



e a s t s h o r e f o o d

connecting, building, growing together

a Food Roots feasibility study of three social enterprises

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Introduction

Food matters. Where and how our food is grown, how it is distributed and by whom, and what we eat all contribute to the resilience of our communities, families and selves.

The Vision of Community Connections (South Kootenay Lake Community Services Society) is “a thriving Eastshore community where residents have easy access to a range of community services that maintain and enhance their well being” and its Mission is to “facilitate access to community services and work on the development of new services that are deemed a priority by the residents.” Community Connections has done a great deal in the past 2 years to support the residents’ interest for a more localized food system on the Eastshore and the development of a more resilient local economy. As a group with momentum, organization and well-attended events, there is a strong interest to localize the focus of action in a center or hub that could also serve as ‘incubator’ for small-scale businesses. In the last year, that activity has organized itself as the Eastshore Food Roots, a branch of Community Connections with focus on strengthening localized food systems. For the purpose of this study, Food Roots considered 3 community value-added food businesses – a commercial kitchen, a greenhouse and a bakeshop that each and in combination have the potential to support a food hub on the Eastshore.

The commercial kitchen, greenhouse and bakeshop are the three social enterprise entities envisioned in the development of an Eastshore Food Hub and the enhancement of the local food system. The Eastshore Food Hub (EFH) would be a centrally located facility/operation with a business management structure facilitating the collection, storage, processing, distribution, and/or marketing of locally/regionally produced food products. It would also become a space where food business ideas could be developed with support of like minded and experienced entrepreneurs. Building on the success of our preliminary research of the social enterprise opportunities related to construction of a community greenhouse and bakeshop, this study further investigated the economic viability of a com-

munity commercial kitchen, as an independent enterprise and also as an enterprise created in tandem with the other two. We see such a collaborative facility complimenting both the functional operation of the bakeshop and productive capacity of the greenhouse thereby maximizing ‘spin-off’ products and services to be consumed locally.

As such this feasibility study will report on all three enterprises: the community kitchen, the bakeshop and the greenhouse, as possible social enterprises for the development of an EFH and the support of Community Connections.

Project rationale

The Eastshore community is entrepreneurial and creative. The feasibility study builds on that capacity and culture. Having established the organizational structure and identified opportunities, our priority for this study was to determine the economic viability of additional local food businesses. How do we add income to individuals and families, create a supportive culture for a more localized food system and contribute to building a resilient Eastshore economy?

Learning from our neighbors in Creston (Creston Valley Food Action Coalition) and Kaslo (Kaslo Food Hub), we recognize the importance of economic self-sufficiency. Furthermore, we see that as a community, the Eastshore stands to further benefit from partnerships with established producers around the Lake by creating and supporting value-added industries such as artisan chocolates, greenhouse production, preserves, baked goods, cheese and grain milling. These types of enterprises could be nurtured through a small business incubator or food hub.

The mission of the Eastshore Food Hub (EFH) is to work with all members of community towards building an innovative agro-economic, health and community learning center, that will increase capacity, cultivate excitement, and build resilience through peer learning, volunteerism, and regional partnerships.

The objectives of this report are to explore income generation opportunities for the Eastshore, articulate viable food related businesses and identify the next steps towards a more localized and resilient food system on the Eastshore.

Community description

The Eastshore (from Riondel to Wyndel) has a year round population of 1703 people in 811 households. The area population is older (46% over 55) and income is lower (\$19,000/year) than the provincial average. While the market potential exists for annual spending of an estimated \$6 million (\$3,543/capita) across food related businesses, currently only a small percentage of this total is captured locally. Surveys reveal that the average household spends between \$200-800/month in Nelson or Creston on food products. This results in an annual leakage of \$3.9 million dollars. Following the movement for 10% shift towards local economies, if the Eastshore can redirect 10% or \$390, 000 of this leakage towards local businesses, we would be generating incomes for the equivalent of 19 households.⁽¹⁾ The new Crawford Bay Market (described in the Greenhouse section) has begun to capture a portion of the leakage and with its expanded services, support the growing movement to spend locally. The enterprises explored in this report can benefit from this trend, cultivate it further, a create a more robust and dynamic economy for all.

1. 'Crawford Bay Food Market Analysis' Co-op RDU Market Analysis June 2011
www.tenpercentshift.ca/node/201

Report Structure

This report presents the findings of six months of part time data gathering and analysis. It begins with a project rationale, identifies stakeholders and an overview of the process and then reports on the individual results of the three proposed enterprises – a. Community Kitchen, b. Greenhouse and c. Bakeshop. For each enterprise consideration is given to the appeal of the enterprise idea (Business Concept), how its intended services match the goals and mission of Community Connections (Community Services), the organizational structure of the enterprise (Organizational Structure) and the financial overview of start-up costs, operational costs and revenue streams (Money). Each enterprise is then ranked according to objectives developed by the community and the results summarized. In conclusion, the report offers a proposal for next steps.



STAKEHOLDERS AND PROCESS

This study was made possible through the generous contribution of time, information and energy of Eastshore community. Thank you. Community Connections actively offered support through volunteer recruitment, capacity building, partnership development, research and identifying / accessing resources (grants, volunteer, other). The project stakeholders and advisors are Laverne Booth, Lois Wakelin, Jacqueline Wedge, Nicole Schreiber, Tyler Wedman, the directors of Community Connections: Janet Wallace, Ingrid Baetzel, Galadriel Rael, Jamie Cox, Muriel Crowe and Verna Mayers-Mckenzie as well administrative support from Palma Wedman. Yasodhara Ashram and the Economic Development Commission for Area A both contributed as strong community partners. Project coordinators are Maureen (Kalibri) Wetsch, Dana Gallinger and Paris Marshall Smith.

