low-income residents in the local food economy. In emergency food relief, a number of opportunities exist to connect secondary foods or un-harvested foods from local farmers to distribution in the Cleveland Foodbank system, whether donated or purchased. With 1 in 7 Ohioans facing hunger[4] it is useful to incorporate emergency food relief into larger food localization plans. Over the past year many urban municipalities are looking for strategies, especially the food hub concept, to create economic impacts and increase food security. The challenge will be to address immediate hunger needs while establishing the infrastructure that can lead to self-reliance for food-aid recipients, some of whom might become urban farmers, food entrepreneurs, or workers growing the local food system.

As traditional supports, including the Supplemental Commodity Food Program, become more tenuous, there will be pressure to identify new avenues for emergency food relief and addressing

[3] *Northeast Ohio Local Food System Assessment and Plan:* **THE 25% SHIFT: The Benefits of Food Localization for Northeast Ohio & How to Realize Them** began the assessment process with a SWOT analysis. Additional information can be found at www.neofoodweb.org

[4] "With nearly one in seven Ohio families lacking reliable access to food, U.S. Sen. Sherrod Brown (D-OH) joined 18 senators on a letter to U.S. Department of Agriculture (USDA) Secretary Tom Vilsack urging him to distribute existing funding to purchase additional Emergency Food Assistance Program (TEFAP) foods for distribution to food banks in Ohio and across America." http://brown.senate.gov/newsroom/press_releases/release/?id=BD8396D2-404D-4F0C-9A86-0C46266F28C7

food security in Northeast Ohio. In the greater Cleveland area there are opportunities to identify ways of bridging potential downstream supply short-falls through more direct regional partnerships between farmers, food-related businesses, food bank agencies, and other non-profits organizations. The challenge lies in both meeting immediate emergency food relief distribution needs while addressing long-term food security by creating opportunities for self-reliance and economic opportunity for vulnerable families and individuals.

The Economic Potential of Regional Food Systems

Fundamental to the development of local food systems are the economic benefits that can come from increased localization of the food supply. According to a study commissioned by the Cleveland Foundation in 2010, the 25% localization in Northeast Ohio's food supply has the potential of generating 27,000 new jobs, $4.5 billion of additional economic output, and $127 million of increased tax revenue for local and state governments. While the economic benefits are notable and should be pursued, efforts should be made to bridge economic development of the local food system with food security and emergency food relief. This approach of combining food security issues with entrepreneurship and economic development is similarly reflected in new initiatives promoted by the US Department of Agriculture. The USDA has been working on developing integrated "healthy food hubs" that combine processing, aggregation, and distribution that addresses food security in an entrepreneurship context.

The economic potential of regional food systems arises first, from building the value chains themselves and secondly, from the innovative and ancillary enterprise opportunities that emerge to support each of the three links of the chain. This increased economic activity derives from better prices for farmers and food producers, jobs and increased revenue from new and expanded support businesses and increased economic base in rural and urban communities. As mentioned earlier, Ohio is poised to assist small producers rebuild a local food systems value chain. As we examine the three primary links in the chain: supply and production, processing, aggregation & distribution, and markets channels, project implementation strategies will focus on strengthening the middle link. A brief summary of the assets as they currently exist and the necessary enterprises needed for each leg follows.

Ohio has demonstrated considerable asset development of the supply and marketing links of the local food systems value chain. We need to strengthen the processing, aggregation and distribution link. In sum, the broad demand for locally produced healthy foods of all kinds provides the impetus for an integrated farm and food sector, with multiple enterprises involved in the production, processing and distribution of foods, and the wide range of private and public ownership structures needed to support this system.

Nationally, there has been a significant increase in the past decade of consumers seeking locally grown foods. This is evidenced in Ohio by a dramatic increase in the number of farmers' market, Community-Supported Agriculture subscription programs, farm-to-college institutional purchasing, and restaurants seeking locally grown foods over the past 10 years.

The motivations for participation in local food systems include:

a) the development of a more resilient small business climate grounded in a relatively "recession-proof" sector that focuses on place-based assets, sector clusters and entrepreneurship incubation;
b) utilize local ownership, microenterprise and a food district redevelopment tools for job creation targeting low and moderate income residents;
c) the public health benefits of connecting low-income populations with sources of healthy, locally grown fruits and vegetables in rural and urban "food desert" communities that lack access to healthy foods;
d) the economic benefits of reducing costs of transportation and food processing that sends consumer dollars outside of the state;
e) concerns about environmental sustainability and reducing the energy and transportation inputs into the current food system;
f) utilizing vacant or foreclosed properties in cities to support community gardens or market gardens that increase local food supplies in cities while contributing to beautification and quality of life; and
g) building stronger social and economic ties between rural farmers and urban residents.

To meet this growing customer demand Ohio local food advocates have encouraged the growth of urban farming, shifted policy to favor local food economy development and established new non-profit partnerships to energize economic growth for the production, processing, distribution and marketing of local foods. Fundamental to the development of local food systems are the economic benefits that can come from increased localization of the food supply. According to a study ACEnet recently contributed to **THE 25% SHIFT: The Benefits of Food Localization for Northeast Ohio & How to Realize Them** in 2010, a 25% localization in Northeast Ohio's food supply has the potential of generating 27,000 new jobs, $4.5 billion of additional economic output, and $127 million of increased tax revenue for local and state governments.[5] So local food is now be viewed as a viable economic development strategy throughout Ohio.

The regional agricultural diversity, ethnic food traditions and independently owned food establishments all contribute to the opportunity to more explicitly foster a climate for entrepreneurship development. **Community Food Incubators** provide shared-use facilities that bring together all the actors in a values-based local food supply chain: farmers, community gardeners, food producers, processors, aggregators, distributors, marketers, and *locavore* consumers to leverage wealth creation and job opportunities. If Ohio farmers can join with local food entrepreneurs or even become processing entrepreneurs, they can co-create new models of supply chains with locally grown food. This can leverage the significant buying power, about $3.4 billion in Cuyahoga County alone, of local consumers, grocery stores, institutional food services, and restaurants to provide a reliable supply of local product. Potentially, a significant share of household food expenditures could be converted from conventional to local foods, whether families have their meals at home or at a local restaurant.

[5] *Northeast Ohio Local Food System Assessment and Plan:* **THE 25% SHIFT: The Benefits of Food Localization for Northeast Ohio & How to Realize Them** made possible through the generous support of the Cleveland Foundation.

Definition of Kitchen or Local Food Incubation

Kitchen Incubators are an example of facilities that focus on providing services to groups of entrepreneurs in a specific cluster. Other cluster-focused incubators work with arts businesses or artisans, technology businesses, or wood products businesses. They usually provide shared equipment, offices or work spaces, storage, and access to technical assistance related to that cluster. These services mean that an entrepreneur will not have to invest scarce start-up dollars in equipment or real estate but can use those funds for working capital and more rapid expansion. Kitchen Incubator initiatives have the most impact on community economies when they combine low-cost access to equipment with three other key services: identifying needs of entrepreneurs and working with others in the community to create new services to meet those needs, building networks among entrepreneurs so they begin to collaborate to gain economies of scale; and, providing innovation services and market access so that entrepreneurs generate substantial sales and profits.

A shared-use licensed kitchen can extend and add value to agricultural production. However, the viability of a licensed facility for agricultural value-adding will need to be augmented by other production usages throughout all four seasons. Most kitchen incubator models are best defined as local food incubators which may have permanent tenants throughout the year providing consistent and anchored income for the sustainability of the facility. Greater sustainability for models that are designed to accommodate other types of production beyond packing, fresh-cutting, blast freezing, vacuum sealing, dehydrating or thermal processing of in-season produce. Agricultural producers are most likely to be users of a licensed facility from late spring through December. A neighborhood facility that includes other types of tenants and usages: bakery, foodservice and catering, food preparation and dry packaging can augment rental income throughout the year. Other food entrepreneurs as tenants will also often purchase fresh ingredients from area farmers.

Ohio Emerging Models of Local Food Incubation

To meet these emerging opportunities, farm and food enterprise developers are cobbling together local food infrastructure in urban neighborhoods and small rural communities with little connection to national models and local or state economic development support. The report recommends three emerging strategies for local food infrastructure design.

Incubator for Community Food Enterprises (CFE)

Although many kitchen incubators have had limited success in amplifying local food consumption and marketing, a number of lessons learned from this industry could support the next generation of community food incubators. A CFE Incubator should target start-up food and farm entrepreneurs, transitioning home-based operations and expanding food processors and producers. Facilities should be situated in low wealth urban neighborhoods or rural communities to jump start local food entrepreneurship and provide new and underserved farmers with access to processing technologies. Facilities could range in size from 3,000 to 30,000 square feet depending on prospective tenants

operations, proximity to market partners and revenue generation opportunities. CFE Incubators should be licensable for food manufacturing, foodservice, food handing and aggregation; dedicated space for processing, packaging, mixed-use operations and warehousing; highways access, ingress/egress turn radius for trucks, ample parking and 2 to 3 docks for shipping and receiving; equipment for Food and Drug Administration (FDA) processing, Ohio Department of Agriculture (ODA) meat license, Good Agricultural Practices (GAP,) Good Manufacturing Practices (GMP) and Hazardous Analysis and Critical Control (HACCP) processes.

Local Food Value Chain Hub

The USDA defines a local food hub as ""a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products." Community based local food hubs could address the distribution gaps within low wealth communities and provide small and mid-size farmers with the ability to expand aggregation and distribution capacity for direct, restaurant and wholesale markets. Underserved rural farmers, urban farmers, urban market growers, farmer and producer cooperatives, value chain market-producer partnerships and marketing cooperative would be targeted as prospective anchor tenants and users of this facility model. Local food value hubs could vary in size from 20,000 to 100,000 square feet depending on market demand for fresh, fresh packed, fresh cut, frozen and processed agricultural products. Food Value Chain Hubs should be licensable for food manufacturing, food handing and aggregation; dedicated space for processing, packaging, dedicated fresh cut room and warehousing capacity at least 3 times the production space. Depending on operational uses there should be ample capacity for walk-in coolers and freezers; highways access, accessible ingress-egress with good turn radius for semis and tractor trailers, ample parking for tenant employees and 4 to 6 docks for dedicated shipping and receiving.

Shared-Use Facility Collaborations

Traditional market and distribution partners can become responsible actors in a local food value chain if mutual interests can overlap, thus satisfying customer demand for locally-produced foods. This model would explore the legal and governance structures necessary for local food and farm entrepreneurs to access private or publicly held commercial processing and distribution facilities. The model would leverage through partnerships small producers access to existing commercial facilities or develop new leasing/co-packing services with privately held enterprises. This might include commercial processors willing to co-pack, regional distributors, groceries with central warehouses, food terminals and public markets. The model would also investigate the legal, insurance and financial structures needed for public food facilities (such as schools, food banks, meals on wheels kitchen, etc.) to be adapted or expanded for the shared-use needs of food and farm entrepreneurs.

Users or sub-leasees would need to extensive training and orientation to utilize facilities. Targeted users and tenants could include food and farm entrepreneurs interested in using co-packers, low & moderate income entrepreneurs unable to previously meet co-pack minimum runs, local food brand marketing groups and producer cooperatives needing aggregation and distribution warehousing. Neighborhood-base facilities such as churches and public food programs might vary in size from 5,000 to 10,000 square feet. Larger public or private facilities such as terminal markets, private central warehouses and food banks might range in size to utilize 10,000 to 50,000 square feet. Licensing and regulatory requirements of the facilities would need to match the operational uses of the prospective shared-use tenants or leases.

Common Wealth: Youngstown Local Food Hub

Common Wealth Inc. has assumed the lead organizational role implementing a project to reorganize local food systems and design appropriately scaled infrastructure to meet the needs of urban and rural food and farm entrepreneurs. Common Wealth Inc., as an established community-based catalyst has been weaving a network of stakeholders to create systemic change within Youngstown's food economy for many years. To resettle the local food economy and create new food value chains, Common Wealth staff facilitates a diverse team of stakeholders in the health, public housing, transportation, faith, banking, education, agriculture, microenterprise, economic development and public policy fields.

In May 2009, Common Wealth purchased a two story facility on Elm Street to develop much needed centralized retail, processing and training in the north side neighborhood. The second floor of the facility has 6 market rate rental apartments. The ground floor which has previously been a neighborhood restaurant will be redesigned over the next 6-18 months to house a licensed food preparation and FDA approved local food incubator. The facility is centrally located in the neighborhood making it pedestrian friendly or easily accessible by public transportation. The facility is two blocks North of the Youngstown State University campus and within one block of university dormitories and a recently developed apartment complex. This expansion of Youngstown State University also increases the proximity of off-campus housing to the site, which will support a wider customer base increasing the viability of the retail component.

The regional agricultural diversity, ethnic food traditions and independently owned food establishments all contribute to the opportunity to more explicitly foster a climate for entrepreneurship development. The **Youngstown Local Food Hub and Entrepreneurship Program** will bring together all the actors in a values-based local food supply chain: farmers, community gardeners, food producers, processors, aggregators, distributors, marketers, and *locavore* consumers to leverage wealth creation and job opportunities. The **Youngstown Local Food Hub** will target a regional service area including Northeast Ohio rural, metroplitan and micropolitan regions as the facility's service area. Presumably, the facility will pull tenants from the Mahoning Valley region and western Pennsylvania.

The **Youngstown Local Food Hub** facilty and entrepreneurship program *creates a facility for low and moderate income entrepreneurs by providing flexible and affordable space licensed for retail, foodservice, FDA and ODA licensable food enterprsies.* Incubators can compete with commercial real estate options based on the limited size of the space, below market introductory rates,and the synergy that occurs with co-location of tenants. Ideally the facility will serve entrepreneurs with the greatest unmet needs. Throughout the research process, partners and prospective clients felt the incubator should focus on economically disadvantaged entrepreneurs and youth entrepreneurs operating the informal economy. The incubator facility could also attract retired or semi-retired residents interested in creating supplemental income as entrepreneurs.

The Northen Ohio Cooperative Kitchen and the Center for Innovative Food Technologies
The **Center for Innovative Food Technologies (CIFT)** was formed in 1995 to serve small and start-up companies. CIFT developed the **Northen Ohio Cooperative Kitchen** (NOCK) shared-use facility to provide affordable incubation for food and farm enterprises to develop agricultural value-added products into commercially viable food products. The commercial kitchen facility combines business and technical assistance with production equipment to bridge the gap between recipe and reality. NOCK allows northwest Ohio entrepreneurs access to educational assistance, network with other entrepreneurs and utilize production and equipment capacity.

In conjunction with the Northwest Ohio Cooperative Kitchen (NOCK), CIFT provides product development guidelines, resources and marketing direction to entrepreneurs involved in the production of value-added food products. Technical capabilities, including nutritional analysis and self-life stability testing, ensure that the products are produced safely and properly. CIFT hosts numerous educational programs at the NOCK facility that show participants how to establish a commercially viable food business. Our food technology center also helps food-based entrepreneurs with regulatory compliance involving local health departments and the Ohio Department of Agriculture. NOCK and CIFT staff train on packaging options, sourcing of ingredients and labeling offer a portfolio of knowledge to start up enterprises.

CIFT has a state-of-the-art freezer located at the NOCK, along with a blanching/freezing process, which helps explore new ways and benefits for freezing produce. This allows for testing of the process variations associated with different crops. The information is then provided to growers to assist with crop selection, as well as potential buyers searching for locally-produced product in the off season. The cryogenic freezer uses liquid nitrogen as a medium to "flash freeze" product. A temperature as low as 50 below zero is achieved in a very short time which enables product nutrients (and other desired characteristics) to be captured immediately. This service is especially helpful for growers 1) with excess product at the end of the season, 2) wishing to grow more product for new clients, and 3) interested in expanding current crop selection.

To prime the pump for innovative product development and ensure an incubator tenant pipeline, CIFT hosts food contests to encourage local food entrepreneurs ready to take that next step – actual product development. Past awards have been given in different parts of Ohio to advise start-up and expansion food enterprises with product/process development, shelf stability testing, labeling review, regulatory assistance, and batch product preparations for sampling.

Local Food Infrastructure Feasibility Action Steps

Nationally, we are on the cusp of reorganizing food production, processing and distribution infrastructure for additional job creation and to ensure local food value chain opportunity to compete, Cleveland and Northeast Ohio is well positioned to take their local food foundations to the next stage. Some of the development considerations to take into consideration during the planning and implementation phase include:

1. **Infrastructure must be customized to the local context of the food value chain: production, entrepreneurship identity, supply logistics, market partners and consumer pull.** Ohio is comprised of metropolitan, micro-politan, suburban and rural areas. Processing, aggregation and distribution facilities must be designed to meet the asset-base in the community or neighborhood. A uniformly designed facility concept will not work for all locations. What works in metropolitan Cleveland will not necessary work in a rural county environment, but it is crucial to develop linkages between urban tenants and rural agricultural producers, as well as urban farmers. Facilities should be designed with market opportunities in mind—a facility with producer-tenants selling to primarily direct markets needs a different footprint than a facility with producers selling to primarily wholesale and institutional buyers.

2. **Engage and empower the targeted community and stakeholders.** Do not expect "*to build it and they will come".* Rigorous surveying and community asset assessments should be performed at the outset of feasibility planning. Development partners need to identify the entrepreneurial sparkplugs and the public champions at the first phase of concept design. Development partners should host numerous outreach sessions throughout the development process to garner support, gather input and adjust planning assumptions based on prospective tenant feedback. Public partners and funders should be engaged in all phases of development to ground truth the architectural design, startup and operational pro formas. For instance it is important to have the local and state inspectors at the design table with the architect and prospective tenants.

3. **Support clusters, sectors and network formation.** Investment in one large centralized facility will not be enough to re-localize Ohio's regional food economy. A diversified and distributed network of local food infrastructure will render the anticipated results. Sub-regions should identify specific market clusters and distribution channels for focused infrastructure development. Existing local food infrastructure from private meat processing to county/regionally operated food banks should be inventoried and surveyed to outline the nascent local food network throughout the 16 counties. Some of this work has been completed by other public partners and should be incorporated in a network map of the 16 counties.

4. **Embrace partnerships for innovation, cooperation, interdependency and adaption.** Local food system champions need to enlist traditional economic development and institutional partners from health providers to educators to build infrastructure momentum and set the stage for capital investment. Existing infrastructure in industrial parks, spec building, mixed use incubators, hospitals, schools, food banks and other public or private facilities could be adapted either short-term or permanently to meet producers' needs for processing, aggregation and distribution. As the local food network nodes are mapped a parallel process that foster a climate of cooperation needs to be initiated.

