

Local Food Promotion Program (LFPP) Final Performance Report

The final performance report summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once it is approved by LFPP staff. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to LFPP staff to avoid delays:

LFPP Phone: 202-720-2731; Email: USDALFPPQuestions@ams.usda.gov; Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

Report Date Range: <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	March 1, 2015 to March 29, 2016
Authorized Representative Name:	Linda D. Davis
Authorized Representative Phone:	(608) 832-8003
Authorized Representative Email:	davelind@chorus.net
Recipient Organization Name:	Southwestern WI Community Action Program
Project Title as Stated on Grant Agreement:	SW Wisconsin Food Enterprise Center Planning Project
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-WI-0183
Year Grant was Awarded:	2014
Project City/State:	Dodgeville, WI
Total Awarded Budget:	\$25,000

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

Same Authorized Representative listed above (check if applicable).

Different individual: Name: Walter Orzechowski ; Email: worzechowski@swcap.org;
Phone: (608) 935-2326 Ext. 201

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0287. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable sex, marital status, or familial status, parental status religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

1. *State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please highlight those changes (e.g. "new objective", "new contact", "new consultant", etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.*

Project Description: The proposal was to conduct a feasibility study and complete a business plan for a new southwestern Wisconsin artisan food emporium (AFE).

Goals to be Accomplished: The ultimate goal of this project was to use value-added food production to create jobs and stimulate local economic development. The proposed feasibility study would estimate the market demand for a new food enterprise center, describe its business model and operating structure, and predict whether the new business is likely to be profitable. Business model options to be explored ranged from a shared-use kitchen/processing facility to a custom packing/co-packing hub for fresh produce, meats, cheeses and dairy products. Project goals included defining the business model, identifying an owner/operator, locating a suitable site and obtaining commitments for financing.

- i. **Goal #1 - Community Outreach and Market Assessment:** This goal was to gain a greater understanding of the type of food processing center the community wants.
 - a. **Progress Made:** The business model was defined and the market need was established. The community decided on a business incubator model where multiple food producers or processors share common areas, resources and infrastructure.
 - b. **Impact on Community:** This study showed that a shared facility is needed in the southwestern Wisconsin food production sector. In the proposed artisan food emporium, each participant may share in the financial and time burden for space planning, equipment acquisition, marketing, and trucking. These potential synergies would save participants both time and money.

One-on-one telephone interviews were conducted in October, 2014 with nine individuals known to be active service providers to local food producers in southwestern WI. A standard set of interview questions was e-mailed to each individual prior to each telephone call.

Planning shared overhead costs and how to charge tenants for them was a significant issue that emerged from these interviews. It is noteworthy that adding expensive leasehold improvements to the building will increase the rents and make occupancy unaffordable for some or many tenants. This is why most of the businesses operating in this space have received substantial gifts or grants to lower their occupancy costs and make them more affordable. Many are non-profits. Other key findings include these:

- Since the Madison metropolitan area already has good local support services, AFE should complement not duplicate or compete with other facilities in the southwestern WI food supply chain.
- There is an opportunity to actively recruit new tenants for AFE that will stimulate local economic development.
- It is perceived as important for AFE to provide shared services for its tenants. However, the return on investment for those services needs to be carefully evaluated.

- ii. **Goal #2 - Secondary Market Research:** The purpose of the secondary market research was to identify similar business models and best practices that could inform the AFE feasibility study and business plan.
- a. **Progress Made:** Secondary market research was completed in January, 2015.
- b. **Impact on Community:** AFE will perform various functions that may include all of the following on behalf of the food producers, property owners and Mount Horeb community:
- Agent for property management for potentially multiple sites
 - Outreach to potential new food producers/processors on an ongoing basis
 - Marketing/promotion on behalf of AFE participants
 - Facilitation of sharing opportunities/joint ventures among AFE participants
 - Seeking grant/funding opportunities on behalf of all AFE participants
 - Promoting food tourism
 - Forming strategic partnerships with outside organizations (i.e. UW Extension, MARC, WI Food Hub)
 - Facilitating vertical integration among AFE participants
 - Seeking donors/ grants for rent subsidies for needy AFE participants
 - Supporting AFE participants brand development and enhancement
 - Facilitating employment of those in our community with disabilities