Actions have included:

- Desk research and informal interviews – conducted research, site visits and interviews with community partners through informal interviews and formal surveys
- Training & skill development – local community leaders were asked to lead focus group sessions, and invited to participate in 5 skill training workshops: aquaponics, adobe oven building, garden educator course, commercial kitchen operation, canning and food preservation
- Regional stakeholder gathering – on March 10, 2012 Community Connections/Food Roots hosted a one-day regional food system gathering. 45 people from around Kootenay Lake (Meadow Creek, Kaslo, Nelson, Balfour, Creston, Wyndel, Crawford Bay, Riondel) met to share and discuss their experience, connect with local stakeholders and identify needs and opportunities for further collaboration. The event partnered with the 1st Annual eastshore seed swap, one of 4 annual food/agriculture events sponsored by Food Roots.

- Professional consultation - expert advice & review of feasibility study from EcoPlan International

- Open house, community conversations and media campaign (TV, radio and newspaper) – a time for public dissemination & feedback (project coordinators + volunteers) once the report is complete and has been submitted.

As a result in the past 6 months, through the work of this study, the community has:

a. Developed partnerships with:

Retailers (Crawford Bay Farmer's Market, Creston Farmer's Market, Lakeview Store, Grey Creek Store & Crawford Bay Store), Restaurants (Black Salt Café, Bocalino's, Yasodhara Ashram), Processors (Ambrosia Artisan Chocolates, Mozart Bread, Barefoot Handweavers) and producers (Wild Thing Organics, Mo & Mikey Farms, Canyon City, Mountain Harvest Farms, Lawrence Farms, Thistle Fluff Farms)

All listed have committed to supporting local food production (either through conversations, action or letters of commitment) through commitments to purchase and retail local products, expand and diversify menu offerings to include locally grown food, hold local food events, showcase local products, offer opportunities for partnerships and collaborations (shared land, processing facilities, distribution and promotion).

In addition, we have built relationships around the lake with on-going interest to support the creation of a vibrant regional network. Finally, we are building relationships across the Province with academic institutions such as College for the Rockies, Selkirk College and University of British

Columbia.

b. Increased the food related opportunities on the Eastshore

Crawford Bay Fall Fair
Seed Swap
Regional Food Gathering
Line your Larder Canning Workshop
Community Potlucks

c. Determined the feasibility of the three proposed social enterprises

The greenhouse
The kitchen
The bakeshop

d. Identified potential projects and partnerships

Kootenay Lake Eastshore Eldercare Cooperative Association (KLEECA): preparing meals and deliveries for elders in the community
Youth Council: workshops and activities related to the food system
Creating invitations and business templates for food entrepreneurs and investors

RESULTS

This feasibility study examined the 4 following areas as they relate to the community kitchen, greenhouse and bakeshop.

- BUSINESS CONCEPT (who are the producers, consumers, vendors, what is the Eastshore's unique opportunity in the Kootenay Lake region?)
- COMMUNITY SERVICES (how its intended services match the goals and mission of Community Connections)
- ORGANIZATIONAL STRUCTURE (what are the physical & infrastructure needs – inputs, costs, equipment, transportation, expertise & training?)
- FINANCIAL OVERVIEW (what are the start up & operating costs, projected revenue and predicted profit?)



A. COMMUNITY KITCHEN

I. BUSINESS CONCEPT:

To build and establish an incubator style community kitchen on the Eastshore that would serve both for-profit and not-for-profit ventures.

An incubator kitchen is defined as an approach to a community kitchen providing support to local food entrepreneurs. It is a dynamic process of business that supports new businesses in the food industry and opportunities for community to come together to learn and create locally produced food products. A commercially inspected and approved kitchen would provide a space supporting local small business, a venue for workshops and training, as well as local food initiatives (bulk buying, tool library, storage).

Rationale

“There’s no doubt that the incubator is a boon to the low - and moderate-income entrepreneurs it targets.” (2)

The community commercial kitchen offers the potential for a range of services including shared processing costs, equipment and knowledge/skill-development of value-added food products to be sold to local and regional vendors (farmer’s markets, restaurants & retail outlets as named above). In addition we see the community commercial kitchen/food incubator facility responding to the food system gaps identified in the Kootenay Lake Food System Report (Marshall Smith, 2010) by increasing connections between producer-processor-buyer-distributor, providing storage spaces and facilitating distribution networks through shared transport (carpool) of deliveries (currently a limiting factor). The committed market/users include Ambrosia Artisan Chocolates, Gentle Hands Bakery and Mozart Bread

as for-profit stakeholders with additional users including local residents (emphasizing low income earners, elders, youth, families), farmers in the region (North Kootenay Lake & Creston), local or regional businesses or organizations (restaurants, retailers/vendors and the school) requiring fresh produce and/or preserves.

The objectives of this facility are to support a functional space for the expansion and development of Ambrosia Artisan Chocolates, for the development and launch of Gentle Hands Bakery, for Mozart Bread’s desire for community and collaboration, as well as cover the costs of running the kitchen/incubator, support/subsidize the services of the Eastshore Food Hub.

The three anchor tenants are able to commit to covering 1/3 of the rent each for full time access thereby subsidizing the costs for entry-level users. The value of a supportive space for ‘incubating’ an idea cannot be underestimated. In talking with local residents, there are many stories of people experimenting with a great idea in less than ideal circumstances, either the commercial kitchen being too far, there not being adequate storage or the cost is prohibitive to any creative start-up. From our research, we have determined that there is sufficient interest (2-3 users) to use the kitchen a minimum of 4-6 hours/ week over 50 weeks/year. This amounts to an annual income of between \$1000 – 3000/year. In addition, there is sufficient demand for six courses/workshops (canning, baking, dehydrating, fermentation, chocolate, cheese) to be offered annually to 15 people at \$40/day generating \$3,600/year.

Once established we will look at expanding operations to create part-time employment for a coordinator that would oversee the operation of the Eastshore Food Hub.

