“Faith is taking the first step - even when you don’t see the whole staircase.”

- Dr. Martin Luther King, Jr.
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PART 1

RESEARCH & ANALYSIS
Why Food? Why Now?

- The demand for locally grown and produced food is growing.
  - Research & development labs, food hubs, co-packing and commercial kitchen facilities are important elements for the local food economy to expand and be profitable.
  - Innovation is occurring in grains, dairy products, fruits, vegetables and more.
- A local food production and distribution industry is beneficial for community development.
  
  Local food production and distribution helps grow local economies. There is high potential for community ownership, community benefits agreements and a full range of employment opportunities.

- Ability to create strong business models with anchor institutions such as hospitals, universities, etc. to create additional public benefit for low income communities and strengthen the local economy
  
  - Leverages long term and significant procurement contracts with local institutions for public benefit. Local food production businesses can be connected to major institution procurement contracts. Major institutions contracts can provide enough revenue for food innovation facilities to become self-sustaining and employment providers.
  - Land grant universities play a significant role in research & development for food innovation.
Food Industry Data

- According to U.S. Bureau of Labor Statistics, food preparation is one of the top 10 industries for predicted job growth between 2014-2024.
- The specialty food industry grew 21% between 2012 and 2014 into over a $100 billion industry.
- The “food industry” is accessible to people with limited education and has a range of pay scales. Jobs in sub-sectors like packaging, warehousing, distribution, manufacturing and processing can have salary ranges that are well above living wage.
- There are now over 200 kitchen incubators and over 300 food hubs in the U.S.
The County and partners have observed that there is insufficient kitchen, processing, packaging, storage space, and transportation capacity to adequately and efficiently connect local food producers with target markets.

The local food system is composed of a diverse range of stakeholders, including small- and medium-sized farms, small food distribution companies, farmers markets, food banks, and customers. This constellation of partners requires not just commercial kitchens and warehouse space, but opportunities to coordinate their activities, build strong relationships, and explore creative partnerships.

COVID - Now, more than ever, is a time to pursue the development of a local food facility. The development of a local food facility in the near term would give local food producers a place to rebuild their businesses. It could provide much needed storage space for hunger relief organizations. And it would create a central place where food facility actors could cooperatively organize to meet the challenges brought on by the pandemic.

The county has 14,200 acres of preserved farmland and over 20,000 acres in food production. At 20 restaurants per 10,000 people, the region is rich with a diverse array of retail food options. This incredible diversity explains why Seattle was ranked the eighth best city in the U.S for food and why, by King County’s estimates, King County residents spend close to six billion dollars annually on food and beverages.
However, less than 2 percent of the nearly six billion dollars spent annually on food and drink is actually grown in King County. If this figure was increased to 10 percent, an addition of at least 10,000 new jobs, a stronger rural economy, improved health, and more could follow.

Of the 307 farmers present at King County farmers markets in 2017, 20 percent of them were King County local farms.

Investment and operating capital are scarce within the local food system, and there are gaps in facility and organizational resources. By providing a convenient and centralized facility that addresses these gaps in the value chain, a local food facility could help better coordinate the resources and knowledge local food actors need to operate efficiently and scale up their businesses.
Small farmers in South King County need a place to aggregate their produce to support selling into local market channels.

Multiple deliveries to small sites in South King County are not cost effective for farmers, even though there is the demand for their products.

Food access initiatives, such as food banks need an aggregation space to handle the produce they want to buy, receive as donations, distribute, and grow.

South King County lacks facilities for food aggregation, storage, and processing.

There is a lack of access to local, fresh food that is grown and stays in South King County.

There is a lack of growing space in South King County, especially for refugee, immigrant, and low-income communities who face additional barriers such as transportation, start-up funding, and language and literacy skills.

Organizations and farmers are unable to expand their programs without addressing infrastructure barriers.
Through our review of existing research and conversations with King County experts and PAC members, we determined that the following components would be the most critical for a local food facility in King County:

- commercial kitchens
- storage and distribution
- contract packing
- value-added processing

However, respondents also made clear that affordability was a key component for users to take advantage of the local food facility. When asked what conditions would need to be in place for local food businesses to take advantage of the needed components, about half mentioned affordability as a necessary condition. Concerns about affordability were a theme throughout the entirety of the survey.
Several common locational factors influence the success of commercial properties:

1. Local and regional accessibility
2. Proximity to complementary uses
3. Zoning and land use
4. Infrastructure and utilities
5. Visibility and exposure

Our research and the survey of key stakeholders generally indicated areas south of downtown Seattle were preferred for a new local food facility. Survey respondents mentioned SODO8, Rainer Beach, and South King County as possible locations. The reasons given for these locations were proximity to farms, a diverse and growing population, access to highways and ports, and proximity to existing local food infrastructure.
Respondents also stated the importance of a local food facility that brought together a wide range of services and that facilitated coordination across different areas of the local food system.

