



LOCAL FOOD ACTION PLAN

CITY OF COLUMBUS & FRANKLIN COUNTY, OHIO

Action C-9 Project Team Meeting #3

Tuesday, August 21, 2018, 1:00-3:00pm

Columbus Public Health, North Dorm N2B - 240 Parsons Avenue, Columbus, OH 43215

Meeting Objectives <ul style="list-style-type: none">• Final review of Current Conditions Report• Review of Draft Model for Deliverables• Discuss next steps	
1:00pm - 1:10pm	Welcome and Meeting Objectives
1:10pm - 1:25pm	Updates <ul style="list-style-type: none">• Tony Celebrezze (Assistant Director, Columbus Building & Zoning)• CDFA - Kellogg Grant Project
1:25pm - 1:50pm	Final Review of Current Conditions Report <ul style="list-style-type: none">• Project Team feedback
1:50pm - 2:50pm	Review of Draft Model <ul style="list-style-type: none">• Project Team feedback
2:50pm - 3:00pm	Next Steps & Closing <ul style="list-style-type: none">• Next steps - finalizing draft model and stakeholder engagement



LOCAL FOOD ACTION PLAN

CITY OF COLUMBUS & FRANKLIN COUNTY, OHIO

Action C-9 Current Conditions Report (*DRAFT*)

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INTRODUCTION

Local Food Action Plan

Vision and Goals

The LFAP seeks to create a fair and sustainable food system benefitting our economy, our environment, and all people. The LFAP goals focus on enhancing coordination and collaboration, increasing access and education, boosting economic development, and preventing food waste. The LFAP informs public policy, inspires program development, fosters community collaborations, guides local funding strategies, and ensures a foundation for coordinated efforts to improve our local food system. For more information on the Local Food Action Plan and the implementation efforts of the Local Food Board please visit www.columbus.gov/LFAP.

Action C-9 - Resources for Food-Related Businesses

Action C-9 calls for connecting new or growing small-scale and scalable food-related businesses to appropriate financial and technical assistance options. In this report, “food-related entrepreneurs and businesses” refers to small and scalable food-related businesses across the [business lifecycle](#) (e.g. seed, startup, growth, expansion) and along the food supply chain, from urban agriculture operations to aggregators, processors, distributors, retail outlets, and food waste businesses. The Local Food Board identified Action C-9 from the LFAP as a priority action for implementation and formed a Project Team to manage that work. The Action C-9 implementation plan calls for two primary deliverables that support and encourage the growth of food-related entrepreneurs and businesses: (1) a Food Business Financing Toolkit containing financing options and financial literacy best practices for food-related entrepreneurs and businesses, and (2) a Technical Resources Guide containing services and resources for starting, maintaining, and expanding food-related businesses.

About This Report

Purpose

This report assesses the current conditions for food-related entrepreneurs and businesses to inform the work of the Action C-9 Project Team and lay the foundation for broader implementation of the LFAP.

How It was Developed

This report presents findings based on interviews with local experts, stakeholders, and food-related business owners. The Local Food Team compiled and organized raw data from those interviews and the Action C-9 Project Team refined the findings.

The following entities (listed alphabetically) participated in interviews and/or the work of the Project Team: 1400 Food Lab, Bricker & Eckler, Columbus 2020, Columbus Chamber of Commerce, Columbus Department of Development, Columbus Growing Collective, Columbus Metropolitan Library, Columbus Public Health, Columbus SCORE, Central Ohio African American Chamber of Commerce (COAACC), Council of Development Finance Agencies (CDFA), Economic & Community Development Institute (ECDI), Finance Fund, Food Conscious, Franklin County Economic Development & Planning, Kiva Columbus, Greater Linden Business Network, Heartland Bank, JobsOhio, The Legal Aid Society of Columbus, Minority Business Assistance Center, Ohio Ecological Food & Farm Association (OEFFA),

OSU Extension, OSU InFACT, The Renewables Space, Small Business Development Center (SBDC), and US Bank.

