ROARING FORK VALLEY FOOD ENTERPRISE FEASIBILITY STUDY

FINAL REPORT (MAY 2023)

Prepared by:

NEW VENTURE ADVISORS LLC®

PROJECT PARTNERS:

OPEN SPACE & TRAILS · PITKIN COUNTY

Human Services
PITKIN COUNTY CARES

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acf aspen COMMUNITY foundation

New Venture Advisors conducted the feasibility study in partnership with Aspen Community Foundation, LIFT-UP, Pitkin County Department of Human Services, and Pitkin County Open Space and Trails.

	Aspen Community Foundation (ACF) builds philanthropy and supports nonprofit organizations by connecting donors to community needs, building permanent charitable funds, and bringing people together to solve community problems.
	LIFT-UP is a nonprofit organization based in Carbondale, Colorado, providing equitable food security for individuals and families, educating, building understanding, and supporting the end of hunger from Parachute to Aspen through collaboration, food access, and food distribution services.
	Pitkin County Human Services (PCHS) is a department of the Pitkin County government that engages with individuals, families, and the community to support economic assistance programs, senior services, and adult and family service programs.
	Pitkin County Open Space and Trails (OST) is a department of the Pitkin County government that aims to acquire, preserve, maintain, and manage open space properties for multiple purposes, including, but not limited to, recreational, wildlife, agricultural, scenic, and access purposes; and to acquire, preserve, develop, maintain, and manage trails for similar purposes.
	New Venture Advisors (NVA) is a consulting firm that specializes in food system planning and infrastructure development. Since 2009, NVA has helped hundreds of communities across North America identify strategies to develop food systems, food enterprises, and food policies that are good for farmers, food entrepreneurs, consumers, and the intermediaries that connect them.

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EXECUTIVE SUMMARY

Project Background

In late 2022, Pitkin County (both Human Services and Open Space and Trails) and LIFT-UP agreed to evaluate the potential of a food hub to be located at either property as one combined feasibility study. The three partner organizations entered into an agreement with Aspen Community Foundation to serve as fiscal agent for the project and engaged New Venture Advisors (NVA) to conduct a feasibility study looking at both properties as a potential site for the proposed food hub.

Project Purpose and Vision

The partners[1] engaged NVA to evaluate the feasibility of a proposed food hub and to determine the appropriate components, scale, design, and the potential for a financially sustainable model for the infrastructure to be located at a site in the Roaring Fork Valley. The feasibility study would assess the compatibility of the identified hub model with the Emma store buildings site and potentially additional sites in the Roaring Fork Valley along the Highway 82 corridor between Aspen and Rifle with an emphasis on mid-valley locations.

The feasibility study's **purpose** was defined by six objectives:

1. To assess the need for a regional food hub located the Roaring Fork Valley corridor, including an assessment of the local landscape of existing programs, organizations, and infrastructure supporting producer capacity and growth and identification of where needs exist (especially in terms of infrastructure)
2. To understand the ability of a hub infrastructure to create additional sales opportunities for regional farmers supporting the development of the regional "local food" value chain and the ideal way to incorporate these into the optimal operational model and facility design
3. To understand the ability of a hub infrastructure to act as a nutrition hub and distribution facility supporting increased collaboration among local food access nonprofit organizations operating in the valley and the ideal way to incorporate these needs into the optimal operational model and facility design
4. To evaluate and identify if existing individuals, organizations, businesses, or groups are interested in utilizing space within the facility or acting as facility operator and the impact of that interest on design, scale, and overall growth goals and uses for the infrastructure
5. To assess if the Emma store buildings site could support the food hub model and would be compatible with the proposed uses and functions (within the parameters identified for future uses of the site)
6. To assess the proposed facility's opportunities to generate revenue or offset costs to achieve financial viability and to operate at a capacity that could sustain operations over time

The **vision** for the proposed food hub facility is a traditional food hub infrastructure with a unique mission focus on supporting both local agricultural objectives and local food access objectives. All potential uses of the proposed infrastructure were to be considered, but especially those uses that would support both stakeholder groups' need for growth, scale, and operational collaboration (in the case of food access nonprofits), including

[1] Hereafter, "partners" in the context of this feasibility study is utilized to refer to the partnership identified in the introduction, including four organizations: Aspen Community Foundation, LIFT-UP, Pitkin County Human Services, and Pitkin County Open Space and Trails.