5. **Leverage public policy, leadership development and triple bottom line sustainability**. The Food Policy Coalition and regional Councils have already pulled many of the partners to the table for leadership development. Formation of an explicit council that would connect all the various groups and stakeholders in a community with a multi-county approach is strongly suggested. Other regional groups such as the Ag-Bio Cluster Leadership Council are weaving producers and resource providers together into implementation networks and could assist with the networking of food and farm entrepreneurs to various infrastructure projects. This work needs amplification and financial support to ensure interconnectivity and prevent resource competition or duplication. Resources for capital, technical assistance and collaboration support are scarce and must be effectively nurtured in a climate of collaboration. Cleveland and Northeast Ohio are a good exemplar of increased political, social and financial capital laying the groundwork for the formation of more cohesive network and clear sub-regional infrastructure strategies.

Case Examples: Ohio City Analysis of Market Opportunities for PAD

In short, the local food movement is here to stay and likely to intensify. Cleveland and specifically Ohio City is well positioned to play the lead role in developing a "super local" food district. Initiatives implemented by Ohio City Incorporated like the Fresh Food Collaborative and the Market District Redevelopment demonstrate the momentum for local food as an economic catalyst. But significant barriers abound, and the region will only be able to realize the full array of benefits it if undertakes the significant private, public, and civic initiatives to rebuild the necessary local food infrastructure to kick-start sustainable local food enterprises.

To meet these emerging market opportunities farm and food enterprise development is occurring in new ways scaled to urban neighborhoods and rural regions. But in big cities or small towns, local food stakeholders often lack economic development support or resource provision for the necessary infrastructure that enables local producers' access to profitable markets and innovative distribution channels. For many urban farm and food entrepreneurs trying to fit their practices and systems into the regional supply chain is like trying to put a square peg into a round hole. This is equally true for rural family farmers and organic producers within the 16 county region attempting to reach metro markets or urban farmers going to scale in city cores. The **Ohio City Community Food Incubator** feasibility analysis hopes to identify the assets and opportunities to create the much needed infrastructure within an Ohio City food district that can have positive impacts throughout the region.

The **Ohio City Community Food Incubator** feasibility analysis was sponsored by the Ohio City Incorporated and spearheaded by the Community Kitchen and Incubator Project (CKIP) group comprised of committed food business, non-profit, and other professionals and community members that have been working on the development of a community kitchen and incubator for the greater Cleveland area. The partnering organizations have provided preliminary input to feasibility consultant, Leslie Schaller from the Appalachian Center for Economic Networks. Consultants will review all feasibility study results and deliverables with the local food partners at the conclusion of the study and provide a copy of the study results and deliverables to the CKIP group. Recognizing that the urban agriculture network in greater Cleveland is complex and evolving, Neighborhood Progress Incorporated (NPI) will serve as a liaison to the project to ensure that the feasibility study and consultation services provided by ACEnet are foremost responsive to the needs and capacity of Cleveland's growers, sellers and consumers. NPI continues to play a critical role in raising awareness and funding to support the areas local food economy.

The county officially has 483,876 parcels of vacant land. Disinvestment also led to many other businesses being shut down, including grocery stores. According to the Cuyahoga County Planning Commission, residents in Cleveland's urban core now must travel 4.5 times further distance to reach a full-service grocer than a fast food establishment. The loss of grocery stores and other healthy food outlets has left remaining residents vulnerable to significant increases in obesity, diabetes, heart disease, and other diet-related ailments. The solution to the problems of vacant land and food deserts was community gardens. Much of the local-food activity within Cuyahoga County, and certainly the most-publicized parts of it, have focused on urban farming.

The first wave established many new community gardens. According to the Cleveland Memory Project at Cleveland State University, extensive school-based gardens actually could be found at almost every public school until the 1970s. A few continued, such as five-acre Ben Franklin community garden in Brooklyn neighborhood, but most disappeared due to shrinking school budgets. In the 1970s the City launched its Summer Sprout program, which helped 4,000 residents maintain more than 210 gardens. The program explicitly forbade, however, any produce grown in the gardens to be sold. Instead, the emphasis was on grassroots engagement, neighborhood empowerment, and household nutrition.

A second wave came in 2005, when vacant lots began to be seen as economic opportunities. City Fresh and OSU Extension developed an urban-market-garden training program with a "business planning" component. Because the City Land Bank was not yet committed to market gardening and the Summer Sprout program continued to restrict sales, urban market gardeners focused on securing their own land. They leased land from private owners, obtained access to common land, or used their own properties. These urban gardeners tended to be business-minded entrepreneurs or social-service or non-profit agencies interested in connecting gardening with their social service missions. Many of these urban farmers linked up to support City Fresh, farmers markets, and local restaurants.

A third wave emerged in 2009 as more institutions and organizations saw the opportunities for more ambitious urban farming operations. The urban gardening movement is now growing rapidly, with 50 new gardens appearing in 2009 alone. That year an estimated $2.6-3.0 million worth of fresh fruits and vegetables were grown on 56 acres – about 2% of vacant land in the county. Seeing the multiple connections between urban farming and other issues – economic development, public health, community empowerment, biological diversity, productive green space, and storm water retention – many other groups have joined the local-food movement, including OSU Extension, ParkWorks, Neighborhood Progress, Inc, and the Kent State University Urban Design Collaborative. Farms are being developed with all kinds of innovative social service programs, including community mental health treatment, drug and alcohol addiction recovery, youth entrepreneurship, nutritional education, and preventative health care.

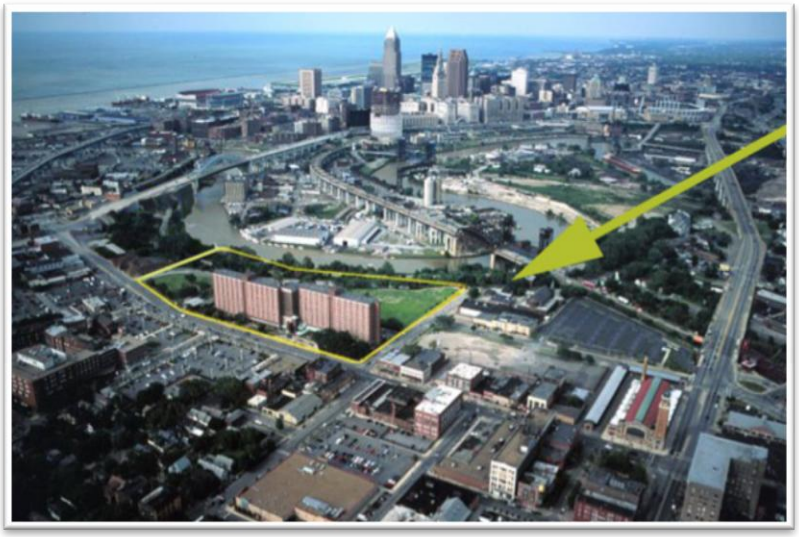
According to ***Ohio's Food Systems –Farms At The Heart Of It All***[6] a recent study by Ken Meter, "It also helps that City Council member Joe Cimperman, who represents inner-city neighborhoods on the near East and West sides, was supportive. As a former member of the planning commission and current chair of the Health and Human Services Committee, Cimperman understood both the neighborhood needs and the broader picture of land use in the city." Cleveland has greatly benefited from champions of local food who serve as agency leaders and elected officials. A sustainability summit held in 2009 attracted 800 attendees and numerous working groups emerged to tackle various issues around local food economy development. The Meter study highlights that

[6] http://www.crcworks.org/ohfood.pdf

this level of community engagement has "prompted a very sophisticated planning process in Cleveland, one that recognizes the need for both urban gardens that provide food for the gardeners, their friends and family, and urban farms that sell food commercially."[7]

In early 2010 the Ohio City Fresh Food Collaborative (OCFFC) converted six acres of land on the west side of Cleveland into an urban farm now surrounded by local food restaurants, the West Side Market, and the Great Lakes Brewery. It's now inviting other urban farmers to use their land and developing plans for an incubator kitchen, a large-scale composting operation, and a distribution program at the West Side Market.

Meter's study goes on to identify "the Ohio City Farm, located on a tract of land on the west side of the Cuyahoga River. The neighborhood development firm, the Ohio City Incorporated, led an effort to establish this farm on the site of a former housing project, Riverview Terrace, which was razed in 1999. The land was deemed too unstable for new construction. OCNW brought in the nonprofits Neighborhood Progress Inc. and The Refugee Response as partners. Two local food businesses, Ohio City Pasta, a pasta company, and the Great Lakes Brewing Company, a brewery and restaurant, agreed to recycle waste food into compost for the farm, so fertility could be created right on the site. These businesses will also buy food produced on the farm. The partners asked Cuyahoga Metropolitan Housing Authority to support the effort. CMHA unanimously endorsed the farm in June of 2010. Program manager Graham Veysey says his goal is to make Ohio City a food hub for the region."[8]



Ohio City Incorporated and Neighborhood Progress Inc. have established a strong partnership to support the emerging food business district in Ohio City. Neighborhood Progress Inc. (NPI) has over twenty years experience as a community development funding intermediary in Cleveland as is a respected leader in local and regional initiatives including access to local food, vacant land reuse and sustainable economic development. With NPI serving as a local liaison, project partners and consultants will gain valuable access to local, regional and national funding sources, local and regional economic development resources and grass roots agriculture and community development networks.

Most recently, a partnership between the USDA, the City of Cleveland, the Ohio Department of Agriculture, and Ohio State University Extension, and the Burten, Bell, Carr Community Development

[7] **Ohio's Food Systems –Farms At The Heart Of It All:** Ken Meter, Crossroads Resource Center, March 30, 2011, http://www.crcworks.org/ohfood.pdf

[8] **Ohio's Food Systems –Farms At The Heart Of It All:** Ken Meter, Crossroads Resource Center, March 30, 2011,

Corporation has formed to invest $1.6 million into the development of a Cleveland Urban Agriculture Incubator project. This project will begin with six acres of cultivation on land-bank properties in the Central/Kinsman neighborhood. This project includes a Beginning Entrepreneurs in Agricultural Networks (BEAN) program which will parcel out 20 market garden sites to 35 beginning urban farmers. OSU will manage a ½ acre demonstration and research garden as a part of this project.

The Cuyahoga County Board of Developmental Disabilities (CCBDD) established its first urban farm at the Stanard School site, on the east side of Cleveland, providing its disabled clients with employment. Green City Growers, part of the Evergreen Cooperative in University Circle, is developing 4.6 acres of hydroponic greenhouses that will provide year-round employment opportunities for 35-40 local residents.

Finally, new businesses are also appearing to provide support services for urban agriculture. Tunnel-Vision Hoops, for example, is a for-profit partnership among three urban growers who are selling and installing locally assembled greenhouse kits to expand the growing season for urban farms.

Although many local food initiatives are currently in play, the Ohio City Fresh Food Collaborative has positioned Ohio City as the densest, emerging food business district in Cuyahoga County. The Ohio City Fresh Food Collaborative is an initiative designed to solidify Ohio City as the hub of Cleveland's complete regional food system. The projects of the Collaborative will help to grow Cleveland's local food economy and provide access to healthy food for Cleveland's underserved communities by developing a cluster of urban farm plots that support entrepreneurs and workforce development, a hub for food production businesses, increased opportunities for value-added products and educating the community about a complete food system inherent in the historic West Side Market and catalyzing the Ohio City Market District. The Collaborative is composed of several initiatives including the Ohio City Farm, Ohio City Farmstand, Community Food Incubator, increased local food integration at West Side Market and an educational curriculum that tells the story of Ohio City and regional traditions in agricultural from growing food, to creating artisan products, to selling the food and products to the public.

Accompanying the rise of urban farming has been the proliferation of local food restaurants and markets. One of the early pioneers in Cleveland was Parker Bosley, owner of the former Parker's Bistro (now Light Bistro) in Ohio City. Bosley established the Bistro in the mid 1980's and bought much of his food directly from small growers in nearby rural counties. About 25 independently-owned restaurants now feature locally grown ingredients as a major part of their menu, including Fire in Shaker Square, the Greenhouse tavern and Crop Bistro in downtown Cleveland, Bar Cento, and the Flying Fig. The Great Lakes Brewery operates a restaurant and micro-brewery, buys its beer ingredients from local farms, operates its own Pint Size Farm in the Cuyahoga Valley, and has recently invested in the six-acre Ohio City Fresh Food Collaborative. A number of local farms also use spent grains from Great Lakes to feed livestock or re-furbish soils. A handful of businesses, including Local Crop and Fresh Fork, have formed in the past two years to help deliver local food to restaurants.

Without a doubt, the crown remains the The **Ohio City Market District**, anchored by the *West Side Market*. Since 2009, over $32 million in planned and completed investment in the **Ohio City Market District** will grow and strengthen food retail, production and distribution enterprises catalyzing further business reinvestment and historic preservation in the neighborhood. The *Growing Communities Initiative*, funded by Charter One, provided an initial investment of $130,000 is supporting programs designed to incubate businesses, improve neighborhood connections, provide nutritional access and strengthen the food economy place-based assets. Announced in the summer of 2010, Ohio City Incorporated was selected as one of nine neighborhood organizations included as a Strategic Investment Initiative (SII) by Neighborhood Progress, Inc. This designation focuses targeted development and investment to promote sustainability, stabilization and collaboration.

"Ohio City's Market District is home to a re-emerging merchant class of artisans including farmers, brewers, bakers, butchers, artists, chefs, retailers, neighborhood service providers, barkeeps and more. Over the past two decades this group has created hundreds of jobs and revitalized the Ohio City community, and Ohio City Incorporated looks to build on this economic

Regional markets are also recommitting to local. The Coit Road Market in East Cleveland is the oldest standing farmers market in Cleveland, operating for almost 80 years as a producer-only farmers market that operates year-round. The North Union Farmers market was established in 1995 in Shaker Square and has since grown to become one of the largest farmers markets in Northeast Ohio with more than 40 vendors showing up each week year-round. The North Union Farmers market has since evolved into an association that manages seven farmers markets in Cuyahoga County. Recent funding through the Center for Farmland Policy Innovation has strengthen the network ties between downtown and the Westside farmers markets: For 30 years the Mustard Seed Natural Food Market in Solon, a suburb south of Cleveland, has been procuring organic and local produce from local farms and picking up produce directly from farmers, many of them Amish, with its own truck.

The region has also seen exponential growth in direct-marketing initiatives. Farmers markets in Cuyahoga County have expanded from three in the 1990s to more than 20 today, and they are increasingly used by urban farmers as points of sale. City Fresh was founded in 2005 to improve food access in "food desert neighborhoods." An initiative of the New Agrarian Center in Oberlin along with twelve local agencies and businesses, City Fresh sets neighborhood-run distribution and nutrition-education centers called "Fresh Stops." To make the local food more affordable, wealthier shareholders

effectively subsidize low-income shareholders. FarmShare is another for-profit initiative that connects local farms with employees of larger companies, including Forest City. About 25 independent CSA programs exist in the Northeast Ohio region, with several farmers organizing drop-off points in Cleveland neighborhoods.

Local food has increasingly appeared in city-sponsored public-health programs. Beginning in 2004, the City of Cleveland organized Steps to a Healthier Cleveland, a broad-based campaign to improve nutrition and healthy lifestyles through neighborhood-based assessment, outreach, and education. Community gardens and City Fresh were among several initiatives supported by the Steps program. The Corner Store initiative at Case Western Reserve University is working to get healthier and locally grown food options into corner stores. The Cuyahoga County Board of Health also launched programs to establish community gardens and healthy food options.

Pulling all the policy initiatives together now (including with the commissioning of the Northeast Ohio Assessment) is the **Cleveland-Cuyahoga County Food Policy Coalition (CCC-FPC)**, formed in 2007 through collaboration among the Cleveland Department of Public Health, OSU Extension, the New Agrarian Center, and Case Western Reserve University. Funded initially by the Cleveland Steps program through the City of Cleveland, the CCC-FPC has focused primarily on food-access issues, working groups on health and nutrition, community food assessments, urban land use policy, waste re-utilization, and local purchasing. The CCC-FPC has worked with city and county government to develop several landmark policies to support local food systems, including a zoning category for urban gardens and farms, legislation that expands opportunities for urban chicken raising and bee keeping, and a local purchasing policy for county and municipal agencies.

Assessing the Role of Small Business Services & Educational Partners

The days of one career and one employer are no longer realistic for individuals in today's economic landscape. Individuals, institutions and government are all being driven to become more entrepreneurial as we devise a 'smart economy' for the 21st century. Educational institutions in Northeast Ohio must play a key role in developing a culture of entrepreneurship in communities as the traditional manufacturing base experiences transition.

Educational programs and approaches are changing to meet the needs of aspiring entrepreneurs. A recent report by the **Kauffman Foundation** on ***Entrepreneurship in American Higher Education*** identifies that "entrepreneurship is a dominant force in contemporary America. It generates ongoing innovation and improvement of our goods, services, and institutions. It makes them more efficient, affordable, and, thus, effective. Entrepreneurship enhances the quality of our collective and individual lives. It changes the way we work, the way we communicate, the way we live."[9]

More and more community colleges are formulating programs and curricula to meet the needs for traditional and non-traditional students to succeed as entrepreneurs. Young people are more culturally programmed to envision the benefits of self-employment. In many urban and rural communities creating your own job or a patchwork of self-employment is the only solution to avoid out-migration. The Kauffman Foundation report identifies "Entrepreneurship is one of the fastest

[9] **Kauffman Panel on Entrepreneurship Curriculum in Higher Education:** http://www.kauffman.org/entrepreneurship/entrepreneurship-curriculum-in-higher-education.aspx

growing subjects in today's undergraduate curricula. In the past three decades, formal programs in entrepreneurship have more than quadrupled, from 104 in 1975 to more than 500 in 2006."[10]

Colleges and Universities

The Northeast Ohio region should also involve in local-food education its rich endowment of higher learning institutions, including several nationally-ranked liberal arts colleges and private universities, two state universities, and several community colleges. Oberlin College has had a long-standing commitment to local food systems education through its Environmental Studies Program, which offers a number of courses and research studies focused on local food systems. The college also partners with the George Jones Farm to support summer internships and an entrepreneurial training initiative for beginning farmers and recent college graduates. Case Western Reserve University recently opened its Squire Valeevue farmstead. Cleveland State University organizes an on-campus farmers market and has directed graduate research through its urban affairs school to support local food systems research. The Agricultural Technical Institute of Ohio State University just announced the beginning of a sustainable agricultural degree program. All together, the colleges and universities in Northeast Ohio have the ability to deploy a fabulous mix of courses, research projects, and partnerships to support the 25% shift. Better still, food specialists at each institution should develop a complementary regional agenda of research, partnerships, and learning farms.

