



LOCAL FOOD ACTION PLAN

CITY OF COLUMBUS & FRANKLIN COUNTY, OHIO

Action C-9 Project Team Meeting #2

Monday, June 11, 2018, 2:00-4:00pm

Columbus Public Health, Room 119D - 240 Parsons Avenue, Columbus, OH 43215

Meeting Objectives <ul style="list-style-type: none">• Review Draft Current Conditions document• Consolidate theme areas into high-level statements for final Current Conditions Report• Schedule future meeting• Discuss next steps	
2:00pm-2:10pm	Welcome and Introductions
2:10pm-2:20pm	CDFA Presentation <ul style="list-style-type: none">• Brief update on Kellogg Grant Project• Recap of Urban Finance Forum
2:20pm-2:30pm	Overview of work since previous meeting <ul style="list-style-type: none">• CDFA• EDP
2:30pm-3:30pm	Consolidating theme areas <ul style="list-style-type: none">• Small group work• Notetakers in each group
3:30pm-3:50pm	Reporting Out <ul style="list-style-type: none">• Full group report on what stood out in draft document
3:50pm-4:00pm	Next Steps & Closing <ul style="list-style-type: none">• Schedule future meeting• Next steps for project



ACTION C-9 - DRAFT CURRENT CONDITIONS

Interviews by Franklin County EDP: 1400 Food Lab, A&R Creative, Central Ohio African American Chamber of Commerce, City of Columbus Department of Development, Columbus Chamber of Commerce, Columbus Public Library, Columbus SCORE, ECDI, Finance Fund, Greater Linden Business Network, Kiva, Minority Business Assistance Center, Ohio Ecological Food and Farm Association, OSU Extension, Small Business Development Center

General Assets

- Columbus is a young, wealthy, economically booming town
- Columbus is a food town that supports lots of restaurants, a healthy food scene, and artisanal, small-batch, quality food products from smaller-food-related businesses (2)
- Columbus is a friendly, helpful city
- Farms and farmland is not far away - short supply chains are very possible for local food
- Ohio State University - Major research university supporting the land-grant mission with a large agricultural college that is working on cutting edge issues
- A plethora of organizations and entities looking to help small businesses - a ton of people in the space looking to help out
- Lots of successful businesses in the food space - huge asset in terms of expertise, mentorship, networking
- Lots of new makerspaces and artisan incubators in Columbus

Assets (orgs/sectors)

Foundational Local Support for Small Businesses

- ECDI (All)
 - Provides financing, counseling, training, incubation, business services
 - Only SBA microlender in Ohio
 - Works with people who have a credit score as low as 590
 - ½ of ECDI's portfolio is food businesses
 - Women's Business Center - networking, educational resources, mentorship
 - LaunchBox for startups, Food Fort Incubator
 - Capital for Construction program for minority subcontractors (MBE)
- Small Business Development Center (SBDC) (All)
 - Free, wide-ranging services for entrepreneurs and small businesses
 - SBDC Base 1 and 2 Entrepreneurship program - significant resource
 - Food industry specific 4 month program at SBDC - marketing, finances, pricing, participation in a festival as food vendor, guiding businesses through process
 - Refers out for legal, accountant, and insurance professionals
 - Small loans for gap financing

- Small Business Administration (All)
 - Thorough business guide (planning, launching, managing, growing a business), funding programs, contracting guide, [procurement technical assistance center](#)
 - [Columbus District Office](#) - offers a [statewide resource guide](#), information on lending activities, marketing assistance, local events
 - Services for businesses controlled by women, veterans, economically/socially disadvantaged individuals
- [Increase CDC](#) (All)
 - Technical assistance for starting and growing a business - business plan, accounting/finances, marketing, sales, taxes, legal structure - low cost
 - Microloans up to \$15,000 - equipment, supplies, inventory, working capital
 - Huge asset for businesses in Linden
- Minority Business Assistance Center (MBAC) (6)
 - Technical assistance and mentoring for businesses in socially and economically disadvantaged communities (minority-owned, women-owned, small businesses, low-income neighborhoods) and any business worth less than \$750,000
 - Provides assessments for businesses based on their industry, history, business plan - work with all phases of business lifecycle, including 1-on-1 services
 - Housed within [Ohio Development Services Agency](#) (DSA), which supports entrepreneurs and small businesses with technical assistance, education, and financing (Minority Business Loan program, Ohio Capital Access program, Collateral Enhancement program, Minority and Small Business Certifications)
- Columbus Department of Development (2)
 - Program development and direct service for businesses of all kinds