Value-added food is being recognized nationwide as an economic development tool and many food emporiums or innovation centers are located in business parks consisting of several buildings on a campus. Other key findings from secondary market research include these:

- Artisan food centers may promote food tourism.
- The decision to build-out expensive, shared leasehold improvements such as a commercial kitchen, freezer space or refrigeration should be carefully considered since many potential tenants cannot afford to pay for these building features.
- Negotiating each tenant's rent individually may be an effective way to insure that costs are distributed fairly. In this way, each tenant would pay for the services that he or she uses.
- Various food innovation centers nationwide have formed strategic partnerships with universities or technical colleges to provide food industry training. UW Platteville Continuing Education has expressed interest in a partnership with AFE.
- The businesses reviewed for this market study received substantial grants or subsidies in order to make the building rents more affordable for tenants. AFE may require a similar subsidy. For example:
 - Financing for the Food Enterprise Center in Viroqua included \$2 million from the Federal Economic Development Administration, a \$1.8 million Midwest Disaster Bond, and other loans and lines of credit through six area banks.¹
 - Rents at the Madison Enterprise Center are subsidized by Madison Gas & Electric Company and there is a revolving loan fund where tenants can get \$20,000 to buy equipment. Rents are \$8.25 per square foot.

¹ http://lacrossetribune.com/vernonbroadcaster/news/local/food-enterprise-center-raises-flag-and-declares-it-s-open/article_c16b6ad8-1e1a-11e2-8ecf-001a4bcf887a.html, accessed 1/1/15

- Blue Mountain Station in Dayton, WA received a \$1 million grant from the Washington State Community Economic Revitalization Board.
 - Central WI Agribusiness Innovation Center received a \$4 million Public Works and Economic Development Program grant from the Economic Development Administration (EDA) in 2009.
- iii. **Goal #3 - Regional Food Asset Inventory and Analysis:** SW Wisconsin is home to a number of existing assets, active organizations, and recently-launched projects and initiatives focused on supporting and growing the region's local food system. Examples of these existing assets include farmers markets, cooperative grocery stores, restaurants featuring local ingredients, and small businesses producing innovative food products.
- a. **Progress Made:** AFE was compared to these existing regional assets and projects.
 - b. **Impact on Community:** In southwestern Wisconsin, the emergence of mid-level aggregation, distribution and processing facilities (food hubs) are in their nascent stage. As such, they compete in a growing, immature market where operating efficiencies and best practices are still being developed. Many existing local food processing facilities are under-utilized. This presents both a threat and an opportunity for AFE. It is clear from interviews with local food business advisors that AFE should complement not compete with existing infrastructure players. AFE has an opportunity to develop a different business model that will contribute to the regional supply chain.

Southwestern Wisconsin supports start-up and small companies through numerous shared facilities, incubator space and research centers. These facilities feature many small local food producers and processors since they tend to reflect the overall economy.

The emergence of mid-level aggregation, distribution and processing facilities is being driven by the growing public demand for locally grown, producer identified food. For example, the Dane County Farmers Market is a strong destination, neighborhood farmers markets are growing, and CSA membership is high. Many Madison food retailers, both local stores and national chains, are sophisticated and realize the importance of featuring local products, i.e. Willy Street Coop, Metcalfe's, Copp's and Miller & Sons.

Local food producers still tend to rely on direct consumer distribution channels such as farmer's markets and community supported agriculture (CSA) programs to sell their produce. However, in order to scale-up and meet the needs of intermediate and institutional buyers for consistent, reliable produce deliveries, most small producers need to aggregate their produce and create value-added products. This scale-up requires a processing facility or food hub.

