



### What is an incubator kitchen?

An incubator kitchen is designed to give small food businesses a competitive advantage when entering or continuing in the local marketplace by providing an affordable certified kitchen space for food prep. Incubators;

- Help remove restrictive barriers of high cost capital investment associated with leasing or purchasing a kitchen and kitchen equipment;
- Allow specialty food businesses like processors, farmers, caterers, food cart vendors, and mobile food trucks the opportunity to start from nothing and grow;
- Reduce the risk of failure by removing additional start up barriers associated with no, or low skills in the areas of managing and maintaining a commercial kitchen;
- Provide resources related to distribution, branding, marketing, accounting, insurance, and financing new products.

### What does an incubator kitchen look like in SLC?

From February 2013 –April 2013 the Food Policy Task Force, in partnership with the Salt Lake City Sustainability Division, worked with Carbaugh & Associates to conduct the Culinary Incubator Kitchen Feasibility Study. This study identified potential user groups, their current barriers to starting or growing their business, and a market analysis to examine areas such as job creation and economic impacts.

Through focus groups, surveys and one-on-one interviews, as well as evaluating successful culinary incubators in other states, the feasibility study was able to identify the key components to creating a successful culinary incubator kitchen for the SLC community.

### Size, Operating Hours and Amenities

- Based on Salt Lake City's demographic and economic evaluation for this report, a kitchen with **at least 3500 square feet of kitchen space** is recommended for a Salt Lake City culinary incubator.



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- The layout of the kitchen should be configured and equipped with enough prep space and appliances to **support multiple operators at one time** while meeting Health Department, FDA and/or USDA requirements for safe food handling and processing.
- The kitchen should be **available for rent 24 hours seven days a week**. For all hours, a keyless – secure entry is best.
- Focus group participants and those surveyed expressed a desire for a **wide range of kitchen opportunities** including, meat and dairy processing, as well as controlled packing space for allergens.
- Kitchens that follow the culinary business incubator model **provide support** such as culinary/recipe assistance, business and technical training, connections to growers and distributors, access to capital and networking.
- Safe off street **loading docks that are easily accessible for deliveries** or loading and unloading of multiple catering and mobile food trucks.

### Storage

- Insufficient storage can limit the ability for existing tenants to function, and can limit the ability to add new tenants. Storage should include **cold storage walk in refrigeration and freezing**, as well as a significant amount of dry storage.
- A kitchen space to **dry storage ratio of 2:1 up to 1:1** is needed.

### Sustainable Business Model

- Successful facilities have **varying and/or sliding fee rates** depending on the hours of use or economic circumstances of a tenant. Tenants who use more hours may pay a lower hourly rate compared to those who use the kitchen less frequently.
- Based on experiences of other kitchens, a **rental rate of approximately \$15.00- \$20.00 per hour** was important for a kitchen's ability to maintain financial security.
- Many successful kitchens have **"anchor tenants"** (catering and mobile food vendors). Anchor tenants provide sustained rent revenue and stability to the facility. Generally, an anchor tenant rents a facility anywhere from 15 – 150 hours per month.

### Management

- **Proficiency in budgeting**, fund raising, and grant writing techniques are imperative to maintaining and managing the kitchen.
- The success of a culinary incubator kitchen includes **excellent marketing**. Marketing techniques for the kitchen should include networking and presenting with existing business and non-profit organizations, aggressive radio, earned TV and print media as well as social networking strategies.
- A **safe, sanitary, secure environment**, along with maintaining cooperation among tenants and assuring regulatory compliance and cleanliness, is mandatory for the development of a culinary incubator in Salt Lake City.