

Building Capacity for Buncombe County Food Entrepreneurs

RFP for Coronavirus State and Local Fiscal Recovery Funds

Center for Agricultural and Food Entrepreneurship

Mr. Smithson Mills
1461 Sand Hill Road
Candler
Candler, BUNCOMBE 28715

info@blueridgefoodventures.org
O: 828-348-0130
M: 8282739119
F: N/A

Mr. Smithson Mills

1461 Sand Hill Road
Candler
Candler, BUNCOMBE 28715

info@blueridgefoodventures.org
O: 8282739119
M: 8282739119
F: N/A

Application Form

Question Group

Buncombe County requests proposals for projects to help the community recover from and respond to COVID-19 and its negative economic impacts.

Buncombe County has been awarded \$50,733,290 in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding), as part of the American Rescue Plan Act. This infusion of federal resources is intended to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Buncombe County is committed to investing these funds in projects that:

- Align to county strategic plan and community priorities
- Support equitable outcomes for most impacted populations
- Leverage and align with other governmental funding sources
- Make best use of this one-time infusion of resources
- Have a lasting impact

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

[Click here for the full terms and conditions of the RFP](#)

Coronavirus State and Local Fiscal Recovery Funds*

Name of Project.

Building Capacity for Buncombe County Food Entrepreneurs

Amount of Funds Requested*

\$300,000.00

Recovery Fund Eligible Category*

Please select one:

Small business and non-profit support

Brief Project Description*

Provide a short summary of your proposed project.

This project will provide direct support for limited resource businesses engaged in manufacture and sale of foods, cosmetics and natural products under FDA and County health department inspection. The applicant (CAFE) is the parent nonprofit of Blue Ridge Food Ventures, an 11,000 s.ft. shared use food processing center located at the AB Tech Enka Campus. CAFE is now developing WNC FoodWorks, a food business support

facility located at the WNC Farmers Market on Brevard Road, opening in 2022. During the grant funded period, CAFE will support at least 80 small businesses in Buncombe County, including manufacturers of value-added food products, caterers and food truck operators, and farmers seeking to add value to their agricultural production. Covid recovery funds will increase engagement with underserved communities, purchase specialized food processing equipment, provide technical assistance to small business owners, and fund production time in FDA-inspected commercial kitchens.

Project Plan*

Explain how the project will be structured and implemented, including timeframe.

This project strengthens our capacity to provide support for small businesses engaged in production and sale of foods, cosmetics, and natural products. Over 3 years, program staff will provide targeted assistance to 80+ local businesses, with a focus on empowering entrepreneurs with limited resources from marginalized communities. We will provide pro-bono consultation to assess clients' needs, including understanding of the regulatory environment, how to handle and process foods safely and efficiently, and identifying markets. New startup food businesses are often undercapitalized and need access to processing infrastructure they could not afford to acquire independently. We provide scheduled access to FDA commercial kitchens on an hourly use rental basis. We make available expensive commercial processing equipment necessary to make professional products at scale and with competitive per-unit production costs. We provide training on equipment use, safety, and sanitation at no additional charge. Our project will allocate up to \$1,000 per eligible client per year to cover over 30 hours of commercial production time or one year of monthly commissary fees to food trucks. Funds will also cover needed equipment acquisition to meet client needs, pay for Spanish translation of important guidelines and policies for food handlers, compensate the program for technical services provided at no charge to anyone seeking assistance, and fund an outreach campaign through social media and physical presence in underserved communities.

On an annual basis, we propose the following expenditures: \$30,000 to support clients' facility use expenses, including training classes, production time, and cold and dry storage; \$30,000 to purchase needed equipment in demand by our clients at both Blue Ridge Food Ventures and WNC FoodWorks; \$25,000 for staff technical assistance; and \$15,000 for community outreach and communication, including a robust social media campaign, direct presence in underserved communities and promotion at food and beverage events. Covid relief funds will empower our clients and allow our program to provide a level of support that would not be possible otherwise. Enhanced support will result in a larger number of new startups tapping us for assistance. It will increase job creation and revenue generation, and increase the success ratio for new businesses.