Foundational Online Support

- [Business.Ohio.Gov](#) - 1st Stop Business Connection and other resources for starting a business, hiring, accounting, licenses, laws/regs, etc - refers to SBDC (5)
- [DreamBuilder](#) - The Women's Business Creator
 - Free, online learning program to provide fundamental knowledge and skills needed to grow a business to women entrepreneurs - all courses are free and available online
 - 13 courses, step by step framework for launching a small business
- [Bplans.com](#) - sample business plans and templates for specific business types, helps identify specific content and variables

Additional Statewide Government Support

- [Ohio Secretary of State](#) - Information, step-by-step guides, and resources for starting and maintaining a business (2)
- [Ohio Attorney General](#) - Resources and guides for ensuring compliance with state law
- [JobsOhio](#) - Business services including loan/grant programs and tax credits

Local Business Incubators/Accelerators

- ECDI Food Fort (All)
 - Full service incubation for food entrepreneurs and small businesses - rentable commercial kitchen space, specialized training resources, marketing/sales assistance, 24/7 technical assistance, food safety certification courses

- 1400 Food Lab (All)
 - Provides rentable commercial kitchen space, storage, meeting space, event space for food entrepreneurs and small businesses
- [Rev1 Ventures](#)
 - Part accelerator, incubator, corporate innovation partner, investor for high-growth startups and small businesses, Agribusiness is a focus industry
- [Dublin Entrepreneurial Center](#)
 - General incubator for small businesses, no food specific infrastructure
 - Onsite collaboration, office space, expert advice, educational programming
- [Innovate New Albany](#)
 - Incubator for tech startups, entrepreneurs, small businesses of all kinds, no food specific infrastructure
 - Provides community engagement, office space, workshops/seminar
- [Women's Small Business Accelerator](#)
 - Helps women business owners through mentoring, education, workshops, rentable office space, and referrals to outside expertise
 - No food specific infrastructure
- [The Destiny Center](#) - A business incubator for local entrepreneurs from disadvantaged and minority communities - provides office space, mentorship, skill development, and coaching workshops, no food-specific infrastructure

Agricultural Business Support

- [OSU Extension](#) (3)
 - Focused on improving social, economic, and environmental conditions
 - Support for urban production, value-added products, small agribusinesses
 - Leverages university resources and research for community benefit
- [Central State Extension](#)
 - Focused on sustainable agriculture and health/nutrition disparities
 - Technical services to addresses the needs of socially disadvantaged and underserved communities with limited resources
 - Still building up services and overall extension services
- Ohio Ecological Food and Farm Association (OEFFA) (3)
 - Education, technical assistance, business planning, mentorship, peer-to-peer relationships for beginning and established ranchers, farmers, growers
 - Provides free technical assistance to all, additional programming costs money
 - Focus on sustainable farming spectrum but also works with diversified conventional producers who have ecological concerns
 - [Land Access Training program](#) - help beginning farmers/ranchers secure ag land
- USDA Farm Services Agency (FSA) (2)
 - Business planning, resources, microloans for producers
- USDA Value-Added Producer Grant (VAPG) (2)
 - For farmers/ranchers/producers, funds marketing and development but NOT infrastructure or real estate ([Guide](#))
 - [ERS report](#) shows VAPG participants are more successful and create more jobs
- [USDA EQIP grant](#) (2)
 - Financial and technical assistance to implement conservation practices on agricultural land, can be used for things like irrigation and high tunnels

- Farm Credit Mid America
 - Farm loans, crop insurance, and other financial products for agribusinesses
- YMCA Columbus - North Branch
 - Work closely with Bhutanese community on community gardens and small business development
- [FarmTek](#)
 - Wide range of affordable products for the agricultural industry