- iv. **Goal #4 – Target Customer Outreach and Needs Assessment:** The goal was to understand whether potential users of AFE perceive a need for it.
- a. **Progress made:** An e-mail survey was constructed in eSurveysPro.com. Seventeen questions were sent to 400 food producers or processors in southwestern WI after testing the survey instrument with five sample respondents. There was a 10% response rate to the survey (40 responses were received).
 - b. **Community Impact:** The survey results showed strong market demand by food processors or producers for a building in Mt. Horeb that would feature a commercial kitchen, freezer

storage, refrigeration, dry storage and marketing included in the base rent not to exceed \$12 per square foot. The typical customer has been in business more than five years, manufactures a branded local product, has three employees and would rent less than 500 square feet.

- Six respondents have a medium or high level of interest in relocating their existing business to AFE.
- Fourteen respondents said they would be willing to sign a non-binding letter of interest to support the market feasibility of this project.

v. **Goal #5 – Center Design and Equipment Selection:** The proposed location for AFE at 111 South First Street in Mount Horeb is located near The Grumpy Troll, Fisher King Winery and the Mount Horeb Area Historical Society Museum. MHAEDC envisions additional, complimentary food production or processing businesses will relocate as downtown Mount Horeb develops a reputation as an agritourism destination. The building at 111 South First Street is a concrete block commercial vernacular building erected in 1913 to house the People’s Mercantile Association Store. It consists of 7,097 square feet of first floor space finished as retail space and 4,298 square feet finished as five residential apartments. There is another 976 square feet of common space and 5,937 square feet of unfinished space throughout the structures. Thus the total square feet amounts to 18,308 square feet.

a. **Progress Made:** Construction bids to renovate the building’s commercial area have not been obtained. The financial projections prepared for this business plan assume \$50 per square foot for 8,470 square feet or \$423,650. Based on estimates obtained for the feasibility study, refrigeration and freezer equipment might add another \$150,000 to the estimated project costs. The assumed acquisition cost for the building and nearby vacant lot is \$500,000. Assuming a \$25,000 allowance for other capitalized start-up costs and \$15,000 of working capital, the total estimated project costs would be approximately \$1.1 MM.

b. **Impact on Community:** MHAEDC is developing a plan for rejuvenation of the Mount Horeb downtown area, including the location of the building that will house AFE. MHAEDC has engaged Vandewalle & Associates, Inc. (Vandewalle) to consult on this plan. In addition, the Village of Mount Horeb has engaged Vandewalle to develop a Tax Increment Financing (TIF) feasibility study that will likely lead to creating a TIF district in downtown Mount Horeb. The proposed TIF district would provide for anticipated public and private improvements including lighting and public utilities.

vi. **Goal #6 – Financial Planning and Analysis:**

a. **Progress Made:** Using information developed from the other work products, pro-forma balance sheets and statements of revenue, operating expenses and cash flow were completed (see attached business plan).

b. **Impact on Community:** SWCAP will seek funding for AFE from grants and low-interest loans. SWCAP plans to obtain about 55% of the estimated project costs from grants and the remaining 45% from loans. Although the specific funding sources have not been identified, the Mount Horeb Area Economic Development Corporation has identified 11 applicable grant and loan programs for AFE.

- vii. **Goal #7 – Business Plan Development:** A business plan is normally developed when a firm direction for the business can be established and/or there is a need for outside financing that requires the development of a business plan. Since the feasibility study identified no limiting factors, a business plan was developed for the proposed AFE using the information developed in the previous tasks.

Community Action Ventures, Inc. (CAV) (the Company) is a wholly-owned, for-profit subsidiary of Southwestern Wisconsin Community Action Program, Inc. (SWCAP). CAV was incorporated on February 9, 2011. SWCAP is located in Dodgeville, WI at 149 North Iowa Street.

CAV intends to purchase a building located at 111 South First Street in Mount Horeb, WI for use as a local food processing hub, affordable housing and a job training site. This building currently houses five apartment units and a retail antique store.

In this business plan, the first floor apartment would be converted to retail food processing space and the four second-floor apartments would continue to function as affordable housing units.

