

RAINIER BEACH FOOD INNOVATION CENTER

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

- Dr. Martin Luther King, Jr.

January 2022



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PART 1

RESEARCH & ANALYSIS

NATIONALLY

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.

NATIONALLY

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.**

KING COUNTY

- ▶ 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**.

KING COUNTY

- ▶ 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.

KING COUNTY

- ▶ 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.

KING COUNTY

- ▶ 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
 - a. commercial kitchens
 - b. storage and distribution
 - c. contract packing
 - d. 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.**

KING COUNTY

- ▶ 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, **Rainier 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.

KING COUNTY

- ▶ 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.



Picture courtesy of Ariana de Lena, Kamayan Farm

SOUTH KING COUNTY

- ▶ 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 whole sale 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.**

SOUTH KING COUNTY

- ▶ 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.

FACILITIES FOR FOOD PRODUCTION

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.

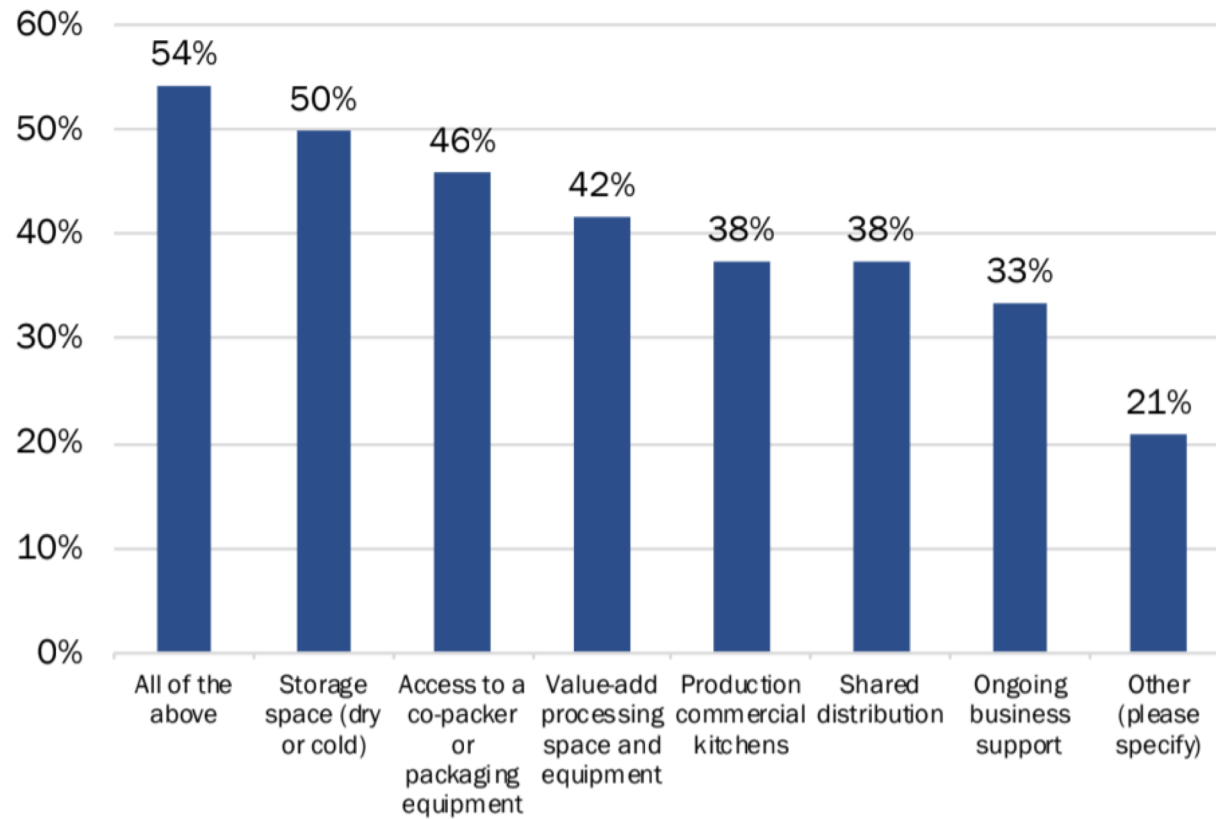
ACCESS TO COLD STORAGE

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).



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.

NON-PROFIT OWNERSHIP

- ▶ 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.

EQUITY, DEBT & CAPITAL COST

- ▶ 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 on-going 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

FACILITY COMPONENT	SIZE RANGE
Production Kitchen(s)	3,000 - 6,000 SF
Dry Storage	20,000 - 40,000 SF
Cold Storage	1,000 - 3,000 SF
Office Space/Meeting Rooms	1,000 - 2,000 SF
Flex/Event Space	Varies
Non-leasable/Common Areas	15 to 25% of gross building area
TOTAL	25,000 - 50,000 SF of building area Actual building size will vary.

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

COST ITEM	ASSUMPTION	LOW COSTS	HIGH COSTS
Land Cost	Range from \$15 to \$40/SF	\$1,125,000	\$3,000,000
Building Costs			
Hard Costs	Range from \$100 to \$200/SF	\$5,000,000	\$10,000,000
Soft Costs	25% of hard costs	\$1,250,000	\$2,500,000
Contingency	5% of hard and soft costs	\$312,500	\$625,000
Developer Fee	5% of hard and soft costs, and contingency	\$328,100	\$656,300
Tenant Improvements	\$40/SF blended rate	\$1,860,000	\$1,860,000
Total Development Cost		\$9,875,600	\$18,641,300
Rounded		\$9,900,000	\$18,600,000

Source: ECONorthwest, various sources

EXHIBIT 11. FOOD FACILITY ECONOMIC MODEL, COSTS AND CONSTRAINTS

	FACILITY COST RANGE		
	\$9,900,000	\$15,100,000	\$18,600,000
Capital: Equity Limit	\$5,000,000	\$5,000,000	\$5,000,000
Rent: Monthly Membership Fee	\$350	\$350	\$350
Master Tenant Rent (per SF)	\$12	\$20	\$25
Annual Memberships Needed to Cover Rent Costs	150	230	300

Source: ECONorthwest (all values rounded)

1. Strategy and Feasibility



- What “value” can be created?
- What necessary skills, resources, partnerships will be needed?
- What are the risks of failure?
- Is there a viable path to “success”?

2. Land Control

- Is land under control or will it need to be acquired?
- Will changes to land entitlements be needed?
- What and how much environmental review be needed?
- What type of land use or construction permits will be required?