Vocational Education and Workforce Development

Existing vocational schools and cooperative extension programs need to support education of new farmers and food entrepreneurs. They should incorporate into their curricula practicing farmers who impart hands-on learning. Several recent initiatives in Cleveland provide direct vocational training on working urban farms that can serve as models. The Cuyahoga County Board of Developmental Disabilities is developing a network of urban farms in Cleveland and Cuyahoga County and training their clients in basic methods of organic crop production. The Ohio City Fresh Food Collaborative sits on a vacant property owned by the Cuyahoga Metropolitan Housing Authority, just north of the west side market. At six acres, the site is the largest urban farm in Northeast Ohio and provides training and entrepreneurial opportunities for CMHA residents, as well as for refugees who recently re-located to Cleveland. The Agricultural Technical Institute, Cuyahoga Community College and Lorain County Community College are in the beginning stages of developing degree programs in local food systems and agriculture. Other community colleges and extension programs also should develop more formal certification or degree programs in sustainable agriculture, culinary arts, and local food business development.

Entrepreneurship

Entrepreneurial assistance is different from traditional business technical assistance in that it emphasizes the ability to continually identify and serve new and shifting market opportunities. Educational institutions and organizations that provide technical assistance to entrepreneurs need new approaches to reach underserved and start-up businesses. Recruiting entrepreneurs to participate in networks which are action-oriented can encourage entrepreneurs to participate in training programs that assist them to develop skills in marketing, product innovation and branding.

To be competitive entrepreneurs need a set of skills to develop innovative products and services that are on trend and meet the needs of changing markets and demographics. For small businesses, staying ahead of the market, generating a continual stream of new products that lead the market,

[10] http://www.kauffman.org/entrepreneurship/entrepreneurship-curriculum-in-higher-education.aspx

and then working with influential customers so these products innovations are evaluated can assist rural entrepreneurs to compete at a regional level. Educational institutions can assist entrepreneurs by creating training programs that emphasize innovation and build regional and diverse network connections to resources. Training programs coupled with network development provide entrepreneurs with the ability to collaborate with peer businesses to reduce expenses and increase reach to markets they would have ability to do alone.

Additional microenterprise and small business organizational partners, such as the Cleveland SBA office, JumpStart, WECO and the Ag-Bio Industry Cluster should also be cultivated as entrepreneurial support partners. Many of the organizations currently have programs that would serve food and farm entrepreneurs. New programs that develop targeted training delivery and more industry specific technical assistance could be developed over time.

Cleveland Small Business Administration (SBA) District Office

Small Business Administration (SBA) programs and services applicable for incubator tenants are available through the Cleveland District Office. The SBA Cleveland District Office serves 28 counties in northern Ohio. In 2008 the district assisted more than 5,342 people through training, counseling and business-development programs and approved 1,312 loans, totaling $224 million.

Over the years, the SBA has developed many small business loan and assistance programs, special outreach efforts and initiatives to aid and inform small and microenterprises.

- Financial assistance for new or existing businesses through guaranteed loans made by area bank and non-bank lenders.
- Free counseling, advice and information on starting, better operating or expanding a small business through (SCORE) Counselors to America's Small Business.
- Assistance to businesses owned and controlled by socially and economically disadvantaged individuals through the Minority Enterprise Development Program.
- Women's Business Ownership Representatives are available to advise women business owners.
- Special loan programs are available for businesses involved in international trade. Additional information and answers to your questions can be obtained by calling our office at (216) 522-4180.
- Business counseling and information targeted to veterans about SBA guaranteed loans.

JumpStart

The JumpStart Entrepreneurial Network has developed over the past 7 years to provide entrepreneurship and access to capital services to In Northeast Ohio. The JumpStart Entrepreneurial Network is a collaborative network of Northeast Ohio entrepreneurial support organizations, all funded through the Ohio Third Frontier program. The JumpStart Entrepreneurial Network provides entrepreneurs with one easy point of entry – www.jumpstartnetwork.org – to connect with the right resources as they start their enterprises.

According to their mission, *"JumpStart's vision is to increase the economic impact and sustainability of Northeast Ohio's entrepreneurial ecosystem, while leveraging our experience and expertise to catalyze entrepreneurship nationally.*

- JumpStart's primary resource is intensive entrepreneurial assistance delivered by former successful entrepreneurs; JumpStart also selectively invests in the highest potential companies through one of its programs.
- JumpStart also works to develop other ecosystem elements the companies need to grow, such as advocating for additional capital and service resources beyond what JumpStart provides.
- In everything we do, JumpStart maintains a specific focus on economic inclusion and activities that increase the success of minority and women entrepreneurs in growing high impact companies."

WECO

The primary microenterprise program serving Northeast Ohio is WECO formed in 2002. the WECO Microenterprise Center has offered a variety of services to those looking to start or expand a small business in Cuyahoga County:

- Outreach to educate microentrepreneurs about WECO's programs
- Referrals to more extensive small business skill development and training programs offered by other community organizations
- Business plan development assistance through classroom training and individual coaching
- Loan packaging workshops to explain WECO's loan application process in detail
- Coaching on presentation of a business plan to the WECO Loan Committee
- Assessment of the entrepreneur's potential success and challenges
- Access to loans of $500 - $35,000
- Individualized technical assistance and support throughout the life of the loan
- Access to WECO's IDA and Financial Planning Programs

WECO Fund, Inc. is a provider of financial services and programs to low and moderate-income individuals and families and the companies, organizations, and institutions in which they are involved. The organization targets individuals who want to save money, reduce debt and build wealth. It also supports the ambitions of companies and organizations that want their employees, members, constituents, customers, clients or congregants to be financially stable.

WECO works in partnership with a significant number of banks and credit unions, non-profit organizations, business support organizations, government agencies, educational institutions, and major corporations to add value and linkages through our services and programs. Personal financial literacy education programs are offered in partnership with organizations to assist employees or community constituents build financial and individual assets. WECO could assist incubator tenants through business education courses geared to entrepreneurs looking to start or develop a business and potentially access a microloan from the WECO Microenterprise Center (WMC).

Ag-Bio Industry Cluster

The Ag-Bio Industry Cluster (ABIC) is a collaborative regional initiative facilitated by the Ohio State University Agriculture Research and Development Center (OARDC) in partnership with the Northeast Ohio Fund for Our Economic Future. The ABIC is focused on accelerating the development of new business opportunities in the regional food system, focusing on opportunities to a) enhance the region's agricultural resources and production capabilities, b) transform the agricultural production clusters from low-value commodity production to higher-value specialty crop and bio-product production, and c) accelerate the local food sourcing movement. Their goal is to organize agi-bio industry clusters aimed at supporting the expansion and development of inter-linked local businesses and farms focused on provision of local food and energy and distributed manufacturing.

The Ag-Bio Industry Cluster has focused its work on:

- A comprehensive inventory of agricultural resources in the region;
- A portfolio of business projects that can serve as examples to others;
- An on-line infrastructure to enable networking across the region;
- A region-wide leadership council; and
- A framework for conducting strategic planning around industry clusters.

The Ag-Bio Industry Cluster has identified over 250 business cases from across the region through a series of stakeholder sessions, held mostly at the county level across the 16 counties of Northeast Ohio. As a baseline, the business cases represent potential for a number of part-time and full-time jobs in Northeast Ohio. About 500 people have been involved in the stakeholder sessions, including a diverse mix of ethnic and socio-economic communities.

During the summer of 2011, the Ag-Bio Industry Cluster is moving into its next phase of development, identifying and supporting the development of 25 viable business cases and two models for sustainable business ecosystems. The business ecosystem development will include mapping, network development, and resource assessment to provide the long-term success of groups of related or complementary businesses. A major focus for the ABIC is the development of community investment portfolios to support business ecosystem development. Individual communities instead of a regional 501(c)3 will manage the investment portfolios to ensure more agile business development consistent with the rapid and consistent long-term growth, income, and job creation in the Ag Bioscience industry cluster.
Successful business incubator facilities thrive on a consistent pipeline of experts that can serve their entrepreneurs. An entrepreneurial services group should be formed in the first phase of project implementation to identify needs and resources of the prospective incubator tenants and clients. Community experts from area culinary arts programs, college and university food service staff, the area small business development centers, SCORE chapters, OSU Cooperative Extension, regional culinary arts program and other vocational/workforce training should be recruited to inventory existing services they might be available to provide to the incubator program or identify new collaborative services their educational and training organizations might be willing to collaborate on.

Northeast Ohio has proven leadership from OSU Cooperative Extension staff, Entrepreneurs for Sustainability and the Cleveland Cuyahoga Food Policy Coalition in nurturing a local food sector. Designing an entrepreneurial advisory group to identify other support providers and potential trainers is an important next step. The survey process demonstrated a larger response from start-ups and urban farmers, so significant enterprise development will need to occur to assist these new businesses, farmers and market vendors become viable incubator tenants.

Planning the Incubator Facility

Prospective Tenant Analysis

Following a thorough market opportunities scan, the project feasibility team must determine the types of new and existing food and farm entrepreneurs interested in accessing an incubator's facility and program services. Developing prospective tenant surveys to determine the types of prospective users is critical to understanding the layout, equipment selection and licensing needs for the facility. Holding a number of informational meetings about local food incubators to introduce the concept should be the first step. Setting a goal of 80 to 100 surveys depending on the community served is optimum. Regional technical assistance providers, such as small business counselors, culinary arts educators and regional cooperative extension staff, have been interviewed to justify the demand for technical assistance support for food and farm entrepreneurs.

Identifying a strong network of future producers for a planned facility is always difficult but the region has several strengths that make this project viable. Through the strong level of vendor commitment at the local farmers' markets, we are confident that there exists a strong base of potential clients / producers for a project facility. Area grocery stores currently carry a wide variety of local farm produce and the farmers' markets have great potential for providing value-added processors, bakers, and other specialty food businesses. Joint design sessions should be used to ascertain prospective tenants and their processing needs. The best way to identify food and farm enterprise needs is to take prospective tenants to other regional facilities, so they can visualize and question facility management on how the operations can benefit them. A top priority for moving this project forward would be gathering these and other stakeholders in the region to uncover the best existing or new organization that could provide the needed leadership.

A first phase facility should focus on foodservice and catering, value-added, flash frozen and minimally processed specialty products and bakery operations. Specialty products lines could include: jams, preserves, conserves, fruit butters, salsas, sauces, relishes, pickles, condiments, vinegars, and other products that celebrate the crops and heritage of the region. Opportunities for private labeling could be likely among these partners. Area restaurateurs and hospitality and retail businesses could all provide market outlets for private label collaboration with specialty food entrepreneurs. The strength of the regional brands and their established professional logos and marketing collaterals, could easily translate into specialty food product lines.

Initial Ohio City meetings and survey results have elicited over 50 prospective tenants. Although it is difficult to secure completed surveys it appears that there is ample interest by aspiring food entrepreneurs, home-based business owners and existing food enterprises. Based upon our own experience and ACEnet's work with other incubator projects, we believe a process that engages the area's restaurants, caterers, farmers' market vendors, home-based business, specialty crop growers and traditional farmers demonstrates demand for a facility needs to be developed once a site has been selected. In the food sector, many entrepreneurs are either operating in the informal economy

or are uncomfortable supplying information about their business. We suspect a similar hesitancy may exist with home-based food producers operating under the radar of food regulators. Numerous examples of survey tools exist for mixed use and kitchen incubators throughout the various stages of implementation. The preliminary surveys demonstrate satisfactory interest to move forward and design continued outreach method for prospective tenants and clients. Most of the surveys illustrate an interest in foodservice, food processing of bottled specialty products, dry mixes and bakery production.

With well-established market partners in the Ohio City Market District, and other foodservice, direct and wholesale markets, new specialty food processors and local farms will have a strong primary market for their products. The region is also supported by numerous farmers' markets that will provide the necessary market to begin the development and introduction of new food products. Demand for foodservice and specialty food product lines could provide the first phase of markets for fresh, fresh cut, preserved and thermally processed specialty foods for small growers. Area farmers markets, artisan retailers and festivals would provide ideal test markets for new and expanding farm and food entrepreneurs.

Location

One of the biggest decisions to be made is the location of the Community Food Incubator. Most projects begin with a building that needs a use, or a community that is looking for an economic development tool to serve a specific constituency. Finding the best location and facility site to house the incubator can be the most difficult planning decision to appease all the stakeholders.

Finding the best community location and optimal facility site to develop a local food incubator requires a thorough analysis of the facility operations, licenses, prospective tenants and market opportunities of the proposed development. Site selection is one of the critical first decisions, and sometimes the first risky decision stakeholders make when developing a Local Food Incubator is to tie their facility concept to an available property. Projects are typically spearheaded by constituencies in a specific neighborhood, community or the regional service area of an organization. Food incubator facilities are more likely to become financially feasible when a broad representation of local food stakeholders, are engaged in the project.

Many community food stakeholders championing infrastructure projects have limited experience in the food manufacturing industry. Oftentimes stakeholders have a facility in mind for re-adaptive use, that are publicly held and in need of restoration in a community. Donated properties, such a schools, churches and community centers are often under consideration as potential sites. Commercial properties such as these can often provide a good starting point if they have existing commercial kitchens and have been licensed for foodservice production. Although these structures may be repurposed for food incubation, sometimes the renovation expenses entail a higher project price tag then new construction.

Site Selection & Exterior Design of the Facility

As with all real estate development location is key—good highway access, public water and sewer and room for growth. The important feature for food facility is a location conducive to safe food handling -- ideally, a facility should be located away from any contamination source such as industrial waste, chemical plant, sewage treatment facility, salvage yard, livestock housing or pasture, or body

of water. Remediation of a brown-field site may work but should be thoroughly vetted by industry experts. Existing sites such as former schools, industrial manufacturing sites or retail building should be inspected by architects and food inspectors for any environmental hazards they might pose for food production.

With regard to site selection for new site for construction, the site should follow remediation, cleaning or environmental procedures. Water line, storm sewers and mechanical should be designed and located to allow for adequate runoff, water pressure, broadband availability and three phase electrical service. Where appropriate, paving should be used to minimize dust and the tracking in of possible contaminants. Understanding all the pertinent zoning and code requirements will assist in selecting the optimum site with regard to affordability. Depending on the location for both substantial improvement to an existing facility or new construction specific environmental review requirements may apply.

Driveways leading to receiving and shipping areas should be constructed for adequate drainage. Asphalt driveways should be avoided, as this material may, in fact, attract rodents. Exterior drains should be designed with catch baskets for debris, and hose stations should be provided to facilitate cleaning and maintenance of warehouse and kitchen equipment. Contracting with a professional food facility extermination service is important. When utilized bait stations and traps need to be monitored regularly. Working directly with your local and regional inspectors should assist in the site design and selection of service professionals.

Working with an architect to develop an appropriate landscaping plan will minimize the harboring of vermin, insects and other animals. Many facility planners suggest the planting trees and shrubs within a 3 to 6 feet distance to outer walls and using a gravel buffer between the building and landscaping to discourage rodents. Having policies for grounds and landscaping maintenance should minimize potential issues from vermin or insects. Daily maintenance of the surroundings and clear trash and recycling procedures are very important in the management of a shared-use facility. Maintaining separate dumpster areas sorted by materials, a pick-up schedule to match refuse material accumulation and enforceable policies to keep dock, trash and recycling areas uncluttered and free of refuse will reduce the likelihood of contamination or code violations.

Security is another variable to consider when choosing a site. A shared-sue facility will have multiple tenants and many facilities need to operate 24 hours/7 day or at a minimum have a late night swing shift for caterers and bakers. Strict key policies or the use of key pad systems can enhance the safety of tenants. Managers may also decide to invest in exterior and interior camera systems with the ability to review tapes or online monitoring options. Fencing, lighting, dock gates and other physical security systems need to be reviewed based on the site selection and hours of operation. A qualified lighting contractor should evaluate adequacy and location of exterior lighting for both security and sanitation reasons. Many outdoor lights can be an insect magnet; the location of these fixtures is of critical importance for preventing insects from entering the facility, especially in dock and raw material staging areas. Exterior and interior lighting fixtures should be shielded with a non-breakable, fixture covers.

Probably the most important factor in building selection is to renovate or construct a building that is easily cleanable inside and out. An exterior surface and paved areas that can be hosed down or power washed is optimum. Building materials used for exterior walls vary in their need for preventative maintenance for instance a poured concrete wall, or exterior dry-vit surface may initially

be more expensive, but will need less maintenance in the long run. Low-density concrete block should be avoided unless an adequate sealer is used to avoid moisture intrusion and penetration of mold and mildew. Concrete block walls should be sealed at the base and capped at the top. Corrugated metal siding is the least desirable material for wall construction in a food handling facility since it demand routine maintenance to make sure seams stay adequately caulked.

Preventive measures around the exterior, especially around the dock areas for shipping and receiving can be relatively simple and affordable in the long run. Installing flanging to foundations below grade level will discourage rodents from burrowing under the floor slab. Avoiding overhangs or ledges in construction will discourage roosting or nesting of birds. Ledges on an existing building can be modified to slope. Preventing the entry of rodents and insects into buildings can be accomplished by sealing all openings to the outside which are 1/4 inch or greater. The caulking and sealing of all joints has proven useful in preventing rodent entry. The vermin proofing aspects of the building needs to be regularly evaluated and maintained with your exterminator service.

Warehouse and receiving areas should be enclosed as much a possible without impeding materials flow. Enclosed receiving areas and rooms are less desirable to birds, rodents, and insects than a more open receiving area. Loading docks and platforms should be designed to minimize entry of pests. Ideally, loading docks should be at least 3 feet above ground with the underside lined with a smooth, galvanized metal or similar material with a 12 inch over-hang to prevent rodents from climbing into the building. Properly installed rapid open/close doors or air curtains can discourage birds and insects from entering.

One of the biggest challenges of readapting an existing structure is the roof construction. The roof should be designed and built so it can be kept clean, especially where there is the possibility of product spillage or deposition on the roof. The roof should be able to bear the weight of heating, ventilation and air conditioning units, as well as a specialized system for air exchange, hood systems and fire suppression systems. Food related dust can puddle on the surface and attract birds and insects. Smooth membrane type roofs are often the most desirable type for food processing facilities. Openings into the roof such as exhaust fans for air handling systems, ventilation ducts, and plumbing vent pipes must be sealed, and appropriately flashed and screened. Any openings into buildings, including doors, windows, ventilation ducts, and other openings must be appropriately sealed and protected. It is essential that the incubator developers work closely with their architect to cover all the specifications for food facilities.

Production Usage of Food Incubators

The design of the facility interior and exterior design is largely dependent on the types of commercial food operations tenants need to utilize in the facility. On-going prospective tenant surveying is critical to identify the operations, licensing needs and equipment. Determining the facility layout, equipment installation and warehousing needs will be greatly impacted by the number of tenants, the hours of operation, the volume of product and the regional demand for this type of facility. It is also advisable to delineate the primary types of operations to be used in the facility.

Understanding the different needs of foodservice and commercial food manufacturing is crucial to defining the layout and will impact the initial capital budget of the facility. For instance many urban food incubators focus on foodservice, catering, food preparation, bakery and retail food operations. Urban facilities will often cater to farmers and food entrepreneurs interested in value-adding fresh ingredients, food processing, frozen food manufacturing and distribution.