After appropriate renovation for a local food processing center, the building at 111 South First Street would be called the Artisan Food Emporium (AFE). SWCAP hopes that AFE will demonstrate a successful initiative that will integrate economic development, affordable workforce housing and job training on-site. The goal would then be to replicate this model in other WI communities.

AFE would also strengthen the capacity of farmers in SWCAP's five-county service territory (Iowa, Lafayette, Grant, Green and Richland counties) to supply new markets.

2. *Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2014). Include further explanation if necessary.*
 - i. Number of direct jobs created: 0
 - ii. Number of jobs retained: 0
 - iii. Number of indirect jobs created: 0
 - iv. Number of markets expanded: 0
 - v. Number of new markets established: 0
 - vi. Market sales increased by \$0 and increased by 0%.
 - vii. Number of farmers/producers that have benefited from the project: 0
 - a. Percent Increase: 0

This is a planning grant so we have not yet directly created jobs or impacted new markets.

3. *Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?*

This is a planning grant so we have not yet directly reached new populations.

4. *Discuss your community partnerships.*
 - i. *Who are your community partners?* Village of Mount Horeb, Mount Horeb Area Economic Development Corporation, Mount Horeb Chamber of Commerce, local business leaders, local food producers and processors.

- ii. *How have they contributed to the overall results of the LFPP project?* Community partners are donating their time to serve on committees to plan and develop this project.
 - iii. *How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?* The community planning committee will be disbanded when Community Action Ventures obtains site control of the building. However, Mount Horeb Area Economic Development Corporation will continue to actively support grant and loan applications to fund the proposed project.
5. *Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?*

A contractor performed the planning activities for this grant.

6. *Have you publicized any results yet?** Yes
- i. *If yes, how did you publicize the results?* Community meetings, local and regional newspapers.
 - ii. *To whom did you publicize the results?* Madison Region Economic Partnership (MadREP), Mt. Horeb Mail, and Wisconsin State Journal (see: http://host.madison.com/ct/news/local/city-life/black-earth-meats-splinters-with-slaughter-in-viroqua-and-a/article_eb487d41-a306-50cc-a69f-a9239fa92b7a.html).
 - iii. *How many stakeholders (i.e. people, entities) did you reach?* The 2013 population in Mount Horeb was 7,330. The primary market (population) for the WI State Journal is 696,525.

**Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report. Non-electronic promotional items should be digitally photographed and emailed with this report (do not send the actual item). See attached.*

7. *Have you collected any feedback from your community and additional stakeholders about your work?* Yes
- i. *If so, how did you collect the information?* Community members meet regularly to discuss this project.
 - ii. *What feedback was relayed (specific comments)?*

Mount Horeb Area Economic Development Corporation Board of Directors Meeting Minutes on Thursday, February 18, 2016 included this project update, *“Wally Orzechowski, Chair of the MH Artisan Food Emporium Committee, indicated that the building at 111 S. First Street in Mount Horeb is being considered as a site for the Artisan Food Emporium. Discussions with the owner have gone well and a proposal will be made on February 25th to the SWCAP Board to approve a project that could lead to them becoming the owners of this building. The role of the MHAEDC is expected to be facilitating grants and low-cost loans to make this possible. The Board approved a proposal to make the full amount of the \$7,500 in grants received from MGE and Mount Horeb Community Foundation available for anticipated costs in applying for grants and loans.”*

8. Budget Summary:

- i. As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report:
- ii. Did the project generate any income? No
 - a. If yes, how much was generated and how was it used to further the objectives of the award?

9. Lessons Learned:

- i. *Summarize any lessons learned. They should draw on positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).*
 - a. A decision was made not to include a commercial kitchen in AFE at least initially because of the associated cost. A review of existing community infrastructure showed that many regional commercial kitchens are underutilized.
 - b. For the benefit of the overall community, it is important that new food processing or production infrastructure compliment, not compete with other community resources. The competitive environment for local food producers or processors is collaborative.
 - c. Many small food producers or processors are unable to pay market rates for shared use facilities. For this reason, substantial financial subsidies are usually necessary to make these projects financially feasible.
 - d. Market research showed strong community demand for a small, shared-use local food processing center. This business model could be replicated in other communities.
- ii. *If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:*

The anticipated location of AFE changed after the feasibility study was completed from a retail strip mall to a downtown location in a proposed new TIF district. AFE would now be part of Mount Horeb's current downtown revitalization plan. Although the new site is considered to be far superior to the original site, this has created project delays.