Restaurant Support

- ECDI Health Inspection Support
 - Works with food-based clients to help them address hurdles with health codes and inspections, works closely with Food Fort members
- Columbus Public Health (2)
 - Variety of services for food businesses
 - [Online Business Guide](#), [2013 Food Business Guide](#), [Acquiring permits and licenses](#)
- [Wasserstrom](#)
 - Commercial kitchen equipment and parts for sale

Financing for Small Businesses

- Large CRA Lenders
 - Huntington Bank (4), PNC Bank (Highest possible rating on CRA lending) (3), Fifth Third Bank (2), US Bank, Key Bank
- Smaller banks
 - Heartland Bank (3)
 - Growing, willing to take on more risk in the lending space
 - First Financial Bank (2)
 - Microloans up to \$20,000
 - United Midwest Savings (2)
 - New to the area, working with restaurants and a variety of businesses
 - SBA express loans capped at \$150,000
- Crowdfunding
 - Kiva (9)
 - Microloans, community backed, peer to peer
 - Columbus is one of 11 cities with a Kiva chapter
 - 77 businesses funded in Columbus
 - [Slow Money](#)
 - Peer to peer local food investments with a patient capital approach
 - Low interest microloans
- Others Lenders
 - *Discussed elsewhere*: ECDI, Increase CDC, USDA, Farm Credit Mid America, USDA, JobsOhio, Ohio Development Services Agency, City of Columbus NCR Grant
 - Finance Fund (5)
 - [Healthy Food Financing Initiative](#) - flexible and can be used to fund projects up and down the food system supply chain
 - Business has to be located in a low-income area
 - [Accion](#) - online funder for startups and other businesses, underwrites microloans

- Loan programs for women-owned, veteran-owned, startup, food-related, minority-owned, and other diverse businesses
- Term loans from \$300 to \$1 million dollars
- [OnDeck](#)
 - Supports small businesses with flexible financing solutions
 - Term loans up to \$500,000, lines of credit up to \$100,000
- [Kabbage](#)
 - Access to working capital for small businesses
 - Lines of credit up to \$250,000

Food Sciences/Industry

- [Ohio State Food Science facilities](#)
 - Parker Food Science & Technology Building - research and teaching laboratories, food processing, dairy processing, meat technology pilot plants
 - Huge assets for industry research and development in food processing, packaging, sensory evaluation, flavor development
- [Center for Innovative Food Technology](#) (CIFT)
 - Business resources, innovation, technical expertise to the food processing, agriculture, and manufacturing sectors
 - Commercial kitchen space for value added entrepreneurs ([NOCK facility](#))
- [Future Culinary Building at CSCC](#)
 - Innovation kitchens that will be used to test food products, entrepreneurship component, engagement with Small Business Development Center
- Various Culinary Schools in Central Ohio
- [ARC Industries](#) - Provides business services and staffing solutions to small local businesses and Fortune 500 companies, including assembly, packaging, labeling, and even on-site food production

Mentorship/Networking

- Columbus SCORE (5)
 - Small team direct mentoring, [educational programming/workshops](#), webinars
 - Clients are in idea, startup, established business phases
 - Volunteer run organization, all mentoring services are free
- Growing, informal networks of food entrepreneurs
- United Way Leadership Academy (2)
 - Works with small businesses and community leaders
- Columbus Urban League - Empowerment Center

Professional Associations

- Many diverse chambers of commerce
- Columbus Chamber of Commerce (3)
 - Members have existed 3+ years, majority of members are small to medium sized
 - Chamber works closely with MBAC, ECDI, SBDC, OSU Extension
 - Columbus Chamber Minority Business Initiative - Common application for minority business certifications, client-centric model
- Central Ohio African American Chamber of Commerce (COAACC) (2)
 - Trustee for minority owned businesses, working with food businesses