The following food-related entrepreneurs and businesses participated in the interviews and provided important input: Bake Me Happy, Food By Bel, Foraged & Sown, Freshtown Farm, La Tavola, North Country Charcuterie, Northstar, OH! Chips, Pettibone Urban Game, and Pitabilities.

Summary of Findings

Food-related entrepreneurs and business owners require a range of technical assistance services and resources including incubation, business literacy education, financial literacy education, financing options, business planning, regulatory compliance training, networking and mentorship opportunities, supply chain connections, and professional expertise (e.g. legal, accounting). No coordinated, curated directory exists for food-related entrepreneurs and business owners working to start, maintain, or expand a business.

A number of challenges identified by interviewees fall outside the scope of this project but may guide future work of the Local Food Board. Those issues include (1) decreasing capacity of existing business service providers, (2) missing or limited middle supply chain infrastructure, (3) limited land access for urban agriculture professionals, (4) regulatory changes, and (5) development of a local food brand or campaign.

CURRENT CONDITIONS

Foundational Business Support

Existing Service Providers

A wealth of free and low-cost business resources and technical assistance options exist to serve the needs of startups and businesses at different scales and at different stages of the business lifecycle. Local organizations offering these services include the Economic Community Development Institute (ECDI), the Small Business Development Center (SBDC), the Columbus District Office of the Small Business Administration (SBA), Increase Community Development Corporation (Increase CDC), the Minority Business Assistance Center (MBAC), the Columbus Public Library, OSU South Centers, and the City of Columbus Department of Development. Primary services include business plan development, educational trainings, marketing, financial planning, licenses and contracting, and compliance with local and statewide regulations. However, decreased public sector investment over the past decade forced providers to cut services and compete for fewer dollars.

State Government Support

Statewide government agencies also provide resources for entrepreneurs and businesses. The [Ohio Development Services Agency](#) offers a wide variety of resources and services for entrepreneurs and businesses, including the aforementioned Small Business Development Center (SBDC) and Minority Business Assistance Center (MBAC) as well as the [1st Stop Business Connection](#), financing options, and support for minority-owned, women-owned, and veteran-owned businesses. The 1st Stop Business Connection supplies free information for entrepreneurs on starting a business, including industry checklists and two guides that provide a broad array of information on business planning, business structure, taxes, consumer laws, zoning, licenses/permits, insurance, and financing. The Ohio Secretary of State website provides a [business road map](#) and a [series of guides](#) for forming a business, obtaining proper licenses and permits, paying business taxes, and hiring employees. The [Ohio Attorney General website](#) offers a range of guides to ensure compliance with Ohio law, including background checks for employees, technology transfer, and other guides. [JobsOhio](#) contributes financial incentives and technical resources for job-creating businesses starting, relocating, or expanding within Ohio.

Summary

Food-related entrepreneurs and business owners enjoy access to many free and low cost resources but lack a central clearinghouse, hub, or toolkit for starting, maintaining, and expanding a business. Food-related entrepreneurs and business owners lack knowledge of the full range of available services and resources. Relatedly, a lack of effective coordination and collaboration between existing service providers hinders a client-centric model of service delivery. In many cases service providers remain understaffed, under resourced, and lacking the capacity to expand existing services, develop new services, and effectively track client outcomes. While this issue remains outside the scope of this project, the Local Food Board may consider future projects to bolster the capacity of service providers. A central toolkit created in coordination with existing service providers will benefit food-related entrepreneurs and businesses.

Resources for Entrepreneurs

Incubation Services

A number of makerspaces, incubators, and accelerators exist to serve the needs of entrepreneurs in central Ohio but most of them have no food-related infrastructure. The Columbus Idea Foundry, Rev1 Social Ventures, Innovate New Albany, Dublin Entrepreneurial Center, Women's Small Business Accelerator, and The Destiny Center all offer general incubation and accelerator services for entrepreneurs and businesses, including rentable office space, educational programming, and networking opportunities.