- iii. *Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:*
 - a. A decision was made to include affordable housing and food production workforce training on-site. In this way, any potential investment in AFE would be leveraged beyond food production or processing.

10. Future Work:

- i. *How will you continue the work of this project beyond the performance period? In other words, how will you parlay the results of your project's work to benefit future community goals and initiatives? Include information about community impact and outreach, anticipated increases in markets and/or sales, estimated number of jobs retained/created, and any other information you'd like to share about the future of your project.*

The feasibility study anticipated the following economic impact:

- **Existing Business Expansion** – AFE would support the expansion of at least five established food production or processing businesses. In 2015, the Mount Horeb Area Economic Development Corporation (MHAEDC) negotiated lease agreements with two participants that intended to expand their businesses to gross \$6 to \$10 million in annual sales.
- **Jobs Created** – The local food producers or processors participating in AFE would create jobs. Two potential participants interviewed for the feasibility study indicated they would create 18 to 22 full-time and four to six seasonal jobs over five years.
- **Property Taxes Paid** – Real estate taxes paid for the proposed space are estimated at \$20,000 per year.
- **Local Suppliers Utilized** - Employees working in the AFE would create a multiplier effect and contribute to the local economy. They will buy houses, rent apartments, shop at local stores, buy gasoline, eat at restaurants, and purchase professional services. Participants in the space will contract for snow plowing and insurance in addition to other services.
- **Tourism Created** – Mount Horeb, WI is a tourist destination because of its Norwegian heritage, vibrant downtown, proximity to Madison, and its strategic location on the US Highway 151 traffic corridor to southwestern WI. AFE is expected to increase interest in food tourism. Mount Horeb’s main street already features at least three other local food producers, Fisher King Winery, Sjölings Chocolate House and the Grumpy Troll craft brewery.

ii. *Do you have any recommendations for future activities and, if applicable, an outline of next steps or additional research that might advance the project goals?*

Milestones for the next 12 months would include:

- Drafting an offer to purchase the proposed AFE building contingent on obtaining financing and final approval from the Southwest WI Community Action, Inc. Board of Directors
- Obtaining cost estimates from two qualified contractors for building improvements
- Consulting with a qualified engineer to determine refrigeration and freezer storage requirements and their associated costs
- Engaging in community outreach with local food producers or processors.
- Obtaining letters of intent from two or three participants to support grant and loan applications

Is Mount Horeb hungry for an artisan food hub?

Southwest Wisconsin Food Enterprise Center 'could have foodies coming out of the woodwork'

By Matt Geiser
Mount Horeb Mail

The Village of Mount Horeb could soon become home to a hub for artisan food production and processing, featuring local meats, gourmet chocolates and even seafood.

The Mount Horeb Area Economic Development Corporation and the Southwest Wisconsin Community Action Program set the project, tentatively called the Southwest Wisconsin Food Enterprise Center, in motion. While it has a long way to go before becoming a reality, the proposal has already drawn interest from celebrated food producers and processors.

It could bring animal welfare-minded butcher Bartlett Durand, Sjolunds Chocolate House owners Tracy and Chris Thompson, and Nic Mink's Sitka Salmon Shares together under one roof.

It could also, according to Brad continued on page 10



The Southwest Wisconsin Food Enterprise Center could be anchored by Black Earth Meats' Bartlett Durand, Sitka Salmon Shares' Nic Mink, and Sjolunds Chocolate House's Tracy and Chris Thompson. Above, Nora Skeele works an Alaskan fishing vessel with her father, John Skeele. Together they make up one of nine fishing families that partner with Sitka Salmon Shares. Photo by Kelley Jordan Heneveld.

