

Some Costs and Considerations for Establishing an Entrepreneurial Community Shared-Use Kitchen or “Test-Kitchen Incubator”

**The Examples of the Hamakua Incubator Kitchen & Crafts
and the Honokaa Ohana Kitchen Project**

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Some Costs and Considerations for Establishing an Entrepreneurial Community Shared-Use Kitchen or “Test-Kitchen Incubator”

The Examples of the Hamakua Incubator Kitchen & Craft and the Honokaa Ohana Kitchen Project

Shared-use kitchens, also called “test-kitchen incubators,” are designed to offer the chance for entrepreneurs to develop culinary and business skills. Although we will refer to them here as *community kitchens* (or just *kitchens*), these are not the kitchens developed to provide meals to the less fortunate among us. These community kitchens are established to promote community economic development. Like a restaurant, they have been granted a “food establishment permit” after meeting appropriate government regulatory requirements. But unlike a restaurant, they are developed for shared, community use rather than for exclusive, private use. The space and equipment are used by different users at different times throughout the day or week. Community kitchen facilities may be constructed new or created by adapting an existing facility.

This publication provides potential kitchen planners with insights on obtaining community support, getting help with grant writing, raising funds, running a successful business organization, building the kitchen correctly from the outset, and operating a kitchen facility where safe food production is the highest priority. Our focus is on establishing a kitchen for small-scale commercial use that is also available for community activities. We illustrate some of these issues with examples from two community kitchens operating in Hawaii. Although this publication is written for Hawaii’s conditions, it can be adapted to other locations.

Introduction

Community kitchens can be financed by pooled entrepreneur funds and by loans and grants from private and

government sources. Users pay into a kitchen-operating fund in amounts much lower than they would have to spend to set up their own operation. This subsidy reduces their risk in starting a business or developing a new product and allows them time to develop business skills. For example, a new business needing a kitchen only for 10 hours a week might pay \$16/hour, a weekly total of \$160. This business has a better chance of meeting its bills than one obligated to pay for full-time building rent or lease as well as to buy equipment, get permits and licenses, pay insurance premiums, and incur other start-up expenses. There are regular financial obligations to be met with both the community kitchen and the wholly-owned processing kitchen, but in the community kitchen the high cost of setting up is subsidized by the organization.

As a business grows within a community kitchen, it may need to move out, either because of the facility’s limited capacity or the community’s policy that the cost subsidy to encourage start-ups is justified only for a limited time period. Community kitchens usually have operating boards and bylaws governing the operating procedures. The *Community Kitchen Manual* developed by the Hui Ulu Mea Ai (May 1997) is a valuable tool, and some of the information below is adapted from it. The booklet is available from the Hawaii Department of

One of Hawaii’s shared-use kitchens.



Entrepreneur food manufacturers develop new products.



Business, Economic Development and Tourism's Community Economic Development Program (DBEDT/CEDP).

The success of the kitchen will depend on the business skills both of the kitchen administrators and board and of the entrepreneurs using the facility. But overall, the success of such a community endeavor will depend a great deal on community "buy-in."

Successful community projects have community support

The community must support the community kitchen if it is to be a success. Support is garnered with good planning, constant communication, thoughtful decision-making, and persistent follow-up. The flow chart on page 5 illustrates the necessary thinking process for deciding if a kitchen is right for your community (for additional planning resources, see *Sources and resources*, pp. 13–14).

For a community kitchen—and many other types of community endeavor—to have a significant chance of success, the community must be willing to provide continuous support for the effort over the long term, at least 10–20 years. While public testimonials for the facility are important, they cannot replace the real value of both monetary and in-kind contributions. Monetary support can come from personal investment in the facility as well as from fund raisers. Long-term buying of products produced at the kitchen also helps keep the kitchen financially strong. In-kind contributions can be time, facilities, and goods. The more people are willing to invest in their community's facility, the more they will take real ownership in it.

The flowchart on page 5 can guide the planning effort through its various stages, depending on where the effort starts. Community priorities must be identified first. Is one of them for entrepreneurial or community activities that require a certified kitchen? If at first there appears to be a large user base, expand your idea to estimate user demand. If there is enough demand, is there enough "paying" demand that could support a new self-contained facility? If so, look to begin raising funds and planning along the lines described in the following sections. If the interest is insufficient to generate enough facility rent to cover the cost of a new facility, then look to sources of subsidy, consider renting an existing operation (such as a school or restaurant kitchen), or decide not to pursue the kitchen idea at all.

