



CITY OF BANGOR

AGENDA

Business & Economic Development Committee

Monday, January 5, 2026

73 Harlow Street – Council Chambers

Bangor, Maine

Immediately following Government Operations Committee

1. Annual Reports

Action request: Accept and forward to full Council

A. Historic Preservation Commission

B. Planning Board

C. Penjajawoc Marsh/Mall Management Commission

2. Tiny Home Park Proposed Ordinance Change

Action request: Provide feedback for possible amendments

3. Update on 2022 Comprehensive Plan Implementation

Action request: None

4. Discussion on Central Kitchen Project

Action request: Provide feedback to staff

5. Executive Session: Acquisition of real property or economic development 1 M.R.S.A. § 405(6)(C) – 1 item

Upcoming Items:

Update in Implementation of 2024 Housing Production Study – January 2026

CDBG Project Update – January 2026

2026 Department Goals – January 2026

Feasibility Study Work on City-Owned Properties – February 2026

Proposed Changes to Historic Preservation Commission Code – February 2026



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

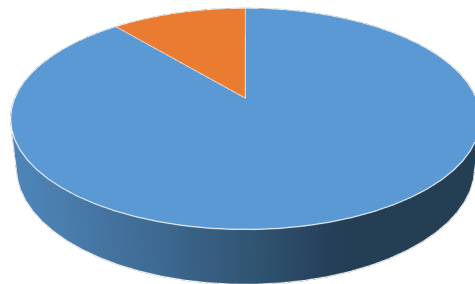
PLANNING DIVISION

HISTORIC PRESERVATION COMMISSION 2025 Accomplishments: January 1, 2025 – December 31, 2025

Highlights:

- ❑ The Commission issued a total of 9 actions in the form of decisions and recommendations.
- ❑ West Broadway had the most actions with 2 applications considered.
- ❑ The majority of the Commission's agenda time was dedicated to Certificates of Appropriateness.
- ❑ The Commission met for a cumulative 19 hours and 48 minutes.
- ❑ Began collaboration with staff and members of the public to propose amendments to the Historic Preservation Code.
- ❑ Completed Phase IV of historic architectural survey – surveyed additional areas outside historic districts (State Street, Tree streets, Bangor grange, parks)

Historic Preservation Commissions Actions January 2025 - December 2025



■ Certificates of Appropriateness ■ Design Reviews

Commission Members:

Edmund Chernesky, Chair
Liam Riordan, Vice Chair
Nathaniel King
Rebecca Krupke

Anne Marie Quin
Peter Keebler, Alternate
Matthew Weitkamp, Alternate

Mike Pullen, Consultant



COMMUNITY & ECONOMIC DEVELOPMENT

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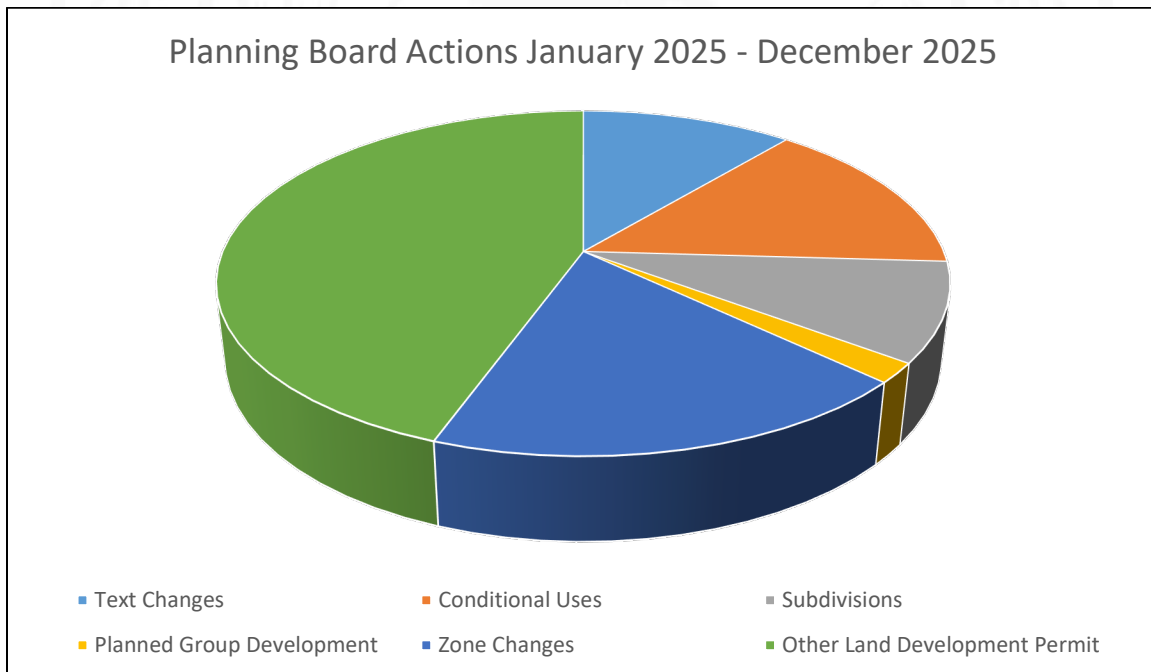
PLANNING DIVISION

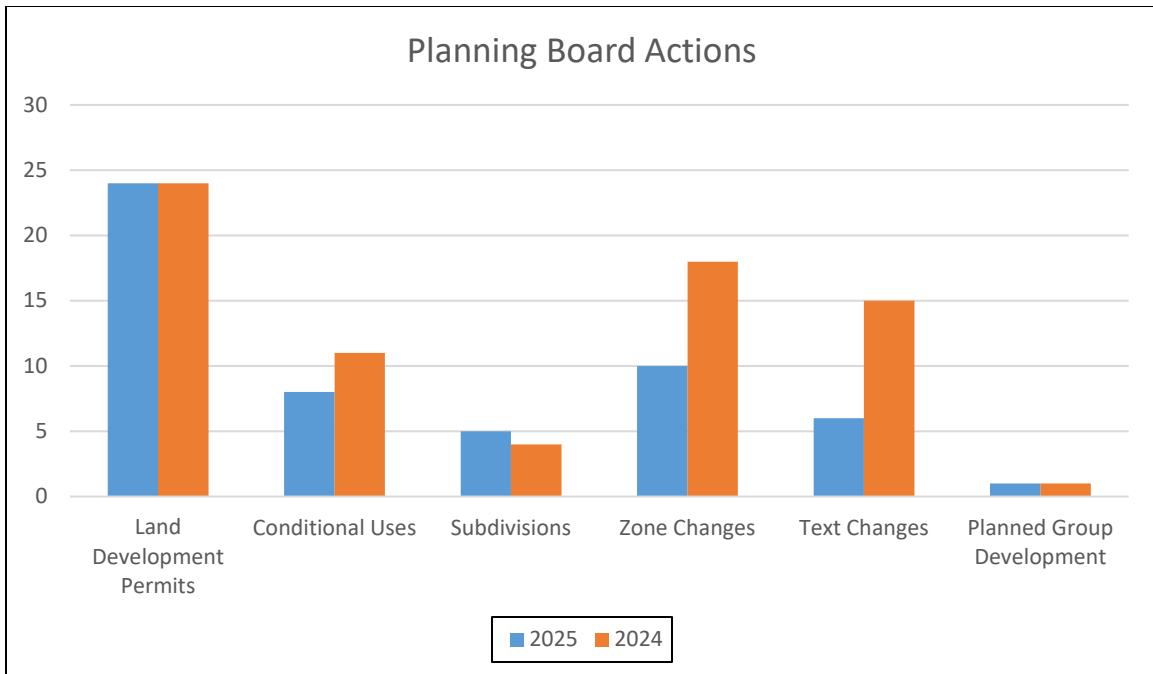
PLANNING BOARD

2025 Annual Report: January 1, 2025 – December 31, 2025

Highlights:

- The Board issued a total of 54 actions in the form of decisions and recommendations.
- The Board approved 72 units of housing.
- 227,788 sqft of commercial/institutional floor area was approved
- Broadway had the most actions with 5 applications considered.
- More than half of Board agenda time was dedicated to development proposals.
- The Planning Board met for a cumulative 20 hours and 22 minutes.
- Received and provided feedback on the technical approaches report for the Land Development Code re-write (Blueprint Bangor)





Land Development Code Changes

- Added a General Public Safety use to the Airport Development District
- Clarified certain requirements for Land Development Permits
- Added flexibility to the reconstruction requirements for existing manufactured home parks constructed prior to 1971
- Removed limitations on number and square footage of temporary commercial vendors in the Waterfront Development District
- Added, as a conditional use on major arterial streets only, private schools, training facilities, and recreational uses to the Rural Residence & Agriculture District
- Approved 3 zoning map amendments to higher density residential zones

Board Members:

Reese Perkins, Chair
Jonathan Boucher, Vice Chair
Ted Brush
Trish Hayes
Ken Huhn
Janet Jonas
Michael Bazinet
Justin Cartier, Associate



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

PLANNING DIVISION

PENJAJAWOC MARSH/BANGOR MALL MANAGEMENT COMMISSION 2025 Accomplishments: January 1, 2025 – December 31, 2025

Highlights:

- The Commission reviewed and issued recommendations for 1 land development project within the Penjajawoc Marsh Overlay Zone.**
- Discussed how recommendations for previous development projects had been implemented**

Commission Members:

Tristin Friend
Bobbi Hosmer
Roger Applegate
Brandon Keim

Jane Bragg
David Lamon
Sandi McRae Duchesne



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

ANNE M. KRIEG AICP
DIRECTOR

Memorandum

To: Business & Economic Development Committee
From: Anja Collette, Planning Officer
Date: January 5, 2026
Regarding: Tiny Home Park – Short Term Rental Discussion

This memo is an updated version of one presented to the Council in December 2024, regarding the allowance of short-term rentals in tiny home parks. For the benefit of newer Councilors, in October 2022, the City adopted an ordinance establishing a new use and regulations for tiny home parks. At that time, the City did not have short-term rental regulations; therefore, short-term rentals were expressly disallowed in tiny home parks. The City's short-term rental ordinance was adopted in October of 2023. This ordinance allowed short-term rentals in most places, but the tiny home park ordinance was not amended to allow this use. However, no such restriction was ever created for manufactured home parks. Therefore, a disparity now exists between short-term rental regulations for two similar development types.

The staff recommendation at the time was to allow short-term rentals in tiny home parks, but to limit them to 50% of the homes in a park or 5 homes, whichever is less, similar to the current short-term rental cap of 5 units per individual. At the time this was presented, Council was not interested in pushing this proposal forward due to concerns about the impact this might have on tiny home park communities. However, a few members of the public requested that the City take this item up for consideration again; therefore, staff held a workshop with the Planning Board in early December to discuss this proposal. The Planning Board was amenable to making this allowance, particularly given that short-term rentals are also allowed in manufactured home parks.

If Council is now amenable to allowing this, staff have a slight change in the previous recommendation, and now recommend restricting short-term rental operations to 30% of the homes in a park or 5 homes, whichever is less, similar to the current short-term rental cap of 5 units per operator. Staff recommends creating the same set of rules for manufactured home parks. This cap would only apply to parks that are under a single owner. In cases where each home is owned separately, there would not be a cap on the number in the park, similar to how condominiums are treated. However, there would still be a cap on the number of short-term rentals per individual (5) and a cap city-wide at 1% of the city's dwelling units.



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

ANNE M. KRIEG AICP
DIRECTOR

Memorandum

To: Business & Economic Development Committee
From: Anja Collette, Planning Officer
Date: January 5, 2026
Regarding: Comprehensive Plan Implementation

In June of 2023, the City adopted the 2022 Comprehensive Plan. The Plan included policies on a wide array of issues, such as improving housing accessibility and economic vitality in the City, protecting environmentally sensitive areas, and preserving important historic and cultural resources. In 2024, staff compiled a document showing how the policies listed in the Comprehensive Plan had been implemented and what projects were being worked on or were planned in order to further implement the Plan. Staff have now updated this document with new actions that have been taken since 2024, as well as updated the status on previous actions. The document includes all actions taken since the plan was adopted in 2023 and it is attached to this memo. Some actions are included several times because they are applicable to multiple policies. Staff intend to keep this document updated as initiatives are completed in order to track progress in implementing the Plan. No action is requested from the Committee at this time; the purpose of this item is to provide an update to Councilors. Staff welcome any questions or feedback Councilors might have.

Comprehensive Plan Implementation 2023-2025

Policy 1

Objective: Ensure that the City's zoning regulations and guidelines encourage development in areas that can support growth and that development occurs without adversely impacting the City's environmentally sensitive areas and habitats.

Actions

Working on the Blueprint Bangor Land Use Code Update	Began public involvement on City-owned Grandview lot focusing on sustainable infill growth
Adopted City Council Action 24-099, reduce the minimum off-street parking spaces required for general residential units from 1.5 spaces per dwelling unit to 1 space per dwelling unit	Adopted City Council Action 24-089, allowing for co-living dormitories, but only in our more developed zones
Adopted City Council Action 23-246 increasing the maximum height in the Multifamily and Service District (M&SD).	Adopted City Council Action 23-156 to allow for multifamily residential/mixed commercial residential in S&PS and GC&S (encompassing our more developed commercial areas)
Adopted City Council Action 23-245, which both facilitates construction of manufactured home parks, but also ensures that new manufactured home parks can only be constructed inside the Growth Boundary	

Policy 2

Objective: Develop an Open Space and Conservation plan with the aim of ensuring the protection and effective management of City-owned open space and identifying open space that may be targeted for acquisition.

Actions

Established Bangor as a Bee City USA affiliate (encourages sustainable management of City-owned open space)	Amended property maintenance ordinance to allow residents to participate No Mow May
Evaluating ways to incorporate conservation into Grandview Avenue development	Working on the Blueprint Bangor Land Use Code Update (will contain protections for certain open space areas)

Policy 3

Objective: Continue the protection of environmentally sensitive areas.

Actions

Evaluating ways to incorporate conservation into Grandview Avenue development	Working on the Blueprint Bangor Land Use Code Update (will contain protections for certain natural areas)
Staff attended lectures on balancing farmland preservation with solar development	Completed a Penjajawoc Watershed-Based Management Plan
Performed maintenance on rip-rap at waterfront park to ensure it meets demand for erosion mitigation.	

Policy 4

Objective: Implement recommendations of the 2019 Recommendations to Improve the Status of Housing in Bangor report.

Actions

Adopted Chapter 254 - Short Term Rental Licenses to create regulations on short-term rentals and opened up registration/licensing portal for operators in May, 2024	Completed a housing study of Bangor including a housing needs assessments, evaluation barriers to housing, evaluation potential development standards, and identification of gaps and resources for achieving housing goals.
Accepted the Final Pre-Approved Architectural Plans from Gawron, Turgeon, and Dillon	Established a pilot long-term rental registry
City Code Text Change; 24-237 - exempted renovation of 3 or more dwelling units from needing a Land Development Permit	Adopted several text changes creating new types of housing, such as co-living dormitories

Policy 5

Objective: Increase the supply and range of affordable housing options in Bangor and maintain an affordable housing inventory in excess of existing supply.

Actions

Adopted several text changes creating new types of housing, such as co-living dormitories	Established a pilot long-term rental registry
Began the process of designing an affordable housing development on City-owned lot off Grandview Avenue	Completed a housing study of Bangor including a housing needs assessments, evaluation barriers to housing, evaluation potential development standards, and identification of gaps and resources for achieving housing goals.
Accepted the Final Pre-Approved Architectural Plans from Gawron, Turgeon, and Dillon	City Code Text Change; 24-237 - exempted renovation of 3 or more dwelling units from needing a Land Development Permit

Policy 6	
Objective: Maintain and increase the supply of housing designed for and occupied by people of all ages and abilities.	
Actions	
Tabled at the 2024 Healthy Aging Exposition about housing rehabilitation programs and Bangor Livable Communities	Incorporating universal design elements into the City project on Grandview Avenue
Provided guidance to Bangor Livable Communities which promotes walkable streets, housing and transportation options, access to key services and opportunities for residents to participate in community activities	Administered and advertised the Homeowner Rehabilitation Program and the Rental Rehabilitation Program to facilitate necessary and critical repairs on units to avoid displacement.
Adopted City Council Action 24-089 creating regulations and allowances for co-living dormitories	Accepted the Final Pre-Approved Architectural Plans from Gawron, Turgeon, and Dillon
Adopted zoning amendment to allow boarding homes in additional zones in the City	Adopted City Council Action 23-245, which facilitates construction of manufactured home parks
Pre-approved architectural plans incorporated accessibility elements	
Policy 7	
Objective: Increase the supply of housing proximate to Bangor's downtown with an emphasis on affordable units while protecting the integrity of the City's neighborhoods.	
Actions	
Accepted the Final Pre-Approved Architectural Plans from Gawron, Turgeon, and Dillon	City Code Text Change; 24-237 - exempted renovation of 3 or more dwelling units from needing a Land Development Permit
Adopted City Council Action 24-099, reduce the minimum off-street parking spaces required for general residential units from 1.5 spaces per dwelling unit to 1 space per dwelling unit	Adopted City Council Action 23-246 increasing the maximum height in the Multifamily and Service District (M&SD) and Urban Service District (USD)
Adopted City Council Action 23-258 to implement the requirements of LD 2003, allowing for more units on residential lots	Adopted City Council Action 24-089, allowing for co-living dormitories, but only in our more developed zones
Completed a housing study of Bangor including a housing needs assessments, evaluation barriers to housing, evaluation potential development standards, and identification of gaps and resources for achieving housing goals.	Accepted the final Pre-Approved Architectural Plans from Gawron, Turgeon, and Dillon
Policy 8	
Objective: Foster relationships that ensure that the housing needs of the City's most vulnerable residents are met.	
Actions	
Adopted City Council Action 23-295, adding Permanent Supportive Housing as a Conditional Use in several zones	Adopted City Council Action 23-307, creating regulations and allowances for emergency shelters
Hosted the Fair Housing Workshop with Pine Tree Legal. Attended several Resource Provider events to meet different providers and create relationships.	Dispersed CDBG funding to Permanent Supportive Housing to Address Chronic Homelessness and CDBG Projects - Volunteers of America Supportive Housing for Disabled Adults
Completed a housing study of Bangor including a housing needs assessments, evaluation barriers to housing, evaluation potential development standards, and identification of gaps and resources for achieving housing goals.	Hired Bangor's first Homeless Response Manager
Adopted City Council Action 24-089, allowing for co-living dormitories	Adopted zoning amendment to allow boarding homes in additional zones in the City
Policy 9	
Objective: Administer, educate, and support affordable housing initiatives.	
Actions	
Administered General Assistance Program	Established a pilot long-term rental registry
Began process of developing affordable housing on City-owned lot on Grandview Avenue	Hired a Housing Officer to develop housing policy, support housing development, and manage programs for rental registry, tenants' rights and vacant/placarded properties

Began revaluation process for the City, which will help provide data on the housing stock	Completed a housing study of Bangor including a housing needs assessments, evaluation barriers to housing, evaluation potential development standards, and identification of gaps and resources for achieving housing goals.
Accepted the Final Pre-Approved Architectural Plans from Gawron, Turgeon, and Dillon	Applied for and received HUD funding through Maine CoC collaborative application to continue to support Bangor Rental Assistance Program
Policy 10	
Objective: Improve the condition of Bangor's housing supply and address blight issues in the City's neighborhoods.	
Actions	
Staff organized multidepartmental committee to coordinate management and plan action of vacant and placarded properties	Established a pilot long-term rental registry
Hired a Housing Officer to develop housing policy, support housing development, and managing programs for short term rentals, rental registry, tenants' rights and vacant/placarded properties	Administered and advertise the Heat Pump & Weatherization program for purchase and installation to eligible applicants; expanded program to rented units
Administered and advertised the Homeowner Rehabilitation Program and the Rental Rehabilitation Program to facilitate necessary and critical repairs on units to avoid displacement.	Completed a housing study of Bangor including a housing needs assessments, evaluation barriers to housing, evaluation potential development standards, and identification of gaps and resources for achieving housing goals.
Increased fees for vacant properties in the City to encourage placement of units back on the market.	
Policy 11	
Objective: Ensure that the City's zoning regulations and guidelines encourage development in areas that can support growth and that development occurs without adversely impacting the City's environmentally sensitive areas and habitats.	
Actions	
Adopted City Council Action 23-156 to allow for mixed commercial residential in S&PS and GC&S (encompassing our more developed commercial areas)	Adopted City Council Action 23-245, which both facilitates construction of manufactured home parks, and restricts manufactured home parks and tiny home parks to being constructed in the growth boundary
Adopted City Council Action 24-099, reduce the minimum off-street parking spaces required for general residential units from 1.5 spaces per dwelling unit to 1 space per dwelling unit	Adopted City Council Action 23-258 to implement the requirements of LD 2003, allowing for more units on residential lots, particularly in the growth boundary
Adopted City Council Action 24-089, allowing for co-living dormitories in the more developed residential and mixed commercial/residential zones	Adopted zoning amendment to allow boarding homes in additional zones in the City
Adopted City Council Action 23-246 increasing the maximum height in the Multifamily and Service District (M&SD) and Urban Service District (USD)	
Policy 12	
Objective: Strengthen neighborhoods and their ability to support residents by addressing properties that are vacant and/or in disrepair and encouraging appropriate residential and neighborhood-scale commercial development within existing neighborhoods.	
Actions	
Hired a Housing Officer to develop housing policy, support housing development, and manage programs for rental registry, tenants' rights and vacant/placarded properties	Administered and advertise the Heat Pump & Weatherization program for purchase and installation to eligible applicants
Staff organized multidepartmental committee to coordinate management and plan action of vacant and placarded properties	Administered and advertised the Homeowner Rehabilitation Program and the Rental Rehabilitation Program to facilitate necessary and critical repairs on units to avoid displacement.
Increased fees for vacant properties in the City to encourage placement of units back on the market.	
Policy 13	
Objective: Foster an environment that is supportive of economic development and provides opportunities for the growth and development of businesses in the City.	
Actions	
Hired a Business Development Specialist and Economic Development Officer to coordinate business attraction, retention, collaboration and development	Completed 2025 Economic Development and Workforce Internships
Staff prepared pamphlets to facilitate starting a business in Bangor	Hosted National Economic Development Week 2024 VIP Summit Event to collaborate with industry leaders and rising stars

Continue to reach out to regional, state, and national entities to reestablish Foreign Trade Zone and formulate Best Practices	Foster local, regional, state, and national partnerships at conference and beyond
Continue to operate, lease, and market the Bangor Innovation Center as a stand-alone incubator	Revised Bangor Innovation Center Website
Policy 14	
Objective: Continue to invest in downtown Bangor through infrastructure and streetscape improvements, building façade improvements, public spaces for gathering and events, and marketing and attracting people to downtown public spaces for gathering and events, and marketing and attracting people to downtown.	
Actions	
Completed the Maine DOT Village Planning Partnership Initiative to create a plan for improved mobility, streetscapes, and infrastructure downtown	Completed study of downtown parking usage and continue to evaluate monthly report from PCI about parking trends
Continued to use Community Development Block Grant (CDBG) funds to invest in neighborhood improvements	Expanded the Downtown Assessment District to align with the TIF district
Administered and advertised the Façade Improvement Program in the Downtown area to facilitate repairs and upgrades to the facades of area businesses.	Evaluate monthly report from PCI about parking trends
Entered into a MOU with Wabanaki Public Health and Community Services for syringe waste pick up program	Completed Pickering Square remodel
Working on implementing grant to install bike parking around downtown	
Policy 15	
Objective: Review and update, as appropriate, the City's commercial zoning regulations to ensure that the regulations provide sufficient flexibility to allow development that responds to current and future market conditions.	
Actions	
Adopted City Council Action 23-246 increasing the maximum height in the Urban Service District (USD)	Adopted text change to allow for more food trucks in the Waterfront Development District
Land development code update in progress to address this and other policies	Adopted City Council Action 23-156 to allow for multifamily residential/mixed commercial residential in S&PS and GC&S (encompassing our more developed commercial areas)
Adopted text amendment (25-257) to allow private schools, training centers, and recreation facilities in RR&A	
Policy 16	
Objective: Consider conducting corridor studies or area plans for corridors within the commercial districts to help align economic development priorities with needed infrastructure improvements to adequately support future growth.	
Actions	
Completed plan through the Maine DOT Village Planning Partnership Initiative to improve mobility, streetscapes, and infrastructure downtown	Completed study of downtown parking usage and continue to evaluate monthly report from PCI about parking trends
Evaluated needed sewer infrastructure upgrades in mall area to support new development	
Policy 17	
Objective: Partner with educational institutions and major employers in the City to strengthen and expand the workforce through training and employee pipelines.	
Actions	
Hired a Business Development Specialist and Economic Development Officer to coordinate business attraction, retention, collaboration and development	Hosted VIP Event focused on business retention, workforce hiring, and networking
Provided shadowing opportunities for Northern Light Family Residents	Public Works (PW) created and implemented a partnership with United Technology Center, resulting in a 9 month Construction Program paid internship program for the FY24 and FY25 school years.
PW developed framework for electrical division apprenticeship	PW & P&R (Parks & Rec) partnering with EMCC, Bangor Housing, and EMDC to host career exploration tours, job shadowing opportunities, encouraging careers in public service.
PW Director partnered with UME Augusta to contribute to their Municipal Career Pathways program for high school and first-year college students.	PW hosted construction program demonstrations to regional high school students to demonstrate fleet maintenance, underground infrastructure, traffic signal, and snow management practices.

PW developed a Federal Motor Carrier (FMCSA) Eltry-Level Driver Training (ELDT) commercial license program to hire employees w/o proper skills and provide them with 120 hour class, range, and road training program over 90 days to earn Class B CDL while earning full-time pay and excellent benefits.	Hired students to work in PW Electrical division, learning electrical and traffic skills while studying. Department provided tuition support for technical electrical degree program.
Host National Economic Development Week 2024 VIP Summit Event to collaborate with industry leaders and rising stars on workforce acquisition and retention	Completed 2025 Economic Development and Workforce Internships
Provided internships for undergraduate and graduate students at Bangor Public Health and Community Services	
Policy 18	
Objective: Promote entrepreneurship, innovation, and business expansion by supporting and leveraging partnerships among research and educational institutions, business development organizations, and the private sector.	
Actions	
Hired a Business Development Specialist and Economic Development Officer to coordinate business attraction, retention, collaboration and development	Continue to operate, lease, and market the Bangor Innovation Center as a stand-alone incubator
Continued work with the Bangor Innovation Center to promote local entrepreneurship	Reached out to regional, state, and national entities to reestablish Foreign Trade Zone and formulate Best Practices
Completed 2025 Economic Development and Workforce Internships	Continued work on the Bangor Central Kithcen
Policy 19	
Objective: Grow the City and region's recreation and tourism economy.	
Actions	
Hired a Business Development Specialist and Economic Development Officer to coordinate business attraction, retention, collaboration, and development	Worked with local organizations to support development and promote Bangor
Worked with Downtown Business Partnership to renovate waterfront area	Provided financial support to Bangor Chamber of Commerce for social media focused engagement
Contributed to articles in the Chamber of Commerce Tourism Magazine and Maine Biz Magazine	Participated in regional tourism group, GBR
Extended waterfront trail	
Policy 20	
Objective: Identify, attract, and retain a more diverse population by creating a welcoming and inclusive community that supports all populations.	
Actions	
Hired a Community Development Analyst to coordinate public funding and programming	Approved application for street mural downtown showcasing Wabanaki art
PW developed a Federal Motor Carrier (FMCSA) Entry-Level Driver Training (ELDT) commercial license program to hire employees w/o proper skills and provide them with 120 hour class, range, and road training program over 90 days to earn Class B CDL while earning full-time pay and excellent benefits.	Host National Economic Development Week 2024 VIP Summit Event to collaborate with industry leaders and rising stars on workforce acquisition and retention
PW hosted construction program demonstrations to regional high school students to demonstrate fleet maintenance, underground infrastructure, traffic signal, and snow management practices.	PW & P&R partnering with EMCC, Bangor Housing, and EMDC to host career exploration tours, job shadowing opportunities, encouraging careers in public service.
Completed 2025 Economic Development and Workforce Internships	
Policy 21	
Objective: Develop a marketing campaign and communications strategy for Bangor that features its cultural and historic resources, economic opportunities, parks and recreational opportunities, and other assets, and promotes Bangor as a place for growth and innovation	
Actions	
Staff prepared pamphlets to facilitate starting a business in Bangor	Coordinated with Public Engagement Specialist to promote various efforts in the City
Began revisions to the Bangor Innovation Center Website	Working on a presentation to realtors and developers in January, 2026 about Bangor's historic resources

Policy 22	
Objective: Improve traffic operations and strategically improve transportation infrastructure across the City.	
Actions	
Completed study of downtown parking usage and continue to evaluate monthly report from PCI about parking trends	Installed advanced traffic detection at key intersection around the City
Partnered with BACTS/DOT to install active/intelligent traffic signal management system on Penobscot Corridor that extends from Brewer into Bangor. This will be used to control more intersections around the City.	Removed flashing stop beacons and replaced with flashing LED stop signs
Conducted traffic study at State St & Forest Ave. Determined the traffic signal wasn't warranted. Rebuilt intersection to calm traffic, remove signals.	Contracted for replacement of wooden poles with aluminum at Stillwater Ave. & State St. to reduce traffic detection issues.
Sent PW Electrical Staff to 3-day Traffic School conducted by Maine DOT	Contracted with Maine DOT to provide local traffic signal maintenance support in exchange for State funding. Will eventually led to a statewide integrated traffic control system.
PW created the position of Pavement Mangement Officer to actively manage paving and striping operations.	Accepted the Maine DOT Village Planning Partnership Initiative plan to improve mobility, streetscapes, and infrastructure downtown
Policy 23	
Objective: Improve bicycle and pedestrian connectivity across the City.	
Actions	
PW is conducting FY24-FY25 trial for City to take over sidewalk snow clearing in downtown parking district to improve safe pedestrian access. Will likely result in change to Ordinance 257-2	Partnered with local organizations like Bangor Area Comprehensive Transportation System (BACTS) to advocate for improved transportation
Staff currently serving on Complete Streets Plan Committee organized by BACTS	Accepted the Maine DOT Village Planning Partnership Initiative plan to improve mobility, streetscapes, and infrastructure downtown
Painted bike lane on a section of State St. Reviewing opportunities for additional bike lanes around City.	Implemented new sidewalk plowing in FY24 to more quickly improve pedestrian access to schools after winter storms
Approved application for street mural downtown to improve pedestrian safety and the downtown streetscape; had a noticeable impact on calming traffic	Currently discussing complete neighborhoods/complete streets with the Livable Communities committee and other staff
Added sidewalk to Ohio Street	Implementing Community Action Grant to install bike racks and secure bike storage in the City
Continuing to require all development applications to add pedestrian connections where applicable	Installed new multi-use path on Fourteenth Street
Created (or working on creating) new sidewalks along Ohio Street, Odlin Road, Maine Avenue, and Mt. Hope Avenue	
Policy 24	
Objective: Accommodate emerging transportation modes and technologies.	
Actions	
Installed 5 new EV charging stations downtown - 4 at Pickering Square parking garage and 1 at Abbot Square parking lot	Partnered with local organizations like Bangor Area Comprehensive Transportation System (BACTS) to advocate for improved transportation
Working on land use code update that will address this and other policies	Used grant funding to purchase an EV for City use
PW Director and electrical staff attended seminars on smart streets connectivity, sending information to autos regarding traffic signals, construction, delays, etc.	Partnered with BACTS/DOT to install active/intelligent traffic signal management system on Penobscot Corridor that extends from Brewer into Bangor. This will be used to control more intersections around the City.
IT, Engineering, and PW is partnering to install fiber optic connectivity around the City, which will support smart streets data connectivity	
Policy 25	
Objective: Continue to address safety issues across Bangor's transportation system.	
Actions	
Partnered with local organizations like Bangor Area Comprehensive Transportation System (BACTS) to advocate for improved transportation	Approved application for street mural downtown to improve pedestrian safety/traffic calming
Accepted the Maine DOT Village Planning Partnership Initiative plan to improve mobility, streetscapes, and infrastructure downtown	Newly created Pavement Management Officer implemented annual pavement condition index scoring process to improve safety/rideability of streets.

<p>Newly created Pavement Management Officer testing new pavement marking options (inlaid polyurea, MMA, heat applied durable surface markings, heat inlaid durable surface markings) to increase year-round crosswalk and striping visibility.</p>	<p>Evaluate and address each resident request for traffic calming measures and take appropriate action - either justify the current configuration or make changes.</p>
<p>Working with the Bangor Area Comprehensive Transportation System (BACTS) on a Complete Streets Plan for the City and region</p>	<p>Working with the Bangor Area Comprehensive Transportation System (BACTS) to identify areas to improve safety using a Safe Streets for All Grant</p>
<p>Conducted a trial of a new pavement scoring software in 2024.</p>	<p>Created (or working on creating) new sidewalks/multi-use paths along Ohio Street, Fourteenth Street, Odlin Road, Maine Avenue, and Mt. Hope Avenue</p>

Policy 26	
Objective: Update City regulations and policies to better manage and accommodate transportation needs across the City.	
Actions	
Adopted City Council Action 24-099, to reduce the minimum off-street parking spaces required for residential units and developments requiring Land Development Permits	Completed study of downtown parking usage and continue to evaluate monthly report from PCI about parking trends
Incorporated flexibility with winter on-street parking rules that will also allow safe clearing of snow & ice	Completion of 800+ "Monty Moose" Parking Lot and associated sidewalk
Policy 27	
Objective: Improve Community Connector bus service and amenities and implement strategies to increase ridership.	
Actions	
Switched bus system to fixed stop routes to improve reliability, boost ridership, and create potential for bus tracking	Received DOT grant to add bicycle racks to buses, including the capability to carry e-bikes
Renovating the bus barn to add capability for electric bus charging	Created new rider app for bus tracking
Installed new ticket vending machine	
Policy 28	
Objective: Continue to support the growth of Bangor International Airport (BGR) as a transportation and commerce hub.	
Actions	
Approved development plans for the Bangor International Airport for utility buildings, gate connections, and increased parking	Extended the lease of Transportation Security Administration (TSA)
Policy 29	
Objective: Improve regional transportation options and connectivity to the region.	
Actions	
Partnered with local organizations like Bangor Area Comprehensive Transportation System (BACTS) to advocate for improved transportation	
Policy 30	
Objective: Prioritize climate resiliency through city-wide and regional mitigation and adaptation strategies.	
Actions	
Completed the regional Penobscot Climate Action Plan and established membership on the Penobscot Climate Action Committee	Working with the Penobscot Climate Action Committee to push forward resilience strategies in the region and to increase public awareness around climate initiatives
Received grant funding to create urban forest management plan (UFMP) to manage street and urban park trees assets. The UFMP will promote climate resiliency through a cooling tree canopy and erosion control through tree plantings.	Administered and advertise the CDBG Heat Pump & Weatherization program for purchase and installation to eligible applicants
Created a new grant program to help fund weatherization in rented units in the City	Using Community Resilience Partnership grant funding to complete energy audits of 6 City-owned buildings and install bicycle racks around the City
Used the Energy Efficiency & Conservation Block Grant program to purchase an EV for general City use	Several departments, such as Fleet and Community Connector, have purchased EVs and hybrid vehicles
Renovating the bus barn to add capability for electric bus charging	The Blueprint Bangor Land Development Code update in progress will incorporate climate action plan strategies
Policy 31	
Objective: Improve stewardship of forests and tree canopy on City-owned open space and rights-of-way.	
Actions	
Continued to review development plans for vegetative buffering requirements and encouraging planting of native species	Awarded grant funding to create urban forest management plan to manage street and urban park trees assets.
PW created the position of Forestry Manager and hired state licensed Forester to manage tree assets across the City.	PW & P&R hired University of Maine forestry program interns to inventory, and catalogue in GIS, every street and urban park tree in the City.
Coordinated with and supported Bangor Beautiful non-profit to plant 25 trees at Center St., Park St., High St., Hammond St., and Ohio St. and 17 trees at the intersection of Oak St. and Washington St.	Coordinated with Downtown Bangor Partnership (DBP) to support annual removal of invasive species in downtown parks.
Coordinated with Downtown Bangor Partnership (DBP) to support annual Big Dig planting of public flower beds by private, public, and business entities.	Awarded \$50k in Inflation Reduction Act grant funding to create/expand City tree nursery to grow native tree stock for street and park plantings.

Inventoried public ash trees and created a plan for dealing with the Emerald Ash	Planted additional trees in Pickering Square
Policy 32	
Objective: Support and enhance agricultural resources.	
Actions	
Renewed the Farmer's Market lease	Currently working on the Commerical Kitchen Development as a collaborative, commercial kitchen space for entrepreneurs
Helped guide applicants through zone change process to facilitate a cut flower business	Staff attended lectures on smart growth and balancing farmland preservation with solar development
PW supports Farmer's Market on winter weekends to clear parking lot prior to market start.	PW used resident leaves and grass to create compost, on a State-licensed site, for use by residents and city staff.
PW partnered with Bangor High School students to test compost for harmful effects.	Approved \$75,000 in ARPA funding to Food and Medicine to create new community gardens
The Blueprint Bangor Land Development Code update in progress will incorporate strategies to protect farmland and farming	
Policy 33	
Objective: Continue to promote sustainable stormwater management and floodplain management to be resilient and adaptable to a changing climate.	
Actions	
Continued to review development plans for adherence to stormwater regulations and best practices	Performed maintenance on rip-rap at waterfront park to ensure it meets demand for erosion mitigation.
Completed the Penjajawoc Watershed Based Management Plan	Completed floodplain restoration project on Arctic Brook, completed in-stream improvement project on Capehart Brook, and completed replacement of undersized storm drain on State Street
Stormwater Technician educates Planning Board members yearly on stormwater regulations	The Blueprint Bangor Land Development Code update in progress will help implement this policy
Began planning for in-stream improvement projects for Sucker Brook in 2 locations	
Policy 34	
Objective: Prioritize energy efficiency and implementation of renewable energy measures.	
Actions	
Continue to administer and advertise the Heat Pump & Weatherization program for purchase and installation to eligible homeowners, and expanded weatherization program to rented units	Using Community Resilience Partnership grant funding to complete energy audits of 6 City-owned buildings
Adopted City Council Action 24-164 amending district height limits to clarify the limits for rooftop solar	PW exploring purchase of heavy vehicles that run on RNG instead of diesel. Heavy vehicles have continued to be a challenge for EV adoption so RNG is a viable option to reduce emmissions.
PW Fleet Services investing in annual technician training for electric vehicles and hybrids to support City move toward EV fleet.	Currently working on hiring sustainability intern to help evaluate City-owned property for solar potential and identify other energy saving measures
Received grant funding through the "low-no" emission vehicle grant program to rehabilitate bus depot to support charging of electric buses	
Policy 35	
Objective: Actively work towards protecting and improving water quality of the Penobscot River, impaired streams, and other water resources in the City.	
Actions	
Continue to review development plans for adherence to stormwater and water district regulations and best practices	Performed maintenance on rip-rap at waterfront park to ensure it meets demand for erosion mitigation.
Continued investment in stormwater separation projects	The Blueprint Bangor Land Development Code update in progress will help implement this policy
Completed the Penjajawoc Watershed Based Management Plan	
Policy 36	
Objective: Prepare a City Facilities Master Plan to assess capacity to meet current and anticipated program needs and to identify energy, efficiency, and overall facility improvements that are needed.	
Actions	
Committed funding for the development of an ADA Transition Plan	Completed work on renovating City Hall to meet code requirements, improve energy efficiency, and enhance customer service
Energy audits for 6 municipal buildings in process	
Policy 37	

Objective: Continue to preserve, enhance, and maintain parks and recreation facilities.	
Actions	
P&R created and adopted Forest Management Plan (FMP) for Rolland Perry City Forest.	PW & P&R hired University of Maine forestry program interns to develop selective harvest plan for City forest according to FMP.
P&R contracted for the creation of Forest Management Plan (FMP) for Essex Woods recreation area.	PW partnered with Bangor High School students to create a awareness around Beech Leaf Disease at City Forest.
Policy 38	
Objective: Expand access to parks and recreational facilities for all users and improve connectivity of parks and open spaces.	
Actions	
PW & P&R coordinated browntail moth (invasive pest) remediation treatment trials in City parks across the City, creating safer experience for park users.	Extended the waterfront walking/biking path
P&R worked with PW to develop plan for the creation of a public park on City property in Judson Heights	
Policy 39	
Objective: Improve resources of Bangor's Public Health and Community Services Department (PHCS) to ensure that Bangor continues to meet the needs of residents.	
Actions	
Bangor's Public Health and Community Services currently pursuing accreditation through the Public Health Accreditation Board	
Policy 40	
Objective: Support the work of local and regional community organizations that provide social services to the Bangor community.	
Actions	
Continued to disperse CDBG funds	Hosted CDBG Action Plan Workshop
Continued the ShelterPlusCare program	Distributed ARPA funding to various organizations
Awarded grant funding to continue the operation of warming shelters	
Policy 41	
Objective: Ensure that Bangor's public safety services have the resources to meet the needs of the community.	
Actions	
Invested in new technology for the Police Department	Invested in new staff at PHCS to help provide services to the unhoused
Policy 42	
Objective: Support sustainability, including energy efficiency and renewable energy sources, across all City facilities.	
Actions	
Received designation as a Bee City USA, which will prioritize planting of native plants and reducing pesticide use	P&R partnered with Maine Audubon to plant monarch friendly native plants at Essex Woods former ski hill and capped landfill, and adjusted mowing schedule to assist in monarch reproduction/life cycle
P&R partnered with Ag Allies to create safe space for Bobolink reproduction cycle at capped landfill on Kittredge Road.	Staff preparing a plan for a municipal building energy audit for committee review
Renovating the bus barn to add capability for electric bus charging	Coordinate with Downtown Bangor Partnership (DBP) to support annual removal of invasive species in downtown parks.
Used the Energy Efficiency & Conservation Block Grant program to purchase an EV for general City use	Several departments, such as Fleet and Community Connector, have purchased EVs and hybrid vehicles
Using Community Resilience Partnership grant funding to complete energy audits of 6 City-owned buildings	Currently working on hiring sustainability intern to help evaluate City-owned property for solar potential and identify other energy saving measures
Awarded \$50k in Inflation Reduction Act grant funding to create/expand City tree nursery to grow native tree stock for street and park plantings.	Awarded grant funding to create urban forest management plan to manage street and urban park trees assets.
Policy 43	
Objective: Continue to protect and maintain the City's drinking water supply and distribution infrastructure.	
Actions	
Continue to coordinate with Bangor Water District on Site Development Applications to ensure adequate capacity and safe development	
Policy 44	

Objective: Continue to make needed investments in the City's wastewater collection infrastructure.	
Actions	
Continue to coordinate with City Sewer on Site Development Applications to ensure adequate capacity and safe development	Currently working on increasing capacity (or conducting studies to do so) at several points in the City, including around the Bangor Mall and the Broadway area
Currently undergoing an evaluation of the K-Mart and Perry Rd. pump stations to address operational and development concerns related to sewer capacity.	Completed a \$1.8M project at the wastewater treatment plant to upgrade the SCADA (supervisory control and data acquisition) system.
Implementing a sophisticated asset management program to identify and prioritize maintenance/repair/replacement needs.	Continue to maintains the State Revolving Fund funded account for smaller sewer improvements
Continued application for grants	Replaced 2,202 lf of sewer and 40 sewer manholes
Completed post-construction monitoring of Davis Brook storage tank	Cleaned/jetted 70.46 miles of sewer pipe
Inspected and coded 27.56 miles of sewer pipe	
Policy 45	
Objective: Proactively work towards obtaining and securing funding through the Infrastructure Investment and Jobs Act (IIJA) as a means of financing needed improvements to City facilities and infrastructure.	
Actions	
Implemented grant funding through the EECBG program (which was funded through the IIJA) for energy efficiency investments in City facilities/vehicles	
Policy 46	
Objective: Develop a City-wide digital infrastructure strategy.	
Actions	
IT coordinated with departments to better utilize digital assets like Laserfiche	Constantly updating Parcel Viewer as zones change
Created an online permitting portal for short-term rentals	Purchased software (Neighborly) to facilitate CDBG funding dispersal
Began implementation of asset management program	Creation of City-Wide Laserfiche Task Force for more effective usage
Policy 47	
Objective: Promote and enhance the viability of historic and architectural resources for their continued use or for new uses.	
Actions	
Completed the Phase 4 of Bangor Historic Architectural Survey documenting additional historic resources in the City	Partnered with Bangor Historical Society to put on Jane's Walk, a community lead walking tour of historic Bangor
Attended Preservation Conference in Portland, Maine for training and networking	Completed architectural survey of the Great Fire District, Main Street District, the Tree Streets, State Street, and other standalone historic sites in the City
Continue to host yearly Jane's Walk celebrating smart development and historic resources	Working on public education about the City's historic resources and historic preservation
Working on presentation to realtors and developers about historic preservation	
Policy 48	
Objective: Provide continued support for the protection of historic resources in Bangor.	
Actions	
Completed the Phase 4 of Bangor Historic Architectural Survey documenting additional historic resources in the City	Completed architectural surveys of the Great Fire District, Main Street District, and other standalone historic sites in the City
Dispersed CDBG funding to Bangor Historical Society	Plan to work on integrating architectural survey results into City parcel viewer
Working on presentation to realtors and developers about historic preservation	Working on public education about the City's historic resources and historic preservation
Policy 49	
Objective: Provide more support for the arts and cultural organizations in Bangor.	
Actions	
Assisted Bangor Beautiful and Wabanaki Public Health and Wellness with completing the Wabanaki Ground Mural on Hammond Street	Coordinated with Downtown Bangor to install the Umbrella Sky Project on Cross Street
Coordinated with and supported Bangor Beautiful non-profit to re-paint and landscape "Welcome to Bangor" installations at Oak, Hammond, and Union Streets.	Partnered with City Engineering to envision Diversity, Equity, and Inclusion themed mural

Sponsored various events and programs	Continue to host events like the yearly Sidewalk Art Festival and monthly First Friday Art Walk
Supported murals at Waterfront Concerts	Worked with Bangor High School students for the creation of art that was installed on BigBelly trash cans around the Downtown District in 2025.
Policy 50	
Objective: Bolster Bangor as a place that is home to events.	
Actions	
Partnered with local organizations like Downtown Bangor and Bangor Chamber of Commerce to support and conduct events	Provided financial support to Bangor Chamber of Commerce for social media focused engagement
Contributed to articles in the Chamber of Commerce Tourism Magazine and Maine Biz Magazine	Continue to host yearly Jane's Walk celebrating smart development and historic resources
Hosted National Economic Development Week 2024 VIP Summit Event to collaborate with downtown businesses on the future of Bangor	



CITY OF BANGOR

Anne M Krieg, AICP - Director

Community & Economic Development

Memorandum

To: Business & Economic Development Committee

From: Anne Krieg

Date: January 2, 2026

Regarding: Discussion of Continuation of Work on the Central Kitchen Project

Please accept this memorandum as a response to Councilors' request to discuss the Central Kitchen Project currently planned for the city property at 50 Cleveland Street. The intent of this report is to provide background information to the Committee about the project and the path that led us to where we are today. Pertinent documents in past BED packets are also included to assist the Committee in its discussions.