- warehouse and logistic space (docks, truck access, and parking)
- storage (dry, cold, frozen, root cellar, equipment, and variable temperature storage)
- space to support local product and food access resource aggregation and distribution
- crop processing and value-add (season-extension) production space
- shared kitchen or prepared foods production space
- gleaning processing space
- retail spaces (including a site for a thrift store, café, coffee shop, market)
- food pantry site
- classroom or event space (including food security coordination/meeting space, community spaces, and community dining spaces)
- office space
- outdoor recreation support spaces (bike path rest areas, restrooms, or community amenity spaces)

Market Analysis

Food System Overview

The RFV consists of three counties: Eagle, Garfield, and Pitkin. There is a lack of infrastructure in the RFV that supports local food trade, including access to capital for farmers and the lack of packing, processing, aggregation, and distribution facilities. Data from these counties show a need for better accessibility to food. Compared to the state of Colorado, these counties

- have higher rates of food insecurity; Eagle and Pitkin Counties report 9.1 percent and 10.1 percent food insecurity, while Colorado state's food insecurity rate is 8.3 percent; rates for child food insecurity are also greater than the state average of 11.2 percent[2]
- have higher rates of food insecurity among Hispanic residents; on average, 15 percent of Hispanic people face food insecurity, compared to 4.3 percent of White residents
- have a median household income that is equal to or higher than the state median household income of $75,231[3]
- with the exception of Garfield County, have lower poverty rates than the state average of 9 percent[4]

Primary Research Overview

Primary research was conducted through **interviews and surveys** between October and December 2022. Key research questions were designed to validate potential components of a food hub warehouse facility located in the Roaring Fork Valley. NVA worked with the partners to draft a research plan to guide the development of surveys and interview guides (see research plan in the attached appendix materials) and ensure project goals were being met. Key components that needed to be validated through the research were

- warehouse and logistic space (docks, truck access, and parking)
- storage (dry, cold, frozen, root cellar, equipment, and variable temperature storage)
- space to support local product and food access resource aggregation and distribution

[2] Feeding America, Map the Meal Gap, 2020, accessed April 25, 2023, https://map.feedingamerica.org/county/2020/overall/colorado.

[3] U.S. Census, American Community Survey, 2019.

[4] Ibid.

- crop processing and value-add (season-extension) production space
- shared kitchen or prepared foods production space
- gleaning processing space
- food hall/market spaces
- food pantry site
- classroom or event space (including food security coordination/meeting space, community spaces, and community dining spaces)
- office space
- outdoor recreation support spaces (bike path rest areas, restrooms, or community amenity spaces)

Stakeholder groups interviewed included farmers and producers, food gleaners, food access organizations, and key stakeholders (government, supporting organizations, or nonprofits). Two surveys were designed and tailored for farmers and small businesses/potential kitchen users. These were distributed by the Pitkin County/LIFT-UP team through social media, email outreach, listservs, and local government agencies.

Operating Implications

Food Warehouse

Warehouse space that provides cross-docking opportunities for food access organizations and leasable cold, frozen, dry, and root cellar space for farmers would be well received by the region. Additional considerations include

- Local food from farmers could also go to food access efforts.
- Warehousing for food bank is needed mid-valley and to supply pantry partners–there are no food pantries in El Jebel or Eagle County.
- A central warehouse would provide opportunity for the three-county region to coordinate and collaborate on food distribution (disconnected currently).
- Rentable storage space would enable season extension and allow farmers to increase production and sales.

Commercial Kitchen

There is high interest in a processing kitchen space for farmers and food access organizations to process raw farm products and to capture more gleaned product to store/freeze. Additional considerations include

- Kitchen would also be used by community organizations to serve meals and teach classes (could be at a separate site).
- Kitchen would be used by growers in peak season to do value-added processing and flash freezing of raw farm product.
- Kitchen could potentially process crops for farmers for a fee in the future.
- Kitchen could potentially do specific value-added meat processing for specialty meat products like sausage or jerky.
- Local businesses, like caterers or food trucks, could rent space as well but not be the core user group.