3. Land and Building Development

- What type of utility or transportation improvements will be necessary?
- How can construction or renovation be accomplished efficiently?

4. Building Operation and Renovation

- How will the building be operated and managed?
- How quickly can the building be leased up?
- What unique tenant improvements will be required?

5. Land and Building Revelopment

- Are there serious physical or functional deficiencies that the improvements must be torn down and/or re-developed for another use?

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, returns, 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 their unique constructability considerations?

Environmental

- Is there environmental contamination?
- Are their cultural or historic elements?
- How will building efficiency be addressed (i.e., LEED or 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 consumers, tenants, and suppliers?

Disposition and Exit Strategy

- Are their plans for holding or disposal of the building, regardless of program success?

Local Food Facility
Business Concept

(ECONorthwest,
Oct 2020)

Case Study

Commonwealth Kitchen

Boston, MA

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

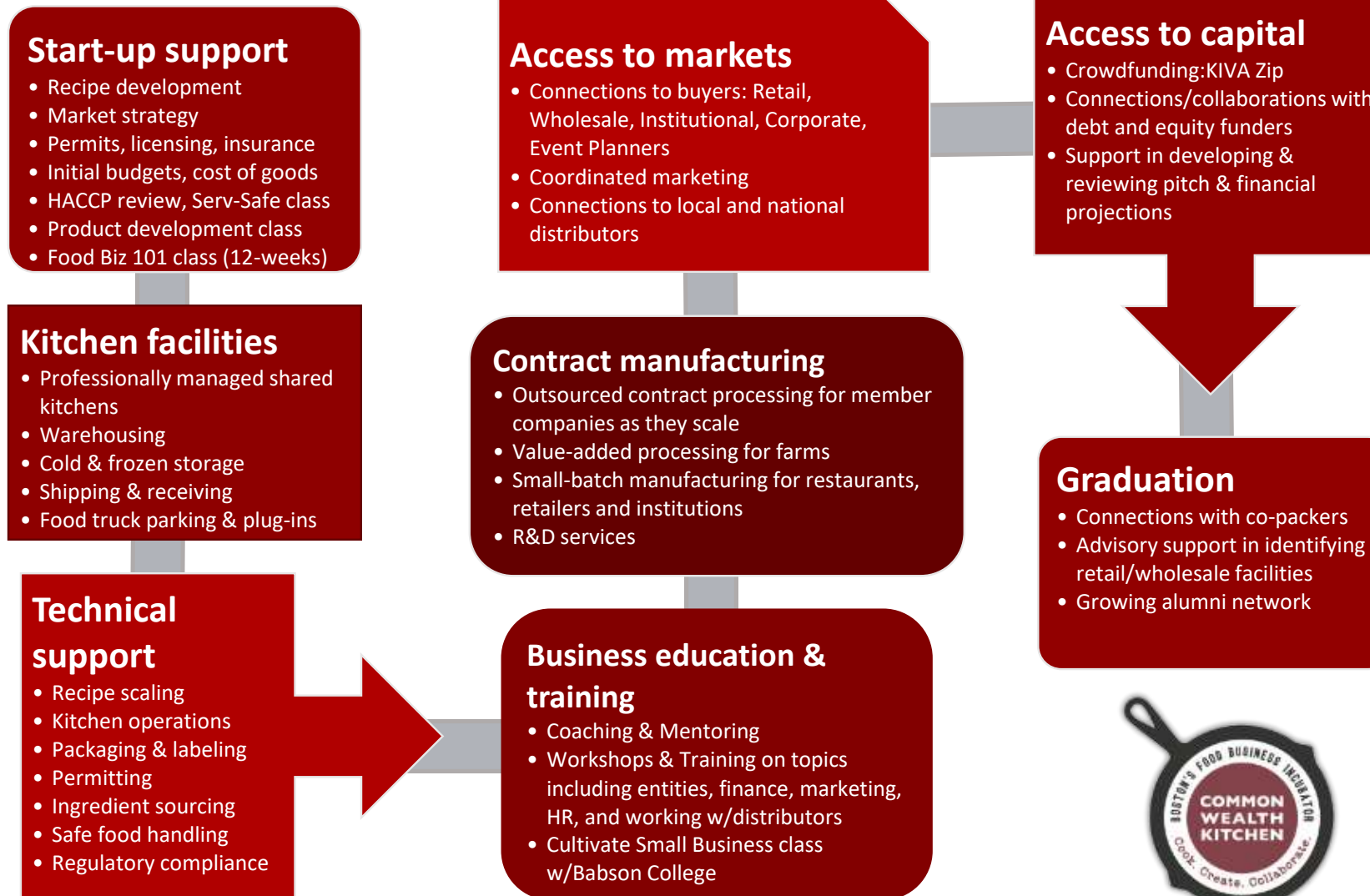


OUR WORK: More than just a shared kitchen, CWK takes a systems approach to building viable food businesses.

Case Study

Commonwealth Kitchen

Boston, MA



PART 2

RBAC RECOMMENDATIONS

NEIGHBORHOOD PLAN UPDATE (2010-12)