One facility cannot solve all food system problems and a new facility will be but one node in a large network. Ideally, the new food facility is just one of several or many new or improved local food system assets; for any system to function efficiently, it requires not just one but many efficient nodes of activity and strong relationship between those nodes.

Together, this type of feedback demonstrates interest in an additional component (or components) that should be considered for the local food facility, such as shared office space, large meeting rooms, side-by-side work stations for peer-learning, or an event space where local farmers/producers could host farm-to-table dinners or weekend markets. An event space could also be used by hunger relief organizations for fundraisers or temporary food storage during off-peak times.
NEEDS ASSESSMENT

- Much of the regional infrastructure needed to grow our local food economy no longer exists, is in need of improvement, or is not of the proper scale to meet the needs of small and medium farms and food businesses in our region.

- Active efforts by private sector actors, non-profits to develop commercial kitchen capacity have been hampered by inability to find space, cost of development, revenue models that can be sustained, or clear and shared vision.

- Lack of Equity in existing facilities keeping BIPOC communities out of opportunities.

- Traditional infrastructure barriers due to a history of systemic racism.
South King County has 5 to 7 times more fast food restaurants and convenience stores, than the number of groceries, farmer’s markets, and produce stands where communities could access healthy, culturally appropriate food (the King County average is 2.4).

The purpose of the food aggregation and access facility is to create a place where South King County communities connect with and around food. The facility will help new and emerging farmers gain access to market channels (including farmers markets and wholesale distributors) thereby helping to keep more local, hyper-local, and culturally appropriate foods in South King County. In interviews with end-users on design and function of the facility, farmers said they especially want more opportunities to store produce and market channels to grow their businesses financially. This facility will create access to locally grown food products year-round and this will increase consumer demand.
Additionally, the facility will create an active space for community members who want to support and learn about an equitable food system in South King County. The facility will be an access point for education, hands-on experiences, culturally appropriate food, and other resources that promote food security. This integration will collectively support growth of the consumer demand for local food products, community systems for food access, and organized infrastructure systems like processing, aggregation, distribution and marketing.

As funding and operational capacity allows, mixed-use space will be developed and include a commercial kitchen, co-working office space, technology to support business needs of growers and producers, a walk-in freezer and other amenities to support the users, families and the community at large.

The site design also has the capacity to engage in non-market focused activities such as:

a. Programming focused on food security and healthy food access such as local food campaigns, food donations, etc.

b. Community engagement, outreach, and training around local food, intersectional issues related to food security (labor, climate, land use, etc.), and healthy eating

c. Farm/local food focused labor and skill development including internships/apprenticeships and farmer training programs
FACILITIES FOR FOOD PRODUCTION

Shared Commercial Kitchens

- Approximately **10 to 15 shared commercial kitchens** operate in the Seattle region.
- Leased on an **hourly basis**, which does not suit the needs of entrepreneurs.
- Frequently used by food trucks; food producers find this use incompatible.
- Provide basic equipment, and **not specialized equipment**.
- Hourly rate is approximately $35 to $40.
- Turnover is an issue, as kitchens either close or are fully leased by a single tenant.
- One kitchen is strictly limited to low income users (defined by federal standards); another one is geared for low income and immigrant/refugee users.
- 40% of food businesses surveyed use shared commercial kitchens or restaurants to produce their products.
Copackers

- With the recent closure of Wolf Pack, no copackers operate in the region that can handle smaller orders.
- The closest small scale copacker, Dundee Fruit, is located in Oregon.
- Minimum runs often prevent copacking as an option for food production.
- Only 3% of the businesses surveyed use copackers.
FACILITIES FOR FOOD PRODUCTION

Production Space

a. Small (250 to 1,000 SF) production spaces are difficult to find and often not affordable, given low vacancy rates and rising rents in Seattle.

b. Kitchen spaces that provide storage (and especially cold storage) are difficult to find.

c. The majority of surveyed businesses operate in production facilities that are 1,000 SF or less. Many operate in approximately 500 SF spaces.

d. More than 40% of businesses surveyed operate in shared spaces, which include commercial kitchens and restaurants.

- No FDA and/or USDA inspected production facilities that enable business growth currently exist in the Seattle region. Instead, companies utilize restaurant and catering facilities; small shared-use kitchens; or purchase or rent their own facilities but do not generally have the financial means to operate it safely, efficiently, and/or professionally. This is a significant impediment to business development or expansion.
ACCESS TO SPECIALIZED EQUIPMENT

Access to specialized equipment was the #2 challenge hindering growth, and one of the top responses from companies with annual sales >$250,000.

- The #1 industry sector of interest is shelf stable or refrigerated specialty products (e.g. sauces, soups, jams, salsa, dips, relishes, syrups, condiments, canned/bottled goods, etc.). Non-alcoholic beverages (#3 industry sector) also utilize the same type of equipment.

- The #2 industry sector of interest is baked goods (cakes, pastries, cookies, crackers, etc.)