The difference between a restaurant kitchen and a commercial food incubator kitchen is significant. Shared-use kitchens in food incubators hold a variety of licenses for both food service and food manufacturing which are based on county, state and federal regulations. The volume of production can also be vastly different based on the number of tenant personnel and the volume of ingredients being utilized by any one tenant. Most facilities need to accommodate multiple tenants and their labor personnel in any given time period. Maximizing the shared-use footprint, production flow and an efficient use of equipment is part of the challenge in designing the kitchen layout. Many kitchens are set-up with multiple food preparation stations, modular preparation tables and quick connect equipment.

Optimally, the facility floor plan should take into consideration the primary types of ingredients utilized by tenants and the licensing orientation between foodservice and food manufacturing. The flow pattern of ingredients, as well as staff and modular equipment should be in one direction and flow through a logical sequence of receiving, handling, processing, packing, storing and distributing. The facility footprint should take into account all aspects of the materials and the required safe handling and licenses.

A shared-use facility with multiple tenants, multiple licenses and diverse set of operations occurring in the same time frame can be challenging. Whenever possible, facility design should have separate areas for raw and finished products. Some shared-use facilities have separate areas designated for wet and dry processing, ingredient staging/handling and storage areas. Physical separation can be accommodated by separate station areas, separate rooms or the installation of walls and doorways with anti-back tracking features.

Equipment Needs by Operational Areas

The equipment requirements are dependent on what types of food products will be prepared and in what volume. The difference between a shared-use kitchen and a restaurant kitchen is the volume of food processed at one time. A shared-use model dealing with large quantities of fresh produce will need a different lay-out from a facility focusing on food service tenants.

In most facilities the incubator kitchen layout will require five primary areas, each with its own space requirement based on tenant research, types of material flow, licenses and process flow. Each area will need to be sized and accordingly equipped for specific functions:

receiving/shipping/washing/sorting, warehousing and storage (dry and refrigerated), preparation, preparation and processing and packaging and distribution.

The flow of materials and personnel are determining factors in the layout of the floor plan and the appropriate size of the areas. Each area's work function should logically flow into the next along straight lines and with minimal backtracking. This logical flow is often modified by several factors: efficient use of space in an existing building, the safety of users, and the efficient use of utilities and equipment.

The preparation and processing areas of a facility can be designed in an L-shape, U-shape, or a face-to-face arrangement of equipment. Many facilities incorporate a variety of designs depending on space limitations.

Shipping, Receiving and Warehousing

Scales and transport equipment will be needed in the dock and receiving area. A dock plate, pallet jack and fork lift along with space to complete necessary paperwork. Space should be allotted for carts and racks to be stored. Minimum door size is 36" x 6' 8", but larger ones are recommended where space permits. This area may also function as the shipping point for sales and needs to be protected from the weather. Having an office or cubby area for paperwork is also a plus.

Bulk storage should be located between the receiving and preparation areas. After receiving produce, raw materials, packaged goods or prepared food, either dry or refrigerated, or frozen storage needs to accommodate the prospective usage. Can size and container shape are considerations when designing the shelving for a dry storage area. Shelving is available in 18" and 24" widths and varying heights. Air circulation is vital in the dry storage area, temperatures should range from 40 to 70 degrees. Fresh produce will do best in climate controlled locations. If the material flow has a higher quantity of perishable produce adequate walk-in cooler will need to be assessed. Short-term and long-term walk-in freezer space will also be necessary for flash freezing large quantities of fresh produce. Storage requirements will be at least triple those of a restaurant, and possibly more, depending on the number of tenants.

21 x 16 Commercial Floor Mop Sink NSF	2	$750.00	$1,500.00
60lb. Commercial Scale	1	$525.00	$525.00
6lb. Commercial Sale	3	$325.00	$975.00
Ice Maker 650lb Nugget Self Contained Ice Machine	1	$3,900.00	$3,900.00
Walk In Freezer 14 x 14 Indoor 7ft H	2	$12,000.00	$24,000.00
Walk In Cooler 14 x 14 Indoor 7ft H	2	$10,100.00	$20,200.00
Pallet Racks (lot of used)	1	$8,000.00	$8,000.00
Pallet Jack – Hydraulic (used)	1	$5,000	$5,000
Fork Lift (used)	1	$8,000	$8,000

Packaging (Dry Room)
A separate clean room for packaging, labeling and readying for the shipping area, may also be separately designed. Modular work tables and equipment such as the ink jet coder and labeling machine are best in a separate room away from the wet and humid areas of processing and food preparation. A packaging room can be used for blending, dry mixing, shifting, grain packaging and dehydration equipment. A dry area is particularly encouraged for jar and packaging labeling, sealing and case packing.

18"x18" Vacuum Packing Machine w/Two 17" Seal Bars	1	$4,500.00	$4,500.00
Labeling Machine (Computer and printer for in-house labels)	1	$9,500.00	$9,500.00
Tray Sealer (4 station)	1	$15,000.00	$15,000.00
30in X 72in Stainless Steel Top Table	6	$525.00	$3,150.00

Food Processing and Preparation Area (Wet Room)
Dealing with a variety of fresh fruits and vegetables will require a variety of different operational preparation. A materials flow chart would need to be developed for the types of processing (washing, blanching, steaming, cutting, dicing, pureeing, roasting, etc.) to determine the type of equipment and floor plan. Having equipment set-up in islands and prep tables on casters to change the production flow according to types of produce preparation needs would be on the first lay-out considerations. Obviously knowing the process flow will go into the planning of the food preparation area: location of water and drains, matching the equipment to food requirements, and clean-up efficiencies.

Whether equipment is set-up in islands or along the walls designing for the use of quick disconnect hoses for gas fired equipment is optimal and encourages safety. Equipment on moveable work tables or casters also creates more flexibility and usually easier cleaning.

Having appropriately sized aisles and doorways for the movement of equipment, worktables and pallet jack will be important.

Used Hobart Vertical Mixer Chopper VCM-40	1	$5,200.00	$5,200.00
Used Stainless Carts	4	$250.00	$1,000.00
Used Gas 100gal. floor model steam kettle	1	$35,000.00	$35,000.00
Used 40 Gallon Steam Jacketed Tilting Kettle Gas	1	$20,500.00	$20,500.00
Used Electric 10 gal. steam kettle w/ Manual Tilt	1	$5,500.00	$5,500.00
Boiler Unit for Steam Jacketed Kettles	1	$7,400.00	$7,400.00
Single Headed Filler, Converyor, Accumulation Table	1	$75,000.00	$75,000.00
Ink Jet Product Coder	1	$12,000.00	$12,000.00
40 gal. Used Tilt Skillet (Electric 3-phase)	1	$5,000.00	$5,000.00

30in X 72in Stainless Steel Top Table	2	$525.00	$1,050.00
Air Compressor (8+HP and 80 gallon tank)	1	$2,800.00	$2,800.00
Used Commercial 4 Compartment 9' Sink With 2 Drainboards	3	$1,100.00	$3,300.00
Used Hand Wash Sinks	2	$120.00	$240.00
Plumbing Fixtures (Lot)	1	$2,940.00	$2,940.00

Foodservice and Bakery

Typically a central kitchen can serve a variety of operational needs. Caterers, confectioners, restaurants, food preparation, and bakery operators can easily share space without serious cross contamination issues. Much of the same equipment will serve dual purpose for both food preparation and bakery needs.

Used 60 Qt Hobart Dough Mixer	1	$10,600.00	$10,600.00
Used 30 Qt Hobart Dough Mixer	2	$6,800.00	$13,600.00
Used 5Qt Commercial Mixer	1	$900.00	$900.00
Various Stainless Mixing Bowls (Lot)	1	$4,600.00	$4,600.00
Bakery Pans / Trays (Lot)	1	$3,000.00	$3,000.00
Bakery Rolling Racks	15	$300.00	$4,500.00
Used Baking Equipment Roll In Two Section Proofer Cabinet	2	$7,100.00	$14,200.00
Used Commercial Oven Radiant Broiler American Range 60in	1	$8,400.00	$8,400.00
Used Jet Air Convection Oven Dual Oven Gas	3	$13,250.00	$39,750.00
Used 24Ft Stainless Steel Restaurant Range Grease Hood NSF	1	$18,000.00	$18,000.00
Fire Suppression & Hood System (10 to 12 feet)	1	$20,000	$20,000
60 Inch Wood Top Bakers Table	2	$865.00	$1,730.00
Used Commercial 4 Compartment 9' Sink With 2 Drainboards	3	$1,100.00	$3,300.00
Used Hand Wash Sinks	2	$120.00	$240.00
Plumbing Fixtures (Lot)	1	$2,940.00	$2,940.00
Used Stainless Carts	4	$250.00	$1,000.00
21 x 16 Commercial Floor Mop Sink NSF	2	$750.00	$1,500.00
30lb. Commercial Scale w/ pricing capability	2	$350.00	$700.00
60lb. Commercial Scale	1	$525.00	$525.00
6lb. Commercial Sale	3	$325.00	$975.00
Used Hobart Vertical Mixer Chopper VCM-40	1	$5,200.00	$5,200.00
C-4 Bowl Style Food Processor 3.5 quart	1	$1,100.00	$1,100.00
30in X 72in Stainless Steel Top Table	6	$525.00	$3,150.00
Flash Freezer (New, double rack system)	1	$56,000.00	$56,000.00
C-4 Bowl Style Food Processor 3.5 quart	1	$1,100.00	$1,100.00

Examples of Facility Layouts

The first decision a business incubation project needs to confront is how to position its unique set of characteristics within the competitive field of other commercial or industrial properties. For instance an Ohio City facility may partner with other co-packing, warehousing and produce distribution businesses and not need to duplicate the types of services the currently provide.

The program must also distinguish the incubator's set of training and technical assistance services from other small business or microenterprise assistance providers. Most local food incubators need to assign areas for the extensive business training and industry-specific training for tenants. Many facilities also determine that office and retail space may be necessary to optimize revenue generation and meet the needs of tenants in various stages of business development. Some of the operational characteristics of the facility design to consider may include:

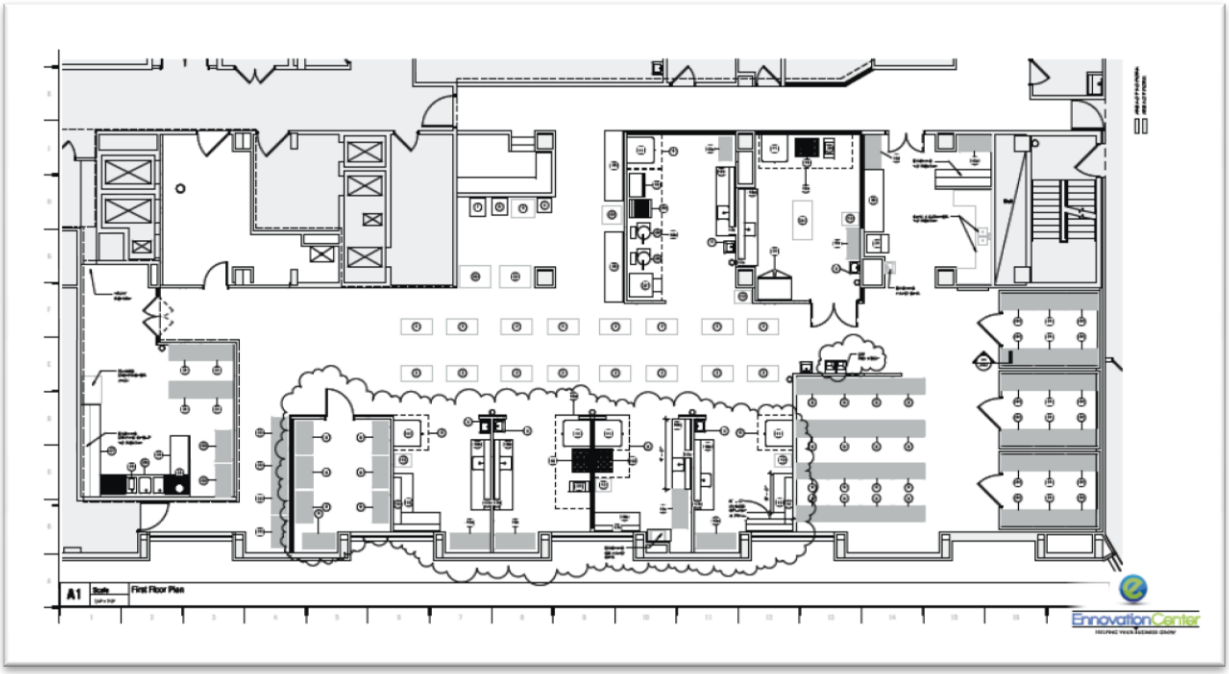
- Facility features and space flexibility—movable walls, mobile equipment
- Methods of technical assistance, training and support delivery—space for instruction
- Linkages to other entrepreneurship partners—will training partners need to rent space
- Customized lease agreements--anchor tenant, lease preferences, sliding rental scales
- Access to capital programs---field office for micro-lenders
- Access to technology solutions---internet, copier, central business center
- Access to markets---possible retail for products, space for onsite caterers, event space

Once a site for construction or an existing building is identified for renovation, numerous floor plans can be developed based on the building assets and restrictions. An architect or city building department staff should participate in the building evaluation process. It is also wise to include the ***Cleveland Department of Public Health*** staff in the selection process as well. Kitchen or local food incubators come in all sizes and are dependent on the types of operations and tenants utilizing the facility.

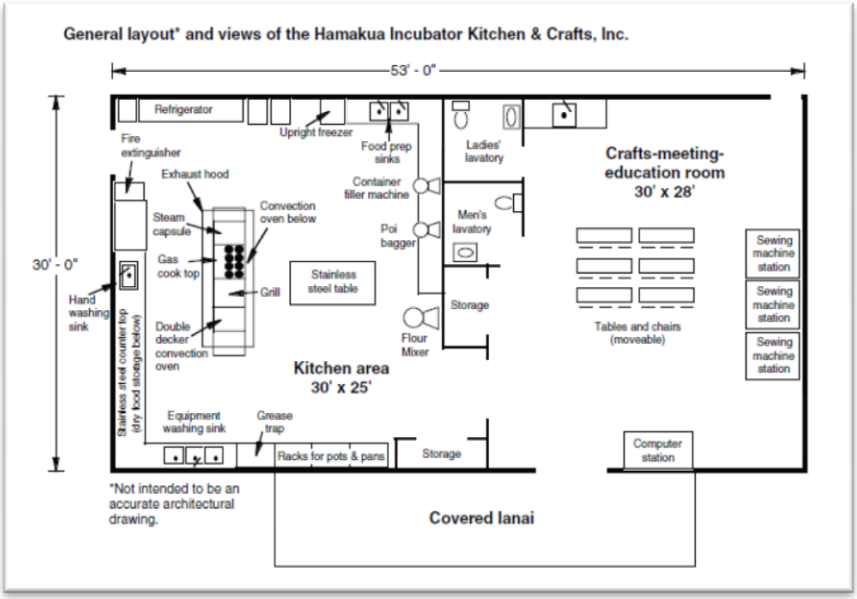
Most existing kitchen incubators will focus on foodservice, bakery or FDA processing operations. Most urban facilities tend to first meet the needs of foodservice entrepreneurs: food trucks, prepared foods, caterers and bakeries. Often these facilities will also secured FDA approval for thermal processing of high acid or acidified foods: pasta sauces, salsa, salad dressing, jams, jellies, preserves and pickles. Rural kitchen incubators tend to focus on the thermal processing and freezing of fresh ingredients, often focusing on the specialty crop production of the geographic region. The Ohio City facility design will need to meet the needs of both the food entrepreneurs and the urban and rural farmers interested in producing value-added products.

A few floor plan examples follow that would be comparable to the square footage of an Ohio City facility concept:

The Ennovation Center offers the only kitchen incubator facility in the Kansas City metro area which is dedicated to early-stage catering, retail and wholesale food businesses. The facility has 5 Individual kitchens and an assortment of shared equipment which allow for food preparation, packaging and distribution of finished products in an environment that offers the top level of food safety. All equipment is typical of that found in commercial kitchen operations. Clients can take advantage of locked storage spaces for dry goods as well as areas in the walk in coolers and freezers. Kitchen space can be rented for 4, 6 or 8 hour shifts.



Another design that creates more flexible open space for retail, packaging and instruction may incorporate a more minimalist kitchen design. The Hamakua Incubator Kitchen represents a smaller design in for shared kitchen space in Hawaii. This footprint could make more foodservice or retail space available.



A more ambitious project is in the development stages in Philadelphia as the

project managers rehabilitate an old grocery facility. Design plans for The Enterprise Center's 13,000 square-foot, $5 million center is located in a former Food Rite grocery at 48th and Spruce Street. The space will have extensive commercial kitchen rental options, including one large baking kitchen, two standard commercial kitchens and a separate demonstration kitchen.

Examples of Equipment

Most commercial equipment can be purchased used or on auction sites. Unfortunately many restaurant and retail business fail, so equipment can usually be found in optimal shape and for pennies on the dollar. Many established businesses may also be willing to make equipment donations. An equipment budget is also a useful local fundraising tool. Individual and corporate donors are often more motivated to make a financial contribution when they can visualize how their money will be designated for the overall project.

Once a location is secured, the next step should be the development of the equipment list. The list can be broken into the various operational categories: preparation, production, processing and storage depending on the layout and square footage allowances. Working with an architect, general contractor, inspectors and prospective tenants on facility design and equipment selection will help sidestep any issues on operational use once the incubator is open. Keeping spaces open and flexible for future equipment installation is a plus for additional changes as the facility becomes operational.

Some examples from the equipment list might include the following. ACEnet staff does not necessarily recommend specific models or manufacturers, but are more than willing to share some of our equipment experiences when identification, pricing and installation are implemented.