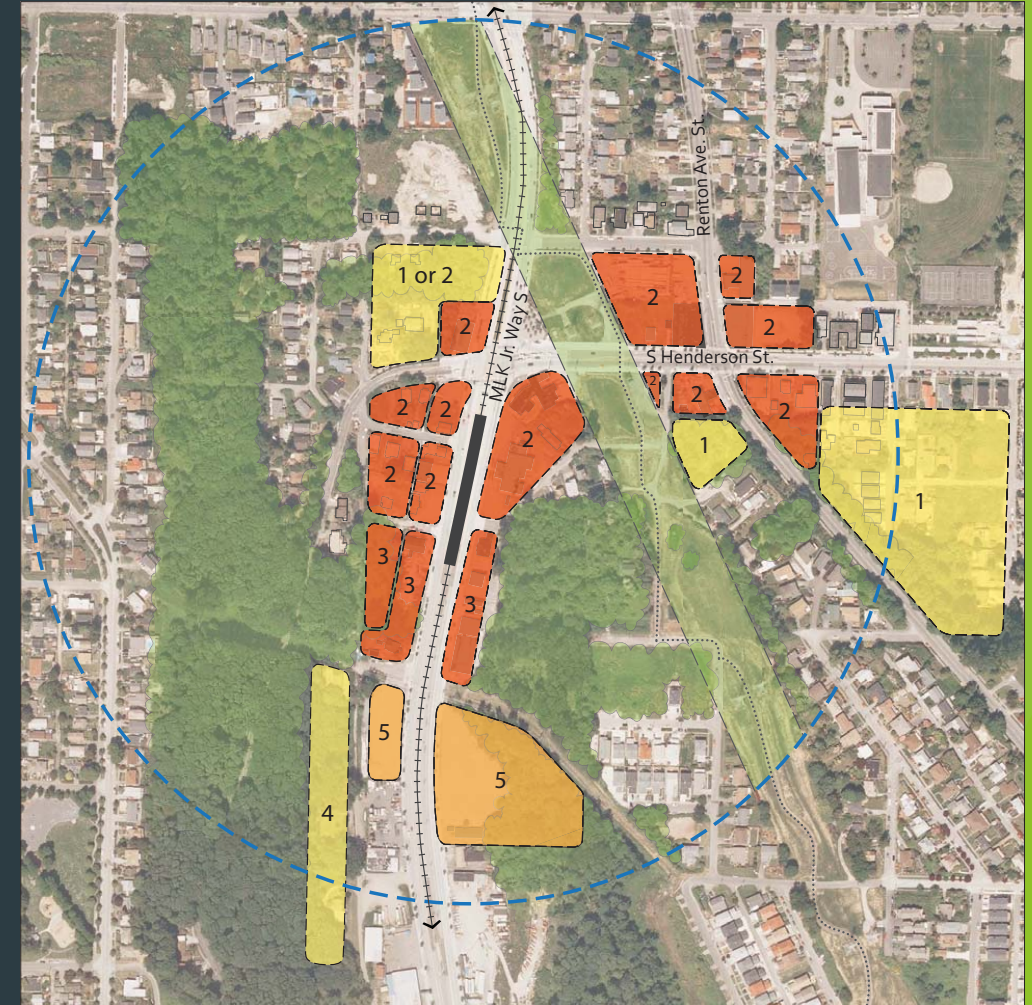
The Neighborhood Plan Updates in Rainier Beach & Othello addressed critical community and economic development issues in Rainier Beach and Othello. The community's key goals are: to create a place for everyone, lifelong learning, growing food to develop healthy industry, a beautiful, safe place, a strong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

Great Places

- 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

Community repair

Commercial/Broadway (Vancouver, BC)



Community repair is a method of citizen-initiated urban design or intervention that focuses on using local knowledge and resources for community-building and neighborhood improvement.

Public Development Authority

Capitol Hill Housing, Pike Place Market PDA



A public development authority is an independent entity of government that oversees public purpose activities and is run by a volunteer governing council.

Non-profit partnership

Tassafaronga Village (San Francisco)



Non-profit partnerships enable independent non-profit entities to combine their resources and expertise to create strong, high quality programs for the communities that they serve.

Neighborhood Development Corporation

Codman Square (Boston)



A Neighborhood Development Corporation is a non-profit organization that provides programs, offers services and engages in other community development activities.

Transit-Oriented Development (TOD) Investment Fund

Denver TOD Investment Fund, Portland TOD Implementation Program



A TOD investment fund provides developers of affordable housing with the opportunity to acquire land near transit stations while they complete the local approvals process. This arrangement reduces borrowing costs and risk for the developer and stretches affordable housing money further than direct grants or subsidies.

VIA

station area rezone form analysis and site development strategies

RAINIER BEACH

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

Locally-oriented marketplace

Seasons Marketplace (Milpitas, CA), Melrose Market (Capitol Hill), Pike Place Market



Shared office spaces

Office Nomads (Capitol Hill), The HiVE (Vancouver)



Light manufacturing/creative incubator space

Holgate Square (South Seattle), Makerhaus (Fremont)



Artist space

WAV (Ventura, CA), ArtSpace (Mt. Baker Station)



Institutional anchors

SeaMar Community Health, NewHolly Learning Center



VIA

station area rezone form analysis and site development strategies

RAINIER BEACH

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 - 2013 PROGRAM GOALS

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

Seattle's Promise Zone

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



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)

Seattle's Promise Zone

REDUCE VIOLENT CRIME

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 - MISSED OPPORTUNITY

Food Innovation Partners Workshop October, 2013

- Commissary, incubator and training
- Education/training
- Financial opportunity center
- Community gathering space
- Food aggregation
- Value-added food processing
- Food bank
- Daycare
- Dry and freezer storage
- Retail spaces

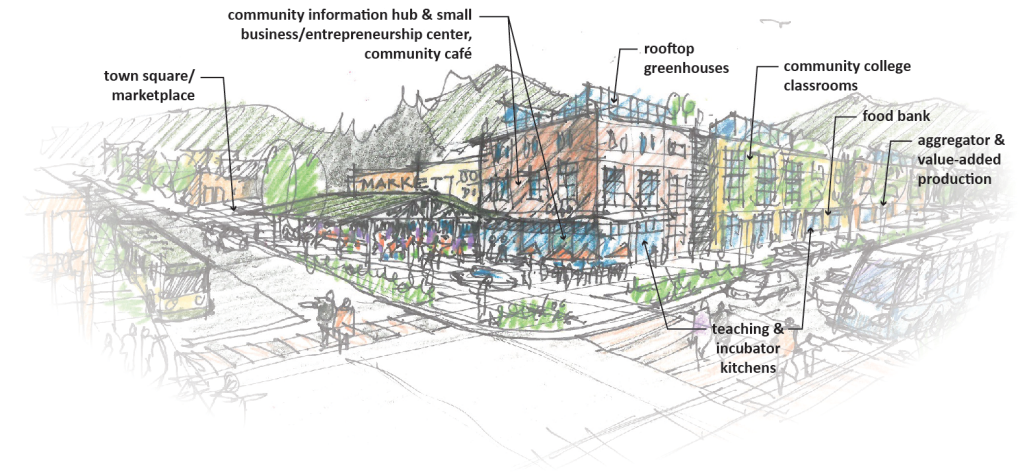


THE RAINIER BEACH FOOD INNOVATION CENTER (2014)

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.