- Facilities with specialized regulatory requirements is a significant request. Gluten-free operations is the #1 choice, followed by vegan, non-GMO, organic and vegetarian. Nut-free, USDA- inspection, and third-party certification also received significant responses.

- As retail distribution was selected as the primary market for the great majority of respondents, packaging requirements should focus on this smaller size.

Solution: Access to specialized equipment can occur via a shared-use food processing facility. Such a facility that supported shelf stable and refrigerated products via a bottling line, and short shelf life or frozen bakery products via specialized ovens, mixers, etc. would satisfy the great majority of users.
ACCESS TO COLD STORAGE

Survey respondents indicated that access to refrigerated or frozen storage is one of the top challenges hindering their growth, and is one of the top responses from companies with annual sales >$250,000.

- The great majority of respondents (70%) indicated that their finished product needs would require ambient space, with 43% indicating their product was shelf stable and 27% indicating it was fresh (baked goods).

- 30% of respondents indicated their finished product would require cold storage, with 21% indicating a need for refrigerated conditions, and 9% for frozen conditions. However, it can be assumed that many respondents indicated a need for refrigerated or frozen storage for raw materials (ingredients) used to produce shelf stable products.

Solution: Locating the incubator facility in close proximity to other cold storage facilities would provide a strategic advantage. Conversely, an optimal incubator facility design could have a large cold and ambient storage section to serve both internal clients of the incubator, as well as external clients, and effectively serve as an “anchor tenant” of the incubator.
Based on your knowledge of the local food infrastructure already present in King County, which physical local food facility components do local food businesses need the most? (Check all that apply).

- All of the above: 54%
- Storage space (dry or cold): 50%
- Access to a co-packer or packaging equipment: 46%
- Value-add processing space and equipment: 42%
- Production commercial kitchens: 38%
- Shared distribution: 38%
- Ongoing business support: 33%
- Other (please specify): 21%
Shared-Use Equipped Production Area Component
Est. 15,000 s.f.

The facility should consist of a shared-use equipped area, for two uses:

- **Bottling line** - Sauces, soups, beverages and other packaged products that are hot-filled and require a shared-use bottling line. Such products require kettles and sauté pans for preparation, formulation, cooking, and blending; a bottling line in which products can be hot-filled into glass or plastic containers; pumps, hoppers, fillers and depositors; labeling and packaging equipment; and ideally, a chill water system that enables rapid cooling.

- **Bakery products** - Breads, muffins, pastries, etc. that require sheeting equipment, rollers, mixers, proofers, ovens, filling equipment, depositors, and an array of packaging and sealing equipment.

The total footprint for the shared-usage bottling line and bakery area (occupying two separate large processing rooms, supported by rapid chilling equipment, etc.) is estimated to be 15,000 s.f.
Storage Component - Est. 45,000 s.f.

**Refrigerated, Frozen, and Ambient Storage, and Associated Shipping/Receiving Areas**

a. Ambient-storage, for:
   - Ambient stored ingredients (including dedicated gluten-free storage area)
   - Packaging storage
   - Ambient-stored finished products

b. Refrigerated Storage, for:
   - Raw materials
   - Finished products
   - Blast chilling capabilities

c. Frozen Storage, for:
   - Raw materials
   - Finished products
   - Blast freezing capabilities

The total footprint for the ambient, refrigerated and frozen storage, and associated shipping/receiving area (which will require high ceilings enabling racking with 4 pallet positions high/layer) is estimated to be 45,000 s.f. (assuming 80 tenants @ 50-60 pallet positions/tenant). If possible, this space could serve as the “anchor tenant”, providing revenue from internal and external clients, which can be reduced in scope as new manufacturing clients require additional space.
Some food facilities, particularly those embedded in the hunger relief sector, are nonprofit owned and operated. A board of directors would govern the organization providing accountability from the enabling members. An executive director, accountable to the board, with the support of a small staff would manage the operations. Generally speaking, the benefits of non-profit ownership and management are:

- Access to public funding
- Access to tax-exempt donations
- Reduced operating costs via property tax exemptions
- Ability to run as a mission-based organization with accountability to a larger group of stakeholders.

Additional benefits would be realized if the non-profit were to operate the facility as efficiencies would likely arise from having on-site administrative staff. The primary potential drawback of having a non-profit operating model for the county is some removed level of accountability from county leadership.
Experience from other similar facilities shows that the few facilities that rely on debt to pay for a sizable portion of their capital costs are able to achieve financial sustainability in the long run. Facility revenues are limited and margins between revenues and operating costs are slim. Those facilities that are able to thrive usually are able to do so by sourcing their capital cost needs primarily through grants, donations, and direct financial support from the public sector. Some carry a small amount of low-cost debt. But sourcing funds from traditional loans is unlikely to enable the facility to survive financially.