Assessing the demand for a community kitchen

Food businesses are among the riskiest forms of entrepreneurship because they are dealing with changing consumer tastes and, typically, slim profit margins. At the same time, many people want to start them because food is a basic and familiar need for people. Individuals or groups who want to organize a community kitchen need to understand clearly the goal of the operation, because the goal affects both the type of facility needed and its method of operation. To help determine the goal of the community kitchen, decide which of the following the kitchen is intended to be:

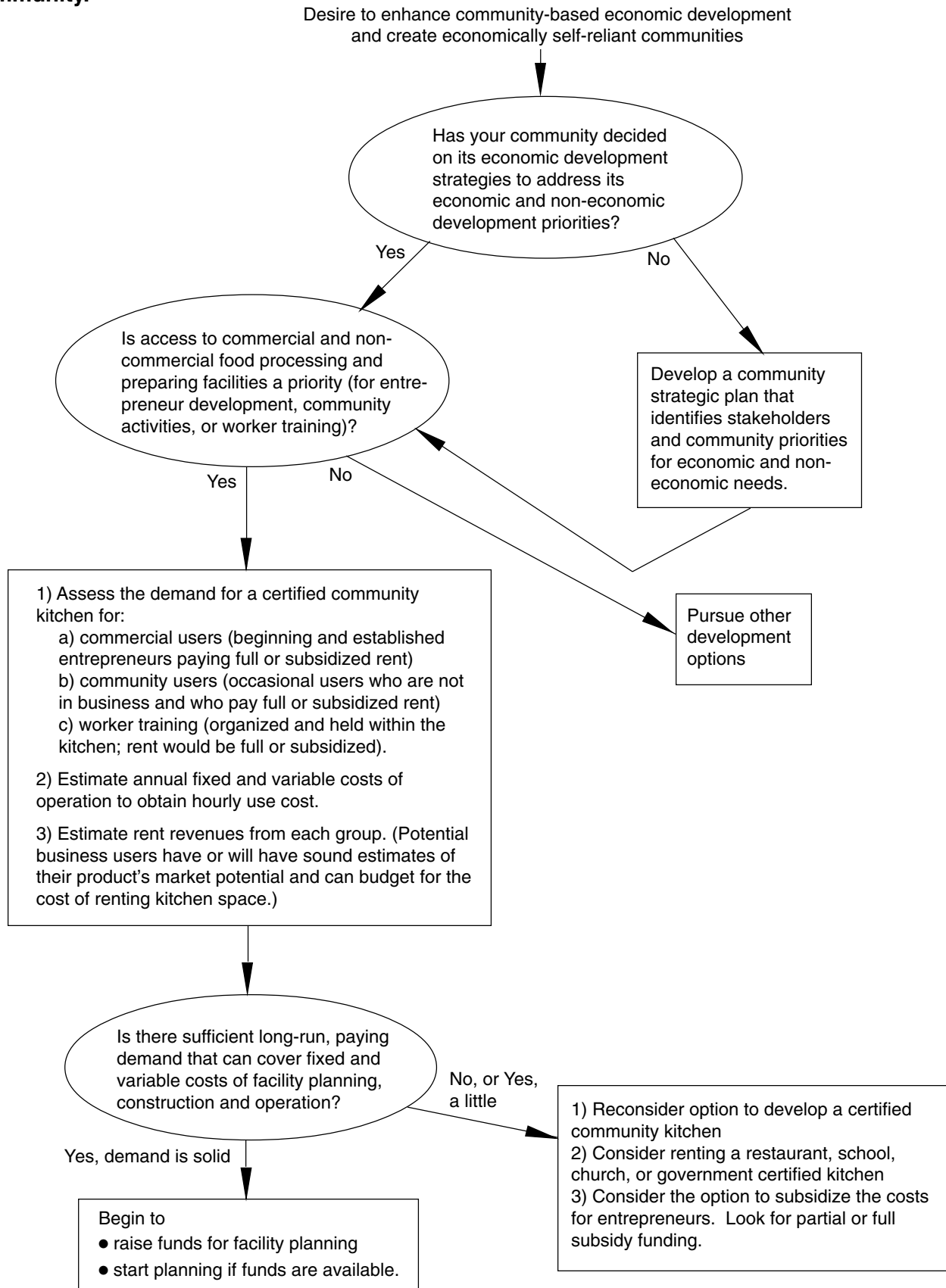
- an incubator to help new businesses get started
- a shared-use facility where established small businesses can cut their operating costs
- a training program for people looking to change careers or refine skills
- an operation at industrial scale, cottage scale, or both
- a combination of the above.

Once the goal is defined, the kitchen planners need to develop a business plan for the kitchen with use, revenue, and cost projected over 10 years. It must also be decided whether the kitchen will need to charge rent and user fees at a rate proportionately equal to its operating costs, or if use costs will be subsidized (and, if so, where that subsidy will come from).