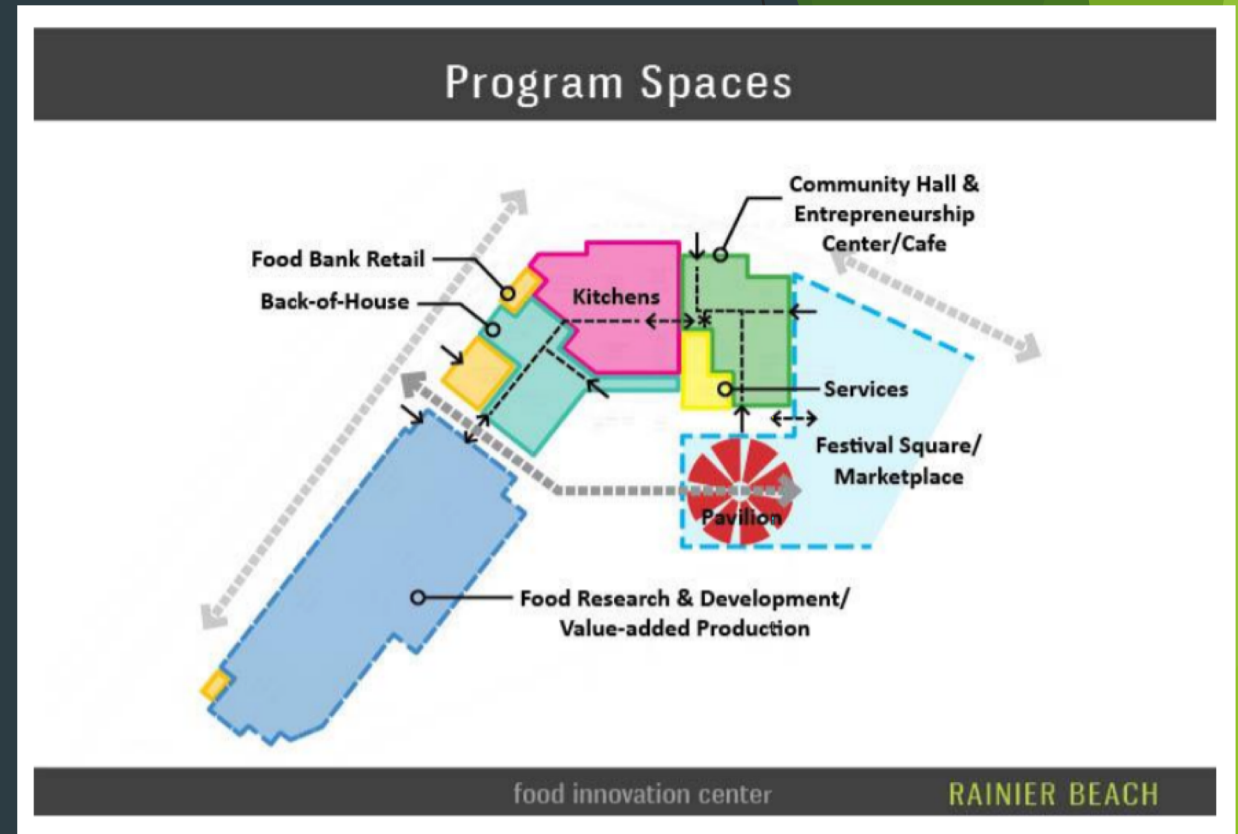


THE RAINIER BEACH FOOD INNOVATION CENTER

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.



RAINIER BEACH

a community the world calls home



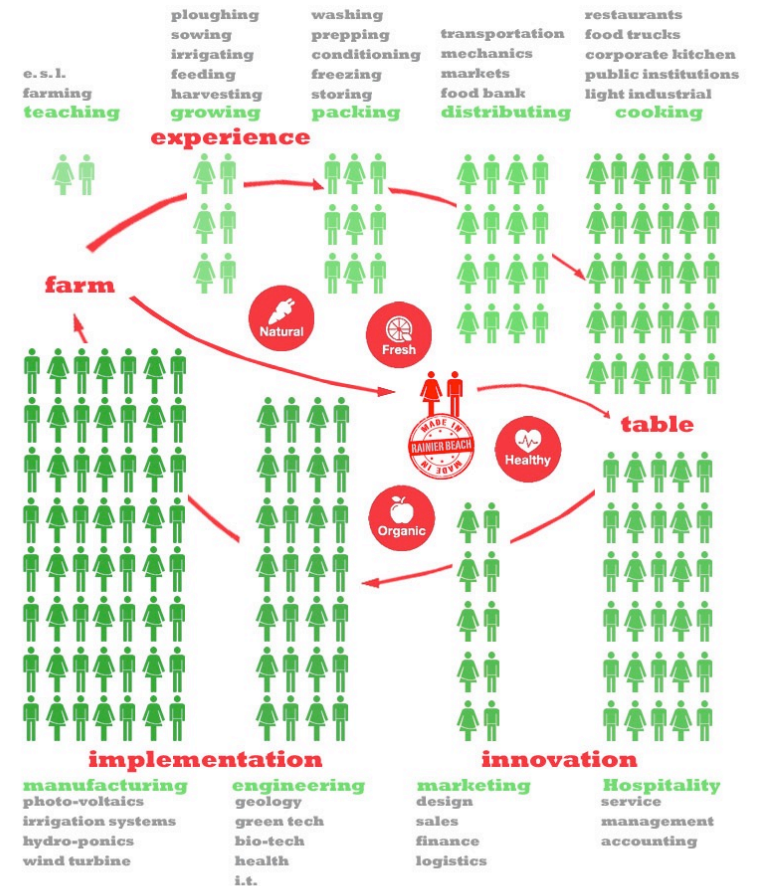
RAINIER BEACH

a model for equitable development



RAINIER BEACH

a job, food & innovation hub



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.