Food Hall/Market

There is high interest in a year-round food hall/market for small businesses to have a retail opportunity to sell their products. Additional considerations include

- There would need to be access to kitchen prep space and ability to store cold/prepped product adjacent to food hall.
- A clear delineation between food hall and food pantry/free food would be required.
- Year-round indoor/outdoor operation would be preferable, including being open during part of the week.
- Car and van parking would need to be available.

Classroom Space/Community Space

There is much interest in a classroom or community space for food, ag, and nutrition-related programming and activities. Space can be flexible to accommodate small group classes or congregate meals of about 60 people.

Nutrition Education and Programming

Farmers and businesses were interested in accessing or having these types of programs and classes in their community.

Flexible Office Space

Two organizations mentioned a need for co-working/office space, and six food/farm businesses said office space would be of interest to them.

Location

Warehouse (Food Access)

- Most interviewees prioritize Carbondale as the central site, with the Emma site as second choice.
- There is also interest in an alternative location (El Jebel or Glenwood Springs).
- To be easily accessible and central for farmers—most growers were in Garfield County—Carbondale is the preferred warehouse location.
- Grand Junction is building two additional food warehouse sites (Food Bank and Waters Edge 365), which could be an easy drop off site for down-valley growers.

Kitchen

- Processing kitchen should be located in a central location to growers and gleaners (mid-valley).
- Prep/catering kitchen should be available for food businesses, events, and organizations.

Food Hall

- Food hall should be located in Carbondale or adjacent to a food prep kitchen space.

Concept Model Development

Informed by the analysis implications, NVA synthesized the demand across different spaces, function, and program needs to develop a series of concept models. Three initial models evolved over the course of February and March and were refined with project leads at the March 2023 workshop sessions. Models 1 and 3 were utilized during the March 2023 workshop sessions with all project partners and regional stakeholders.

Following the input collected at those sessions, the models were updated to reflect that feedback and two additional models (model 4 and model 5) were developed. Model 4 paired the feedback on the collaborative food access model with a newly identified site in Glenwood Springs. Model 5 was created in

partnership with the OST project partners to reflect a baseline development model and costs for the Emma Store building site.

- **Model 1 (Emma store buildings site):** Model 1 was defined by the available parameters at the Emma site. An initial site evaluation assessed 6,000 square feet of programmable space potential and access limits based on traffic, parking, and location considerations.
- **Model 2:** Model 2 was a concept-only model, not attached to a specific site, which included all desired retail and public functions identified in the analysis (survey and interview inputs). This 40–45,000-square-foot model was developed for the purpose of creating a request for information (RFI) compatible with a location similar to the Carbondale City Market site if the LIFT-UP team or other project partners decided to re-engage the owners of that property or a similar property for the largest potential model.5 This model was not utilized in further review or feedback sessions as project partners determined it was unrealistic that any additional facility sites existed that met the sizing needs of this model.
- **Model 3:** Model 3 was a concept-only model, not attached to a specific site, which included all the desired spaces to support food access collaborations identified in the analysis. This model was developed to help participants in the March workshop sessions provide input and help refine their thinking on the food access infrastructure needs.
- **Model 4 (Glenwood Springs building site):** LIFT-UP identified a potential site in a Glenwood Springs business park following the March workshop sessions. This model, built off of model 3, is designed to service LIFT-UP's organizational needs and the integration of collaborative food access spaces and/or leasable storage space.
- **Model 5 (Emma Store building site – Baseline):** A final additional model of the Emma site was developed to represent the baseline financial costs of construction and site improvements needed to preserve and activate the site for any potential use.

For this report, model 1 and 5 (Emma store buildings) and model 4 (Glenwood Springs) will be discussed and built out for full operations, design, and financial feasibility assessments.

Business and Financial Analysis

Site 1 – Emma Store Buildings Site

Models 1 and 5

Knowing that the cost to develop and preserve a historic site like the Emma Store buildings would be a significant investment for the community, Model 5 was developed to use as a "baseline" case that illustrates the minimum spend required to activate the Emma Site for any potential future uses. For this purpose, a cost model was built and detailed to illustrate the $2.5 million development cost.