It is inappropriate for staff to lobby for or against a project, as that is a policy role for the City Council; staff's role in projects is to make recommendations, provide professional support, and ultimately carry out the projects as assigned. In this instance, staff have been taking the next steps to implement the Central Kitchen project under the belief that the acceptance and appropriation of grant funds and budget authorization to bond construction costs signified the Council's direction to continue the project.

However, we appreciate that Council priorities changed, especially with respect to longer-term projects like this one, which has taken close to 10 years to come to fruition. These shifts can be the result of market changes, public support or non-support, or other factors. The challenge with a complete shift on this project is that the city has \$1.5 million in dedicated grant funds that would need to be addressed.

Project History

The project started back in 2017 when staff performed building evaluations on buildings on Cleveland Street to determine possible re-use.

From previous staff research in 2018:

The property known as the "Officer's Club", now known as 50 Cleveland St., was deeded to the University of Maine in 1973 after the closing of Dow AFB in 1968. Many of the properties transferred to the City and the University were subject to continued military use until no longer needed. Military units continued to use the Pine Tree Inn and the Officers' Club for many years, even though they were owned by the University.

In 2006, the University System, as part of a land swap with the city, transferred the Pine Tree Inn, Officers' Club, and day care property, all on what is now Cleveland St., to the City of Bangor. Military use continued in the Pine Tree Inn and the Officers' Club. The military officially vacated the Officers' Club on December 31, 2015.

The City has preserved the building since that point and is considering several development plans at present, including a "central kitchen" concept.

Funding pursuits and early discussion on a central kitchen project became active in 2018.

In 2019, there were a few BED/staff check-ins where Council received information on the active projects, which included the asbestos removal and property condition assessments taking place for various former Air Force properties. Discussion of the kitchen was part of these meetings.

The project went dormant due to the time needed for asbestos removal and building assessment, as well as COVID lockdown project priority shifts, and staff changes, until 2021, with a check-in in April regarding continued funding availability from Congressman Golden's office.

In the spring and summer of 2022, the project restarted with further discussions with the Committee about a possible kitchen at the location, and grant funding was accepted and appropriated.

The project went into a higher activity stage in 2023 with the hiring of the architect to prepare plans and help with programming. We also hired the consulting firm Parascope to prepare a feasibility study and a marketing study for the project. Those reports are in the packet for your perusal. This project was also placed as a priority project in the Comprehensive Plan.

In 2024, staff time was dedicated to working with the architect on the project, with a couple of check-ins with the committee on the progress.

In January of 2025, with an introduction to the concept in December of 2024, the recommendation for a demo/rebuild of a pre-cast building was presented to the Council by staff and the architect. This report is in your packet.

Since then, the staff has checked in with the committee 3 more times to review progress. The budget process in 2025 for the current fiscal year also included a request that was approved for a bond to complete the project to be paid from the Economic Development Fund, to reduce the burden on the taxpayers.

Fork Food Lab and us

It is assumed that some of the hesitation Committee members may have is due to the current press coverage of the Fork Food Lab in South Portland, which is filing for bankruptcy. We are “watching that space” carefully to see what is happening and will ensure that the Central Kitchen project does not repeat the same mistakes. One observation we have is that the Fork Food Lab, when it moved to South Portland, went from a little over 5,000 SF to over 40,000 SF. This expansion may have contributed to the current situation; however, we don’t have clear knowledge at this writing.

At the surface, Bangor has been careful to size our facility (13,000 SF) much smaller than Portland’s, to meet the demand we know is out there. We also took the time to perform feasibility and marketing analyses so we could move forward with caution. We plan to stick to the basics to serve the market that is there: people who have at-home cooking businesses and want to scale up, existing caterers in need of kitchen space, food trucks, and people looking for freezer storage for their business activities.

It would be foolish to state emphatically that we know this will be successful. We know, even with adequate due diligence, including the feasibility study, that there that this remains a risk for the city. This is the case for many, if not all, of the City’s economic development investments. We know that businesses, whether in service or for profit, take time to break even and become profitable and therefore require upfront costs. This investment in the food service/production economy is a key policy decision for the Council.

We are currently working with a consultant on operations. The likely recommendation is to take a similar approach to other venues the city owns but does not operate, as the Cross Center and the Maine Savings Amphitheater. These, too, were seen at the time as risks for the city but have proven themselves to be good investments for the city’s economic health and add to the livability of Bangor. The goal of the Central Kitchen project is to provide the same positive infusion into the food service and preparation economy.

Current Market

The market has changed, as is typical, since we started this project. Ghost kitchens were not a phrase until the shifts in food service radically changed during COVID lockdowns. Mid-range priced restaurants are currently not doing as well as people cook at home more and go out as a treat, and more often go to higher-end restaurants – thus luxury branding, often associated with catered and curated food goods, is doing well. Slow food, local food, and food with a lower carbon footprint remain priorities in purchasing for younger generations. These changes in markets over the last five years bolster the need for rentable space.

In looking at the more current market for renting commercial kitchen space, staff found these articles:

<https://cloudkitchens.com/blog/commercial-kitchen-hourly-rental-space-near-you/#:~:text=Launching%20or%20scaling%20a%20food,construction%2C%20equipment%2C%20and%20permits.>

<https://www.foragekitchen.com/resources/2023/7/25/commercial-kitchen-rental-for-your-food-business/#:~:text=The%20Growing%20Popularity%20of%20Commercial,to%20the%20high%20costs%20involved.>

<https://www.legourmetfactory.com/blogs/news/rent-a-commercial-kitchen-space-here-are-5-good-reasons>

... and on buying preferences:

<https://www.produceleaders.com/gen-z-millennial-preferences-shaping-the-produce-market/#:~:text=Local%20sourcing%20is%20not%20just,to%20consumers%20of%20all%20generations.>

We look forward to discussing this further at your meeting.

amk



U.S. KITCHEN INCUBATORS AN INDUSTRY UPDATE

JANUARY 2020



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EXECUTIVE SUMMARY

This report provides a snapshot of today's shared food facility industry, presents a view into the industry's future trajectory, and highlights best practices and recommendations for improving outcomes for entrepreneurs and operators. In addition to sharing data and recommendations, this report seeks to put shared kitchens into greater context as operations with the potential to play an outsized role in expanding the inclusive economy – bringing entrepreneurs that face significant barriers to entry into the fold of supportive business ecosystems. A comprehensive measure of the quantitative and qualitative impact that shared kitchens have on local economies remains a gap. However, the data in this industry report can support public, private, and foundation stakeholders in understanding the value of codifying the economic and social impacts of these facilities on their local communities.

KEY FINDINGS & RECOMMENDATIONS

Analysis of the 2019 industry survey results yielded the following findings and recommended actions to support the burgeoning shared use food facility industry:

Entrepreneurs and facility operators alike are in need of greater support, including professional development, capacity building, and technical assistance. In-demand support includes operations and planning; product development; branding, sales and marketing; affordable sourcing; accessing trained labor; and distribution/logistics support. Operators are seeking support with evidence-based entrepreneur programming and development.

Fund cross-training among shared kitchens to build industry capacity and reinforce standards of practice.

Formalize and distribute evidence-based training curriculum to execute industry best practices.

Missing industry data limits understanding of overall economic impact – particularly the industry's contribution to advancing economic inclusion – thus limiting the case for funding.

Formalize coordination between facility operators and public economic and market development agencies, academic institutions, and municipal governments to establish appropriate metrics and support codification of economic impact. Work together to leverage the cluster effect and advance incubation efforts.

A lack of industry formalization detracts from the industry's legitimacy. Missing standards and regulations lead to inconsistent practices and may contribute to perceived risk, hindering support.

Establish a professional association to develop regulatory policies and standards of practice, and to advocate for these policies, incentives, funding, and other resources. The association should bolster member access to market intelligence, including facilitating the sharing of market research across facilities to cultivate an informed community of coaches and entrepreneurs.

Access to working capital poses a major barrier to facility operators and member businesses

Increase direct public and private investment in operator and entrepreneur working capital and technical assistance providers to support the sustainable incubation of nascent food businesses.

INTRODUCTION

The U.S. Kitchen Incubator industry in 2019 continues building a supportive ecosystem for one of America's key economic pillars: small business entrepreneurs. The U.S. Small Business Administration cites the small firms share of all domestic businesses at over 99 percent, with start-ups comprising 8 percent therein.ⁱ And while 8 percent may appear small, new businesses aged 0-5 years are a powerful force driving innovation and over 20 percent of gross job creation. "The question of who benefits from the success of entrepreneurship is of great significance, particularly as municipalities and regions interrogate current economic development approaches and look for strategies that enable a more dynamic and inclusive economy. Entrepreneurship remains a critical pathway for people facing myriad barriers to entering the economy or accessing quality resources and networks. In 2018, the largest proportion of new entrepreneurs had completed less than a high school degree, the rate of minority entrepreneurs was increasing and immigrants accounted for nearly 30 percent of new entrepreneurs."ⁱⁱ This report analyzes a survey of shared kitchen operators across the U.S., following earlier surveys in 2013 and 2015. This work aims to support economic inclusion among these mission-driven business owners who have limited access to traditional pathways.

In 2019, 82 percent of surveyed kitchen facility operators pointed to supporting entrepreneur success as some part of their primary mission. Yet, entrepreneur success requires no less than an entire community of actors and resources to develop, guide, connect, fund, and champion fledgling concepts. This supportive community is of even greater importance when working with immigrant, refugee, and women entrepreneurs, who disproportionately lack resources and networks. Shared use food facilities, when employing industry best practices, realize the promise of business incubation and economic clusters to meet these requirements. In fact, 30 percent of the 2019 shared use food facility survey respondents cited business incubation as the primary function of their facility. Incubators have been shown to markedly improve the long-term survival rates of small businesses: incubated businesses have over double the success rate of those without the benefit of incubation

after six years in operation.^{iv} The survival of new businesses depends on ready and continued access to professional skill building, business development, and operations support, which are staples of an effective business incubation model.^v

In addition to incubating food businesses, shared kitchens act as economic clusters where food entrepreneurs can benefit from co-location and cooperation. Clusters bolster start-up success and survival by growing the pool of specialized resources, improving access to suppliers and cooperative purchasing, knowledge sharing and accelerating paths to market.^{vi} Although only 4% of survey respondents identified as part of a food innovation district or food cluster, arguably each shared use facility lays the groundwork for accessing the positive benefits associated with a highly localized economic business cluster. These micro-clusters warrant direct public investment to deliver on the promise of strengthening the connective tissue and supports for burgeoning businesses. The multiplied impacts of these micro-clusters should be measured by cities and states to better understand the direct and indirect value created by kitchen incubators.

As incubators and micro economic clusters, shared use food facilities are supporting businesses with critical services, expertise, networking, and linkages to financial resources. Among the hundreds of shared use kitchen facilities, those leading the industry in best practices take an intentional approach to incubation, network building, and inclusive recruiting – connecting a growing community of entrepreneurs of color and women entrepreneurs to expert supports. And while success is the shared goal, as La Cocina Executive Director Caleb Zigas puts it, *"La Cocina is designed to give people a space to fail and land on their feet. If the [shared kitchen] industry is going to make an impact, then we have to acknowledge that serial entrepreneurship is having the privilege of failing until reaching success. People on the margins are not afforded this privilege. Incubators need to be in the position to absorb that risk."* Shared kitchens will need more robust public, private, and foundational partnerships to maintain and expand this critical position.

DEFINITIONS AND BEST PRACTICES

DEFINITIONS

Shared Use Food Facility: A facility dedicated to renting commercial kitchen space for shared use to a variety of food entrepreneurs, local businesses, and catering services. Within this umbrella term are included commissaries, commercial kitchens, and kitchen incubators, which offer business incubator services to provide startup food businesses with professional development and training.

Best Practices: A set of procedures that have been found to be the most effective in a given industry.

Economic Inclusion: The practice of including all people, regardless of race, gender, or socioeconomic status, in a given industry or economy. This is only accomplished through the intentional development of inclusionary strategies such as tiered pricing, diverse leadership, and additional support for those in need.

Food Innovation District: A geographic cluster of food-related businesses intended to foster business collaboration. These clusters often include markets, shared-use food facilities, and business incubators that work together to grow the regional food economy and support local businesses.

Ghost Kitchens: Food businesses that make food in a commercial kitchen space and deliver it right to consumers through food delivery apps, rather than through a traditional restaurant.

Local Food Economy: The group of local food growers, producers, and distributors that help provide food for a region.

Micro-clusters: Shared-use food facilities can also act as their own micro-cluster, allowing food entrepreneurs to collaborate and work with one another in areas where there is not a food innovation district.

BEST PRACTICES

Leaders in the shared kitchen industry serve as inclusive economic engines, creating environments for entrepreneurs to build wealth, create jobs and bolster the local community. While the industry has yet to develop formal standards and regulations, there is a core set of best practices employed by industry leaders:

- Provide ongoing regulatory, operational, and business management support and curriculum to build entrepreneur capacity - at start-up, second-stage growth, and beyond. This includes formal and informal coaching on go-to-market strategies, product development, branding, and sales and distribution support.
- Establish a clear culture of economic inclusion, often beginning with directed recruitment, screening, and interviewing of women, minority, and refugee entrepreneurs.
- Curate a member mix with an eye toward collaboration, mutual respect, cross-pollination, and product diversity for a sustainable operation and maximum benefit to the food community being built.
- Offer accessible, sliding scale pricing that transitions alongside the growth of the business until they reach market parity.
- Help entrepreneurs achieve scale by cultivating relationships along the food value chain, from suppliers, to skilled labor, to sales channel partners.
- Develop a supportive network and community of support beyond the walls of the kitchen facility. Bring in experienced mentors including industry experts, regulators, consultants, institutional and funder contacts. Build industry as well as community networks.

INSIDE THIS REPORT

Current Characteristics (Section I) presents an update on the shared use food facilities industry through the results of a national survey and related analysis. Of the more than 600 identifiable shared kitchen facilities that operate across the U.S., 180 responded to the 2019 industry survey, providing key data points and highlighting emerging trends and opportunities to improve the impact and collective understanding of the industry. This section includes data in ten categories:

- **Location and Context** shows the distribution of facilities across 44 states. While about half of facilities are in urban areas, the regional distribution is fairly even.
- **Characteristics** detail the expanding operator landscape of younger facilities with mission-based goals. While a majority of operators remain for-profit, less than 10 percent cited a primary objective of making money.
- **Financial Status** explores the viability of operators. Most respondents are stable but a greater proportion in 2019 also experienced financial losses.
- **Facilities** details size, equipment offerings, and additional uses. The majority of respondents operate in less than 5,000 square feet. Event space, classrooms, and food testing labs are popular additional revenue sources.
- **Operating Models** shows varying staffing, costs, and revenue streams. Over 80 percent of facilities are run on a budget of less than \$500,000. Most shared kitchens report few, if any, full-time employees.
- **Members/Tenants** highlights select details of users, including minority, women, and refugee entrepreneurs and duration of stay. 45 percent of respondents cited “business closure” as a frequent reason for tenants leaving a facility.
- **Products** outlines trending items being developed and sales channels. Ready-to-eat and baked goods are most popular and data suggests room for capturing more online and foodservice business.
- **Rates and Payment** shows industry approaches to setting and accepting fees and rental rates. The majority of kitchens increase their accessibility through sliding scale rates for low-income entrepreneurs or incubator program members.
- **User Interface** provides additional operational insights. Kitchens still depend largely on human-facilitated bookings, although there is a trend toward software solutions.
- **Business Supports** details how shared use food facilities provide incubator and food cluster benefits. While a majority offer licensing and business counseling, only 30 percent of operators track member outcomes, creating a major gap in understanding the industry and its impacts.

Looking Ahead (Section II) provides a closer look at the industry’s evolution from 2015 to 2019 and its future direction. The shared use food facility industry is growing as the food industry is changing shape. This section offers some reflection, as well as insights into how shared kitchens are being challenged and how they might respond:

- **Comparison to 2015 Survey** examines what the data says about how the industry has changed and remained constant from 2015 to 2019.
- **What the Industry Thinks About Its Future** highlights kitchen operators’ optimism about the direction of shared kitchen industry. Core challenges and needs of operators are discussed in greater detail.
- **Maturation and Evolution** addresses marketplace changes introducing new competition and opportunities. Shared use food facilities are poised to differentiate themselves as foundations of inclusive economic development.
- **Technical Assistance Needs** focuses on the types of supports needed for the sustainability of operators and entrepreneurs.
- **Technological, Consumer, and Social Disruption** identifies select trends that may change how entrepreneurs go to market and potential revenue opportunities for shared kitchens.

SECTION I: CURRENT CHARACTERISTICS

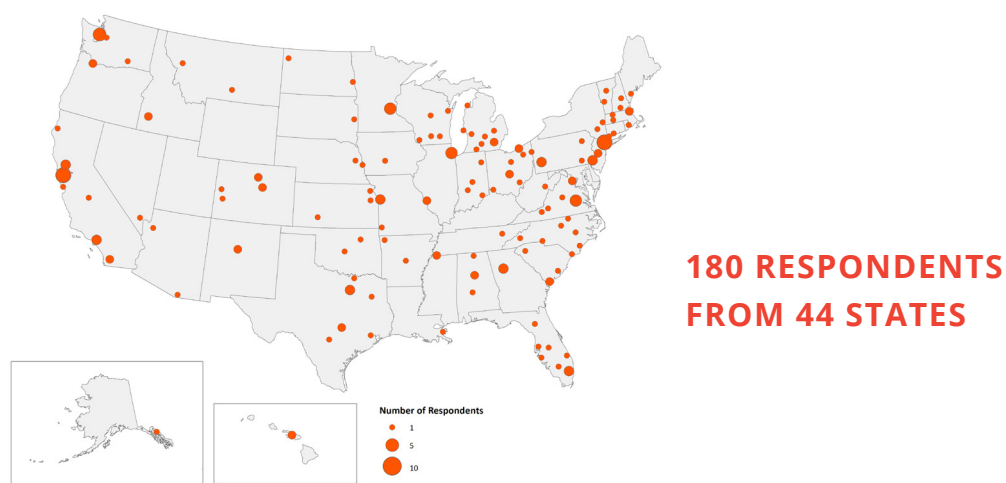


LOCATION AND CONTEXT

Shared use food facilities have a presence in 44 states throughout the country, with a slightly higher representation in the South. Shared use food facilities continue to be found mostly in urban and suburban contexts with concentrations in the largest cities.

INCUBATORS HAVE A NATIONAL REACH ACROSS THE U.S.

Nationally, over 600 shared use food facilities exist across 48 states and the District of Columbia. Survey respondents, 180 facilities in total, came from 44 states – an increase of 4 states and almost 120 respondents since 2015.



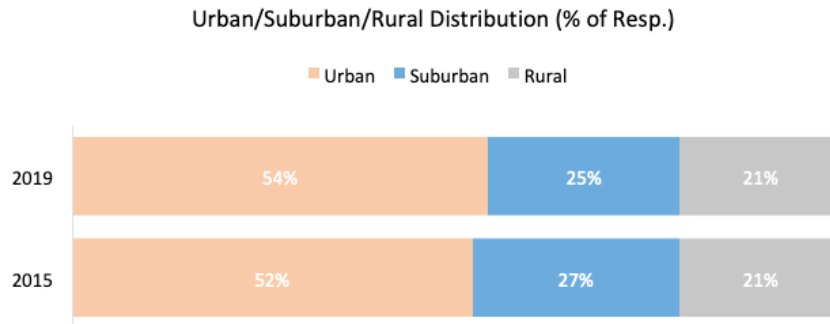
REGIONAL DISTRIBUTION BUT MORE REPRESENTATION IN THE WEST AND SOUTH

While incubators are represented relatively evenly across regions, the large numbers of incubators in California (19), Ohio (9), and Texas (9) drive higher representation in the West, Midwest, and South.

Region	Respondents (%)	
	2019	2016
South	31	29
Midwest	26	24
West	26	31
Northeast	18	16

HALF OF ALL INCUBATORS CONTINUE TO BE IN URBAN AREAS

54 percent of kitchen incubators identify as being in an urban area in a distribution similar to the 2015 results of 52 percent urban, 27 percent suburban, and 21 percent rural.



CONCENTRATION NEAR MAJOR CITIES

Kitchen incubators continue to be an urban trend and are concentrated in certain metropolitan areas. The fifteen cities with the most incubators represent almost half of all national incubators. The map below shows the concentration of shared use food facilities in metro areas around the U.S., indicating that incubators cluster around cities in every region.

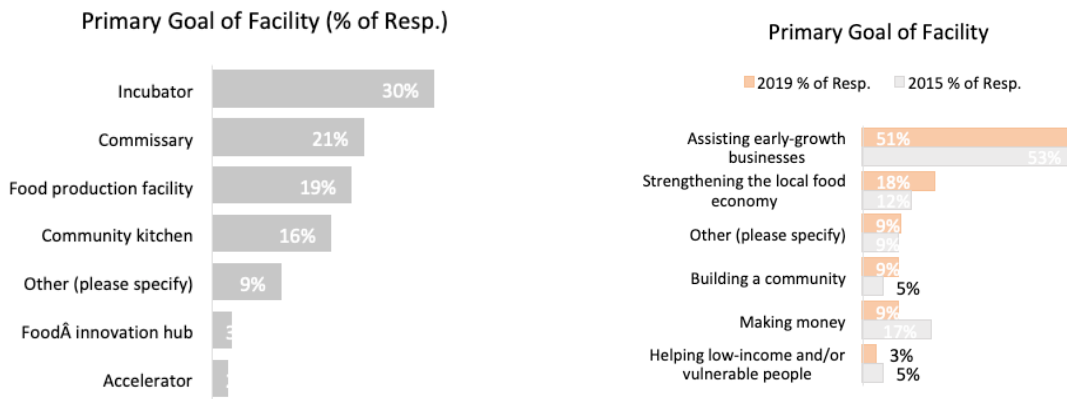
City	Respondents	
	Count	Percent
New York City	38	7.2
San Francisco	25	4.7
Seattle	23	4.4
Chicago	23	4.4
Los Angeles	17	3.2
Washington, D.C.	13	2.5
Miami	11	2.1
Boston	11	2.1
Portland	10	1.9
Denver	10	1.9
Minneapolis	10	1.9
Austin	9	1.7
San Diego	8	1.5
Pittsburgh	8	1.5
Dallas	8	1.5
TOTAL	224	42.5

CHARACTERISTICS

Over 50% of respondents identify the primary goal of their facility as assisting early-growth businesses, even while 52% operate as for-profit entities that rent access to commercial space, storage, and services. Shared use food facilities remain a fairly new phenomenon, as over 40% have been established since 2015.

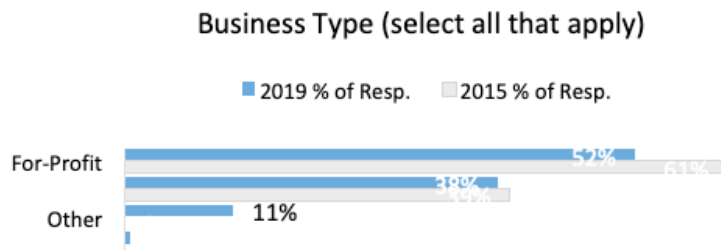
OVER HALF VIEW A MISSION-BASED FOCUS AS THEIR PRIMARY GOAL

Asked about the primary goal of their facilities, a majority of respondents claim to prioritize a basic mission of incubators: assisting early-growth businesses. This response, in addition to another 18 percent who chose "strengthening the local food economy," indicate that, regardless of corporate classification, many kitchens are mission-focused. In addition, these facilities identify primarily as an incubator, with only 19% identifying first as a food production facility.



A MAJORITY OPERATE AS FOR-PROFIT

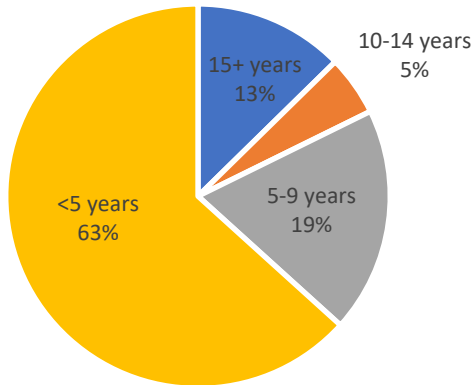
The majority of incubators classify as for-profit, but at a lower rate than 2015. Other responses indicate private-public partnerships, or facilities functioning as for-profit arms of non-profit organizations.



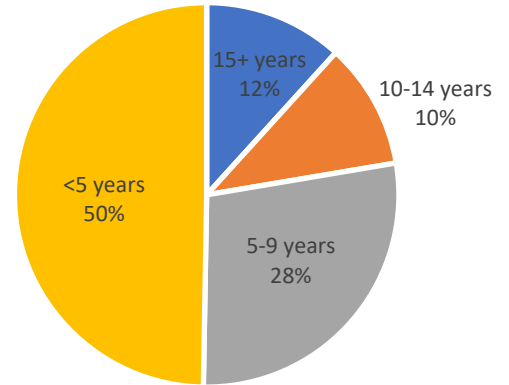
TWO-THIRDS ESTABLISHED AFTER 2010

Most incubators were recently established, similar to the 2015 results. Over half of survey respondents were formed after the 2015 survey or are currently forming, indicating continued growth in the sector.

Years Established, 2015 Survey



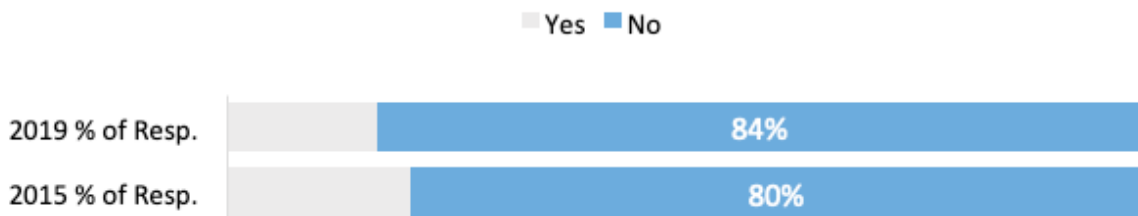
Years Established, 2019 Survey



ONE-IN-FIVE ARE CERTIFIED BY THE USDA

Sixteen percent have a specific USDA certification for processing meat, poultry, and egg products, similar to the results of the 2015 survey. USDA certification entails a facility undergoing a technical approval process that may involve submission of production plans and/or technical proposals, product samples for evaluation, and on-site assessments of facilities and procedures.

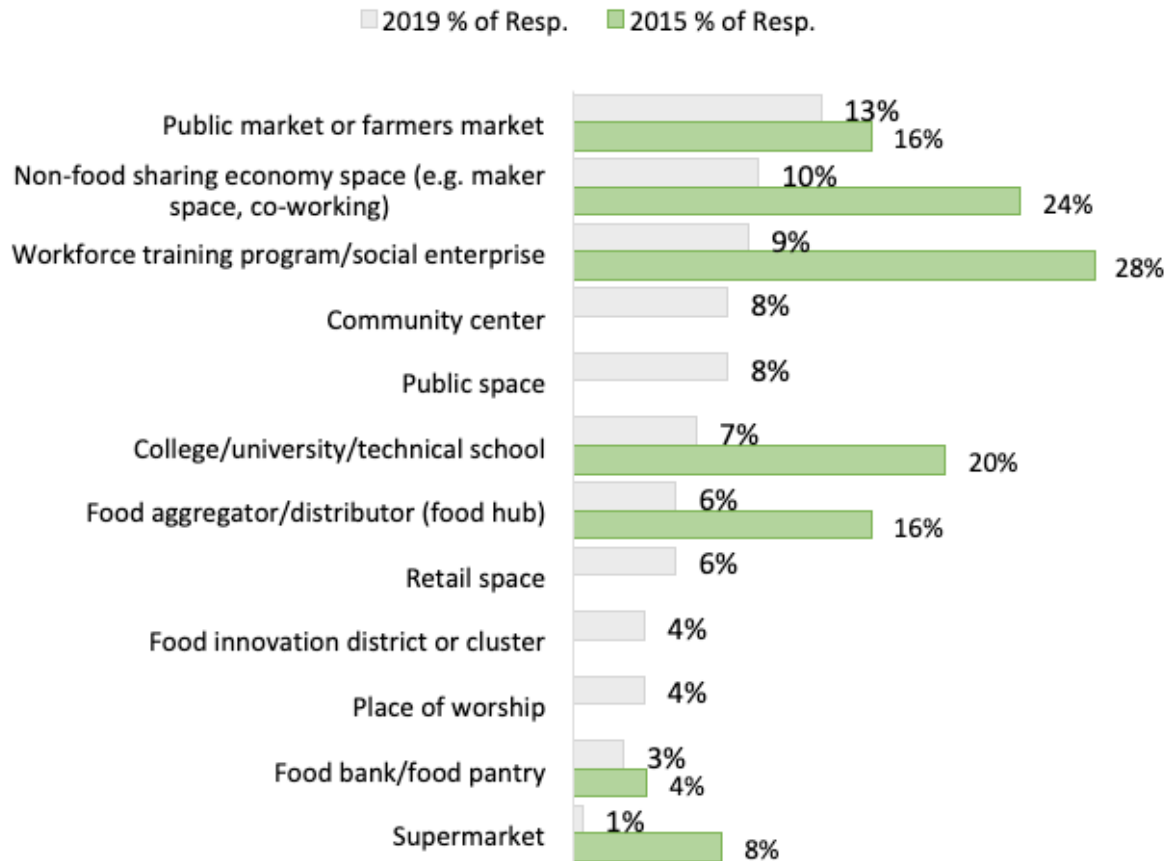
Is your facility USDA certified?



40% OF INCUBATORS INVOLVED IN AT LEAST ONE PARTNERSHIP

Many of the incubators are involved in some type of partnership, whether it be aligned with professional development or food product distribution.

Does your facility include or are you part of any of the following?



THE ROLE AND MISSION OF INCUBATORS EVOLVE OVER TIME

As an emerging sector, change is expected in order to meet the needs of the community. Below are a selection of the range of responses when asked “Has the name, function, or mission changed over time?”

“We started with the primary goal of making money, and although that is still a priority of ours, helping small businesses grow has become our main focus and selling point.”

“Initially funded as an incubator, but due to low use in our rural area we diversified to promote it as a commissary and teaching kitchen as well.”

“Yes, it was originally designed to provide a location for local farmers to create value-added manufactured products from their produce. Now, the majority of our clients are food trucks, caterers, meal delivery or part-time hobbyists.”

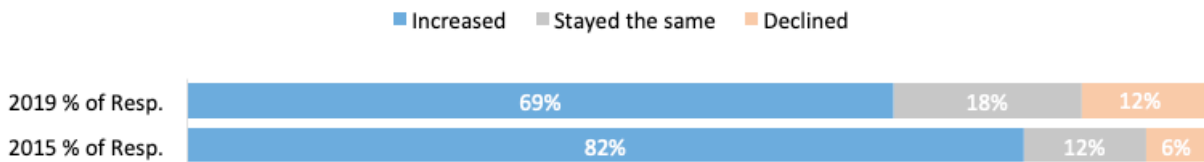
FINANCIAL STATUS

The financial status of many shared use food facilities appears to be about the same/slightly declining. Approximately the same portion of facilities report making money compared to 2015 and nearly 70% report earning more revenue than three years ago, compared to 82% report earning more revenue in 2015.

69% OF INCUBATORS HAVE SEEN REVENUE INCREASE IN PAST THREE YEARS

Encouragingly, 69% of incubators have seen revenue increase as compared to three years ago or when opened if less than three years old. However, an increasing number of facilities have seen similar revenue, or declining revenue since the same time. Increases in revenue can largely be attributed to diversification, specialization, and reputation.

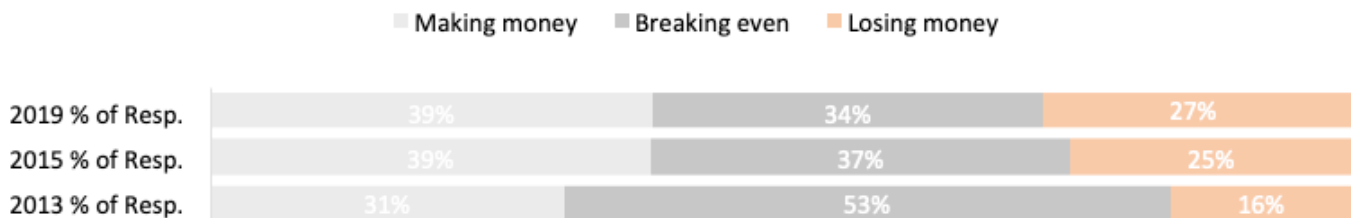
Has your revenue increased, decreased, or stayed the same compared to three years ago?



MANY ARE PROFITABLE, BUT MORE ARE LOSING MONEY TOO

A growing number of shared use kitchens are reporting that they are profitable, although the number losing money also increased.

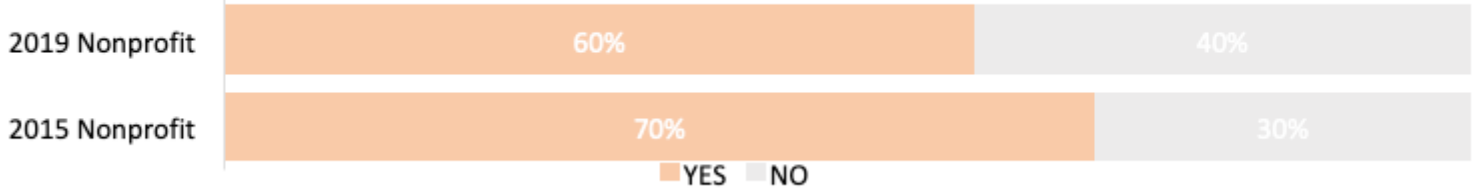
Facility's financial status in the last year:



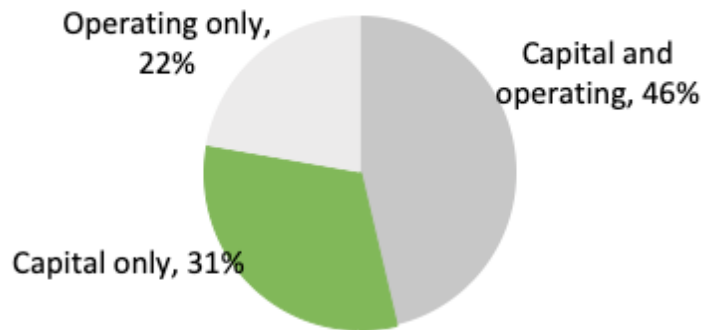
MOST NONPROFIT INCUBATORS HAVE RECEIVED GRANT SUPPORT

60% of nonprofit kitchens have received grant support, as opposed to 5% of for-profit facilities. For all grant recipients, grant support typically covered both capital and operating costs. Grant sources may range from local initiatives to federal programs.

Any Grant Support Received? Among Nonprofits (%)



If facility has received grant support, what was this grant for?



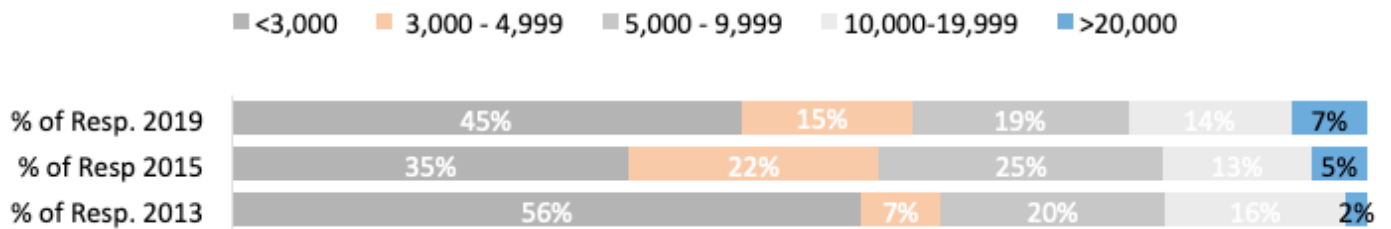
FACILITIES

Many shared use food facilities are small facilities, with almost half occupying less than 3,000 square feet and almost 80% occupying less than 10,000 square feet. Most facilities have cold storage, classroom space, food science/testing labs, packing rooms, and permanent food production spaces for rent or lease.

MORE SMALL INCUBATORS LESS THAN 5,000 SQUARE FEET

With 45% of facilities reporting a size of less than 3,000 square feet and 15% reporting between 3,000 and 4,999 square feet, the number of small facilities has grown, contrary to some expectations that the industry would see more consolidation into larger facilities.

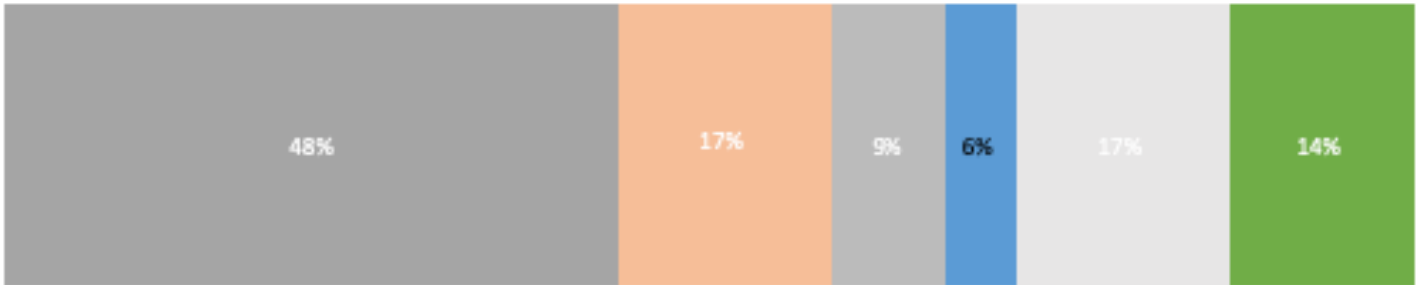
Total square footage of facilities



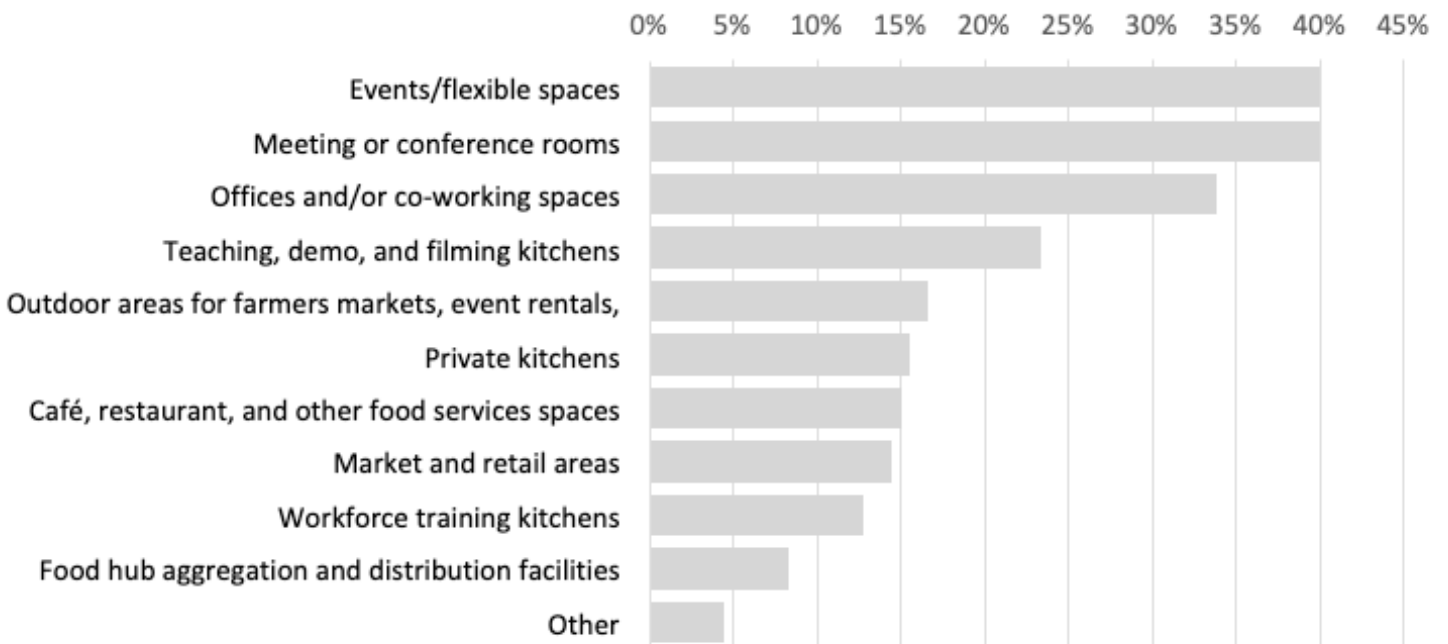
KITCHEN SPACES MAKES UP ABOUT HALF OF THE TYPICAL FACILITY

Appx. % of sq. ft. dedicated to each of the following uses (Average of all responses)

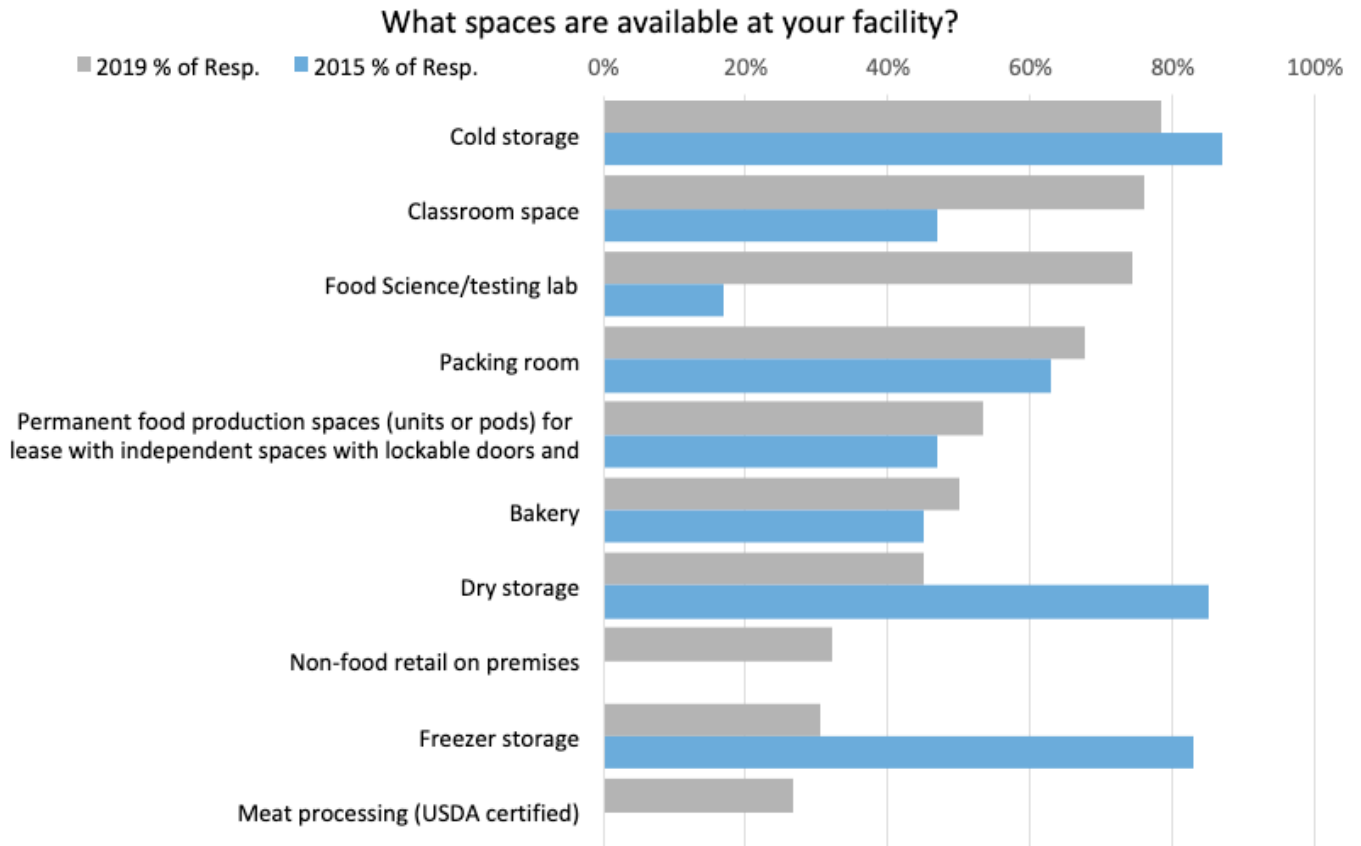
■ Kitchen ■ Dry Storage ■ Refrigerator Storage ■ Freezer Storage ■ Event Space ■ Other (office, non-kitchen uses, etc.)