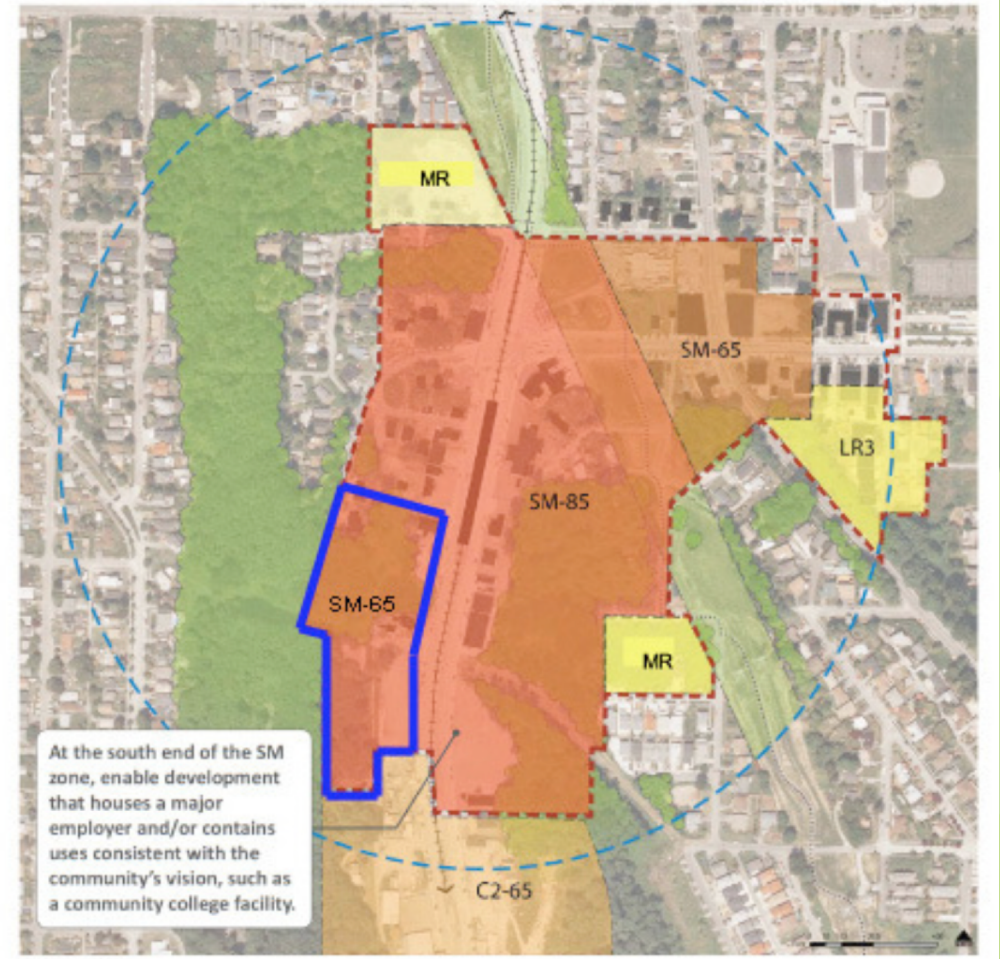
Strengthen the local economy through production rather than consumption.

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.

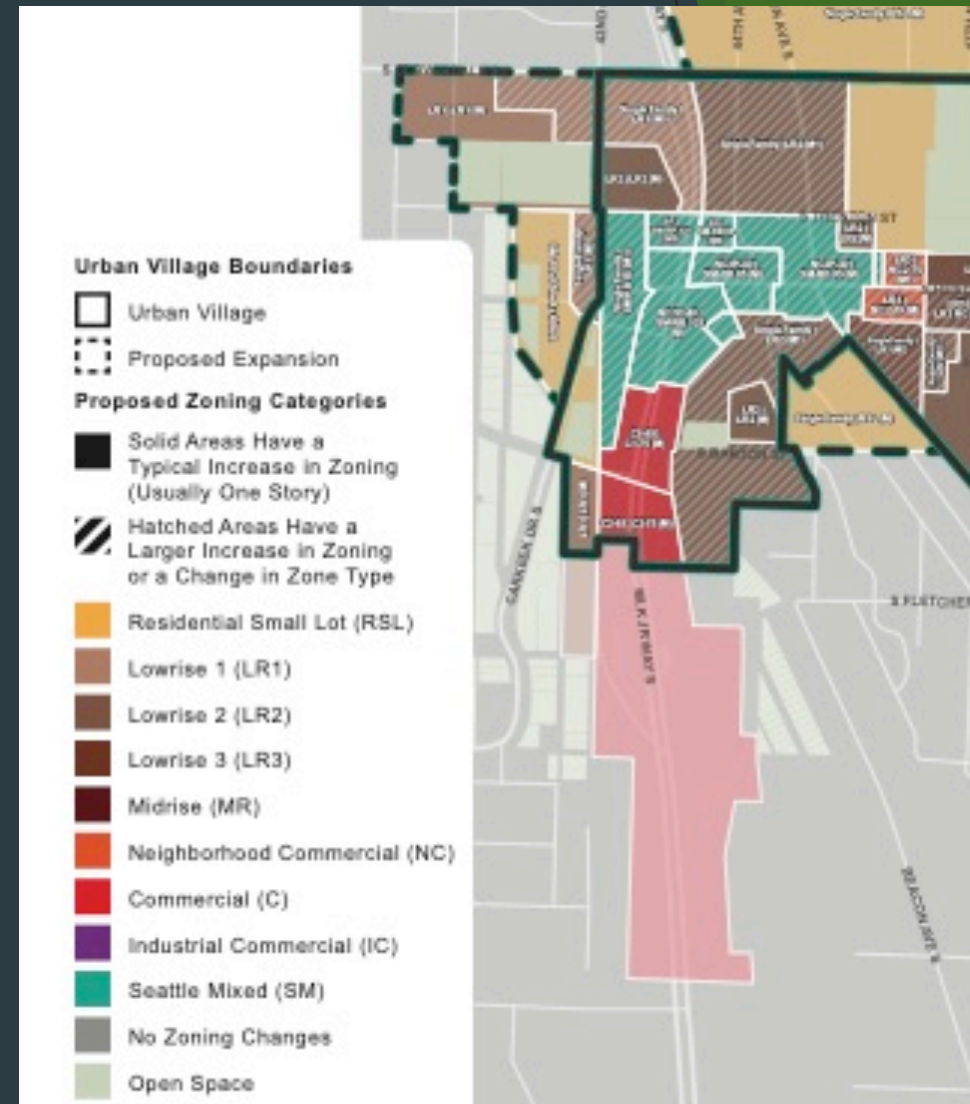
Proposed Station-Area Zoning



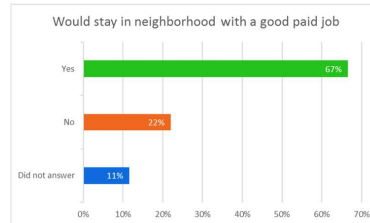
MANDATORY HOUSING AFFORDABILITY

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.