Food-specific Infrastructure

[ECDI](#) provides the most robust suite of services specifically for food-related entrepreneurs and businesses creating value-added food products. These services include one-on-one counseling, mentorship, 24/7 technical assistance, specialized training resources, marketing/sales assistance, food safety certification courses, and business incubation at the Food Fort, which provides rentable commercial kitchen space and cold/dry storage. [1400 Food Lab](#) provides a limited suite of incubator services for food-related entrepreneurs and businesses creating value-added food products, including rentable commercial kitchen space, cold/dry storage, meeting space, and event space. Feedback from interviewees suggest a lack of profitability for food incubation facilities and a resultant need for ongoing public subsidy to ensure future viability.

Business Training

The [ECDI Business Innovation Center](#) offers training courses for entrepreneurs, including the Capital for Construction program, Small Enterprise Education Development (S.E.E.D.) Development Training Series, Financial Literacy Training, and other workshops. The Small Business Development Center offers the Basis of a Successful Enterprise (B.A.S.E.) workshop, providing access to content-area expertise and training on structuring a business, tax requirements, marketing, business planning, and financing.

The Kauffman Foundation houses two online tools for entrepreneurs: (1) [Entrepreneurship.org](#), which provides information, tools, and resources to help entrepreneurs start businesses, create wealth, and employ people, and (2) [FastTrac.org](#), a clearinghouse for free and paid flexible courses designed to help entrepreneurs in the ideation phase. [Bplans](#) provides guides to business planning, including templates pitch presentation templates, and additional guides for starting and funding a business.

Networking

Professional associations allow entrepreneurs and business owners to network, develop professional expertise, and learn about new opportunities. Local associations include diverse chambers of commerce that provide a value for their members, including Central Ohio African American Chamber of Commerce, Hispanic Chamber of Commerce, National Association of Women Business Owners (Columbus chapter), Central Ohio Minority Business Association, and the Greater Linden Business Network. Many traditional chambers of commerce, such as Columbus Chamber of Commerce, Westerville Chamber of Commerce, and Worthington Area Chamber of Commerce, exist throughout Franklin County and usually serve established businesses. The Westerville Chamber of Commerce partners with Otterbein's STEAM Innovation Center to support the development of entrepreneurs and businesses in Westerville. Professional associations for food-related entrepreneurs and businesses include Central Ohio Food Truck Association, Ohio Restaurant Association, and Ohio Grocers Association. Urban agriculture professionals lack a robust association in central Ohio.

Mentorship

Columbus SCORE, a volunteer run organization, offers free direct mentoring, educational programming, workshops, and webinars for entrepreneurs and business owners in the seed, startup, and growth stages of the business lifecycle. Other organizations such as United Way of Central Ohio and Columbus Urban League offer a variety of community services, including mentorship opportunities for entrepreneurs and business owners. Despite expanding informal mentorship opportunities, food-related entrepreneurs and business owners lack a formal process for accessing mentorship, on-call expertise, or technical assistance for industry-specific issues.

Business Literacy and Professional Expertise

Food-related entrepreneurs and business owners require foundational business literacy and access to a range of professional expertise for many services, including legal, marketing, human resources, insurance, real estate, contracts, design and construction of work spaces, and efficient and replicable business practices. Organizations such as ECDI, SBDC, SBA, MBAC and assist entrepreneurs and business owners seeking to develop business literacy while professional associations provide connections to resources for industry-specific resources. However, interviewees indicated that food-related entrepreneurs and business owners generally still lack critical business literacy skills and adequate information and access to professional expertise.

In the area of marketing, Columbus Metropolitan Library provides access to a unique range of free resources including access to paywalled consumer and demographic databases for market analysis, product development, and a guest speaker series featuring successful entrepreneurs and business owners discussing different areas of professional expertise.

Summary

Entrepreneurs in the ideation, formation, and startup business phases need access to a variety of services and resources including incubation, business training, business literacy, networking and mentorship opportunities, and access to professional expertise. Food-related entrepreneurs and businesses need expanded food-related incubation capacity combining physical infrastructure (e.g. commercial kitchen space, cold/dry storage) with technical resources and services (e.g. training, mentorship, networking, and professional expertise). Additionally, entrepreneurs and business owners need additional support and resources to make the transition from existing incubation spaces to brick and mortar locations. Finally, food-related entrepreneurs and businesses need a robust network of professional connections through networking, mentorship, and access to professional expertise. Food-related entrepreneurs and businesses will benefit from a central clearinghouse providing information and resources on incubation, business training, business literacy, networking and mentorship opportunities, and access to professional expertise.