What additional services are available at your facility? (% of Resp.)

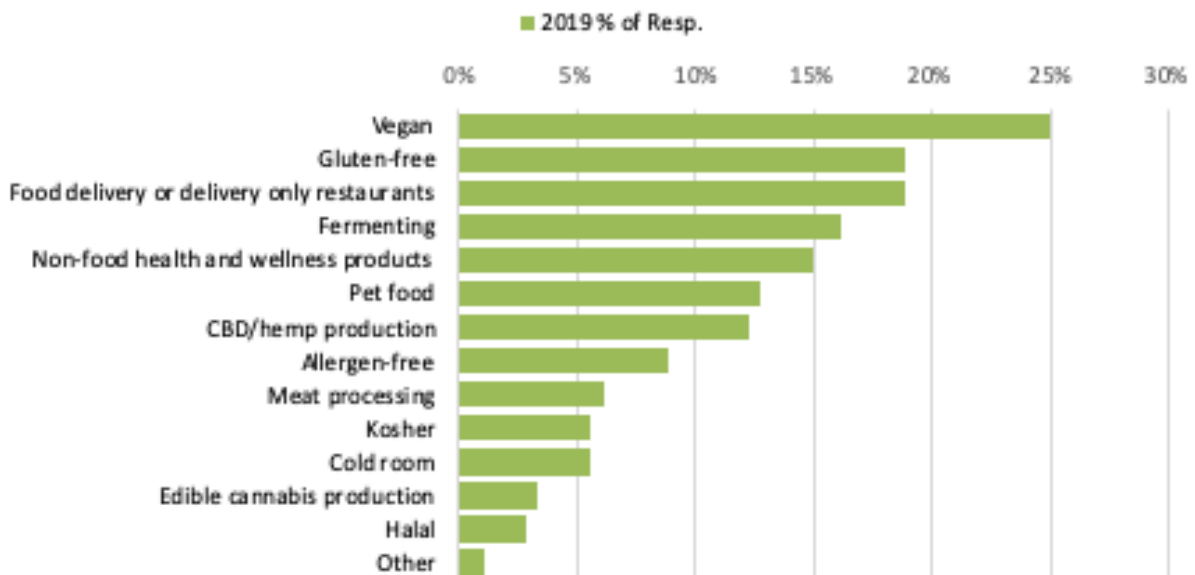


STORAGE AND CLASSROOM SPACE ARE THE MOST COMMON FACILITIES



25% OF FACILITIES ACCOMMODATE VEGAN PRODUCTS

Do you accommodate specialty production for any of the following?

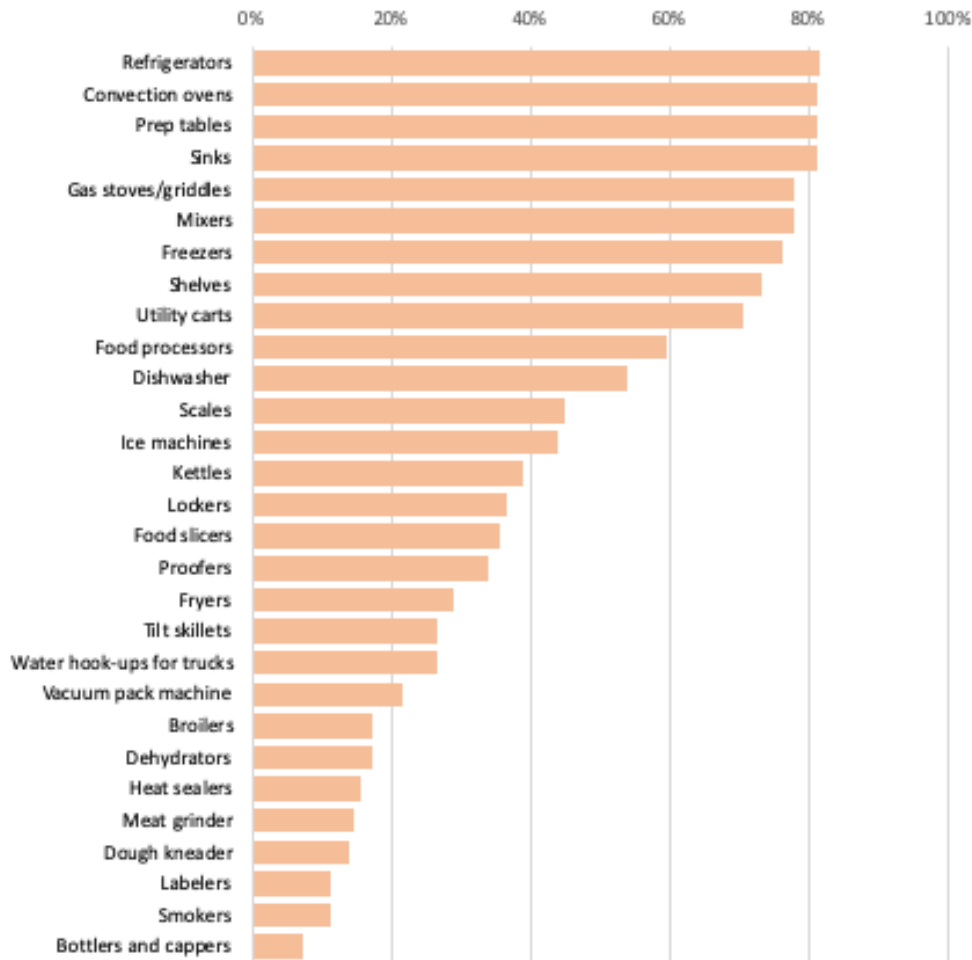


Note: 2015 survey results were not included for comparison due to significant changes in categories used.

REFRIGERATORS AND CONVECTION OVENS ARE THE MOST COMMONLY PROVIDED EQUIPMENT

What equipment do you provide to members/tenants?

2019 % of Resp.



FROM SURVIVOR TO CHAMPION: BINI'S KITCHEN

Nepal native and domestic violence survivor Bini Pradhan was supporting herself by selling momos out of the back of her car. Her food was so good, she built a following of about 100 families and it was time to find production space to meet this demand. Bini came to La Cocina with her brother-in-law as support for her interview. She launched Bini's Kitchen at La Cocina, where she was connected with catering clients, farmers markets and other sales channels, growing to \$1 million in sales from inside the shared kitchen. La Cocina helped Bini negotiate space in an affordable housing development and worked with Bini to find investors. Bini's Kitchen is now a \$2 million business with 22 employees. Select Bini's dishes are featured in the new cookbook, "We are La Cocina".

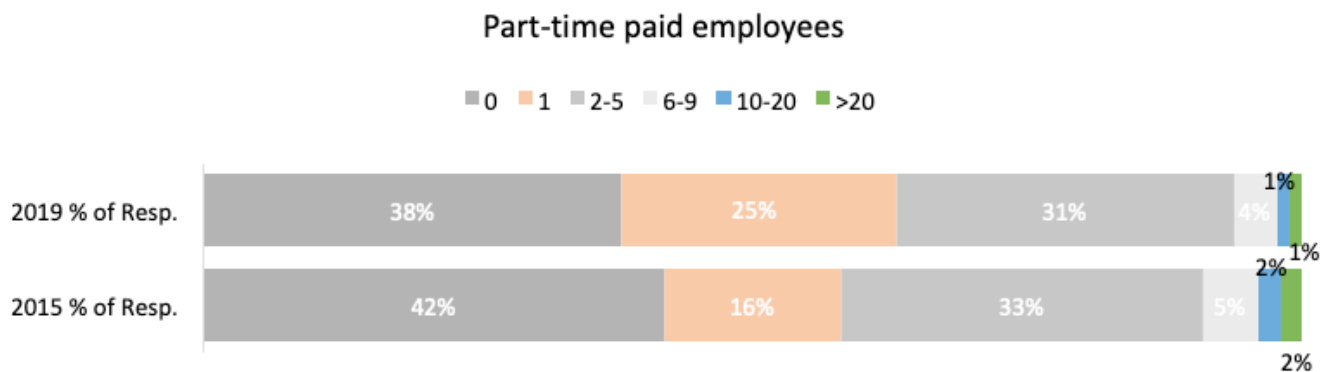
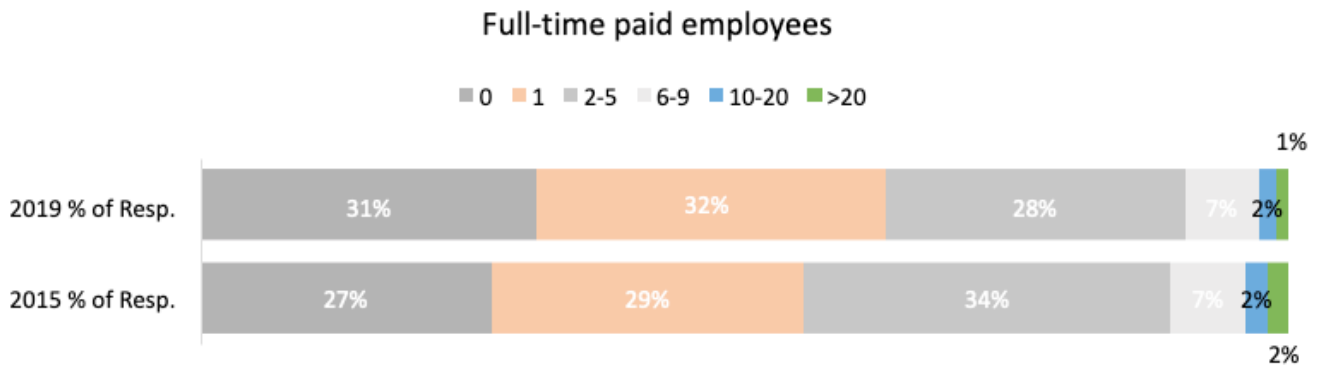


OPERATING MODEL

Shared use food facilities have very lean operations with few employees and modest operating budgets. Most costs go towards rent and salaries with lesser amounts to utilities and maintenance. Most revenue is generated from renting shared or permanent commercial or flexible space, or through a variety of smaller revenue-producing activities.

KITCHEN INCUBATORS HAVE FEW, IF ANY, EMPLOYEES

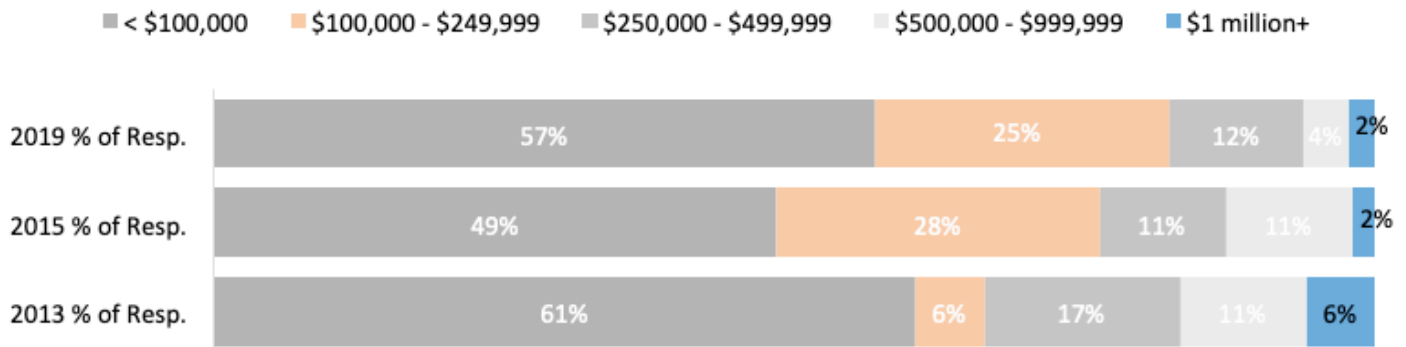
Most shared kitchens have very few full- and part-time employees, including 31 percent and 38 percent of facilities respectively that claim to have no full- or part-time employees at all. Ninety-one percent have five or fewer full-time employees, similar to 2015 when 90 percent had five or fewer.



HALF OPERATE ON LESS THAN \$100,000

Shared kitchens with operating budgets of less than \$100,000 make up more than half of all respondents, up from 49% in 2013. Those with a budget of \$500,000-\$999,999 had the largest decrease, going down to 4 percent of respondents in 2019.

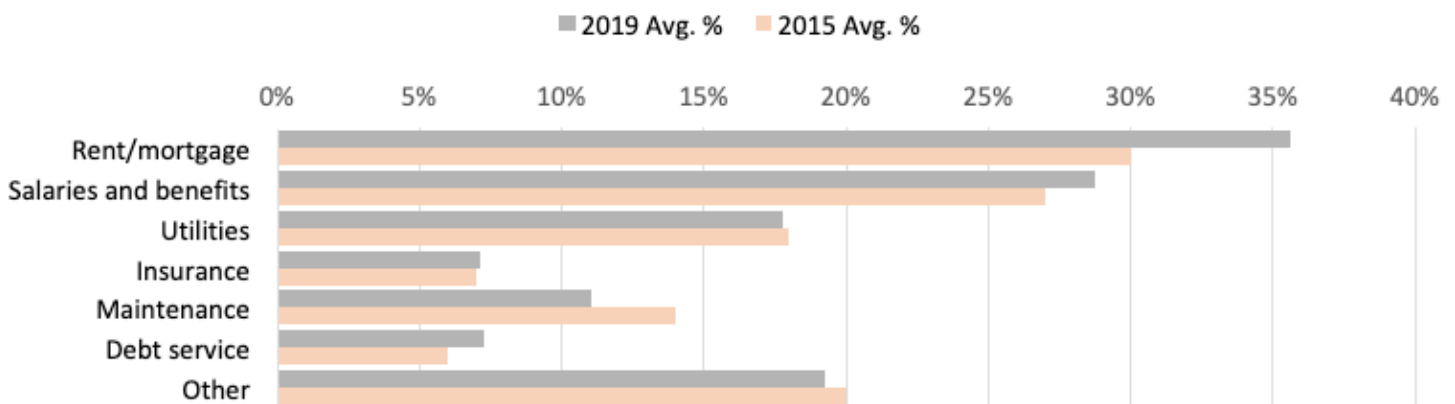
Annual Operating Budget



LARGEST OPERATING COSTS ARE RENT AND SALARY

The highest operating costs for incubators are rent/mortgage, salaries and benefits, and other costs, with utilities, maintenance, insurance, and debt service making up smaller, but still significant portions of costs.

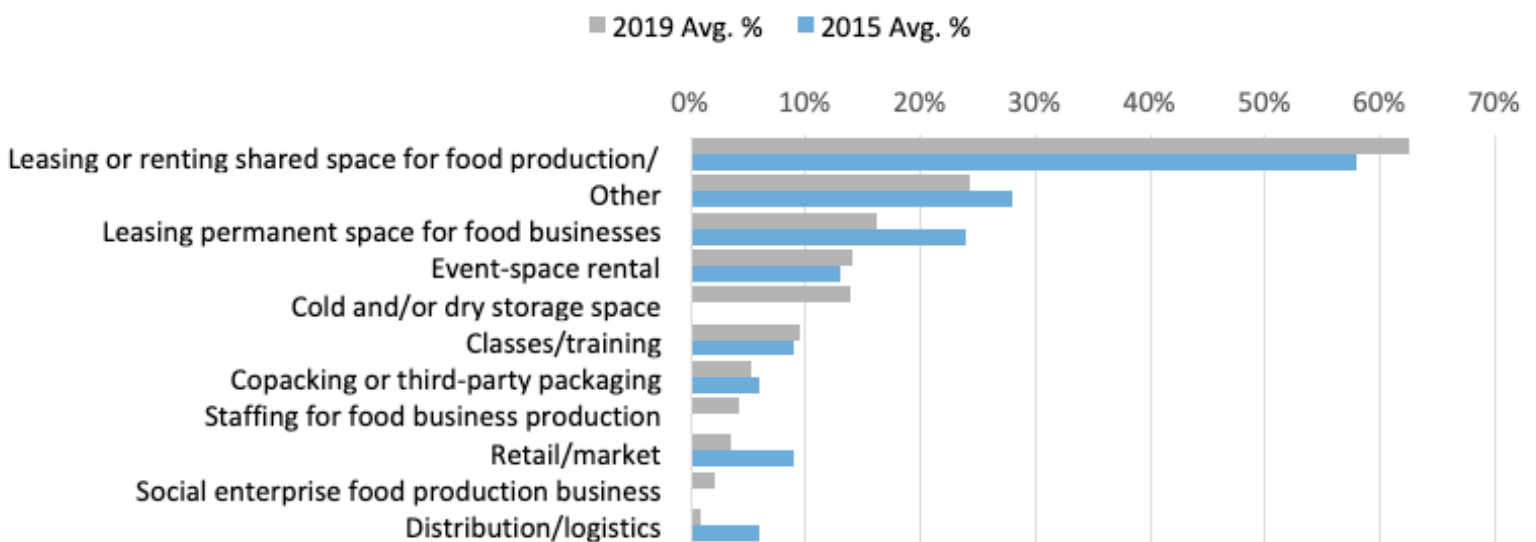
Average Total Operating Cost by Type (Avg. %)



LEASING SHARED SPACE IS THE PRIMARY REVENUE SOURCE FOR MOST SHARED KITCHENS

Leasing shared space for food production is by far the biggest revenue source for incubators, making up an average of 63% of total revenue across respondents. Leasing permanent space makes up a high portion of revenue for several respondents, indicating a greater focus for some facilities on full-time tenants than shared space. Other revenue generating sources include renting storage space, serve-safe or training classes, event space rentals, or offering food production labor-as-a-service.

Please provide the approximate percentage of your total revenue for each of the following sources of revenue (Avg. %)



LEVELING UP: JAMAICA Mi HUNGRY

Chef Ernie Campbell worked in the restaurant industry in Jamaica. As a new immigrant in the US, Ernie took hotel line cook jobs but his heart was in launching his own business. He had a vision of bringing authentic Jamaican food to Boston. Ernie established a small business as a personal chef, later rolling out two food trucks and a beach town cafe. Then Ernie joined the members at Commonwealth Kitchen, occupying a takeout kiosk on-site. At Commonwealth Kitchen, Ernie received business coaching and learned to grow smartly. He used the shared facility at reasonable rates and was able to hire local community members. When the time was right, Ernie received support securing a ready space and he is now breaking ground on his very own brick-and-mortar location in Boston. Commonwealth Kitchen provided a platform for Ernie to level up sustainably, transitioning from a mobile to permanent location within 5 years.



Photo source: The Bay State Banner

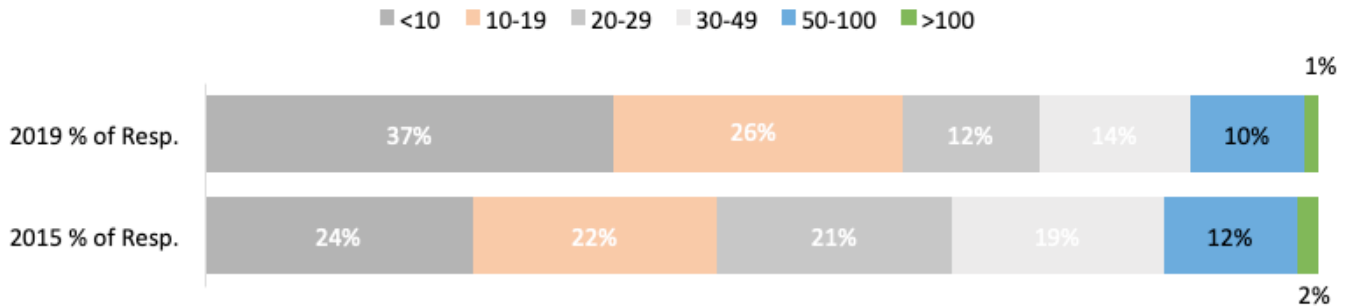
TENANTS

Three-fourths of shared use food facilities have fewer than thirty members/tenants who utilize a small number of shared spaces. Members/tenants generally stay longer than a year. Nearly half of facilities have majority women tenants and for most facilities, people of color make up less than 30 percent of tenants.

75 PERCENT HAVE FEWER THAN 30 TENANTS

Most shared kitchens have between less than 30 users/tenants. The median range of users is between 10 to 19 members/tenants.

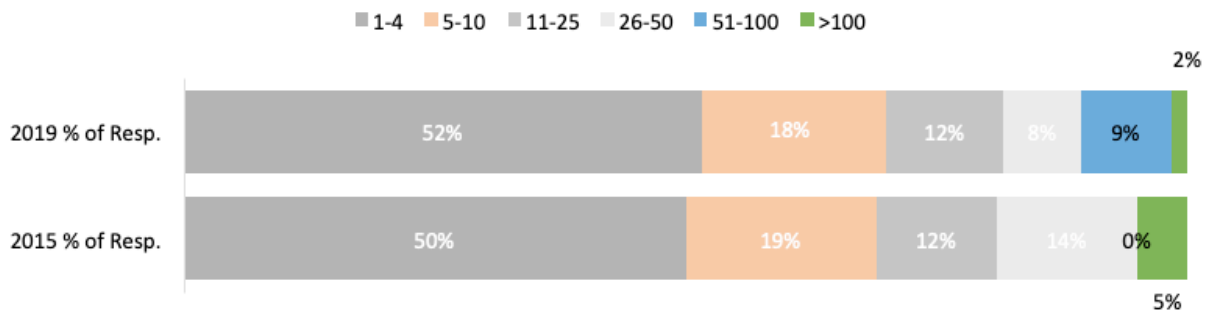
How many shared-space members/tenants do you have?



HALF CAN ACCOMMODATE UP TO FOUR SHARED USERS AT A TIME

Shared kitchens accommodate small numbers of shared users at a time. A majority of facilities accommodating 1-4 shared users are less than 5,000 square feet, suggesting that these facilities are primarily used as a shared kitchen space.

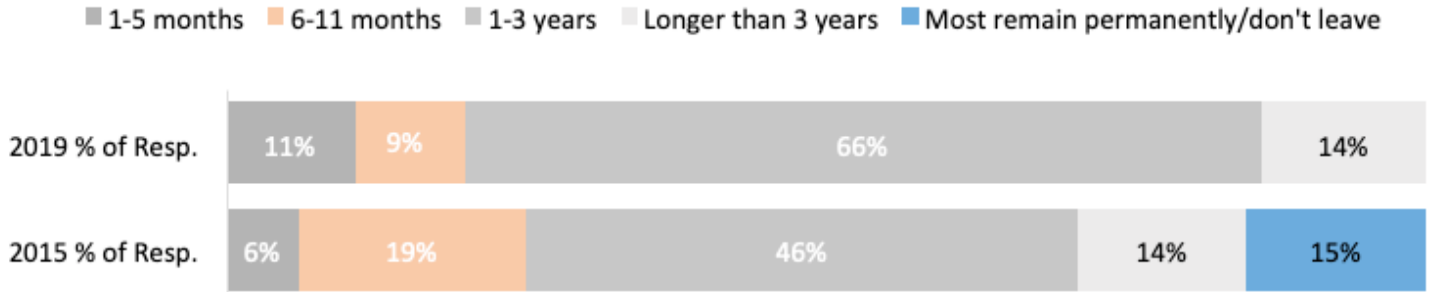
How many shared users (i.e. different businesses) can you accommodate at one time in your shared-use space?



80 PERCENT OF TENANTS STAY ONE YEAR OR LONGER

Respondents report long stays for their members/tenants, as more than half said their tenants stay 1-3 years and another 14 percent report tenancies of longer than three years. In 2015, 75 percent of respondents reported tenants stayed one year or longer, continuing this trend.

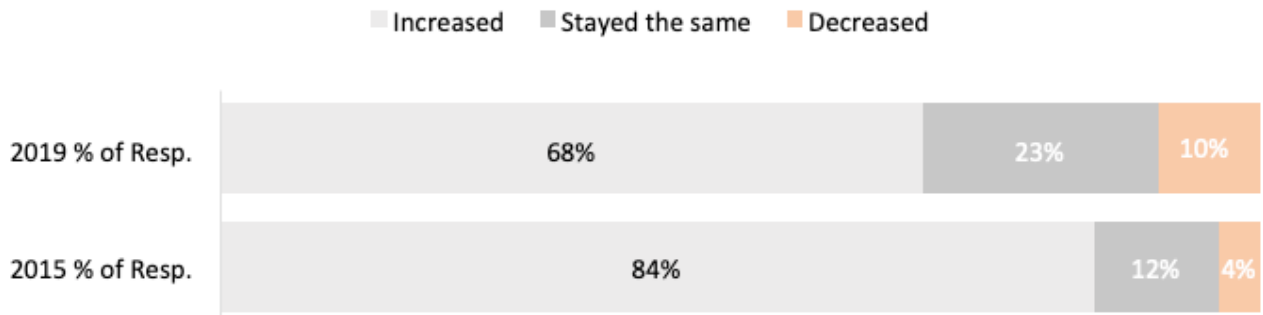
How long do tenants/members typically stay in your facility before moving out?



68% HAVE SEEN AN INCREASE IN USERS/TENANTS IN THE PAST THREE YEARS

A majority of respondents indicated that their membership has increased over the past three years. This is a decrease from the 2015 report, which reported 84 percent. However, membership appears to remain steady, with 90 percent of respondents stating membership has increased or stayed the same in the past three years.

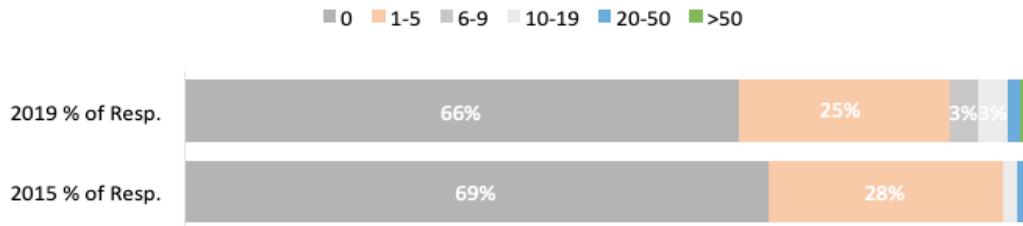
Has the number of your members/tenants increased, decreased, or stayed the same over the past three years?



ONE-THIRD LEASE FULL-TIME PRODUCTION SPACE

Thirty-four percent of respondents report having at least one tenant who leased full-time production space – defined as space that is exclusive to one tenant and is not shared with others. These tenants are often called "anchor tenants."

How many members/tenants do you have that lease full-time production space (leased space that is exclusive to the one tenant)?

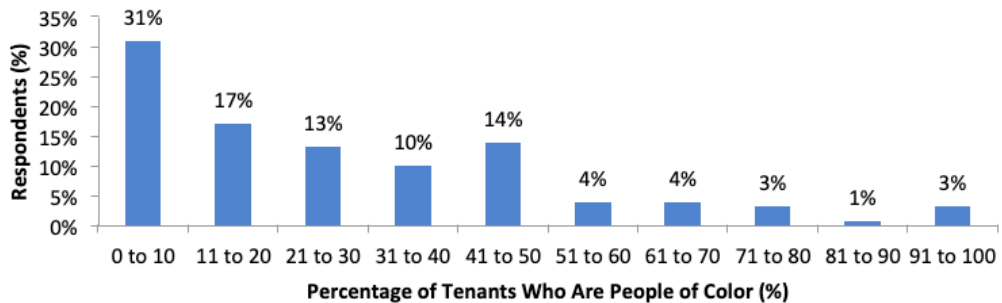


52 PERCENT OF TENANTS ARE WOMEN AND 30 PERCENT ARE PEOPLE OF COLOR

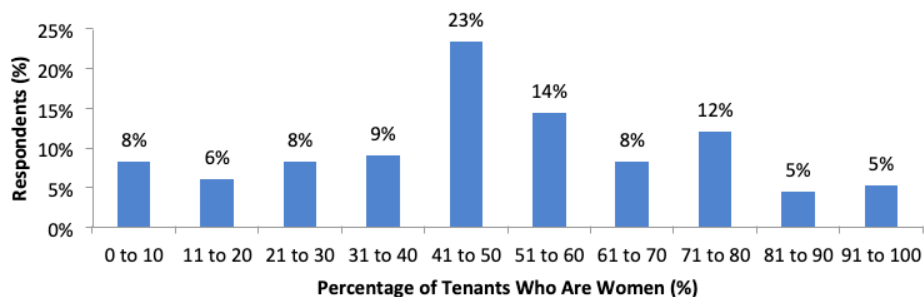
On average, women make up 52 percent of tenants, slightly down from 53 percent in 2016. People of Color average 30 percent of tenants across respondents, up slightly from 28 percent in 2016, although 41 percent of respondents report that between 21 percent and 50 percent of their tenants are People of Color.

However, respondents located in larger metropolitan areas reported higher proportions of tenants who are people of color, with facilities located in the Greater New York metro area reported on average 57 percent of tenants are people of color.

What percentage of your current tenants are people of color?

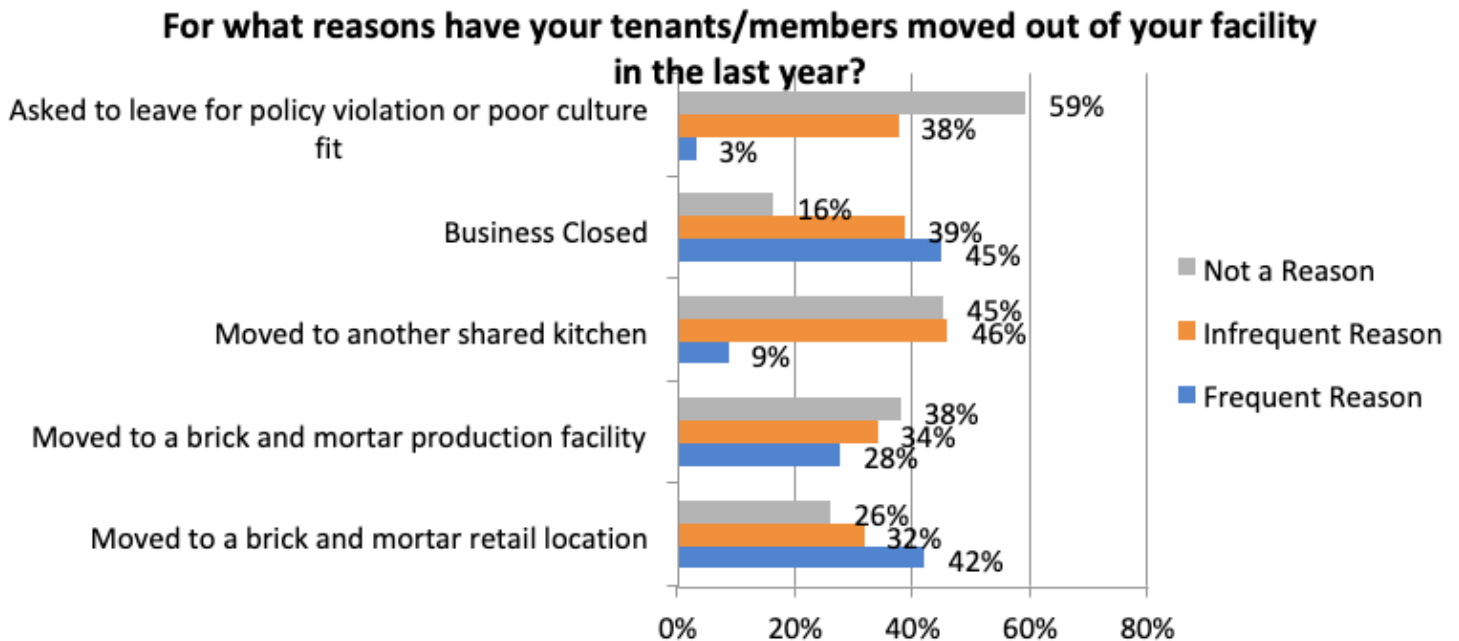


What percentage of your current tenants are women?



TOP REASONS FOR MEMBERS/TENANTS LEAVING THE FACILITY ARE MOVING ON TO A NEW LOCATION OR BUSINESS FAILURE

In 2019, we asked facilities what were frequent or infrequent reasons tenants/members leave their facilities. 42 percent of respondents list moving to a brick and mortar location as a frequent reason for tenants leaving the facility. However, 45 percent of respondents list business closure as a frequent reason for tenants moving. This shows the variable success rates for shared kitchens focused on business success.



“If the [shared kitchen] industry is going to make an impact, then we have to acknowledge that serial entrepreneurship is having the privilege of failing until reaching success. People on the margins are not afforded this privilege. Incubators need to be in the position to absorb that risk.”

- Caleb Zigas, Executive Director of La Cocina

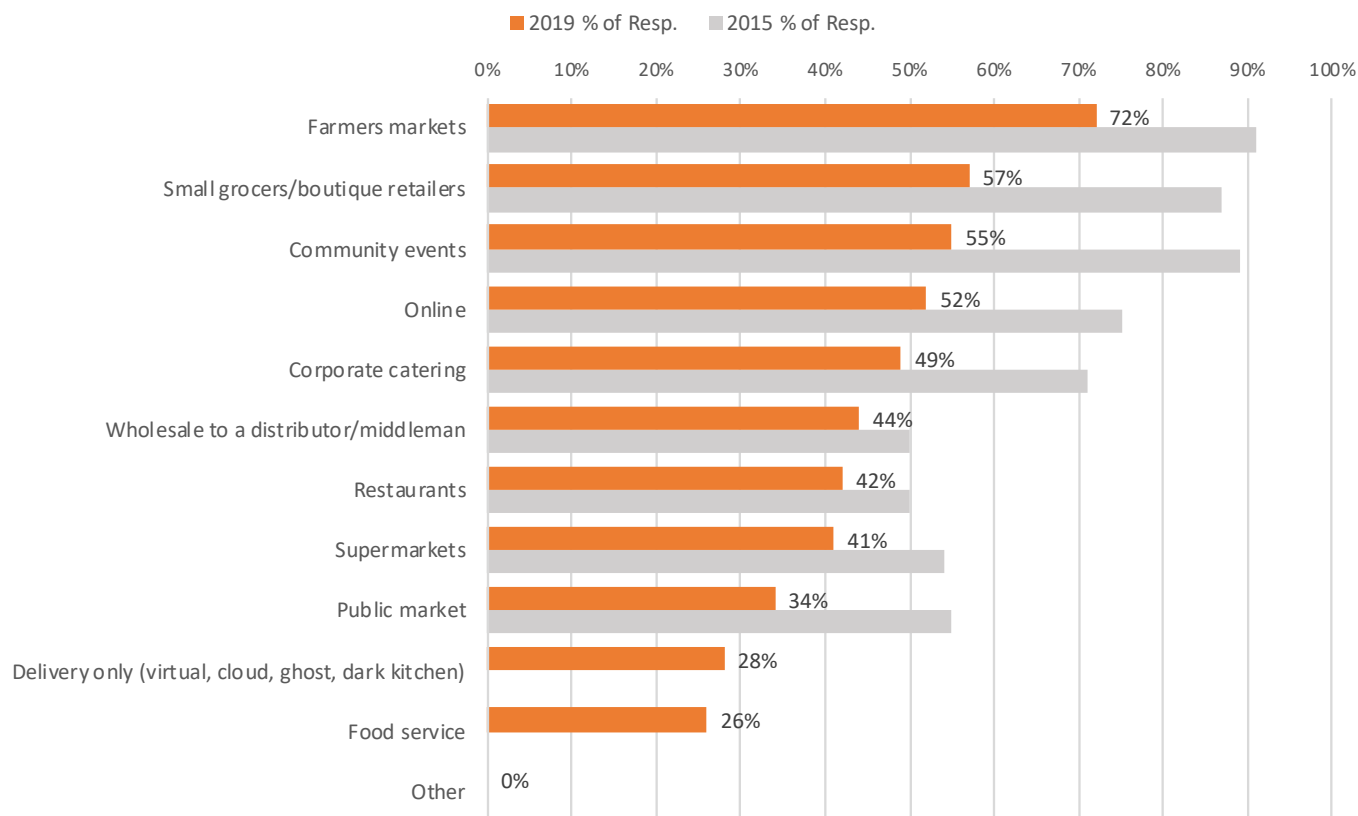
PRODUCTS

Ready to eat foods and baked goods are some of the most common business products of facilities. Food trucks and prepared meals are also quite popular. Sales are made mostly in the local community, although over half of respondents report that their tenants sell online, as well. Ready to eat foods and baked goods are some of the most common business products of facilities. Food trucks and prepared meals are also quite popular. Sales are made mostly in the local community, although over half of respondents report that their tenants sell online, as well.

PRODUCTS CONTINUE TO BE SOLD AT LOCAL SPACES AND ONLINE

Businesses are selling products direct to consumer at local events and through retailers similar to the 2016 survey, although “Delivery only” kitchens, a new option asked in 2019, are already found in more than one-in-four facilities.

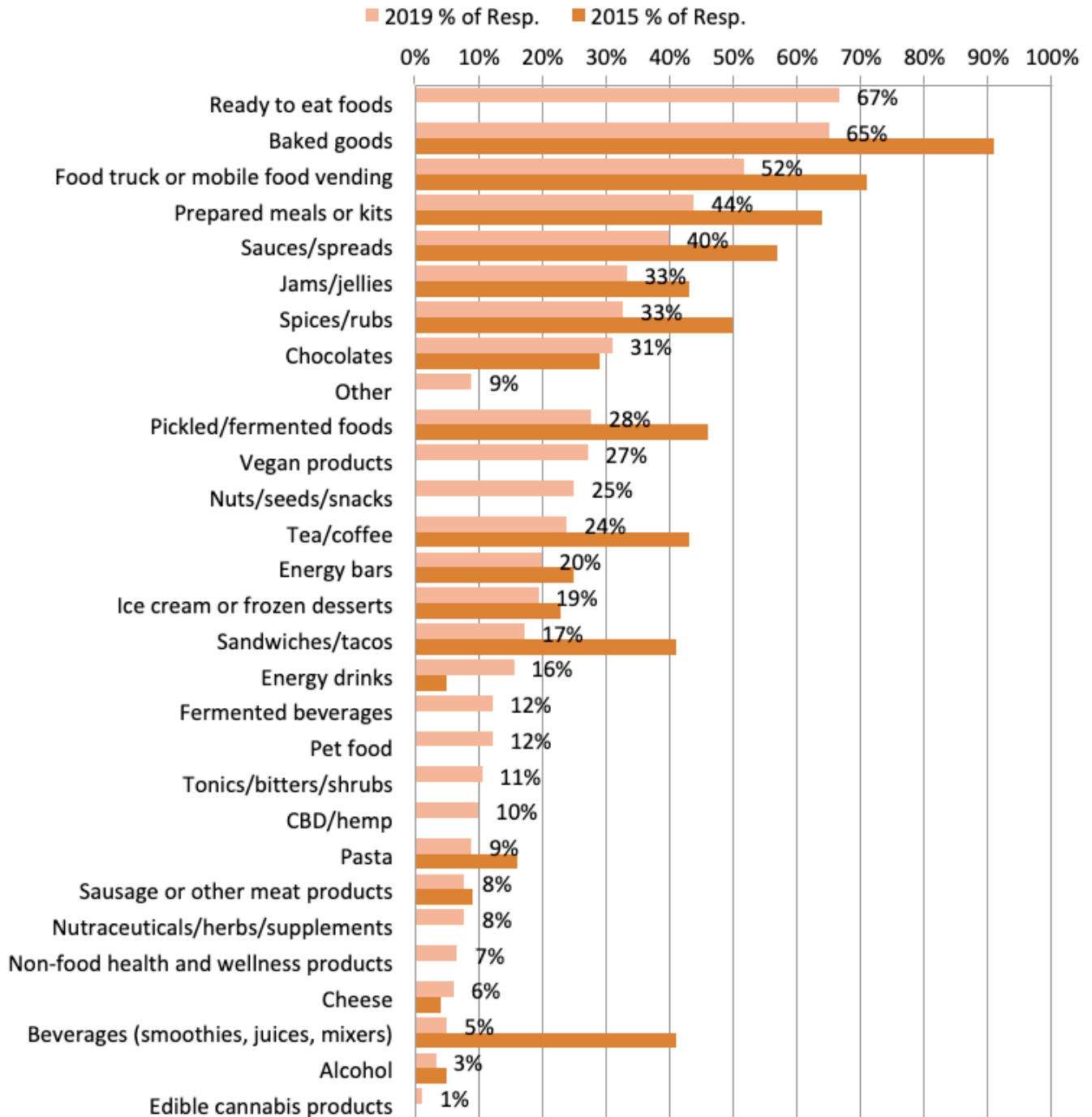
Where do your members/tenants sell their products?



READY TO EAT FOODS ARE THE MOST COMMON PRODUCT

Ready to eat foods and baked goods are the most common business products at shared use kitchens in 2019 – a shift from baked goods, the top product in 2016. The trends in delivery may be contributing to this growing trend.