GROEN STAINLESS STEEL STEAM JACKETED KETTLE
TDB/6-10 (131875) Kettle, electric, table top, 10-quart capacity, 2/3 jacket, 304 s/s liner, hand tilt, support console on right, s/s construction, 50 PSI, 208/240V, 1ph, 4kw (B/2

VULCAN GAS RANGE
V260 Value Series Restaurant Range, 60", gas, (6) 28,000 BTU burners with lift-off burner heads, 24" raised griddle/broiler, (2) standard ovens, s/s front, sides, back riser & high shelf, fully-welded chassis, 6" adjustable legs, 268,000 BTU/hr, CSA, NSF

Price Range: $4,000 to $8,000

GARLAND RANGE

G60-10RR G60 Series Restaurant Range, gas, 60"W, (10) 33,000 BTU open burners, with cast iron top & ring grates, (2) standard ovens w/3 position rack guides w/oven rack each, s/s front, sides, plate rail, backguard, & high shelf, 6" s/s legs with adjustable feet, 406,000 BTU Price Range: $2,500 to $4,00

GARLAND CONVECTION OVEN

MCO-GS-20-S Master Series Convection Oven, gas, double-deck, standard depth 41-1/2", (2) speed fan, Master 200 solid state controls with 1 hour timer, electric ignition, dependent 60/40 doors with windows, stainless steel front, sides & top, porcelain cavity, 6-1/2"legs, EnerLogic™ Technology, 120,000 BTU (Garland)

GROEN TILTING SKILLET
BPM-30G Eclipse™ Ergonomic Braising Pan, gas, 30-gallon capacity, 10" deep pan, 38" pan height, manual tilt, standard etch marks, faucet bracket, round tubular open leg base, s/s construction, bullet feet, electric spark ignition, 104,000 BTU/hr

LINCOLN CONVEYOR OVEN
1622-000-U Lincoln Impinger® Low Profile™ Conveyor Pizza Oven, electric, single deck, single conveyor belt, digital controls, adjustable temp 250°F to 600°F, adjustable conveyor speed from 1 min. to 30 min., NSF,208/60/3,CSA, Oven Top, Top Cap Motor Cover, Stand with casters for 1-2 stack oven

Hobart Food Cutter
84186-1 Food Cutter w/#12 attachment hub, 18" diameter s/s bowl 20 rpm, double s/s knives 1725 rpm, bowl cover w/safety interlock, push/pull on/off switch, one-piece burnished aluminum housing, 3" legs, 115/60/1, 1 hp, 6' cord w/plug

Hobart Food Processor
FP350-1B Food Processor, angled continuous feed design, full-size hopper, 26 lb per/min production cap., 430 rpm, s/s cutting surfaces, planetary gear transmission, triple safety interlocks, aluminum housing, rubber feet, 35PLATE-6PACK, 120/60/1

ROBOT COUPE FOOD PROCESSOR
R2N Commercial Food Processor, 3 qt. grey ABS bowl w/handle, kidney-shaped opening, vegetable prep attachment, continuous feed, bowl attachment designed for vertical cutting and mixing, on/off & pulse switch, 2 plates, 1725 RPM, 120v/60/1-hp, 7 amps, 1 HP

HOBART MEAT GRINDER
4822-34 Meat Chopper, bench type, #22 hub, 12 - 20 lb. per minute capacity, 240/60/1. Includes #22 tinned chopping end (22C/E-TIN) and #22 sst fs pan (22PAN-SSTFS).

VARIMIXER MIXER
W100PL Mixer, Food, 105-qt. capacity bowl, variable speed drive, 4 HP motor, s/s bowl, silver-gray hammertone powder paint finish, power bowl lift, s/s dough hook, s/s wire whip, flat beater, bowl truck, 15-min. timer, bowl screen

HOBART FOOD MIXER
HL800-1STD Legacy Planetary Mixer, 3.0 HP, 80-quart capacity,
four fixed speeds plus stir speed, gear transmission, 50 min. SmartTimer, power bowl lift, s/s bowl, "B" beater, "ED" dough hook, bowl truck, s/s bowl guard, 200-240/50/60/3

HOBART MIXER, 12 QT
HL120-1STD Hobart Mixer, Planetary, Bench, 12-qt. capacity,
three fixed speeds plus stir speed, gear-driven transmission,
15 min. SmartTimer, #12 taper attachment hub, manual bowl lift, s/s bowl, aluminum "B" beater, s/s "D" wire whip, s/s bowl guard, 100-120/50/60/1, 1/2 hp, cord w/plug

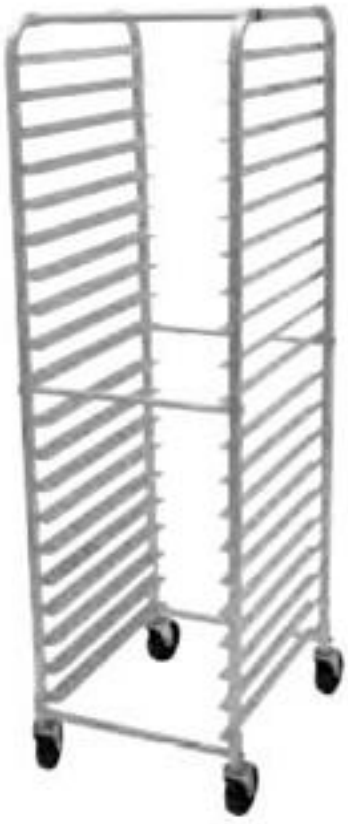
HOBART FOOD SLICER
2712-1 Slicer, semi-automatic, angle feed, 12" s/s CleanCut™ knife, MICROBAN® antimicrobial protection, Poly-V-belt, perm. ring guard, 2-speed auto. s/s carriage, s/s knife cover, top mtd sharpener, low fence, alum. base w/tilt, 120/60/1, 1/2 hp.

GLOBE SCALE
GS30 Price Computing Scale, automatic entry tare, 30 lb x .01 lb. graduation, LCD display, 11-3/4" x 8-3/4" s/s recessed platter, white ABS body, automatic shut-off, legal for trade, UL, NTEP, 115v/60/1, .05 amps. One year parts and labor.

TRAULSEN BLAST CHILLER 200 LBS
RBC200 Blast Chiller, Roll-In, 200lb. cap., s/s exterior & interior, SmartChill control system, (3) smart probes, on-board batch/data printer & label printer, 1 rack cap., (sold separately), w/self cont'd maintenance ref'n system, remote BC compressor required

ADVANCE TABCO CAN RACKS
CR10-162 Can Rack, with sloped glides for automatic can retrieval, designed for #10 & #5 cans, aluminum construction, holds (162) #10 cans, or (216) #5 cans.

ADVANCE TABCO DUNNAGE RACK
DUN-2060 Dunnage Rack, square bar, one tier, 20" wide, 60" long, 12" high, aluminum finish, 2000 lb. load capacity (evenly distributed)



ADVANCE TABCO PAN RACKS
PR18-3W Rack, mobile pan, full height, open sides, with angle tray guides on 3" centers, capacity 18 - 18" x 26" sheet pans, all-welded aluminum construction, front loading, 63-1/4" high

TRUE REACH IN REFRIGERATOR
T-72 Reach In Refrigerator, triple section with full height doors, stainless steel front, aluminum sides, 72 C.F. white painted interior with bottom mount compressor. Includes thermometer, door locks, nine shelves, power cord and plug on casters. 115v - 11.8 amps - 1/2 HP. 78"W x 29 1/2"D x 78 1/4"H.

TURBO AIR GLASS DOOR REFRIGERATOR
MSR-72G-3 New Maximum Glass Door Refrigerator,72 cu. ft., self-contained, front aluminum door frame, s/s top and bottom grille, 304 s/s interior, clear AL coated side panels, hinged double pane glass doors w/heat reflecting film, (9) PE coated wire shelves, fluorescent interior lighting, LED digital thermometer, 4" casters, bottom mount compressor, 2/3 hp, NSF, UL. One year parts and labor, 5 year compressor warranty.

ADVANCE TABCO HAND SINKS
7-PS-60 Hand Sink, wall model, 14" wide x 10" front-to-back x 5" deep bowl, 20 gauge stainless steel construction, with splash mounted faucet, basket drain, wall bracket

Jackson Dish Washer
DELTA 5 Delta Glass Washer, Underbar Rack Type, low temperature chemical sanitizing, approximately 29 racks/hour. capacity, 92 second cycle, 25" cabinet, stainless steel construction

SCOTSMAN MODULAR FLAKER
F1222A-32A Ice Machine Head Only with 1170 lbs. of flaked ice production. Stainless steel exterior. 208-230/60/1. Two year parts and labor/five year compressor. 21" wide x 24" deep x 27" high.

ADVANCE TABCO FABRICATED ECONOMY SINKS

FC-3-2424-24RL Fabricated Economy Sink, 120" x 30" OA, 3 compartment, 24" right & left drainboards, bowl size 24" x 24" x 14" deep, 16/304 s/s, tile edge splash, rolled edge, faucet holes on 8" centers, s/s legs, 1" adj. s/s bullet feet, NSF NOTE: THIS SINK REQUIRES (2) 8" CENTER FAUCETS

ADVANCE TABCO WORK TABLES

ELAG-308 Work Table, 30" wide top, without splash, 96" long, w/adjustable undershelf, galvanized frame & shelf, 18 gauge, type 430 stainless steel top NOTE: IF PURCHASING CASTERS WITH THIS UNIT YOU WILL NEED TWO SETS.

Flash Freezing in Food Incubators: Most kitchen incubators or shared-use commercial food facilities use blast chillers, blast freezers, freezer cabinets and freezer zip tunnels for processing fruit, vegetable, bakery, confections or prepared foods (i.e. meal combos.) Food banks, food incubators and foodservice operators are most accustomed to using roll-in blast chillers, because they can serve a number of different chilling and freezing purposes for a wide variety of flash freezing needs. Electrolux and Traulsen are probably some of the better brands. Traulsen is affiliated with Hobart and has good service agreements in Ohio. Blast chillers depending on their size can range in price from $25,000 to $65,000 new. Foodservice equipment dealers and auction sites often have used blast chillers for much lower prices.

Description of Traulsen Model to the left

Spec-Line Blast Chiller, (traulsen blast chillers) Roll-In, 200 pound capacity, s/s exterior & interior, SmartChill control system, (3) smart probes, onboard batch/data printer & label printer, 1 rack capacity, (sold separately), self-contained refrigerationeration, remote BC compressor required.

Enhancing flash freezing capabilities for the region is of particular interest both farmers and funders. As a cold-climate region, the Northeast Ohio growing season spans about 6 months, with peak availability of produce from May through October. As markets continue to grow for locally grown foods, there is an increasing need to employ technologies and techniques for extending the growing season. Some of this season extension can take place on the farm where heated greenhouses, unheated high-tunnels, row covers, and cold frames can all extend the growing window anywhere from 2 to 6 months.

The preservation and storage of food offers the second option for expanding the seasonal available of locally grown food. Many technologies provide opportunities to preserve food at peak-harvest and make it available throughout the year. Common forms of preservation include:

- **Thermal processing**- preserving food through a combination of heat and pressurized sealing that prevents micro-organisms from inhabiting the food. This can be done in glass jars or in aluminum or steel cans.
- **Dehydration**- exposing food to high temperatures and dry air to eliminate moisture and to extend shelf-life.

- **Baking**- preparing foods in high-temperature ovens to create baked products that can also be frozen.
- **Dry Storage**- temperature and humidity controlled environment for storing produce, flours, or other foods that will degrade in more moist environments.
- **Cold Storage**- extending the life of food through either refrigeration or freezing.

Equipment and facilities for freezing food provide an essential tool for preserving food and making it available during the off-season. Some of the advantages for flash freezing (exposing foods to very cold temperatures for instant freezing and preservation) include:

- Preservation of flavor and freshness that can be lost in thermal processing or other forms of preservation involving heat or preservatives;
- Better retention of nutritional quality;
- Reduced intensity of food safety and handling regulations; and
- Quick turn-around from harvest to longer-term storage.

Licenses and Regulations

One of the largest challenges of determining the appropriate model for your area concerns the regulatory authority under which the facility operates. Shared-use facilities or kitchen incubators can serve a diverse range of clients, tenants and occasional users. Distinct types of models with various licenses can include:

1. Primarily foodservice facilities with limited FDA regulated production of non-meat products.
2. Shared-use kitchens operating only under the review of a County Health Department.
3. Shared-use food manufacturing facilities licensed for catering/foodservice, FDA (non-meat) products and USDA or State licensed meat products.

By federal law food products that are manufactured in a shared-use facility or any processing facility that are produced from ingredients or packaged for market across state boundaries must be federally inspected for food safety. Food products that are thermally processed, dehydrated, refrigerated, vacuum sealed or frozen and are non-meat items are regulated under the United States Food and Drug Administration or FDA. If meat or poultry is an ingredient in the manufactured food product, the products and facility are regulated, licensed and inspected by the United States Department of Agriculture.

There may be some exemptions from these guidelines depending on small farm regulations and other state regulations. Many of these exemptions can vary from state to state. It is best to check with local and state agencies to thoroughly comprehend regulatory jurisdictions and exemptions. Individual regulatory agencies should be included in all stages of facility planning, so they can directly communicate the applicable regulations, licensing and inspection at the local, state and federal levels. Choosing an architectural firm that has experience in developing commercial food facilities can be helpful.

The Food and Drug Administration rules and regulations are published in Title 21 of the Code of Federal Regulations as an agency within the Department of Health and Human Services. The FDA is the regulatory agency that enforces the laws enacted by the United States Congress overseeing much of the nation's food supply, drugs and medical devices. The FDA is charged by Congress to protect consumer health, safety and welfare. The FDA interprets the law and writes regulations concerning specific food products and processes.

The sections most pertinent to a proposed Ohio City facility includes: Title 21 – Part 1-99 covers the general regulations for enforcement of the Federal Food, Drug and Cosmetic Act and the Fair Packaging and Labeling Act. Part 100 through 169 addresses food labeling, food standards, good manufacturing practices for foods, low acid canned foods and acidified foods. As you choose you facility model, management will need to determine what types of product lines prospective tenants are interested in producing and what FDA regulations management will need to comply with.

The Food and Drug Administration provides small business assistance at their website as the best entry point for management of shared-use facilities. Examples of some of the sites links follow:

The Federal Food, Drug, and Cosmetic Act, as Amended, sections of the Public Health Service Act pertaining to biological products, the Radiation Control for Health and Education Act, the Safe Medical Devices Act, the Mammography Quality Standards Act, the Fair Packaging and Labeling Act, the Infant Formula Act, the Nutrition Labeling and Education Act, and the Dietary Supplement Health and Education Act are among the statues enforced by the FDA. They are compiled in one booklet, "Federal Food, Drug, and Cosmetic Act as Amended and Related Laws," which is available from the Superintendent of Documents. The regulations over which FDA has jurisdiction are codified under Title 21, Code of Federal Regulations (CFR). These are updated on April 1 of each year and are available for sale approximately four months later. Nine volumes are applicable to FDA and may be purchased singly or as a set from the Superintendent of Documents. These regulations are accessible on the Internet at http://www.access.gpo.gov/nara/cfr/cfr-table-search.html. The contents of each volume are listed below:

- Parts 1 to 99. General regulations for the enforcement of the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act. Color additives.
- Parts 100 to 169. Food standards, good manufacturing practice for foods, low-acid canned foods, acidified foods, and food labeling.
- Parts 170 to 199. Food additives.
- Parts 200 to 299. General regulations for drugs.
- Parts 300 to 499. Drugs for human use.
- Parts 500 to 599. Animal drugs, feeds, and related products.
- Parts 600 to 799. Biologics and cosmetics.
- Parts 800 to 1299. Medical devices and radiological health. Regulations under the Federal Import Milk Act, the Federal Tea Importation Act, the Federal Caustic Poison Act, and for control of communicable diseases and interstate conveyance sanitation.
- Parts 1300 through end. Drug Enforcement Administration regulations and requirements.

The FDA has representatives who exclusively help small businesses whose products are regulated by FDA. These individuals can provide information that clarifies how agency laws and regulations apply to specific circumstances and suggest methods of meeting those requirements. They can respond to inquiries, conduct or participate in workshops and conferences, or visit your plant, at your request, to offer assistance. They are located in New York, Philadelphia, Atlanta, Dallas, and Oakland.

State and Local Health Regulations

A City or County Health Department will be the regulatory agency providing licensing and inspection to facilities with caterers or other foodservice users. Local health departments inspect caterers working in facilities to make sure the facility meets their guidelines, as well as inspecting the safety and sanitation practices of the individual caterer. Most caterers will need their own local health department issued license and may also need a state mobile foodservice license. Employees of caterers typically need food handler permits. Most classes provide certification classes. If the facility has a designated area for foodservice provision such as hosting lunches, dinners or other catered events a retail foodservice license will also be needed to be authorized to the facility management.

As mentioned earlier the licensing, management and tenant mix can have a significant impact on the type of licensed facilities rural communities should select to implement. In most states obtaining the catering/FDA licenses are the least problematic. Working with you county health inspector and your FDA inspector is crucial at the beginning of the facility planning process. We encourage that all new facility projects convene all the regulatory agencies and field inspectors at the outset of the plan. We typically suggest a phased approach, because even with an intensive assessment of prospective tenants or users, most facilities find that the original assumptions of prospective tenant diversity changes once the facility is in place.

Licenses & Inspection

Commercially food facilities are licensed and inspected at the state and county levels. In phase one, we would suggest that the facility is licensed for the production of catering/foodservice and US FDA (non-meat) products. The FDA inspector most likely to regulate the facility is through the State. In most states the FDA contracts with the state health department to inspect shared-use facilities. The state may also require review and possible approval of FDA regulated food product labels. The county health department will typically regulate caterers or prepared food producers operating as tenants in a shared-use facility.

Type of License:	Food Safety (Bakery)
Who Needs This License?	Bakeries whose sales are predominately wholesale
Licensing Period:	Valid through September 30
Annual Fee:	$30 and up depending on output
Requirements:	Regulations regarding Good Manufacturing Practices
Forms Needed:	License application is supplied at time of inspection. Renewals are sent via the Division of Food Safety

Type of License:	Food Safety (Frozen Food)
Who Needs This License?	Any person or firm in the business of freezing a food product
Licensing Period:	Valid through November 30
Annual Fee:	$50
Requirements:	Regulations regarding Good Manufacturing Practices
Forms Needed:	License application is supplied at time of inspection. Renewals are sent via the Division of Food Safety

Type of License:	Food Safety (Cannery)
Who Needs This License?	Any person or firm in the business of operating a cannery
Licensing Period:	Valid through June 30
Annual Fee:	$200
Requirements:	Regulations regarding Good Manufacturing Practices, Thermally ow acid foods in hermetically sealed containers and Processing ds in hermetically sealed containers
Forms Needed:	License application is supplied at time of inspection. e sent via the Division of Food Safety

Type of License:	Food Safety (Cold Storage)
Who Needs This License?	Any person or firm operating a cold-storage warehouse for hire
Licensing Period:	Valid through March 31
Annual Fee:	$200
Requirements:	Regulations regarding Good Manufacturing Practices
Forms Needed:	License application is supplied at time of inspection. Renewals are sent via the Division of Food Safety

Type of License:	Meat Inspection (Meat Inspection License for Fully Inspected Operators)
Who Needs This License?	Red meat and poultry operators who meet the requirements set forth in ORC 918.
Licensing Period:	Expires March 31st every year
Annual Fee:	$50.00
Requirements:	Written HACCP Checklist Written SSOP Program Written Blueprint Narrative
Forms Needed:	License application is supplied at time of inspection. Renewals are sent via the Division of Meat Inspection.