Food System Assets and Gaps

Agriculture

Agriculture remains Ohio's top industry and nearly 50% of Ohio land is considered "prime farmland" by the USDA, including land within and adjacent to Franklin County. This abundant land throughout the state facilitates the potential for shorter supply chains that support a local food economy in the Columbus Metro Area. However, the average age of Ohio farmers is 58 years old and it is estimated that 40% of

American farmland¹ may change hands in the next 15 years. This provides both an opportunity for the next generation of agricultural professionals and a potential threat of decreased agricultural land supplying local food economies.

An extensive network of support and resources exists for local agricultural businesses through government, non-profit, and university-based entities. [Ohio State University Extension](#) and [Central State Extension](#) leverage university resources and research for community benefit, including free and low-cost support for urban food production, value-added products, and agribusinesses. Central State also offers technical services to address the needs of socially disadvantaged and underserved populations. [Ohio Farm Bureau](#) supports farmers, landowners, and other agricultural professionals with education, training and networking opportunities. [Ohio Ecological Food and Farm Association](#) (OEFFA) offers education, technical assistance, business planning services, and mentorship for agricultural professionals and businesses, including a focus on beginning farmers and ranchers. The [United States Department of Agriculture](#) (USDA) provides business planning services and extensive resources for agriculture businesses through the Farm Service Agency.

Land access remains a significant challenge facing both urban and rural agriculture businesses. The persistent rise of urban land prices creates additional costs for urban producers and longer supply chains for producers moving away from the city. No statewide program exists to connect new farmers and agricultural businesses with landowners willing to rent or sell their land, however, OEFFA employs a Land Access Trainer to assist beginning farmers and ranchers with securing agricultural land. Agricultural businesses must also obtain relevant certifications to grow, handle, and sell agricultural products. These certifications include Good Agricultural Practices (GAP) certification, Good Handling Practices (GHP) certification, and Food Safety Modernization Act (FSMA) compliance. Finally, additional support is needed for agricultural producers in the area of business succession planning.

Middle Supply Chain

Food-related entrepreneurs and businesses require a variety of middle supply chain infrastructure, including shared or rentable commercial kitchen space, aggregation, value-added processing, packaging, cold/dry storage, and distribution. The current middle supply chain infrastructure serving local food-related entrepreneurs and businesses either lacks capacity or does not exist. In addition critical elements lack from the infrastructure required for producing gluten-free, grain-free, soy-free, nut-free, vegetarian, and vegan food products.

The lack of middle supply chain infrastructure limits the market potential for local agricultural businesses and erects barriers that stop large institutions from purchasing local food. The direct-to-consumer market (e.g. farmers' markets, CSAs) serves as an alternative for agriculture businesses willing to offer limited product lines with diminished potential for profitability. Additional capacity and new construction of middle supply chain infrastructure would deliver immense benefits for food-related entrepreneurs and businesses aiming to produce or process value-added food products for restaurants, grocery stores, and large institutions. Food hubs remain a popular model for efficiently clustering and effectively utilizing middle supply chain infrastructure but no food hubs exist in Franklin County emerging evidence suggests that food hubs struggle to achieve economic viability.

Central Ohio food-related entrepreneurs and businesses lack a brand and associated marketing campaign for food products that are locally grown, sourced, or processed. Benefits of a strong brand and associated

¹ <https://www.farmland.org/initiatives/farm-legacy>

marketing campaign include enhanced market visibility and stronger relationships between along the supply chain. No central informational hub exists for businesses to identify potential supply chain vendors (e.g. food processing, packaging services) or requirements for food products at different places along the supply chain (e.g. labeling, food safety).