What types of products are your members/tenants producing?



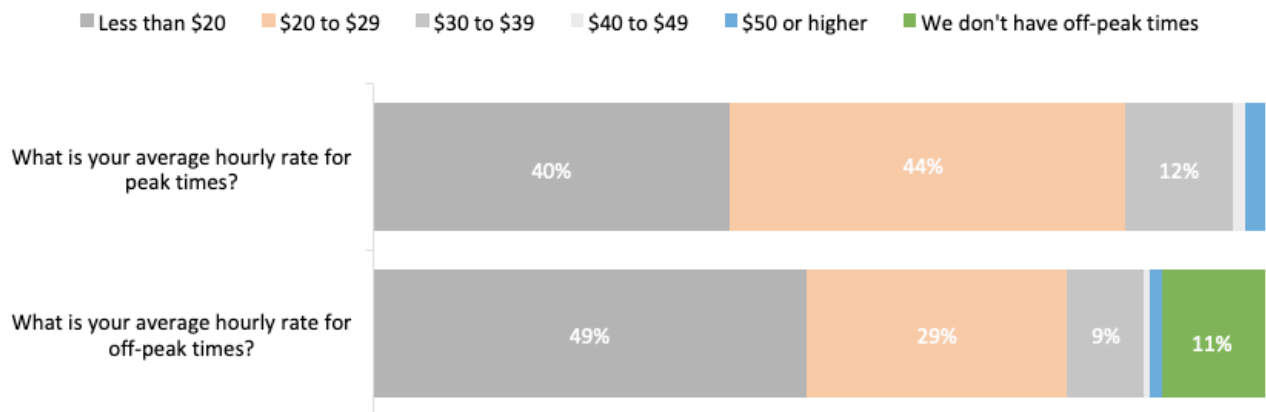
RATES AND PAYMENTS

Typically, shared use food facilities charge tenants for using shared space, storage, and prep space at rates calculated by the hour. Some variable rates are offered, which are most commonly price breaks for renting more hours or renting during off-peak times.

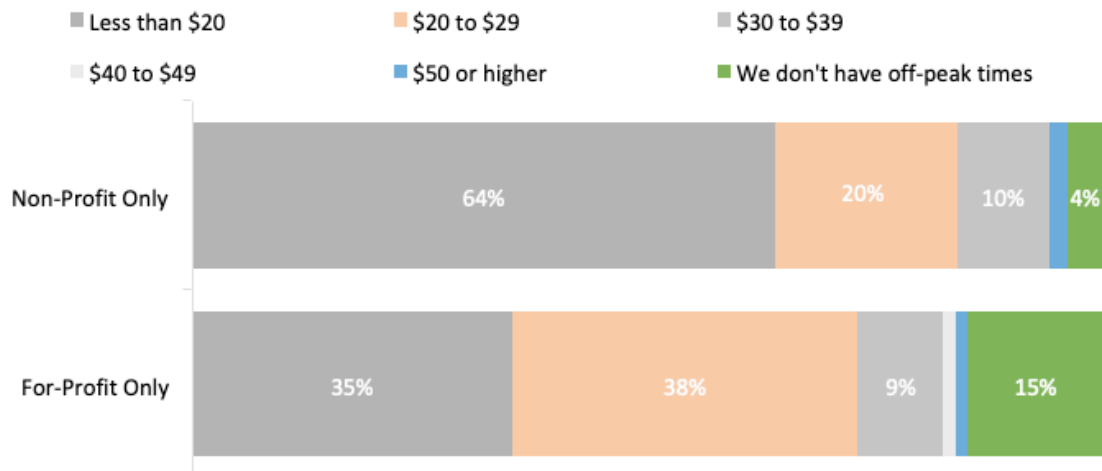
HOURLY RATES DEPEND ON PEAK USAGE AND TARGETED USES

Forty-four percent of respondents charge between \$20 to \$29 per hour during peak usage time. For non-peak usage time, 49 percent of respondents charge less than \$20 per hour. When compared to non-profit and for-profit facilities, 58 percent of non-profit facilities charge less than \$20 per hour during peak usage time, while only 35 percent of for-profit facilities charge less than \$20 per hour.

Average Hourly Rates - % of Resp.



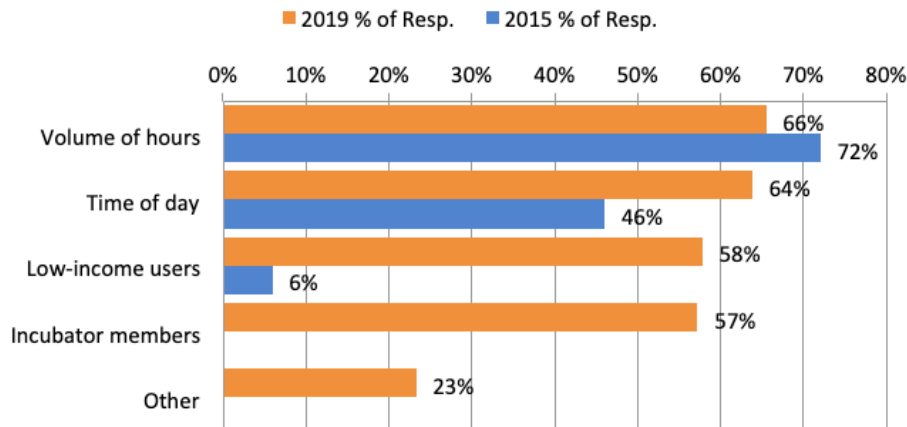
Average Hourly Rates for Off-Peak Times - Non vs. For-Profit



SHARED-USE FOOD FACILITIES CONTINUE TO OFFER FLEXIBILITY IN ACCESSING FACILITIES

Hourly rates are also offered on a sliding scale based on volume of hours, time of day, low-income users, and incubation membership. More than half of respondent facilities stated they offered sliding scales for these reasons. Other reasons listed for a sliding scale includes offering discounted rates for targeted users such as emerging entrepreneurs/new businesses, non-profits, users only using limited spaces, culinary students, and farmers renting for value-added production.

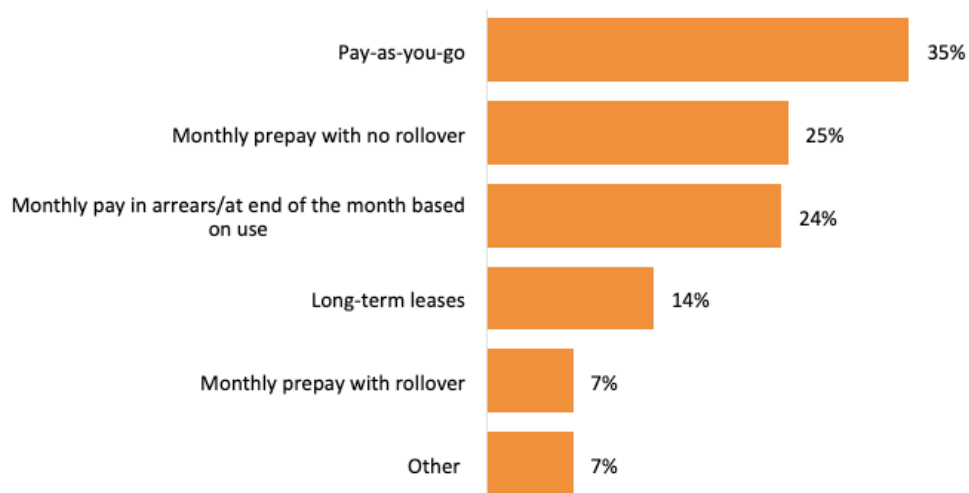
Do you have a sliding scale/different rates for any of the following?



70 PERCENT OF FACILITIES HAVE A MEMBERSHIP PLAN

For facilities that charge a monthly membership, a plurality of respondent facilities (25 percent) stated that they have monthly plans that are paid in advance with no roll over of hours. The next most common option is that facilities bill at end of the month based on monthly usage.

For membership plans, how do you bill tenants? (% of Resp.)



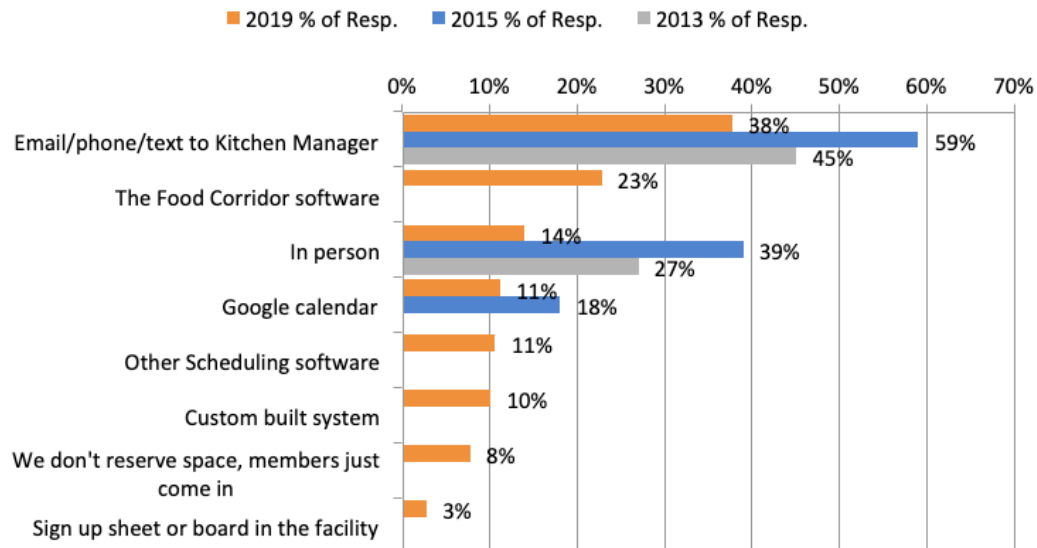
USER INTERFACE

While many manual methods continue such as reserving space by phone and accessing facilities by key, shared use food facilities are making technological advances by offering online services for members and using digital entry to facilities.

SCHEDULING SOFTWARE IS NOW THE MOST COMMON WAY TO RESERVE SPACE

About 81 percent of respondents reported that they use some of scheduling software to manager reservations. The industry leader is The Food Corridor software. This is a shift from 2016, in which most respondents reported using email and phone to manage reservations.

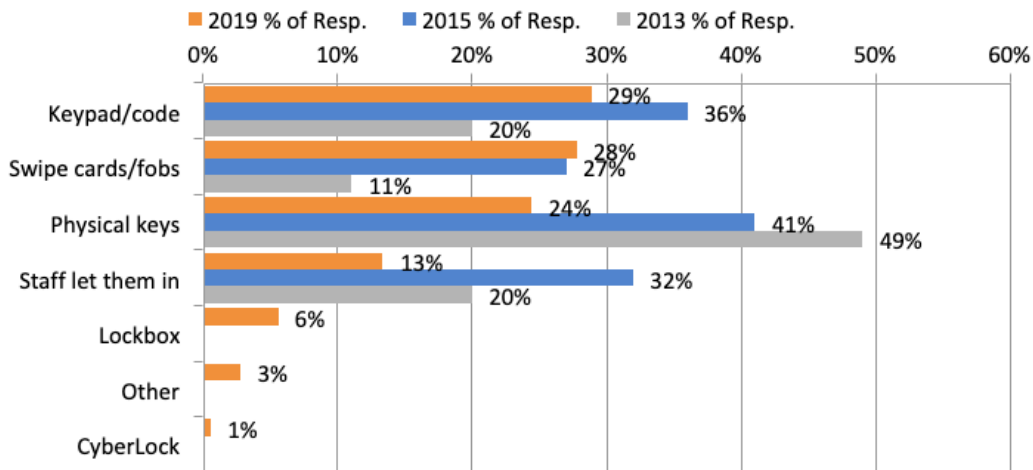
How do member/tenants reserve space?



SHARED-USE FOOD FACILITIES CONTINUE TO OFFER FLEXIBILITY IN ACCESSING FACILITIES

Members/tenants most frequently access the facilities using a keypad/code, swipe card, or cyberlock, with the use of physical keys decreasing in popularity since 2015.

How do tenants/members access the facility?

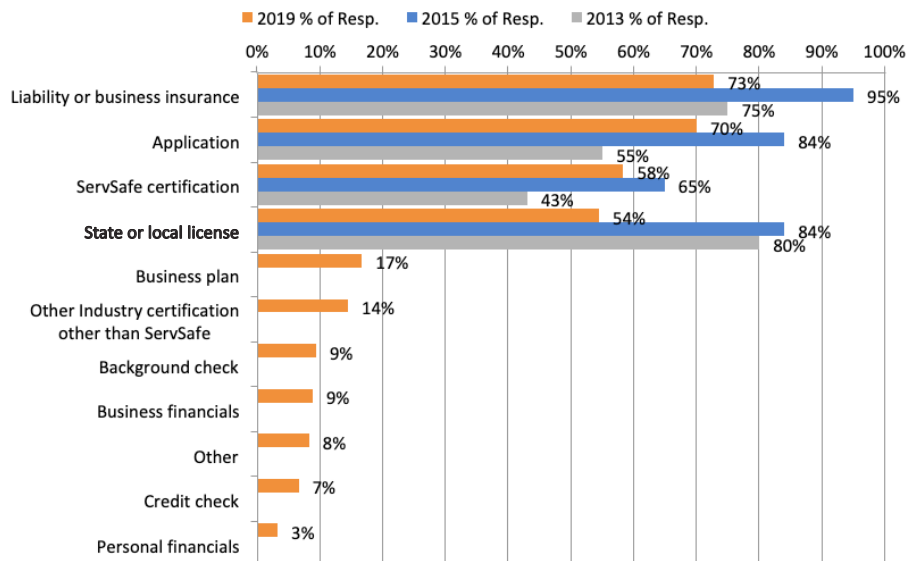


87% offer 24/7 access to members, a 2% decrease since 2015

MOST REQUIRE FORMAL DOCUMENTATION FOR NEW MEMBERS/TENANTS

Similar to the 2016 study, compliance documentation required consists of formal paperwork such as insurance, applications, and licenses and certifications. The most common requirements of shared kitchen facilities are liability insurance, applications, and proof of food safety training.

What documentation do you require for new tenants/members?



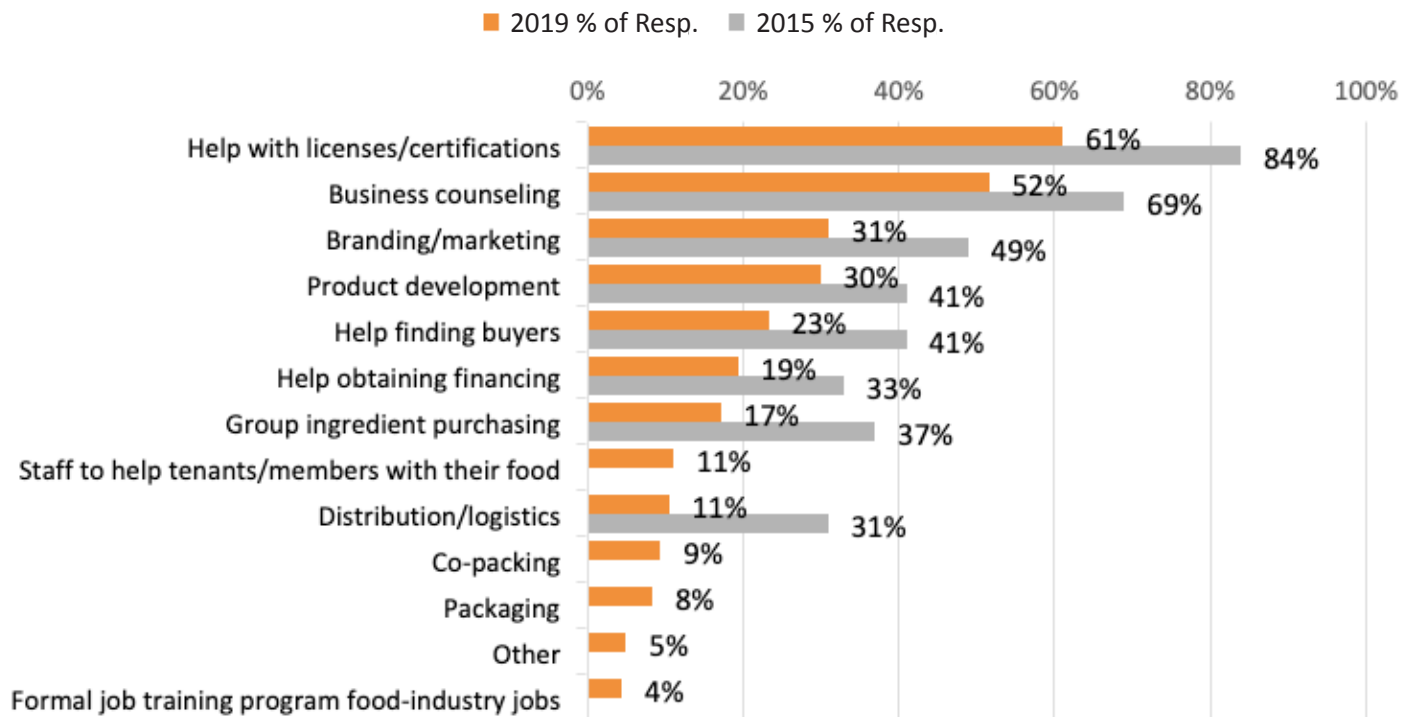
BUSINESS SUPPORT

A core purpose of shared use food facilities is support for tenant businesses. Assistance with accessing or navigating required licenses and certifications, as well as business planning and counseling are among the top services offered and needed by tenants. Over a quarter of respondents track success outcomes, with job creation, product growth, and revenue growth as the most common. A majority of facilities are mission oriented, with a few models offering programmatic support to help low-income, women, or immigrant business.

HELP WITH LICENSES AND CERTIFICATIONS AND BUSINESS COUNSELING ARE THE MOST FREQUENTLY OFFERED SERVICES

Similar to 2015, business services continue to be offered in-house and through partnerships. However, it appears that a share of facilities offering in house business services are decreasing, offering potential opportunities for external partnerships and organizations to offer technical assistance.

What service do you provide your members/tenants?



TENANTS NEED ACCESS TO OPERATING CAPITAL AND MARKETING OPPORTUNITIES

Overall, apart from access to the kitchen space itself, tenants need access to operating capital and business assistance such as marketing and planning. Both incubators with large and small operating budgets listed the same primary needs for its members/tenants.

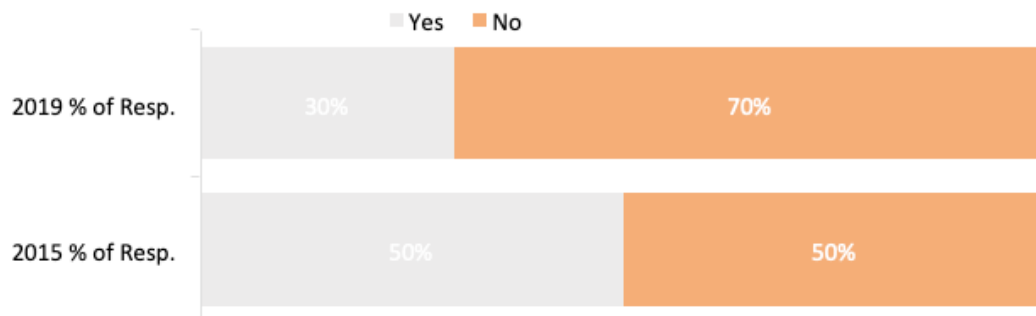
What are the greatest needs of your members/tenants?

1. Access to Kitchen Space and Equipment
2. Access to Operating Capital
3. Market opportunities for selling their product
4. Branding and marketing
5. Product development
6. Access to affordable ingredients
7. Business planning
8. Accessing trained labor
9. Distribution/logics

ONLY 30 PERCENT TRACK SUCCESS OUTCOMES OF TENANTS

In 2015, about 50% of facilities tracked at least one business progress outcome, which is 20 percent lower in 2019.

Do you track outcomes from your tenants/members such as business growth or job creation?



“What’s different about us is that we know success rates for food entrepreneurs are low. In response, we offer wraparound business supports and access to markets and capital. We offer what folks who have the resources would go out and pay for through consultants. Business is so skewed in terms of representation, and women and minority entrepreneurs succeed only if they have access to relevant tools and knowledge.”

-Bonnie Rosenbaum, Director of Communications, Commonwealth Kitchen

"MOM! QUIT YOUR JOB AND SELL SAUCE!": FRESH ZEN



Ruby Chan started Fresh Zen three years ago. Her journey into entrepreneurship completes the circle started by her parents decades ago. Ruby's mother and father were engineers in China but upon arriving in New York City found that no one would hire them. This white-to-blue collar flip required them to make their way sweeping floors, washing dishes and working sweatshops. Lower East Side housing projects were home. After nearly 20 years, Ruby's dad saved enough to start his own to-go restaurant, the setting for Ruby's childhood.

Ruby obtained an MBA, setting her on a career path doing marketing and PR work for CPG companies. To manage the stress of coming home and making dinner for four kids who had been in daycare all day, she started making stock sauces for the week and freezing them. Her ginger and scallion sauce and an Asian chimi churi sauce could be whipped up in the Cuisinart and make for a quick gourmet meal. Neighbors and friends love them. Ruby's daughter implored, "Mom, you need to quit your job and sell sauce!" inspiring her to follow this passion.

To get started, Ruby dove into research on food manufacturing and supply chains, which led her to Commonwealth Kitchen (CWK). Ruby called them up, went through the intake process and learned they could help her figure out startup costs, where to get financing and set her up with mentors and coaches. CWK connected her with the right industry experts. One of her mentors is a soy sauce maker while another is a nutritionist who works for major company. They helped Ruby navigate industry

regulations, product testing and other processes. Culinary experts on-staff helped her understand how to cook safely and properly. All these pieces of support helped her put the entire business together in a fraction of the time and cost it would otherwise take to go to market.

Thanks to the Commonwealth Kitchen relationships, Fresh Zen is rapidly scaling up. Ruby recently received approval for regional distribution into a major national grocer and she is supplying local university foodservice with her bulk sauces. This new business will grow her business ten-fold. CWK coached Ruby in the direction of foodservice for sustainable revenue. Retail margins are so slim, entrepreneurs like her need to keep the balance of sales in favor of higher margin wholesale/bulk business.

Ruby also received advice on women/minority certifications and promoting that aspect of the business. She won a cohort spot with WIN Lab for professional development and now takes on entrepreneurship mentees from Tufts University.

CWK is a special place that brings life experiences full circle for Ruby. If a place like this existed in the Lower East Side while she was young, she believes they would have hired her parents and given them training and opportunities to propel themselves forward. "My parents started from the ground-up without any support and it took the better part of 20 years. Commonwealth Kitchen would have been a great place for my parents to get started."

SECTION II: LOOKING AHEAD



COMPARISON TO 2015 SURVEY

Trends in the shared use food facilities industry point in the direction of more users, a wider variety of products, and a growing professionalism among food businesses and the operations themselves. Challenges remain, such as maintaining the facility and managing operations with lean resources and limited technical and financial support. Facilities are also attracting more emerging food businesses with a wider range of products that require greater technical assistance to help test their product and formalize their business.

The 2019 survey has been designed to continue to evolve and grow with the industry, representing a broader and more refined effort than in past years. As such, the survey includes revised options for responses that expand the information collected from respondents, but also somewhat limiting direct comparisons to past surveys. The 2019 survey also includes a greatly expanded look at more facilities throughout the country, due to a sample size three times that of the 2015 survey- aided by the growth of the Network for Incubator and Commissary Kitchens (NICK), an online network facilitated by the staff of The Food Corridor.

Given the significant growth in sample size from the last survey, some questions surprisingly still received very similar results. For example, the breakdown of for-profit vs. non-profit facilities remained similar at 52 percent and 38 percent respectively in 2019 (with 11 percent in a newly-added "Other" category), compared with 61 percent for-profit and 39 percent non-profit in 2015. In addition, respondents described the primary goal of their facility in a very similar breakdown, with 51 percent focusing on assisting early-growth businesses, compared with 53 percent in 2015. The respondents also displayed similar characteristics between surveys in the percentage of tenants who are women and people of color, the number of shared users that can be accommodated by the facility, and the percentage of facilities reporting making money, breaking even, and losing money.



On the other hand, responses to several questions have differed from past surveys. The 2019 survey shows an increase in the number of facilities less than 3,000 square feet at 45 percent, compared with 35 percent in 2015. Accordingly, the survey group also has more facilities with operating budgets less than \$100,000, at 57 percent versus 49 percent in 2015, and more facilities with fewer than 10 tenants, at 37 percent versus 24 percent in 2015. Further, 58 percent of respondents in 2019 offer different rates for low-income tenants, compared with only 6 percent in 2015. More tenants are also staying for 1-3 years, at 66 percent compared with 46 percent in 2015.

These results paint a mixed picture, but one that seems to indicate that many shared food facilities continue to be mission-focused with a desire to support new businesses. It appears that the industry is trending towards smaller facilities, even as the industry matures and attracts increased levels of investment. Similar challenges remain, as well, with respondents echoing concerns from past surveys of finding quality tenants, maintaining the facility, navigating regulations, marketing the facility, and attracting and retaining staff.

WHAT THE INDUSTRY THINKS ABOUT ITS FUTURE

The outlook on the shared use food facility industry is positive. Nearly 70% of respondents noted they think the industry will be growing over the next five years. Many predict this rise may be attributed to increased connections with the food delivery network, which has been rising in popularity as over one-third of respondents' clients only sell their products through a delivery channel. Many see a potential for franchiseable or multiple locations operated by one company, favoring the most efficient management practice, strong brand, and a history of successful incubated or graduated companies. In any case, differentiation and specialization will be key. However, many facilities noted their greatest challenge to be the regulatory climate of the industry, particularly in reference to licenses and legislation.

Many local municipalities lack a regulatory framework for commercial kitchens looking to rent space to multiple tenants, representing unique challenges for food safety and storage. There is considerable complexity around food production of various types all requiring different regulatory frameworks from various agencies. Operators must determine the applicable regulation under which the food produced will be regulated. (local, state food safety regulations, FDA Code, Good Manufacturing Practices (new) federal (USDA/FDA). These are different for fish and fishery products, juice products, acidified foods, low-acid canned foods, alcoholic beverages, ready to eat foods, delivery-bound foods, meat and dairy, frozen foods, and increasingly complicated: hemp, CBD and marijuana foods. Some of which require HACCP plans and traceability. A HACCP (Hazard Analysis and Critical Control Points) plan is a food safety monitoring system that is used to identify and control biological, chemical, and physical hazards within the storage, transportation, use, preparation, and sale of perishable goods. It also determines critical control points (CCP) in the process of food production.



For many shared kitchen facilities and their users, unclear federal or local regulations in regards to kitchen operations and product distribution limit the facilities' full operational potential. In order to better respond to these challenges and scale with the industry, the ability to partner with other organizations seems to be valuable for many facilities. Nearly half of respondent facilities have sought out relationships with other organizations, and others have noted that forming partnerships are currently useful or would be useful to them in the future. The result of strengthening partnerships may provide the ability to better leverage ecosystem services that support the commercial kitchen industry like operational software, equipment purchases, equipment maintenance, sanitation services, laundry, HVAC, sensors, security, labor. In addition, secondary services that support food entrepreneurs like insurance, branding, business development, supplies, ingredients, packaging, distribution, and sales and marketing channels pose big opportunities. A desire for a harmonized, evidence-based food business curriculum was another opportunity that emerged.

MATURATION AND EVOLUTION

Shared use kitchens are important institutions connecting small to medium-sized food entrepreneurs to an evolving consumer market. Operators and their facilities tend to be the center of local food systems as micro clusters and are a key entry point for new entrepreneurs, the largest proportion of whom have a high school education or less.^{vii} As such, shared kitchens play a key role as a nexus point of the local economy. A unique feature of the industry is that it serves a diverse set of entrepreneurs and end-users, meeting different needs of the overall food system. This diversification creates stability and puts shared kitchens at the center of the food entrepreneurship ecosystem.

The shared use food facility industry has an opportunity to differentiate itself from other commercial kitchen businesses by focusing on the impacts of the kitchen incubators on reducing the racial wealth gap through entrepreneurship. According to the Kauffman Foundation, self-employed people hold 37 percent of all wealth in the US.^{viii} With people of color severely underrepresented in this category and experiencing higher rates of failure than other entrepreneurs,^{ix} the inclusionary practices and robust supports offered through shared kitchen best practices are moving the needle. Focus on creating opportunities for low-income entrepreneurs are another key differentiator. Low-income entrepreneurs are more likely than others to establish their businesses in their neighborhoods and hire from their communities, creating a compounding benefit for low-wealth neighborhoods.^x The challenge at hand is measuring that movement.

In 2019, food delivery sales totaled more than \$21 billion in 2019 are projected to grow at an annual rate of 6.5 percent, with restaurant-to-consumer business comprising the biggest share of this opportunity.^{xi} Due to the demand in online food delivery services, ghost or cloud kitchens are being built to meet the specific needs of food business that only offer delivery services. Large companies with venture capital backing are starting to build out facilities that meet these specific space needs. Current and future shared use food facilities will have to compete with these larger and more capitalized firms for users/tenants, creating an opportunity to support entrepreneurs in capturing this growing

market. Shared use food facilities can differentiate themselves through their community-oriented experiences, established history of helping users, and additional services such as technical assistance and procurement services. This is also an opportunity to support underrepresented entrepreneurs in capturing the growing delivery-only market share.

As the industry grows to adapt to emerging business models and competition, demand for formation of a larger advocacy and support network has grown. While industry support groups have been created specific to geography, through social media, or online communities, many facilities have expressed a desire to establish standard guidelines and resources on the day-to-day operations of a shared-use food facility. Specifically, the Network for Incubator and Commissary Kitchens is the largest informal network of shared kitchens and is facilitated by the staff of The Food Corridor. This private Facebook Group is home to over 1400 shared kitchen owners, operators, and community partners that currently ask questions, share best practices and opportunities, and provide support. In October of 2019, The Food Corridor hosted the network in Austin, Texas for the 2nd annual Food Incubation Summit. The two-day event was geared at food incubator administrators, commissary kitchen operators, and ecosystem service providers supporting the industry. The Summit's educational sessions in the form of panels, quick-fire talks and 1:1 mentoring covered topics ranging from innovative approaches to membership, operations, and policies to designing and implementing incubation programs. Networking events were designed to encourage conversation and collaboration among attendees.

Formation of a membership-based national business association or network presents an opportunity for sharing best practices in key areas like tenant business development, as well as better advocating for shared use kitchen facilities and offering resources for further education and accreditation. By providing a shared set of resources, facilities can better synthesize programming and metrics for tenant success across multiple regions, generating increased financial reputability for businesses seeking financing. Shared kitchens can begin to capture and share better data to improve operations and the flow of resources to the industry.

TECHNICAL ASSISTANCE NEEDS

A common challenge for many respondent facilities centers on the theme of further establishing the shared use food facility industry. The industry demands increased awareness, consistency in regulations, and more financing opportunities. Most respondents reported not receiving any tax credits, and many voiced a need for increased access to grant support. There was a great desire to raise awareness to financiers in order to raise capital for their facility or operations. In addition, mission-oriented facilities stated that they track the outcomes of their users/tenants; however, most respondents stated they do not track any outcomes of their users. The industry currently lacks benchmarking for tenant success, i.e. when a business begins to mature and requires

different needs such as additional financing.

Established standards of operation will further help to formalize the industry and provide financial reputability to businesses in the industry seeking financing. Partnering with larger associations of incubators and economic development organizations also represents an opportunity for facilities to better understand their economic impact. Government and institutional partners can help fill the data gap and add critical capacity where small operators are lacking. By addressing these needs, facilities are better able to advocate for funding and address user needs.

TECHNOLOGICAL, CONSUMER, AND SOCIAL DISRUPTION

As food delivery services become a larger part of how consumers find, buy, and eat their food, there is a growing demand for the disintermediation of the food supply chain. Consumers around the country are looking for readily available, on-demand options for eating, and are prepared to pay a higher price for a more convenient product. Shared use kitchen facilities can take advantage of this demand by providing space for virtual restaurants or meal delivery businesses, perhaps including delivery or other such services. This new wave in the growing sharing economy also requires special attention be paid to integrating equity into the mission, strategies, and policies of shared use kitchen facilities.



APPENDICES

APPENDIX A

ENDNOTES

ⁱ US Small Business Administration Office of Advocacy. Frequently Asked Questions. August 2017. <https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2017-WEB.pdf>

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ⁱⁱⁱ Fairlie, Robert, Sameeksha Desai, and A.J. Herrmann. (2019) 2018 National Report on Early-Stage Entrepreneurship, Kauffman Indicators of Entrepreneurship, Ewing Marion Kauffman Foundation: Kansas City. Available from https://indicators.kauffman.org/wp-content/uploads/sites/2/2019/09/National_Report_Sept_2019.pdf

^{iv} Patti Wilber, and Leonard Dixon. The Impact of Business Incubators on Small Business Survivability, Association of Small Business and Entrepreneurship Annual Conference 2003 proceedings; available from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.598.6767&rep=rep1&type=pdf>; Internet.

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^{vi} Mercedes Delgado, Michael Porter, and Scott Stern, "Clusters and Entrepreneurship," *Journal of Economic Geography* 10, No. 4 (2010): 495–518. (http://www.clustermapping.us/sites/default/files/files/resource/Clusters_and_Entrepreneurship.pdf)

^{vii} "The Importance of Young Firms for Economic Growth." Economic Policy Digest. Ewing Marion Kaufmann Foundation, Updated September 14, 2015. Available from: https://www.kauffman.org/-/media/kauffman_org/resources/2014/entrepreneurship-policy-digest/september-2014/entrepreneurship_policy_digest_september2014.pdf; internet.

^{viii} Ibid

^{ix} Ibid.

^x Kahliah Laney, with Jonathan Bowles and Tom Hilliard. "Launching Low-Income Entrepreneurs." Center for An Urban Future. April 2013. Available from: <https://nycfuture.org/pdf/Launching-Low-Income-Entrepreneurs.pdf>

^{ix} Statista.com Industry Outlook (<https://www.statista.com/outlook/374/109/online-food-delivery/united-states>).

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STREET
CONSULTING



CITY OF BANGOR

MEMORANDUM

To: Business & Economic Development Committee
Debbie Laurie, City Manager
Anne Krieg, Director, Community & Economic Development

From: Stephen A. Bolduc, Economic Development Officer

Date: April 18, 2023

Subject: Central Kitchen - Bangor

“Competitive advantages exist in the national and global economy for Maine made food products.”

This was the conclusion of Focus Maine’s investigation into the Maine economy.

“In April 2015, Focus Maine hired a global consulting company to conduct an in-depth analysis of global trends and market opportunities, Maine’s industrial competitive advantages and weaknesses related to those opportunities, and on-the-ground perspectives from Maine business leaders, economic thought leaders, investors, entrepreneurs and policymakers. The result: a focus on three globally competitive, high-growth sectors.”¹

The resulting strategy was targeted to grow Maine’s food, aquaculture, and biopharma industries, and additionally focus on Maine talent as a cross-cutting enabler.

The global trends inspiring the focus on Maine food are:

- Rising demand for locally sourced, responsibly cultivated, food products.
- A new generation of farmers who are embracing the farm-to-table movement.
- Rising need for secure local food supply chains during COVID-19.

¹ [Our Focus | FocusMaine](#)

The advantages Maine has in this space are:

- Abundant water resources.
- Affordable land.
- Proximity to some of the largest U.S. cities.
- 8,000 farms and 1.5 million acres of farmland already fueling the region's food economy.²

It is clear that the Maine food economy, which UMaine Cooperative Extension cites as a \$3.9 billion-dollar industry³, has huge potential for growth, but is **stymied by factors such as significant start-up costs and risk, lack of production and processing spaces**, and lack of access to technical assistance focused on the industry.

Shared kitchens and kitchen incubators have emerged as a way to address some of those systemic barriers to growing the food economy in a region. A licensed, inspected, commercial food production/processing space with the necessary equipment, buys down the cost and risk of starting and scaling a business. Kitchen incubators typically offer a shared kitchen space, plus services such as education and technical assistance (with certifications, product development, packaging, pricing, and connections to markets). They also support local food trucks and ghost kitchens (food prep and cooking for delivery only – no storefront).

The Food Corridor says there are more than 600 shared kitchen facilities operating in the US.⁴ However, only one other kitchen incubator is operating in Maine – Fork Food Lab, established in Portland in 2016. Fork recently moved to a new 42,000 square foot building in South Portland with an estimated economic impact over 3 years of \$25 million and 300 jobs. They are credited with being the starting point for many new restaurants in Portland.

A 2020 market analysis for the expansion of Fork prioritized several parts of the food economy: meat, seafood, dairy, fermented foods and drinks, plant-based, and ethnic foods. These markets have the potential for significant return on investment. In addition, the market study noted the need for assistance with wholesaling, a skilled labor pool, food science, retail, supply chain management, and distribution.⁵ The food economy in Maine is poised to grow and offer significant economic development opportunity if we can improve the infrastructure for processing, food storage, distribution, and the technical assistance needed around the sector. Formalizing and legitimizing kitchen incubators is a critical step in that process.

² [Our Focus | FocusMaine](#)

³ [Maine Food System - University of Maine Cooperative Extension \(umaine.edu\)](#)

⁴ [Kitchen Incubators: A Growing Industry Embracing Tech and Supporting Food Entrepreneurs - The Food Corridor](#)

⁵ Fork Food Lab 2.0: Market Analysis by Caroline Paras, March 1, 2020

It should be noted that COVID-19 pandemic trends have only accelerated the demand for Maine food products. In a 2021 COVID-19 addendum to the Fork 2.0 market study, the following consumer trends were cited as further proof of the market opportunity for small Maine food producers: online shopping for grocery items, paying a premium for local products, prioritizing healthy eating, more scratch cooking at home (more market for sauces, spices, and plant-based alternatives to meat and dairy), and more frozen or shelf-stable foods to extend the shelf life of groceries.

Increasing local food production and consumption is also a strategy in the Maine Climate Council report, Maine Won't Wait. Strategy D, Grow Maine's Clean-Energy Economy and Protect Our Natural-Resource Industries includes: "increase the amount of food consumed in Maine from state food producers from 10 percent to 20 percent by 2025 and 30 percent by 2030 through local food system development." Local food production and consumption has significant environmental benefits on top of the economic benefits.

Establishment of a central kitchen incubator in Bangor would enable producers and processors to add value to their products. This added value would enable them to increase sales of locally produced food and satisfy distributor, institutional, and retail demand for processed products. To accomplish this, access can be provided centrally to the specialized equipment, facilities and guidance that businesses need to scale from home kitchens or from small to full-scale commercial production. A facility would address one of Maine agricultural facility deficiencies, given that now it is extremely difficult for food manufacturers to connect to co-packers and food safety certified kitchen space. Bringing producers into a central location ensures that both the staff and the food community there can connect them to technical assistance, industry contacts, and capital opportunities.

Looking at the research around Maine's food economy, potential for growth, barriers currently constraining that growth, and the private sector's demand for such a facility in the Bangor region, the creation of our kitchen incubator at 50 Cleveland Street is an important public investment to support food and entrepreneurial systems and accelerate economic development.

The building to be renovated for the "Central Kitchen" is a 19,000 square foot, single-story structure. The renovation and improvements to the building will include:

- Renovating the existing kitchen space to current food quality standards;
- Outfitting the commercial kitchen with appliances, equipment and cookware

- Installing a sprinkler system and improving the fire protection and life safety systems
- Installing an air conditioning system and energy efficient lighting system
- Installing and converting ADA systems in rest rooms and entryways;
- Installing new interior finishes on the floor, walls and ceilings
- Repairing the building's exterior
- Testing and repairing existing heating, plumbing and electrical systems
- Installing a new EDPM roof system (in the next 10 years)

Although an operational model has not been established, the City's intentions have always been to start the Central Kitchen project with the renovation of the building and then transfer management of the facility. There are many operational models that could be considered from a single operator to a non-profit manager to leasing or selling the facility.

Sources:

U.S. Kitchen Incubators An Industry Update, January 2020 - [The State of the Kitchen Incubator Industry in the US: An Industry Update 2020 - Econsult Solutions, Inc.](#)

Fork Food Lab 2.0: COVID-19 Addendum, March 2021 - [Click-here-to-read-the-Market-Analysis-2.0-Fork-Food-Lab.pdf \(thefoodcorridor.com\)](#)

The Food Corridor – Shared Kitchen Operations Manual - [Shared Kitchen Operations Manual - The Food Corridor](#)

The Food Corridor – Shared Kitchen Toolkit - <https://drive.google.com/file/d/1AxPanVpXpElcJUVQjpkBAfjk4yFo-fEw/view>

Purdue University Extension Local Food Program – Opening Community Facilities to Food Entrepreneurs: Guidance for Communities and Facility Operators - [OpeningCommunityFacilitiestoFoodEntrepreneurs.pdf - Google Drive](#)

Maine Won't Wait – Maine Climate Council
[MaineWontWait December2020.pdf](#)

(Strategy D, Grow Maine's Clean-Energy Economy and Protect Our Natural-Resource Industries includes: "increase the amount of food consumed in Maine from state food producers from 10 percent to 20 percent by 2025 and 30 percent by 2030 through local food system development.")

"Maine lacks sufficient food processing infrastructure across all agricultural sectors" - [What will it take to grow Maine's local food economy? \(themainemonitor.org\)](#)

Network for Incubator and Commissary Kitchens



Bangor Central Kitchen Market Analysis and Financial Plan

Presented to the City of Bangor, Maine



October 2023



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www.ParasScope.com

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EXECUTIVE SUMMARY

Located at 50 Cleveland Street, Bangor Central Kitchen is an 18,167-square foot building that served as the officers' club on the former Dow Air Force Base (1947-1968). Turned over to the city in 2016, the facility is envisioned to become an **incubator** with a shared-use commercial kitchen, event space, and offices to serve entrepreneurs in the Greater Bangor region. Locally, residents, service providers, and potential users desire a shared-use kitchen that is also a community asset, incorporating space for **culinary arts instruction**, **special events**, **retail**, and **local food access** for producers and consumers alike.

Bangor's food scene is growing – as demonstrated by per capita restaurant sales **2.5 times** the norm and food industry employment increasing at **3 times** the rate of the rest of the economy. The tight real estate market, however, constrains expansion, setting the stage for Bangor Central Kitchen to become an incubator for innovative food products and restaurant concepts. Food, however, represents a convenience product that consumers will not travel **more than 20 minutes** to purchase. This trade area of **~70,000** incorporates all of Bangor plus 14 communities, boasting residents who are **younger**, **better educated**, and **higher income earners** than those in the city and region. In addition, three consumer segments totaling one third of the trade area demonstrate a **distinct preference for local food**.

Potential users of Bangor Central Kitchen include producers of **consumer-packaged goods**, **mobile vendors**, and **chefs** and **caterers** who are willing to travel up to **90 minutes** to use the facility. By fundamentally lowering the entry cost to food production, users will be able to sell food on day one of their membership. Given that users represent the greatest source of revenue to sustain the facility, their needs should be prioritized. Beyond affordable production space, their diverse needs can be addressed through **collaborative programming** with local, regional, and statewide agencies and organizations. Top areas of interest include help with **food safety** and **supply chain management**.

Renovation of Bangor Central Kitchen could cost over **\$3.5 million**. The financial model assumes that the City can secure **grants for 70% of renovation costs**, with \$1 million already attained. At the startup stage, Bangor Central Kitchen should consider hiring a General Manager and an Operations Manager. The most volatile variable costs are **utilities** and **maintenance**.

Under the financial assumptions model, Bangor Central Kitchen may require an **operating subsidy of \$200,000** per year during its startup phase. By Year Three, the facility could **break-even**. By Year 5, the facility could generate a **net profit of \$265,000** per year.

By the buildout stage, Bangor Central Kitchen may generate a total economic impact of **105 jobs** and **\$7 million in sales**.

