

**Buncombe County FY2020 Strategic Partnership Grants  
Application Summary Sheet**

<b>Project</b>	<b>Supporting Food and Agricultural Entrepreneurship in Buncombe County</b>
<b>Organization</b>	<b>Center for Agricultural and Food Entrepreneurship</b>

<b>Amount Requested</b>	\$50,000	<b>Strategic Priority or Sustainability Goal</b>	Diverse Workforce
<b>New or Renewal Request</b>	New	<b>Commissioner Districts Served</b>	All

<b>Organization Description</b>	<ul style="list-style-type: none"> <li>The Center for Agricultural &amp; Food Entrepreneurship is the parent nonprofit of Blue Ridge Food Ventures (BRFV), a shared-use kitchen &amp; food business incubator that is an essential part of Buncombe County’s local food economy. BRFV has a project mission to support the growth of entrepreneurship by providing technical assistance and training to limited resource individuals who aspire to succeed in production and sale of foods, cosmetics and natural products.</li> </ul>
<b>Project Description</b>	<ul style="list-style-type: none"> <li>Goal during the grant-funded period is to rebuild our client base &amp; earned revenues following the successful graduation of three largest clients in early 2019. Roots Hummus, No Evil Foods, &amp; Smokin’ J’s Fiery Foods will all relocate primary production to their own private facilities in Buncombe County. As a result, BRFV will experience a steep drop-off in earned revenues, from about \$375,000 in FY2018 to about 240,000 in FY2020. SPF funds will support core operational expenses as we work to return to over 90% self-sufficiency from client use fees by Spring 2021. To succeed, the program must: 1) Grow shared-use revenues from current clients with high growth potential;2) Attract new shared-use clients that need our services and facilities to grow their businesses;3) Increase production volume and efficiency for clients using our labor assisted services program. 4) Make judicious use of limited external grant support while rebuilding revenues from client use fees.</li> </ul>
<b>People Served</b>	<ul style="list-style-type: none"> <li>BRFV serves owners and employees of small businesses engaged in manufacture &amp; sale of foods, cosmetics, &amp; natural products. These include food truck operators, caterers, farmers, restaurateurs, and value-added businesses selling at both retail and wholesale levels.</li> </ul>
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>Success is defined quality of client services &amp; success building base following the graduation of our most successful clients. Defines success for clients by the number of businesses using the facility, the number of jobs supported by such use, the value of goods produced and sold, and the number of individuals directly assisted with technical support. These metrics are documented through client use forms, schedules, monthly billing, and technical support logs.</li> </ul>

<b>Budget</b>			
<b>Amount Funded FY2019</b>	n/a	<b>Increase Request</b>	n/a
<b>Project Budget</b>	\$325,000	<b>Total Organization Budget</b>	\$325,000
<b>Other Funding Sources:</b> Grants, client fees and reserve funds held by the Center for Agricultural and Food Entrepreneurship			

<b>Additional Information</b>

# Supporting Food and Agricultural Entrepreneurship in Buncombe County

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## *FY2020 Strategic Partnership Grants*

### ***Center for Agricultural and Food Entrepreneurship***

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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***

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# Application Form

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## Question Group

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Please complete the form below and upload the required files for your application. Organizations submitting more than one project must complete one submission form for each project. Incomplete applications will not be considered.

Priority is given to nonprofit organizations with projects that contribute to Buncombe County's strategic priorities or sustainability goals.

For FY2020, no Strategic Partnership Grant applications will be considered for the strategic priorities "Affordable Housing" or "Early Childhood Education." Funding for affordable housing projects is managed through Buncombe County's Affordable Housing Services Program. Funding for early childhood projects will be managed through the newly forming Early Childhood Education and Development Fund.

### Project Name\*

Name of Project.

Supporting Food and Agricultural Entrepreneurship in Buncombe County

### Amount Requested\*

\$50,000.00

### Strategic Priority\*

Which of the following priorities best reflects the primary goal of your project?

Buncombe County Commissioners are dedicated to strengthening the quality of life for everyone by setting new fiscally, socially and environmentally responsible goals that will guide decisions and improve our community for future generations. The Board has committed to strategic priorities as a guide to shape partnerships and investments of resources to insure a healthy, safe, well-educated, thriving and sustainable community.

Details about the Strategic Priorities are available at [THIS LINK](#).

Diverse Community Workforce

### Strategic Priority - Other Sustainability Goal

If you selected "Other Sustainability Goal" from the list of Strategic Priorities, please list it here.

Details about the Sustainability Goals are available at [THIS LINK](#).

## Organization Description\*

Tell us about your organization. What is your mission? Highlight two or three key facts and accomplishments that best define your organization.