Demand for the kitchen must be carefully estimated. There must be enough demand over the long term to justify the time and money involved. Well in advance of making any significant plans, use the following techniques to assess demand:

- Place an advertisement in local papers; run it for a few weeks.
- Post flyers in store and community building windows.
- Ask to speak about the idea at neighborhood board, chamber of commerce, and other community meetings.
- Interview local restaurant owners and other kitchen operators to see if they have under-used space or time to rent to the community (as an alternative to constructing a new facility).
- Survey the region (within a minimum of 10–20 miles) to discover existing cottage industries that are ready to move up into a certified kitchen.

Schematic for the process of deciding whether a shared-use community kitchen is right for a community.



While some indication of demand from these sources is good, you will probably need to aggressively market the kitchen to potential users as well. Therefore, a well conceived marketing plan is necessary. The book *This Hawaii Product Went to Market* provides a great deal of information about how to establish a business and set up a marketing plan (see *Sources and resources*, pp. 13–14).

Finally, consider the following concepts as you plan a successful kitchen:

- The kitchen must be operated as a business rather than as a hobby.
- Food safety (i.e. safe food products) must be the kitchen users' top priority. (Public health is extremely important, and kitchen operators should consider taking sanitation and safety classes; the Hawaii Department of Health and the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa occasionally offer such classes.)
- There must be an ongoing commitment to worker and visitor safety.

Start-up funds

In beginning to develop a fund-raising base for the new kitchen, the key is a written proposal that outlines the “who, what, where, when, how, how much, and why” of the kitchen. You can hire a grant writer to work with you on this effort, or do some of it yourself. Grant writers can often be located by unofficial referrals of granting agencies and economic development offices. The following organizations, among others, might be able to help you get your proposal in shape and may provide some funds. Contact information can be found in the telephone directory or on the Internet.

- Administration for Native Americans (ANA)
- ALU LIKE
- Community-Based Economic Development (CBED)
- Economic Development Administration (EDA)
- Hawaii Community Foundation
- Office of Hawaiian Affairs (OHA, if you are of Hawaiian ancestry)
- Rural Community Assistance Corporation
- Small Business Development Centers (SBDC)
- United States Department of Agriculture (USDA) grants
- Other island-specific economic development organizations

Once you have your proposal in a presentable form, you are ready to begin shopping for one or more funding organizations. Advice is provided in a Hawaii DBEDT publication, *Hawaii Economic Development Funder's Directory*, which can be downloaded from the Internet at <<http://www.hawaii.gov/dbedt/cbed/>>, requested from DBEDT, or borrowed from your local library.

Frequently, funding organizations require “matching” funds (monetary or in-kind contributions) from the group presenting the proposal. This requirement helps the funding organization gain confidence in the community's long-term commitment to the project.

Developing the kitchen correctly

Part of operating a kitchen (or operating *in* a kitchen) is acquiring all the necessary permits, licenses, and other certifications. The management of a shared-use kitchen must have obtained:

- all applicable state and county business licenses, certificates, and permits, especially a “use permit” and building permit
- insurance (including general liability covering site visitors, product liability, and fire);
- valid tuberculosis tests (for *all* people handling food)
- occupancy certification.

Users or clients of the kitchen must have:

- a state general excise tax license (to sell products)
- insurance (as suggested by an agent, including product liability)
- valid tuberculosis tests (for *all* people handling food).

All state, federal and county regulations as mandated by building, plumbing, electrical, wastewater, sanitation, fire, flood, grading, and road improvement requirements must be met. Paved parking stalls for all existing and proposed uses on the property may also be required. Further, your kitchen should meet all appropriate Administration for Disabled Americans (ADA) requirements. Working with a licensed architect and planner can help a great deal with these requirements. Of special importance is the Food and Drug Branch and the Sanitation Branch of the State of Hawaii Department of Health, which enforces Chapter 11–12, Food Establishment Sanitation, of the Hawaii Administrative Rules, regulations on food safety and quality and on worksite cleanliness. Stay in close contact with them during all stages of plan-

Contact information for agencies overseeing regulations related to building and operating a shared-use kitchen