BACKGROUND

Located at 50 Cleveland Street, Bangor Central Kitchen is an 18,167-square foot building that served as the officers' club on the former Dow Air Force Base (1947-1968). Turned over to the city in 2016, the facility is envisioned to become an incubator with a shared-use commercial kitchen, event space, and offices to serve entrepreneurs in the Greater Bangor region. The purpose of this report is to outline a plan for the viability and sustainability of such a facility from a market perspective.

Since the 1960's, incubators have helped launch businesses in a variety of industry sectors. Incubators provide affordable space, mentoring, and resources to facilitate the startup of early-stage companies. According to the National Incubation Association, 65% of startups fail within the first five years. According to the National Restaurant Association, the failure rate for restaurants is even higher – 80%. But when startups are launched in an incubator, their success rate increases to 87%.

The Bangor region is already home to several incubators, including the Bangor Innovation Center, UpStart Center for Entrepreneurship, Foster Center for Innovation at the University of Maine, and the Rize CoWorking & Collaboration Space. A shared-use kitchen incubator can generate the following benefits for both entrepreneurs and the community:

Entrepreneurs

- Access to a fully licensed and permitted **commercial kitchen** at less than market rates.
- Access to specialized manufacturing and packaging equipment that can increase **economies of scale**.
- **On-site coaching and mentoring** from staff, experts, and experienced food entrepreneurs.
- **Connections** with farmers, fishermen, buyers, and distributors.
- Opportunity to build a **local following** and track record critical to qualify for a commercial loan.

Community

- Opportunity to **sample** new food products and restaurant concepts.
- Access to **local food** grown, raised, harvested, and/or processed in Maine.
- Opportunity to participate in **cooking classes** led by local experts.
- Opportunities to **meet the makers** through markets and workshops.
- Structured pathway to **economic mobility**, particularly for women and persons of color.
- **Diversification** of the region's economy.
- Increase in the long-term **success rate** of local businesses that will eventually fill the region's villages and downtowns.

METHODOLOGY

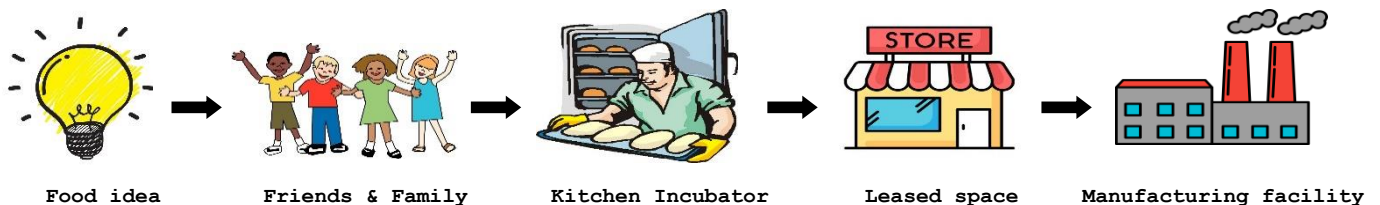
The methodology for this report consists of three primary data sources:

- **Survey of potential users** conducted from June 21-July 21, 2023, including caterers, mobile vendors, and food producers within a 90-minute radius of Bangor. Hereinafter, this will be referred to as the BCK survey.
- **Research on local conditions** in the Bangor region from public data sources, including the commercial real estate market, other commercial kitchens, and the region’s food production industry.
- **Research at the national level** on best practices for shared-use commercial kitchens, including revenue models, pricing structure, and service programming.

VALUE PROPOSITION

The central value proposition of a kitchen incubator is to lower the risk of starting up a food enterprise. The typical entrepreneur might start by experimenting for family and friends. If their product is met with rave reviews, their next step might be to obtain a state license in order to make food out of their home kitchen. Without the availability of a kitchen incubator, a huge leap of faith is required to take the next step: from producing food at home “for free” to leasing manufacturing space by the year. Such a transition demands the entrepreneur quit their “day job” to commit to full-time operation as well as obtain a commercial loan to secure space and construct leasehold improvements to make the space suitable for food production.

Typical life cycle of a Maine food manufacturer



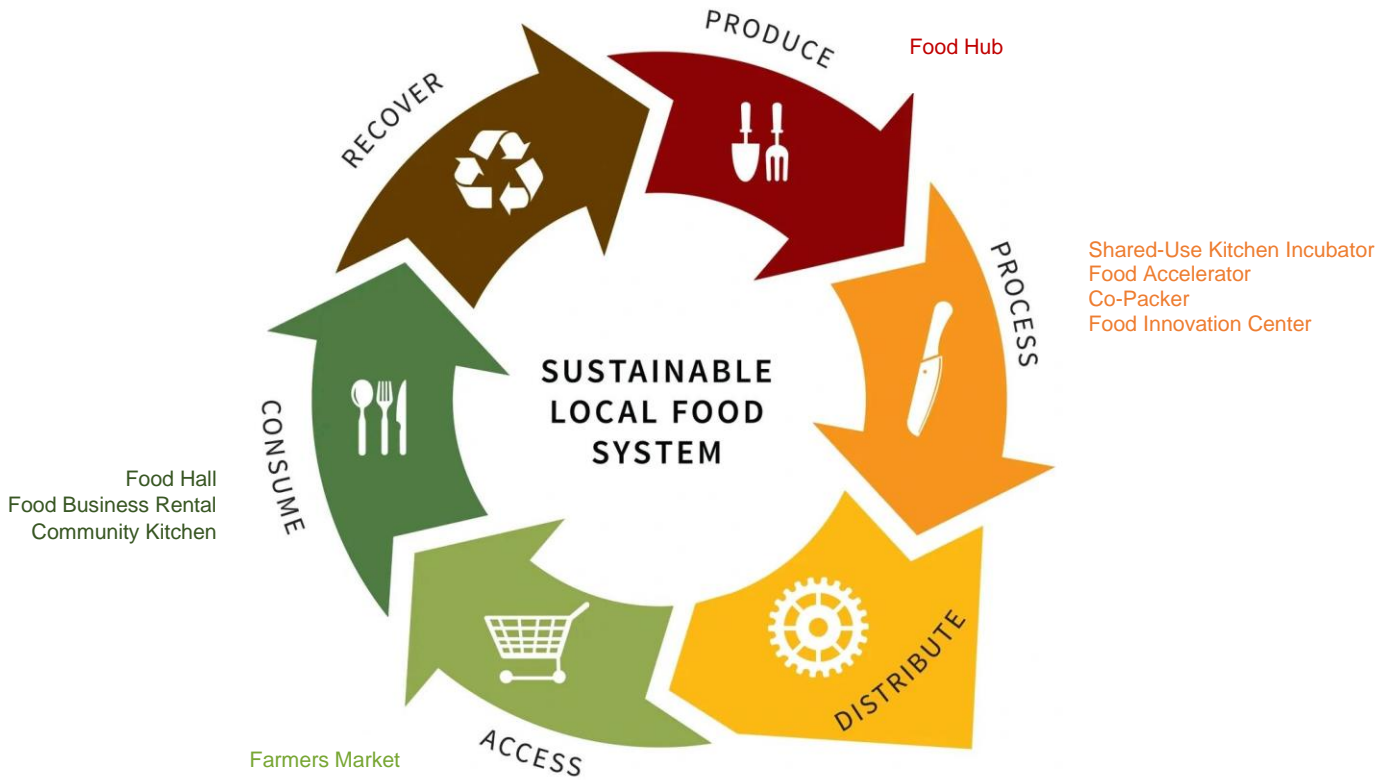
BUSINESS MODEL

A shared-use kitchen provides space for the commercial production of food offered for direct sale or wholesale. Access to shared space lowers the entry barrier to entrepreneurship, enabling users to startup at less cost than leasing their own production space. By sharing access, entrepreneurs also have the opportunity to learn from each other in collaborative environment, increasing their chances of long-term success.

As of 2019, there were 600+ shared-use kitchens in virtually every U.S. state. About 60% are less than 5,000 square feet, with space to accommodate 4-6 users at the same time, and 10-19 users at any point in time.¹ The kitchen can be the sole component of a facility or one of many complementary uses described below.

1. **Community Kitchen:** A commercial kitchen at a church, school, or community center that rents both production and function space to one user at a time. For example, see Halcyon Grange: <https://www.halcyongrange.org/>.
2. **Food Hub:** A facility that supports the aggregation, storage, distribution, and/or marketing of local food products. Processing capacity is usually limited to washing and packing. For example, see the Portland Fish Exchange: <https://www.pfex.org/>.
3. **Food Hall:** Large communal environment where food and drinks are sold from individual chef-driven establishments. For example, see Portland Market House: <https://www.publicmarkethouse.com/>
4. **Food Business Rental:** A business that rents out its excess kitchen capacity to individual users during times when the primary business is closed. For example, see Korean Dad in Veazie.
5. **Shared-Use Kitchen Incubator:** A commercial kitchen with the capacity to support multiple users in production at the same time. In addition to space, the incubator usually provides entrepreneurial training. For example, Fork Food Lab: <https://www.forkfoodlab.com/>.
6. **Co-Packer:** A business that takes on the processing and packaging of product lines outsourced by individual brands. For example, see co-packing services offered by Pemberton's Gourmet Foods: <https://pembertonsgourmetfoods.com/small-batch-co-packing/>.
7. **Food Accelerator:** A virtual incubator that provides a structured program of entrepreneurial training, mentoring, and access to capital to help small businesses scale, sometimes in exchange for equity. For example, see MarketShare offered by the Maine Center for Entrepreneurs: <https://www.mced.biz/marketshare-accel>.
8. **Food Innovation Center:** A facility that supports the commercialization of food and beverage products through research and development, such as product testing. For example, see the Dr. Matthew Highlands Pilot Plant at the University of Maine's School of Food and Agriculture: <https://umaine.edu/foodandagriculture/pilotplant/>

The local food system is a continuous virtuous chain from the producer to the household consumer. Below is a graphic that illustrates how each facility can add value to the local food system. These categories are not mutually exclusive. For example, a food hub can serve as an aggregation point that provides access to both farmers and consumers, while a commercial kitchen incubator can drive the recovery of food by adding value to upcycled produce.

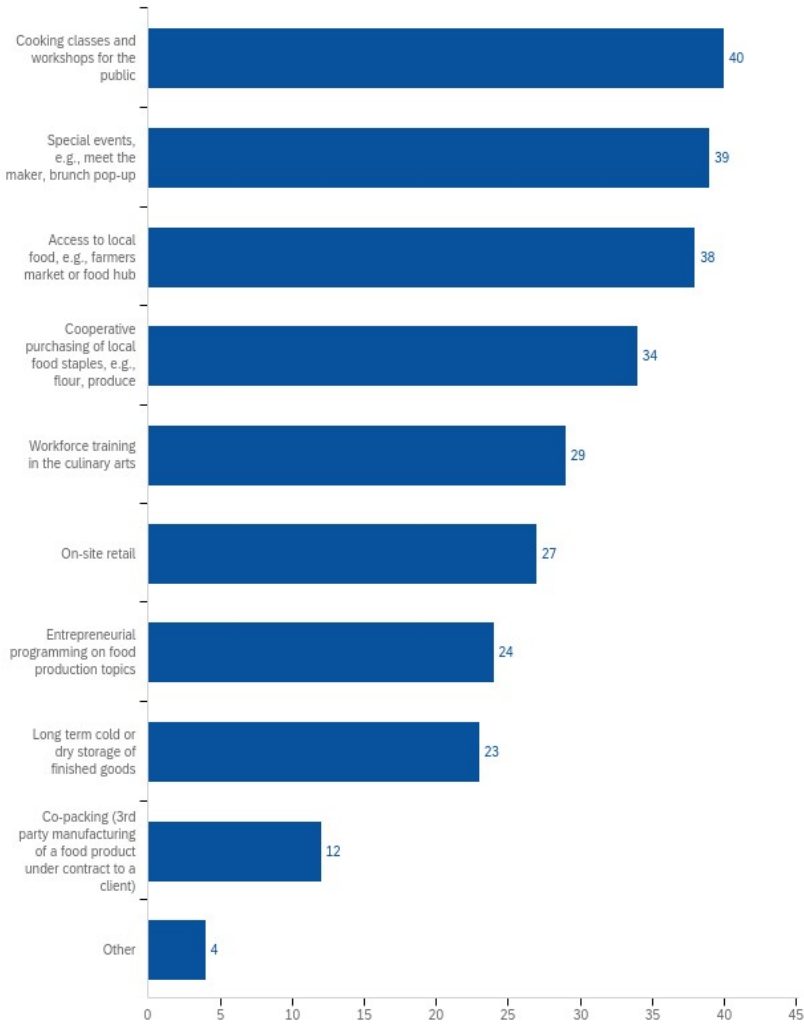


Source: Local Food Alliance

LOCAL VISION

Nationwide, commercial kitchen incubators have stated that their primary mission is *assisting early-growth businesses* (51%) and *strengthening the local food economy* (18%).² Locally, interested parties have weighed in with their votes. The BCK survey attracted 74 responses from both potential users (53%) and others (47%), including service providers, food producers, and consumers. All respondents were asked what activities or services they would like to see offered at Bangor Central Kitchen beyond space. The top vote getter was cooking classes for the public (40), followed by special events (39), local food access (38), cooperative food purchasing (34), culinary arts instruction (29), on-site retail (27), and entrepreneurial programming (24). These responses indicate the desire for a shared-use kitchen incubator that incorporates space for culinary arts instruction, special events, retail, and local food access for both producers and consumers, such as a food hub, farmers market, or food pantry.

Besides space, what activities or services would you like to see offered at Bangor Central Kitchen?



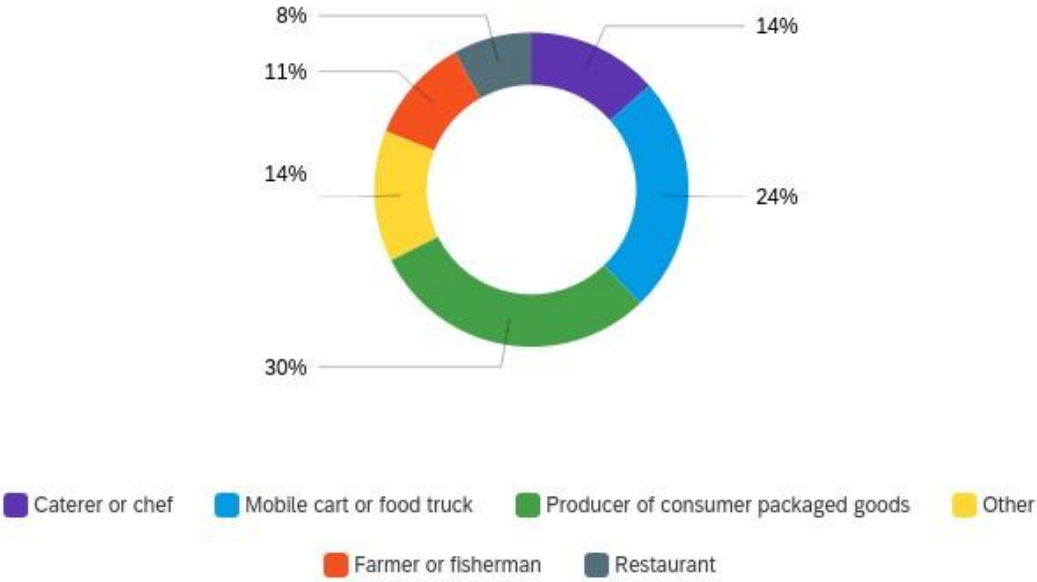
MARKET DEMAND FROM POTENTIAL USERS

Types of Users

Of 74 respondents, a total of 39 people classified themselves as potential users of Bangor Central Kitchen. Of potential users, 65% indicated that they were *interested* or *very interested* in renting space at the facility. User types include the following:

- **Consumer-packaged goods (CPG)** (30%) includes users producing shelf-stable, refrigerated, and/or frozen products offered direct-to-consumer or wholesaled to markets.
- **Mobile vendors** (24%) include food trucks and food carts that offer fresh food-to-go. About 24% of potential users fall into this category.
- **Chefs or caterers** (14%) include users preparing fresh food for social events, such as corporate parties and weddings. They may also wish to host “pop-up” restaurants for a day, such as brunch.
- **Farmers and fishermen** (11%) includes those who want to add value to raw inputs they grow, raise, or harvest themselves.
- **Restaurants** (8%) are established businesses looking to develop a product line they do not have the space to produce in-house.
- **Other** (14%) includes educators who want to offer cooking or nutrition classes for consumers, workers, and/or entrepreneurs.

What type of potential user are you?



Potential User Profile



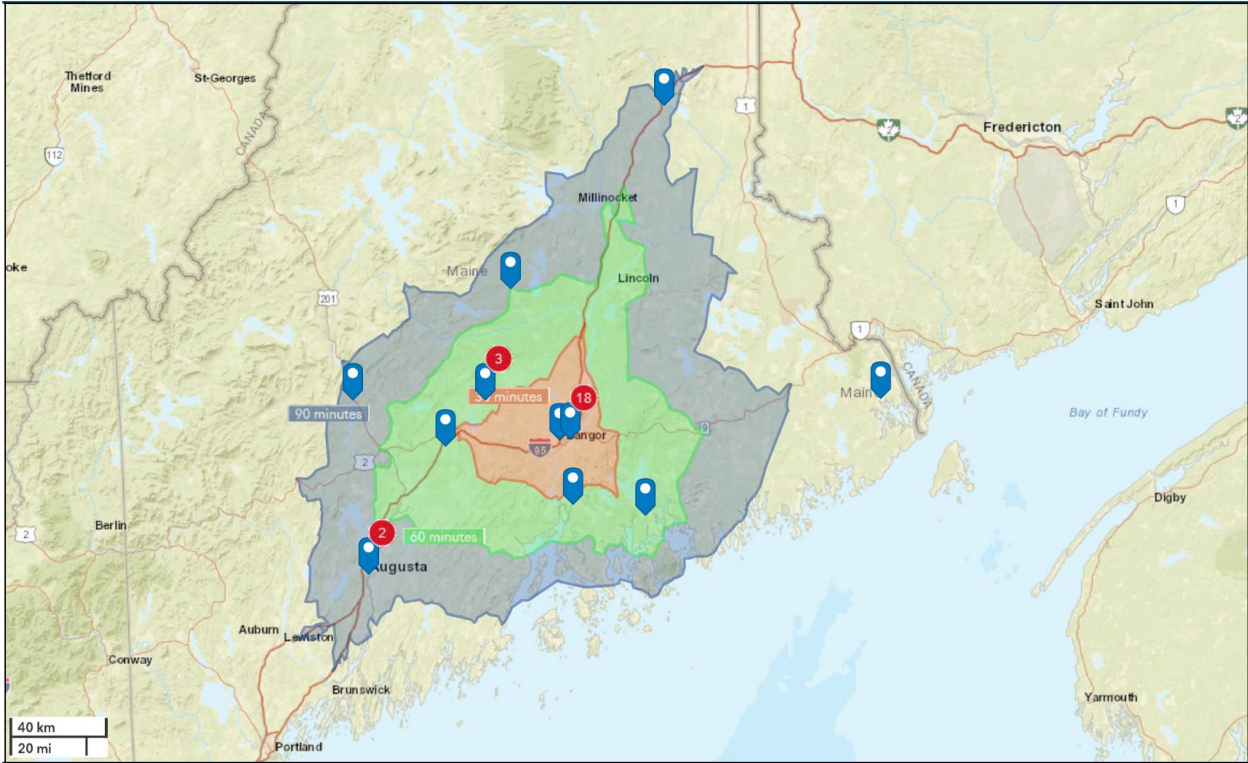
Holli and David Allen launched the Maineiac Snack Shack in 2023. Their food truck offers a diverse product line specializing in Mexican cuisine as well as classics like grilled cheese, hot dogs, baked goods, and even shaved ice. *"We love to cook,"* says Holli. *"I have always cooked for family and friends. When we lived in Colorado and Nevada, we had friends who encouraged us to try to sell our food. I was even a 'lunch lady' for the last few years in Hampden. Finally, we decided, 'Let's just do it!'"* From a renovated cargo trailer, the Maineiac Snack Shack has taken flight, with their most popular menu items - chicken and steak burritos, attracting regular customers from as far as Bar Harbor to their regular stop on the Bangor waterfront. While they currently prep savory items in the truck and sweet ones in a fully licensed home kitchen, access to a larger facility like Bangor Central Kitchen would help them address a variety of needs: more floor space, elimination of greywater, and year-round production. In the winter, for example, they hope to produce prepared meals-to-go. In the long term, Holli and David dream of owning their own a piece of property where they could create a permanent food truck court or row with fire pits, lights, and a genuine family-friendly vibe. For the Allen family, their food truck is already a family affair, with a gluten-free menu that even their daughter can enjoy.



Geographic Catchment Area

The following map illustrates the distribution radius of respondents who classified themselves as potential users of Bangor Central Kitchen: 50% were located within a 30-minute radius of the city, 19% within 60 minutes, and 14% within 90+ minutes.

Radius of Potential Users by Drive Time



Business Life Cycle

Of potential users, the vast majority, 71%, are already in production, including established businesses looking to expand. Of the 29% not in production, 18% are engaged in research and development, and 11% plan to be ready in 6-12 months.

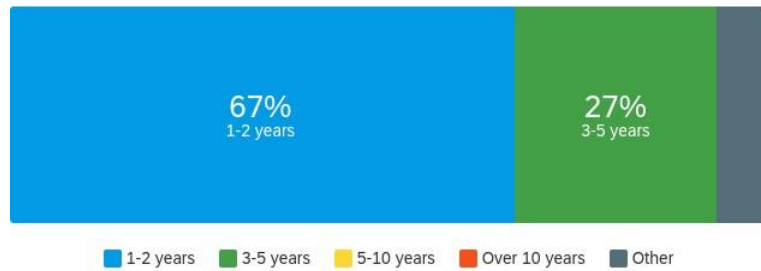
What is the current stage of your business?



Business Tenure

Of those in production, most potential users, 67%, are startups that have only been in business for 1-2 years. Another sizable segment, 27%, are established businesses that have been in production for 3-5 years. This diversity bodes well for creating a collaborative mix of new and experienced entrepreneurs.

How many years have you been in business?



Annual Sales

Virtually all potential users, 94%, are very small businesses earning less than \$100,000 in sales. In fact, 67%, earn less than \$50,000. Just one potential user, a food truck, reported over \$100,000 in sales. Whether sales are constrained by lifestyle goals or lack of access to efficient infrastructure is unknown.

What are your annual sales?



Employment

Of potential users, nine businesses reported that they employed 18 full and part-time workers, including themselves. This works out to two employees per business.

Product Line

Nationwide, the top 10 products developed at shared-use commercial kitchens include ready to eat foods, baked goods, prepared meals, sauces/spreads, jams/jellies, spices/rubs, chocolates, pickled/fermented foods, vegan products, and nuts/seeds/snacks.³

Locally, the interests of potential users align with national trends. See BCK Survey results at right. These product lines have important implications for the equipment, layout and design of the kitchen.

Baking demands an environment with humidity control. Access to a blast chiller will not only help producers preserve the freshness of final products but enable them to stock up on inventory for large events, such as festivals and holidays.

Meat, fish, or poultry products that are wholesaled to markets require that 1) the producer is USDA-certified and 2) the facility is USDA-certified. These requirements hold true even if the final product includes meat that has already been USDA-inspected. In addition, the equipment must be dedicated to meat production, and not shared with other products. Also, the facility must dedicate an office for occasional use by the USDA inspector.

Dairy demands a temperature-controlled environment with dedicated equipment not shared with other food products.

Fermentation also demands a temperature-controlled environment that allows microbes to perform their magic. Alcoholic beverages require additional hurdles, including appropriate state and Federal licenses as well as production in a bonded facility.

Plant-based producers will be reluctant to share equipment with producers that incorporate animal products.

Gluten-free certification requires dedicated equipment with physical separation from other producers.

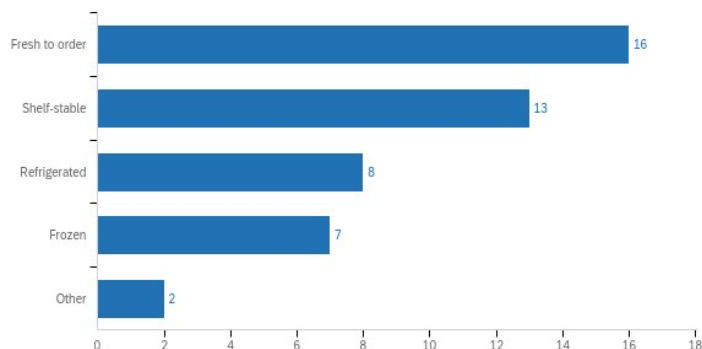
Beverages. Without hot or cold pasteurization, beverages have a limited shelf life.

Product Format. There is a more or less even distribution of products that will be made fresh to order, shelf stable, and frozen/refrigerated.

What is your product line? Check all that apply.

Bakery goods	14
Meat, poultry, and fish products	10
Condiments, such as sauces and jams	8
Fruits and vegetables	8
Catered, fresh, or prepared meals to go	5
Beverages	4
Gluten-free	4
Fermented	4
Plant-based meat or dairy	3
Other	2
Dairy	1
Total	63

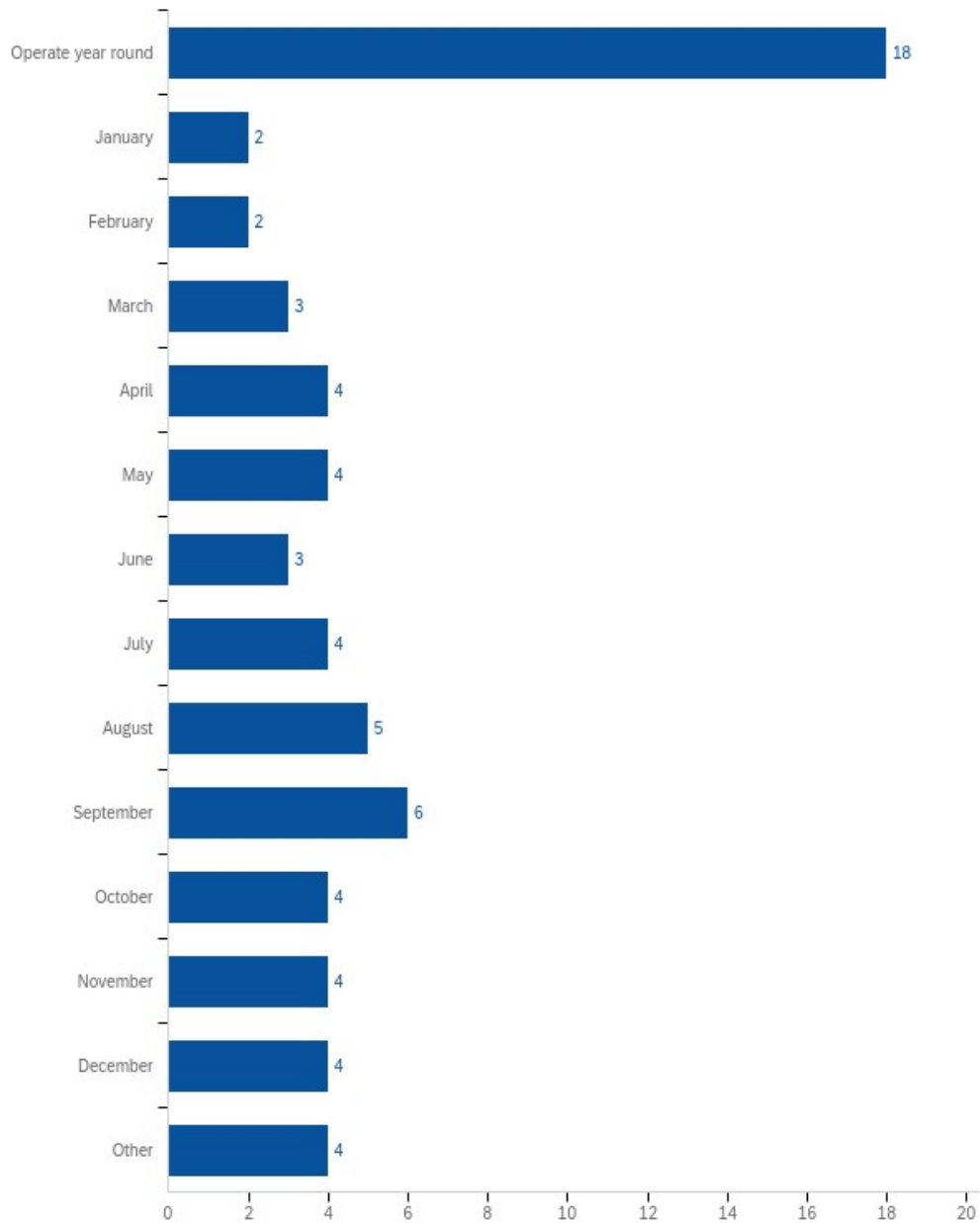
In what format do you plan to offer your products?



Usage

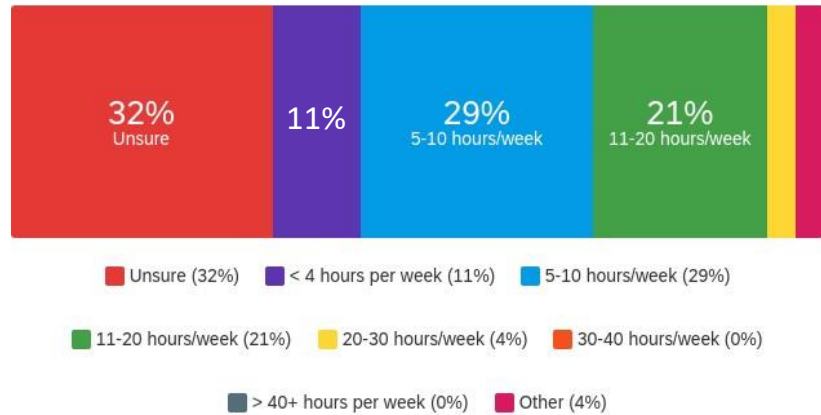
Seasonality. In terms of seasonality, about half of potential users intend to operate year-round. This level of seasonality could be due to a variety of factors: the product line relies on Maine ingredients timed to coincide with the state's short growing season; the primary selling channel for the business is special events, such as weddings and festivals, which are more prevalent in the summer and fall; and/or the enterprise is a part-time venture for the owner. Whether potential users want to scale or could scale to year-round production is unknown.

How often would you use the facility?



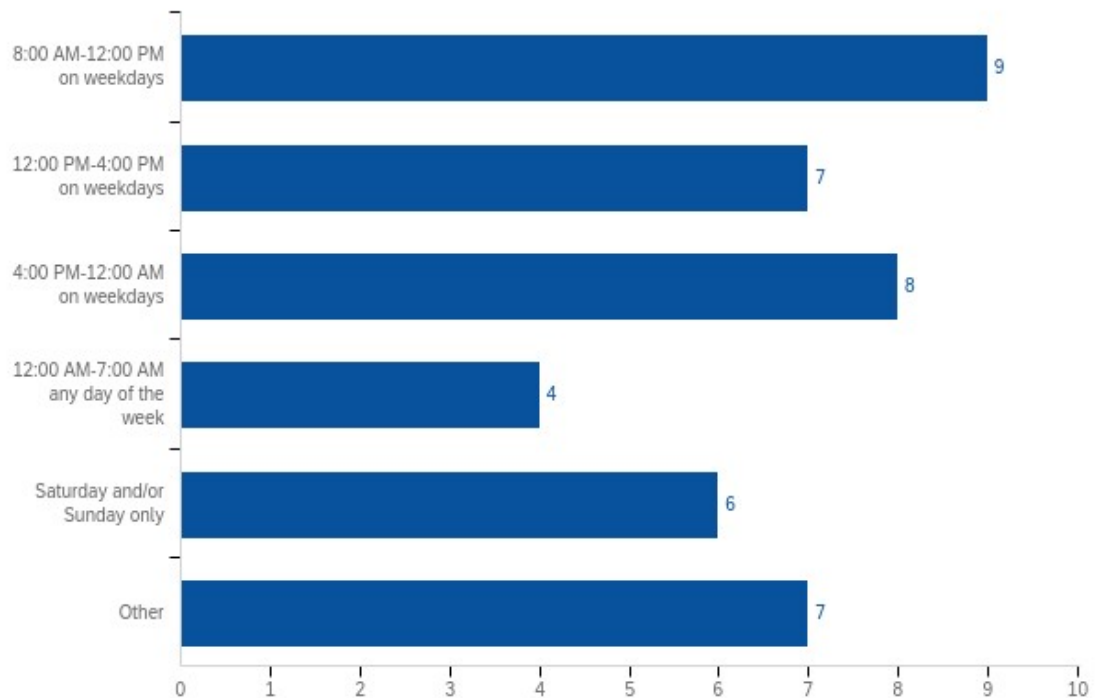
How many hours per week would you use the facility?

Frequency. In terms of weekly usage, one third of potential users are unsure of their total hours. Another third plan on just 5-10 hours per week. The last third plan on 11-30 hours per week.



Time of Day. In terms of daily usage, there is an even spread across daytime hours, including 8AM-Noon, 12PM-4PM, and 4PM-midnight. Another segment plans to work weekends only and another group, overnight or early morning. The *other* category includes caterers with unpredictable hours.

What time of day would you be likely to use the facility?



Amenities

Equipment. Nationwide, over 50% of shared-use commercial kitchens offer refrigerators, freezers, ovens, stoves, mixers, and food processors along with more typical amenities like prep tables, sinks, shelves, utility carts, and dishwashers.⁴ More specialized equipment desired by at least three potential users of Bangor Central Kitchen include dough sheeters, deep fryers, vacuum or heat sealers, proofers, blast chillers, smokers, dehydrators, pressure canners, and meat grinders.

What type of equipment do you need at Bangor Central Kitchen to produce your primary product?

Standard oven	20
Cold storage	18
Standard range	17
Commercial mixer	17
Dry storage	16
Food processor	15
Blender	12
Dough sheeter	9
Deep fryer	9
Vacuum or heat sealer	7
Proofer	6
Microwave	6
Pressure cooker	5
Grill	5
Flat top griddle	5
Smoker	4
Dehydrator	4
Blast chiller	4
Pressure canner	3
Other	3
Meat grinder	3
Ice cream maker	2
Filler	2
Deli slicer	2
Continuous feed floor juicer	1
Tilt skillet	0
Steam kettle	0
Air fryer	0

Food Truck Amenities. The BCK Survey was distributed to 170 mobile vendors within a 90-minute radius of Bangor, including food trucks and food carts. In total, eight mobile vendors expressed interest in renting space at Bangor Central Kitchen. In addition to prep space, cold storage, and dry storage, mobile vendors may desire additional amenities that other types of users do not need, such as a dish pit, electrical hook-up, freshwater fill-up, greywater disposal, secure overnight parking, and bagged ice. Of the atypical amenities, the dish pit, electrical hook-up, freshwater fill-up, and greywater disposal were either *must have* or *nice to have* amenities desired by over 50% of respondents.

If you are a food truck, what additional amenities do you need?

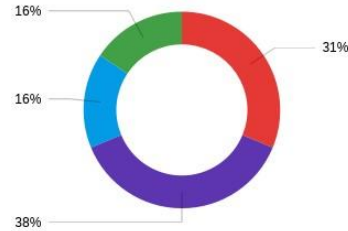
	Must have	Nice to have	Not necessary
Prep space	67%	11%	22%
Dish pit	44%	11%	44%
Cold storage	33%	44%	22%
Electrical hook-up	33%	33%	33%
Freshwater fill-up	22%	44%	33%
Grey water disposal	22%	44%	33%
Dry storage	11%	67%	22%
Secure overnight parking	11%	22%	67%
Bagged ice	9%	36%	55%

Revenue Structure

Pricing Models. Nationwide, 63% of the revenue generated from shared-use commercial kitchens comes from leasing space to businesses. One third of kitchens also lease dedicated full-time production space to businesses. Furthermore, 70% of kitchens rely on a monthly membership fee versus an hourly rate to generate the bulk of their revenue. Below are several variations of this pricing model.

- **Off-Peak versus Peak:** Discounted hourly rate for off-peak hours such as evenings and overnights.
- **Member versus Non-Member:** All-inclusive rate for a flat monthly fee.
- **Startup package:** Bundle of services at a limited number of hours for 3 months.
- **Type of Use:** Differential rates for cold prep versus hot prep.
- **Volume Discount:** Discounted hourly rate for regular usage, e.g., \$25 per hour for 20 hours per month versus an hourly rate of \$35 per hour.
- **Minimum Rental:** Minimum usage, such as requiring 4 hours per day or 20 hours per month.

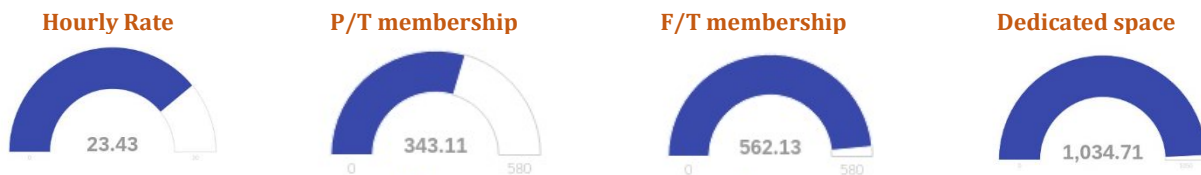
What type of rate structure would you like to see offered at Bangor Central Kitchen?



- Hourly at the market rate. The national average is \$25 per hour.
- Part-time membership, up to 20 hours per week at a flat rate (\$400-\$600 per month)
- Full-time membership with unlimited access (\$800-\$1,000 per month)
- Other

The BCK Survey asked potential users what type of rate structure they preferred: over half, 54%, preferred a monthly membership at a flat rate with an inclusive number of hours while 31% preferred an hourly fee at market rate. The *other* category supported a mix of options. Overall, only one potential user indicated a need for dedicated full-time production space.

Willingness to Pay. Potential users were asked how much they would be willing to pay - for an hourly rate (\$25/hour), monthly part-time (\$400-\$600) and full-time membership (\$800-\$1,000), and dedicated space.



Locally, potential users of Bangor Central Kitchen are only willing to pay rates that are far below market. This is likely due to the part-time nature of most of the businesses, which are generating less than \$50,000 in sales per year. However, charging users \$23.43 per hour for a maximum of 10 hours per week would still generate ~\$900 per user per month.

Comparison of willingness to pay with regional and national averages

	National Average (incubator)	Fork Food Lab (incubator)	Bangor Market (real estate)	Willingness to Pay (BCK Survey)
Hourly rate	\$25	\$20	Not applicable	\$23.43
Monthly F/T rate	\$1,775	\$1,280	\$2,500	\$562
Annual rate	\$21,300	\$14,400	\$30,000*	\$6,744

*Based on 2,000 square feet at \$15/SF, exclusive of utilities and maintenance

Key Takeaways

Users: Potential users of Bangor Central Kitchen include producers of consumer-packaged goods, mobile vendors, and chefs and caterers.

Distance: Although most potential users live within a 30-minute radius, some are willing to travel up to 90 minutes to use the facility.

Sales: Most potential users are startups with current sales of less than \$50,000 who plan to produce year-round.

Frequency: Usage would be spread evenly throughout the day in the following time slots: 8AM-Noon, 12PM-4PM, and 4PM-Midnight.

Product lines: Baked goods represent the top product line of interest, followed by products that incorporate meat, poultry, and fish.

Food Trucks: Mobile vendors require atypical amenities. Over 50% desire access to a dish pit, electrical hook-up, freshwater fill-up, and greywater disposal in addition to prep space, cold storage, and dry storage.

Fee structure: The majority of potential users support the concept of a membership fee versus an hourly rate.

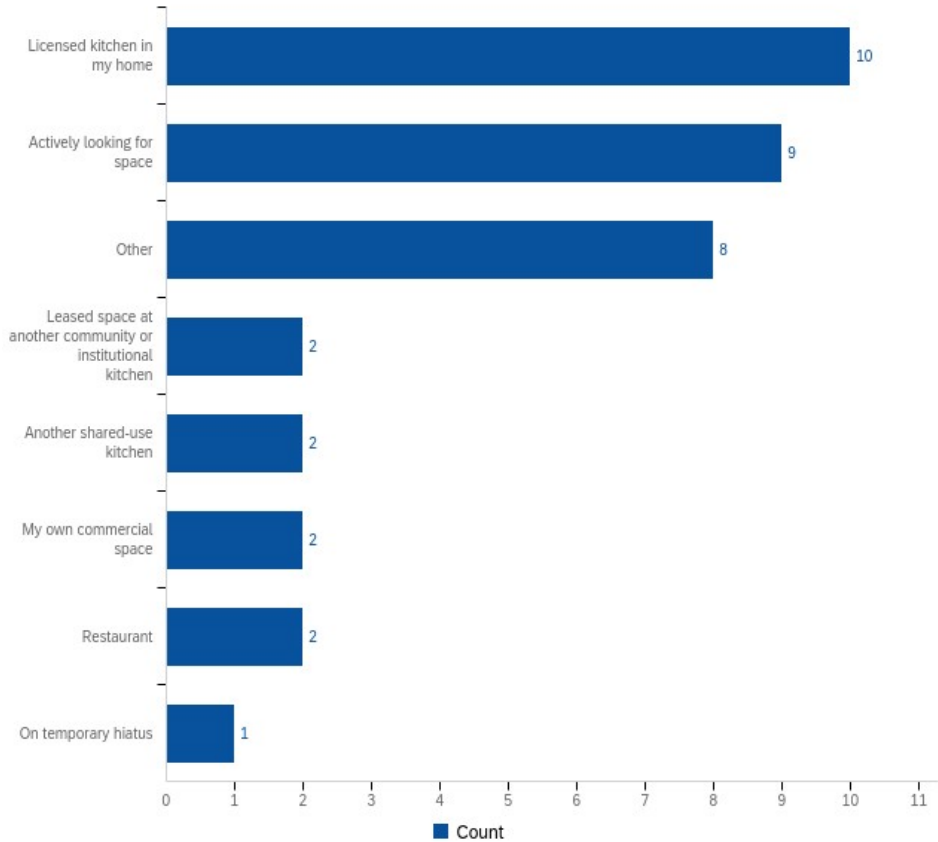
Willingness to Pay: The most that potential users would be willing to pay is ~\$23 per hour or ~\$550 for a full-time membership. This represents 20% of the cost of a commercial lease, 30% of the national incubator average, and 50% of a Fork Food Lab membership.

More than half of potential users, 54%, plan on producing from 5-30 hours per week. If they were charged what they are willing to pay, \$23 per hour, at 10 hours per week, they would end up paying over \$900 per month.

MARKET SUPPLY OF KITCHEN SPACE

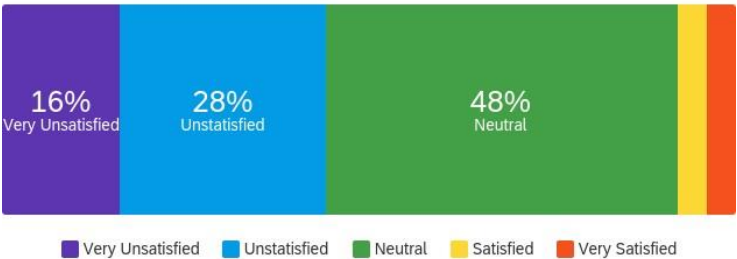
In terms of market supply, there are several competitors for kitchen space, including 1) home kitchens, 2) commercial real estate market, and 3) other community kitchens in the region. Potential BCK users were asked where they currently produce food. The top response was the home kitchen. A similar segment is actively looking for space, presumably in their local commercial real estate market.

Where do you currently produce food?



Potential users were asked about their level of satisfaction with their current place of production. Almost half, 48%, were *neutral* on this question, and 44%, *unsatisfied* or *very unsatisfied*. The balance, 8%, were *satisfied* or *very satisfied*.

How satisfied are you with your current place with your current place of production?