Caterers or prepared food producers will need their own license issued by the county health department as operators, as well as working under the facility's license for on-premise inspection. Tenants producing FDA regulated product lines can solely operate under the facility FDA license, as long as the facility management assumes the role as processing authority. Many kitchen incubators and shared-use facilities will require that FDA regulated tenants hold their own thermal-processing licenses.

In a facility model that has numerous, microenterprise FDA producers and farmers thermal processors needing assistance seasonally value-adding of fresh ingredients, it may make sense for the management to oversee each tenant's production. If on the other hand the tenant make-up is four to six producers with employees serving larger market, than facility management might be best served to have each food enterprise have a licensed thermal processor on their staff. Management of tenants regulated by the FDA, thermally processing products will require the most supervision and regulatory compliance.

Preparing tenants and users for the regulatory environment is best accomplished through training programs, best fulfilled as a prerequisite to becoming a facility tenant. A general outline of training programs follows.

PARTICIPANTS

- owners of small scale food manufacturing enterprises
- start-up food microenterprises
- caterers, restaurants, occasional foodservice users
- farmers producing value-added products

TRAINING STRUCTURE

- 10 hours broken into 4-5 hour intensive trainings over 1-3 months (dependent on businesses availability)

AREAS COVERED

- Basic Sanitation
- Equipment
  - Use
  - Safety
  - Sanitation
- Manufacturing
  - Best practices
  - Increasing efficiency
  - Cost reduction
- Scalability
- Regulations
- Record Keeping
- Risk Management & Safety
- Testing
  - Water activity
  - Ph Level
- Problem Solving Using Decision Trees
- Reference Resources
- Recipe Development
  - Taste
  - Marketability
  - Cost
  - Shelf life
  - Nutritional analysis

Good Manufacturing Practices

The strength of any local food incubator project is grounded in solid local leadership supported by a diverse mixture of stakeholders, including governmental support for a licensed facility. We would encourage engaging all the city, county and state inspectors to participate in the business plan preparation, tenant selection criteria and architectural plan process.

Hiring a project manager who may become the facility manager or at least the food incubator manager would be highly recommended. It would be very helpful to have a project manager who can come up to speed on all the regulatory and licensing issues as the food incubation plan is developed. To be licensed the facility must comply with the **FDA Good Manufacturing Practices for Food Products and Facility Operations.** *The following is a summary of the GMP that facility managers should be fluent in.*

Good Manufacturing Practices (GMPs) for the 21st Century - Food Processing: Since the last revision of food Good Manufacturing Practices (GMPs) almost 20 years ago, the food manufacturing industry has seen many changes, including newly recognized pathogens, more sophisticated technologies, and increased automation. While GMPs can control for much food safety problems, it is not clear that current GMPs adequately address these new developments. The food safety literature reviewed for this study shows that there continue to be food safety problems. The Food and Drug Administration (FDA) is currently evaluating its food GMPs regulations to ensure that they take today's technologies and food safety hazards into account.

Under contract to FDA, Eastern Research Group, Inc. (ERG) undertook this study comprising an extensive literature review and an expert elicitation of current food safety problems and the range of preventive controls needed to address them. The expert elicitation identified the most significant food safety problems, foods at high risk for these problems, and other major areas of concern. Based on the number of votes by experts who participated in the elicitation, "deficient employee training," "contamination of raw materials," "poor plant and equipment sanitation," and "poor plant design and construction" were ranked as the top four food safety problems faced by food manufacturers today. Results from the study also indicated that refrigerated and dairy foods have the highest general risk of food safety problems compared to other food categories. Baked and refrigerated foods pose the highest risk in terms of allergen hazards. The expert elicitation also showed that the needs of small and medium-sized food processors likely vary from larger processors, with smaller facilities generating higher risk scores than large facilities across all food safety problems and sectors considered.

The food safety experts who participated in the study recommended a range of preventive controls that could address most of the food safety problems faced by the food processing industry today. They did not, however, differentiate these preventive control recommendations by facility size despite the higher risk rankings of smaller facilities. The most frequently mentioned preventive controls with broad applicability across sectors and food safety problems included:

- *Training* -- Ongoing and targeted training on issues ranging from allergen control, cleaning and sanitation procedures, incoming ingredient receipt protocol, and monitoring for employees, management, as well as suppliers,
- *Audits* -- Periodic audits and inspections of facility and raw material suppliers either in-house or by third-party firms,
- *Documentation* -- Documentation of training activities, raw material handling policies and activities, cleaning and sanitation, receiving records, and use of sign-off logs, and

- *Validation/Evaluation* -- Evaluation of training effectiveness and establishment of accountability; validation of cleaning through testing (i.e., swabs, organoleptic evaluations, and bioluminescence tests)

Post-study follow-up discussions with four of the experts also generated additional recommendations. While most experts agreed that food GMPs could be improved, opinions on how this should be done varied widely. Some experts indicated that GMPs were lacking in some areas, whereas others noted that the food GMPs should remain as written and that other approaches should be taken to encourage greater compliance. Recommendations made included:

- Revision of food GMPs in key areas, such as training,
- Addition of new requirements, including components of HACCP, allergen control, and recordkeeping,
- Issuance of a guidance document that would clarify GMPs and its expectations, and
- Institution of positive incentive programs, such as reduced inspections for select facilities that meet certain requirements.

Finally, ERG's literature review and comparative analysis of other GMPs (i.e., for pharmaceutical/biologic products and medical devices) and quality system programs revealed that the majority of preventive control recommendations echo the principles of these other GMPs regulations and quality systems. All of the programs reviewed, including International Organization for Standardization (ISO) 9001: 2000, American Society for Quality (ASQ) Q9004-3-1993 (Quality Management and Quality System Elements -- Guidelines for Processed Materials), pharmaceutical GMPs, and medical device GMPs, have similar key provisions on training, audits, documentation, and evaluation/validation. A thorough comparison of the elements of food GMPs to these systems (see Appendix E) might aid FDA in its food GMPs modernization effort.

Insurance Issues

No matter the facility model, we recommend insurance coverage that protects the facility, tenants, staff and organizational management, such as a non-profit board of directors. Fire and casualty and dual liability insurance are recommended. Dual liability coverage must require that all tenants obtain liability insurance and have it certified by the insurance vendor to the facility management. Leases or rental agreements cannot be entered into until the tenant has certified that they are insured and that they have product liability insurance naming the facility as additionally insured. The co-insurance requirement will reduce the risk for the facility management that they will be held responsible for errors or omissions on the part of the tenant.

Incubator Operations Planning

Incubator Management Models

The economies of scale can be particularly problematic in the first years of an incubator's operations. Incubation programs typically need 2 to 3 year of program support from grants or other underwriting funds to reach sustainability. Initial year one and year two rental and service revenues should augment management and operations, but not be viewed as an immediate break even scenario.

Property management in a multi-tenant incubator facility, especially targeting start-up and/or low-income entrepreneurs is vastly different from conventional commercial property management. Many start-up incubator programs will benefit from 1 full-time director, augmented by other part-time service delivery staff. Sample job descriptions that delineate some of the management and microenterprise service delivery are included in the attachments.

Incubation programs which supplement their services with a comprehensive entrepreneurship training, technical assistance and mentoring approach definitely need at a minimum one full time trainer. Having an operational management team with versatile skill sets and that can share the responsibilities of management, fundraising and business development services delivery is optimum. We advise that some of the management descriptions be divided into 2 or maybe 3 job positions, since with many grant funded programs dedicated staff for administrative and data collection activities is necessary.

Management of a licensed, shared-use facility with 4 to 6 anchor tenants and other occasional microenterprise and seasonal farm users will require less management staff if other technical assistance and food industry resource providers can be utilized to augment in-house staff services. That said even with a start-up facility project it is essential to have at a minimum 1.5 FTEs to manage the operations, provide training and food industry specific training to tenants and users.

Facilities and new production enterprises do not succeed without significant staff investment to identify, recruit, train, mentor and network food and farm entrepreneurs. Infrastructure is not enough. With these types of facilities it is not build it and they will come. Facility management must play and active role with a network of resource partners to ready tenants/users for the regulatory environment and market opportunities. If you are targeting farmers as your initial prospective tenant base, then marketing assistance and branding is even more crucial.

If resources are available to generate funding for program staff, especially in the first 3 to 5 years, the facility has a much better chance at long-term sustainability. It is the development of anchor tenants that can build the program and provide peer leadership and market connections to either occasional, seasonal or microenterprise users.

If a kitchen incubator is the preferred model, then 3 to 5 year program support will need to come from a variety of governmental and foundation sources to develop programs, services and the staff to implement them. In addition to providing space, most kitchen incubators offer a set of services targeted specifically at entrepreneurs in the food sector. Generally kitchen incubator models need 2 to 4 staff members who provide facility management, food technology and entrepreneurial technical assistance to food processing businesses. The incredible depth of knowledge that the staff has developed means fewer businesses fail and many expand very rapidly.

A list of the areas of technical assistance offered by staff is outlined below. Each service is provided from the perspective of a food operation; for example, financial analysis in done using ratios appropriate to the specific type of business—bakery, cannery, etc. In addition, staff link businesses to many other specialized food industry resources. Moreover, services are not limited to businesses that use the incubator. This is an important feature because the success of any facility project comes, in large part, from the density of food businesses in the region. Also, businesses often share high quality, informal technical assistance and essential industry information with each other, thus reducing the overall cost of the incubator's service provision.

Whenever possible, incubator staff should be augmented by other seasoned professionals, through partnership contracts, intern or volunteer programs. In the Ohio, logical partners for training, technical assistance and access to market programs would be Cuyahoga Community College, the Center for Innovative Food Technology, WECO and OSU Extension. Existing business faculty within the Cuyahoga Community College would ideally design and deliver in-depth entrepreneurship readiness and start-up training programs.

Position Description—Incubator Facility Director

Reports To: Kitchen Incubator Board of Directors and Facility Management Team
Location: Incubator
Job Title: Executive Director- (Full-time position)

GENERAL STATEMENT OF DUTIES: Act on behalf of the incubator to implement goals and objectives. Serve as liaison between local Economic Development Corporation board, City economic development staff, food system partners and incubator tenants. Represent the INCUBATOR within the community, and serve as a liaison with other economic development organizations and groups. Manage all tenant leasing operations,including enforcement of lease agreements, and coordinate repair and maintenance of all incubator managed properties. Responsible for day-to-day operations of the Incubator, including general counseling for tenants.
Write and administer grants.

DISTINGUISHING CHARACTERISTICS OF JOB: This is a job requiring substantial knowledge of job creation and economic development, grant writing and awareness, government and not for profit functions, industrial leasing procedures and management, maintenance, and record keeping skills.

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Write and administer grants.

DISTINGUISHING CHARACTERISTICS OF JOB: This is a job requiring substantial knowledge of job creation and economic development, grant writing and awareness, government and not for profit functions, industrial leasing procedures and management, maintenance, and record keeping skills.

SUPERVISION RECEIVED: Receives direction from the Board of Directors

SUPERVISION EXERCISED: Supervises staff of the Kitchen Incubator Center and others as assigned.

EXAMPLES OF DUTIES: (Illustrative only)
• Assist the Board of Directors in the development of long range goals and objectives, and develop operating policy and procedures, as needed, to fulfill those goals and objectives.
• Fulfill all responsibilities as an Executive Director, including conducting staff meetings, relaying board direction to staff, and reporting work plan progress at board meetings.
• Complete and maintain an accurate inventory of all KCI-owned real property, and develop recommendations of funding options for further purchase of incubator assets.

• Represent the incubator within the community, and serve as a liaison among it's tenants, incubator board members, City staff members, and other economic development organizations and groups
• Coordinate maintenance and repair of all incubator managed assets.
• Submit and manage the incubator budget.
• Manage the day-to-day operations of the incubator
• Manage tenant leasing operations, including enforcement of lease agreements, collection of rents and fees, and transmittal of rents and fees, and record keeping as appropriate.
• Coordinate documentation of job creation at the INCUBATOR to comply with all grant and loan requirements.
• Serve as liaison between the incubator and the Small Business, Educational and Microenterprise support partners. Develop joint business training for tenants including workshops and more intensive business training.
• Provide appropriate business counseling for incubator tenants.
• Manage the incubator to insure compliance with all safety and sanitation regulations by all kitchen users. Coordinate use of kitchen facilities and equipment. Make recommendations regarding fees and programs to maximize the benefit of the incubator facility and implement a policy for kitchen users.
• Coordinate maintenance and repair of the incubator and its adjacent facilities.
• Supervise the incubator staff.
• Prepare grants to assist in funding of the incubator

SKILLS, KNOWLEDGE, AND ABILITIES REQUIRED:
• Knowledge of general business and management principles, and ability to communicate that knowledge to others.
• Knowledge of organization and function of government entities and not forprofit corporations.
• Ability to acquire knowledge of state and local statutes pertaining to the incubator.
• Ability to make sound and reasonable decisions in accordance with laws, ordinances, regulations, and established policies.
• Good public relations skills; ability to work with tenants, employees, and the public courteously and effectively.
• Ability to compile date from various sources into report format. Personal computer skills required include word processing, accounting, spread sheet, and database management.
• Knowledge of real estate management and related skills.
• Ability to maintain complex lease files and records.
• Grant writing/administration skills

ACCEPTABLE EDUCATION AND EXPERIENCE:
• High school diploma.
• Bachelor's degree with emphasis on business-related subjects preferred.
• Equivalent combination of training, experience, and college providing the required knowledge, skills, and abilities.

NECESSARY SPECIAL REQUIREMENTS:
• Ability to be bonded.

Job Task -- Examples of Food Production Specialist

Title: Production Specialist

Supervisor: Executive Director

Summary: This job position has primary responsibility to assist in the design and implementation of specialized food industry training initiatives serving all firms within the specialty food network; to coordinate production strategies and equipment selection within the Incubator facility; and develop on-going resources to expedite product development and market access for growing food firms.

Responsibilities and Duties:

- Provides technical assistance and customized training regarding the production and regulatory processes to start-up firms.

- Liason to food technology and training partners: USDA, OSU Food Industries Center, Center For Innovative Food Technology and Ohio Department of Agriculture.

- Provide production and processing training to tenant and non-tenant firms.

- Assists design and implementation of product development services and loan/grant funds with other partners.

- Gathers input from tenants on equipment and processing needs to assess and prioritize capital and equipment expenditures for incubator and specialty food network as a whole.

- Coordinates and refers network firms to other business assistance whether in-house or other training collaborators.

- Production and operational facility management: including routine maintenance schedules, responding to emergency repairs of building and equipment, on-call for troubleshooting on weekends.

- Implements and design operational policies and procedures in collaboration with incubator team; management, administration and finance teams.

Recruitment of Tenants and Clients

Tenants can be identified and recruited through a number of methods: traditional media, social media, collaborative partnerships, referral networks and public outreach. At the launch of the facility an incubator brand program should be introduced with a logo, brochure, fact sheet, press kit, website, e-newsletter and social media placement (facebook, twitter, etc.) Identify the traditional media channels to best invest in: print, radio, television advertisements. No cost or low cost techniques can frequently be just as effective as paid promotion.

Be sure to develop public service announcements, public presentations, an entrepreneurs speakers' bureau to provide general information and tell the story of entrepreneurship. Incubator tenants telling their story in person, media coverage or through web and blog tools can be the most effective attraction tool. General power point presentations on Regional Flavor sectors are more likely to attract aspiring entrepreneurs looking market opportunities. Facility tours and orientations should be promoted prior to the introduction of workshops and multi-week training programs.

Aspiring entrepreneurs would benefit from network events that provide both trend information and social networking time. Many incubators will host monthly events which combine an educational component with social networking. For instance incubator management could host a "final Friday" event that invites incubator tenants, established entrepreneurs and aspiring tenants to a themed gathering on various topics: creative industries, cultural and heritage tourism, food and farm enterprises. Each gathering could have a short presentation on a specific topic, time to network and refreshments. Focus groups and idea clinics are also utilized to build entrepreneurship networks. The incubator could partner with a tenant or client interested in garnering input on a new product, service or business concept. Gatherings need to be well facilitated to promote peer learning and productive feedback. Having gatherings on a regular basis is important and promoting them prior and after with calendars, fliers and social media sites will create the "buzz" for the incubator and business development services.

Prior to launch a database should be developed to prospect for entrepreneurs and provide information to contacts for referrals. The collaborative partners should include: area Chambers of Commerce, Rotary, civic and service organizations, business, agricultural and manufacturing associations, retail merchant associations/Main Street program, economic development and small business development agencies, elected officials, commercial banking institutions, SBA loan officers, area CDFI's, property management and realtors, educational institutions, area churches, social service agencies, and professional services providers: attorneys, accountants, engineers and contractors. Presentations and a referral process should also be designed to enlist the partner network to identify and refer tenant and client prospects. Fliers, posters and promotional packets should also be made of available to all partners for adequate exposure. Encouraging partners to attend incubator events and contribute content to social media sites is also important for recruitment momentum. It will be essential to allocate budget support for the development of recruitment campaigns.

Tenant Policies (Example)

INCUBATOR SAFETY POLICIES

GENERAL EMPLOYEE SAFETY **POLICY 15.00**

Ohio City Community Food Incubator is committed to the safety and health of all employees and recognizes the need to comply with regulations governing injury and accident prevention and employee safety. Maintaining a safe work environment, however, requires the continuous cooperation of all employees.

Ohio City Community Food Incubator will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your direct supervisor or facility manager for assistance. Any suspected unsafe conditions and all injuries that occur on the job must be reported immediately. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each direct supervisor make the safety of employees an integral part of her/his regular management functions. It is the responsibility of each employee to accept and follow established safety regulations and procedures.

Ohio City Community Food Incubator strongly encourages you to communicate with your facility manager and human resources administrator regarding any safety issues.

REPORTING SAFETY ISSUES **PROCEDURE 15.01**

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your human resources administrator and direct supervisor. If you or another employee is injured, you should contact outside emergency response agencies, if needed. If an injury does not require medical attention, an Employee Report of Accident Form must still be completed in case medical treatment is later needed and to insure that any existing safety hazards are corrected. The Employee's Claim for Worker's Compensation Benefits Form must be completed in all cases in which an injury requiring medical attention has occurred.

Federal law (Occupational Safety and Health Act) requires that we keep records of all illnesses and accidents which occur during the workday. The Ohio Bureau of Workers' Compensation Act also requires that you report any workplace illness or injury, no matter how slight. If you fail to report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. OSHA also provides for your right to know about any health hazards which might be present on the job. Should you have any questions or concerns, contact your human resources administrator, facility manager, or direct supervisor for more information.

Ohio City Community Food Incubator will not retaliate against any employee for exercising his/her rights under the Occupational Safety Act.