Covid funds will be leveraged with earned revenues from client use fees, as well as committed grant funds from ARC, USDA, and Dogwood Health Trust for development of WNC FoodWorks, slated to open in 2022 at the WNC Farmers Market. This new facility will focus on entry-level training and education for aspiring food entrepreneurs and will be a commissary hub for Buncombe County food trucks. The existing Blue Ridge Food Ventures will focus on accelerating businesses to help them navigate growth sustainably to create good paying jobs and income for Buncombe County residents.

Statement of Need*

Describe the need that this project will address. Include data to demonstrate the need, and cite the source of the data.

Buncombe County leads western North Carolina as a regional hub of food manufacturing. EDPNC (<https://edpnc.com/industries/food-processing-manufacturing/>) identifies Buncombe County companies as state industry leaders, and touts N.C. as having the country's 2nd largest food manufacturing industry with over 1,200 production facilities. Its no secret that restaurants and a culture of food excellence are major

drivers for our tourism economy. Since opening at the AB Tech Enka Campus in late 2004, Blue Ridge Food Ventures programs have supported hundreds of small food businesses, with the vast majority located in Buncombe County. Our programs contribute to the development of a vibrant food economy in Buncombe County and western N.C. Since reorganizing WNC Blue Ridge Food Ventures in 2015, we have billed services to 154 unique businesses with hundreds of employees and business owners. We consistently hear that there is a shortage of developable commercial space at prices that small local businesses can afford. Clients often come to us with great ideas and passion, but may have no idea how to meet regulatory requirements or where to go to develop fundamental business skills. Others may come to us with technical and business skills but insufficient capital to build out their own commercial kitchens. Some come to us with very specific needs, such as how to secure process authority to manufacture a food or natural product. Others come to us with a finished product in mind but need help identifying the equipment and specific processes necessary to make the product safely and economically. Food truck operators come to us needing an inspected commissary kitchen required to conduct business. Our value proposition is straightforward: to provide affordable technical assistance and access to infrastructure necessary for small food and related businesses to have a chance of success.

Link to COVID-19*

Identify a health or economic harm resulting from or exacerbated by the public health emergency, describe the nature and extent of that harm, and explain how the use of this funding would address such harm.

Many of our client businesses were hurt by the impact of COVID 19. Food trucks and caterers in particular were forced to cease operations for a period in 2020, with reduced revenues even after they were able to resume operations. Client use fees, which are a good indicator of economic activity, dropped by \$64,000 in the 12 month period of March 15 2020 to March 14 2021 as compared to the previous 12 months. Using a metric of sales value 10 times the cost of facility usage (\$10 in sales for every \$1 spent on facility use fees) we estimate that earned revenues accruing to our clients dropped by \$640,000. Perhaps more damaging for the long-term, our intake of new viable businesses stopped for several months in 2020, forcing aspiring entrepreneurs to defer business plans or to abandon them altogether. The interruption of our entrepreneurial pipeline has reduced our earned revenues, and has limited our ability to buy new equipment, offer lower costs of access, and spend pro-bono time on technical support. Support from Buncombe County will enable us to increase technical support for our client businesses and restore our capacity to provide maximum service for our community.

Population Served*

Define the population to be served by this project, including volume and demographic characteristics of those served.

The project serves owners and employees of small businesses engaged in manufacture & sale of foods, cosmetics, & natural products. These include food truck operators, caterers, farmers, restaurateurs, and value-added businesses selling at both retail and wholesale levels. Many clients are between the ages of 25 and 45 and spent their early careers working in low-wage food service positions in and around Asheville. New startups are often people trying to earn a middle-class income without leaving the region. Employees of our businesses typically earn between \$15 and \$20 per hour. Several clients are immigrants. Many are from our LGBTQ community. Since 2016, 110 businesses have used BRFV to make products, with 79 being from Buncombe County. In that time, at least 43 of our clients have been women-owned businesses, 6 are Black-owned businesses, and 8 are Hispanic-owned businesses. In addition to businesses using our production facilities, more than 100 individuals contact BRFV staff each year for technical assistance on how to make foods commercially. These consultations are provided at no charge, and we estimate half of these contacts are located in Buncombe County. Covid Recovery Funds will directly support at least 80 Buncombe County businesses over a 3-year period, with an estimated 100 full time jobs and up to 80 part time jobs.