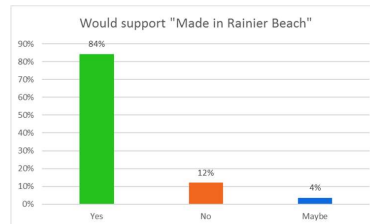
While the Neighborhood Plan Update wasn’t signed by the Mayor until September 2016 (4 ½ years after the process was completed), when MHA passed in 2019, it included a Seattle Mixed Rainier Beach (SM-RB) that allowed development heights up to 125’ in exchange for community benefits such as childcare,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



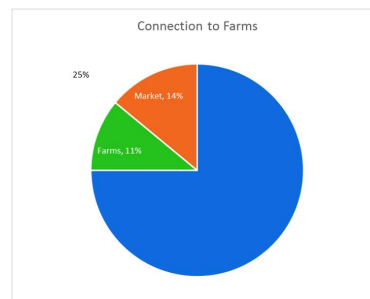
COMMUNITY-BASED PARTICIPATORY RESEARCH ANALYSIS



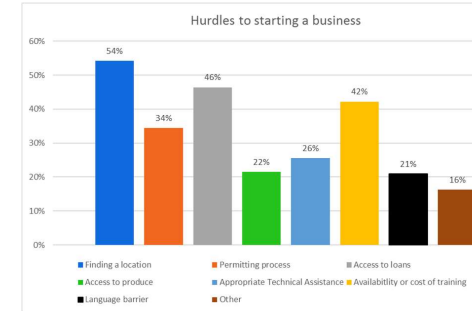
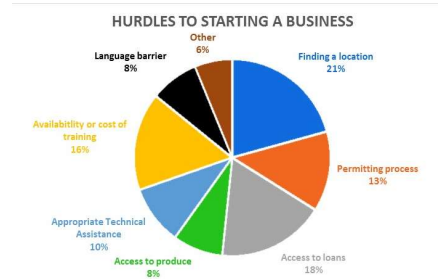
67% of participants believe that a good paid job would allow them to stay in neighborhood



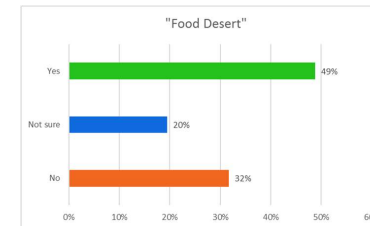
84% of participants would support businesses
"Made in Rainier Beach"



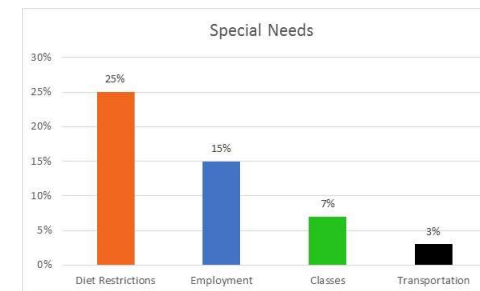
25% of participants would like to see a farm or a market in the neighborhood



Other hurdles identified include: Counseling, Marketing, Leadership Skills & Access to Investors



Nearly half of Rainier Beach residents believe they live in a "Food Desert"

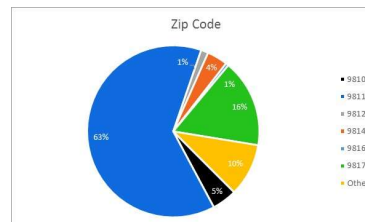
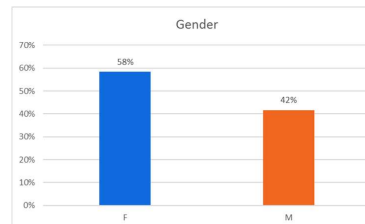
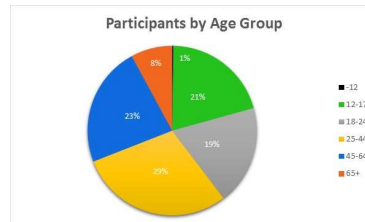


The top concerns for Rainier Beach residents have to do with Diet restrictions and Employment

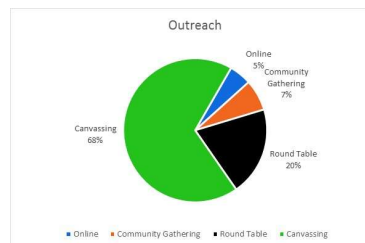


Word Cloud from the most frequently used words during the Participatory Research

DEMOGRAPHICS



How 450 surveys were collected?



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!"**

EXAMPLES OF CULTURES REPRESENTED

List not exhaustive:

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

SAMPLE OF MISSING FOODS

List not exhaustive:

- | | |
|-------------------|-------------------------|
| - Black Eyed Peas | - Ox Tail |
| - Chitterlings | - Pickled Cabbage |
| - Collard Greens | - Pickled Herring |
| - Exotic Fruits | - Pork Shank |
| - Fresh Eggs | - Purple Hull Peas |
| - Fried Bread | - Rye Bread |
| - Game (Deer) | - Speckled Butter Beans |
| - Grits | - String Beans |
| - Injera | - Teff Flour |
| - Okra | - Whole Grain |

ENTERPRISE PURPOSE: Food Innovation Center

PROBLEM to be SOLVED <ul style="list-style-type: none">• 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 <ul style="list-style-type: none">• Community gathering space• Support structure for FID resources• Integrated education (Vocational training & Food entrepreneurship)	UNIQUE VALUE PROPOSITION <ul style="list-style-type: none">• Proximity to transit & neighborhood• Unique historical context• Diverse food experience• Community-led/driven, Rainier Beach proud economy• Support young people in their growth development	TARGET CUSTOMER SEGMENTS <ul style="list-style-type: none">• RB residents• Service providers looking for support Channels <ul style="list-style-type: none">• Community groups/partners (incl. social services + schools)• Social Media + Press• Marketing (Transit ads)	SUSTAINABLE ADVANTAGE <ul style="list-style-type: none">• “Made in Rainier Beach” Quality of products• Community buy-in & ownership• Leveraged partnerships (Govt, CBO, NPO, Schools)
	PRODUCTS & SERVICES <ul style="list-style-type: none">• Space rental: kitchen, production, storage (dry, cold), training, gathering• Services scaling fee• Meal service production (schools, senior meals...)• Emergency food services			IMPACT METRICS <ul style="list-style-type: none">• Graduation rate up• Food Bank needs down• Homelessness down• Health services down
COST DRIVERS <ul style="list-style-type: none">• Admin./Labor (staff)• Space/Infrastructure• Triple Net• Marketing/Comm./Info	<ul style="list-style-type: none">• Data/Evaluation• Debt service/ROI• Training & Services (child-care, legal help, incubation, TA)• Licenses/Certifications	REVENUE MODEL <ul style="list-style-type: none">• Tuition from training programs• Rent from businesses using space Payers <ul style="list-style-type: none">• Contract w/non-profits		
		<ul style="list-style-type: none">• \$ from City/County/State• Consulting in other communities on replication model• Established food enterprises		