2. businessweek.com/smallbiz/content/jan2010/sb20100125_784552

II. COMMUNITY SERVICES

Community Kitchens offer the following services:

- Small-scale business support/incubator kitchen – offering local food entrepreneurship to start a business with certified kitchen/storage/peer-to-peer support
- Community events – hosting food-producing events/workshops open to community – seasonal canning or preserving workshop with local produce (tomato sauce, peach salsa, pesto), chocolate-making workshop, fermented foods, juicing local fruit etc.

An incubator offers intangibles that can make all the difference to startup entrepreneurs, who often become overwhelmed as they struggle to master all the moving parts of a new venture. Users are able to access a facility as needed by the hour to use licensed, inspected commercial space to create recipes, test batch sizes, and produce product for sale. They will be able to use the kitchens as needed, without having to sign a contract or put down first and last month's rent, as many commercial kitchens require. They will be required to pay a damage deposit and be certified food safe. Insurance is covered by Community Connections.

Communal benefits include the opportunity for people to learn in community about preparation and production of locally grown food (what grows well where, how are peppers and kale processed). There is opportunity for users to share experiences of running food businesses, to taste-test and consult on important issues like product pricing and wholesale purchasing with other food entrepreneurs. Local food business already established can use the facility/hub to teach what they know and learn for their own business expansion, including Black Salt Café, Junction Creek Hub and Bocalino's.

Currently, there is no direct competition for an incubator community kitchen on the Eastshore, nor really in the region. Along the lake there are

3 community halls with kitchens that could respond to the need in part although none have been certified as a functioning commercial kitchen. While, preference is for a former bakery in the center of Crawford Bay or for Lakeview General Store, there is also a possibility of creating a decentralized kitchen using all 3 halls and sharing activities amongst the neighboring communities.

Liability: Given the dependency of the enterprise on the three anchor tenants – Gentle Hands, Ambrosia Chocolates and Mozart Bread, there is a risk that if one or more do not continue as planned, the kitchen may not be able to sustain itself. At this point in time, the success of this enterprise is dependent on the success and partnership of these businesses.

III. ORGANIZATIONAL STRUCTURE

As management structure for the Kitchen, this report recommends the model currently used by Eastshore Fitness Center - ownership & liability is held by a committee of volunteers who oversee public use in 2-hour timeslots in exchange for membership. After the initial start up costs, acquired through fundraising, maintenance and insurance costs are covered from membership fees and equipment is replaced through donations. Leona Keraiff, one of the Fitness Center's champions describes the structure:

“A group of us volunteer...share the tasks based on what we each prefers to do...get together from time to time to compare notes. Fortunately all of us have taken ownership of the facility and its success is dear to all of our hearts. It is a debt free venture with no paid workers. Actually, we do pay the custodian as well as purchase liability insurance annually”

Such a structure (group ownership, debt free, volunteer run) builds a high level of autonomy and supports a slow, sustained level of growth that responds to community need and interest, ie. we build what we want. In

conjunction with the community greenhouse and local gardeners, producers will have the people support and physical location (commercial kitchen/incubator) available to distribute or process extra food grown. Locally grown product can be more effectively and economically processed and distributed. There is potential for what is grown locally to be used/traded/shared locally through the exchange and cross-cultural collaboration of the shared facility. Meaning produce can be purchased in bulk, used creatively between partnering enterprises for efficient and maximum use.

IV. MONEY

Income for the community kitchen/incubator would come from two main sources – capitol cost revenue from the three currently committed partners (Mozart Bread, Gentle Hands and Ambrosia Artisan Chocolates) and then also from users who may come in once a week or once a month. This second group could include individuals experimenting with a new food idea or groups wanting to host an event such as a canning workshop or community kitchen potluck. Local community halls and commercial kitchens (all a minimum of one hour drive away) charge between \$10-20/hour for kitchen rental only. In some cases storage is available at an additional cost, in most cases not. Culinary Conspiracy in Nelson (when they had a kitchen) charged \$75 per day.

We would propose a sliding scale of \$5-10/hour, \$25 for half day and \$40 for full day use, with prices including a monthly allocation of storage space (2 totes/person – one refrigerated, one dry) for a maximum long term capacity of 7 people /month (this number is based on a maximum of 3 people/day, 7 days/week and each person visiting 3 times/week – far above our local interest at the moment but considering possible expanded interest during summer/tourist months).

Initial start-up costs will be covered through donations and local, regional and provincial funding (Regional District Economic Development Commission, Columbia Basin Trust, Small Scale Producers, Agricultural Innovation Funding (3)). Operational costs will be reasonable to maintain once the start up of a fully equipped kitchen is established, particularly through the partnership of the Bakeshop which will cover the overhead of the enterprise.



3. www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1320782056780&lang=eng

Start-up costs:

Equipment (convection oven \$3,500; miscellaneous \$1,800; tables \$700; canning equipment \$2,000; storage \$2,000)	\$10,000
Upgrades and renovations (based on conversations with contractors and specifications for commercial kitchens)	\$35,000
Marketing	\$500
Total	\$45,500

Estimated Yearly Operational costs:

Rent (\$1,000/month) & Insurance (\$3,000/year)	\$15,000
Repairs	\$2,000
Marketing materials	\$500
Coordinator honorarium	\$2,000
Total	\$19,500

Income:

Rent covered by Bakeshop (Gentle Hands and Mozart Bread) & Ambrosia Artisan Chocolates	\$15,000
Rent from other users (2-3 users 4-6 hours/ week = \$1000 – \$3000/year.)	\$2,000
Courses Courses (15 people at \$40/day generating = \$3,500/year)	\$3,600
Total	\$20,600

\$20,600 (yearly income) - \$19,500 (yearly operating costs) =
net income of \$1,100/year for Eastshore Food Hub (Community Connections)