<p>Food and Drug Branch and Sanitation Branch, Department of Health, State of Hawaii (food safety and quality, worksite cleanliness, periodic inspections)</p> <p>Hilo 808.933.0917 Kona 808.322.7011 Kauai 808.241.3323 Maui 808.984.8230 Oahu 808.586.8000</p> <p>Building department (building code compliance and advice)</p> <p>Hilo 808.961.8331 Kona 808.327.3520 Kauai County 808.241.6655 Maui County 808.270.7236 Honolulu City and County 808.523.4505</p> <p>Planning department (permitted use and zoning issues)</p> <p>Hilo 808.961.8288 West Hawaii 808.327.3510 Kauai County 808.241.6677 Maui County 808.270.7735 Honolulu City and County 808.523.4505</p> <p>Fire department (fire safety issues)</p> <p>Hilo 808.961.8350 Kona 808.327.3546 Kauai County 808.241.6511 Maui County 808.243.7566 Honolulu City and County 808.831.7764</p>	<p>Occupational Safety and Health Division, State of Hawaii (HIOSH) (rules on worker and workplace safety)</p> <p>Hilo 808.974.6474 Kona 808.322.4808 Kauai 808.274.3351 Maui 808.270.5322 Oahu 808.586.9100</p> <p>Department of Labor, State of Hawaii (if employees will be involved)</p> <p>Hilo 808.974.6464 Kona 808.322.2775 Kauai 808.274.3351 Maui 808.243.5322 Oahu 808.586.8842</p> <p>Department of Taxation, State of Hawaii (to acquire General Excise Tax license)</p> <p>Hilo 808.974.6321 Captain Cook 808.323.4597 Kauai 808.274.3456 Maui 808.984.8500 Oahu 808.587.4242</p> <p>Department of Commerce and Consumer Affairs, State of Hawaii (to register business or trade names)</p> <p>Hawaii 808.974.4000 x62545 Kauai 808.274.3141 x62545 Maui 808.984.2400 x62545 Molokai/Lanai 1.800.468.4644 x62545 Oahu 808.586.2727</p>
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ning. They perform annual inspections of your operation. They also administer federal Food and Drug Administration (FDA) laws.

Contact information for agencies overseeing the major factors that must be considered is given above.

Planning the facility

Because the planners and users of each kitchen may have different needs for space and equipment, make frequent checks with the appropriate government agencies, es-

pecially the Hawaii Department of Health’s Sanitation Branch, as you plan the operation. A licensed architect familiar with all regulations concerning building codes and food establishment sanitation is usually needed. The facility construction or retrofit must be done by a licensed contractor. These are typically not do-it-yourself activities.

Plan your kitchen design based on the users’ needs. Include short- and long-term supply needs, equipment purchases and storage, and the possibility of expansion.



The Hamakua Incubator Kitchen & Crafts building.



The room for crafts, meetings, and classes.



An exhaust hood vents fumes from cooking surfaces.



Steam capsule (left); gas cook-top with wok.

General views of the Hamakua Incubator Kitchen & Crafts, Inc.



Steam capsule, gas cook-top, convection oven.