The economics of food facilities is such that acquiring an existing building, using donated land, sourcing outside grants or low-cost debt to finance capital costs, or a combination of those methods may be the only way to establish a financially sustainable facility.

For the facilities construction, comparable food facilities have relied heavily on both public grants and private donations. These sources help avoid the additional and ongoing operations cost of debt payments associated with traditional capital borrowing. Less or no reliance on traditional financial borrowing products can also lower overall capital financing costs, as interest and administrative fees are less or absent with grants and private donations. However, like similar facilities, the food facility is likely to need multiple funding sources to attain the capital needed for its construction.
### Exhibit 1. Conceptual Development Program

<table>
<thead>
<tr>
<th>Facility Component</th>
<th>Size Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production Kitchen(s)</td>
<td>3,000 - 6,000 SF</td>
</tr>
<tr>
<td>Dry Storage</td>
<td>20,000 - 40,000 SF</td>
</tr>
<tr>
<td>Cold Storage</td>
<td>1,000 - 3,000 SF</td>
</tr>
<tr>
<td>Office Space/Meeting Rooms</td>
<td>1,000 - 2,000 SF</td>
</tr>
<tr>
<td>Flex/Event Space</td>
<td>Varies</td>
</tr>
<tr>
<td>Non-liable/Common Areas</td>
<td>15 to 25% of gross building area</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25,000 - 50,000 SF of building area</strong>&lt;br&gt;Actual building size will vary.</td>
</tr>
</tbody>
</table>

The table presents a conceptual development program for the food facility. Actual component sizes will vary, especially if an existing building is chosen for the facility.
### EXHIBIT 4. ESTIMATED COSTS FOR A 50,000 SF FACILITY + PURCHASED LAND

<table>
<thead>
<tr>
<th>COST ITEM</th>
<th>ASSUMPTION</th>
<th>LOW COSTS</th>
<th>HIGH COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Cost</td>
<td>Range from $15 to $40/SF</td>
<td>$1,125,000</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Building Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard Costs</td>
<td>Range from $100 to $200/SF</td>
<td>$5,000,000</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>25% of hard costs</td>
<td>$1,250,000</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>Contingency</td>
<td>5% of hard and soft costs</td>
<td>$312,500</td>
<td>$625,000</td>
</tr>
<tr>
<td>Developer Fee</td>
<td>5% of hard and soft costs, and contingency</td>
<td>$328,100</td>
<td>$656,300</td>
</tr>
<tr>
<td>Tenant Improvements</td>
<td>$40/SF blended rate</td>
<td>$1,860,000</td>
<td>$1,860,000</td>
</tr>
<tr>
<td>Total Development Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rounded</td>
<td></td>
<td>$9,875,600</td>
<td>$18,641,300</td>
</tr>
</tbody>
</table>

Source: ECONorthwest, various sources

### EXHIBIT 11. FOOD FACILITY ECONOMIC MODEL, COSTS AND CONSTRAINTS

<table>
<thead>
<tr>
<th></th>
<th>FACILITY COST RANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,900,000</td>
</tr>
<tr>
<td>Capital: Equity Limit</td>
<td>$5,000,000</td>
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<tr>
<td>Rent: Monthly Membership Fee</td>
<td>$350</td>
</tr>
<tr>
<td>Master Tenant Rent (per SF)</td>
<td>$12</td>
</tr>
<tr>
<td>Annual Memberships Needed to Cover Rent Costs</td>
<td>150</td>
</tr>
</tbody>
</table>

Source: ECONorthwest (all values rounded)
RECOMMENDATIONS + NEXT STEPS

EXHIBIT 13: KEY REAL ESTATE ACTIVITIES FOR THE FACILITY

Site Selection and Acquisition
- Where will the site be?
- New construction or renovation?
- Due diligence completed?

Funding and Financing
- What are the amounts and timing of expected capital expenditures, holding costs, and operating expenses as well as sales, rents, and other income?
- How will the future capital flows be managed and to whom and in what form will they be reported?
- Given the risk, return, and timing of the capital flows of the development, what is the appropriate capital structure and how can capital sources be secured?
- What role of King County funding be?

Operating and Governance Plan
- How will the program and real estate elements of the project be operated?
- What role will King County have in the facility governance?

Marketing Strategies
- How, when, to whom should the development be promoted and advertised?

Improvement
- What are the planning and design considerations?
- What type of building engineering will be required?
- Are there unique constructability considerations?

Environmental
- Is there environmental contamination?
- Are there cultural or historic elements?
- How will building efficiency be addressed (i.e., LEED of other certification)?

Approvals and Permits
- What public or private approvals need to be addressed?

Transportation and Accessibility
- Have on- and off-site access been worked out for customers, tenants, and suppliers?

Disposition and Exit Strategy
- Are their plans for holding or disposal of the building, regardless of program success?
Development Costs:
• $15 million total investment
• $7.5 million in construction
• $1 million in kitchen equipment for the incubator
• Balance of investment in soft costs—architect, engineer, legal, permits, lease-up reserve, etc.