B. GREENHOUSE

I. BUSINESS CONCEPT

Many residents of the Eastshore already know about the power of food and grow gardens throughout the summer months. There is a wealth of expertise locally available on how to grow good food, and there is also a gap in what the older generations know and what the younger generations are curious about. In season, there is an abundance of zucchini, tomatoes, squash, and lettuce. There is little available before April and after October, even hardy greens like kale and chard. Working with the research of the College of Rockies Community Greenhouse winter harvest program, the school has successfully managed a small 4-season greenhouse for 2 years and now is inspired to expand the growing/harvesting season with a 1000 square foot mobile greenhouse and 2000 square foot garden (see diagram). (4)

Rationale

The Crawford Bay School/Community Greenhouse is proposing to focus on supplying/growing produce in the shoulder months. Crawford Bay Community/school garden/greenhouse is currently bringing fresh local foods to the school lunch program and would like to expand its operation to the Eastshore through the establishment of a Community Supported Agriculture model (CSA).

“Community Supported Agriculture, or CSA, is a term used to describe a relationship between eater and grower in which the eater pays the grower to grow food for that eater’s household. The two are partners in this year’s crop. The grower provides a weekly box of fresh produce in exchange for the eaters’ support at the start of the year.” (5)

Eastshore residents would become members of the CSA on an annual basis, which would provide them with either 24, or 16 weeks of full produce shares (equivalent of 4 people, also available in half shares). The longer contract provides 2 months more than the average season. The shorter would be more appropriate for tourists and summer residents. Harvest from December to February would also be available on a more informal basis. We would serve residents of all incomes and all Eastshore communities as well as supplying produce for the existing school lunch program. Local businesses would be invited to purchase shares, and contents could be modified for their menus. This model helps keep our food dollars local and creates opportunities for learning, employment and community building. And it needs to expand. With a greenhouse, the garden production can take advantage of shoulder seasons (spring and fall) to grow crops normally imported at a premium, while also producing crops during summer months.

The greenhouse would supply early spring carrots (sown in August), long season tomatoes, spinach, kale, arugula and pakchoi. The choice of crops is determined by hoop house/greenhouse rotations to maximize harvest potential.

The constraints include the small population base that habitually travels 45 kms into Creston or 35 kms into Nelson to grocery shop. But this pattern is changing. This summer the Eastshore welcomed a full service grocery store – The Crawford Bay Market also known as ‘the Market’. In a community formally characterized by weekly shopping trips to either Nelson or Creston, the Market has recorded a significant increase in sales and informal surveys reveal that there are many people who have shifted their routines to now do major weekly shops at the Market rather than their previous supplemental shops. The new Market could be seen as competition, however the CSA and market may serve different food niches and both will help to retain food dollars by rounding out produce options for Eastshore residents. There are also opportunities for cooperation – the Market could be a pick-up point for the CSA boxes (potentially gaining customers through the additional traffic) and also, the Market

could sell the bulk or any value added products of the garden - squash, garlic, apples, berries, juice, preserves. Currently there is a limited number of producers on the Eastshore and the greenhouse could provide valuable local produce for the Market to retail.

II. SERVICES

Food Roots – a demonstration space to host workshops, save seed, grow for events (garlic, squash, tomatoes, basil), Crawford Bay Fall Fair

Community Connections – a space to promote small business development (compost, chickens, hothouse crops), meet and share resources and ideas.

Soup Spoon – a source of produce created into soup for those in need (elders, families, shut-ins) and delivered

Crawford Bay School – a green Lab for experiential learning opportunities and a source of vegetables and greens to school lunch program (as members of the CSA)

III. ORGANIZATIONAL STRUCTURE

A paid coordinator would oversee the greenhouse production and CSA program with assistance from students from Crawford Bay School. During the school year, curriculum would be designed to support students involvement in the production cycle. Students would be involved in tending, harvesting and processing the produce. Duties could be performed by elementary classrooms or in a more intensive way through a self-directed study, or the Mentorship program. During the summer months federal funding would be accessed for 2 students (possibly high school or returning post-secondary) to tend, harvest and maintain a level of programming

for the greenhouse. There are also opportunities for community members, particularly elders (supported by New Horizons funding), to use the facility for home garden seed starts, market vegetable production (during off summer season) and propagation. This model of inter-generational seasonal cooperation and learning has been successful in community gardens on Cortes Island, Richmond, Vancouver and Rossland.

Liability

There is a low level of liability and risk to Community Connections and funders. The CSA structure minimizes the financial burden by sharing the risk of food production and seasonal variations between growers and consumers. As well, the school would carry the cost of insurance for students participating in the greenhouse programs. The dependency on federal funding for student wages also poses a risk, other avenues for support need to be explored.

4. www.cotr.bc.ca/creston/cotr_web.asp?IDNumber=191

5. lakeheadproducts.webs.com/csaboxes.htm

IV. MONEY

SCHOOL GARDEN & WINTER GREENHOUSE: Revenue potential has been estimated based on a plot size of 3000 sq.ft

An income of between \$15,000 - \$20,000/year is possible depending on the farming technique(s) utilized. This study worked with Small Plot Intensive (SPIN) which has proven very successful is generating incomes with its quick rotations of high value crops. Single crop production would generate the low-end value while implementing an intensive relay system would net the higher end value. A low estimate of the CSA potential for the Eastshore would be 20 full shares at \$750/box/year. In 2009, Lakehead and Beyond, located in the remote area of Meadow Creek at the northern end of Kootenay Lake began a 30 share CSA program, In communities (Argenta, Kaslo, Johnson's Landing) strongly defined by agriculture, Lakehead and Beyond sold out of their shares and had a waiting list for the next season. With less production and a bigger population, 20 shares for the Eastshore seems like a modest and reasonable beginning.

