

Exhibit 2

Alchemy Kitchen

Food Business Incubator Models



Mission: to cultivate low income food entrepreneurs as they formalize and grow their businesses by providing affordable commercial kitchen space, industry-specific technical assistance and access to market opportunities. We focus primarily on women from communities of color and immigrant communities. Our vision is that entrepreneurs gain financial security by doing what they love to do, creating an innovative, vibrant and inclusive economic landscape.

Participants:

- Are low to very low-income (according to HUD)
- Have a strong desire to own a business
- Have a high quality food product that they have most often been selling informally to friends and family

Programming:

- *Subsidized commercial kitchen space* (Avg. \$13/hr vs Market Rate of \$35/hr)
- *Industry-Specific Technical Assistance* (Free or subsidized technical assistance in marketing, operations, product, sales and finances for food businesses)
- *Workshops* (Workshops on various aspects related to food businesses)
- *Access to Markets and Market Positioning* (Connecting vendors to market opportunities and co-branding for the mainstream market)
- *Access to Capital* (Connections to viable sources of capital for growth)



Watsonville, CA

Mission: to promote equal access to economic opportunity. Our vision is to transform people's lives through entrepreneurship. El Pájaro CDC focuses on developing micro-enterprises and small businesses. We have successfully assisted hundreds of small businesses with technical assistance, loan application and packaging, business plans, marketing, management, and business technology applications.

- 18,000 square foot building (9,000 square foot kitchen)
- Kitchen operations began in 2013
- Offer 10-week business plan course in English and Spanish 2-3 times per year (do not have to plan to use kitchen to take course)
- Kitchen does not have strict application process, applicant just needs business plan
- Rented at \$10-\$30 depending on needs of business
- Developing co-packing facility

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Takoma Park, MD



Crossroads works to bolster the local food system through programs that support and unite those who grow, make, and eat fresh, healthy food. At the heart of this integrated network of food growers, makers, and consumers is Crossroads Farmers Market, where Fresh Checks make healthy food more affordable in Maryland's International Corridor. Crossroads' Healthy Eating initiatives bring farm-to-fork programming to the community, and the Microenterprise Training Program connects potential food business entrepreneurs with community resources, mentorship, and skills development—further improving community food security by bringing more affordably priced foods into the local market.

Microenterprise Training Program

- 10 part business training workshop
- Bilingual English/Spanish instruction
- One-on-one mentoring/Dynamic small group instruction
- Technical assistance in applying to local community kitchens
- An educational binder to organize food business documents
- Connections to a network of local food producers and farmers

TPSS Community Kitchen

- 1,120 square-foot kitchen and storage facility meets all local health and safety requirements governing food produced
- Provides much needed food preparation space to those who have completed Crossroads' Microenterprise Training Program.



Portland, OR

An incubator model and economic development initiative of Portland non-profit Hacienda CDC, provides affordable retail space for businesses to launch and grow, and is a hub for Latino culture in Portland. The development of this project was inspired by entrepreneurship, Latino cultural history and heritage, traditional and local foods, social enterprise, vibrant cultures, and public markets throughout the world.

- Offers a 12-week business development class
- 1,700 square foot commercial kitchen
- In their first year, the Portland Mercado created 19 full time businesses and 114 jobs
- Their commercial kitchen had 44 tenants and was rented for 9,204 total hours in their first year.