Both Cost Models for the Emma site include spending assumptions across the following categories:

- **Minimum build and preservation costs to activate the buildings:** basic construction, demo, and utilities upgrades/installations
- **Specialization of the spaces within the facilities to meet minimum code standards:** addition of toilet facilities and accessibility upgrades

[5] The City Market model RFI is included in the appendix documents.

- **Preparation of the site for access by people and vehicles:** Highway connection, walkway access, parking, and building landscape and hard surface (including wayfinding, paint/marking, and appropriate accessibility inclusions)
- **Protection of the site against future highway/debris impacts:** protective fencing, soundproofing, and insulation
- **Basic energy improvements to offset future operational overhead:** solar incorporation and battery backup.

Model 1 builds upon the baseline represented in model 5 to illustrate how the site could be developed to support some of the specialized needs and functions of core stakeholder groups participating in this feasibility. Namely, a central valley location to assist food access organizations in expanding their distribution across the valley community and increasing collaboration amongst organizations.[6]

In addition to the baseline model, Model 1 also includes cost modeling to support:

- Specialization of the spaces within the facilities to service the desired functions identified in the feasibility study (food access, food distribution, and agricultural support functions).
- Additional environmental and energy considerations to offset future operational costs and make the site self-sufficient in a major emergency or disaster event.
- Facade and public-facing improvements to the exterior structure.

Model 5: Build and Cost Analysis

Table 1 illustrates the total project cost—including all construction costs, itemized furniture, fixtures, and equipment (FF&E) to support each component's spaces and soft constructions costs—which is estimated at $2,514,604.

TABLE 1: TOTAL PROJECT COSTS (MODEL 5 - EMMA STORE BUILDINGS SITE)

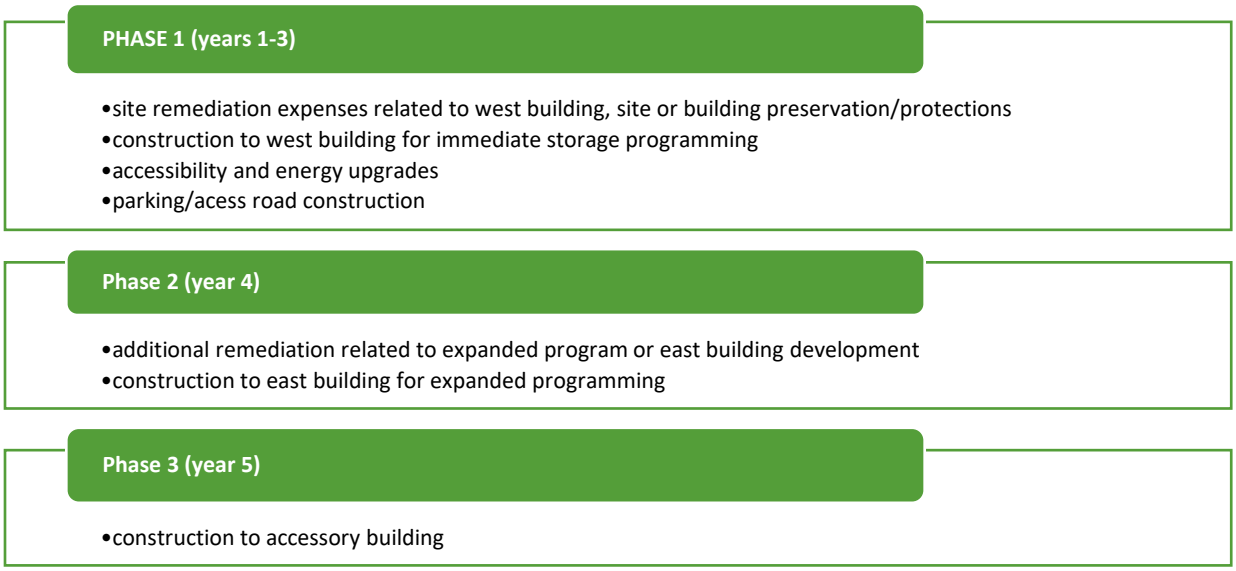
Project Item	Phase I	Phase II	Phase III	Total Site
Land Purchase[7]	-	-	-	-
Construction Costs	$546,964	$488,936	$71,736	$1,107,635
Site Remediation & Related Costs (building remediation, green / energy)	$315,200	$347,200	$174,000	$836,400
FF&E (outfitting, component equipment, fixtures, etc.)	$115,810	$89,110	$4,500	$209,420
Soft Construction Costs	$162,460	$155,235	$43,454	$361,148
Design Development, Engineering, Other & Advisory Services[8]	$64,662	$62,710	$18,430	$145,803
Working Capital[9]	$97,797	$92,525	$25,024	$215,346
Total Construction & Development Cost of Project	**$1,140,433**	**$1,080,481**	**$293,690**	**$2,514,604**