The following calculations are based on the standard 16-week production timeframe, which again is a low estimate of productive capacity given the seasonal extensions. Start-up costs will be covered through grants, donations and volunteer labor. In-kind donations will continue as part of ongoing operations (land, water, tools, seeds) but have not been included in revenue calculations.

Start-up costs:

Fencing	\$4,000
Soil	\$2,000
Irrigation	\$1500
Mobile Green House (18'x48')	\$10,000
Quick Hoops	\$748.60
Tool Shed	\$500
Tools	\$1,010
Total	\$19,758.60

Estimated Yearly Operational costs:

Soil amendments	\$800
Repairs	\$800
Seeds	\$300.00
Coordinator wages (part time)	\$14,000
Summer Students	\$7,000
Marketing materials	\$200
Tools, boxes & delivery costs	\$1000
Total	\$24,100

Income:

CSA (20 x \$750 full shares)	\$15,000
Spring and Fall seedling starts	\$2,000
Winter greens	\$2,000
In-kind donations	(\$3,500)
Regional (Columbia Basin Trust) & Federal funding (Student Works)	\$8,000
Total	\$27,000



\$27,000 (Yearly income) - \$24,1000 (yearly operating costs) =

net income of \$2,900/year for Eastshore Food Hub
(Community Connections)

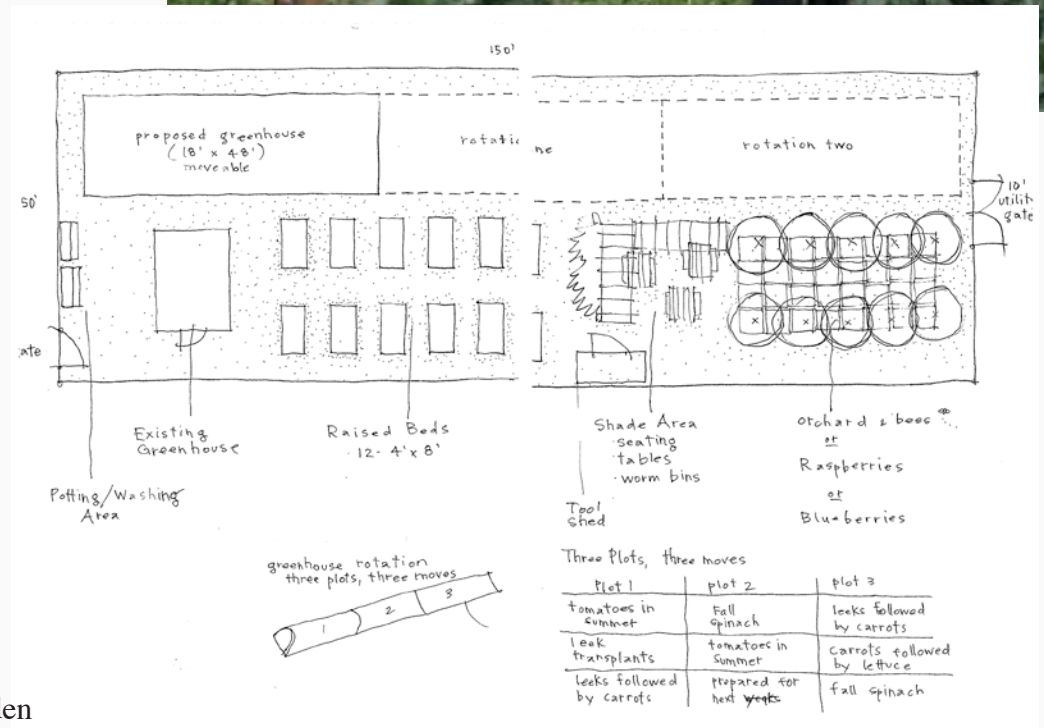


Diagram of Community School Greenhouse and Garden

C. BAKESHOP – GENTLE HANDS BAKERY

I. BUSINESS CONCEPT

Bread, breakfast, coffee, community – what could be better!

The goal of the bakeshop is to develop a collectively owned and operated community bakeshop centrally housed on the Eastshore. This enterprise would provide a space to gather, locally desired products, a collective business ownership model, an extension of the community kitchen, a venue for retailing local food products and finally a income generator for Community Connections. The collective aspect of the enterprise would mean that financially some equipment costs would be shared and rent would be divided three ways. As well, if the group were to expand to include the operation of the community kitchen/incubator, there would be additional, although likely more sporadic, rental income from users. Finally, courses would be offered to provide another source of revenue.

Building on successful models from around the globe, the Gentle Hands Bakeshop would be an innovative space of collective creativity. The bakery would become the node around which the Eastshore Food Hub would move. As a commercial kitchen space, the bakery would also serve local businesses as the incubator for idea experimentation and product development. One model that has been successful in the United Kingdom is HandMade Bakery and its educational arm School of Slow (www.schoofslow.org).

Rationale

Bread making by and large has fallen to the industrial ways of food production prioritizing speed and volume over health and quality. On the Eastshore, we have a wonderful bakery – Mozart Bread where the flour is

milled fresh and the naturally leavened loaves are fired in a wood oven. While running at capacity, Mozart Bread has expressed interest in being one of the partners of the collective bakeshop, sharing space, resources and experience with Gentle Hands Baker – Tyler Wedman.

Currently there is limited ‘café’ style space open year round for the Eastshore community. As well, there is a strong demand for locally made baked products. For several summers, the Treehouse Bakery operated successfully in Crawford Bay during the tourist season serving fresh croissants, muffins, scones, sandwiches and coffee. Although a successful business, two years ago, the owners of the Treehouse relocated to Nelson. Recognizing an opportunity, Gentle Hands Bakery has done 6 months of research and analysis and has identified a business possibility of a bakery on the Eastshore. There are 5 committed commercial scale customers, including the Market and Yasodhara Ashram which can offer year-round contracts serving not only the tourist market but also local residents.