Sources of funding:
• Federal New Market Tax Credit
• HUD 108 loan
• Government funding including Federal HHS OCS & HUD CHOICE Neighborhoods grants, and State infrastructure grant
• Private donations
• **28 sources total**

36,000 SF facility on 2 acres of land

Timeline:
• DBEDC acquisition 2010
• Developed concept 2010-2012
• Secured permits/raised capital 2012-13
• Construction start Aug. 2013
• Occupancy- April 2014

Developers: Dorchester Bay EDC w/ CommonWealth Kitchen
OUR WORK: More than just a shared kitchen, CWK takes a systems approach to building viable food businesses.

Start-up support
- Recipe development
- Market strategy
- Permits, licensing, insurance
- Initial budgets, cost of goods
- HACCP review, Serv-Safe class
- Product development class
- Food Biz 101 class (12-weeks)

Kitchen facilities
- Professionally managed shared kitchens
- Warehousing
- Cold & frozen storage
- Shipping & receiving
- Food truck parking & plug-ins

Technical support
- Recipe scaling
- Kitchen operations
- Packaging & labeling
- Permitting
- Ingredient sourcing
- Safe food handling
- Regulatory compliance

Access to markets
- Connections to buyers: Retail, Wholesale, Institutional, Corporate, Event Planners
- Coordinated marketing
- Connections to local and national distributors

Contract manufacturing
- Outsourced contract processing for member companies as they scale
- Value-added processing for farms
- Small-batch manufacturing for restaurants, retailers and institutions
- R&D services

Business education & training
- Coaching & Mentoring
- Workshops & Training on topics including entities, finance, marketing, HR, and working w/distributors
- Cultivate Small Business class w/Babson College

Access to capital
- Crowdfunding: KIVA Zip
- Connections/collaborations with debt and equity funders
- Support in developing & reviewing pitch & financial projections

Graduation
- Connections with co-packers
- Advisory support in identifying retail/wholesale facilities
- Growing alumni network

Case Study
Commonwealth Kitchen
Boston, MA
PART 2

RBAC RECOMMENDATIONS
The Neighborhood Plan Updates in Rainier Beach & Othello addressed critical community and economic development issues in Rainier Beach and Othello. The community’s key goals are: to create a place for everyone, lifelong learning, growing food to develop healthy industry, a beautiful, safe place, a strong multicultural commercial center at Othello and a shared multicultural community center.

- Promote development of “incubator“ spaces for small start-up businesses, such as a food production facility that could coordinate with the Rainier Beach Urban Farm.

Uses
- Wide range of uses including potential for limited manufacturing, food processing, institutional (education).
How can economic development happen in a way that is “Made in Rainier Beach”?

- Work to create a strong local economy for Rainier Beach
- Create a place where Rainier Beach youth will want to live and work
- Create a hub of food and agriculture production
- Build partnerships with local schools and training initiatives to create jobs
- Develop and market cooking programs that feature the neighborhood’s diverse culinary traditions
What type of commercial uses meet the needs of the community?

• Create a flexible commercial zone in the station area
• Provide space for strong entrepreneurial ventures that grow the local economy
• Support small, locally-owned businesses and incubators linked to the Urban Farm
• Attract a community college facility to provide jobs and training in the neighborhood
• Create spaces for craft industries that use local, plant-based materials
• Support businesses that provide jobs accessible to area residents, especially youth
• Encourage business active storefronts
THE FOOD INNOVATION DISTRICT

Why Food Innovation?

Food Innovation Districts offer unique opportunities for neighborhoods and regions to build public health and New Economy “placemaking” assets. Food innovation Districts are natural places for retail and restaurant development; farmers markets, festivals and other attractions; and public health outreach and services, such as cooking and nutrition classes or harvest gleaning programs that move farm surpluses to families in need.

What’s the difference between the Food Innovation District (FID) and the Food Innovation Center (FIC)?

The Rainier Beach Food Innovation District is a geographic concentration of food-oriented businesses, services, and community activities that local governments support through planning and economic development initiatives in order to promote a positive business environment, spur regional food system development, and increase access to local food. Food Innovation Districts connect and catalyze emerging clusters of food and agriculture activity. Benefits include new jobs, healthy food options, and a “sense of place”.

The Food innovation Center is intended as the catalytic venue for the District, featuring vocational training, food processing, as well as community assets such as gathering hall, community kitchen and childcare.  

35
Promise Zone accelerates and strengthens efforts at comprehensive place-based community revitalization.

The 5 primary goals of Promise Zones are:
• Creating jobs
• Increasing economic activity
• Improving educational opportunities
• Reducing violent crime
• Leveraging private investment

IMPROVE EDUCATION & WORKFORCE DEVELOPMENT

The Rainier Valley South community highly values education. Co-locating the following Promise Zone partners could create a seamless path of education, training, jobs and business entrepreneurship support.