[6] As discussed later in this report, the model also incorporates access opportunities for agricultural users (local producers) and public spaces.
[7] No land cost associated as site is owned by project partner (OST).
[8] Estimated at 7.5% of total site remediation and construction costs.
[9] Estimated at 10.0% of total construction, site remediation, and FF&E expenditures.

Program Overview (Model 1)

It was determined during workshop and review sessions with the project team that it would be advantageous to phase the proposed development over three phases to spread costs over a longer timeline and ensure that each successive phase allowed for adaptation in response to how the proceeding phase was progressing. The proposed development timeline for programming the full set of Emma store buildings included (figure 1).

FIGURE 1: EMMA STORE BUILDINGS SITE PHASED MODEL OVERVIEW



The Emma store buildings site is a collection of three structures sitting on a 12+ acre parcel. The primary structure (east and west buildings) could create 6,750 square feet of programmable space if all floors/levels are built out for utilization. An additional accessory building on the eastern side of the property provides an additional 588 square feet of programmable space (over two potential floors or levels).

Based on the limited size and space available, and the access (truck volume and size) restrictions identified in initial analysis, the most compatible programming for the building was identified as a combination of storage aimed at agricultural (and potentially food access users) and public-facing elements that highlight and preserve the history of the site and buildings.

Storage Program (Model 1)

Both restrictive parameters, size and access, will limit the programming of storage related to food access organizations at the site. Initial volume estimates collected in the analysis from food access groups were significantly higher than available space at the Emma site could accommodate. Additionally, a majority of these groups had deliveries in semi- (WB 67 or WB 50) sized trucks—especially those deliveries coming from the Food Bank of the Rockies—that would be unable to access this location.

However, local agricultural producers thought the location of the site could be compatible with their storage needs for short-term high-season cold storage (greens, perishable vegetable crops, animal protein, eggs, etc.) and longer-term off-season root storage. Equipment storage (for off-season or collaboration) was also a desired function for agricultural producers that the site could support.

Food access nonprofits and organizations thought that the site could potentially support very short-term cross-docking needs (overnight storage of small loads prior to mobile or small vehicle distribution). With storage, the site could support limited space for sorting and packing/unpacking of loads. Any production or processing space (kitchen or wet processing space) would need more space than the facility would allow and was not included in designs or modeling.

The initial program includes dry, variable temp cold storage (36–38°F or roots at 40–50°F) and a limited pack area in the west building. The initial development plan is designed around a single floor space.

Phase 2 – Program Options (Model 1)

In phase 2, the east building would be developed. There are two potential development paths that phase 2 could take depending on the usage and current capacity of the west building:

- ***Public-facing elements*** – The east building could be programmed to support public-facing elements such as a small history museum or information space, a multi-use space (classroom or public support offering such as a bike repair), and/or additional toilet facilities.
- ***Additional storage*** – If the west building is in high use, the east building could offer direct expansion of either dry or cold storage offerings and/or additional packing or wash areas.

If elected, there is a small dug-out area of basement or below-grade storage in the east building that could be further dug out to accommodate a traditional root storage or temperate dry storage area. It is assumed that the east building would remain a single-floor space.

Phase 3 – Program Options (Model 1) (Model 1)

Across the phases of development, the model will have two primary business functions and thus two customers or clients (in modeling nomenclature). In phase 1, the primary business function is leasable storage space that supports agricultural or food access customers—the facility is being re-developed to support food security in the region. The objective is not to generate profit or revenue but to charge nominal rates to offset minimal operational needs.