One last 'Whirl'

A quilt made by late Jean Clark has been selected for the 2014 Quilt Expo

By Matt Geiser
Mount Horeb Mail

When doctors told Mount Horeb resident Jean Clark she had six months to live, the feisty little woman replied, "Well, we'll see about that. I have a quilt to finish."

That quilt, which she was to complete before dying last year at the age of 96, now has been accepted in the Quilt Expo contest.

The competition is part of the 10th annual Quilt Expo, held Sept. 4-6 in the Exhibit Hall at the Alliant Energy Center in Madison.

Clark named her quilt "It's a Whirl, Girl." Her art required her to use no-nosed pliers to pull the threads through her four-stitch quilt. The quilt was too large to fit in a quilt frame so she finished

FOOD

continued from page 1

Murphy, executive director of the Mount Horeb Area Economic Development Corporation, "bring foodies out of the woodwork."

A concept paper commissioned by the corporation and drafted by Virtual Management Solutions honed in on Viking Plaza, in the 11,500 square-foot vacant space where World of Variety was formerly located, as an ideal location for the facility. Alternative sites will also be identified.

Durand, a rising star on Wisconsin's localvore scene before being shut down this summer by the Village of Black Earth for growing his local slaughtering house beyond the limits of what some neighbors were comfortable with, said he hopes his philosophy, which includes enhanced animal well-being and a strong, direct link between local farmers and customers, will live on in Mount Horeb.

"What's that they say? The king is dead; long live the king? Well, Black Earth is dead, but what we've been working toward could live on in Mount Horeb," Durand said.

Durand, who has filed a \$5.3 million lawsuit against Black Earth for allegedly shutting down his thriving business on illegal grounds, has sold the equipment from his USDA-inspected, certified organic and Animal Welfare Approved slaughterhouse to a buyer in Viroqua. He hopes to move slaughtering operations there, bringing half hogs and quarter cows to the Mount Horeb facility, where the meat would be broken down behind a glass wall to enhance transparency.

Durand described his vision for the Mount Horeb location as a "commisary," where customers could shop or take classes teaching the ins and outs of butchering and sausage making. No slaughtering would take place at the Mount Horeb location.

He said he's eager to share space with other food innovators.

"It's incredibly exciting," said Durand. "I would say revolutionary. We're talking about something that could be a community-financed incubator for small-scale food processors."

Durand said the involvement of Wally Orzechowski, director of the

Southwest Wisconsin Community Action Program, was an important incentive for him to enter into talks. He also said Mount Horeb's appetite for high quality food played an important role in his decision to pursue operations in the community.

"The people, I would call them the pillars of the community, care about the community, and they care about creating jobs," Durand said. "The people want artisan foods, and it helps to have a cool local shop like Sjolinds involved."

"It's so exciting to see what a community can do when everyone gets together," he added.

Mink, co-founder and president of Sitka Salmon Shares, created his business to serve as a seafood version of the Community Supported Agriculture (CSA) farms that are currently thriving in Dane County.

"It's basically a CSA for fish," Mink said. "The plight of the small fisherman is very similar to that of the small farmer."

Mink works with nine fishing families in Sitka and Juneau, Alaska. His shares bring packages of salmon, cod and other seafood directly to local customers across the Midwest, including some in Mount Horeb.

"Essentially we collapse a very long market distance into an intimate space," Mink explained.

If the Southwest Wisconsin Food Enterprise Center becomes a reality, the location could serve as an aggregation and distribution point for Sitka Salmon Shares.

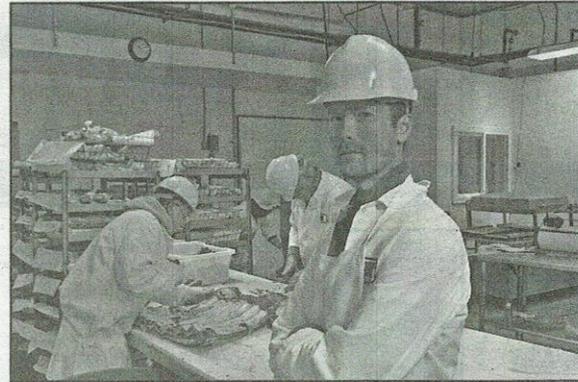
"Our company is very much a reflection of the local food values in and around Madison," Mink said.