The Center for Agricultural & Food Entrepreneurship is the parent nonprofit of Blue Ridge Food Ventures (BRFV), a shared-use kitchen & food business incubator that is an essential part of Buncombe County's local food economy. BRFV has a project mission to support the growth of entrepreneurship by providing technical assistance and training to limited resource individuals who aspire to succeed in production and sale of foods, cosmetics and natural products. Since opening at the AB Tech Enka Campus in 2005, the program has hosted over 250 businesses making products for commercial sale. These include food trucks, farms, small-scale entrepreneurs and fast growth startups. In 2018, BRFV hosted over 50 companies manufacturing over \$4 million in products at wholesale value, with a payroll of more than \$1 million. We consistently graduate successful companies into their own manufacturing facilities throughout the County and the Region.

## Project Description

What do you propose to do? What is your plan? What are your goals?

Our goal during the grant-funded period is to rebuild our client base & earned revenues following the successful graduation of our three largest clients in early 2019. Roots Hummus, No Evil Foods, & Smokin' J's Fiery Foods will all relocate primary production to their own private facilities in Buncombe County. As a result, BRFV will experience a steep drop-off in earned revenues, from about \$375,000 in FY2018 to about 240,000 in FY2020. SPF funds will support core operational expenses as we work to return to over 90% self-sufficiency from client use fees by Spring 2021. To succeed, the program must: 1) Grow shared-use revenues from current clients with high growth potential; 2) Attract new shared-use clients that need our services and facilities to grow their businesses; 3) Increase production volume and efficiency for clients using our labor assisted services program. 4) Make judicious use of limited external grant support while rebuilding revenues from client use fees.

## Key Steps\*

How will the project work? What are specific activities and milestones that your project entails?

BRFV incubates, accelerates, and graduates businesses engaged in manufacture & sale of foods, cosmetics, and natural products. It provides free technical assistance to current and aspiring businesses. Revenues are earned through client fees for use of production rooms with advanced processing equipment. Milestones measured quarterly include the following: number of businesses served (both using the facility to manufacture products and receiving technical guidance and training); full-time jobs supported; value of products manufactured in the facility; revenues earned from client use fees; and costs of project operations. From Aug. 2019 to Aug. 2020, our goals are to provide assistance to over 150 individuals, with over 40 businesses using the facility to manufacture products. These businesses will have over 30 full time equivalent employees and a product output value of over \$2.5 million. Earned project revenues are targeted at \$240,000 with operational costs of approximately \$325,000.

## Area Served\*

Which areas of the County will be served by this project? Which Commissioner District(s) will be served?

A Buncombe County Commissioner district map is available at [THIS LINK](#).

The project is located in District 3 on the Enka Campus of A-B Tech. However the entire County is served and we have clients from every part of Buncombe County. When clients are ready to move to their own facilities, they typically move to locations within Buncombe County. Some of our graduate businesses and their locations are as follows:

Imladris Farm: East Asheville  
 Gypsy Queen Cuisine: West Asheville  
 Vortex Donuts: Downtown Asheville  
 Buchi Kombucha: Marshall\*  
 Smiling Hara Tempeh: Barnardsville  
 Roots Hummus: East Asheville  
 No Evil Foods: Weaverville  
 Smokin' J's Fiery Foods: Candler

\*Many of Buchi's 30+ employees live in north Buncombe County.

## People Served\*

Who are the members of our community this project will serve? How many people will be served? Include demographics, including age, area median income, race, neighborhood and/or school.

BRFV 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 40 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 \$12 and \$17 per hour. Several clients are immigrants. Many are from our LGBTQ community. We have fewer people of color than we would like, and welcome opportunities to attract more. In all, 53 businesses have used BRFV to make products in the past year, with 33 being from Buncombe County, 9 from elsewhere in WNC, and 10 from outside of the region. Businesses using the facility in 2018 had 89 full time employees and 32 part time employees.

## Partners\*

Which other organizations are you working with to reach your goals? What other local organizations provide similar services or serve similar beneficiaries, and how do you work together?

We work closely with other organizations co-located at the AB Tech Enka Campus. The AB Tech Small Business Center assists many of our clients with developing written business plans. The NC Community College's Bionetwork office leads food safety compliance workshop attended by our staff and our clients. The US Botanical Safety Laboratory provides formulation services for cosmetics and natural products businesses. The Center for Agricultural and Food Entrepreneurship, our parent 501(c)(3), is serving as the lead agency for establishment of the Asheville Area Food Guild, a new trade association for area value-added food manufacturers engaged in wholesale trade. A paid coordinator, funded by the North Carolina Biotechnology Center, facilitates educational meetings and promotes membership. Our staff regularly interacts with Cooperative Extension offices, Mountain BizWorks, and other business-support organizations to provide comprehensive service to small businesses.

## Personnel\*

Who is responsible for the project? Briefly describe project leaders and the role each will play in the project. How do these leaders reflect the population or community that you serve?