- Building relationships, exchanging information, education, networking
 - Kiva ambassador and partnered with Key Bank
- Greater Linden Business Network (2)
 - Nonprofit, member-based organization like a Chamber of Commerce
 - Working with entrepreneurs - business plan assistance, financial resources, marketing and social media, partnership with orgs like ECDI and Increase CDC
- National Association of Women Business Owners ([NAWBO](#)) - Columbus Chapter
 - Offers education, monthly workshops, networking opportunities to women at all levels of their entrepreneurial journeys
 - Annual cost to join is \$240-\$360 - various levels of access to all the benefits
- [Central Ohio Minority Business Association](#) (COMBA)
 - Programming on real estate development, marketing, business development
- Westerville Chamber of Commerce - Partner in Otterbein's STEAM Innovation Center, which supports entrepreneurs and small businesses in Westerville

Neighborhood-Specific Assets

- [City of Columbus Neighborhood Commercial Revitalization \(NCR\) Program](#)
 - Offers technical assistance, loans, matching grants, capital improvements, and planning services in conjunction with established business associations along six commercial corridors - Franklinton, Hilltop, Main St, Parsons Avenue, Long Street/Mt. Vernon, North/South Linden
- Linden
 - CMAX Bus - big asset for Linden businesses along Cleveland Avenue
 - Lots of open and available commercial space in Linden and along Cleveland Avenue corridor
 - Greater Linden Business Network
- South Side
 - Bob Leighty - Institutional knowledge and business support for South Side (2)
 - Leadership Columbus - supporting businesses on the South Side
- West Side
 - David Huey - Hilltop and John Rush - West Side
 - Franklinton Board of Trade, Trent Smith
 - Networking, office space, event sponsorship, renovation assistance

Marketing Research

- Columbus Public Library - free resources for small businesses (5)
 - Access to paywalled databases that provide consumer reports, demographics and other information for market analysis
 - Business planning classes and referrals out to other organizations (e.g. SBDC)
 - Three classes - Starting a small business (resources, research, planning), Market Research for Entrepreneurs (industry reports, market analysis, understanding your consumer), Experience Entrepreneurship (guest speaker series)

Non-Traditional Businesses

- OSU South Centers
 - Support and resources for cooperative businesses
- Social Ventures

- Resources, programs, accelerators, capital for social enterprise businesses

Legal Support

- [Stansbury Weaver Law Firm](#) - works with small businesses and startups on contracts, intellectual property, tax planning, corporate governance, etc.
- [Barrett, Easterday, Cunningham & Eselgroth LLP](#) - work with farmers, producers, agribusinesses on a variety of legal issues
- [The Gillespie Law Group](#) - Works with startups on business formation and structure, intellectual property, seed financing, contracts

Consultant Support

- [Mike Albert](#) - Consultant working with small businesses and startups on pricing, budgeting, financial modeling, cash flow, contracts, etc.
- [Sundown Group, Columbus Chapter](#) - Made up of local volunteers who donate their time to help connect entrepreneurs with the resources they need

Gaps/Challenges

Middle Supply Chain Infrastructure

- Infrastructure for the middle of the food system is missing or severely limited (All)
- Includes aggregation, minimal processing, value-added processing, packaging, co-packing, cold/dry storage, distribution, commercial kitchens, incubation.
- Limited processing infrastructure for urban livestock and meats (2)
- Limited processing infrastructure for speciality crops (fruits, veggies) (2)
- Not enough incubation and commercial kitchen spaces, existing spaces are reserved or too expensive (4)
- No infrastructure for businesses beyond incubation but unable to afford brick and mortar location (3)
- Lack of local food hubs and evidence that food hubs aren't economically viable
- Lack of profitability for food incubation facilities - need public subsidy to be competitive and profitable for investors
- Need for gluten-free, grain-free, soy-free kitchen spaces with a separate section for nut-free and other allergens
- Need for vegan and vegetarian certified kitchen space

Missing Supply Chain Connections

- No clear supply chain on-ramps to get healthy/local products from small food-related businesses into grocery chains, restaurant chains, or large institutions (2)
- Different, disconnected supply chains for healthy/local food and corner store food
- Lack of support to help businesses identify the right vendors and sourcing - getting the right deal, buying from the right people, making sure there is redundancy
- Lack of strong central branding/marketing campaign for locally grown, sourced, processed food products
- Information on where to find co-packers/packaging services, labeling, information that needs to be on labels