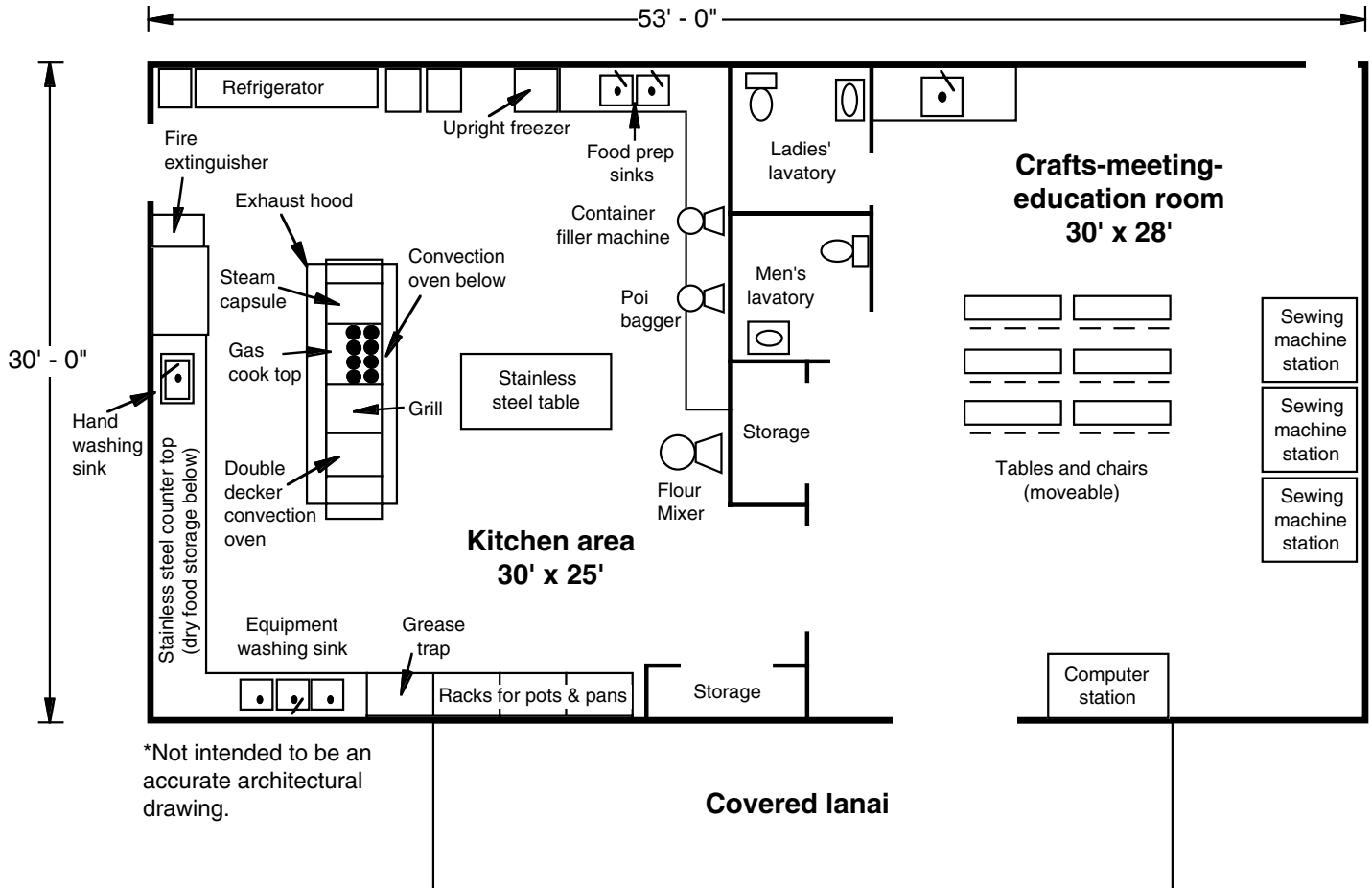


Handwash sink.



Equipment washing sink at end; stainless-steel countertop on right.

General layout* and views of the Hamakua Incubator Kitchen & Crafts, Inc.



Food-preparation sink with stainless-steel countertop.



Racks for pots and pans.

Kitchen planners and users should be aware of and adhere to all minimum requirements mandated by federal, state and county authorities. The FDA guidelines on *Current Good Manufacturing Practice in Manufacturing, Packing, or Holding Human Food* detail the minimum federal requirements that must be met to ensure the production of safe and wholesome food (see on the Internet <http://www.access.gpo.gov/nara/cfr/waisidx_99/21cfr110_99.html>). These regulations cover areas including personnel and their practices, plant and grounds, sanitary operations, facilities, processes and controls, equipment, warehousing, distribution, and others. Some examples of these minimum requirements are:

- hot water taps in all sinks
- adequate sinks for washing food, utensils, and equipment (usually a three-compartment stainless-steel sink)
- at least one fully equipped and separate hand-washing sink
- an approved water supply (meeting the Hawaii safe drinking water program)
- approved counter (work) surfaces (stainless steel is one option)
- refrigerator (walk-in preferred) with temperature-indicating devices and alarms
- sufficient shelf space for storage of equipment and dry goods (all processing equipment must stay on site to reduce the potential of contamination)—plan for more storage space rather than less
- area protection from pests, such as flies
- exhaust hoods and filters for cooking equipment requiring ventilation (meeting fire safety code, health sanitation code, and manufacturer's specifications)
- properly shielded lighting fixtures
- adequate window openings or a ventilation system
- adequate utilities (electricity, gas, water, steam, etc.) to support needs at full processing demand
- pressure differentials in specific rooms to prevent food contamination
- hair restraints.

Further, Hawaii Administrative Rules and other good design practices add these requirements and suggestions:

- a separate mop sink (strongly recommended, but not located in the food-preparation area)
- a separate food preparation sink (strongly recommended)
- fire extinguisher(s) and/or fire extinguishing system (meeting fire safety code requirements)
- posters or flyers that describe proper food handling and worker safety as mandated by HIOSH
- grease traps and floor sinks (according to county plumbing regulations)
- concrete flooring coated with waterproof, abrasive material for easy cleaning and to prevent slipping (tile floor not recommended)
- a list near the phone with contact information for the kitchen staff as well as emergency phone numbers.