SAFETY COMMITTEE **POLICY 15.02**

In an effort to maintain the safest environment for employees and tenants ***Ohio City Community Food Incubator*** has a safety committee chaired by the Facilities Manager and attended by a representative from the tenant network. The committee meets once a month to discuss opportunities for improvement, trainings, ergonomic issues and facility issues. The safety committee meets the first Wednesday of every month starting Month/Year at 10:00 A.M. and all who wish to attend are welcome.

ENTERING AND LEAVING THE PREMISES **POLICY 15.03**

At the time you are hired, you will be advised about the proper entrances and exits for our employees, as well as unauthorized areas, if any. Our insurance company prohibits unescorted or unauthorized visitors in our facilities. Please notify your direct supervisor if you will be having visitors in the building. You are expected to abide by these rules at all times. Failure to do so will lead to disciplinary action. If you are the last to leave the building, please read and follow the lock-up procedure posted by the main exit of each building.

SECURITY CHECKS **POLICY 15.04**

Ohio City Community Food Incubator may exercise its right to inspect all packages and parcels entering and leaving our premises.

PARKING LOT **POLICY 15.05**

Courtesy and common sense in parking will help eliminate accidents, personal injuries, and damage to your vehicle and to the vehicles of other employees. If you should damage another car while parking or leaving, immediately report the incident, along with the license numbers of both vehicles and any other pertinent information you may have, to the receptionist.

Ohio City Community Food Incubator cannot be and is not responsible for any loss, theft or damage to your vehicle or any of its contents.

SAFETY RULES **POLICY 15.06**

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all ***Ohio City Community Food Incubator*** activities. We want to protect you against industrial injury and illness, as well as minimize the potential loss of production.

PROCEDURE 15.06

Below are some general safety rules to assist you in making safety a regular part of your work. Your direct supervisor may post other safety procedures in your department or work area.

A. WORKING SAFELY

Safety is everyone's responsibility. Remind your co-workers about safe work methods. Start work on any machine only after safety procedures and requirements have been explained. Immediately report any suspected hazards and all accidents to your facility manager or human resources administrator.

B. LOCK OUT TAG OUT POLICY

Ohio City Community Food Incubator requires that whenever there is work to be performed on any machine that has any stored mechanical energy or is electric that the use of approved lock out, tag out devises must be used to prevent reenergizing of any piece of equipment, machine or electrical circuit. If you ever encounter a lock out, tag out devise do not remove it or attempt to restore power to it, read the tag that describes its purpose and estimated time of repair completion.

C. LIFTING

Ask for assistance when lifting heavy objects or moving heavy furniture. Bend your knees, get a firm grip on the object, hold it close to your body and space your feet for good balance. Lift using your stronger leg muscles, not your weaker back muscles.

D. MATERIALS HANDLING

Do not throw objects. Always carry or pass them. Use flammable items, such as cleaning fluids, with caution. Also, stack materials only to safe heights. All hazardous materials should be clearly labeled and not transferred into any other containers.

E. FORK LIFT/ STRADDLE STACKER
No individual is permitted to use these devices without having received documented training on the proper use of these pieces of equipment. Whenever working with this equipment over shoulder height in the warehouse insure that the aisle you are working in has been closed through the use of the red caution cones found by the wet room in building C. If you encounter these cones please be very careful.

F. FLAMMABLES
All flammables must be stored in the locking metal cabinet in building A storage area and only used by the staff of facilities management, or as assigned by facilities management.

G. TRASH DISPOSAL
Keep sharp objects and dangerous substances out of the trash can. Items that require special handling should be disposed of in approved containers.

H. RECYCLING
In an effort to be environmentally conscious we recycle everything that can be recycled. There are recycle containers in all buildings and individual offices. We ask for your cooperation in our recycling efforts by placing recyclables in the approved containers. Recycling occurs every _____night so if you have receptacles in your office please set them in the hall for recycling when you leave at the end of the day.

I. CLEANING UP
To prevent slips and tripping, clean up spills and pick up debris immediately. There are mops and mop buckets in buildings A and C. If you use them please clean out and hang mop up to dry.

J. PREVENTING FALLS
Keep aisles, work places and stairways clean, clear and well lighted. Walk, don't run. Watch your step. Insure that your work area is free of network and telephone cables running in foot traffic areas or request that a cord cover be installed. The use of extension cords is highly discouraged. Extension cords are to be used only temporarily and not intended to be permanent and they must be of the proper size and be U.L. approved. If you have a need for a temporary extension cord, ask Facilities Management and one will be upplied. Report any frayed or loose wires that are on any extension cord or equipment to the Facilities Manager immediately.

K. HANDLING TOOLS
Exercise caution when handling objects and tools. Do not use broken, defective or greasy tools. Use tools for their intended purpose only. Wear safety glasses or goggles whenever using a power tool.

L. FALLING OBJECTS
Store objects and tools where they won't fall. Do not store heavy objects or glass on high shelves.

M. WORK AREAS
Keep cabinet doors and file and desk drawers closed when not in use. Remove or pad torn, sharp corners and edges. Keep drawers closed. Open only one drawer at a time. Report any defects or inoperable equipment to the ***Ohio City Community Food Incubator*** Facilities Manager utilizing the appropriate request form.

N. USING LADDERS
Place ladders securely. Do not stand on boxes, chairs or other devices not intended to be used as ladders.

O. MACHINE GUARDS
Keep guards in place at all times. Do not clean machinery while it is running. Lock all disconnect switches with the use of approved lockout tag out devices while making repairs or cleaning.

P. PERSONAL PROTECTIVE EQUIPMENT

Always wear or use appropriate safety equipment as required in your work. Wear appropriate personal protective equipment, like shoes, hats, gloves, goggles, spats and hearing protectors in designated areas or when working on an operation which is potentially hazardous. Also, wear gloves whenever handling castings, scrap, or barrels.

Q. CHEMICAL MIXING

All chemicals used in the cleaning of the facilities are mixed in building C kitchen. Whenever you have a need for mixing chemicals please follow the posted Policies and Procedures Handbook by the mixing unit. Gloves and protective eyewear are mounted on the side of the mixing unit. Feel free to ask for assistance if you are unsure about mixing chemicals.

R. M.S.D.S INFO

All chemicals used on the premises are required to have a **M**aterial **S**afety **D**ata **S**heet on file with the Facilities Manager. By law these sheets must be kept on file for a period of 30 years. There are copies of all currently approved chemical M.S.D.S. sheets mounted on the wall by the mixing unit. Please refrain from bringing cleaning chemicals into ***Ohio City Community Food Incubator*** without the approval of the Facilities Manager. If there is a request for a different chemical than the ones we already use, there is an evaluation for new chemicals process that the ***Ohio City Community Food Incubator*** Facilities Manager will instigate.

S. ELECTRICAL HAZARDS

Do not stand on a wet floor while using any electrical apparatus. Keep extension cords in good repair. Don't make unauthorized connections or repairs. Do not overload outlets. If you smell something hot or see smoke from any electrical devise or wall outlet contact the ***Ohio City Community Food Incubator*** Facilities Manager immediately, do not attempt to unplug the devise just turn off the power and call Facilities Manager.

T. FIRE EXTINGUISHERS (SEE ALSO 15.08)

Know where fire extinguishers are and how to use them. Fire extinguisher training will be conducted on an annual basis for those who have not had hands on training. If you encounter a need for a fire extinguisher do the following:

1. Have someone call 911 to report the name of the facility and the address and location of the fire and announce over the intercom the location of the fire and give instruction
2. Locate and remove from the wall the closest fire extinguisher (all fire extinguishers are A B C and can be used on all types of fire).
3. Pull the safety pin, aim nozzle at the base of the fire and make sure to stand back 3 to 5 feet and squeeze the handle insuring that you do not scatter the flaming debris.
4. If one fire extinguisher is not enough to put out the fire, no further attempts to put the fire out should be made by staff.
5. When the fire department arrives, direct the crew to the fire. Do not re-enter the building until directed to do so by the fire department.

U. REPORT INJURIES

Immediately report all injuries, no matter how slight, to your direct supervisor and human resources administrator. There is a form to fill out at the time of injury unless the injury is severe. In the event of a severe injury or illness the form will be filled out as soon as a professional has addressed the problem and you are no longer at risk.

V. ASK QUESTIONS

If you are ever in doubt regarding the safe way to perform a task, please do not proceed until you have consulted your direct supervisor or facility manager. Employees will not be asked to perform any task which may be dangerous to their health, safety or security. If you feel a task may be dangerous, inform your direct supervisor, facility manager, or human resources administrator at once.

We strongly encourage employee participation and your input on health and safety matters. Please obtain a Safety Suggestion Form from your facility manager or human resources administrator for this purpose. Employees may report potential hazards and make suggestions about safety without fear of retaliation. We appreciate, encourage and expect this type of involvement! The success of the safety program relies on the participation of all employees. Though it is ***Ohio City Community Food Incubator*** responsibility to provide for the safety, health and security of its workers during working hours, it is the responsibility of each employee to abide by the rules, regulations and guidelines set forth.

Remember, failure to adhere to these rules will be considered serious infractions of safety rules and will result in disciplinary actions.

WEAPONS **POLICY 15.07**

Ohio City Community Food Incubator t believes it is important to establish a clear policy that addresses weapons in the workplace. Specifically, ***Ohio City Community Food Incubator*** prohibits all persons who enter company property from carrying a handgun, firearm, knife in excess of 4" in length, or other prohibited weapon of any kind regardless of whether the person is licensed to carry the weapon or not.

The only exception to this policy will be police officers, security guards or other persons who have been given written consent by ***Ohio City Community Food Incubator*** to carry a weapon on the property.

Any employee disregarding this policy will be subject to immediate termination.

FIRE PREVENTION **PROCEDURE 15.08**

Know the location of the fire extinguisher(s) in your area and make sure they are kept clear at all times. Notify your facility manager if an extinguisher is used or if the seal is broken. Keep in mind that extinguishers that are rated ABC can be used for paper, wood, or electrical fires. Make sure all flammable liquids, such as alcohol, are stored in approved and appropriately labeled safety cans and are not exposed to any ignition source. All flammables should be stored in the metal cabinet in the storage area.

A. IN CASE OF FIRE

If you are aware of a fire, you should:

- Dial 911 or the local fire department.
- If possible, immediately contact your receptionist who will then notify all staff. Evacuate all employees from the area. The agreed upon spot to meet and establish through a head count that all have been evacuated is the **handicapped parking spots** in the parking lot.
- If the fire is small and contained, locate the nearest fire extinguisher. This should only be attempted by employees who are knowledgeable in the correct use of fire extinguishers.
- If the fire is out of control, leave the area immediately. No attempt should be made to fight the fire. When in doubt about if you can effectively extinguish the fire do not hesitate to evacuate the building and let the fire department deal with the fire.

When the fire department arrives, direct the crew to the fire. Do not re-enter the building until directed to do so by the fire department.

EMERGENCY EVACUATION **PROCEDURE 15.09**

If you are advised to evacuate the building, you should:

- Stop all work immediately.
- Contact outside emergency response agencies, if needed.
- Shut off all electrical equipment and machines, if possible.
- Walk to the nearest exit, including emergency exit doors.
- Exit quickly, but do not run. Do not stop for personal belongings.
- Proceed, in an orderly fashion, to the handicapped parking spot in the lot near the building. Be present and accounted for during roll call.
- Do not re-enter the building until instructed to do so.

Emergency Evacuation Plans are posted next to every interior and exterior door. Please review this plan and become familiar with your evacuation route.

HOUSEKEEPING **POLICY 15.10**

Neatness and good housekeeping are signs of efficiency. You are expected to keep your work area neat and orderly at all times - it is a required safety precaution.

PROCEDURE 15.10

If you spill a liquid, clean it up immediately. Do not leave tools, materials, or other objects on the floor which may cause others to trip or fall. Keep aisles, stairways, exits, electrical panels, fire extinguishers, and doorways clear at all times.

Easily accessible trash receptacles and recycling containers are located throughout the building. Please put all litter and recyclable materials in the appropriate receptacles and containers. Always be aware of good health and safety standards, including fire and loss prevention.

Please fill out a request and report anything that needs repairing or replacing to your facility manager immediately.

OFFICE SAFETY **PROCEDURE 15.11**

Office areas present their own safety hazards. Please be sure to:

- Leave desk, file or cabinet drawers firmly closed when not in use.
- Open only a single drawer of a file cabinet at a time.
- Arrange office space to avoid tripping hazards, such as telephone cords or calculator electrical cords.
- Remember to lift things carefully and to use proper lifting techniques.

PROPERTY AND EQUIPMENT CARE **PROCEDURE 15.12**

It is your responsibility to understand the machines needed to perform your duties. Good care of any machine that you use during the course of your employment, as well as the conservative use of supplies, will benefit you and ***Ohio City Community Food Incubator***. If you find that a machine is not working properly or in any way

appears unsafe, please notify your facility manager immediately so that repairs or adjustments may be made. Under no circumstances should you start or operate a machine you deem unsafe, nor should you adjust or modify the safeguards provided.

Do not attempt to use any machine or equipment you do not know how to operate, or if you have not completed training on the proper use of the machine or equipment.

RESTRICTED AREAS **PROCEDURE 15.13**

In the interest of safety and security, certain portions of ***Ohio City Community Food Incubator*** facilities may be restricted to authorized personnel only. Such areas will be clearly marked. Some areas may be designated no smoking areas as well.

SAFETY RULES WHEN OPERATING MACHINES AND EQUIPMENT **PROCEDURE 15.14**

When operating machines and equipment, please be sure to follow these procedures:

- Make sure machine guards are in place while machines are in operation.
- Remove loose clothing, jewelry or rings before operating machinery.
- Wear steel toe shoes and prescription eye protection to start the job, if required.

Required personal protective equipment, except for prescription glasses and steel toe shoes, will be issued to you by your facility or production manager.

We will continue to provide a clean, safe and healthy place to work and we will provide the best equipment possible. You are expected to work safely, to observe all safety rules and to keep the premises clean and neat. Remember that carelessly endangering yourself or others may lead to disciplinary action, including possible termination.

SECURITY **POLICY 15.15**

Maintaining the security of Ohio City incubator building and vehicles is every employee's responsibility. Develop habits that insure security as a matter of course. For example:

- Always keep cash properly secured. If you are aware that cash is insecurely stored, immediately inform the person responsible.
- Know the location of all alarms and fire extinguishers, and familiarize yourself with the proper procedure for using them, should the need arise.
- When you leave ***Ohio City Community Food Incubator*** premises make sure that all entrances are properly locked and secured.

SMOKING **POLICY 15.16**

Smoke only in designated smoking areas. Please be courteous and concerned about the needs of your fellow employees and others. Please do not smoke in restricted areas.

Please remember to conform to our customer's smoking policies when working at a customer's site.

All employees are expected to abide by this policy while at work.

Sample Incubator Lease

This Lease Agreement (this "Lease") is made effective as of **(Date)**, by and ***Ohio City Community Food Incubator*** ("Landlord"), and _____ ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant Office Space listed as _____ on the ***Ohio City Community Food Incubator*** (the "Premises") located at _____.

TERM. The initial lease term of 10 months will begin on **(Date)** and will terminate on **(Date)** in order to conform with ***Ohio City Community Food Incubator*** policy of yearly renewals occurring on the **(Date)**. This lease shall automatically renew for an additional one year term beginning **(Date)** which will terminate on **(Date)**.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly payments as outlined in the table below (based on 1145 sq/ft.), payable on the first day of each month. Tenant has the option at any time to request Internet access for an additional fee of $20 per month.

Payment Schedule Example	**Rate**	**Total Due**
September 1 to June 30, 2010	$.90	$1,030.50
July 1, 2010 to June 30, 2011 (renewal)	$1.00	$1,145.00

Lease payments shall be made to the Landlord at _____, which address may be changed from time to time by the Landlord.

SECURITY DEPOSIT. The security deposit, payable Date/Year, shall be equal to one month's lease payment of $1,030.50 and will be returned at the expiration of lease, less any fees, repairs, or unpaid balances.

POSSESSION. Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing.

USE OF PREMISES. Tenant may use the Premises only for conducting of legal and environmentally safe business within the business category and / or discipline represented to the landlord at time of initial interview. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any

anticipated extended absence from the Premises not later than the first day of the extended absence.

DATA COLLECTION. Tenant agrees to provide sales and employment information to ***Ohio City Community Food Incubator*** which will be kept strictly confidential and reported only in a combined total with other ***Ohio City Community Food Incubator*** clients.

FURNISHINGS. The lease of the Premises includes the furnishings, if any, listed on the attached exhibit. Tenant shall return all such items at the end of the lease term in a condition as good as the condition at the beginning of the lease term, except for such deterioration that might result from normal use of the furnishings.

PARKING. Tenant shall be entitled to use parking space(s) for the parking of the Tenant's and their customers'/guests' motor vehicle(s).

PROPERTY INSURANCE. Landlord and Tenant shall each be responsible to maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force. Landlord shall have the right to require that the Landlord receive notice of any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises.

RENEWAL TERMS. This Lease shall automatically renew for an additional period of one year per renewal term with a rate of $1xxx per sq/ft, for a monthly rate of $xxxx, unless either party gives written notice of the termination no later than 90 days prior to the end of the term or renewal term. The lease terms during any such renewal term shall be the same as those contained in this Lease.

MAINTENANCE. Landlord shall have the responsibility to maintain the Premises in good repair at all times.

UTILITIES AND SERVICES. Landlord shall be responsible for all utilities and services incurred in connection with the Premises.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Landlord shall pay all real estate taxes and assessments for the Premises.

PERSONAL TAXES. Landlord shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments.

TERMINATION UPON SALE OF PREMISES. Notwithstanding any other provision of this Lease, Landlord may terminate this lease upon 90 days' written notice to Tenant that the Premises have been sold.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 30 days (or any other obligation within 30 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

LATE PAYMENTS. Tenant shall pay a late fee equal to $50.00 for each payment that is not paid within 15 days after its due date.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Tenant shall pay to the Landlord a lease payment for the Holdover Period equal to the normal payment rate set forth in the following Renewal Terms paragraph.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Tenant shall be charged $25.00 for each check that is returned to Landlord for lack of sufficient funds.

REMODELING OR STRUCTURAL IMPROVEMENTS. Tenant shall have the obligation to conduct any construction or remodeling (at Tenant's expense) that may be required to use the Premises as specified above. Tenant may also construct such fixtures on the Premises (at Tenant's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken and such fixtures may be erected only with the prior written consent of the Landlord which shall not be unreasonably withheld. At the end of the lease term, Tenant shall be entitled to remove (or at the request of Landlord shall remove) such fixtures, and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Lease.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities,

and expenses, including reasonable attorney fees, if any, which Landlord may suffer or incur in connection with Tenant's use or misuse of the Premises.

DANGEROUS MATERIALS. Tenant shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenant to Landlord.