Results*

Describe the proposed impact of the project. List at least 3 performance measures that will be tracked and reported. If possible, include baselines and goals for each performance measure.

The project goal is to create resilient and successful small businesses engaged in preparing and manufacturing foods, cosmetics and natural products. We use three performance measures to assess results as follows:

Jobs created and retained; our goal is to incubate and accelerate 80 Buncombe County businesses over 3 years, supporting the creation and retention of 100 full time jobs and 80 part time jobs.

Value of goods made and sold by client businesses; we will document sales by our clients at both wholesale and retail, with a goal of at least \$9 million over the 3 years of grant funded operations.

Number of startup businesses still operating after one year; our goal is to have 75% of new startups remaining in business one year after beginning to use our services.

Evaluation*

Describe the data collection, analysis, and quality assurance measures you will use to assure ongoing, effective tracking of contract requirements and outcomes.

We will evaluate program results primarily based on client intake documents, monthly billing reports, and Quickbooks reports tracking revenues and expenses. Equipment purchases and contracted services will be tracked with invoices and receipts. One on one communication with clients will verify economic activity including business revenues and jobs. Our annual 3rd party audit, performed by Bolick & Associates, will verify sound fiscal management and oversight of funds. We proposed providing an annual report to Buncombe County that will summarize all activities and expenditures and also provide numbers for new businesses assisted, jobs created and retained, value of goods sold by clients businesses and the number startups from the previous year who are still operating after one year. Grant reports to ARC, USDA Rural Development and Dogwood Health Trust will verify expenditures by other funders that contribute to the shared goals and objectives.

Equity Impact*

How will this effort help build toward a just, equitable, and sustainable COVID-19 recovery? How are the root causes and/or disproportionate impacts of inequities addressed?

This project is designed entirely with the goal of increasing opportunities for limited-resource individuals. The root causes of poverty and denial of access to services that have plagued marginalized communities are overcome one client at a time. The \$1,000 per business subsidy will substantially increase participation by business owners who might otherwise not have the necessary working capital to use our facilities. Technical assistance and equipment purchases are provided with the goal of helping people succeed economically and rise above low wage food service work.

Implementing WNC FoodWorks at the WNC Farmers Market will expand our capacity and create more direct support systems for limited resource individuals from marginalized communities. A community advisory committee will assist with program development, with a desired representation from rural, urban, black, Hispanic and LGBTQ communities. As an entry-level training and educational facility, this program will focus more on providing basic tools and certifications for working in a food business. Siting WNC FoodWorks at the WNC Farmers Market will bring more individuals from urban and non-farm backgrounds to the Market,

both as clients of WNC FoodWorks and as consumers looking for quality foods. About 50% of food truck operators using WNC FoodWorks are expected to be people of color, including Latinx and Black entrepreneurs.

Project Partners*

Identify any subcontractors you intend to use for the proposed scope of work. For each subcontractor listed, indicate:

- 1.) What products and/or services are to be supplied by that subcontractor and;
- 2.) What percentage of the overall scope of work that subcontractor will perform.

Also, list non-funded key partners critical to project.

The only subcontractors to be employed using Covid relief funds will be a social network media consultant to create content for community outreach and promotion of our services, with a special emphasis on targeted marginalized communities that have been underrepresented in our client base. We do not expect this contracted work to be in excess of \$10,000 per year, or 10% of total grant funds. We will adhere to any required criteria for selecting qualified subcontractors.