Home Kitchens

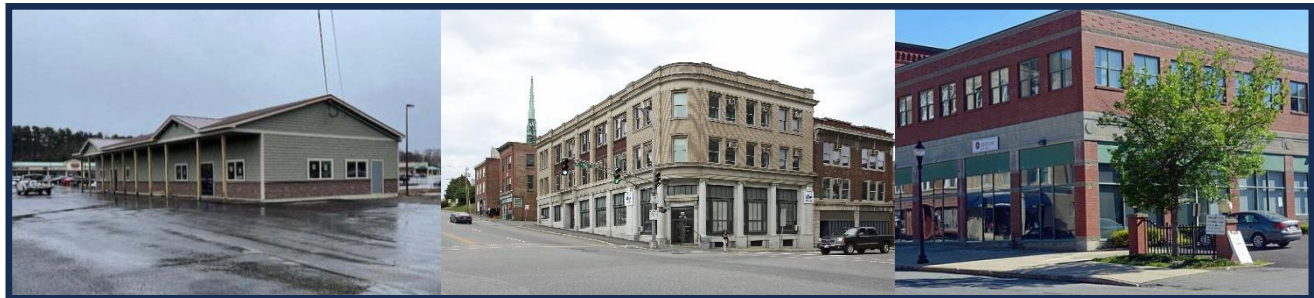
Dreams begin at home. Over 1,700 residents hold a state license to process food at home. Products must be shelf stable, while those requiring refrigerated or frozen storage must be produced in a commercial facility. About 35% of Maine’s home kitchens are located within a 90-minute radius of Bangor. All of these producers were invited to participate in the BCK survey.

Of potential users, 28% produced food at home. Half of these were *unsatisfied* or *very unsatisfied* with the arrangement, which is a greater proportion than users of other types of spaces. For home kitchens, the primary reason for dissatisfaction is that their production space is too small. Thus, home kitchen producers represent a viable potential market of users for Bangor Central Kitchen.

Commercial Real Estate Market

Another competitor for kitchen space is the local real estate market. The gulf between producing “for free” at home and securing a commercial space can be hundreds of thousands of dollars. First, a monthly lease requires a long-term commitment measured in years. Second, renovation of space for food production demands leasehold improvements, such as floor drains, grease traps, range hoods, washable ceilings, ventilation, floor pitching, and fire protection. Because improvements must be made before any sales revenue can be generated, a lease necessitates a commercial loan. In addition to lease expenses, utilities, trash removal, and other building expenses are extra.

Despite the pandemic, the availability of commercial space in the Bangor region in 2022 was extremely tight, with vacancies for industrial space at 2% and retail, 5%. Below is a snapshot of the smallest retail properties available for lease in Bangor during the week of July 21, 2023. Annual lease rates for these spaces range from \$32,000-\$52,000, with a lease term of 1-5 years.⁵



867 Broadway
1,800-2,115 SF at \$18 per SF

33 State Street
3,500 SF at \$20 per SF

175 Exchange Street
3,500 SF at \$15 per SF

This lack of available space, combined with the extraordinary cost of leasing, keeps enterprises from scaling up and out of their home kitchens. But these market conditions could also promote the role of Bangor Central Kitchen as an affordable midpoint in the journey from basements, barns, and kitchens to storefronts, restaurants, and production facilities.

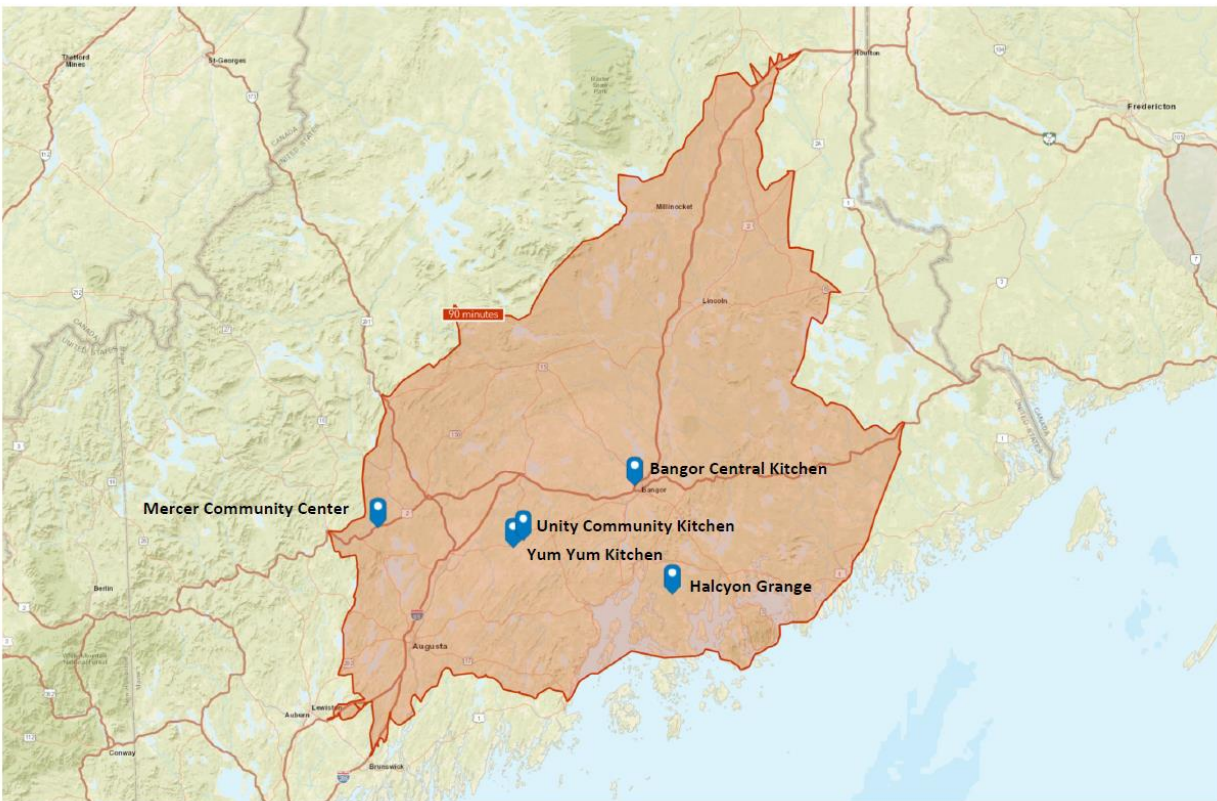
Before beginning production, most incubators require liability insurance, ServSafe certification, and a state and local license. This threshold is far easier to manage than the risk of a commercial loan. Thus, a fully renovated and permitted space at Bangor Central Kitchen would not only lower the entry cost to food production but enable users to produce food on day one of their membership or tenancy. By starting cheap and failing (or succeeding) fast, these enterprises can build the following, track record, and capital that enable them to scale into the local commercial real estate market.

Community Kitchens

Another option for producers are community kitchens that actively market their availability on the Internet. Four facilities are located within a 90-minute radius of Bangor: three within ~35 miles of Bangor, and another, 73 miles. Operating details are described below.

- **Multi-uses:** Three facilities are community centers that also offer function space.
- **Square Footage:** Kitchens range in size from 300 to 500 square feet.
- **Rates:** Rates range from \$10 to \$30 per hour.
- **Simultaneous users:** All kitchens can accommodate only one user at a time.

Community Kitchens Within a 90-Minute Radius of Bangor



Community Kitchens within 90 minutes of Bangor

	Halcyon Grange	Mercer Community Center	Unity Community Center	Yum Yum Kitchen
Ownership	Non-profit	Municipal	Non-profit	For-profit
Location	1157 Pleasant Street Blue Hill, ME 04614	1015 Beech Hill Road Mercer, ME 04957	32 School Street Unity, Maine 04988	133 Back Troy Road Troy, ME 04987
Contact	(207) 460-9933	(207) 587-2911	(207) 948-9005	(207) 948-3500
Website	halcyongrange.org	mercermaine.com	unitybarnraisers.org	yumyumkitchen.net
Miles from Bangor	31	73	34	32
Type of facility	Community Center	Community Center	Community Center	Residence
Kitchen size	TBD	400 SF	325 SF	500 SF
Maximum users	1	1	1	1
Rates	\$40 < 4 hours \$75 > 4 hours	Long term lease Negotiable rent	\$25 per hour	\$30 per hour \$200 per day
Extra cost	Function hall		Function hall Storage at \$30/month	Storage
Other features		24/7 access		24/7 access
Amenities				
Storage	Refrigerator Freezer	Double Refrigerator Freezer	Refrigerator Freezer	Refrigerator/Freezer
Prep	2 stainless steel tables Baking rack	Stainless steel island	Limited prep space	4 Work areas Baking rack
Production	Gas stove -10 burners -2 Ovens Stand mixer Coffee pot	Gas stove -4 Burners -2 Griddles Warming station	Gas stove (2) Grill Microwave Stand mixer Small mixer	Convection oven Stand mixer Vitamix Magical butter machine
Sanitation	1 three-bay sink 1 handwashing sink Dishwasher	1 three-bay sink 1 handwashing sink	1 three-bay sink Dishwasher	1 three-bay sink

Given the market supply, Bangor Central Kitchen will offer several features that distinguish it from community kitchens, including the capacity to:

- **Accommodate more than one user at a time**, leading to the creation of a shared learning environment. Nationwide, shared-use kitchens host a range of 10-19 users. Half can accommodate up to four users at a time.
- **Offer both shared and private kitchen space**. Nationwide, one third of shared-use kitchens offer dedicated space to at least one user.
- **Accommodate complementary food uses**, such as a food hub. Nationwide, 18% of shared-use kitchens have as their primary mission, *strengthening the local food economy*.
- **Offer 24/7 access**. Nationwide, 87% of shared-use kitchens offer 24/7 access to the facility through keypads, fobs, physical keys, lockboxes, and other means.
- **Provide walk-in cold and dry storage**. Nationwide, 32% of the floor space at shared-use kitchens is devoted to storage, including dry (17%), refrigerated (9%), and frozen (6%). This is typically provided only to kitchen users.
- **Centralized access**. Bangor Central Kitchen would be the largest kitchen incubator in Eastern Maine, with no comparable competitor except for Fork Food Lab in Portland, located two hours south.

Key Takeaways

Competition: There are several competitors for kitchen space, including home kitchens, commercial real estate market, and community kitchens in the region.

Home Kitchens: There are ~600 residents within a 90-minute radius of Bangor who hold a license to process food at home. This represents the largest market of potential users.

Commercial real estate: The availability of commercial space in Bangor is extremely tight, with vacancies for industrial space at 2% and retail, 5%.

Risk: Securing a commercial space requires a long-term lease commitment, leasehold improvements, and extra costs for building expenses – all before a food business can begin generating any revenue.

Entry barrier: By comparison, users of Bangor Central Kitchen could begin selling on day one of their membership.

Community kitchens: There are four community kitchens within a 90-minute radius of Bangor, all of which permit only one user at a time.

Competitive advantage: Compared to other facilities, Bangor Central Kitchen could offer both shared and private kitchen space, accommodate other complementary food uses, offer 24/7 access, and provide walk-in cold and dry storage.

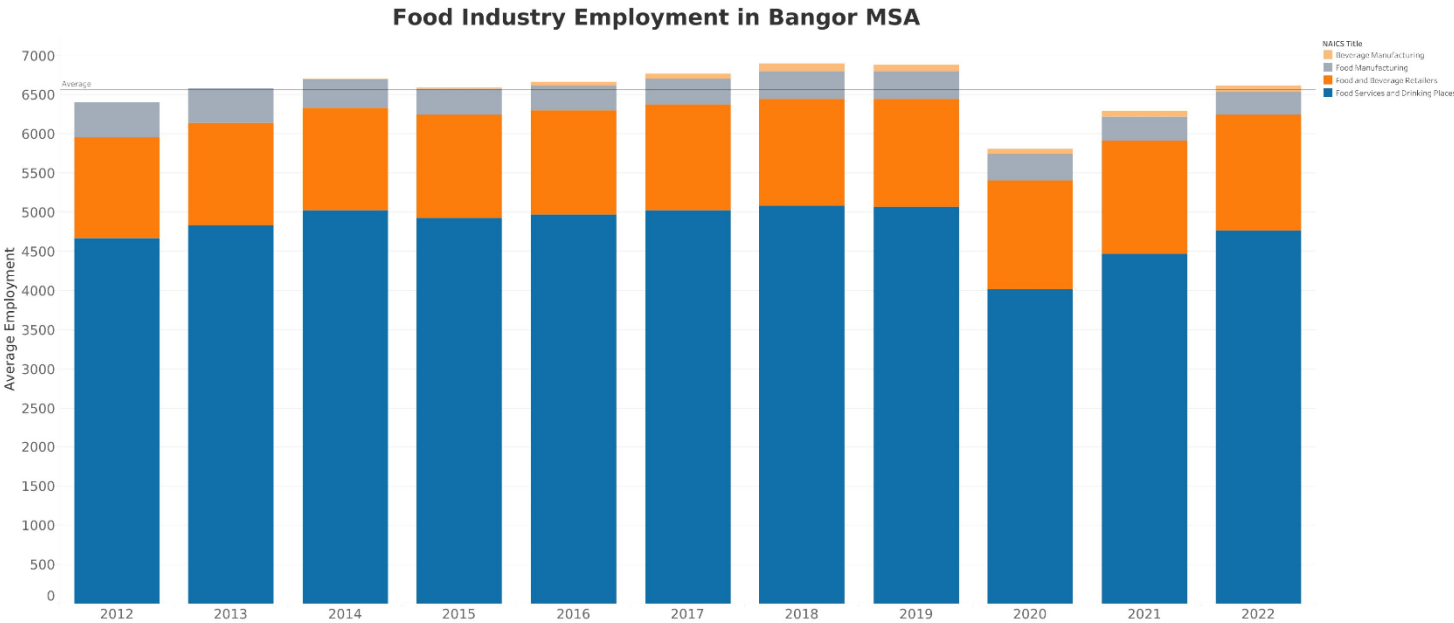
MARKET DEMAND FROM CONSUMERS

The Region

With respect to the region’s food industry, there are several geographies to consider: 1) market of potential users; 2) market of employers; and 3) market of consumers.

A Metropolitan Statistical Area (MSA) is comprised of a core urban area with at least 50,000 people along with adjacent suburbs defined by the distance people are willing to commute to work. The Bangor MSA is comprised of all the cities and towns in Penobscot County. The furthest point in Penobscot County is 90-minutes from Bangor. Thus, the availability of other shared-use kitchens within a 90-minute radius of Bangor was considered as a driver of entrepreneurship. But employers also compete for the time and talent of potential entrepreneurs: many people begin producing food as a side hustle before deciding to quit their day job to devote to full-time production. While not every food entrepreneur is a chef with a dream, some of these competing employers are in the food industry.

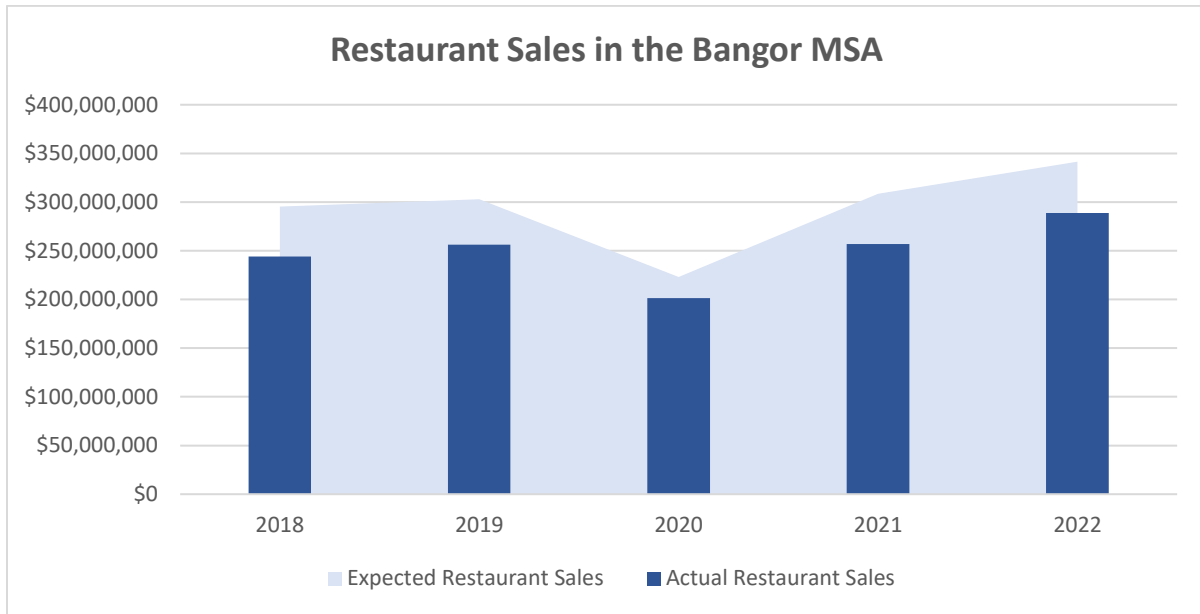
The food industry in the Bangor MSA is comprised of 10,000 jobs, which represents 14% of the region’s employment. The food industry is comprised of food and beverage manufacturing (19%), food retailers (15%), and eating and drinking establishments (65%). Over the past 10 years, the region’s food industry has grown 7%, compared to 2% for employment in all industries. Although the sector’s employment peaked in 2018, it is still larger than before the pandemic. Within the industry, employment among retailers increased 21%, food and beverage manufacturing, 11%, and eating and drinking establishments, 3%. Thus, the region’s food scene is growing faster than the region’s economy as a whole. This success can serve as a source of attraction that inspires food workers and non-food workers alike to consider food entrepreneurship as a career option and a path toward economic mobility.



Source: Maine Department of Labor⁶

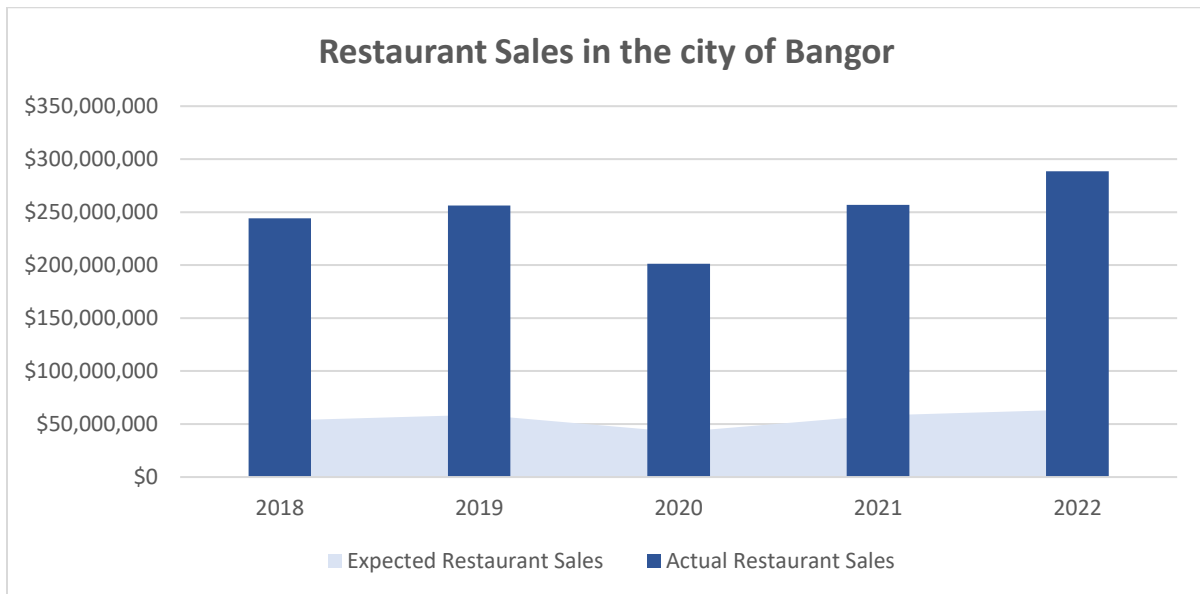
Beyond employment, another indicator of the food scene’s vitality is food sales. Sales includes food purchased for consumption at home as well as food consumed away from home at cafeterias and restaurants. The most recent data on local purchasing trends is based on retail sales taxes. Since most food purchased from retailers is not taxable, however, the most reliable indicator is sales at restaurants. Restaurant sales, however, are not

differentiated between residents and tourists. To control for this difference, sales are compared on a per capita basis among Maine, the region, and the city. When per capita sales in the Bangor MSA are compared with Maine, there is plenty of room to grow: there is a \$53 million deficit between actual sales and expected sales, indicating an opportunity for food entrepreneurs to meet this gap.



Source: Maine Revenue Services⁷

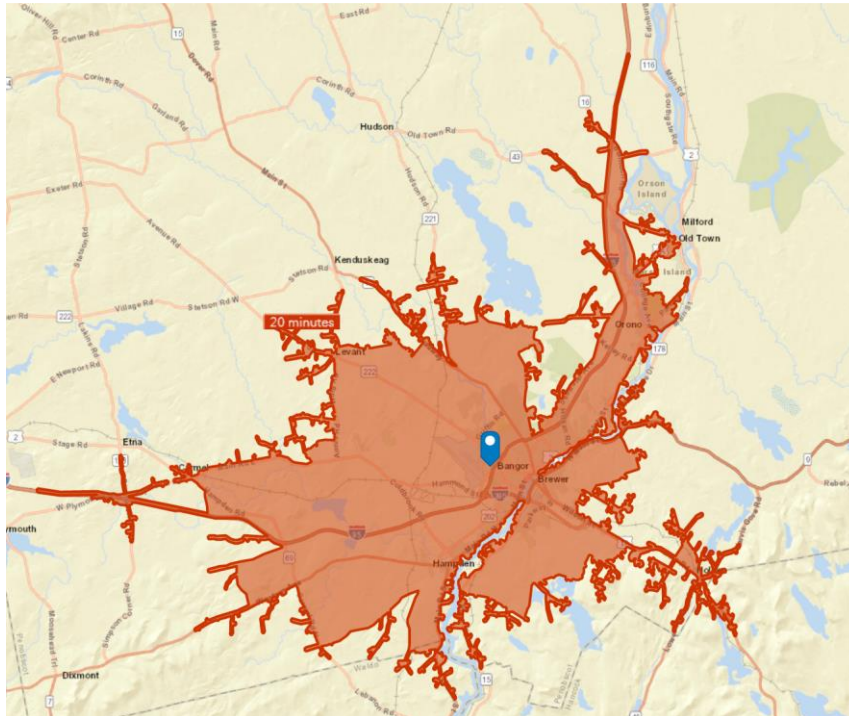
On the other hand, restaurant sales in the city of Bangor are saturated. When per capita sales in Bangor are compared with those in Maine, there is a surplus of \$225 million. This vitality, however, does not necessarily indicate a loss of opportunity. The city of Portland, for example, boasts a surplus in restaurant sales of \$284 million. This vitality has landed Portland at #1 as the nation’s Restaurant City of the Year (Bon Appetit, 2018). Thus, saturation not only attracts both residents and visitors from outside the region but serves as a source of innovation that can achieve national acclaim. Bangor Central Kitchen can serve as the incubator for innovative food products and restaurant concepts.



Source: Maine Revenue Services⁸

The Community

Trade Area for Bangor Central Kitchen



With exceptions, food is classified as a convenience product that consumers will not travel more than 20 minutes to purchase. In fact, research shows that 93% of consumers typically travel 20 minutes or less to make everyday purchases, a percentage that increases to 97% in urban areas.⁹ Thus, the market of consumers within a 20-minute drive time of Bangor Central Kitchen were mapped. This radius, which will be referred to as the trade area, includes all of Bangor and portions of 14 communities, including Brewer, Alton, Dedham, Eddington, Glenburn, Hampden, Holden, Kenduskeag, Levant, Newburgh, Orono, Orrington, Veazie, and Winterport.

A total of 70,712 consumers live within the trade area. These consumers earn a median household income of \$60,651, which is 113% of the city’s median, 102% of the region’s median, and 89% of the state’s median. With a median age of 38.8 and a college attainment rate of 44%, this population is also significantly younger and better educated than residents of the city, region, or state.

Comparison of the trade area with the city, region, and state (2023)

	Trade Area	City	MSA	State
Median household income	\$60,651	\$53,596	58,985	\$68,320
Median age	38.8	40	42.5	45.6
College Educated	44%	41%	34%	37%

Source: Esri Business Analyst¹⁰

Tapestry Segmentation developed by Esri classifies U.S. neighborhoods into 14 LifeMode groups and 67 distinct consumer segments.¹¹ Characteristics include information on age, income, housing, occupation, and education along with consumer preferences around technology, shopping, entertainment, recreation, and civic involvement. Based on Tapestry Segmentation, 75% of the trade area can be classified into seven distinct consumer segments. Potential users of Bangor Central Kitchen may consider using Tapestry Segmentation to determine which consumer groups to target through their products as well as the means to reach them. For example, several consumer segments comprising one third of the trade area demonstrate a preference toward local food, including In Style, Green Acres, and Emerald City. According to a panel survey by Statista (2018), the consumer group most likely to purchase local food (42.5%) is aged 50-64 or earning the region’s median income (27.7%).¹²

DEMOGRAPHIC SUMMARY

50 Cleveland St, Bangor, Maine, 04401 3
 Drive time of 20 minutes

KEY FACTS

70,712

Population



29,918

Households

38.8

Median Age

\$50,961

Median Disposable Income

EDUCATION

3%

No High School Diploma



23%

High School Graduate



29%

Some College



44%

Bachelor's/Grad/Prof Degree

INCOME



\$60,651

Median Household Income



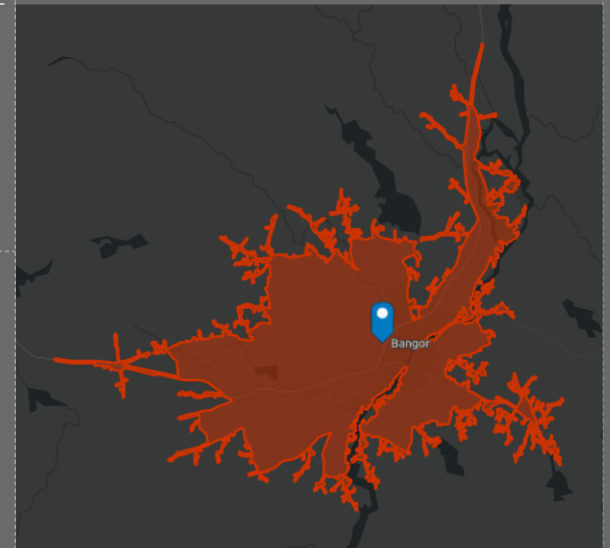
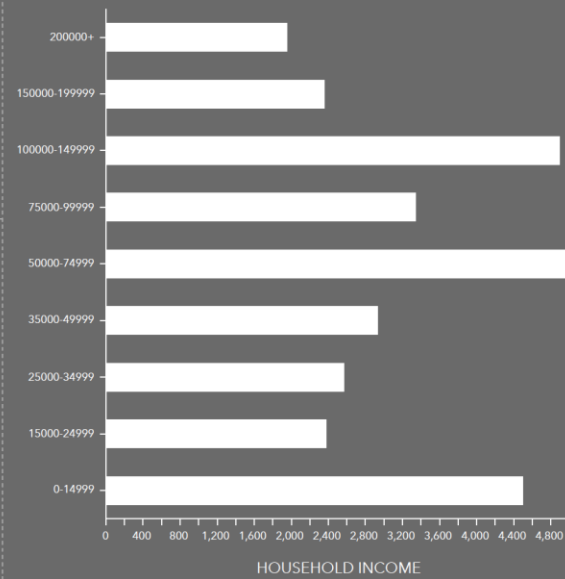
\$37,703

Per Capita Income



\$97,552

Median Net Worth



EMPLOYMENT



White Collar

70%



Blue Collar

15%



Services

19%

3.6%

Unemployment Rate

Source: Esri. The vintage of the data is 2023, 2028.

© 2023 Esri

Predominant Consumer Base

Tapestry Group	In Style	Set to Impress	Old & Newcomers
Concentration	17.9% of households	14.6% of households	14.4% of households
Age range	Early 40's	20-34	Late 30's
Household type	Married couples & singles	Mobile singles	Singles
Tenure	Urban homeowners	Urban & suburban renters	Urban & suburban renters
Education	College-educated	College students	Some college
Income	130% of area median	60% of area median	80% of area median
Civics	Generously support charities	Maintain close connections with family	Volunteer for charities
Food preferences	Prefer organic foods, including growing their own vegetables	Favor quick meals on the run	Meals include convenience, frozen and fast food
Shopping	Consumers who invest in home remodeling & maintenance	Image conscious consumers who prefer name brands but buy generic	Price aware coupon clippers who are open to impulse buys
Technology	Highly connected to smart phones	Rely on cell phones social media, gaming, and streaming	Prefer cell phones to landlines
Entertainment	Actively support the arts, theater, concerts, and museums	Enjoy concerts and night clubs	Enjoy movies, surfing the Internet, listening to country music, and reading the paper

Tapestry Group	Green Acres	College Towns	Emerald City	Great Outdoors
Concentration	7.1% of households	7.1% of households	7% of households	7% of households
Age range	Mid 40's	Early 20's	Late 30's	Late 40's
Household type	Married couples without children	Single and non-family households	Single and non-family households	Married with children
Tenure	Homeowners	Renters	Urban renters & homeowners	Homeowners in small towns
Education	College educated	Enrolled in college	College-educated	Some college
Income	150% of area median	65% of area median	100% of area median	100% of area median
Civics	Active in their communities and social organizations	Busy with studying and/or working for a college	Liberal contributors to NPR & PBS	Members of AARP and veterans' clubs who support civic causes
Food preferences	Prefer growing their own vegetables	Limited disposable income	Foodies who cook adventurous meals using local and organic foods	Prefer home-cooked meals
Shopping	Cautious consumers who prefer quality and durability along with DIY projects	Thrifty shoppers who dress to impress and prefer green products	Careful researchers who buy natural & green products	Consumers who focus on DIY gardening, auto, and home projects
Technology	Use technology as a tool but for entertainment	Rely on cell phones for every aspect of life versus doing things in person	Rely on cell phones and use the web for networking and shopping	Light use of internet for shopping
Entertainment	Pursue outdoor living, e.g., sports, hunting, fishing, hiking and camping.	Enjoy outdoor activities along with movies and going out for drinks	Enjoy art galleries, museums, and concerts	Enjoy such outdoor activities as hiking, hunting, fishing, & boating

SERVICE PROGRAMMING

Nationwide, shared-use kitchen incubators provide a variety of services to help food businesses startup and scale. See chart below. The top service is help with licensing and certifications, which is a threshold requirement for launching a food business. The second is business counseling, which is a service that can be provided throughout the life cycle of the business.¹³

What services do you provide to your members or tenants?

Licensing/certifications	61%
Business counseling	52%
Branding/marketing	31%
Product development	30%
Help finding buyers	23%
Help obtaining financing	19%
Cooperative purchasing	17%
Staffing	11%
Distribution/logistics	11%
Co-packing	9%
Packaging	8%
Other	5%
Job training	4%

Source: Econconsult Solutions (2020)

Services can be provided through two strategies: 1) in-house with existing personnel; or 2) through partnerships with external agencies. Public and private agencies in Greater Bangor and beyond can play a critical role in supporting the individual users of Bangor Central Kitchen, including the needs described below. These needs can be met by a variety of agencies and organizations that operate at the local, regional, and statewide levels.

Access to Capital: Food startups need access to capital in the range of > \$25,000 for both fixed and variable costs. Fixed costs may include licenses; liability insurance; financial management tools, e.g., QuickBooks and Point-of-Sale system; tabletop displays, such as a banner; and/or a vehicle, such as a food truck. Variable costs may include wages; contractual services, e.g., graphic design, bookkeeping, and website development; food and packaging supplies; and marketing materials, such as business cards. While some entrepreneurs can bootstrap expenses, others need access to microloans from conventional and alternative lenders. Beyond the startup phase, other agencies provide capital to innovative, scalable companies, including grants (Maine Technology Institute) and venture capital (Maine Angels, Maine Venture Fund).

Business Counseling: One-on-one advising is available from both paid professionals and volunteer mentors with food industry experience. Appointments, which can be held in-person or virtually, are typically free and confidential. Advisors may offer assistance on a wide range of topics, such as business strategy, marketing, and financial management, or specialize in one subject area.

Culinary Arts: Short-term and long-term educational programming in the culinary arts is available from schools, community colleges, and universities. These institutions can 1) generate referrals, i.e., recent graduates interested in becoming food entrepreneurs; 2) provide training in food safety, e.g., ServSafe, HACCP; 3) offer courses in culinary specialties, e.g., as baking; and 4) provide access to a skilled labor pool. Short-term training can result in micro-badges and certificates, while long-term programs award 2-year and

4-year degrees in culinary arts, nutrition, and/or food science. Other food entrepreneurs may benefit from short and long-term programming in marketing and business.

Food Safety: Certification in food safety is a threshold competency to produce in a shared kitchen environment. The *ServSafe*® program provides training and certification to food service managers and producers. Hazard Analysis Critical Control Point (HACCP) is a protocol system that results in the identification and management of biological, chemical, and physical hazards that affect food production. The development and approval of HACCP plans can be a prerequisite to wholesale distribution at the regional and national level.

Entrepreneurial Training: A variety of agencies and organizations offer short-term entrepreneurial training in marketing, finance, and operations. Most programs are not industry-specific, i.e., they provide training in cohorts to entrepreneurs from a variety of industry sectors. As a result of COVID-19, many programs offer live, virtual and hybrid formats as well as one-off workshops that do not require a long-term commitment. Besides valuable content, training programs provide access to a network of skilled mentors who can help businesses scale.

Marketing: Membership in local and statewide organizations can provide businesses with valuable visibility in a crowded marketplace, including directories and networking opportunities. Through Maine Made, the state provides affordable branding for artisanal products with a recognizable logo, website, and exhibit opportunities at the annual New England Products Trade Show.

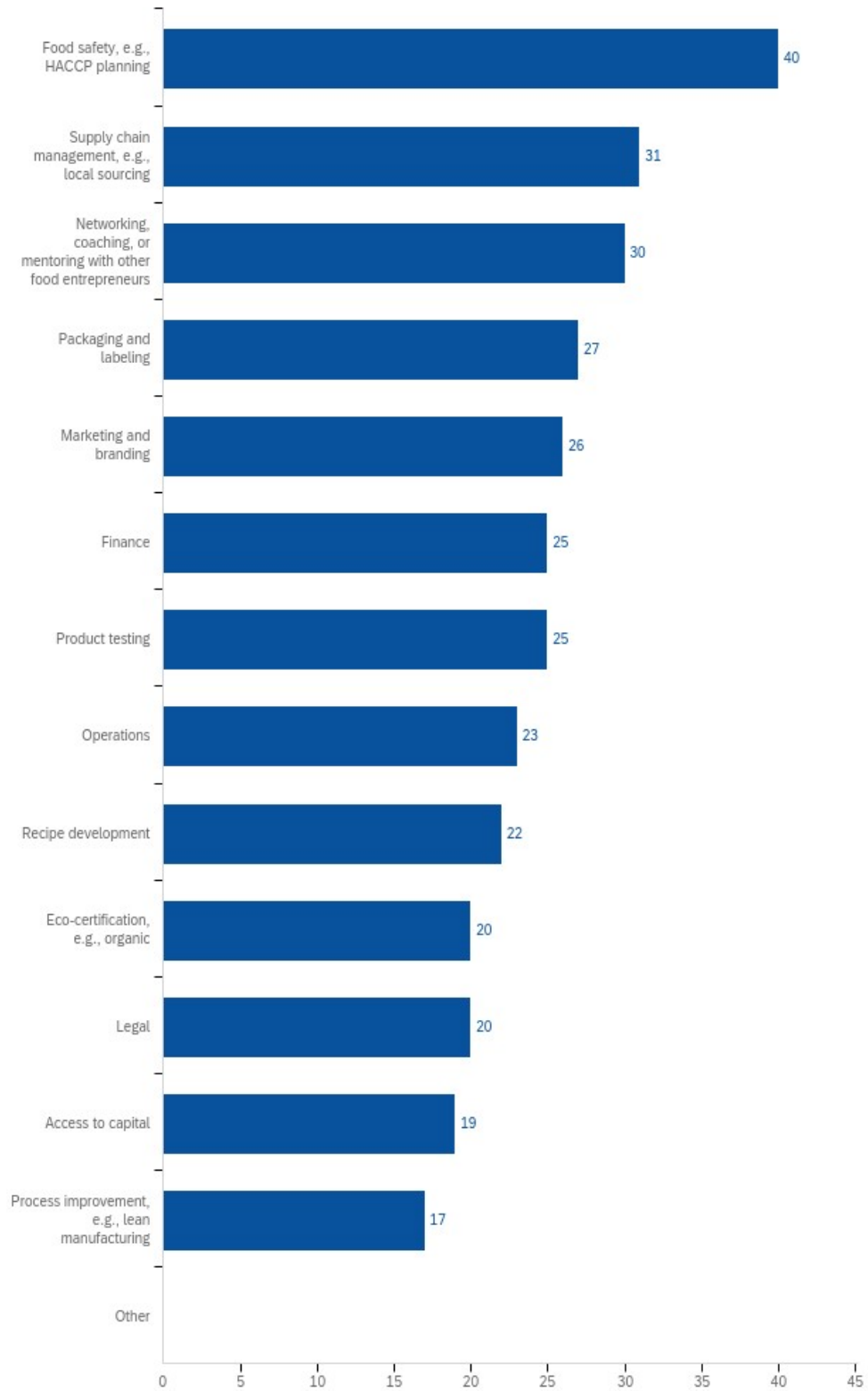
Licensing: State agencies ensure that food produced at home, shared, and commercial environments are safe to eat. The Maine Department of Agriculture, Conservation, and Fisheries licenses over 7,000 food producers per year while the Maine Department of Health and Human Services licenses caterers and mobile vendors.

Product and Process Development: The University of Maine's School of Food and Agriculture is home to a state-of-the-art facility that provides technical assistance to help food producers develop, scale, and improve their products. Its commercial kitchen includes a pasta maker, meat chopper, dehydrator, blast freezer, steam cooker, cheese making, and packaging equipment. For a fee, services include sensory evaluation, analytical consulting, product development, and applied research. For a fee, the Maine Manufacturing Extension Partnership is available to provide technical assistance on process improvement, including the efficient design, layout, manufacturing, and packaging of products.

Sourcing: Research shows that consumers are willing to pay a premium for products made with quality local ingredients that have a compelling story to share. Procuring a year-round supply of local ingredients at wholesale prices is a challenge for any Maine food company. Relationships with local farmers, fishermen, and processors is an important first step that can be enhanced through connections with industry associations, producer networks, and Cooperative Extension staff.

The BCK Survey asked all respondents about the type of service programming that should be provided at Bangor Central Kitchen. The top response was food safety training, followed by help with local sourcing and supply chain management. Compared to business assistance services, such as counseling, training, and networking, there are comparatively few resources that directly assist food businesses in the areas of top interest. Food safety training is primarily offered by educational institutions as part of the training of culinary arts students, while local sourcing assistance can be provided by food industry associations. In addition, the University of Maine Cooperative Extension offers assistance in both areas.

What type of assistance or programming would like to offered at Bangor Central Kitchen?



Potential Partnerships for Service Programming

Organization	Access to Capital	Business Counseling	Culinary Arts	Food Access	Food Safety	Entrepreneurial Training	Marketing	Licensing	R&D	Sourcing
Bangor Farmer's Market				✓						✓
Bangor Region Chamber of Commerce							✓			
Bangor Region Food Pantries				✓						
City of Bangor	✓	✓						✓		
Coastal Enterprises, Inc.	✓	✓				✓				
Eastern Maine Community College			✓		✓	✓				
Eastern Maine Development Corporation	✓	✓				✓				
Food Industry Associations				✓			✓			✓
Maine Angels	✓									
Maine Center for Entrepreneurs		✓				✓				
Maine Department of Agriculture, Conservation & Fisheries	✓				✓		✓	✓		
Maine Dept of Economic & Community Development	✓	✓					✓			
Maine Grocers & Food Producers Association				✓			✓			✓
Maine Department of Health & Human Services					✓			✓		
Maine Manufacturing Extension Partnership					✓				✓	
Maine Small Business Development Centers		✓				✓				
MaineStream Finance	✓	✓								
Maine Technology Institute	✓								✓	
Maine Venture Fund	✓									
New Ventures Maine		✓				✓				
SCORE		✓				✓			✓	
University of Maine Cooperative Extension						✓			✓	✓
University of Maine School of Food & Agriculture					✓				✓	
United Technologies Center – Region 4			✓		✓					
Upstart Maine						✓				

Key Takeaways

Food Scene: The region's food industry is comprised of 10,000 jobs, including food and beverage manufacturing, food retailers, and eating and drinking establishments.

Growth: Over the past 10 years, the region's food industry has grown 7%, compared to 2% for employment in all sectors.

Vitality: On a per capita basis, the city of Bangor attracts almost 2.5 times the restaurant sales than would be expected for a geography of its size.

Trade Area: Food is classified as a convenience product that consumers will not travel more than 20 minutes to purchase. This trade area incorporates Bangor plus portions of 14 communities.

Consumer Demographics: A total of 70,712 consumers live within the trade area, earning a median income lower than the state's but higher than the city or the region. This population is significantly younger and better educated than residents of the city, region, or state.

Consumer Psychographics: Three consumer segments totaling one third of the trade area demonstrate a preference toward local food - In Style, Green Acres, and Emerald City.

Partnerships: Service programming can be provided in-house with existing personnel or through partnerships with external agencies.

Service Programming: Top areas of interest are food safety training and supply chain management. Compared to business counseling, training, and networking, there are comparatively few resources that directly assist businesses in these areas.

FINANCIAL PLAN

Startup Costs

Typical startup costs for a shared-use commercial kitchen incubator include acquisition of land and buildings; architectural and engineering fees for siting, designing, and permitting; building construction and renovation; installation of equipment; and pre-launch costs, such as staffing. If not covered by investment, such as a grant, these costs must be amortized into a loan, with the debt service paid from operating revenue. Nationwide, 60% of shared-use kitchen incubators have received at least one grant to support capital and/or operating costs.¹⁴

Bangor Central Kitchen is several stages beyond ground zero: The City of Bangor owns the land and building, hazardous materials have been removed, and design/engineering has been funded. In addition, Bangor has secured a \$1 million Congressional earmark for renovation.

Nevertheless, renovation costs can be substantial. Upgrading utilities, for example, involves demolition of walls, floors, and ceilings, modernization of wastewater, gas, and electrical systems to code, and reconstruction to a warm shell. The recent renovation of a 1970's warehouse to accommodate Fork Food Lab, a commercial kitchen incubator in Portland, cost ~\$200 per square foot. Using this benchmark, the renovation of Bangor Central Kitchen into a modern incubator could cost north of \$3.5 million.

To facilitate the renovation, below is a description of State and Federal grants that could support startup costs, such as renovation, equipment, and/or staffing.