Staff members work with limited resource individuals to help them gain knowledge of value-added food production, distribution and sales. The Client Services Manager is the primary point of contact with shared use clients accessing the facility. He oversees scheduling use of the facility, enrolling clients and identifying their needs, and fielding calls for assistance. He gives orientations to new users and instructs users on how to properly operate most processing equipment. The Facilities and Operations Manager is the primary person responsible for maintenance and repair of equipment. He assists clients with product formulation and proper scaling up for larger production runs, as well as identifying optimal process flow for different types of productions. Staff are certified for acidified food manufacturing under Better Process Control School. The Executive Director oversees financial management, grant reporting, interface with the public and strategic planning.

## Success\*

How will you measure results? What will success look like? How will you document the impact of your project? Include whether there is a model that serves as basis for project design.

Success is defined by how well we serve clients & how well we rebuild our user base following the graduation of our most successful clients. We will experience a steep drop-off in earned revenues beginning in Spring 2019, resulting in a current-account loss of about \$85,000 for our next fiscal year. To succeed, the program must grow revenues from current clients with high growth potential, attract new clients that need our services and facilities to grow their businesses, increase production volume and efficiency for clients, and make judicious use of limited external grant support while rebuilding revenues from client use fees. We define success for our clients by the number of businesses using the facility, the number of jobs supported by such use, the value of goods produced and sold, and the number of individuals directly assisted with technical support. These metrics are documented through client use forms, schedules, monthly billing, and technical support logs.

## Funding\*

What is your plan for finding the balance of the project budget? What is your funding timeline and what are your other sources of support?

For the past 36 months, BRFV has operated at 97% self sufficiency, with the vast majority of revenues coming from earned client use fees. Due to the imminent departures of Roots Hummus, No Evil Foods, and Smokin' J's Fiery Foods (all of whom are relocating to their own permanent facilities in Buncombe County), earned revenues in FY 2020 are expected to drop by \$135,000 to about \$240,000, with operating expenses at \$325,000. The \$85,000 shortfall will be made up with grant funds as well as reserve funds held by the Center for Agricultural and Food Entrepreneurship. We hope to partner with Buncombe County to secure \$50,000 in grant support between July 1, 2019 and June 30, 2020. At this time, BRFV has no other sources of support secured for FY2020.

## Sustainability\*

How will this project be maintained? Please describe funding sources and how you plan to sustain the project in future years.

BRFV is designed to generate most of its revenues from client use fees, with the understanding that the most successful clients will ultimately leave and establish their own manufacturing facilities. A reserve fund,

along with ongoing cultivation of new and existing clients, should allow for the program to withstand the departure of one or two major clients in a given year and return to previous revenue levels in a relatively short period of time. For the first time in 14 years of operations, BRFV is having its four largest clients all leave the facility within a year of each other. This unusual coincidence will put a strain on reserves and will require a couple of years to rebuild the user base. We take seriously our goal of operating with the majority of revenues from client use fees, as well as to maintain a healthy reserve fund to weather difficult periods. Limited grant support in FY2020 will allow us time to rebuild our user base and return to over 90% self-sufficiency.

## ATTACHMENTS

### Project Budget\*

Download the budget form at **THIS LINK**.

Complete the budget form for this project and the overall organization.

Save it to your computer, then upload it.

SPF Budget FY2020.xlsx

### Financial Statements

Upload a copy of the most recently completed financial statements.

All financial statements must be audited, reviewed or compiled by a certified public accountant and include a full balance sheet, income statement, and cash flow statement.

If your organization does not have financial statements, briefly state the reason.

CAFE Audit November 2018.pdf

### IRS Form 990

Upload a copy of the 990 nonprofit tax reporting form that you most recently completed.

If your organization does not have a 990, briefly state the reason.

CAFE FY 2018 Tax Return.pdf

## Board of Directors List

Upload a current list of your organization's Board of Directors.

If your organization does not have a board of directors, briefly state the reason.

CAFÉ Board of Directors.docx

## Authorized Signatory

By typing in below the name of the authorized signatory and date of submittal, you acknowledge that your governing body has authorized this application, that it is true and current to your knowledge. As a condition of any grant awarded, this organization will provide all information in the manner described in the contract to be executed between the organization and Buncombe County or its designee, including program and financial reporting.

Name & Date

Smithson Mills 2/7/2019

Other attachments or supplemental information may be submitted to Rachael Nygaard at [rachael.nygaard@buncombecounty.org](mailto:rachael.nygaard@buncombecounty.org)

## File Attachment Summary

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### ***Applicant File Uploads***

- SPF Budget FY2020.xlsx
- CAFE Audit November 2018.pdf
- CAFE FY 2018 Tax Return.pdf
- CAFÉ Board of Directors.docx