Key partners include the Southwestern Regional Planning and Economic Development Commission, A-B Tech Small Business Center, the North Carolina Department of Agriculture & Consumer Services (NCDA), the NC Community College's BioNetwork, and Mountain BizWorks. The Southwestern Commission serves as the fiscal agent for construction funds allocated by ARC and Dogwood Health Trust towards construction of WNC FoodWorks. We regularly provide referrals for business training to the SBC and BizWorks, and several of our clients have become enrolled in the SBC business incubation program. Many of our clients also participate in BizWorks' business foundations program. The BioNetwork develops and implements classes on food safety and regulatory compliance necessary for wholesale food manufacturers and our staff regularly assist in development of new content for that program. NCDA will collaborate with WNC FoodWorks for special promotional activities to bring more people to the WNC Farmers Market, and we look forward to developing new marketing opportunities to promote our client businesses and their products in collaboration with staff from NCDA's Division of Marketing.

Capacity*

Describe the background, experience, and capabilities of your organization or department as it relates to capacity for delivering the proposed project and managing federal funds.

CAFE staff have deep experience in managing and reporting for grants allocated by federal, state and local sources. We are audited by a licensed CPA firm annually, and are completely transparent about our finances. Since 2015, Blue Ridge Food Ventures has successfully executed projects funded by the Appalachian Regional Commission, NC Golden LEAF, USDA Rural Development, NC Tobacco Trust Fund Commission, and the Community Foundation of Western NC. CAFE is widely recognized as a leading nonprofit in the area of food entrepreneurship. We have a strong board of directors, which includes individuals employed by AB Tech, Mountain BizWorks, the NC Biotechnology Center, Region A Council of Governments, Buncombe County Health Department, and private area food businesses. Blue Ridge Food Ventures was initially established as a partnership between AB Tech, NCDA and AdvantageWest. In 2015 the program was reorganized as a subsidiary of an independent nonprofit, the Center for Agricultural and Food Entrepreneurship. CAFE has never received funding from Buncombe County.

Budget*

Provide a detailed project budget including all proposed project revenues and expenditures, including explanations and methodology. For all revenue sources, list the funder and denote whether funds are confirmed or pending. For project expenses, denote all capital vs. operating costs, and reflect which specific expenses are proposed to be funded with one-time Buncombe County Recovery Funds.

Download a copy of the budget form [HERE](#). Complete the form, and upload it using the button below.

Buncombe Recovery Budget for CAFE 7-12-21.xlsx

Special Considerations*

Provide any other information that might assist the County in its selection.

Clients Served 2019-2021.xlsx

This request is primarily designed to support limited resource entrepreneurs through direct subsidy of facility use fees and technical assistance, with about 30% allocated for capital expenses in the form of equipment purchased for specific production needs by our clients. Non-capital expenses will facilitate maximum benefit from approximately \$1.7 million in capital investments in the same timeframe using other committed funds.

Attached please see a list of businesses served since July 1, 2019. This is provided as verification that our program serves a large and diverse group of Buncombe County businesses and is indicative of the breadth of impact we may achieve during the 3-year grant-funded period. With recovery fund support and the opening of WNC FoodWorks, we expect to exceed previous years' service levels.

File Attachment Summary

Applicant File Uploads

- Buncobe Recovery Budget for CAFE 7-12-21.xlsx
- Clients Served 2019-2021.xlsx

Coronavirus State and Local Fiscal Recovery Funds Proposed Project Budget

| | |
|---------------------------|--|
| Organization Name: | Center for Agriculture ad Food Entrepreneurship |
| Project Name: | Building Capacity for Buncombe County Food Entrepreneurs |
| Amount Requested: | 300,000 |