Potential Grants for Bangor Central Kitchen

Agency	U.S. Department of Commerce, Economic Development Administration
Program	Public Works Grant
Dollar Range	\$100,000-\$30 million
Cycle	Submissions welcomed at any time
Eligibility	Universities, nonprofits, and units of local, county, and state government
Goals	Help distressed communities revitalize, expand, and upgrade physical infrastructure through business expansion, economic diversification, and job creation.
Activities	Construction and renovation of public facilities, including fixed equipment. Business incubators require a feasibility study.
Example	Peekskill Commercial Kitchen Food Incubator in New York www.eda.gov/news/press-release/2022/12/21/us-department-commerce-invests-24-million-support-food-infrastructure
Agency	U.S. Department of Agriculture, Agricultural Marketing Service
Program	Local Food Promotion Program
Dollar Range	\$100,000-\$750,000
Cycle	Annual
Eligibility	Local governments, nonprofits, universities, and agricultural producer groups
Goals	Support the development, coordination, and expansion of enterprises that engage as intermediaries to increase access and availability of local food products.
Activities	Marketing, equipment, and personnel associated with the processing, aggregation, distribution, and storage of local food.
Example	Fork Food Lab in Portland, Maine https://www.ams.usda.gov/sites/default/files/media/FY2021LFPPDescriptionofFundedProjects.pdf

Agency	U.S. Department of Agriculture, Rural Development
Program	Rural Business Development Grant
Dollar Range	\$10,000-\$500,000
Cycle	Annual
Eligibility	Universities, nonprofits, and units of local, county, and state government
Goals	Training and technical assistance for small rural businesses with > 50 workers and \$1 million in sales located in areas > 50,000 population.
Activities	Rural business incubators, including feasibility studies, entrepreneurial training, and building construction and renovation.
Example	Cache Business Resource Center Kitchen Incubator in Utah https://www.rd.usda.gov/newsroom/success-stories/tech-college-supports-kitchen-incubator-jump-start-business
Agency	U.S. Department of Health and Human Services, Administration for Children & Families
Program	Community Economic Development
Dollar Range	\$100,000-\$800,000
Cycle	Annual
Eligibility	Community development corporations
Goals	Improve economic self-sufficiency in low-income communities with high unemployment and poverty rates thorough business development and job creation.
Activities	Business startup and expansion activities, including the development of restaurants, commercial kitchens, and agricultural initiatives.
Example	Food Fort Commercial Commissary in Columbus, Ohio https://www.acf.hhs.gov/ocs/map/ced-map-current-grantee-locations
Agency	Northern Border Commission
Program	Catalyst Program
Dollar Range	\$500,000-\$3 million
Cycle	Annual
Eligibility	Nonprofits, and units of local, county, and state government
Goals	Revitalize infrastructure in the Northern Forest region, including diversification of business enterprises that capitalizes on natural, cultural, and economic assets.
Activities	Non-infrastructure projects, such as job training, entrepreneurial and small business development; infrastructure projects, such as construction and renovation of public facilities, systems, and structures to catalyze economic development.
Example	Taproot Farm & Environmental Education Center in New Hampshire https://www.nbrc.gov/userfiles/files/2022%20SEID/State%20EID%20Award%20Summary%20for%20Website-NH%20CORRECTED%2020221020.pdf
Agency	Maine Rural Development Authority
Program	Rural Manufacturing and Industrial Site Redevelopment Program
Dollar Range	\$500,000
Cycle	Monthly
Eligibility	Units of local government
Goals	Grants for the rehabilitation, revitalization and marketing of manufacturing and industrial sites in Maine.
Activities	Building acquisition, construction and/or renovation.
Example	https://www.mainerda.org/projects/
Agency	Maine Technology Institute
Program	Cluster enhancement and capacity-building
Dollar Range	To be determined
Cycle	Periodic funding available, typically > \$100,000
Eligibility	Nonprofits, universities, and other public and private agencies
Activities	Non-infrastructure and infrastructure projects that facilitate the startup and scaling of innovative businesses in the state's targeted industry sectors.
Example	Various accelerators and incubators funded through the PRIME fund https://www.maine.gov/governor/mills/news/governor-mills-announces-56-million-maine-jobs-recovery-plan-grants-support-maine

Operation Costs

Nationwide, the largest components of the operating budgets for shared-use kitchens include mortgage/lease costs (30%), staffing (26%), and utilities (18%). For the average kitchen of 5,000 square feet, operating costs are less than \$100,000. With a building 3.6 times the size of the typical incubator, Bangor Central Kitchen can expect to have substantially higher operating costs, depending on the number of users as well as whether renovation costs are amortized into an annual expense. According to the Food Corridor, 80% of kitchen facilities have budgets of less than \$500,000.¹⁵ Thus, the practical operating budget for planning purposes is \$200,000-\$500,000. Below is a list of expenditures and sources of revenue.

Fixed Costs. The following costs are expected to remain relatively stable as usage increases.

- **Debt service** covers the principal and interest on a commercial loan for building renovation. It is assumed that 70% of the \$3.5 million renovation will be covered by State and/or Federal grants, including the Congressional earmark. The monthly debt service on a \$1 million loan with a 10-year term at 6% interest is \$11,102.
- **Insurance**, estimated at \$650 per month, can be addressed with a Business Owners Policy that bundles a variety of components, such as general liability, workers' compensation, property coverage, and business liability.
- **Personnel** includes salaries, benefits, and payroll taxes. At the startup stage, two full-time staff are recommended.
 - ✓ **General Manager**, budgeted at an annual salary of \$58,000, could be focused on the macro level aspects of the facility, including partnerships that facilitate marketing, member recruitment, special events, and service programming.
 - ✓ **Operations Manager**, budgeted at an annual salary of \$45,000, could be focused on the micro level or internal aspects of the facility, including member services, onboarding, and kitchen operations.
- **Security**, estimated at \$250 per month, covers ongoing costs for building security, such as surveillance cameras and 24/7 access.
- **Subscriptions**, estimated at \$500 per month, covers monthly costs for a Point of Sale (POS) system as well as software from The Food Corridor to manage billing and scheduling.

Variable Costs. The following costs will grow with increasing usage of the facility.

- **Kitchen maintenance**, estimated at \$3,000 per month, is a diverse category that covers the following.
 - ✓ **Licenses and permits** for health inspections, food processing, and alcohol.
 - ✓ **Sanitation** includes routine daily cleaning of equipment, prep surfaces, and floors.
 - ✓ **Waste management** includes grease trap pumping, trash, composting, recycling, and pest control.
 - ✓ **Equipment maintenance** covers deep cleaning, servicing, and repair.
- **Advertising**, estimated at \$500 per month, covers social media advertising to promote member recruitment and special events, including a newsletter. This cost is expected to rise over time.

- **Kitchen Supplies**, estimated at \$2,000 per month, covers continuous replacement of kitchen small wares, e.g., dishes, and consumables, e.g., hair nets.
- **Utilities**, estimated at \$3,000 per month, includes costs for electricity, gas, water, sewer, stormwater, telephone, and internet.

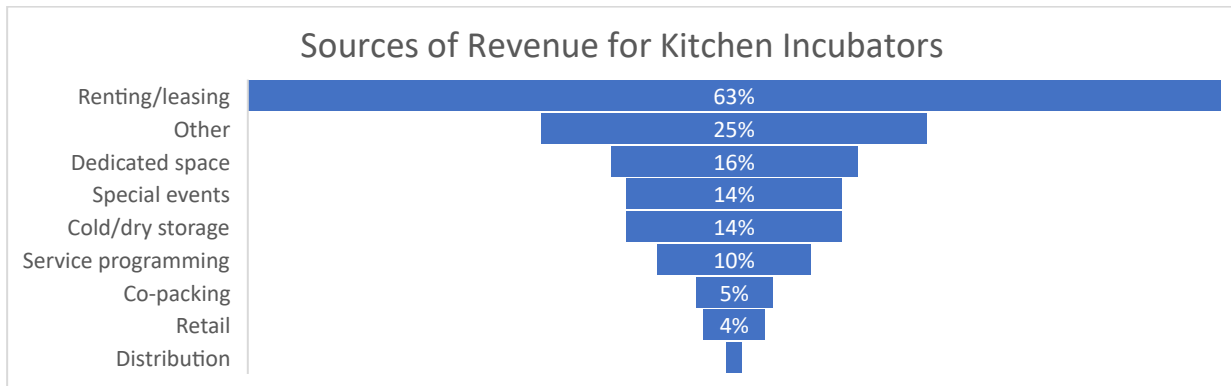
Exclusions

- **Routine office expenses**, such as computer hardware and software, postage, and travel have not been estimated.
- **Property maintenance** includes building repairs to roofing, siding, and systems as well as landscaping, snow removal, and parking lot resurfacing. It is assumed that these expenses will be absorbed into the City's annual budget.
- **Property taxes** are unlikely to be assessed, given municipal ownership.
- **Depreciation** of either building or equipment have not been incorporated into this model.

Revenue

Renting/leasing is the monthly or hourly charge for kitchen use, typically at a set number of hours to accommodate the diverse needs of scaling companies. Nationwide, this source of revenue is an incubator's largest, including membership and hourly rentals. About 75% of incubators have fewer than 30 members.¹⁶ Because Bangor Central Kitchen will be over three times the size of the typical incubator, the number of users at buildout will also be larger.

Below is a summary of the typical sources of revenue for an incubator along with a description of each.



Source: Econconsult Solutions (2020).

Dedicated space is the monthly charge for exclusive use of dedicated production space not shared in common with others.

Special events is the net ticket revenue from events hosted by the facility or its businesses. This is differentiated into cooking classes as well as large events open to the public. No Cost of Goods has been estimated for events.

Cold/dry storage is the additional monthly charge to users for extra cold and dry storage shelving. A charge for extra usage has not been calculated.

Service programming are nominal fees charged to entrepreneurs for participating in training opportunities offered in-house or by external partners.

Co-packing is a service where products are processed and packaged for third party brands. Because this service constitutes its own enterprise for an incubator at a more advanced stage of development, it is not included as a potential source of revenue.

Retail is the service fee charged to food businesses for selling their products through an in-person or online marketplace hosted by the facility.

Distribution is the service fee charged to food businesses for distributing their product to wholesale customers. Because this service constitutes its own enterprise for an incubator at a more advanced stage of development, it is not included as a potential source of revenue.

Assumptions

Since the majority of an incubator’s revenue is based on charges to users, estimating usage is the most important factor in building a viable financial model. This revenue is calculated as follows:

$$\text{Rental/Leasing Revenue} = \# \text{Users} * (\text{P/T fee}) + \# \text{Users} * (\text{F/T fee}) + \# \text{Users} * (\text{seasonal fee}) + \# \text{Users} * (\text{hourly rate})$$

For the Startup stage, the level of usage is based on half of the level of interest expressed in the BCK Survey. For the Buildout stage, the level of usage is based on growth.

Revenue Assumptions for Financial Modeling

	Basis	Startup (Y1)	Breakeven (Y3)	Buildout (Y5)
Users				
Part-time year round	\$500/month	12	17	25
Full-time year round	\$900/month	2	5	10
Seasonal (6 months)	\$500/month	4	6	10
Hourly (4-hour min)	\$25/hour	20	29	41
Dedicated space	\$1,200/month	2	3	5
Cooking classes	\$25/class	336 people/year	484 people/year	1,194 people/year
Special events	\$1,000 each	6 events/year	18 events/year	41 events/year
Service programming	\$10/person	6 events/year	12 events/year	12 events/year
Retail	1% of annual sales	\$1.5 million	\$2.3 million	\$4 million

Break-Even Analysis

During Year 1, Bangor Central Kitchen is expected to lose ~\$205,000. This loss could be lessened by the procurement of additional grant funds to cover renovation and/or operations. By Year 3, the facility could break-even, with underutilized capacity available to accommodate churn, i.e., businesses starting up and graduating from the facility. By Year 4, Bangor Central Kitchen could post a profit of ~\$130,000, which would allow the facility to hire additional staff. By Year 5, the facility could post a profit of ~\$265,000.

Economic Impact

The potential economic impact of Bangor Central Kitchen includes 1) direct jobs, wages, and sales associated with businesses; 2) indirect benefits associated with business-business spending; and 3) induced benefits associated with income spent by workers in the local economy. Indirect and induced benefits are added together to estimate the total economic impact.

Assuming the buildout stage in Year 5, these impacts will be generated by 45 businesses based at Bangor Central Kitchen in a typical year. At full capacity, the facility will generate an annual economic impact of 65 jobs and \$4 million in sales. When multiplier effects are added, Bangor Central Kitchen will generate a total annual economic impact of 105 jobs and \$7 million in sales. These estimates are based on regional multipliers for Maine’s food industry from the U.S. Bureau of Economic Analysis.

Annual Economic Impact of Bangor Central Kitchen

	Jobs	Sales
Direct Impact	65	\$4 million
Total Economic Impact	105	\$7 million

In addition, it is estimated that three businesses per year will graduate from Bangor Central Kitchen, establishing their own storefronts, restaurants, and production facilities. These graduates will generate an additional economic impact in the form of jobs, wages, sales, and private investment.

Key Takeaways

Construction Cost: Renovation of Bangor Central Kitchen could cost over \$3.5 million.

Investment: The financial model assumes that the City can secure grants for 70% of renovation costs, with \$1 million already attained.

Grant Opportunities: There are 5-7 State and Federal grants that could substantially subsidize startup and operation costs.

Staffing: At the startup stage, Bangor Central Kitchen should consider hiring a General Manager and an Operations Manager.

Leading Expenditures: The most volatile variable costs are utilities and maintenance.

Leading Revenue Source: Leasing to users is the most critical component of the revenue model. Cooking classes, special events, service programming, and retail can generate additional revenue.

Utilization: At the startup stage, Bangor Central Kitchen might host 20 users, which could grow to 50 at the buildout stage.

Startup: During the startup stage, Bangor Central Kitchen may require an operating subsidy of \$200,000.

Break-Even: By Year 3, Bangor Central Kitchen could break-even.

Buildout: By Year 5, Bangor Central Kitchen could generate a net profit of \$265,000 per year.

Economic Impact: At the buildout stage, Bangor Central Kitchen could generate a total economic impact of 105 jobs and \$7 million in sales.

Graduates: Three businesses per year will graduate to their own storefronts, restaurants, and production facilities, generating additional jobs, wages, sales, and private investment.

MANAGEMENT PLAN

I. Tenant/client selection policy

A. Types of businesses

Bangor Central Kitchen will recruit, select, and/or serve the following types of businesses and organizations:

- **Producers of consumer-packaged goods (CPG)** that develop shelf-stable, refrigerated, and/or frozen products offered direct-to-consumer and/or wholesaled to markets, restaurants, and cafeterias.
- **Mobile vendors**, including food trucks and food carts, that offer fresh food-to-go.
- **Chefs and caterers** who prepare fresh food for social events, such as corporate parties and weddings.
- **Startups and entrepreneurs** planning to produce food for commercial sale.
- **Farmers and fishermen** who want to add value to raw inputs they grow, raise, and/or harvest themselves.
- **Restaurants and manufacturers** looking to develop a product line that they do not have the space to produce in-house.
- **For-profit and non-profit educators** who want to offer nutrition and cooking classes or competitions to consumers, workers, and/or entrepreneurs.

B. Established criteria for selection

Bangor Central Kitchen will establish at least two membership tiers:

Tier 1: Monthly users

- Full-time users eligible for unlimited hours at the lowest hourly rate.
- Part-time users eligible for a set number of hours per month at a higher rate.

Tier 2: Hourly users

- For profit users paying below market rate
- For profit users paying the market rate.
- Non-profit users paying a variable rate, depending on whether they charge for programming.

Application Requirements

	T1	T2
Management		
Entrepreneurial spirit with a clear vision and willingness to learn	✓	
Recipe or concept with a viable market	✓	
Evidence of business planning, e.g., Business Model Canvas, business plan, business planning coursework, and/or business counselor referral	✓	
Technical		
Product intended for human consumption	✓	✓
Product that can be produced with available kitchen equipment	✓	✓
No cannabis or pharmaceutical production	✓	✓
Food Safety		
ServSafe Food Safety Manager certification or equivalent	✓	✓
Maine Department of Health & Human Services license (foodservice & mobile vendors)	✓	✓
City of Bangor license (foodservice and mobile vendors)	✓	✓
Maine Department of Agriculture, Conservation & Fisheries license (CPG)	✓	✓
Financial		
Certificate of Insurance (General and Product Liability)	✓	✓
Sales tax certificate	✓	✓
Security deposit	✓	✓
Assets to cover one month of production	✓	
Procedural		
Facility tour	✓	✓
Interview with facility manager	✓	✓
Completed application	✓	✓
Identity verification	✓	✓
Signed lease agreement	✓	✓
Completion of onboarding requirements	✓	✓

Selection Criteria

Membership classification will guide the selection of tenants, with priority to full-time users. Application materials will be assessed against the following criteria:

1. 20% Business goals, plan and/or experience
2. 20% Demonstrated hard assets to support production, i.e., finances and labor
3. 20% Demonstrated marketing assets to support success, i.e., attractive branding and existing customer base
4. 20% Readiness to begin production
5. 20% Available facility capacity to accommodate user needs

II. Business Assistance Policy

Business assistance is essential to the success of the tenants at Bangor Central Kitchen. Services will be provided by on-site personnel and/or the entrepreneurial ecosystem in Greater Bangor. The public and non-profit partners that comprise this ecosystem are outlined in the [Service Programming](#) section of the *Bangor Central Kitchen Market Analysis and Financial Plan* (page 32). Following acceptance into the facility, the business owner will meet with program staff to customize a business assistance plan for their short-term and long-term success. On-site services will include the following:

Business Assistance

	Free	Fee
Business Development		
One-on-one technical assistance from inquiry to product launch	✓	
Coaching	✓	
Peer-to-Peer network	✓	
Networking events		✓
Referrals to service providers	✓	
Access to labor pool through externships, apprenticeships, and other workforce models		✓
Finance		
Pitching assistance	✓	
Introductions to lenders and investors	✓	
Access to capital workshops		✓
Access to cooperative purchasing program for staples and locally sourced products		✓
Marketing		
Discounted professional services, e.g., graphic design, photography, website design		✓
On-site retail and e-commerce store		✓
B2B referrals for special events	✓	
Introductions to wholesale and retail buyers	✓	
Media promotion via website, social media, e-newsletter, and event calendar	✓	
On-site pop-up markets and food truck courts	✓	

III. Staffing Plan

A. Organizational Structure

The organizational structure for Bangor Central Kitchen should consider the following key components:

- **Ownership:** What entity will own the building and the property at 50 Cleveland Street?
- **Management:** What entity will run the facility's daily operations?
- **Revenue:** Will 100% of the facility's annual revenue go back into operations? How will losses be handled?
- **Capital improvements:** What entity will take responsibility for the facility's capital improvements, including revenue generation and decision making?

In the short-term, these decisions will affect the ability of the City to apply for grants and loans to subsidize construction and startup staffing costs. To lower startup costs in the short term, overhead functions, like finance and human resources, could be handled by existing City departments.

The City of Bangor already boasts extensive experience operating an incubator. For 45 years, the City has operated the Bangor Innovation Center (BIC) at 40 Johnson Avenue, which is managed by the BanAir Corporation, a non-profit established by the Bangor City Council that provides property management, real estate development, and access to capital. This 25,000-square foot incubator offers office, flex manufacturing, and wet lab space for small businesses during their start-up and early growth stages. Over the last 20 years, the facility has assisted over 50 companies, including Ansewn Shoe, My Maine Bag, Anzac Electronics, and Chute Chemicals, with many graduating to their own production facilities.

Bangor Central Kitchen (BCK) Organizational Chart



B. Job descriptions

The City of Bangor will hire a General Manager during the launch phase of Bangor Central Kitchen. Once in operation, the General Manager will hire a Kitchen Manager. Additional hires will depend on increasing occupancy, tenant needs, and available funding streams. In the meantime, all responsibilities at the facility will be accounted for by these two positions as described below and/or outsourced on a temporary basis to city staff or consultants.

General Manager

- Provide overall leadership for the facility as a liaison between the City of Bangor, Board of Directors, and the Greater Bangor community
- Cultivate strategic partnerships with community, business, and industry groups to support external resources and programming
- Develop an annual budget plan to sustain operations
- Develop a 3-5 year strategic plan
- Lead identification and development of grant proposals
- Lead outreach and recruitment of entrepreneurs through info sessions and tours
- Recruit, hire, schedule, supervise, and evaluate kitchen staff
- Foster a collaborative work environment amongst users and kitchen staff
- Provide regular reports and check-ins to City staff

Membership Services (Provided by General Manager until resources allow for separate position)

- Cultivate a pipeline of leads to support member recruitment, including contacts with colleges and universities, business counselors, and other resources.
- Manage application and intake of prospective users on The Food Corridor or equivalent platform.
- Guide prospective users through onboarding, e.g., securing a license, obtaining product liability insurance, etc.
- Create a seamless continuum of business assistance services, including training, technical assistance, mentoring, and coaching
- Review memberships to ensure optimal kitchen usage that meets revenue targets
- Track performance outcomes for members, including demographics, jobs, and sales
- Bill members for space and equipment usage

Outreach and Marketing Services (Provided by General Manager until resources allow for separate position)

- Develop and implement a communications plan for the facility, including marketing, branding, and public relations
- Utilize earned, paid, and social media to promote the kitchen's external programming, including classes, pop-ups, markets, and other events
- Represent Bangor Central Kitchen at trade shows and community events

Special Events (Provided by General Manager until resources allow for a separate position)

- Develop robust calendar of events where locals can purchase member products
- Organize events, e.g., pop-ups and markets, to connect community with members
- Coordinate logistics for special events, e.g., schedule, tents, tables, chairs, food, etc.

Kitchen Manager

- Tour kitchen on a daily basis to monitor condition, cleanliness, and quality
- Create a system of stewardship, responsibility, and accountability among users
- Execute member onboarding, including proper equipment and space usage, kitchen etiquette, and SOP compliance
- Manage kitchen scheduling in The Food Corridor or equivalent software
- Take immediate action to resolve member concerns and complaints
- Comply with local, state, and federal health department standards, including regulations, inspections, and corrective action
- Help members scale production through efficient manufacturing practices
- Track user data to share with makers, funders, and other stakeholders

Operations Team (Provided by Kitchen Manager until resources allow for separate position)

- Facilitate supply chain management to connect members with local vendors
- Coordinate bulk/cooperative purchasing from local producers
- Coordinate shipping/receiving of deliveries to ensure proper storage
- Oversee cold, frozen, and dry storage, including member usage; proper labeling, sealing and stacking of products; monitoring expiration dates; and maintaining temperature logs

Maintenance (Provided by General Manager until resources allow for separate position)

- Provide hands-on training on equipment usage, safety, and cleaning protocols
- Implement the facility's pest and waste management program
- Conduct deep cleaning of equipment according to SOP protocols
- Ensure equipment is working properly and address routine malfunctions
- Schedule equipment, maintenance and repair with outside vendors
- Maintain inventory and sanitation log

IV. Tenant Graduation Policy

For most food incubators, graduation is not necessarily the goal. Most allow tenants to produce as long as the facility meets their needs. In fact, longevity allows users to become full-time producers who generate most of the revenues. Moreover, mature tenants are valued as mentors to startups. However, some food businesses become so large that they monopolize space. In general, this tipping point is reached upon the following thresholds:

- > 5 full-time employees and/or sales > \$500,000 (CPG)
- Sales > \$1 million (caterers, mobile vendors)
- Space needs exceed the capacity of the facility
- Long tenure that manifests as a sense of entitlement, leading to conflict, cutting corners, and other negative behaviors

Other businesses will leave “when the time is right,” such as when the perfect property hits the market or economic and operational self-sufficiency is achieved. The latter encompasses the following milestones:

Graduation Milestones for Food Entrepreneurs

Topics	Outcomes
Business Planning	Founding team with differentiated skillsets Business plan with compelling value proposition Relationship with a business counselor Commitment to full-time production with aspirations to scale Pitch deck for different target audiences
Finance	Incorporation as an LLC Financial projections for 3-5 years Profitability Break-even analysis Line of credit with vendors and suppliers Commercial bank loan > \$100,000 Desirable real estate location for production and sales
Operations	Favorable Cost of Goods ratio High use of technology – digital media, Point-of-Sale, accounting, etc. Compliant label with shelf-life, allergen, SKU, and nutrition info Eco-friendly packaging solutions Stable local sourcing relationships with suppliers Efficient batch production with HACCP plans for each phase Skilled and motivated employees
Marketing	Brand assets, e.g., name, logo, tagline, social media, website Diversity of sales channels – wholesale, direct-to-consumer, foodservice Sell sheets for each product with retail and wholesale pricing Attractive food styling and photography for tabletop and trade show displays Customer mailing list with detailed demographics Positive record of customer feedback with repeat sales

A version of these thresholds and milestones have been memorialized into the draft lease agreement in Section VI.

V. Performance Plan

The performance plan for Bangor Central Kitchen identifies the measures that will be tracked to determine the success of tenants as well as the success of the facility. Compliance with annual data requirements has been incorporated into the lease agreement in Section VI.

Performance Measures

Topics	Outcomes	Frequency
Recruitment	Inquiries by business type and geography Conversion rate from inquiries to members	Daily log Quarterly
Tenant Demographics	Personal Place of residence Age Gender Household income Race and ethnicity Employment status Veteran status Disability accommodation Educational attainment Kitchen experience Business Business type Date of establishment Ownership type Stage of development FTE employees Frequently used inputs Annual sales Referral, if any	Application and intake interview
Tenant Development	Workshops attended Jobs created/retained Annual sales Profit margin Capital raised Local food procurement	Sign-in sheet Annual survey Annual survey Annual survey Annual survey Annual survey
Tenant Graduation	Milestones achieved Place of business Capital investment (new facility) Jobs to be created/retained Annual sales	Exit interview Exit interview Exit interview Exit & 1-year post Exit & 1-year post
Facility	Partnerships created Media mentions and impressions Social media followers Hours of training and technical assistance provided Businesses served by type, demographics, size, sales Occupancy and turnover rate Businesses graduated and their survival rate Capital raised from state, Federal, and private sources	Annual Report Daily Quarterly Quarterly Annual Report Annual Report Annual report Annual Report

VI. Tenant Application and Lease Agreement

The following tenant lease agreement outlines the shared services to be provided to tenants, including access to space and equipment, cleaning protocols, onboarding checklist, business assistance policy, graduation policy, and required performance data. In addition, a sample application has been drafted.

Bangor Central Kitchen Rental Agreement

Business or Organization name (User) _____

User business and contact Information

Business name _____ Year founded _____

Owner name _____ Ownership Structure _____

Title _____

Address _____

City _____ State _____ Zip Code _____

Email _____

Phone _____ Mobile phone _____

Emergency contact _____ Relationship _____

Phone _____ Mobile phone _____

Type of processing activity

- Caterer/Chef
- Mobile
- Consumer Packaged Goods
- Farmer or fisherman adding value to product
- For-profit educator
- Non-profit educator
- Other (please describe) _____

What Bangor Central Kitchen provides

The kitchen is a fully-permitted facility equipped for the commercial production of food offered for sale to the public. Amenities include the following:

Equipment	Cooking, baking, and packaging equipment (See Appendix B) Utilities
Supplies	Cookware Smallware Hairnets Gloves Paper products
Storage	Cold, frozen, and dry storage Loading dock Shipping/receiving during normal business hours
Sanitation	High volume dishwasher Greywater disposal Waste and pest management Deep cleaning of equipment and grease traps Cleaning equipment and supplies
Access	24/7 key fob access Security system surveillance Online reservation and billing system Wifi
Business Assistance	Training and technical assistance (See Appendix H) Meeting and event space Referrals to service providers and clients Retail store with E-commerce platform

What the user provides

The user shall furnish their own ingredients, staples, and spices along with cutlery and smallware necessary for production that are not available in the kitchen. When processing is completed for the day, the user must store supplies in a storage space or take them home. All stored items must be properly stacked and labeled. The facility will not be held responsible for misplaced items.

Shared use means shared responsibility

Bangor Central Kitchen is a shared-use facility designed to accommodate a variety of food businesses. It is necessary that all users co-operate to make this shared space work for everyone. This includes respecting the operating rules and helping to maintain the condition of the facility. It is the goal of Bangor Central Kitchen to foster a positive collaborative culture that is consistently clean, safe, and orderly for all users.

Licensing

It is the responsibility of users to obtain and maintain the appropriate licensing from state and local authorities.

- **Licensing:** All users of the kitchen must provide appropriate documentation before using the facility:
 - Completed application
 - Completed contract
 - Copy of General Liability/Product Liability Insurance
 - Copy of Food Safety certification
 - Copy of local business license
 - Copy of state license(s)
 - Copy of sales tax certificate
 - Copy of state identification card
 - Security deposit
- **Right of Inspection:** Bangor Central Kitchen retains the right to inspect operations at any time during use. The local health authority and/or any other governmental food and safety authorities shall have the right to inspect without prior notice at any time deemed necessary by their authorities. It is the responsibility of the user to understand and comply with all health and safety regulations.
- **Fines and fees:** The user shall be solely responsible for any fines or fees levied by authorities related to their activities in the kitchen.
- **Unlicensed production:** Under no circumstances shall the user allow unlicensed individuals from another business to produce food for sale during their reservation period. In addition, users found to be cooking from home or another kitchen while claiming to be producing from the facility will be suspended from further use.

Housekeeping Policies

Bangor Central Kitchen will provide approved cleaning and sanitation chemicals for application by the user.

- **Protocols:** Reservations must conform with the scheduled start and stop times, including setup and cleanup. Users will follow the cleaning guidelines contained in Appendix E before, during and after each use. Users must complete the approved "Cleaning Check List" after each use, including placing waste in appropriate receptacles designated for trash, recycling, and composting.
- **Corrective Action:** If the user fails to leave the facility in the proper condition, the Kitchen Manager may take appropriate corrective action, including user education, a written warning, and/or termination of the agreement.
- **Alterations:** The user shall not make any alterations, installations, repairs or redecoration of the premises without first obtaining written permission from the General Manager. Any repairs or installations must be completed by qualified persons. Work should be scheduled outside business hours at a time approved by the facility.
- **Damages:** Users shall immediately report property damage to the building or equipment associated with their use of the facility. The user will pay for damage to the premises caused by an act of the user or members of the user's family, employees, guests, or customers.

Health and Safety Policies

Bangor Central Kitchen shall maintain the kitchen in a sanitary and orderly state and ensure that all owned equipment available to the user operates to all applicable health and safety standards.

- **Authorization:** Only the user and their designated employees are allowed in the kitchen.
- **Worker Safety:** All user employees must be registered with Bangor Central Kitchen, including contact information in case of emergencies.
- **Supervision:** The user is solely responsible for supervising employees in the facility during their usage.
- **Minors:** Minors under 16 must obtain a work permit.

- **Injury:** Users shall immediately file an incident report with the Kitchen Manager for personal injuries incurred during their use of the facility.
- **Eviction.** Bangor Central Kitchen shall reserve the right to evict individuals from the facility at any time if their conduct is deemed grossly negligent and/or detrimental to the facility's property and/or culture.
- **Food Safety:** User is responsible to ensure that employees follow food safety procedures at all times.
- **Inventory:** Users must police their own stock of food supplies for expiration dates.
- **Facility property:** Unless rented, no facility equipment shall be removed from the premises.
- **Smoking:** Smoking is not permitted within the facility or within 50 feet of the building.
- **Drugs:** Consuming drugs, including recreational or medical marijuana, is not permitted on the premises.
- **Alcohol:** Alcohol may not be consumed during production. Alcohol may be offered as part of special events provided it conforms to Federal, state, and local regulations for products, personnel, and service.
- **Animals:** Animals are not permitted in the facility.

Scheduling and Billing Policies

- **Scheduling and Billing:** To use the facility, the user must register for an account at The Food Corridor. All scheduling and billing will take place on the software management platform.
- **Payment:** A valid credit or debit card must remain on file for automatic billing purposes. If for any reason the card being charged is declined, the user will be notified immediately. Access to the kitchen will be restricted until a working card has been supplied. After 48 hours, any reserved kitchen time may be cancelled if no alternate payment method is supplied.
- **Changes and cancellations** Reservation requests, changes, and cancellations require 24 hours' notice. If the user does not show up for a scheduled time without notice, they are responsible for charges.
- **Hiatus:** Tier I users may elect to go on hiatus due to seasonal production, extended illness, vacation, and/or caregiving responsibilities. It is the responsibility of the user to provide written notice [X] days in advance for a hiatus. Pre-paid hours not used by Tier I users shall not accumulate month-to-month.
- **Security Deposit:** The user has supplied a refundable security deposit in the amount of \$ _____ to Bangor Central Kitchen. The security deposit shall be returned following a one-time use or termination of the lease agreement as long as the user has followed all cleaning protocols. If damages or repairs to the property exceed the security deposit, Bangor Central Kitchen reserves the right to recoup these expenses by charging the user's card on file.

Indemnification and Liability

Users shall indemnify, defend and hold harmless Bangor Central Kitchen from any and all losses, costs, expenses, claims, liabilities, actions, or damages, including liability for injury to any person or persons or damage to property arising from their usage of the kitchen. Indemnification of Bangor Central Kitchen shall be specifically written into the user's insurance policy.

No oral modification. This agreement may only be modified in writing by Bangor Central Kitchen and the user.

Termination

This agreement shall continue on a month-to-month basis unless terminated as provided in this section. User's financial obligation to Bangor Central Kitchen, if any, shall survive termination of this agreement.

1. **Voluntary Termination.** This agreement may be terminated at any time upon mutual agreement of Bangor Central Kitchen and the user. User may terminate this agreement with 30 days' notice.
2. **Breach or Default.** User must correct any violation, breach, or failure to keep or perform any conditions of this agreement within three (3) days after receiving written notice of such from Bangor Central Kitchen. If more than three (3) days pass without corrective action, Bangor Central Kitchen may, in its sole discretion, terminate this agreement.
3. **Property.** Upon termination, users shall remove their property from Bangor Central Kitchen within one (1) week. If not removed, Bangor Central Kitchen may take possession of user's property for disposal or storage.

Term and Renewal of the Agreement.

Tier I users: The term of this agreement begins on the first day of _____ and continues on a month-to-month basis until termination and/or hiatus. The user must provide 30 days' written notice to terminate the agreement. Proper notice allows the facility to schedule businesses on the waiting list for available spots.

Tier II users: The term of this agreement begins on _____ at _____ and ends on _____ at _____.

Appendix A Product Form

The list of approved products you plan to produce is attached and forms part of this agreement.

- I have reviewed, understand and agree to the approved product list attached as Appendix A.

Appendix B Required Equipment

The confirmed list of equipment you need is attached and forms part of this agreement.

- I have reviewed, understand and agree to the confirmed equipment requirement list attached as Appendix B.

Appendix C Access Tiers and Fees

Your confirmed payment option and schedule are attached and form part of this agreement.

- I have reviewed, understand and agree to the approved schedule and payment plan attached as Appendix C.

Appendix D Onboarding Checklist

Orientation and onboarding must be completed by the user before using the facility.

- I have reviewed, understand, and agree to participate in the facility orientation training outlined in Appendix D.

Appendix E Cleanup Procedures

The cleanup checklists you are required to follow are attached as Appendix E and form part of this agreement.

- I have read, understand, and agree to the cleanup check lists attached as Appendix E.

Appendix F Business Assistance Policy

The facility's business assistance policies are attached and form part of this agreement.

- I have read, understand, and agree to the Business Assistance Policy as attached in Appendix F.

Appendix G Graduation Policy

The facility's graduation policies are attached and form part of this agreement.

- I have read, understand, and agree to the Graduation Policy attached as Appendix G.

Appendix H Performance Measures

The performance measures you are required to supply are attached and form part of this agreement.

- I have read, understand, and agree to the Performance Measures attached as Appendix H.

Signatures

_____ Date _____
User representative

Printed Name of User _____

_____ Date _____
Bangor Central Kitchen General Manager

Printed Name of General Manager _____

Appendix A – Product list User _____

Please complete the list of products you wish to produce, including any potential allergens.

Product	Potential allergens
Product	Potential allergens
Product	Potential allergens
Product	Potential allergens
Product	Potential allergens
Product	Potential allergens
Product	Potential allergens
Product	Potential allergens
Product	Potential allergens

Signatures

_____ Date _____
 User representative

Printed Name of User _____

_____ Date _____
 Bangor Central Kitchen General Manager

Printed Name of General Manager _____

Appendix B. Equipment

User _____

Below is a list of the equipment available at Bangor Central Kitchen. Please check the equipment you plan to use.

Cooking and Baking Stations

- Oven
- Range
- Deep fryer
- Dehydrator
- Deli slicer
- Dough sheeter
- Filler
- Food processor
- Griddle
- Ice cream machine
- Juicer
- Microwave
- Mixer
- Proofer
- Pressure cooker
- Smoker
- Tilt skillet

Packaging equipment

- Blast chiller
- Pressure canning
- Vacuum sealer

Storage

- Dry storage
- Refrigerated storage

Available to rent at additional cost

- Mobile catering equipment for off-site use

Please list any equipment you would like to add to the kitchen for your exclusive use

Signatures

_____ Date _____

User representative

Printed Name of User _____

_____ Date _____

Bangor Central Kitchen General Manager

Printed Name of General Manager _____

Appendix C: Access Tiers and Fees

User _____

Tier I (Monthly subscription)

- Package 1: Full-time use**
Unlimited hours per month + deposit
- Package 2: Part-time use**
[X] hours per month + deposit

Tier II (Hourly users)

- For-profit users:** Hourly rate of [\$XX]/hour + deposit
- Non-profit users:** Hourly rate of [\$XX]/hour + deposit
- Facility rental:** Flat rate of [\$XXX] per 4-hour block + deposit

Requested schedule: Start date _____

Day(s)	Time	Activity
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Must include time preparation and cleanup

Extra Storage Fees

- _____ Dry storage at [\$X] per month per shelf
- _____ Refrigerated storage at [\$X] per month per shelf
- _____ Frozen storage at [\$X] per month per shelf

Annual Fee

_____ **Flat membership fee [TBD]**

OR

_____ **Percentage of sales** 0.005% assessed monthly
Estimated annual sales _____

Total estimated fees

- _____ Production space
- _____ Extra dry, refrigerated, and/or cold storage
- _____ Annual fee
- _____ **Total**

Signatures

_____ Date _____
User representative

Printed Name of User _____

_____ Date _____
Bangor Central Kitchen General Manager

Printed Name of General Manager _____

Appendix D Onboarding Checklist

User _____

User Orientation – review to be completed by Bangor Central Kitchen before facility usage.

General

- General Safety
- Sicknes/Injury
- Guest Policy
- Member Inspection
- Member compliance
- Parking
- Services/Rates
- Fines
- Facility Tour
- Invoices/Due Dates
- Access Hours
- Shipping/Receiving
- Loading/Unloading
- Documentation
- Keys/Alarm Code
- WiFi
- Booking/Cancellations/Changes
- Emergency Procedures

Kitchen

- Staff hygiene and uniform
- Safe food handling
- Food labelling
- Clean vs. sanitary
- Chemicals/PPE
- Dishwashing procedure
- Knife storage
- Eating and drinking in production areas
- Drugs and alcohol
- Persons under 16
- Fire extinguisher
- Fire suppression
- First aid kit/incident forms
- Oil disposal
- Garbage/recycling/compost
- Linens

Equipment

- _____
- _____
- _____
- _____
- _____
- _____

Storage

- Refrigerator
- Dry storage
- Freezer

Signatures

_____ Date _____
User representative

Printed Name of User _____

_____ Date _____
Bangor Central Kitchen General Manager

Printed Name of General Manager _____

Cleaning and sanitation steps must be completed at the end of each session.

Pre-production

- Sanitize prep table surfaces
- Check staff for personal hygiene and clothing
- Review Food Safety Plan with staff

Post-production

General cleanup

- Clean cookware and smallware
- Food supplies

- Waste

Wash equipment and run them through the sanitizer.
Properly label, store and date stored items according to Food Safety standards (FIFO; meats on bottom shelf) in assigned storage areas.
Place in designated trash, recycling & compost receptacles.

Equipment cleanup

- Prep tables and countertops
- Stoves and ovens
- Fixed equipment
- Refrigerators, freezers
- Floor

Clean and sanitize surfaces used.
Clean stove tops and wipe clean oven, if used.
Clean and sanitize equipment parts.
Wipe clean spills and check expiration dates of supplies.
Sweep surplus debris.

Signatures

_____ Date _____
User representative

Printed Name of User _____

_____ Date _____
Bangor Central Kitchen General Manager

Printed Name of General Manager _____

The following business assistance services will be offered on-site to tenants of Bangor Central Kitchen. While most will be provided for free as part of Tier 1 membership, others will be offered for a nominal fee at market or discounted rates.

Nominal fee: On-site workshops and networking events.

Market/discount rate: Cooperative purchasing requires users to pay for the wholesale cost of products.
 Labor requires the payment of wages at market or student rates.
 Professional services from outside vendors require a contract for a specific scope of service.
 On-site retail requires a wholesale margin [TBD, e.g., 10%-20%].

Business Assistance Services

	Free	Fee
Business Development		
One-on-one technical assistance from inquiry to product launch	✓	
Coaching	✓	
Peer-to-Peer network	✓	
Networking events		✓
Referrals to service providers	✓	
Access to labor pool through externships and apprenticeships		✓
Finance		
Pitching assistance	✓	
Introductions to lenders and investors	✓	
Access to capital workshops		✓
Access to cooperative purchasing program for staples and locally sourced products		✓
Marketing		
Discounted access to professional services from outside vendors, e.g., graphic design, photography, website design		✓
On-site retail and e-commerce store		✓
B2B referrals for special events	✓	
Introductions to wholesale and retail buyers	✓	
Media promotion via website, social media, e-newsletter, and event calendar	✓	
On-site pop-up markets and food truck courts	✓	

Signatures

_____ Date _____
 User representative

Printed Name of User _____

_____ Date _____
 Bangor Central Kitchen General Manager

Printed Name of General Manager _____

Users are welcome to produce at Bangor Central Kitchen for as long as the facility meets your needs and the business contributes to the collaborative culture of the kitchen. Signals that you have outgrown the facility include the following:

- > 5 full-time employees and/or sales > \$500,000 (CPG)
- Sales > \$1 million (caterers, mobile vendors)

To progress toward profitability, users are encouraged to work toward the following milestones, which will inform your desire and decision to seek out your own production facility, restaurant, or storefront.

Graduation Milestones for Food Entrepreneurs

Topics	Outcomes
Business Planning	Founding team with differentiated skillsets Business plan with compelling value proposition Relationship with a business counselor Commitment to full-time production with aspirations to scale Pitch deck for different target audiences
Finance	Incorporation as an LLC Financial projections for 3-5 years Profitability Break-even analysis Line of credit with vendors and suppliers Commercial bank loan > \$100,000 Desirable real estate location for production and sales
Operations	Favorable Cost of Goods ratio High use of technology – digital media, Point-of-Sale, accounting, etc. Compliant label with shelf-life, allergen, SKU, and nutrition info Eco-friendly packaging solutions Stable local sourcing relationships with suppliers Efficient batch production with HACCP plans for each phase Skilled and motivated employees
Marketing	Brand assets, e.g., name, logo, tagline, social media, website Diversity of sales channels – wholesale, direct-to-consumer, foodservice Sell sheets for each product with retail and wholesale pricing Attractive food styling and photography for tabletop and trade show displays Customer mailing list with detailed demographics Positive record of customer feedback with repeat sales

Signatures

_____ Date _____
 User representative

Printed Name of User _____

_____ Date _____
 Bangor Central Kitchen General Manager

Printed Name of General Manager _____

To demonstrate the economic impact of the facility to policymakers and funders, all regular Tier 1 and Tier 2 users must supply personal and company information at intake, on an annual basis, and one-year post exit. All data will be kept confidential and reported only in aggregate form.

Performance Measures

Category	Outcomes	Frequency
Demographics	Place of residence Age Gender Race and ethnicity Veteran status Disability status Employment status Annual household income Educational attainment Kitchen experience	Application and intake interview
Business Development	Business type Date of establishment Ownership type Stage of development FTE employees Annual sales Referral, if any	Application and intake interview
Business Growth	Jobs created/retained Annual sales Capital raised Local food procurement	Annual survey
Tenant Graduation	Milestones achieved Place of business Capital investment (new facility) Jobs to be created/retained Annual sales	Exit interview Exit interview Exit interview Exit & 1-year post Exit & 1-year post

Signatures

_____ Date _____
User representative

_____ Printed Name of User

_____ Date _____
Bangor Central Kitchen General Manager

_____ Printed Name of General Manager

Bangor Central Kitchen Application

User business and contact Information

Business name _____

Owner name _____

Title _____

Business website and/or social media pages _____

Address _____

City _____ State _____ Zip Code _____

Email _____

1. How did you hear about Bangor Central Kitchen?

- Internet search
- Word-of-mouth
- Referral
- Social media
- Other _____

2. Type of product or

- Caterer/Chef
- Mobile
- Consumer Packaged Goods
- Farmer or fisherman adding value to product
- For-profit educator
- Non-profit educator
- Other (please describe) _____

3. What is your current stage of production?

- Research and development
- Ready to launch
- In business 1-2 years
- In business 3 or more years

4. Do you have any of the following documents?

- General Liability/Product Liability Insurance
- Food Safety certification
- Local business license
- State license(s)
- Sales tax certificate

5. Describe your business in 1-2 sentences.

6. Please describe how your business experience, life experience, and/or professional experience would contribute to you being a successful entrepreneur in this food business venture. Attach a business plan, resume, business model canvas, or other evidence to support your response.