Financing

- ROI and profit margins on a food business is not as impressive as other industries or tech businesses (2)
- Lack of flexible, low interest microloans for food businesses (4)
- Lack of patient capital from investors willing to accept more risk and less growth (2)
- Lack of access to multiple kinds of capital - real estate, equipment, working capital (2)
- Expensive, burdensome debt from local small business lenders (2)
- Lack of financing for non-rural production/aggregation
- CRA lenders do not prioritize food-related businesses, lenders do not like to work with food-related businesses (2)
- Lack of support moving from ECDI-type loans into traditional bank loans
- Know how to find matching funds and grants for businesses
- Lack of access to credit for producers, who are less profitable - difficulty even obtaining USDA microloans (2)
- Lack of financing to support infrastructure in the middle of the supply chain
- Massive upfront cost of equipment and infrastructure in a commercial kitchen - hood costs alone can be \$30-60,000
- Lack of financial partnerships that support advanced entrepreneurs who have a business plan and need a financing carrot

Financial Literacy and Business Planning

- General lack of financial literacy and business planning for new business owners and entrepreneurs - long-term strategy, pricing, cost projections, fixed overhead, identifying opportunities to capitalize, marketing, contracts, managing the books (All)
 - Baseline expectations for what a bank expects to see from loan applicants
 - What taxes are owed, how to budget for them, how to pay them
 - What insurance is needed, how much to pay
 - Education/Resources on how to improve credit score
 - Education on how much financing is needed, how to spend effectively
- Education and how to on banking for unbanked entrepreneurs and business owners (2)
- Education and capacity to strategically grow a business - the ability to step back, see the big picture, know when to expand/hire, how to assess/manage risk
- Business succession planning for farmers/producers
- Lack of understanding for what types of capital are available in a business phase (3)
- More planning support needed for businesses transitioning between phases (e.g. from startup to established, how to build, expand, take on more clients, hire more staff)
- Need for customized planning support for a specific business and customer (2)
- Developing standard operating procedures for efficient production, distribution practices
- Ongoing support for updating business plans as a business grows and develops
- Industry or food-sector specific information on profit margins, staffing, purchasing, salaries, leasing/land, utilities, equipment, etc. (3)

Startup/Entrepreneur and Scaling Up

- More support and resources needed for entrepreneurs in the formation and startup phases - education, mentorship, networking, financing (5)
- Financing is very limited for startups beyond ECDI/Kiva (3)

- Gap between the ideation/formation phase and the scalable/successful business model includes mentorship, patient capital, solid business knowledge, financial literacy, entrepreneurial education/support, network of businesses, supply chain connections
- Education, software/hardware (e.g. computer, QuickBooks) to track business data
- Basic education on creating a business email address, website, social media account
- Education on technology literacy for older entrepreneurs and business owners

Mentorship

- No formal process for accessing mentorship and on call expertise as a food-related businesses across the food system sectors (3)
- Hands-on assistance and mentorship for filling out important documents and understanding how to take the next steps in a given process (2)

Networking

- More opportunities needed for food-related business to network, develop partnerships, create supply chain connections, learn from established entrepreneurs (2)
- Training for developing a strong professional network that can quickly and effectively address issues that come up in a business
- Peer-to-peer learning opportunities
- Need for more business associations and supply chain associations that build networks, collaborate, share information, do business together
- Need for an urban producer association
- Assistance with identifying the right professionals to support your business - attorneys, architects, real estate, construction team, accountant, etc. (2)

Marketing/Branding

- Lack of expertise and support needed for crowdfunding campaigns - marketing, branding, social media, and reaching out to your own network
- Lack of marketing services for producers to stand out in the direct to consumer market, attract new customers, develop a brand
- Lack of education and training on social media, digital marketing
- Education on how to summarize the value of the business and the elevator pitch
- Access to demographic, real estate, and customer preferences data to help make marketing, product, and location decisions
- Knowledge about where to market and sell food-related products
- Market analysis based on location and specific physical space