In addition to structural, management, and equipment requirements, many operational factors must also be considered during kitchen planning and operation. Therefore, a handbook should be developed for your kitchen's operation. It is best that potential users read and understand the handbook fully before they decide to rent kitchen space. The handbook should include the following topics:

- reducing cross-contamination of food products (the Foodborne Illness Education Information Center, in cooperation with FDA, offers information about foodborne illness prevention including Hazard Analysis Critical Control Points [HACCP]; see the Internet <<http://www.nal.usda.gov/fnic/foodborne/haccp/index.shtml>>)
- eligibility requirements to use the facilities (covering activity type and full-time, part-time, and one-time use)
- process for applying for use permission, for application review, and how responses will be given to permission requests
- costs to use the facility, schedule for payment, and actions taken for late payment or nonpayment
- routine maintenance schedules
- time logs to track kitchen and equipment use and assist in making claims if equipment is damaged
- safe and effective operating procedures for all equipment
- sanitation guidelines for all surfaces, equipment, and supplies

- start-up and shut-down procedures for lights, air conditioning, and each piece of processing equipment
- security protocols including instructions for securing doors and windows
- cleanup requirements for surfaces, floors, and equipment, including the use of protective garments and accessories that are worn when cleaning chemicals are employed
- normal and restricted hours of operation
- roles and responsibilities of the user, facility caretaker or manager, and the board of directors
- 24-hour contact information
- guidelines about the presence of visitors and, especially, children
- a clear written understanding about how long a business can use the facility before they have outgrown it and must move to another facility
- location of the electrical circuit box, clearly marked with instructions on how to shut down electricity in specific areas and kitchen-wide.

It is extremely important with such a community operation to be clear about the rights and responsibilities of employees versus paid or unpaid family members. Insurance policies should cover both. Further, since food safety is a primary concern in food processing, all individuals should be aware of and use safe manufacturing practices. The Web site of the FDA Center for Food Safety and Applied Nutrition's has valuable information on harmful food-borne organisms, the illnesses they cause, and their control (see <<http://vm.cfsan.fda.gov/>>).

The businesses or organizations within the kitchen

While the success of the community kitchen is of crucial importance to the kitchen planner, and thus the community at large, the success of the businesses that operate in the kitchen are equally important. The businesses that come to use the facility should come armed with a well developed business plan, including a general idea of costs of production. They should also have a written recipe from which to "perfect" their product. *This Hawaii Product Went to Market* has a complete section on writing a business plan and also a chapter titled "Going Commercial with a Kitchen Recipe" (see *Sources and resources*, pp. 13–14).

Where to find appropriate processing equipment

Finding the right processing equipment is a critical part of kitchen planning. You need to consider, at least, the following:

- equipment capacity, processing speed, finished product volume, and versatility
- cost of the equipment and shipping
- installation materials and cost
- utility needs (electrical, water, gas, steam, waste, and ventilation)
- ease of cleaning and sanitizing parts
- corrosion resistance
- cost of warranty
- ease of general maintenance
- maintenance cost, including annual maintenance contracts
- technical support from manufacturer or vendor
- testing of equipment prior to purchase.

While these questions are typically a case-by-case issue, finding the equipment can be a difficult task in itself. New and previously owned equipment can be found:

- at commercial supply centers, such as restaurant suppliers
- at consumer centers, such as appliance stores
- on the Internet, especially at the Thomas Register site, <<http://www.thomasregister.com>>.

The example of Hamakua Incubator Kitchen & Crafts

One way to gain some familiarity with a community kitchen is to study the case of the Hamakua Incubator Kitchen & Crafts Inc. (HIKC) on the island of Hawaii. This kitchen was specifically designed for a variety of food and nonfood uses and was built from the ground up (see photos and blueprint). It contrasts with retrofitted community kitchens in Hawaii, such as the Hui Ulu Mea Ai Kitchen (Waiahole, Oahu) and the Honokaa Ohana Kitchen Project (Hawaii).

Hamakua Incubator Kitchen & Crafts Inc. built a certified kitchen and crafts facility for the Hamakua district of the island of Hawaii. The new 30' x 53' building comprises a 30' x 25' kitchen and a 30' x 28' room for crafts, meetings, or classes, for a total of 1680 sq. ft. interior plus 272 sq. ft. of covered lanai. This facility is

expected to be a significant economic generator and educational institution for the Hamakua district during its transition from a plantation economy with a single, large employer to a micro-enterprise and small-scale agriculture economy. The project took five years to complete. Steps along the way included

1993—Project conceived; grant applications written for building and equipment; Noel and Sing Foundations provided \$105,000.

1994—Hamakua Housing Corporation donated 1 acre of land on Pa’auilo Mill Road for the facility.

1995—Building designed, site dedicated, equipment acquisition began.

1996—Building construction began; an additional \$57,350 was raised by fundraising events and donations.