II. COMMUNITY SERVICES

There is an overlap between the community kitchen and the bakeshop. Many of the community services have been discussed in that section. There is support for a casual bakeshop targeted towards locals, open year round serving moderately priced bread, bake goods, coffee and breakfast items. Potential partners (who have signed a letter of intent) include:

Lakeview Store
The Market
Yasodhara Ashram
Grey Creek General Store
Kokanee Springs Golf Course

Liability

The partnership and experience of the successful businesses like Ambrosia Artisan Chocolates and Mozart Bread is of great benefit and resource to the outreach goals of Community Connections and can serve as business mentors for new start-ups. There is a risk of Gentle Hands' being too dependent on the limited local suppliers market of the Eastshore. While long term plans include expansion to communities around the lake, this may need to be considered sooner to provide greater resilience to the operation.

III. ORGANIZATIONAL STRUCTURE

As with community services, please see the community kitchen section for a full description of the organizational structure. Community scale production collectively operated with 2-3 main stakeholders as well as the commercial kitchen partners. There would be an opportunity to build in a similar model to the CSA – Community Supported Bakery where customers become members activating their choice in where food is sourced and how it is prepared.

IV. MONEY

The tables below are a result of research conducted by Tyler and Palma Wedman in considering the viability of Gentle Hands Bakery, which would be one of three partners, the others being Mozart Bread and Ambrosia Artisan Chocolates both of which are profitable businesses currently in operation.

The following numbers are from the data gathered and commitments made by 5 local businesses that are interested in having locally baked bread for their commercial ventures (retail and retreat). Their combined business would offer the bakeshop a steady year round income of \$42,000/year. This production rate is well below the capacity of the bakery, therefore there is space and room to expand the operation not only to include the production needed for the café but also for additional contracts. The café which would serve the year round community would largely benefit from the increased tourist flow (June-September). The income for the café is calculated \$8,000 (June to September - \$2,000/month – an average gross earning of \$76/day (based on a six day week) or 20 customers/day @ \$4/person) and \$7,000 (October to May - \$875/month - \$33/day or 8 customers/day @ \$4/day).

Revenue stream for Gentle Hands Bakery

10 loaves/hour x 35 hours/week = 350 loaves/week or 1,400 loaves/month

@ \$2.50/loaf = 3,500/month

= net income of \$7,600/year for Eastshore Food Hub (Community Connections)

Start-up costs:

Equipment (convection oven \$3,500; mixer \$2,800; tables \$600; pans, bowls, spoons, cups, sheets \$2,000; storage \$1,100) \$10,000

Upgrades and renovations (based on conversations with contractors and following specifications for commercial kitchens) \$35,000

Marketing \$500

Product testing (1.5 months of salary) \$2,500

Ingredients \$500

Total \$48,500

Estimated Yearly Operational costs:

Rent & Insurance (\$3,000) \$15,000

Repairs \$2,000

Ingredients \$6,000

Marketing materials \$400

Delivery costs \$1,000

Salary \$35,000

Total \$59,400

Income:

Distribution sales (350 loaves/week) \$42,000

Café (coffee, baked goods) \$15,000

Courses \$2,000

Kitchen Rental (Ambrosia Artisan Chocolates, Mozart Bread) \$8,000

Total \$67,000



MEASURING SUCCESS

The tables below presents an evaluation of our objectives of economic, social and environmental impact, as well as looking at how the different enterprises balance with the goals of Community Connections. The ranking system of the indicators for having met or not the objectives is high = 3, medium = 2, low = 1.

Summary of indicator ranking:

In comparison to the kitchen and the bakeshop, the greenhouse is a relatively simple enterprise; the location is secure, the design is clear, there is a committed coordinator, programming is organized and funding is in process. As well, the start up and operational costs of the greenhouse are flexible (can expand and contract based on availability of funds) and relatively minimal - \$15,000 could establish income generation in 6 months. The kitchen and bakeshop will require significantly more for start up, \$50,000 for equipment and renovations most of which is accessible through government funding. There are still decisions to be made about the location of the kitchen/bakeshop and management, but of the two lead options, both are easily convertible and accessible (meaning interested owners and not currently tenanted).

The Bakeshop has been thoroughly vetted within the community and has developed a clear business plan. Working in collaboration with the kitchen, this partnership would be successful at all levels of impact – social, economic and environmental. The kitchen as a community service center has a less clear business plan at this point, while its individual for-profit members are clear and confident in how it will be used and managed.

All three have commitment to proceed and champions to carry the enterprises to the next level.

In terms of environmental benefit, all three rank high, with a slight hesitation with Ambrosia Artisan Chocolates who currently source a small percentage of its ingredients locally but with a secure site for production can imagine developing a more localized ingredient list with encouragement to local growers to begin producing specific crops. As well Ambrosia Artisan Chocolates has begun developing a bean to bar relationship with cocoa producers in Columbia.

The ranking on social and local impact differs amongst the three enterprises. The greenhouse ranks the highest, followed by the kitchen and bakeshop. This is partly due to the bakeshop's clear direction as a for-profit business, where as the greenhouse is less income oriented and has a stronger focus on programming and social services. Again the optimum scenario would be a combination if not of all three, then at minimum putting the bakeshop in the kitchen so that the kitchen's costs would be underwritten by the bakeshop.

Finally in terms of their alignment with the mission and goals of Eastshore Food Hub (Community Connections), all three rank high. Each enterprise promises to create employment, be self-sustaining and contribute to the economic development of the Eastshore through its own growth and the multiple spin-off opportunities each business will create.