ENVIRONMENTAL / HAZARDOUS MATERIALS: Tenant will not utilize environmentally unsafe or hazardous declared material/s within either the leased space of the company nor the grounds / campus of the ***Ohio City Community Food Incubator***. Should any of these classifications of materials be later deemed needed within the process or application of the service or product for which the tenant is conducting business, proper notification of this need will be provided ***Ohio City Community Food Incubator*** Management as soon as possible. All proper handling and disposal logistics will be in place and permitted within all local, state and federal guidelines and timelines. Violation of this lease requirement will be deemed grounds for termination of the lease at the total lease maturity expense of the tenant.

CONDUCTING OF ILLEGAL ACTIVITIES: Tenant will not use for, nor conduct in or on the ***Ohio City*** any activity deemed illegal by either local, state or federal laws.

MECHANICS LIENS. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Tenant.

ARBITRATION. Any controversy or claim relating to this contract, including the construction or application of this contract, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

SUBORDINATION OF LEASE. This Lease is subordinate to any mortgage that now exists, or may be given later by Landlord, with respect to the Premises.

ASSIGNABILITY/SUBLETTING. Tenant may not assign or sublease any interest in the Premises, nor effect a change in the majority ownership of the Tenant (from the ownership existing at the inception of this lease), without the prior written consent of Landlord, which shall not be unreasonably withheld.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

LANDLORD:

Name: ***Ohio City Community Food Incubator***

Address:

TENANT:

Name:

Address

Such addresses may be changed from time to time by either party by providing notice as set forth above.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Arkansas.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

TENANT TERMINATION. Should extenuating circumstances arise due to company fiscal well-being tenant may escape this lease within mutually agreed terms between tenant and ***Ohio City Community Food Incubator.***

***Ohio City Community Food Incubator* (LANDLORD):**

By: _____

Ohio City Community Food Incubator

Tenant:

By: _____

Sample Incubator Forms

Tenant Intake Form

Name: _____

Address: _____

Email: _____

Phone: _____ 1st Contact # _____

2nd Contact #

Business Address: _____

(Home address if different)_____

Business Phone: _____

Website _____

I understand that as a business client of Ohio City Community Food Incubator, I agree to provide sales and employment information which is kept confidential and only reported in a large sum with all other Ohio City Community Food Incubator business clients.

Signature: _____ Date:_____

Please mark all areas for which you are interested. Check all that apply.

_____ Hourly Use of Commercial Kitchen _____Hourly Use of Bottling Room

_____ Warehouse Food Storage _____ Refrigeration/Freezer Storage

Type of Food Product: _____

Services

Regional Marketing Partnerships: _____ Local Brand _____ Other

Business Services

_____ Business Counseling

_____ Business Trainings & Seminars

_____ Business Plan Development

_____ Business Loan

_____ Product Development

_____Other:_____

BUSINESS OVERVIEW

Briefly describe the Business or Business Idea:

Which best describes your current business plan? _____Completed _____ Partially Started
_____Not Started

Is your business currently operating? Yes _____No _____

If yes, when was it started? Month _____ Year _____

If no, in what Month and year do you anticipate opening your business?
Month _____ Year _____

Is this business: 51% or more fema☐ owned 51% or more minori☐ owned

If existing, where is this business currently operating?

☐ **Home** ☐ **Leased Space** ☐ **Incubator Space** ☐ **Owned Commercial Space**

Business Type (circle all that apply):

Service Retail/Wholesale Manufacturing Agriculture

Other _____

Will your business import or export from other countries?

☐ Yes ☐ No ☐ Possibly

Will this business have paid employees?

☐ Yes ☐ No #Part Time _____ #Full Time _____

What do you anticipate the gross revenue from this business this year? $_____

If an existing business, what were the total sales for last year? $_____

Business form (circle current type):

Sole Proprietor **Partnership** **Corporation:** **LLC – Limited Liability Company**

S – Close Corporation **C – General Corporation**

Current Investment Status of Business:

☐ Self-Funded ☐ Friends/Family ☐ Bank ☐ Investors

If your business is a partnership, please list the current partners below:

BUSINESS CAPACITY

What are the top 3-5 issues, your business is facing?

1.
2.
3.
4.
5.

What software do you currently use on a regular basis for your business?

What business skills would you be interested in developing more?

What business topics would you be interested in attending a seminar?

ENTREPRENEUR DEMOGRAPHICS

Ethnic Background:

☐ African-American ☐ Asian/Pacific Islander ☐ Caucasian

☐ Native American ☐ Other _____

Gender:

☐ Male ☐ Female

Marital Status:

☐ Single ☐ Married ☐ Divorced ☐ Widowed

Highest Education Level:

☐ Some High School ☐ High School or GED ☐ Some College

☐ Associate Degree ☐ Bachelors Degree ☐ Graduate Degree

☐ Technical/vocation School Certificate/Diploma

Veteran:

☐ Yes ☐ No

Disabled:

☐ Yes ☐ No ☐ From Military Service?

Have you recently lost a job?

☐ Yes ☐ No

☐ Main Source of Household Income Self-Employment Working for Someone Else
Public Assistance

☐ Other _____

Individual Gross Income Last Year? (If you do not know your yearly income please multiple this month's gross income by twelve)

☐ Under $15,000 ☐ $15,000 - $24,999 ☐ $25,000 - $34,999

☐ $35,000 - $44,999 ☐ $45,000 - $54,999 ☐ $55,000 - $64,999

☐ $65,000 - $74,999 ☐ $75,000 - $84,999 ☐ $85,000 and over

Household Gross Income Last Year? (If you do not know last year's gross household income please multiple this month's gross income by twelve)

☐ Under $15,000 ☐ $15,000 - $24,999 ☐ $25,000 - $34,999

☐ $35,000 - $44,999 ☐ $45,000 - $54,999 ☐ $55,000 - $64,999

☐ $65,000 - $74,999 ☐ $75,000 - $84,999 ☐ $85,000 and over

How Many People Are In Your Household? Please write the number for each.

_____Adults 18 years and older (include yourself) _____ Children under 18

We receive part of our funding from government grants that require us to demonstrate the impact of our efforts on the economy. The following questions serve as a basis for this determination. In the future we will be contacting you about how well you and your business are doing. Our continued funding depends on our ability to collect this information. All information will be kept confidential. We do not report individual data to any government or private agency. All reports are aggregated and anonymous. Thank you for your cooperation.

Sample Rent Rates Chart

Most kitchen incubator facilities offer a sliding scale of rents. If the facility has a larger regional pull, which is likely for the Northeast Ohio region, it is wise to have a rate set for your primary service area, which could be Arkansas and another rate for out of state tenants. Many facilities also provide a sliding scale of hourly or packaged rates based on the income levels of their entrepreneurs. The following charts outline average rate amounts for incubator facilities targeting low and moderate income entrepreneurs.

	Standard	Primary Service
Storage – Dry Pallet	$35	$25
Frozen Pallet	$85	$75
Reefer Pallet	$85	$75
Secured Cage - large	$165	$165

Secured Cage - medium		$110	$110
Secured Cage - small		$55	$55
Bakery	Hourly	$25	$15
Catering/Foodservice	Hourly	$20	$15
Food Packaging Room	Hourly	$20	$10
Bottling/Filler	Hourly	$30	$18
Bottling/non-/filler	Hourly	$25	$14
pH Analysis/Water Activity		$10	$7
Nutrition Facts Panel		$20 each	$10 each
HACCP		$50	$30
Product Development		$20 per product	$10 per product

Office Fees		
Black & white copies	.10 each	Single sided
Faxes	.75 each	Per side
Label Printing	.10 per label	Client purchases paper
Marketing Services	$35 first hour	$25 for subsequent hours
Label Design	$50 fee	One – two labels
Phone Consultation	$50 per hour	By agreement
Workshops	$25 - $50	Per person
Webinars	$25 - $50	Per person
Conference Room Rental	$5 per hour	Free for incubator tenants
Internet Tenant Service	$20 per month	Payable on billing invoice
Tenant Intake Process	$35 fee	Payable at intake

Prospective Tenant Survey Template

This form offers a template for collecting prospective tenant information for new businesses or individuals at the early concept phase of their business. It also gauges the types of assistance and operational needs they self-assess.

Survey for Prospective Tenants

Value Adding Agricultural Processing Facility /

Commercial Kitchen Incubator Needs

Please complete the following questionnaire about the proposed facility and return it to:

1. What is your zip code? _____

2. What type of company or group do you have now or want to be?

   □ Value added farm producer □ Caterer

   □ Cart/Street Vendor □ Church/School /Civic Group

   □ Specialty/Gourmet Food Producer (i.e. mustard, barbecue sauce, salsa, jams, cheesecakes, etc.)

   □ Bakery □ Other_____

3. What food item(s) are you now or would you be interested in preparing?

	Preparing Now	Interested in Preparing	How Interested Are You? Low	Medium	High
a. Bakery Items	□	□	___	___	___
b. Catered Meals	□	□	___	___	___
c. Sauces / Salsa	□	□	___	___	___

d. Condiments	□	□	___	___	___	
e. Value Added Produce		□	□	___	___	___
f. Pasta	□	□	___	___	___	
g. Dry Mixes	□	□	___	___	___	
h. Beverages	□	□	___	___	___	
i. Fruits/Berries	□	□	___	___	___	
j. Dairy	□	□	___	___	___	
k. Meats	□	□	___	___	___	
l. Other _____			___	___	___	
m. Other _____			___	___	___	

Comments:

4. What facilities or services are you currently using to meet your food service needs?

   (church kitchen, rental kitchen, home kitchen, etc.)?

   _____

   _____

5. What type of equipment would you need to prepare your food product?

	How Important?		
	Low	Medium	High

□	Standard range/oven	□	□	□
□	Steam jacketed kettle	□	□	□
□	Commercial mixer	□	□	□
□	Filling and Packaging equipment	□	□	□
□	Walk-in cooler	□	□	□
□	Food processor	□	□	□
□	Walk-in freezer	□	□	□
□	Dish washer	□	□	□
□	Stainless steel table	□	□	□
□	Dehydrator / drying equipment	□	□	□
□	Convection oven	□	□	□
□	Deep fryer	□	□	□
□	Flat top grill	□	□	□
□	Bread slicer	□	□	□
□	Vegetable washer	□	□	□
□	Vegetable sorter	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□

6. Please indicate which of the following facilities you would utilize if it were available?

		How Important?		
		Low	Medium	High
□	Shared-use production kitchen	□	□	□

□	Vegetable wash station	□	□	□
□	Warehouse space	□	□	□
□	Dry storage	□	□	□
□	Frozen storage	□	□	□
□	Cool storage	□	□	□
□	Thermal processing room	□	□	□
□	Co-pack facilities	□	□	□
□	Retail space	□	□	□
□	Office space	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□
□	Other_____	□	□	□

7. How often would you be interested in using this facility?

□ Daily	□ Holidays
□ Weekly	□ Occasionally
□ Monthly	□ Weekends

8. Overall, how interested are you in utilizing the facility?

How Interested?

Low Medium High

□ □ □

9. Respondent Information

Name (Mr./Mrs./Ms):

Title:

Address:

City: State: Zip:

Phone: ( ) Fax: ( )

Would you be interested in attending a meeting to discuss future plans for the shared-use value added food center? _____ Yes _____ No

Thank you for your time and interest. Please return your completed questionnaire to:

This questionnaire was designed for farm families, entrepreneurs, companies and organizations, which might be prospective tenants of the proposed facility. If you have other suggestions regarding the need for such a facility in our community, please use the space below for comments.

Food Entrepreneur Assessment Sample

This form offers a template for collecting prospective tenant information for existing businesses coming into the incubator facility as a seasonal user or as an anchor tenant. The format could also be adapted to collect annual data for economic impacts of incubator program.

1. Your business name _____
2. Name(s) of owner _____
3. Number of full-time workers today *(including owner)* _____
4. Is there seasonal variation in labor force? ☐ Yes ☐ No
5. Number of workers during last year: Highest_____ Lowest _____ Average _____
6. What is the highest wage you are paying a worker including management? _____
   Lowest wage? _____

7. Do you offer medical benefits? ☐ Yes ☐ No
8. What percentage of the medical benefits does the business pay? *(please check one)*

☐ None ☐ Less than 50% ☐ 50% ☐ More than 50%

9. Which of these benefits, if any, did you offer during this last year?
(please check all that apply)

☐ Flextime ☐ Paid Vacation

☐ Bonuses ☐ Profit Sharing

☐ Life Insurance

10. In the last year, did you provide on-the-job training? ☐ Yes ☐ No
11. In the last year, did you send employees to outside training? ☐ Yes ☐ No
12. Do you have written personnel policies? ☐ Yes ☐ No
13. Do you have any employees who are managers? _____ How many? _____
14. Business systems: *(please check all that apply)*

☐ Do you have a computerized accounting system

☐ Do you have a have a bookkeeper or CPA complete financial statements monthly?

☐ Do you have a formal hiring process (Ask prepared questions to prospective employees?)

☐ Do you track inventory monthly or more frequently?

☐ Do you have a computerized system set up for customer tracking?

☐ Do you track your financial position relative to industry ratios?

☐ Do you know the cost of your products and update them regularly?

☐ Did you expand your production facility or space or set up a new facility?

☐ Do you have a computerized shipping and invoicing system?

☐ Do you have a computerized cash flow tracking system?

15. Which of the following product development or marketing activities did you engage in this year? *(please check all that apply)*

☐ Sold products in regional markets ☐ Sold products in national markets

☐ Sold products in international markets ☐ Participated in a Buy Local Campaign

☐ Conduct market research ☐ Developed a new product or pro

☐ Hired a broker ☐ Developed new or improved marketing materials

☐ Developed a new label ☐ Developed a new marketing campaign

☐ Attended a trade show ☐ Had a booth in a trade show

☐ Added a distributor ☐ Set up a business Web page

16. For which of the following do you use a computer? *(please check all that apply)*

☐ Correspondence ☐ Email ☐ Internet Research

☐ Business Web Site ☐ Online sales, retail ☐ Online sales, wholesale

☐ Purchase from Suppliers ☐ Spreadsheets ☐ Inventory

☐ Machine Operation ☐ Other _____

17. How much do you expect your sales to grow in the next year? *(please check one)*

☐ Less than $10,000 ☐ $100,000 - $250,000

☐ $10,000 – $50,000 ☐ $250,000 - $500.000

☐ $50,000 - $100,000 ☐ $more than $500,000

18. What is your biggest challenge or issue during the coming year? *(please check one)*

☐ Sales need to increase ☐ Profitability needs to be increased

☐ Cash flow is a problem ☐ Hard to find good employees

☐ Employee turnover high ☐ Production capacity not high enough

☐ Shipping problems ☐ Supervisory problems

☐ Pilferage/loses of inventory ☐ Employees not productive enough

☐ Lack a plan ☐ Employees not sufficiently skilled

19. What capital did you invest in your business in the last year? *(please check all that apply)*

☐ My Own Money ☐ Bank Loans ☐ Loans from family or friends

☐ Revolving Loan Fund ☐ ACEnet Ventures dollars ☐ Other

20. What services have been the most useful? ____

21. What services have been the least useful? ____

22. What would you like to see improved?

23. What suggestions can you make for changes in our services?

24. What services would you like to see added?

25. Were you involved in supporting your community in any of the following ways:

(please check all that apply)

☐ Donations ☐ Fairs

☐ Public Office ☐ Involvement in some type of community committee

☐ Involved in developing a new service or program? *Explain:* _____

_____

26. If you have a mentor, list his or her name and business or organizational affiliation, below.

27. If you mentor other entrepreneurs, list their name(s) below.

28. Name 3 new ideas you used in your business and that generated revenues for you business. Then list the person or source of each of those new ideas.

New ideas	Source of idea
_____	_____
_____	_____
_____	_____

29. Using the list of businesses attached, and including any others, name the businesses with which you collaborate most closely in the operation of your business.

33. Did you engage in any of the following collaborations during the last year?

- ☐ bought jars, boxes or raw materials with, for or from another business
- ☐ share a trade show or fair booth
- ☐ take products to market for someone else
- ☐ got someone to take your products to market
- ☐ shared information about markets, equipment, or some other aspect of business
- ☐ worked on product development with another business
- ☐ referred a business to some resource you use (consultant, etc)
- ☐ shared equipment with another business
- ☐ other collaboration

33. Using the list of resource organizations, consultants and businesses attached, list the organizations or individual that assisted you in each area during the last year.

- ❑ Assistance with accountant/bookkeeping
- ❑ Assistance with marketing information or materials
- ❑ Assistance with product development
- ❑ Assistance with product processes
- ❑ Assistance with suppliers

- ❑ Assistance with equipment
- ❑ Assistance with insurance
- ❑ Assistance with business plan
- ❑ Assistance in obtaining capital
- ❑ Assistance with human resources/workforce development
- ❑ Financial analysis and planning
- ❑ Assistance with industry and market trends_
- ❑ Assistance with computers and their usage
- ❑ Assistance with management skills

Farm Entrepreneur Assessment Sample

Local Farm Entrepreneur Survey

Your Name:_____

Name of your farm:_____

Location of your farm:_____

Number of acres in production:_____

Crops or products sold:_____

Which of the following best describes your farm?

- Certified organic
- Working on organic certification
- Chemical-free, but not getting certified
- Certified in a different sustainability practice
- Pastured meats
- Other (please explain)

How are your farm's products sold?

- Farmer's markets
- Farm stand
- CSA's or other collaborative subscription program
- Restaurants
- Independently-owned specialty food retail establishment
- Independently-owned grocery
- Natural Food independent
- Chain Grocery (mass channel, specialty or natural)
- Institutional wholesale
- Other (please explain) _____

What is the approximate value of products you sold in each way in the past year?

Direct or Farmer's markets_____

Restaurants_____

Wholesale Grocery_____

Wholesale Institutions_____

Other_____

How long have you been selling your products to these buyers?

Direct or Farmer's markets_____

Restaurants_____

Wholesale Grocery_____

Wholesale Institutions_____

Other_____

What type of infrastructure do you use on your farm for washing, packaging, processing or storage? Ex – water systems, buildings, equipment, etc.

Does the infrastructure on your farm meet your current and anticipated needs?

For the following questions, the number 1 represents the answer "not at all" and the number 5 represents the answer "completely."

On a scale of 1 to 5, how financially stable or secure would you say your farm is right now?

On a scale of 1 to 5, how financially stable or secure would you say your farm was this time last year?

During the 2010 growing season, how much did you invest in your farm? This could be money you spent on equipment, infrastructure, land, or labor.

- Less than $1,000
- $1,000 to $2,999
- $3,000 to $4,999
- $5,000 to $9,999
- $10,000 to $14,999
- $15,000 or more

What was the source of this money?

- Business equity
- Bank loan
- Community loan fund program
- Government loan fund program
- Personal loans (friends, family)
- Investors
- Other (please explain) _____