1997—Building substantially completed; more equipment purchased.

1998—Operations began starting April 23. First-year operational costs were funded by grants from the Hawaii Department of Business, Economic Development and Tourism, Community-based Economic Development Program (DBEDT/CEDP), Dr. Earl Bakken (a private citizen), and the United States Department of Agriculture.

Fixed and variable costs

While the Hamakua kitchen building was new, the equipment was a combination of new and used. The total cost of the design and installation of the kitchen and one year of operations was \$229,256, in the following categories (see Appendix, p. 15, for details).

Building:	\$135,870 (includes equipment refurbishment and installation)
Equipment:	\$23,436 (includes kitchen equipment, utility sink, water heater, shelves, and chairs)
Programs:	\$56,530 (consultants, classes, advertising, printing, grant writing, Internet)
Operations:	\$13,420 (utilities, insurance, maintenance, supplies, accounting)

Kitchen users

This kitchen operation was designed for a mixed-use clientele. Both food and nonfood activities take place. The use categories include:

Food product producers. HIKC enables members to create and operate food product businesses by offering a certified kitchen, on-site training in business and commercial food production, and individual mentoring.

Artisans. HIKC has a place for artists to create their crafts and will possibly provide some of the more costly equipment, such as a kiln for ceramic products. In addition, HIKC will provide on-site crafts training and consultants to help artisans maximize business opportunities. (Caution: dust from artisan activities is a potential contaminant of food products and must be eliminated through room sectioning and suitable ventilation.)

People seeking food service industry jobs. The facility provides training for people desiring food service employment in the expanding hotel and visitor-based food industry.

Community groups. HIKC’s kitchen will be available to community groups for preparing food for community events. Also, community development classes will be held at HIKC to develop grass-roots community leadership.

Kitchen fees

HIKC’s current fee structure is given below, but it may be modified at any time. Fees for the use of space and equipment vary depending on the type of activity performed in the facility. Entrepreneurs who use the facility for commercial, “for-profit” activity will typically cause more wear and tear and should be charged more to use the facility. For HIKC, one dollar from every hour’s fee goes into an equipment repair and replacement fund.

Membership is \$5/year

Kitchen use fee is \$11/hour for inexperienced (incubator) food producers and community groups, \$16/hour for established food businesses

Craft use fee is \$6/hour

Education is generally free to users and funded by other sources.

Advice about developing a retrofitted kitchen: the example of Honokaa Ohana Kitchen

A community kitchen may be built from scratch or by retrofitting an existing structure. Two examples of retrofitted kitchens are the Honokaa Ohana Kitchen on the island of Hawaii (Hawaii County Economic Develop-

ment Council [HCEOC]) and the Waipio Poi Factory on Oahu. The former organization uses the kitchen of a hospital that has been relocated. The Oahu kitchen is described in more detail in the *Community Kitchen Manual* developed by the Hui Ulu Mea Ai.

The Honokaa Ohana Kitchen is 1600 square feet in area and has an average of seven users per week who are charged \$2–8 per hour for the use of the facility. Annual operating costs are \$65,000, and retrofitting the facility cost \$30,000. The advantages to working within an existing structure include:

- no costs for design and construction of an entirely new structure
- possible access to existing equipment, fixtures, and furniture
- if the facility was formerly a kitchen, the layout may have been one that worked well, and former users may be available to provide suggestions for improvements
- fixed costs are lower, although repair costs could be higher over the long term.

Issues to be aware of when planning to retrofit a building for a community kitchen include:

- understanding the cost of retrofitting, including the cost to dig up cement flooring and put in drain lines, grease traps, and floor sinks that need to meet current county, state, and federal codes
- understanding that existing structures may not meet current codes, even if they were operating “legally” just weeks before under different ownership.

Lessons learned from time in operation at both example kitchens

The time from idea conception to the opening of the kitchen may take longer than anticipated. To coordinate everyone’s expectations, the planning group needs to communicate diligently with all parties, including contractors, funding agencies, regulators, community members, and future users of the kitchen. Here are some additional items to consider:

- It is best to purchase new equipment, if possible, especially if the facility has a strong chance of success. Some previously owned equipment can result in higher costs in the long run due to repairs.
- Stay in very close contact with building, health, and fire inspectors so that planning and implementation mistakes are avoided.

- The types of products to be produced in the facility dictate how long renovations will take.
- It is imperative to work with kitchen users to develop operational plans and manuals that are understood by and workable for as many users as possible.