Brick & Mortar

- Finding the right space with the right lease at the right price with the right amount of foot traffic, parking spaces - each of these is critically important and any one of them going wrong could end the business (3)
- More resources and support for moving incubated businesses into brick and mortar (3)
 - Stepping stones required (e.g. financing, business planning, building capacity)
- More support for lease negotiations - what should/should not be in there, details (2)
- Resources for retrofitting brick & mortar space, preparing buildings for use

Land Access

- Urban land prices are skyrocketing and urban producers are being pushed into the suburbs/exurbs, increased costs to process/distribute products
- Access to land in general is a huge barrier for urban and rural producers
- No statewide program connecting landowners with producers looking for land
- Average age of Ohio farmer is roughly 58 and 40% of farmland in Ohio is owned by older non-farmers who will likely be looking to sell in the next 10-15 years

Regulatory Compliance

- Unclear information on zoning, land use, keeping livestock, agricultural buildings for urban producers - what is allowed, who to contact, process for doing so, variances (4)
- Lack of clarity on licensing businesses, health codes, food prep rules, legal issues (3)
- Assistance gaining/maintaining relevant business certifications

Legal Needs

- How to form and structure a business (2)
- Knowing how to protect intellectual property, your brand, your recipe (2)

Workforce

- Lack of workforce development and education programs to train/retrain residents for the needs of small businesses and food-related businesses across the food system sectors

Under Resourced Support Services

- Entities providing low/no cost business support services are understaffed and under resource, lack ability to expand business support services (e.g. mentorship, financials, business plan review, marketing, workshops, networking events, etc.) (4)
- Fewer public sector dollars and more fee-based models are reducing access to services for disadvantaged communities and creating more competition for fewer dollars
- Lack of capacity to track outcomes and measure success of services rendered
- Lack of post loan disbursement assessment of effectiveness on a longer time horizon
- Lack of ability to track clients as they move through the process and between organizations

Fragmented/Siloed Support Services for Small Businesses

- Many players, minimal coordination and collaboration (4)
- Lack of a one-stop toolkit that provides assistance with navigating how to start, maintain, expand a food-related business (4)
- Lack of a shared calendar/website showing all the classes, educational opportunities, and other available resources across different service providers (2)
- Lack of client-centric model of service delivery based around the needs of entrepreneurs and business owners - Need to focus on the real path businesses take and how they can thrive in each phase and have what they need to graduate to the next phase (e.g. catering to food truck to brick/mortar) (3)
- Business owners lack of awareness for full range of available services and resources

Disadvantaged Groups

- Lack of connection and access points for Somali and Hispanic communities and broader immigrant/refugee community (2)
- Challenges facing disadvantaged groups (e.g. communities of color, socioeconomically disadvantaged groups, etc.) are generally the same but compounded - credit challenges, access to funding, capital collateral, finding profitable customer base (3)

Neighborhood-Specific

- Lack of understanding for how neighborhoods work, neighborhood hubs, hyperlocal economies - and services formed around these concepts
- How to build around existing but under-resourced economic corridors such as Morse Road, Cleveland Avenue, Parsons Road (Vail)
- Need for improvements to infrastructure/facades/internals along main corridors through Linden (Cleveland Avenue, Hudson Avenue) to attract and retain businesses
- Drug and crime problems (or the perception of these problems) in disadvantaged neighborhoods scare away businesses and potential customers
- Northland area needs more resources to support food-related businesses

Food Sector Specific

- Financing and support for non-restaurant food businesses in agriculture, processing, distribution, food waste, etc.
- Seasonality of the business space - lack of education and business planning on how to account for dips in income or rising expenses
- Access to group GAP/GHP certification and FSMA compliance for producers
- Increasingly saturated market for restaurants and food trucks (Harvey)
- Lack of support and resources for developing post-production value-added products
 - Direct-to-Consumer market is saturated in urban spaces so value-added products have become an important piece of expanding a business