

Jackson County “Shared-Use Commercial Kitchen”



Question: *How many users are currently using the surrounding commercial kitchens?*

Stecoah Valley Food Ventures Kitchen

1 Full-Time User (Baker). They have **several** Food Trucks that use kitchen sporadically.

Cowee Community Kitchen:

2 Commercial Users. **4** Safety Classes and **4** Non-profit and Family Users monthly.

BLUE RIDGE FOOD VENTURES: (11,000 SQUARE FEET)

- **235+**: Clients who have used the services of BRFV since its opening – food producers, farmers natural product-makers, and mobile food businesses
- **31**: Clients who have 'graduated' the program since opening – that is, moved on, many times to open their own manufacturing facility
- **60**: Approximate number of clients actively use the facility during a given quarter
- **\$8.6 million+**: Value of products made at the facility since 2005
- **76**: Number of individuals employed monthly by clients of BRFV over the last fiscal year
- **160+**: Businesses to which BRFV provided technical assistance in 2013
- **\$390,000**: Value of natural products produced at the facility in 201

Other things to Consider of Why Commercial Kitchen is Needed

- Food Security for Emergencies and potential Food Shortages
 - Growing demand for local foods
- Increased agri-business entrepreneurs to county, agri-business stimulator

Other Sources of Funding

Resource Conservation and Development – Lynn Sprague feels he could secure about \$100,000 in grant funds to help with the costs.

Dear Commissioner,

My name is Jenna Kranz, and I'm an artisan baker and a Sylva resident. My company, Happy-Go-Lucky Foods, is an organic, vegan, and gluten-free granola company that services several surrounding counties as well as two other states.

I relocated to Sylva a year ago when my husband got a job teaching at Western Carolina University. When I moved here, the closest rent-able shared-use kitchen was in Cowee, I've been baking there several days a week since last October. Over the span of this last year, my business has grown tremendously and now brings in roughly \$1,000 a week in revenue between my wholesale and market accounts. Frankly, it's gotten too big for just me, and I've recently hired my first employee who is also a Sylva resident.

A significant amount of this revenue comes from my stand at the Jackson County Farmers Market, which has supported my business from the start and pulled me out of my Saturday market in Asheville, which I used to attend twice a week. Unfortunately, I am unable to keep this revenue circulating in my home community because the rent I pay for my kitchen goes to Macon county.

I am not alone. There is increasing demand in Sylva for a shared-use commercial kitchen. I know of at least two other small food business entrepreneurs who are eager to begin making their products and selling them in this community. However, they will probably be sending a significant portion of their earnings out of the county (and even as far as Asheville) when they are unable to find a space here that serves their needs.

The lack of a commercial kitchen is hindering the economic growth potential of this community and causing local businesses to send the revenue they bring in from the Sylva area across county lines.

Help us keep that money here and help us support local small business owners by lending your support to this commercial kitchen project.

Thank you,

Jenna Kranz
Owner, Happy-Go-Lucky Foods



September 12, 2016

Rob Hawk, II County Extension Director Jackson County Cooperative Extension Center 538
Scotts Creek Rd, Suite 205 Sylva NC 28779

Dear Rob,

This letter is written in support of your efforts to establish a shared-use commercial kitchen in Sylva to support small food business owners and entrepreneurs who sell their products at the Jackson County Farmers Market. The close proximity of the Cooperative Extension Center to the Farmers Market and the Extension food safety education and training programs to be offered at the local level makes this project a win-win situation for local vendors and consumers. I fully support your proposal and hope the Jackson County Commissioners approve your budget request.

As you may know, this project fits perfectly into the state plan for development of a North Carolina food manufacturing initiative. The need for local shared use facilities and regional food commercialization centers is clearly evident. Supporting documents that may be of interest to county leaders are attached.

If I can provide any further assistance to you and your staff in moving forward in the construction and program development process, please do not hesitate to let me know.

Sincerely,

A handwritten signature in black ink that reads "David P. Green". The signature is written in a cursive style.

David P. Green, PhD Professor and Department Extension Leader Department of Food,
Bioprocessing and Nutrition Sciences

DPG/

Attachments (2) North Carolina Food Processing and Manufacturing Initiative: An Economic
Feasibility

North Carolina Food Manufacturing Task Force Final Report

Per Dr. David Green's Comments of Facility Use, NCSU Dept. of Food, Bioprocessing and Nutrition Sciences - David P. Green, PhD Professor and Department Extension Leader Department of Food, Bioprocessing and Nutrition Sciences

As per estimating use of the shared-used commercial kitchen, it is really hard to measure. I thought about it from an operations point of view and tried to estimate maximum capacity based on the following assumptions.

1. Use of the facility will be limited to one client at a time.
2. A clean-break between clients is necessary to prevent cross contamination and cross contact with allergens.
3. A minimum use period should be established per client in order to structure the working day; e.g., four hours.
4. A maximum use per week number will be established based on the minimum use period; e.g., 8 clients per week, 10 if open on Saturday.
5. An hourly rate should be established to include personnel time and overhead costs; e.g., \$18/hour, half of which would pay for Extension staff time to instruct, oversee and clean facility after use and half of which would pay for overhead costs like water, electricity, waste disposal, supplies, etc.

If you estimate maximum use per week, it will give you the number of clients you can serve. You can expect 25% capacity in the first six months and 50% capacity after one year of operation. If the shared use kitchen can achieve 90% capacity in year two, you will be self sustaining.

Per Kathy Cirka “Backwoods Bakery,” comments of need for Commercial Kitchen

Why is a commercial kitchen important to you personally?

Our use of a commercial kitchen is for baked goods for sale within Jackson and Swain counties – being able to utilize a local community kitchen would allow all revenue to remain within the county and reduce cost/maximize profit by removing the travel time to commercial kitchens in distant counties.

Additionally, we utilize our portable wood-fired oven in the capacity of a temporary food establishment. Not only are we hindered by the commute distance in utilizing out-of-area community kitchen as our commissary for food prep, etc; as we venture to become a full-fledged mobile food unit (aka “food truck”), a local commissary would be a much more practical and cost-effective solution.

-How would a commercial kitchen improve what you sell now (at the Farmers Market) or make it possible to create a product you could sell?

It would allow for more of our current production with a fresher final product; would allow for us to use the wood fired oven more frequently at the market and with migration to a mobile food unit, would allow significantly more service within Jackson County.

- If you plan to use the Kitchen, how many times per week. (If you currently use a kitchen how many times a week do you use it?)

We currently use Stecoah Valley Center roughly once a week. With a much more accessible kitchen, we would utilize 1-3 times/week.

- Operating hours of kitchen you currently use. Cost of kitchen usage if you must rent space?

They are open from 10 – 5 daily however they allow us to use the kitchen in after hours as long as we make sure everything is off and secure. We pay \$10 per hour and \$5 per person per day.

- If they know of others that will use kitchen

Many farmers would be able to add value to their existing product where they may not be able to do so already. 4-H could offer a baking/canning class and local citizens would have a facility to make jelly and other goods to put up for themselves or sell.