Summary

The opportunity for members of a community to build skills and businesses within their certified community kitchen is a real one. However, long-term success requires careful planning and implementation and the dedication of knowledgeable planners and well prepared entrepreneurs. The keys to establishing a successful kitchen are solid and long-term community support and budding entrepreneurs who are willing and able to work within budgets to produce the highest quality products.

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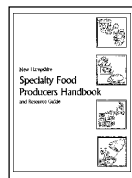


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<http://www.sandpoint.org/bbc/kitchen.html> is the Web site for The Kitchen at Sandpoint, Idaho. This shared-use, commercial kitchen is one of the resources of the Bonner Business Center. Its concept is to link local resources and business opportunities and, by pooling community resources, create a site available to people with ideas, will-power, and a creative spirit. The site has links to the tenants of the kitchen, from makers of raspberry products to producers of a line of pie fillings, fruit toppings, syrups, crust mixes, and gift boxes featuring these products. They also sell the book, *The Bonner Business Center commercial kitchen*. Check the Web site, or contact the Bonner Business Center, 804 Airport Way, Sandpoint, ID 83864, phone 208.263.4073, fax 208.263.4609.

<http://www.seorf.ohiou.edu/~xx001/kitincubator.html> is the Web site for The Community Kitchen Incubator, Athens, Ohio. This kitchen incubator assists new and expanding businesses by providing a centralized production and distribution site, processing equipment, and

marketing assistance at affordable prices. The site describes the kitchen's features and facilities in detail.

[http://data.ctn.nrc.ca/ctn.acgi\\$search?show&key=505602](http://data.ctn.nrc.ca/ctn.acgi$search?show&key=505602) is the Web site for the Toronto Kitchen Incubator, Toronto, Canada. The Toronto Kitchen Incubator provides commercial kitchen facilities, management and marketing advice, office equipment, and space to start-up entrepreneurs in the food sector. The site lists contact information.

<http://216.214.153.96/bookstore/> is the Web site for the National Business Incubation Association's online bookstore. It offers numerous books on building incubator businesses, including one specifically about shared-use kitchens, *Establishing a shared-use kitchen incubator*, edited by Cameron Wold (Western Entrepreneurial Network, ring-bound, 267 pp.), about which they write, “The number of kitchen incubators opening throughout the country is growing steadily. That's why this book is such a popular one. Written by a group of top experts on kitchen incubation and entrepreneurship, the book covers feasibility and planning budgets, design, equipment, funding, operations, legal issues, regulations, processing basics, and marketing specialty foods. Wold, who shares his triumphs and trip-ups, promises the book will save money, time and trouble.”

Appendix

Detailed expenditures for Hamakua Incubator Kitchen & Crafts (construction plus one year of operation)

Building

Professionals (architect and mechanical drawings) ...	\$2,790
Structure erection	100,320
Labor to bring new building up to code and equipment on-line (134 @\$20/hr plus materials)	13,868
Buy and install water tank for fire protection	4,937
Water tank for fire protection	670
Electrical consulting	290
Gutters	710
Fire system	2,605
Hood enclosure (metal and fabrication)	2,710
Gas tank	500
Water line and 2 toilet sets	485
Grease trap	780
Panic door hardware and auto door closures	3,090
Concrete and thresholds for handicap accessibility	1,115
Repair and charge refrigerator	850
Epoxy paint for bathrooms	30
Subtotal	\$135,870

Equipment

Chairs (new)	\$229
Utility sink (new)	191
Metro shelves (6) (new)	500
Floor mats (6) (new)	187
Counters (new)	4,351
Floor mixer (new)	2,385
Freezer (new)	2,269
6-burner range with convection oven (new)	2,875
Water heater (new)	990
Capsule steamer with stand (used)	1,563
Flat top range with still oven (used)	677
Sinks, refrigerator, work table (used)	1,708
Hood and exhaust fan (used)	5,264
Donated small equipment (used)	247
Subtotal	\$23,436

Annual operations

Administration	\$3,630
Accounting	300
Insurance	3,325
Legal	0
Travel	n/a
State registration	5
Occupancy	5,520
Gas and electricity	4,200
Phone, basic	600
Phone, long distance	120
Water	600
Maintenance	3,400
Cleaning supplies	500
Equipment maintenance	1,000
Facility maintenance	0
Pest prevention	600
Hood cleaning	800
Fire inspection	500
Subtotal	\$13,420

Educational and Training Programs

Regular advertising	\$400
Special advertising	2,000
Director training	1,000
Education	12,500
Internet	240
Printing	25
Copier maintenance and supplies	600
Software and books	760
Business consultants	12,000
Start-up consultant	7,000
Kitchen consultant	20,040
Crafts consultant	8,040
Grant writing	1,500
Subtotal	\$56,530

Total **\$229,256**