Established food industry businesses benefit from the Ohio State University Food Science facilities and the Center for Innovative Food Technology (CIFT). These entities provide space for experimentation and research on innovative approaches for agriculture, food processing, and manufacturing. The technologies, applied research, and best practices emerging from these facilities benefits food-related entrepreneurs and businesses as well as the broader food system

Retail Food Businesses

Columbus Public Health offers a variety of services and resources for food-related entrepreneurs and businesses, including a [food business guide](#) created in 2013 to help retail food businesses navigate food safety issues including required equipment, facility plans, inspections, licenses, and associated fees. ECDI's Food Fort incubees also receive assistance with regulatory hurdles related to health codes and inspections.

Interviewees reported several gaps in services for retail food businesses, including identification of viable brick and mortar locations, extended incubation support, lease contract expertise, and capital for retrofitting existing buildings. As one interviewee stated, food retail businesses need to find “the right space with the right lease at the right price with the right amount of foot traffic and parking in the right location to attract the right customers.”

Regulatory Compliance Challenges

Food-related entrepreneurs and businesses benefit from clarity on regulatory requirements related to zoning, building, and health regulations, including what is allowed, what office to contact, and the process for gaining approval or submitting proposals. Interviewees reported a lack of support and clarity on (1) specific regulations that apply to a particular type of business, (2) standard interpretations for those regulations, and (3) tools for navigating through the process and ensuring compliance. This lack of clarity negatively impacts food-related entrepreneurs and businesses in all parts of the food system. The Local Food Board may consider making recommendations in the future for food-system friendly zoning, building, and health regulations.

Summary

Middle supply chain infrastructure, land access, regulatory changes, and a marketing brand or campaign for local food remain outside the scope of this project but these challenges may guide future work of the Local Food Board. Food-related entrepreneurs and businesses will benefit from a clear, central source of resources for understanding regulatory compliance, gaining access to industry-specific services, making supply chain connections, and identifying existing infrastructure available for use.

Diversity, Opportunity, and Inequality

Franklin County Overview

Franklin County sits in the middle of an expanding, wealthy, economically booming Columbus Metro Area containing a relatively young and well-educated population. Significant potential and opportunity

exists for new and expanding food-related entrepreneurs and businesses to develop and grow in Franklin County. The Columbus Metro Area boasts a thriving food marketplace that supports many innovative restaurants, an expanding healthy food scene, several successful farmers' markets, and artisanal value-added products from food entrepreneurs. Successful food-related entrepreneurs and businesses provide a foundation of expertise and experience that benefits new and expanding food-related entrepreneurs and businesses.

Social and economic inequality also impacts Franklin County residents (16.6% poverty rate²) and neighborhoods, resulting in diminished economic growth and access to resources and services along important corridors, including Morse Road (Northland), Cleveland Avenue (Linden), West Broad (Franklinton/Hilltop), and Parsons Avenue (South Side). Population diversity in Franklin County includes racial/ethnic minorities³ (23.2% Black or African American, 5.5% Hispanic or Latino, 5.4% Asian) and immigrant/refugee communities (9.9% foreign born). These groups are part of a broader population that experiences social and economic disadvantage (SED)⁴, resulting in diminished opportunities and access to services. Interviewees specifically identified a lack of connections and access to resources for businesses owned by Black, Hispanic, Somali, and Nepalese individuals as well as businesses owned by broader immigrant and refugee communities.

Access To Resources

The federal government defines⁵ socially and economically disadvantaged (SED) individuals as individuals subject to prejudice or cultural bias based on their identity as a member of a group, resulting in diminished capital/credit opportunities and an impaired ability to compete in the free enterprise system. SED groups include women, racial/ethnic/cultural minorities, immigrants, refugees, veterans, low income individuals, and individuals with disabilities. SED entrepreneurs and businesses controlled or run by SED individuals face magnified barriers in each stage of the business lifecycle. SED individuals encounter issues with low credit, diminished access to financing opportunities, limited collateral, and lower personal income. Some business service providers have created fee-based models that unintentionally decrease access to services and resources for SED individuals because of the increased cost.