| Proposed Project Revenue Funder | Amount | Confirmed or Pending? | Notes |
|--|-----------------|-----------------------|---|
| Proposed Buncombe COVID Recovery Funds | \$ 300,000.00 | pending | |
| CAFÉ Revenues and Reserve Funds | \$ 624,000.00 | confirmed | We average \$275,000 per year in fees for services from our clients |
| Appalachian Regional Commission | \$1,000,000 | confirmed | Construction of WNC FoodWorks |
| USDA Rural Development | \$99,000 | confirmed | Initial Equipment for WNC FoodWorks |
| Dogwood Health Trust | \$500,000 | confirmed | Construction of WNC FoodWorks |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| List other sources here | | | |
| Total | \$ 2,523,000.00 | | |

| Proposed Project Expenses | Proposed Recovery Funds | Other Funds | Total | Capital or Operating Expense? | Notes |
|--------------------------------------|-------------------------|-----------------|-----------------|-------------------------------|--|
| Equipment | \$ 90,000.00 | \$ 198,000.00 | \$ 288,000.00 | Capital | Specialized food handling, cooking, packaging, and storage |
| Client use fees | \$ 90,000.00 | \$ 300,000.00 | \$ 390,000.00 | Operating Expenses | Up to 1,000 per client per year for facility use fees |
| Technical Assistance | \$ 75,000.00 | \$ 225,000.00 | \$ 300,000.00 | Operating Expenses | app 25% of staff management salaries |
| Community Outreach and Communication | \$ 45,000.00 | | \$ 45,000.00 | Operating | Contract and staff time |
| Construction | | \$ 1,500,000.00 | \$ 1,500,000.00 | Capital | Construction of WNC FoodWorks at WNC Farmers market |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| List expenses here | | | \$ - | | |
| Total | | | \$ 2,523,000.00 | | |

CAFÉ Clients Served

July 1, 2019 - July 11, 2021

180 Essentials Skin Care
900 Degreez Inc
Aladdin's Oasis
Antojitos Mexicanos
Asheville Almond Company
Asheville Bee Charmer
Asheville Sustainability Research
Asheville Tea Company
Batistini Farms
Bio-Cannalytica
Blessed Soul Food Truck
Bun It, LLC
Buncombe County EMS
Caroline Allured Catering
Catering by Corey
Chegans Food Truck
Ciao Yall
Circle L Farms
Cooking with Comedy
Crazy Train Cuisine
Cruising Country Cuisine
Darby Farms, LLC
Deli Volv
Diggity Dogs Food Truck
Diosas Vegan Cheese
Dirty Gertie's Taco Stand
Eric Vaughn
Fire from the Mountain, Inc.
Firewalker Hot Sauce
Foxy Dogs
Fresh as Can Bee Catering
Granny's Secret
Grassroots Dairy
Gypsy Queen Cuisine
Hair 180
Hangry Food Truck
Hashi Hana Food Truck
Heartsome Provisions LLC
Heaven's Gate Orchard, LLC
Hidden River Catering
Hippo Hooray LLC
HS Pharma
Kinfolk Food Truck
Kobachi Natural Remedies, LLC
Lobster Dogs
Lusty Monk Mustard
Marmitas To Go
Moss Farms

Mr Bs Mobile Kitchen
Mr. Marvin Seabrooks
Munki Foods
Pawpaws and Nannys Food Truck
Piedmont Food Processing Center
Robinson's Remedies
Royal Thanaka
Salsa's
Scottish Cottage
Selina Naturally
Shane Wilson
Smokey Mountain Hog Sauce
Smoking J's Fiery Foods
Snackabilly
Son of a Bear
Sporadic Farms
Sugar & Snow Gelato
Sweet Brined
Sweet Southern Funk
Taqueria Puebla
The Reel Molloy
The Spotted Banana
The Stray Hot Dog Cart
Theros Olive Oil
Tree Top Essentials
Trim Healthy Naturals
Vasbro's LLC
Vegetable Kingdom
Warren Wilson College
Witch I Love Your Hair
Wolf Budd Hemp Co
Wooden Spoon Herbs
Woof Street Bistro
Woogie Foods, LLC
Yoga Bucha

Sunday, Jul 11, 2021 07:39:41 AM GMT-7 - Accrual Basis