- Rainier Beach High School Culinary Arts Program
- South Seattle Community College
- Renton Technical College
- Financial Opportunity Center
- Bainbridge Graduate Institute
The Rainier Beach Food Innovation Center is a collective effort by Rainier Beach Moving Forward and other community partners to create an innovative approach to improving an area that is currently a Hot Spot.

The Food Innovation Center will:
- Be a place for education, training and jobs
- Increase supervision and provide structure
- Change the physical environment
- Build collective efficacy: “It takes a village…”

PROMISE ZONE - QUALIFYING CRITERIA

Created on the basis of the Promised Neighborhood, under the Obama administration, 36 communities in the Country qualified for this designation and 20 would be chosen over 5 years (4/year).

Rainier Beach qualified thanks to a previous Federal award as part of the Byrne Justice Grant (ABSPY & Corner greeters)
PROMISE ZONE - MISSED OPPORTUNITY

Presented to Seattle City Council in 2013, by Nora Liu and supported by CM Sally Clark, it was unsuccessful the 1st year but the commitment to re-apply in subsequent years never got any traction from our elected officials.

Food Innovation Partners Workshop October, 2013

Food Innovation Center: Preliminary Building Program

- Commissary, incubator and training kitchens
- Education/training
- Financial opportunity center
- Community gathering space
- Food aggregation
- Value-added food processing
- Food bank
- Daycare
- Dry and freezer storage
- Retail spaces
There is currently no hub of ethnic specialty food production and distribution in Seattle. Rainier Valley South’s ethnic diversity is a valuable, untapped resource to establish an international food culture and trade in the neighborhood.

A range of products could be designed in concert with and for Seattle’s vibrant restaurant trade and mobile food vendors.

A multi-purpose Food Innovation Center with wrap around services will be a catalyst for the area to bring together culinary and business skills training, and opportunities to incubate and grow businesses. The Center will enhance the farm-to-table industry by supporting food entrepreneurs, caterers and mobile food vendors to centralize and grow these businesses.
The Rainier Beach Innovation Partners group (of over 20 entities) grew out of 2 charrettes to lead predevelopment planning for a Food Innovation Center at the Rainier Beach light rail station area.

Foster School of Business and Evans School analyzed business models for a food innovation center and a kitchen incubator. Jonathan Rose Co. developed preliminary building program, and identified development strategies.

FIC could provide the RB Urban Farm & Wetland and other urban agriculture efforts in south Seattle and King County with access to strategically located facilities for distribution, aggregation, value-added food production, commissary kitchens and more.
An Equitable Transit-Oriented Development (ETOD)
An Anti-Displacement Strategy
THE RAINIER BEACH INNOVATION ZONE

Creating Jobs & Pathways for Economic Mobility

The Rainier Beach Innovation Zone is based on the community’s vision for the RB light rail station area; informs rezone and spark catalytic development.

The Innovation Zone clusters manufacturing, tech, and food sectors around the light rail station to provide access to career-path living-wage jobs. **Strengthen the local economy through production rather than consumption.**

Leverage transit to support community stability and economic mobility.

Improve access to education, employment and entrepreneurship.

Maximize use of this unique station location at the intersection of the manufacturing / industrial area that extends to Kent, and the residential neighborhood of Rainier Beach.
MANDATORY HOUSING AFFORDABILITY

The “Innovation Zone” was never created, but as the City of Seattle unveiled its plan for an umbrella approach to Mandatory Housing Affordability (MHA) across all neighborhoods except a select few, we were able to wrestle something that reflected the spirit of the initial Urban Design & Development Framework supported by RBAC and recommended by City Staff.

While the Neighborhood Plan Update wasn’t signed by the Mayor until September 2016 (4 ½ years after the process was completed), when MHA passed in 2019, it included a Seattle Mixed Rainier Beach (SM-RB) that allowed development heights up to 125’ in exchange for community benefits such as childcare, vocational training, gathering space or light manufacturing, all of which support the vision for the Food Innovation Center.
67% of participants believe that a good paid job would allow them to stay in neighborhood.

84% of participants would support businesses “Made in Rainier Beach.”

25% of participants would like to see a farm or a market in the neighborhood.
I enjoy learning & sharing food cultures of other cultures, so opportunities to bring cultures with food
By recognizing specific cultural needs, we can create a feeling of inclusion
Support small communities learning other cultures. International food event in Rainier Beach
Food desert? No, I’m white and the local stores basically cater to my culture. I realize that makes me one of the lucky ones
Doing studies such as these, to see what our community needs and then acting on those findings. Ask the people!
Creating a community that respects the growth of ethnic culture
By having events in the neighborhood that might help educate the community
Where everyone can benefit & survive & thrive no matter what heritage or how much money one has.
Intermix cultures in a community where all are treated fair, & to be able to bring culture to the community without fear or hate, etc. The opposite of gentrification
A community where people can share their talents or products & create income for their family doing what they value or love
Demos from local restaurant owners offering knowledge on seasonal ingredients
In a major way, every culture needs a Food Innovation District in their community
A community that is bursting at the seams with health, diversity and happiness
By offering a safe & culturally diverse space to gather to prep and consume food
Community agriculture can bring together the neighborhood on a different way than festivals or other events. “Food Not Lawns!”