<p>Objectives: To be generating fresh produce, for community to be engaging and learning through food hub and related activities, and for activities which serve the community to be identified which can also create revenue streams to support community initiatives</p>		<p>How we'll measure success of the enterprise: Indicators have been developed based on the objectives identified in the initial planning process:</p>	<p>COMMUNITY GREENHOUSE</p>	<p>COMMERCIAL KITCHEN</p>	<p>BAKESHOP</p>
<p>1. Business / Financial / Economic:</p>	<p>Develop activities that cover costs of running (overhead, staffing) the Eastshore Food Hub</p> <p>Multiplier effect and/or facility and localized production;</p> <p>Bring in enough revenue to create local employment (i.e. part-time coordinator) to oversee the project and related activities.</p>	<ul style="list-style-type: none"> Covering costs of the Eastshore Food Hub; Increased demand for local production to supply value-added industry Part-time coordinator is in place 	<ul style="list-style-type: none"> Low, the greenhouse could become the initial venue for EFH, but would not provide year round services Medium, the greenhouse would respond to the current lack of produce available in shoulder seasons by supplying winter greens and herbs High, a coordinator has been identified and funding has been applied for 	<ul style="list-style-type: none"> High, users fees would cover the operational costs, an initial investment would be needed for start up High, the kitchen would support local production of value added items Medium, Initially coordination would be volunteer with management support from users 	<ul style="list-style-type: none"> High, user fees & product profits, an initial investment would be needed for start up High, both by producing a local product and using locally sourced material Medium, Initially coordination would be volunteer with management support from users
<p>Score</p>			<p>6</p>	<p>8</p>	<p>8</p>

2. Impact: Project	Identification of start up site, people & products (to be launched summer 2012)	<ul style="list-style-type: none"> • A plan in place to begin business development of EHP • A list of committed partners to use the facility 	<ul style="list-style-type: none"> • High, funding is being secured to proceed with the greenhouse • Medium, there is commitment from the school to participate, from retailers to purchase product 	<ul style="list-style-type: none"> • Medium, There are two possible locations being considered, people & products are clear • High, we have three interested users – Ambrosia Chocolates, Gentle Hands Bakery & Mo's Art Bread 	<ul style="list-style-type: none"> • High, A business plan has been created, and site locations are being secured, people & products are clear • High, There is interest between Gentle Hands and Mo's Art Bread to share the facility
Score			5	5	6
Environmental:	<p>Increase supply and purchase of local product thereby decreasing reliance on fossil fuels, reducing supply chain and our footprint (average meal travels 1500 miles to get to plate, with significant social, environmental and economic impacts);</p> <p>Foster development of environmentally conscious young citizens (and their families and community members) who will have less negative impact on the environment in the long term.</p>	<ul style="list-style-type: none"> • Improve environmental consciousness and engagement (measured through increased consumption at local venues – retailers & restaurants) • Decrease negative environmental impact (measured in changed purchasing habits and support for buy local campaign – *see note below) 	<ul style="list-style-type: none"> • High, the greenhouse would provide a product normally imported from California or Mexico thereby significantly reducing • High, as well as the education of how to grow hardy crops and increase personal resilience 	<ul style="list-style-type: none"> • Medium, the commercial kitchen would provide the venue for increased local product processing & off-season storage (already happening) • High, Interested users currently have strong local support 	<ul style="list-style-type: none"> • High, the bakeshop would provide a locally made and sourced (Creston grain) product • High, the local baked goods are currently in demand as well as a space for informal socializing
Score			6	5	6

	<p>Improve awareness, supply and consumption of local product;</p> <p>Active participation in local and regional food system, supporting regional economic benefit and resilience;</p>	<ul style="list-style-type: none"> • Increase supply and purchase of locally made product (measured in food produced and distributed through local vendors & networks) • Participation in (visiting, hosting, collaborating) local and regional food system (measured in visits / events) & increased distribution/access • Build confidence in community through applied and peer learning, measured as members visiting/hosting similar groups in region, 	<ul style="list-style-type: none"> • High, production of local food, supply for local processors and retailers • Medium, first 2-3 year production will be focused locally with future possibility for expansion regionally, high level of education opportunities available for regional partners and peer to peer learning, all facilities will be 'demonstration' facilities • High, The Regional Food Gathering in March invited community food leaders from Nelson, Kaslo and Creston to speak and share their experience, this was very well received by local leaders 	<ul style="list-style-type: none"> • High, processing of local product and supply to local vendors • Medium, first 2-3 production will be focused locally with future possibility for expansion regionally, high level of education opportunities available for regional partners and peer to peer learning, all facilities will be 'demonstration' facilities • High, The Regional Food Gathering in March invited community food leaders from Nelson, Kaslo and Creston to speak and share their experience, this was very well received by local leaders 	<ul style="list-style-type: none"> • High, processing of local product and supply to local vendors • Medium, first 2-3 year production will be focused locally with future possibility for expansion regionally, high level of education opportunities available for regional partners and peer to peer learning, all facilities will be 'demonstration' facilities • High, The Regional Food Gathering in March invited community food leaders from Nelson, Kaslo and Creston to speak and share their experience, this was very well received by local leaders
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Social / Local:

Provide tools for good nutrition;

- Interest expressed by other groups/tourists in visiting our project

- Active food processing club providing re-skilling and community learning social capacity building through teamwork and community learning;

- High, participants at the Regional Food Gathering in March expressed interest and support for expansion of food related services

- High, Food Roots the local hosting committee is active with regular activities both monthly (potlucks, information meetings & workshops) and seasonal learning events – Seed Swap, Crawford Bay Fall Fair, Line your Larder Canning workshop, Chocolate Tasting, Hairy Roots Winter Fest)

- High, participants at the Regional Food Gathering in March expressed interest and support for expansion of food related services. Similar projects in neighboring communities attract significant draw from regional and local communities

- High, Food Roots the local hosting committee is active with regular activities both monthly (potlucks, information meetings & workshops) and seasonal learning events – Seed Swap, Crawford Bay Fall Fair, Line your Larder Canning workshop, Chocolate Tasting, Hairy Roots Winter Fest)