Existing Services

Several organizations cater to the needs of women-owned businesses, minority-owned businesses (defined broadly), and businesses located in low-income areas. ECDI houses the Women's Business Center, which is a physical space for networking, educational resources, and mentorship available to any business run or controlled by women. SBA offers a variety of services for businesses controlled by women, minorities, veterans, and other economically and socially disadvantaged individuals. MBAC offers technical assistance, resources, and mentoring for businesses located within low-income communities or owned by socially and economically disadvantaged individuals. The Ohio Development Services Agency (DSA) supports socially and economically disadvantaged entrepreneurs and businesses with technical assistance, education, and financing, including the Minority Business Loan program, Ohio Capital Access program, Collateral Enhancement program, and Minority and Small Business Certifications. [DreamBuilder](#) offers a free online learning program that provides women entrepreneurs with fundamental business knowledge and skills.

² <https://www.census.gov/quickfacts/fact/table/franklincountyohio/PST045217>

³ <https://www.census.gov/quickfacts/fact/table/franklincountyohio/PST045217>

⁴ As defined in the Small Business Act ([15 USC 637](#))

⁵ Small Business Act ([15 USC 637](#))

Summary

Food-related entrepreneurs and businesses controlled or run by SED individuals or located in SED communities face heightened challenges and barriers, including access to capital and financing. No specific services or resources exist for food-related entrepreneurs and businesses owned or controlled by SED individuals. Food-related entrepreneurs and businesses controlled or run by SED individuals will benefit from a central clearinghouse with general information and industry-specific information where it exists. In the future the Local Food Board may work with community partners to identify gaps and recommend additional resources and services.

Financing

Financial Literacy

Financial literacy remains a foundational requirement for starting, maintaining, and expanding a successful business. New and emerging entrepreneurs must understand how to improve and maintain a credit score, track cash flow, and understand sources of profit and loss. Advanced entrepreneurs and established business owners must develop cost/revenue projections, understand contracts, ensure accurate bookkeeping, identify opportunity to capitalize, track business taxes, and much more.

Organizations such as ECDI, SBDC, SBA, and MBAC assist entrepreneurs and business owners seeking to develop financial literacy. Professional associations provide connections to resources for industry-specific information. Entrepreneurs and business owners use these skills to develop, maintain, and update a business plan containing the information lenders expect to see from business loan applicants.

Interviewees identified that entrepreneurs and business owners need assistance with understanding (1) available types of financing in each stage of the business lifecycle, (2) industry-specific information on the amount of funding required by similar businesses, (3) application processes for lenders, (4) effective use of financing, and (5) transitions from one stage of the business lifecycle to the next stage.

Additional Challenges for Food-related Businesses

Food-related entrepreneurs and businesses encounter many challenges identifying and obtaining financing beyond the development of a business plan. Lenders generally perceive food-related entrepreneurs and businesses as riskier ventures with lower returns on investment and higher rates of failure than other industries. As a result, food-related entrepreneurs and businesses lack access to flexible, low interest, affordable financing for real estate, equipment, and working capital.

Food-related entrepreneurs and businesses require additional startup financing transition out of startup phase and toward an established business. Urban agriculture tends toward lower profitability and, as a result, lacks financing opportunities from lenders. Lenders perceive food retail businesses (e.g. urban agriculture, restaurants, groceries) as risky investments but these businesses require massive capital upfront for equipment and infrastructure. Interviewees also reported a lack of transitional financing and associated support for businesses moving from SBA loans to conventional bank loans.

Available Financing Options

ECDI remains Ohio's only [SBA-certified microlender](#), providing loans up to \$75,000 for startup businesses and \$350,000 for existing businesses. Food-related entrepreneurs and businesses make up approximately half of ECDI's portfolio and ECDI assists applicants with low credit scores. Finance Fund

offers financing for food-related entrepreneurs and businesses that increase access to healthy, affordable food in disadvantaged communities through the [Healthy Food Financing Initiative \(HFFI\)](#). HFFI financing facilitates projects such as grocery stores, healthy corner stores, community gardens, farmers' markets, and food hubs. [Kiva Columbus](#) provides crowdfunding-based financing for entrepreneurs, particularly entrepreneurs with limited access to capital. [Increase CDC](#) offers microloans up to \$15,000 to cover equipment, supplies, inventory, and working capital for businesses owned or staffed by low-to-moderate income individuals in Franklin County.