**Examples of Cultures Represented**

- African American
- Anglo-Saxon
- Chinese
- Cuban
- Ethiopian
- Filipino
- French
- German
- Hawaiian
- Italian
- Japanese
- Jewish
- Lactian
- Mexican
- Norwegian
- Pacific Islander
- Samoan
- Somali
- Ukrainian
- Vietnamese

**Sample of Missing Foods**

- Ox Tail
- Pickled Cabbage
- Pickled Herring
- Pork Shank
- Purple Hull Peas
- Rye Bread
- Speckled Butter Beans
- String Beans
- Teff Flour
- Whole Grain

**Comments / Ideas**

- I enjoy learning & sharing food cultures of other cultures, so opportunities to bring cultures with food
- By recognizing specific cultural needs, we can create a feeling of inclusion
- Support small communities learning other cultures. International food event in Rainier Beach
- Food desert? No, I’m white and the local stores basically cater to my culture. I realize that makes me one of the lucky ones
- Doing studies such as these, to see what our community needs and then acting on those findings. Ask the people!
- Creating a community that respects the growth of ethnic culture
- By having events in the neighborhood that might help educate the community
- Where everyone can benefit & survive & thrive no matter what heritage or how much money one has.
- To intermix cultures in a community where all are treated fair, & to be able to bring culture to the community without fear or hate, etc. The opposite of gentrification
- A community where people can share their talents or products & create income for their family doing what they value or love
- Demos from local restaurant owners offering knowledge on seasonal ingredients
- In a major way, every culture needs a Food Innovation District in their community
- A community that is bursting at the seams with health, diversity and happiness
- By offering a safe & culturally diverse space to gather to prep and consume food
- Community agriculture can bring together the neighborhood on a different way than festivals or other events. “Food Not Lawns!”
# ENTERPRISE PURPOSE: Food Innovation Center

## PROBLEM to be SOLVED
- Equitable access to training + employment
- Equitable access to quality, healthy, affordable & culturally relevant food + growing spaces
- Education and information in food safety & systems
- Transportation

## SOLUTION
- Community gathering space
- Support structure for FID resources
- Integrated education (Vocational training & Food entrepreneurship)
- Space rental: kitchen, production, storage (dry, cold), training, gathering
- Services scaling fee
- Meal service production (schools, senior meals...)
- Emergency food services

## UNIQUE VALUE PROPOSITION
- Proximity to transit & neighborhood
- Unique historical context
- Diverse food experience
- Community-led/driven, Rainier Beach proud economy
- Support young people in their growth development

## PRODUCTS & SERVICES
- Space rental: kitchen, production, storage (dry, cold), training, gathering
- Services scaling fee
- Meal service production (schools, senior meals...)
- Emergency food services

## TARGET CUSTOMER SEGMENTS
- RB residents
- Service providers looking for support

## SUSTAINABLE ADVANTAGE
- "Made in Rainier Beach" Quality of products
- Community buy-in & ownership
- Leveraged partnerships (Govt, CBO, NPO, Schools)

## COST DRIVERS
- Admin./Labor (staff)
- Space/Infrastructure
- Triple Net
- Marketing/Comm./Info
- Data/Evaluation
- Debt service/ROI
- Training & Services (child-care, legal help, incubation, TA)
- Licenses/Certifications

## REVENUE MODEL
- Tuition from training programs
- Rent from businesses using space
- $ from City/County/State
- Consulting in other communities on replication model
- Established food enterprises

<table>
<thead>
<tr>
<th>Channels</th>
<th>IMPACT METRICS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community groups/partners (incl. social services + schools)</td>
<td>Graduation rate up</td>
</tr>
<tr>
<td>Social Media + Press</td>
<td>Food Bank needs down</td>
</tr>
<tr>
<td>Marketing (Transit ads)</td>
<td>Homelessness down</td>
</tr>
<tr>
<td></td>
<td>Health services down</td>
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</tbody>
</table>

Food Innovation Center, Business Model Canvas
RBAC @ MLK
Project Recommendations

F.I.C. =

- Neighborhood Anchor
- Food Facility
- 2 stories
- 30,000sf
- $13 millions

Project Rendering
9059 MLK Jr Way S.
NEIGHBORHOOD ANCHOR

- Service Hub:
  - Childcare
  - Legal Aid
  - Resume writing/Job search
  - City services
- Shared Work Spaces
- Community Kitchen
- RBAC offices
RBAC @ MLK

Opt 1: F.I.C.
- Neighborhood Anchor
- Food Facility
- 2 stories
- 30,000sf
- $13 millions