- High, participants at the Regional Food Gathering in March expressed interest and support for expansion of food related services, there is a strong demand for a casual bakeshop/eatery for tourists and summer residents

- High, Food Roots the local hosting committee is active with regular activities both monthly (potlucks, information meetings & workshops) and seasonal learning events – Seed Swap, Crawford Bay Fall Fair, Line your Larder Canning workshop, Chocolate Tasting, Hairy Roots Winter Fest)

	<p>Support necessary transition to low carbon and alternative backup systems given rising price of oil and decreased reliability of global food systems;</p> <p>Build confidence in young adults through applied and peer learning & inter-generational exchange: learning with diversity of ages, visiting/hosting similar groups in region, secondary students teaching elementary students;</p> <p>Allow people who wouldn't otherwise make their own food to participate (seniors, single parents, etc), providing intergenerational</p>	<ul style="list-style-type: none"> Facilitating access to food processing (seniors, youth, single parents, etc), providing inter-generational learning and bringing in underutilized skills from the community - <i>all measured as participation in and activities Eastshore Community Food Hub</i> learning and bringing in underutilized skills from the community; Re-skilling and social capacity building through teamwork and community learning; Provide a gathering place to share resources and build resilience related to unpredictable and unprecedented economic changes 	<ul style="list-style-type: none"> High, based on the precedents of Richmond Sharing Farm & College of Rockies Greenhouse (Creston) the greenhouse would provide optimum opportunities for inter-generational learning as well as bringing forward the vast expertise within the community High, the nature of the facility will require group involvement High, the product of the greenhouse will be first used in the school lunch program which address significant levels of local food insecurity 	<ul style="list-style-type: none"> Medium, commercial use would provide little cross community learning except amongst users of the facility. Public workshops would be open to all members of the community (childcare/opportunities available) and also invite local experts to lead events High, for public learning events High, both through the learning opportunities and the sharing of the products, this year's canning workshop provided canned goods for the annual Christmas Hamper, community potlucks bring out shut-ins 	<ul style="list-style-type: none"> Low, as a production facility there would be little community sharing, as a social 'café' there would lots of informal opportunities for gathering and sharing Medium, as a space for community gatherings High, the target market is locals, therefore pricing and product range will meet local demographic needs
Score			23	22	20

3. Mission & Sustainability of Community Connections	Support the Eastshore Food Hub project to become self sustaining;	<ul style="list-style-type: none"> Facilitating community engagement in collaborative learning activities (active Eastshore Food Roots) 	<ul style="list-style-type: none"> High, the greenhouse will include programming to engage the community 	<ul style="list-style-type: none"> High, the kitchen will include programming to engage the community 	<ul style="list-style-type: none"> Medium, there may be learning opportunities through the bakery, but that is not its focus
	By contributing to creation of local employment Community Connections contributes to attractiveness of area and strength of local economy thereby furthering its vision of a thriving Eastshore society.	<ul style="list-style-type: none"> Eastshore Food Hub and related activities are self-sustaining (revenue streams, grants, staff) Employment created 	<ul style="list-style-type: none"> High, yes programs will be self-sustaining High, 1 part-time, year round position and 1-2 summer student positions will be created as well as many spin-off opportunities (compost, chickens, herbs, tomatoes) for additional income opportunities 	<ul style="list-style-type: none"> High, yes programs will be self-sustaining High, 3 small-scale businesses will be given operational facilities and again create local spin-off opportunities – milling, agricultural production, regional distribution 	<ul style="list-style-type: none"> High, yes programs will be self-sustaining High, 2 small-scale baking businesses will be given operational facilities and again create local spin-off opportunities – milling, agricultural production, regional distribution
Score			9	9	8
TOTAL			49	49	48

PROPOSAL for NEXT STEPS

As a result of this study, we believe these 3 enterprises to be financially viable. Looking at similar operations in BC and the US, other non-profit organizations with similar socio-economic profiles have created successful revenue streams through this type of activity (North Kootenay Lake Community Services Society's Food Hub, Cowichan Community Kitchens, Vancouver's Fresh Choice Kitchen, San Francisco's La Cocina).

The community kitchen will be located on the Eastshore of Kootenay Lake, a rural area of the Kootenays, where there is already a strong interest in value-added, small-scale food production. Local products are popular not only among year-round residents but also with the influx of 5000 summer residents plus flow-through tourists. We have considered the needs and interests of various sectors of the community who might not otherwise have access to social and economic programs and services (elders, people with low income, unemployed people, single parents, and those from neighboring communities in Area A) and have identified 2 social enterprises – the Community Greenhouse and the Community Kitchen/Bakeshop which will serve the diverse needs of this community.

We now have an understanding of local and regional capacity (economic viability) for small-scale commercial artisan food production (and related activities under consideration), and of success and challenges of similar projects in the Kootenay Lake/West Kootenay region.

We have a solid network of partnerships with local & regional food processors, retailers, restaurateurs, and producers committed to strengthening the local food system.

We have identified viable revenue streams through the Community Kitchen/Bakeshop and Greenhouse as a means of supporting the Eastshore Food Hub a small-scale business incubator for Community Connections.

We have a list activities related to the Community Kitchen/Bakeshop and Greenhouse as well as community partners, which will bring in revenue streams and help us build our marketing and distribution network.

We have a clear understanding of the potential costs and constraints of any of the three small enterprises proposed which includes the risks and liability to Community Connections.

We now propose to move the projects forward based on the information revealed and through this feasibility study.

How to begin?

1. Come together, make a decision and identify a location
2. Create a business plan
3. Gather capital to renovate existing facilities for processing, storage, packing, and distribution
4. Gather working capital for business management, development & marketing



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We look forward to working with you again.