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



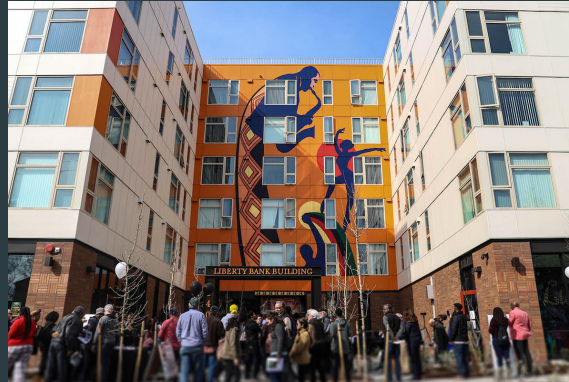
RBAC @ MLK

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 (80-150,00sf)
- Home-businesses
- Institutions (research?)
- Community college
- 5-12 stories
- \$30-60⁴⁹ 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

Opt 2: Value-Add



- **Pros:**
 - Lower investment cost
 - Job producer
 - Cultural hire rqmt
 - Scalability
- **Cons:**
 - Anchor Business partner
 - Risk of loss of identity

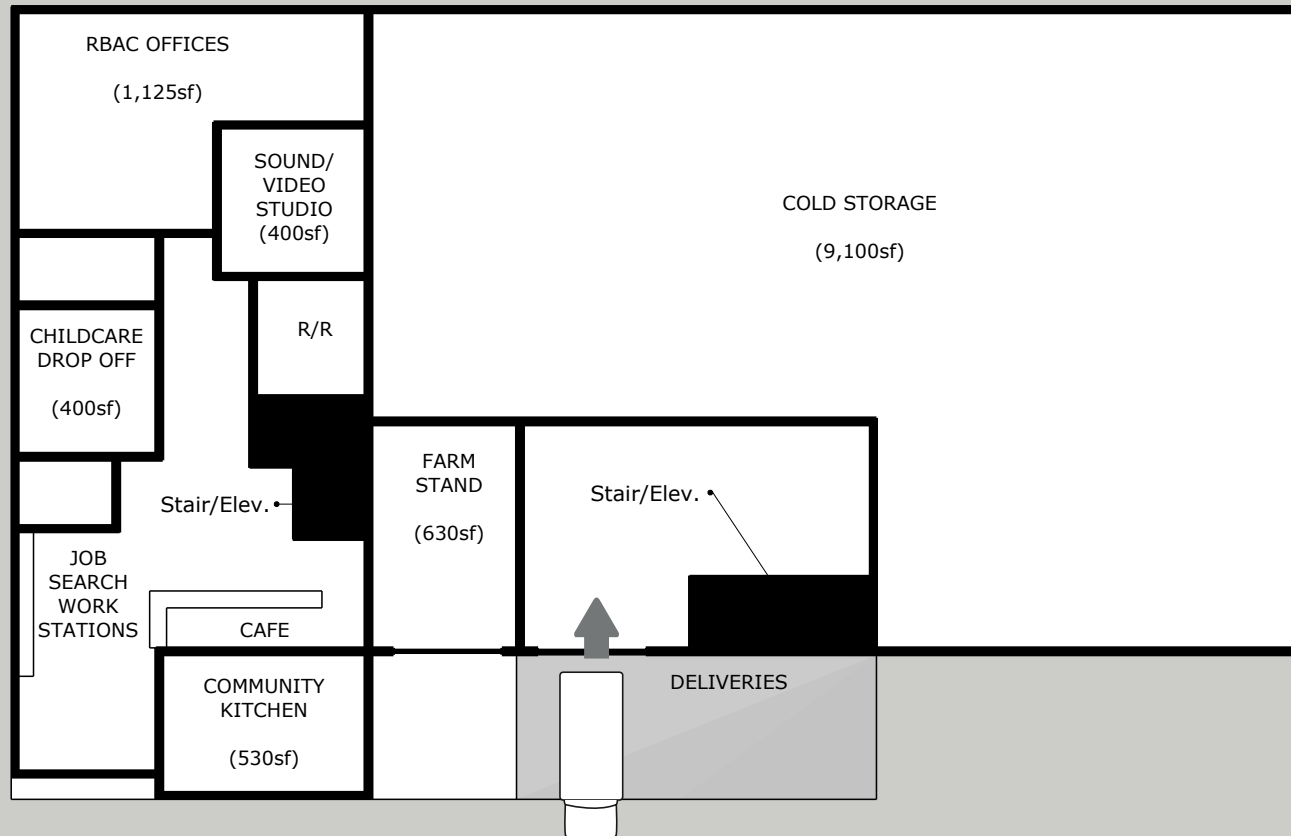
Opt 3: Business Training



- **Pros:**
 - Lower management cost
 - Established track record
 - Potential youth focus
- **Cons:**
 - Not a direct job creator
 - Rely on career pipeline
 - Low revenue

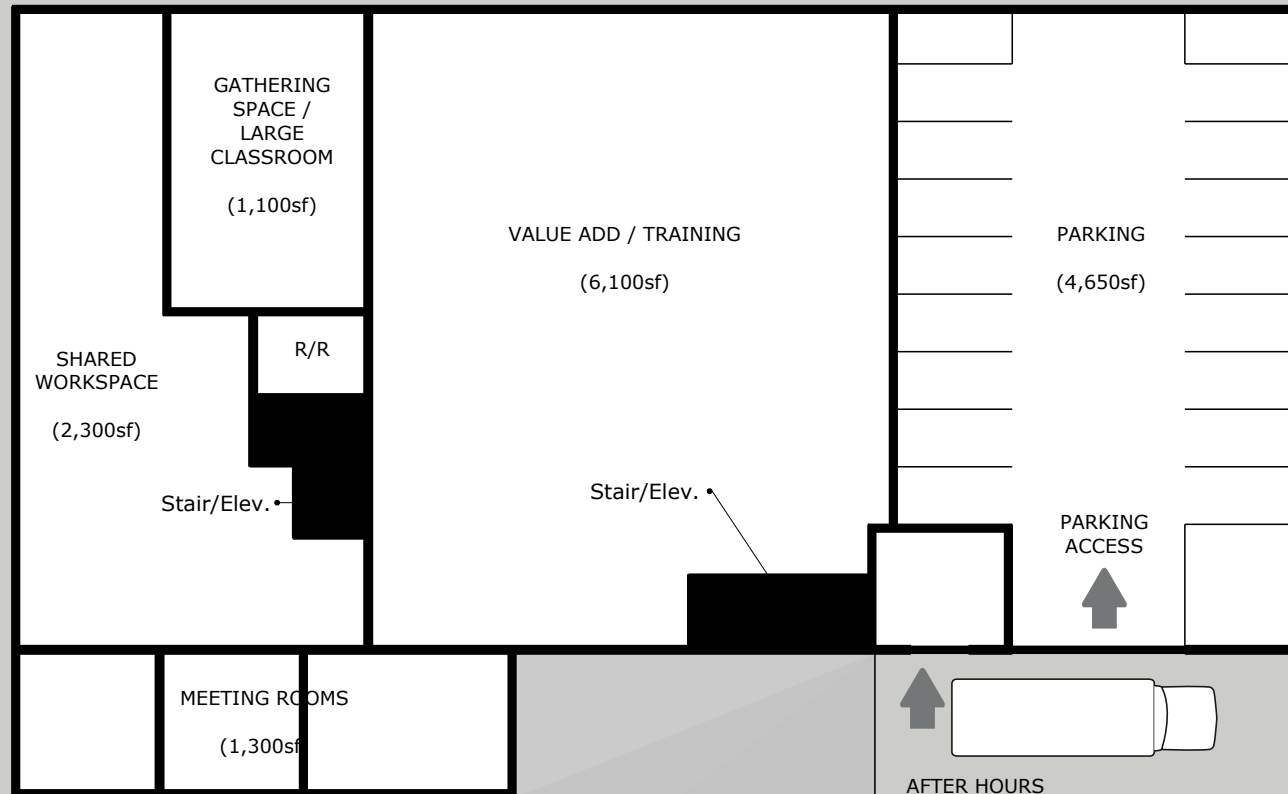
Proposed Programming Areas in Square Feet