Opt 2: FIC+Housing
- Affordable Housing
- Mix of affordable & high-end (80 units)
- 7-8 stories
- 112,000sf
- $40 millions

Opt 3: FIC+Offices
- Non-profit (80-150,000sf)
- Home-businesses
- Institutions (research?)
- Community college
- 5-12 stories
- $30-60 millions
FOOD PROCESSING

**Opt 1: Cold Storage**

- **Pros:**
  - Revenue Generator
  - Address a regional need
  - Job producer
  - Supports POC farmers

- **Cons:**
  - Noise/Access>Loading
  - Incompatible w/housing

**Pros:**
- Lower investment cost
- Job producer
- Cultural hire rqmt
- Scalability

**Cons:**
- Anchor Business partner
- Risk of loss of identity

**Opt 2: Value-Add**

**Pros:**
- Lower management cost
- Established track record
- Potential youth focus

**Cons:**
- Not a direct job creator
- Rely on career pipeline
- Low revenue

**Opt 3: Business Training**
# Proposed Programming Areas in Square Feet

<table>
<thead>
<tr>
<th>Program Component</th>
<th>Function</th>
<th>Quantity</th>
<th>Space Rqt (sf)</th>
<th>Total (sf)</th>
<th>Notes:</th>
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<tr>
<td>Neighborhood Hub</td>
<td>Shared Office Space</td>
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<tr>
<td></td>
<td>Open Desks</td>
<td>20</td>
<td>50</td>
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<td>RBAC Offices</td>
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<td>1,100</td>
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<tr>
<td></td>
<td>Meeting Rooms</td>
<td>3</td>
<td>450</td>
<td>1,350</td>
<td>Various sizes</td>
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<td></td>
<td>Storage</td>
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<td>Reception</td>
<td>Front Desk/Help/Café</td>
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<td>500</td>
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<td>Information Display Area</td>
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<td>Resource Hub</td>
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<td>Job Search</td>
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<td>Legal Help</td>
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<td>Educational Hub</td>
<td>College &amp; Public Facility</td>
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<tr>
<td></td>
<td>Classrooms</td>
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<td>1,200</td>
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<td></td>
<td>Sound / Video Studio</td>
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<td>Community Kitchen</td>
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<td>Production Hub</td>
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<td>Sales</td>
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<td>Market Space (Farm Stand)</td>
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<td>Parking</td>
<td>15 vehicles</td>
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<td>Circulation/Restrooms</td>
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<td>Project Total (sf) :</td>
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<td>30,610</td>
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</table>
2nd FLOOR - Scale: 1/16"

- **GATHERING SPACE / LARGE CLASSROOM** (1,100sf)
- **VALUE ADD / TRAINING** (6,100sf)
- **SHARED WORKSPACE** (2,300sf)
- **MEETING ROOMS** (1,300sf)
- **Stair/Elev.**
- **Stair/Elev.**
- **PARKING** (4,650sf)
- **PARKING ACCESS**
- **AFTER HOURS DELIVERIES**
### Proposed Timeline

**From Design to Construction**

<table>
<thead>
<tr>
<th>Schedule</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
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<td>Earnest Money Deposit</td>
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<td>FIC Programming/Partnerships/Conceptual Design</td>
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<td>Conceptual Design</td>
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<td>Office of Housing Application</td>
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<td>Capital Campaign</td>
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<td>BT Application</td>
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<td>Schematic Design (SD)</td>
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<tr>
<td>Design Development (DD)</td>
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<td>Permit Submittal</td>
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<td>Secure 4% Low Income Housing Tax Credits (LIHTC)</td>
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<td>Construction Documents (CD)</td>
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<td>Project Financing</td>
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<td>Close Project Financing/Ground Breaking</td>
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<tr>
<td>Completion</td>
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</table>

*This OH Award and LIHTC closing assumes all capital campaigns funds for the commercial space are pledged and available for use.*

**50% Cash in hand. All sources identified**

***100% money available***
REFERENCES

- Case Statement for Food Innovation District in Rainier Beach (American Communities Trust, Inc., March 2016)
- Food Production Space Needs Assessment (Business Cluster Development & Food Spectrum, Sept. 2017 for the Port of Seattle)
- South King County Food Aggregation & Access (P. Hennessy, M. Chumbley & L. Titzer, Sept. 2018)
- Local Food Facility Feasibility Study (King County, Oct. 2019)
- Local Food Facility Opportunities Report (ECONorthwest, May 2020)
- King County Food Facility - Business Concept (ECONorthwest, Oct. 2020)
- King County Local Food Facility - Development Finance Roadmap (Council of Development Finance Agency, Dec. 2020)
- King County Local Food Initiative Annual Report (King County, 2020)
- City of Seattle Food Action Plan (Office of Sustainability & Environment, Oct. 2012)
- CommonWealth Kitchen Case Study (CWK, 2018)
THANK YOU TO OUR FUNDERS

and our many supporters!