7. Do you have customers?

- No customers yet
- Family and friends
- General public
- Wholesale and foodservice accounts

8. What are your business goals over the next 1-3 years?

- Stay the course
- Breakeven
- Generate profit
- Go full-time
- Hire employees
- Move into my own storefront, restaurant, or production facility
- Go regional (New England)
- Go national
- Outsource production to a third party
- Other (please describe) _____

9. What were your total sales over the past 12 months?

- No sales yet
- Under \$25,000
- \$25,001-\$50,000
- \$50,001-\$100,000
- \$100,001-\$500,000
- Over \$500,000

10. What is your expected production level at Bangor Central Kitchen?

- Hourly
- Part-time
- Full-time
- Seasonal

11. What is your expected weekly usage of Bangor Central Kitchen?

- Weekday Morning
- Weekday Afternoon
- Weekday Evening
- Weekends
- Overnight
- Occasional (once a month)

12. What equipment do you expect to use?

- Oven
- Range
- Deep fryer
- Dehydrator
- Deli slicer
- Dough sheeter
- Filler
- Food processor
- Griddle
- Ice cream machine
- Juicer
- Microwave
- Mixer
- Proofer
- Pressure cooker
- Smoker
- Tilt skillet

Packaging equipment

- Blast chiller
- Pressure canning
- Vacuum sealer

Storage

- Dry storage
- Refrigerated storage
- Frozen storage
- Other (please describe) _____

13. What is the nature of your finished products?

- Fresh
- Shelf-stable
- Refrigerated
- Frozen

14. Do you have employees?

- No
- Unpaid family and friends
- 1-2 employees
- 3-5 employees
- 6-10 employees
- 10+ employees

15. Do you have financial assets to support your business?

- No
- Line of credit
- Bank loan
- Personal savings

16. Is your business profitable?

- Not yet
- Break even
- Yes

17. What milestones have you achieved for business development and growth? Check all that apply

Milestones for Food Entrepreneurs	
Categories	Milestones
Business Planning	Founding team of at least two people with differentiated skillsets Compelling value proposition Business plan or Business Model Canvas Relationships with a business counselor Desire to produce full-time Pitch deck
Finance	Incorporation as an LLC Financial projections for 3-5 years Break-even analysis Profitability Line of credit with vendors and suppliers Commercial bank loan
Operations	Favorable Cost of Goods ratio Point-of-sale system Accounting software Shelf-life testing Nutrition label SKU for each product Eco-friendly packaging Sourcing contracts with local suppliers HACCP plans for each phase of production Trained employees
Marketing	Brand name Logo and tag line Social media pages Website Wholesale accounts Sell sheets for each product with retail and wholesale pricing Attractive food photography Attractive tabletop and trade show display Customer mailing list Positive record of customer feedback Record of repeat sales

18. What technical assistance do you need to grow your business?

- Access to capital
- Marketing and branding
- Finance
- Operations
- Eco-certification, e.g., organic
- Food safety, e.g., HACCP planning
- Legal
- Networking, coaching, and mentoring
- Packaging & labeling
- Process improvement, e.g., lean manufacturing
- Product testing, e.g., nutrition, shelf-life, sensory evaluation
- Recipe development
- Supply chain management, e.g., local sourcing
- Other (please describe) _____

19. Is there anything else we should know about you or your business?

Demographics

The following information will be kept confidential and not shared with the review committee or the public except in aggregate form.

What is your age?

- 18-24
- 25-34
- 35-44
- 45-54
- 55 and over

What is your gender?

- Male
- Female
- Non-binary
- Prefer not to say

What is your race?

- White
- African American
- Asian
- Asian Pacific Islander
- Native American
- Two or more races
- Prefer not to say
- Other

Are you of Hispanic or Latino origin?

- Yes
- No

Were you born in the United States?

- Yes
- No

Are you a U.S. veteran?

- Yes
- No

Do you have a disability that requires accommodation in the kitchen?

- Yes
- No

If yes, please explain _____

What is your annual household income?

- Less than \$25,000
- \$25,001-\$49,999
- \$50,000-\$74,999
- \$75,000-\$99,999
- \$100,000-\$199,999
- Over \$200,000

What is your work status?

- Unemployed
- Employed part-time
- Employed full-time
- Self-employed
- Student
- Retired

What is your highest level of educational attainment?

- Less than high school diploma or GED
- High school diploma or GED
- Some college
- Associate degree
- Baccalaureate degree
- Graduate or professional degree

REFERENCES

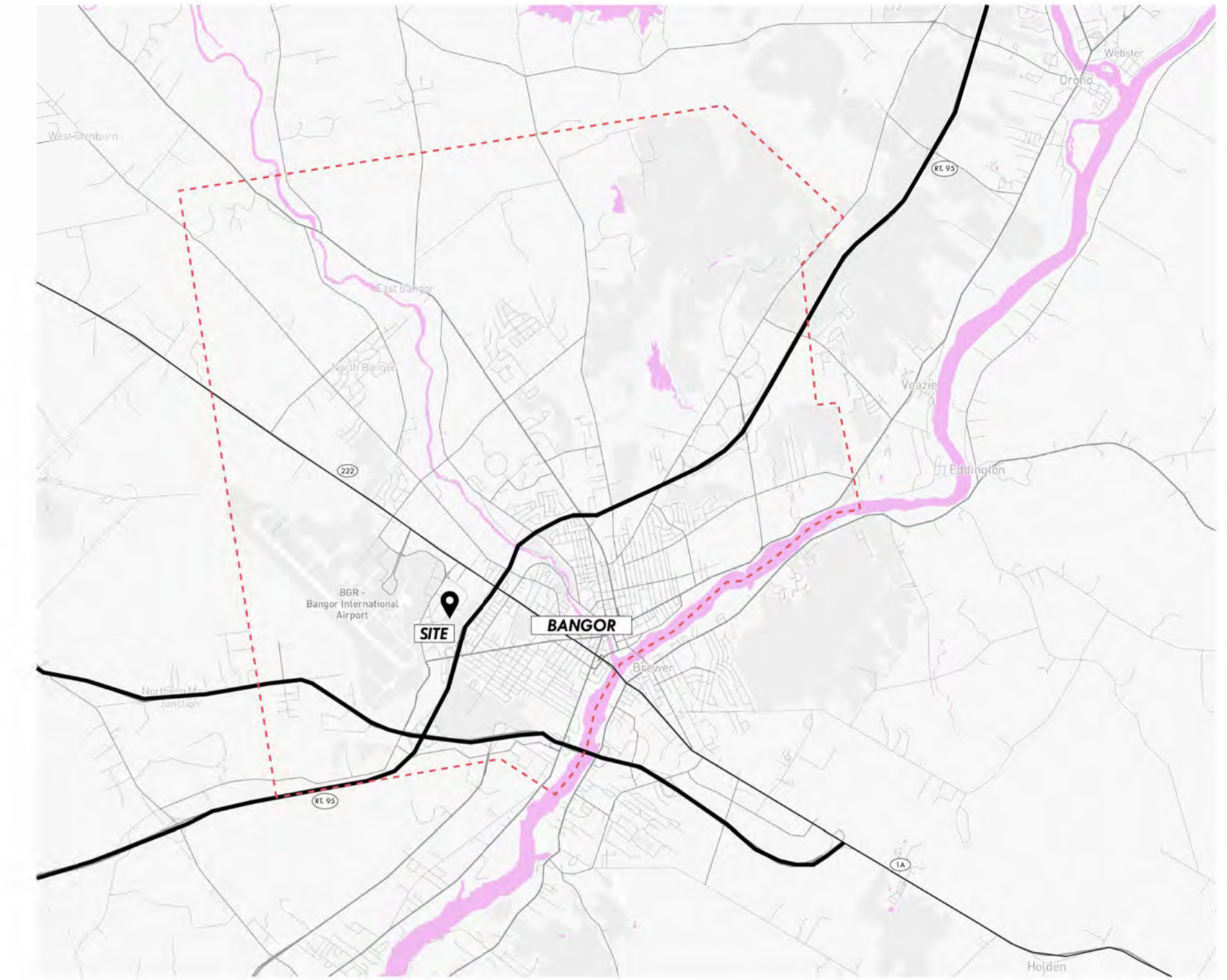
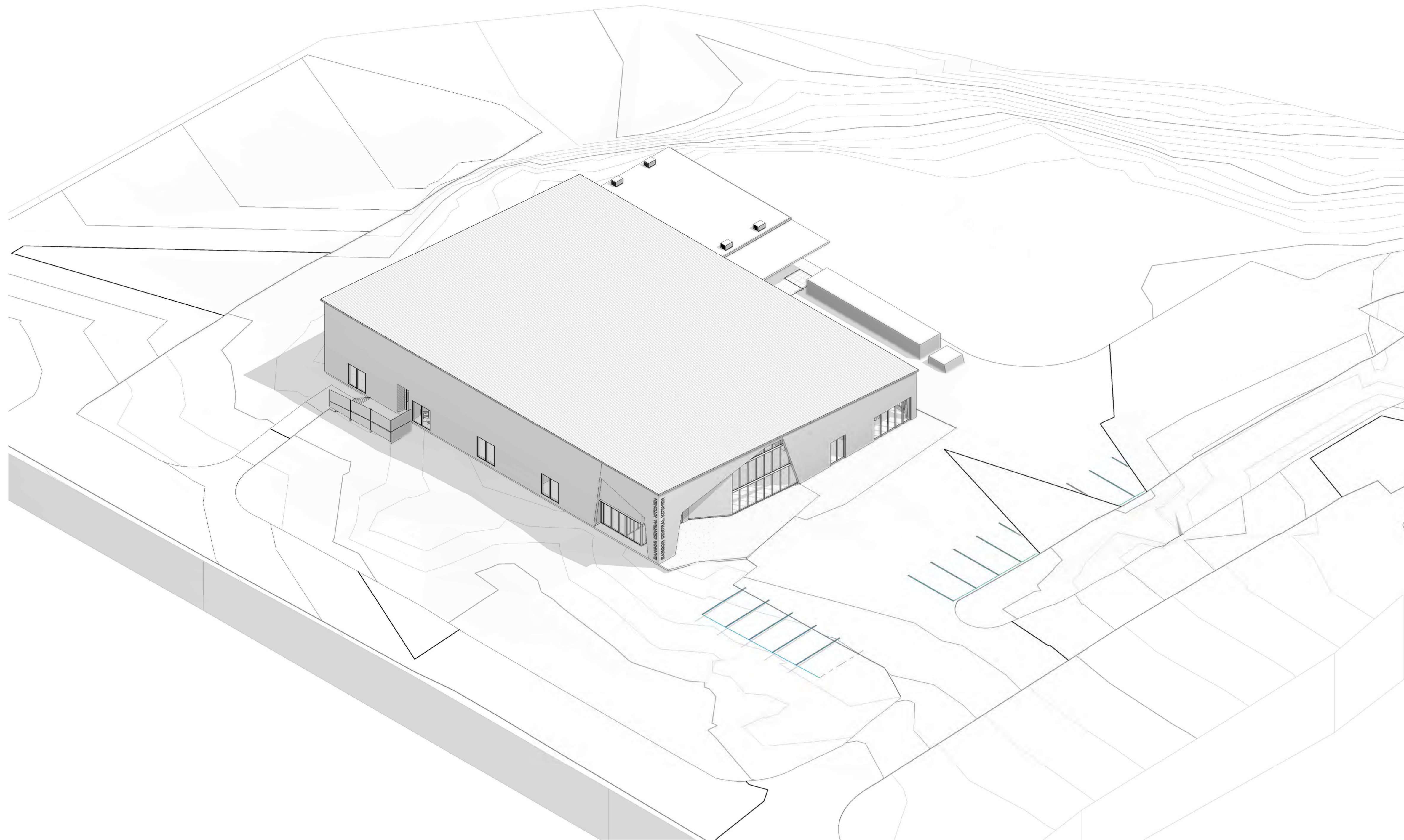
- ¹ Econconsult Solutions, Urbane Development, The Food Corridor, Catherine Street Consulting (2020). U.S. kitchen incubators: an industry update [report]. https://econsultsolutions.com/wp-content/uploads/2020/01/Kitchen-Incubators-2019_1.14.20.pdf, hereinafter referred to as Kitchen Incubators (2020).
- ² Ibid.
- ³ Ibid.
- ⁴ Ibid.
- ⁵ LoopNet accessed July 21, 2023.
- ⁶ Quarterly Census of Employment and Wages, Maine Department of Labor (2023). <https://www.maine.gov/labor/cwri/qcew1.html>
- ⁷ Maine Revenue Services (2023). Monthly taxable sales by ESA. <https://www.maine.gov/revenue/taxes/tax-policy-office/sales-tax-reports>
- ⁸ Maine Revenue Services (2023). Annual taxable sales by town. <https://www.maine.gov/revenue/taxes/tax-policy-office/sales-tax-reports>
- ⁹ Access Development (2016). The impact of proximity on consumer purchases: a national study conducted by Access Development. https://ww2.accessdevelopment.com/consumer_proximity_study
- ¹⁰ Esri (2023). Esri Business Analyst based on the American Community Survey.
- ¹¹ Esri (2023). Esri Tapestry Segmentation. <https://doc.arcgis.com/en/esri-demographics/latest/regional-data/tapestry-segmentation.htm>
- ¹² Statista (2023). Local food in the U.S. – statistics and facts. <https://www.statista.com/topics/2123/local-foods-statistics-and-facts/#topicOverview>
- ¹³ Kitchen Incubators (2020).
- ¹⁴ Ibid.
- ¹⁵ Ibid.
- ¹⁶ Ibid.

BANGOR CENTRAL KITCHEN

BUILDING UPDATES

Paul Designs Project

January 6th, 2025



Sheet List	
Sheet Number	Sheet Name
A000	Cover
A001	General Notes
A002	Code Information & Occupancy
A003	Occupancy Plan
A004	Life Safety
A005	Accessibility Plan
A006	Energy Code
A100	Floor Plan
A101	Second/Mezzanine Floor Plan
A102	Roof Plan
A150	Reflected Ceiling Plan
A200	Elevations
A300	Sections
A400	Enlarged Bathroom Plans
A401	Enlarged Public Side Event Plan
A402	Enlarged Public Side Event Plan Copy 1
A403	Enlarged Freezers
A404	Enlarged Kitchen
A405	Locker Room Enlarged
A600	Door & Window Schedule
A601	Room Finish Schedule & Specifications
A800	Furniture Plan
A801	Equipment Plan
A802	Square Footages
A803	Kitchen Zone Diagram
A804	Kitchen Flow Diagram
A900	Floor Finish Plan
A901	Wall Finish Plan
D100	Demolition Notes
D101	Selective Demolition Plan
D102	Selective Demolition RCP
D103	Full Demolition Plan
EX100	Existing Floor Plan
EX101	Existing Elevations
EX102	Existing Original Plan
P100	Perspective Concept
P101	Perspectives - Kitchen
P102	Perspectives - Dedicated Kitchens
P103	Pre-Fabricated Metal Building Parameters
S100	Site Plan

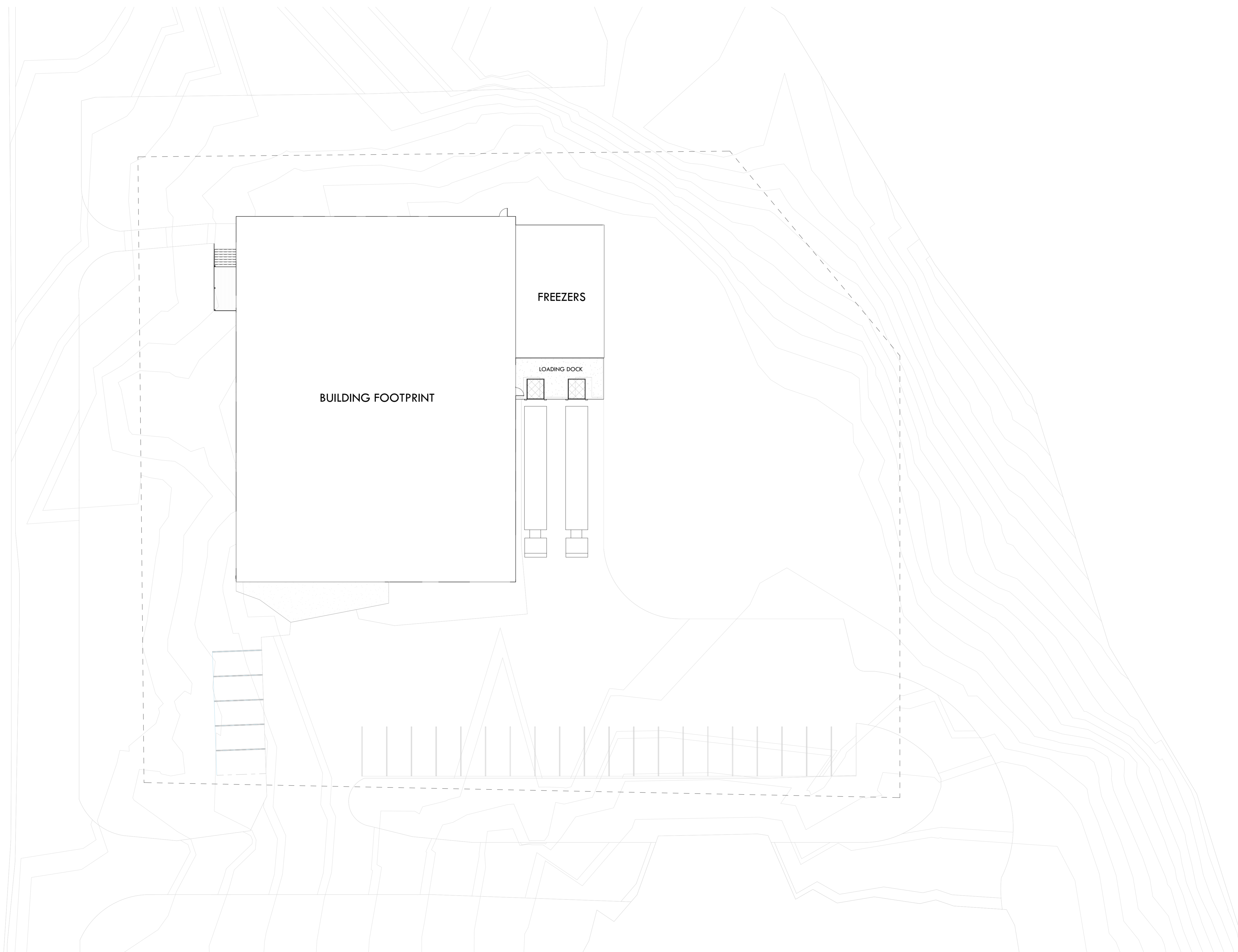
DESIGN DEVELOPMENT REVIEW SET

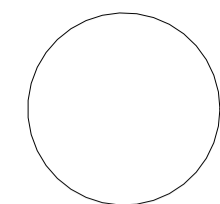
Bangor Central Kitchen Central Kitchen Designs - P23-31

50 Cleveland Street, Bangor, ME

NEW UPDATED PLANS

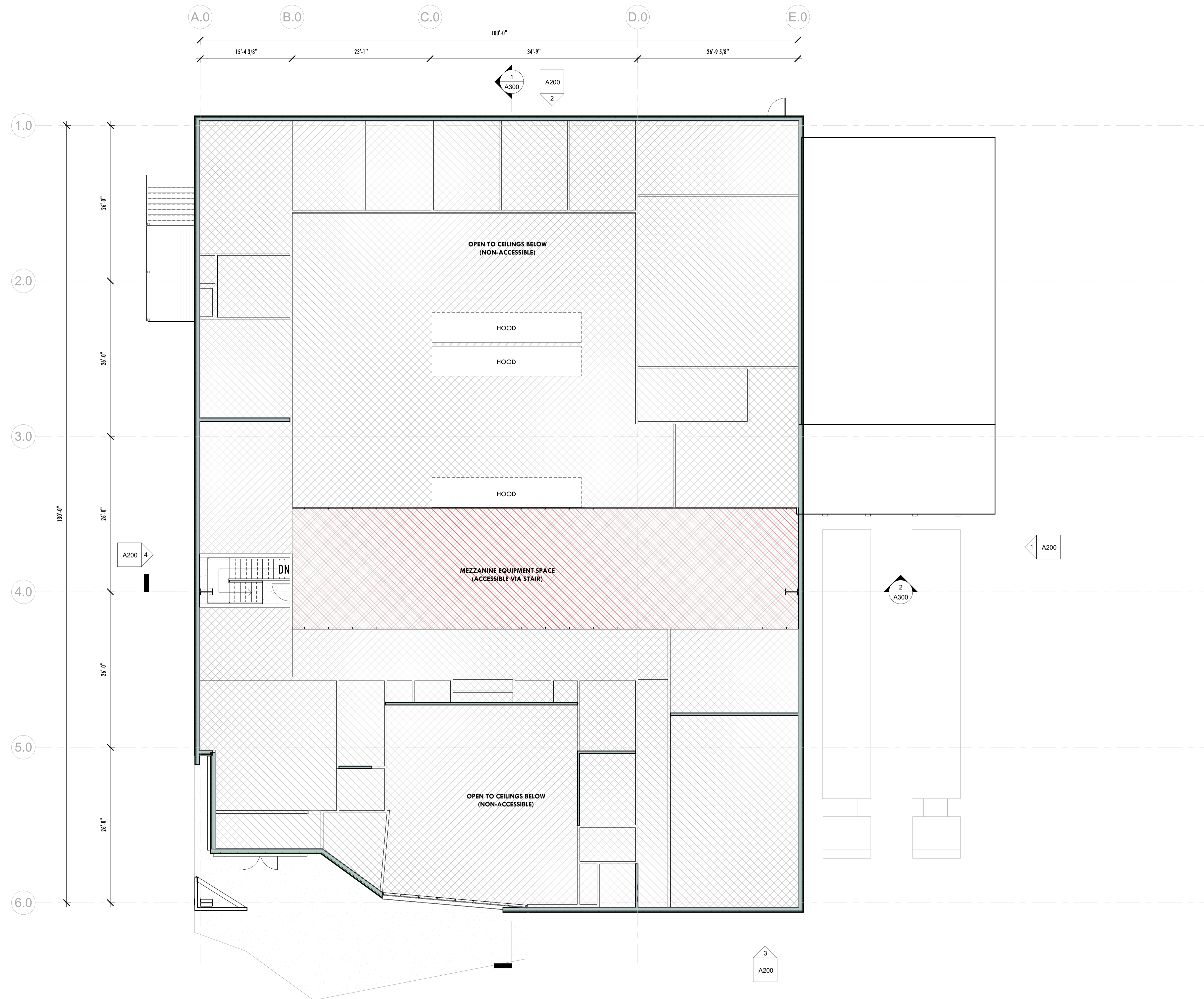
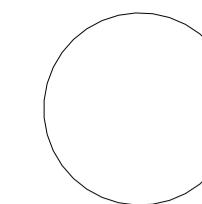
FULL DEMOLITION + NEW METAL STRUCTURE



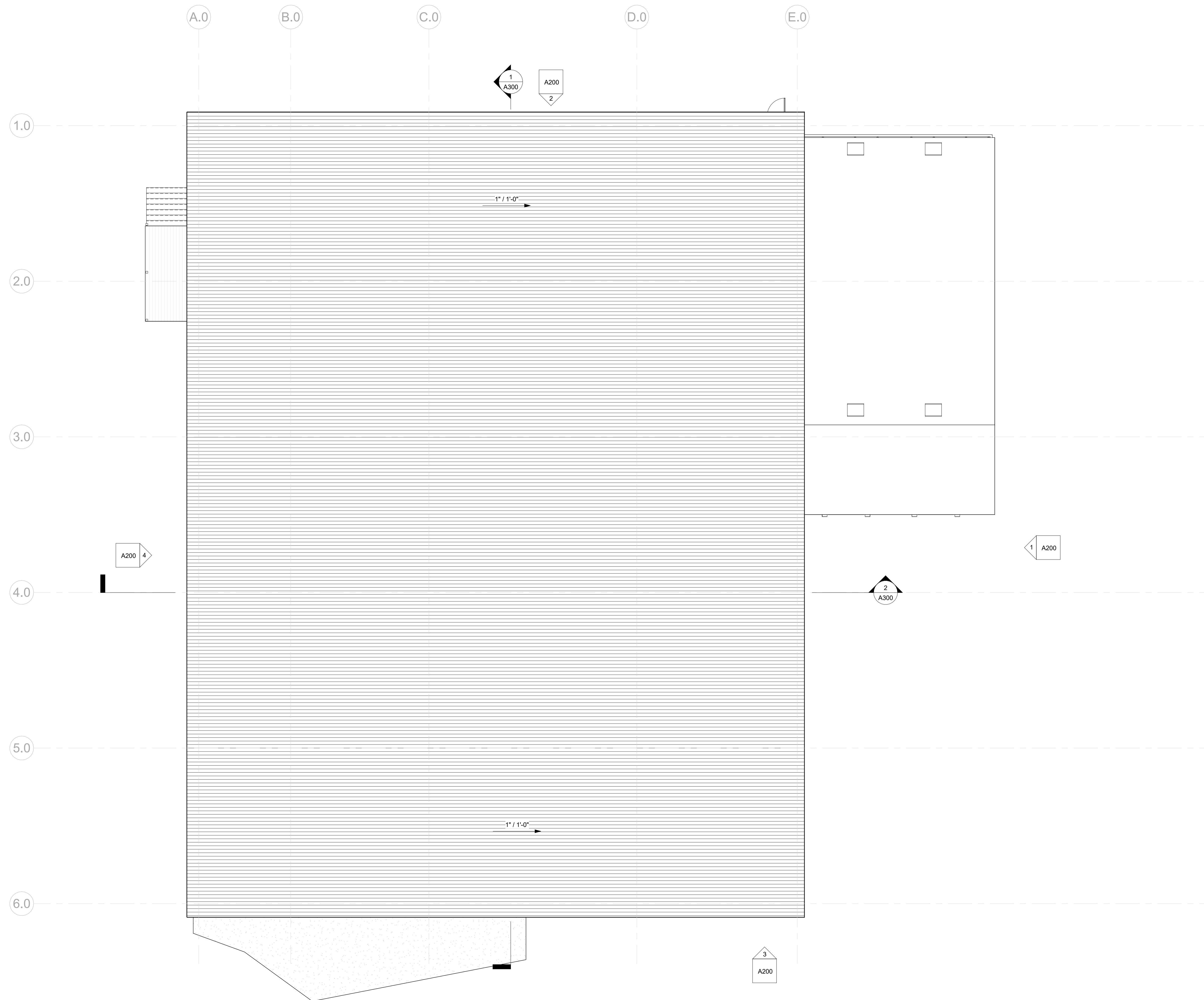
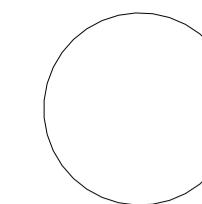


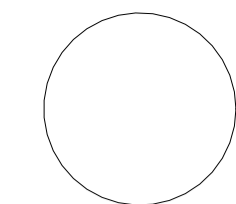
12/18/2024 2:44:39 PM © 2024 Paul Designs Project Sheet Size: 18 in x 24 in

01 First Level - Floor Plan
1/8" = 1'-0"



① 01 First Level - Mezzanine
 1/8" = 1'-0"



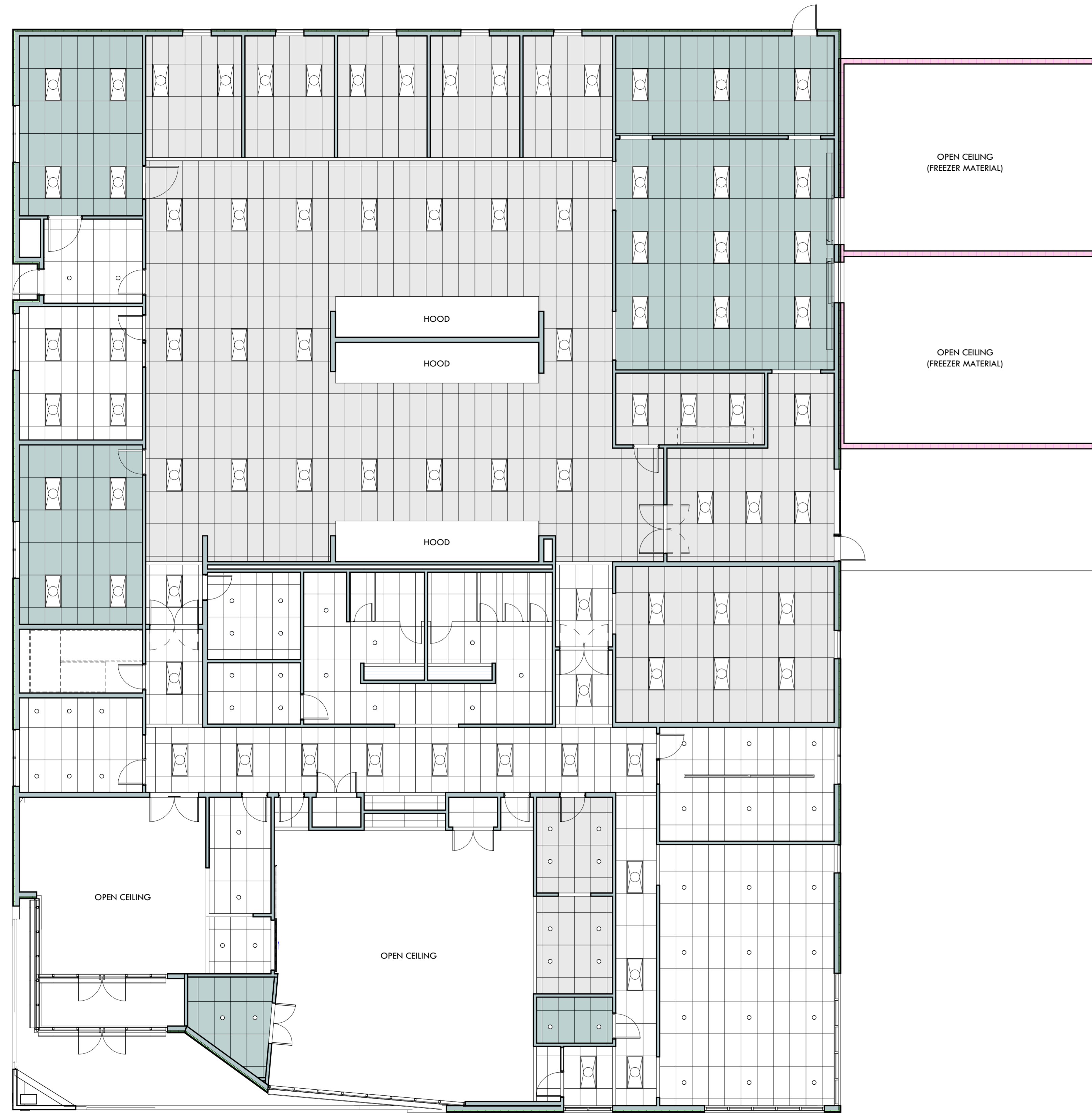


1 01 First Level - Furniture
1/8" = 1'-0"



- = Kitchen Flow Pathway
 - = Public/Support Flow Pathway
- ② Kitchen Flow Legend
1" = 1'-0"

① 01 First Level - Kitchen Flow Diagram
1/8" = 1'-0"



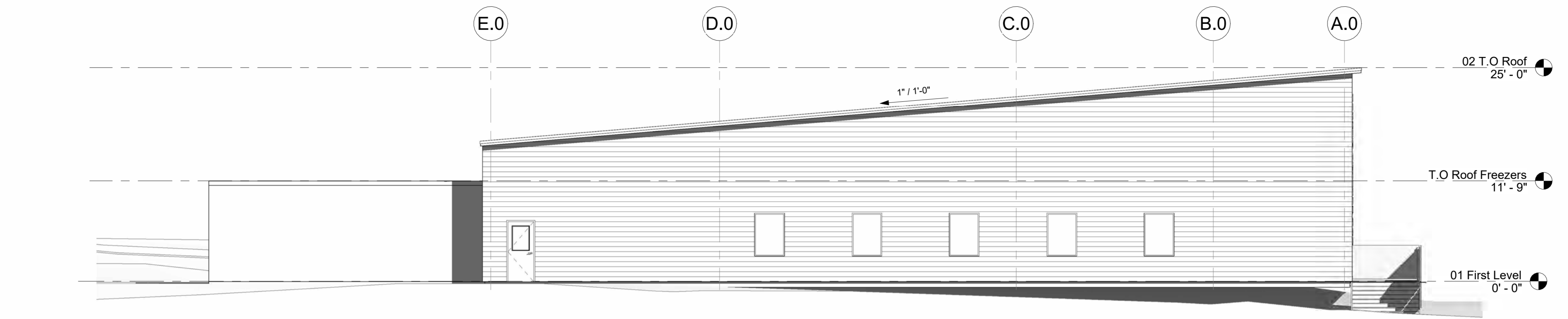
Ceiling Schedule											
Type Mark	Area	Mark	Level	Height Offset From Level	Manufacturer	Model	Type	Comments	Description	Type	Comments
ACT1	17 SF		01 First Level	8' - 0"			2' x 4' ACT Office				
ACT1	18 SF		01 First Level	8' - 0"			2' x 4' ACT Office				
ACT1	16 SF		01 First Level	8' - 0"			2' x 4' ACT Office				
ACT1	15 SF		01 First Level	8' - 0"			2' x 4' ACT Office				
ACT1	52 SF		01 First Level	8' - 0"			2' x 4' ACT Office				
ACT1	60 SF		01 First Level	8' - 0"			2' x 4' ACT Office				
ACT1	439 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	56 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	521 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	85 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	687 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	299 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	167 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	175 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	122 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	216 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	125 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	108 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	22 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	22 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	63 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	43 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT1	74 SF		01 First Level	9' - 0"			2' x 4' ACT Office				
ACT2	2739 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	467 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	137 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	330 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	109 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
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ACT2	160 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	148 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	148 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				
ACT2	148 SF		01 First Level	9' - 0"			2' x 4' ACT Scrubbable				

CEILING TYPE LEGEND

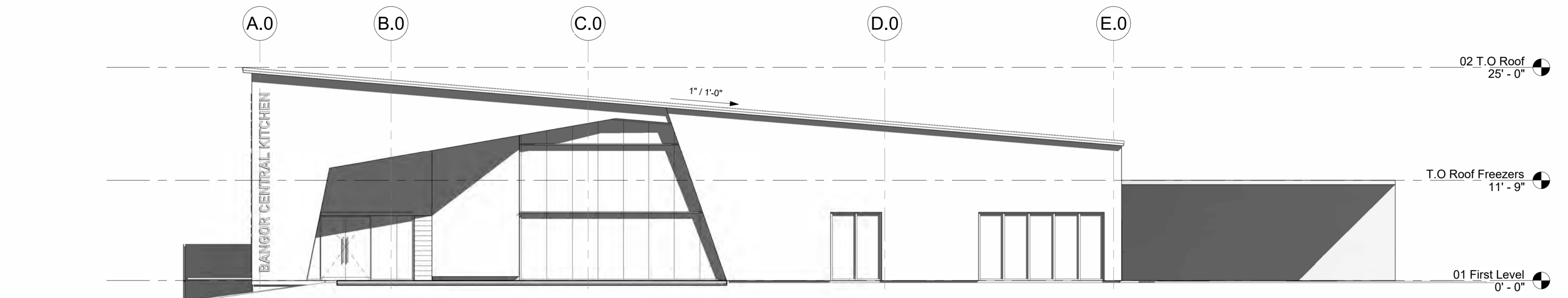
- ACT 1 - OFFICE, CORRIDORS (ROCKFON KORAL)
- ACT 2 - KITCHEN SCRUBBABLE (USG 3270)
- ACT 3 - STORAGE (USG OLYMPIA MICRO)

② Ceiling Types
1 1/2" = 1'-0"

① 01 First Level
1/8" = 1'-0"



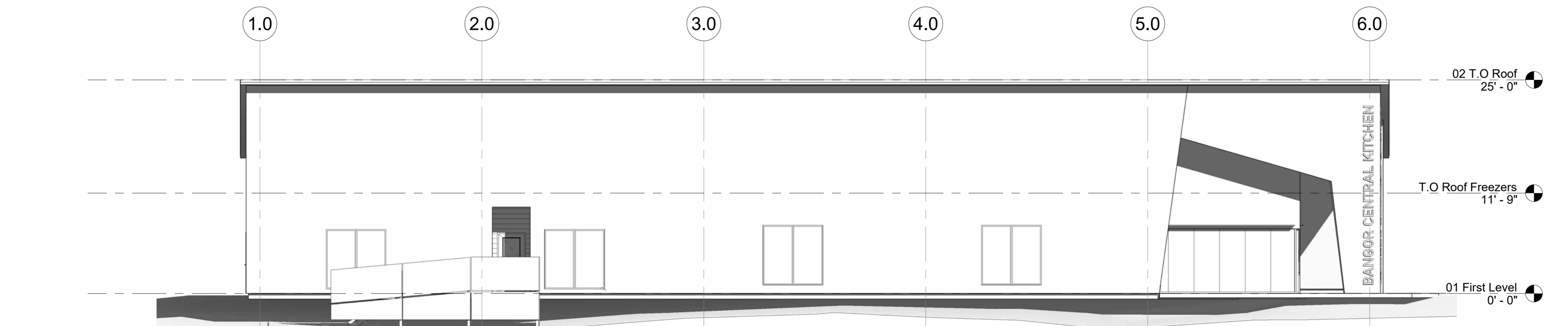
② Elevation - North
 1/8" = 1'-0"



③ Elevation - South
 1/8" = 1'-0"



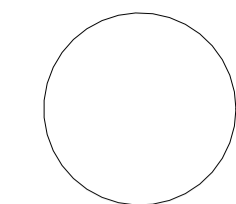
① Elevation - East
 1/8" = 1'-0"



④ Elevation - West
 1/8" = 1'-0"

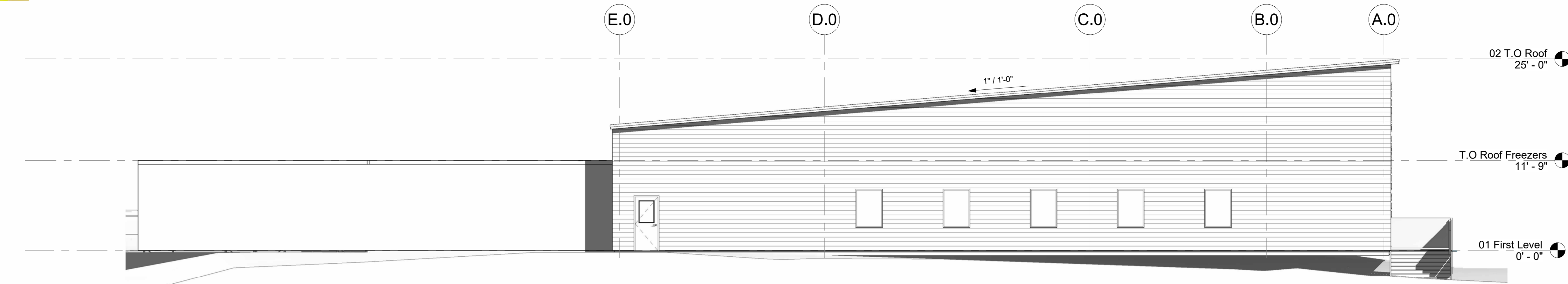
COLD BANKING ADD/ALT

COLD BANKING ADD/ALT

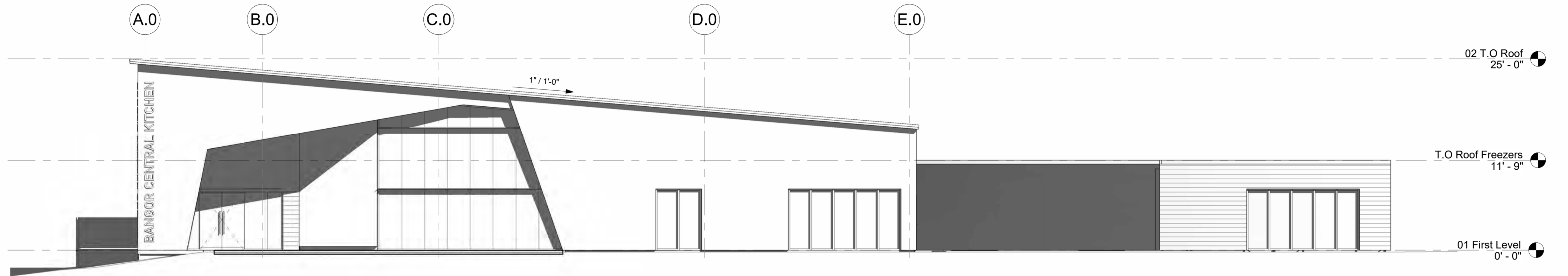


01 First Level - Floor Plan
1/8" = 1'-0"

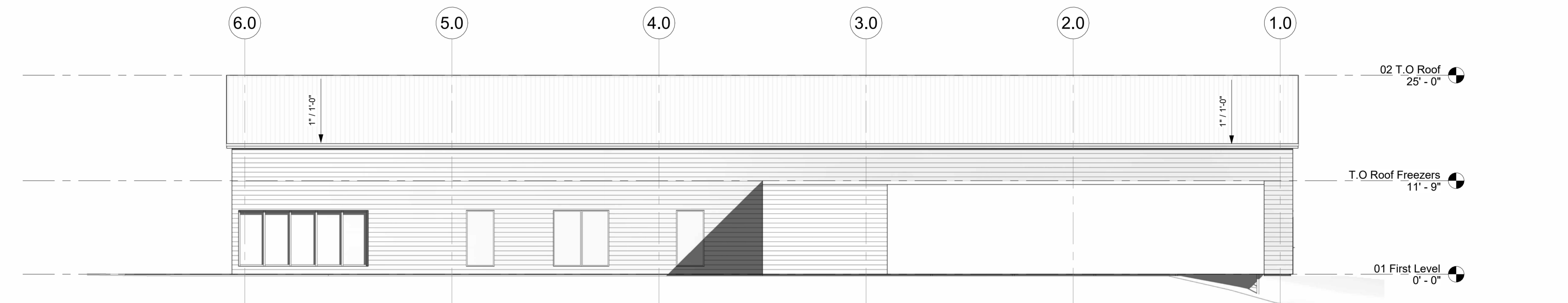
COLD BANKING ADD/ALT



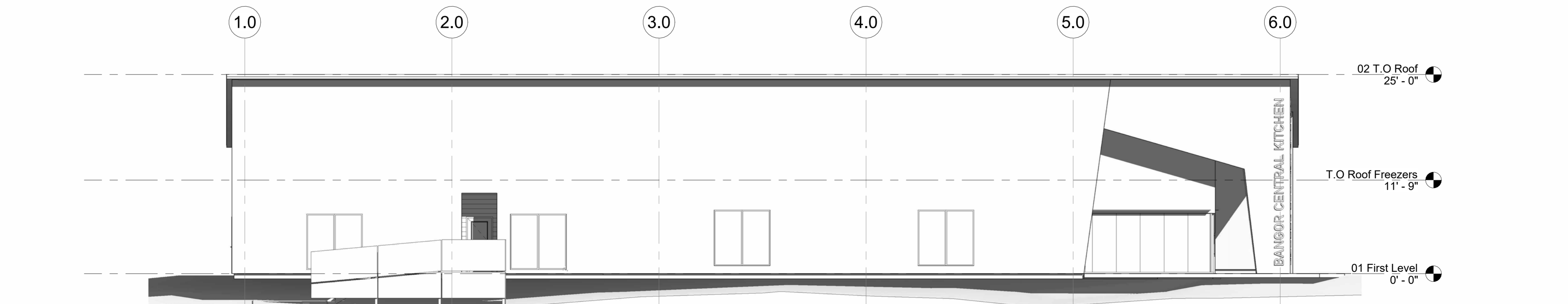
② Elevation - North
 1/8" = 1'-0"



③ Elevation - South
 1/8" = 1'-0"



① Elevation - East
 1/8" = 1'-0"



④ Elevation - West
 1/8" = 1'-0"

EXTERIOR FACADE CONCEPTS

BANGOR CENTRAL KITCHEN





BANGOR CENTRAL KITCHEN
BANGOR CENTRAL KITCHEN



BANGOR CENTRAL KITCHEN







BANGOR CENTRAL KITCHEN





BANGOR CENTRAL KITCHEN



BANGOR CENTRAL KITCHEN