Program Component		Function	Quantity	Space Rqt (sf)	Total (sf)	Notes:
Neighborhood Hub	Shared Office Space	Open Desks	20	50	1,000	
		RBAC Offices	1	1,100	1,100	
		Meeting Rooms	3	450	1,350	Various sizes
	Neighborhood Gathering Space	Gathering Hall	1	1,100	1,100	
		Storage	1	100	100	
Resource Center	Reception	Front Desk/Help/Café	1	500	500	
		Information Display Area	1	250	250	
	Services	Childcare Drop Off	1	400	400	
		Job Search	1	500	500	
		Legal Help	1	200	200	
Educational Hub	College & Public Facility	Classrooms	3	400	1,200	Classroom sizes may vary
		Sound / Video Studio	1	400	400	
		Community Kitchen	1	530	530	
Production Hub	Production Space	Production Space/Training	1	6,100	6,100	
		Cold Storage	1	9,100	9,100	
	Sales	Market Space (Farm Stand)	1	630	630	
	Parking	15 vehicles	1	4,650	4,650	
	Circulation/Restrooms	5%	1	1,500	1,500	
Project Total (sf) :					30,610	



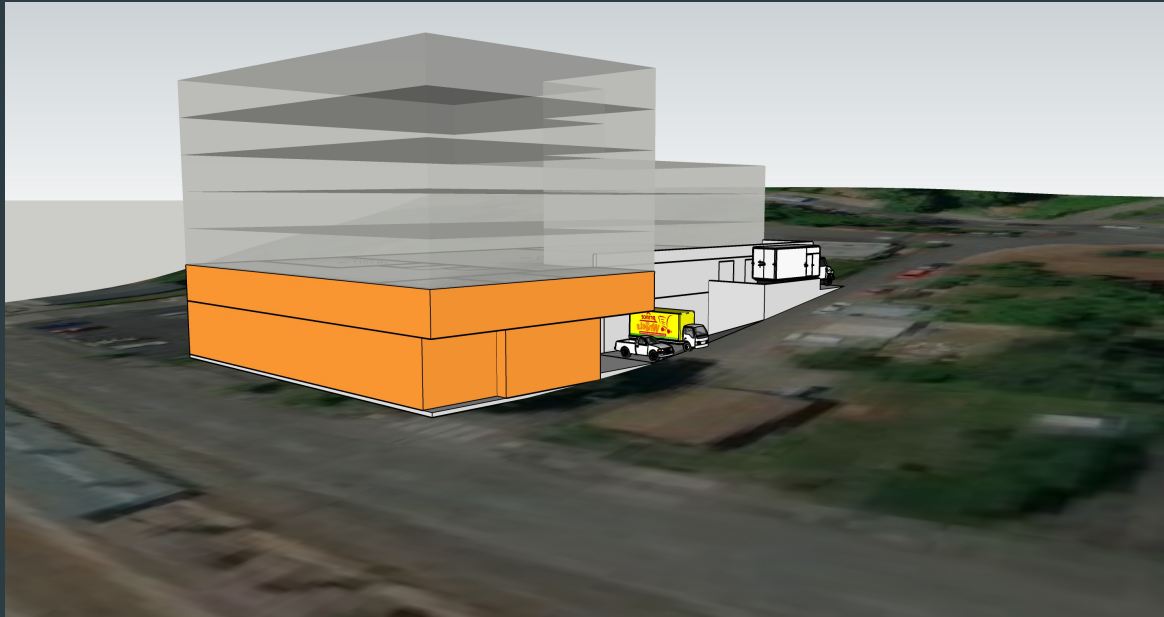
1st FLOOR - Scale: 1/16"

Proposed Floor Plan
1st Floor



2nd FLOOR - Scale: 1/16"

Proposed Floor Plan
2nd Floor



Proposed Concept
From MLK Jr Way S.



Proposed Concept
From Fairbanks St.⁵⁴

Schedule	2020				2021				2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Acquisition LOI																								
Earnest Money Deposit																								
Acquisition Closing																								
Community Outreach																								
FIC Programming/Partnerships/Conceptual Design																								
Conceptual Design																								
Office of Housing Application																								
Office of Housing Award																								
Capital Campaign																								
BCF Application																								
Schematic Design (SD)																								
Design Development (DD)																								
Permit Submittal																								
Secure 4% Low Income Housing Tax Credits																								
Construction Documents (CD)																								
Permit Issuance																								
Close Project Financing/Ground Breaking																								
Completion																								

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

** 50% Cash in hand. All sources identified

*** 100% money available

Proposed Timeline From Design to Construction

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)
- ▶ **Shared Kitchen Toolkit** (The Food Corridor & Fruition Planning, Apr. 2018)
- ▶ **CommonWealth Kitchen Case Study** (CWK, 2018)

THANK YOU TO OUR FUNDERS



and our many supporters!