A number of regional and national banks offer competitive financing options for businesses as part of the Community Reinvestment Act (CRA) requirements, including businesses located within low-and-moderate income communities. Heartland Bank, First Financial Bank, and United Midwest Savings offer loans tailored to food-related entrepreneurs and businesses such as farmers and restaurants. Huntington Bank, PNC Bank, Fifth Third Bank, US Bank, Key Bank, and Chase Bank all have small business divisions that focus on supporting economic development in local communities. Agricultural producers can find financing through [Farm Credit Mid-America](#), an agricultural lending cooperative offering farm loans, crop insurance, and a variety of financing products for agribusinesses.

A number of financing options exist specifically for agricultural businesses through the United States Department of Agriculture (USDA). [Farm Service Agency](#) (FSA) offers a variety of loan programs to benefit beginning farmers, minority and women farmers, and any family-sized farmers working to start, improve, expand, or market an urban or rural farming operation. Rural Development (RD) offers the [Value-Added Producer Grant](#) (VAPG), which provides funding for agricultural producers related to processing and/or marketing new products. Natural Resources Conservation Service (NRCS) runs the [Environmental Quality Incentives Program](#) (EQIP), which provides funding and technical assistance for agricultural producers to implement conservation practices that can include irrigation or high tunnels.

Alternative online lenders such as Accion, OnDeck, and Kabbage offer microloans and financial products for small businesses with burdensome requirements such as high interest rates, aggressive repayment schedules, and even surrendering a percentage of company ownership.

Summary

Food-related entrepreneurs and business owners require foundational financial literacy to ensure a thriving business. A central resource containing information on relevant financing options for each stage of the business lifecycle, application requirements, and resources for transitioning between different stages of the business lifecycle will benefit food-related entrepreneurs and business owners. The Local Food Board may consider future partnerships with community and government entities to address gaps in financing for food-related entrepreneurs and businesses.

NEXT STEPS

The scope of the Project Team's work is limited to the development of Action C-9 deliverables. These deliverables include a Food Business Financing Toolkit and a Technical Resources Guide. Additional challenges or recommendations identified by interviewees that are beyond the scope of the Project Team's work have been noted in the report and will be given to the Local Food Board. The findings from the Current Conditions will be used to inform the development of (1) a draft model for the Action C-9 Project Team deliverables, and (2) a stakeholder engagement plan designed to gain feedback from the community on the proposed deliverables.

Action C-9 Draft Model Summary

Action C-9 Deliverables

- Food Business Financing Toolkit - Available financing options and best practices
- Technical Resources Guide - Information on starting, maintaining, expanding a business

Resources Needed for Deliverables

- Funding and resources for website design/development, print design/development, translation, marketing and distribution
- Entity or entities to house, maintain, update deliverables
 - Ongoing staff and resources for coordination with service providers and regular updates of deliverables
- Long-term community partners to support the deliverables, including:
 - Government - City of Columbus Public Health, City of Columbus Department of Development, Franklin County Economic Development & Planning
 - Service Providers - ECDI, SBDC, MBAC, SBA, OSU Extension, Finance Fund, Kiva, 1400 Food Lab, OEFFA, COAACC, SCORE, Columbus Metropolitan Library, Columbus Chamber of Commerce, CDFA, Legal Aid Society of Columbus

Strategy for Deliverables

- One stop shop for starting, maintaining, expanding a food-related business, and facilitating access to resources and services
 - General resources and services for all businesses
 - Specific resources and services for food-related businesses
 - Not comprehensive but helps businesses move in the right direction
 - Focus on the “what” and “how” rather than the “why”
 - Set expectations for different stages of the business lifecycle
 - Links to established, existing resources
- Practical, easy, accessible, user-friendly experience
 - Website developed primarily for mobile internet - entrepreneurs on the go
 - Possible login option so users can save information for themselves
 - Possible incorporation of video, audio, interactive media, QR codes
 - Quick access to practical, tangible, useful information
 - Conversational, approachable writing that avoids professional jargon and long narrative paragraphs
 - Easy to navigate and locate relevant information
 - Professional website and print versions available in multiple languages - English, Spanish, Arabic, Farsi, Somali, Mandarin, etc. (specific languages TBD)
 - Prioritizing usefulness for socially and economically disadvantaged communities and other diverse communities with varying levels of business literacy, financial literacy, and technological skill
 - Gather data/analytics on how people use the resource and suggested changes