"We want to be part of a greater network of people who care about where their food comes from," he said.

"I think people [in Mount Horeb] get that the process matters," he continued. "Whether you're drinking beer at the Grumpy Troll, eating cheese made by [Bleu Mont Dairy's] Willie Lehner, or eating sausage from [Durand's Madison shop] The Conscious Carnivore."

"I would say we're very serious about this," Mink said. "I'll also say there are quite a few puzzle pieces that still need to be figured out and put together."

Chris Thompson said Sjolinds, already a thriving café in downtown Mount Horeb, is looking for space to



Bartlett Durand (top) made a name for himself focusing on humane treatment of locally-sourced livestock. He and other food processors are currently eyeing a shared facility at Mount Horeb's Viking Plaza.

expand its burgeoning "bean to bar" chocolate production.

"We're maxed out at our current location," he said. "We need more space."

While the proposal has not yet received any municipal approval, funding is not yet established, and even the location could still change, some village leaders have already voiced enthusiasm for the concept.

"Mount Horeb is perfectly positioned as an intermediary for aggregate food producers and processors," said Murphy. "Frankly, what we've been focused on is up and coming businesses that want to share space and improve efficiencies."

Murphy said he hopes Durand's meat shop, along with Sjolinds and Sitka Salmon Shares, would serve as the food hub's initial "anchors."

"I think they're a good start," he

stated. "They don't want to be in the real estate business, and we don't want to be in the food business. I think we can help them, and they can help grow the local economy."

The Southwest Wisconsin Community Action Program has applied for USDA planning grant to develop a feasibility study and business plan for the facility.

The feasibility study would estimate the market demand. It would also describe the new center's features and operating structure, and determine if the business is likely to be profitable.

The business model options range from a shared-use kitchen and processing plant to a custom packing and packaging facility for fresh products, meats, seafood, cheeses and dairy products.

The study would help define the business model, identify an owner an

Kosak Chimney Service
Wood & Pellet Stove Sales & Service,
Liners, Repair FOR OVER 34 YRS

The surgery-free way to restore
your beautiful face

ESS

THURSDAY, SEPTEMBER 4, 2014

operator, obtain site control and lock down commitments for financing, according to the concept paper.

Money for the project could come from a variety of sources, including crowd funding. The concept paper notes a "very positive" community response in the plan's early stages.

Those working to make the food hub a reality aim to have it operational sometime next year, but no target date has been set.

The Mount Horeb Area Economic Development Corporation envisions the center as a regional food processing system that could "blend retail sales with prepared food sales, wholesale operations, aggregation and distribution of regional produce, and food processing."

"The center might also incubate the creation of new food processors, distributors, and retailers while accelerating the development of existing food businesses to create more jobs and wealth for area residents," noted the concept paper. "It may also help increase regional economic integration and connection by leveraging the region's diverse agricultural assets to build a stronger food sector as a key anchor for the regional economy."

Similar food enterprise centers have been successful in several Wisconsin communities, including Mineral Point, Madison and Viroqua.

The Mount Horeb Area Economic Development Corporation has already identified 70 to 80 local food producers and processors, including those specializing in honey, maple syrup and turkey, it could invite to consider taking part in the project.

The proposal will be one of several economic development topics discussed at an informational meeting planned for Wednesday, Sept. 17 from 5:30-7 p.m. at State Bank of Cross Plains, 1740 Bus. Hwy 18/151, Mount Horeb.

The meeting will include updates on the proposed food center for potential investors, businesses, or just members of the community curious about the project. There will also be information about a Mount Horeb Equity Partners Concept Paper, crowd funding law, and more.

ENTIAL
NG SUPPLIES

I