- Client-centric service identifying client needs and directing to those resources
 - Possible use of “If, then” pathfinder intervention logic model (e.g. “Do you have a business plan with x, y, z elements? If yes, click here for next steps. If no, click here for resources.”)
- Updated at regular intervals to ensure ongoing relevance
 - Level of detail focused on resources less likely to change (e.g. websites, documents) rather than resources that change regularly (e.g. contact info)
 - Partnerships with organizations/agencies to ensure deliverables remain a shared asset with shared responsibility for maintaining and updating
 - Possible method for users to submit requests or their own success story

Organization/Format of Deliverables

- Directory of existing resources and services for food-related businesses and the organizations providing those services
- Possible specific elements:
 - Checklists, FAQs, and step by step instructions, workbook elements, sample documents, templates for relevant processes (e.g. registering a business, obtaining licenses, business planning)
 - Shared calendar for business resources, services, activities
 - Interactive graphics to show business lifecycle and food system network with the relevant players, roadmap style, decisions for each stage
 - Case studies showing real-life success stories
- Possible future development of shorter 1-2 page guides on specific topics

Elements of Deliverables

- Starting a business
 - Establishing a business (e.g. form an LLC, structure)
 - Developing a business plan (e.g. 1 page, 3-5 page, full)
 - Entry-level and advanced financial and business literacy
 - Education on tracking financials and understanding cash flow
 - Completing a basic market analysis
 - Connections to mentorship, networking, and professional associations
 - Resources for entrepreneurs who are not tech savvy (e.g. creating business email address and website, resources for unbanked and those with poor credit scores, how to store passwords, social media, etc.)
- Ongoing Business Operations and Growth/Expansion
 - Connections to resources for professional expertise (e.g. legal, accounting, marketing, human resources, taxes, regulatory compliance, insurance, etc.)
 - Business management best practices
 - Obtaining relevant licenses and permits
 - Understanding loan documents, lease agreements, other important forms
 - Development of business strategy for growth/expansion
 - Connections to advanced mentorship and networking opportunities

- Food-specific topics
 - Education on health codes, building/zoning codes, and general regulatory compliance (e.g. GAP certification, municipal licensing guides)
 - Education on food waste management and best practices
 - Sample business budgets and business plans for food-related businesses
 - Connections to retail outlets and other food system supply chain entities
 - Connection to main players supporting each sector of the food system
 - Legally selling produce and value-added products
 - Establishing a commercial kitchen, cottage kitchen, home bakery, etc.
 - Labeling and packaging food products
 - Running a food truck, restaurant, catering business, etc.
- Financing
 - Guide for financing options at different stages of business lifecycle
 - Understanding right type/amount of financing for food-related businesses
 - Possible use of Capital Ladder framework
 - Requirements for obtaining financing through Kiva, ECDI, credit union, bank
 - Guide for different application processes
 - Resources on improving credit score
 - Possible future development of pre-application / pre-qualification one pager that can be sent directly to banks
 - Education on obtaining matching funds and business grants
 - Identifying opportunities to capitalize
 - Effectively spending financing
- Additional resources and services intended for New Americans, immigrants, refugees, minorities, and other socially and economically disadvantaged communities

Models for deliverables

- [SBA Business Guide](#) - Tools for planning, launching, managing, and growing a business
- [Detroit Bizgrid](#) - Online directory to assist business entrepreneurs in the city of Detroit ([infographic](#))
- [1st Stop Business Connection](#) - Information on how to [start](#) and [finance](#) a business in Ohio, including checklists on specific types of businesses (e.g. [restaurant checklist](#))
- [Ohio Business Road Map](#) - Information on how to start and maintain a business
- [SBA Statewide Resource Guide](#) - Annually compiled collection of resources and services for Ohio small businesses
- [CPH Business Guide](#) - 2013 guide for starting a food business in the City of Columbus