In phase 2, the primary business function could be expanded, or an additional function of public access spaces and programs could be integrated. Incorporating a museum or public-facing space such as a multi-use training space would change the customer base to include members of the public. The facility's purpose is expanded to include public supports. The objective is still to charge nominal fees to offset minimal operational needs and preserve a historic site.

The table below details these primary operational contexts (table 2).

TABLE 2: EMMA STORE BUILDINGS SITE OPERATING COMPONENTS

Phase	Business function	Description	Audience/client
Phase 1	Leasable storage (cold/dry)	• Leasable rates by storage pallet or shelf – assumes rate will be below market (subsidized) to support greater farmer access • Subsidized rates: $8 per pallet per month (short-term, ~18 sf each); $30 per pallet per 3 months (long-term, ~18 sf each) • Market rates: $30–35 per pallet per month (short-term); $60–75 per pallet per longer term • Includes dock access	• farmers • food access organizations • small businesses

Phase	Business function	Description	Audience/client
Phase 2	Museum space	• Donation or suggested fee to support historic preservation • $5–10 per person per visit	• public
Phase 2	Classroom or multi-use space	• Assumes class fee based on course topic • Training such as HACCP, GAP certification, business programs • Public classes such as nature-based, history, or demonstration related to ag • Space could also be leasable • $10–50 per class depending on topic	• farmers • food access organizations • small businesses • public
Phase 3	Leasable storage (equip)	• Leasable rates by equipment or space designation • Flat fee ($20–40 per space/per season)	• farmers

Build and Cost Analysis

Table 3 illustrates the total project cost—including all construction costs, itemized furniture, fixtures, and equipment (FF&E) to support each component's spaces and soft constructions costs—which is estimated at $5,762,807.

TABLE 3: EMMA STORE BUILDINGS SITE BUILD COST MODEL

Project item	Phase 1	Phase 2	Phase 3	Total townsite
Land purchase	-	-	-	-
Construction costs	**$1,533,419**	**$1,292,144**	**$79,380**	**$2,904,944**
Site remediation and related costs (building remediation, green/energy)	**$1,623,520**	**$180,000**	**$0**	**$1,803,520**
FF&E (outfitting, component equipment, fixtures, etc.)	**$115,810**	**$89,110**	**$4,500**	**$209,420**
Soft construction costs (includes both items detailed below)	**$564,045**	**$266,536**	**$14,342**	**$844,923**
Design development, engineering, other and advisory services	$236,770	$110,411	$5,954	$353,135
Working capital	$327,275	$156,125	$8,388	$491,788
Total construction and development cost of project	**$3,836,794**	**$1,827,791**	**$98,222**	**$5,762,807**

Operating Budget (Model 1)

Table 4 details the operating expenses across all three phases by component (payroll, utilities, insurance, SG&A, and dedicated labor). The table illustrates the total operational overhead needed to offset operations in years 1–5 as each space is activated and helps to illustrate the different financial burden that each successive phase adds in relation to the project as a whole.

TABLE 4: EMMA STORE BUILDINGS SITE OPERATING COST MODEL (BREAKEVEN)

Detailed operating expenses by component (based on square footage, not including direct labor)					
Shared payroll - full campus[10]	Year 1	Year 2	Year 3	Year 4	Year 5

[10] Payroll is split into two views: shared payroll would be rolls that support the campus as a whole and/or are required across all spaces and component functions. For this model, labor has been detailed in the later "dedicated labor" section as the roles are specific to space and function across phases. If additional storage is added in phase 2 as a program in the current "multi-use" space, the manager/lead role currently attached to storage could be re-classified as a shared payroll role if the operator so chooses.

Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$0	$0	$0	$0	$0
Phase 2: East building development	0.0%	17.9%	$0	$0	$0	$0	$0
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$0**	**$0**	**$0**	**$0**	**$0**

Utilities			Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$30,748	$31,670	$26,780	$27,583	$28,411
Phase 2: East building development	0.0%	17.9%	$0	$0	$5,841	$6,016	$6,196
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$30,748**	**$31,670**	**$32,621**	**$33,599**	**$34,607**

Insurance			Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$16,500	$16,665	$13,818	$13,956	$14,096
Phase 2: East building development	0.0%	17.9%	$0	$0	$3,014	$3,044	$3,074
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$16,500**	**$16,665**	**$16,832**	**$17,000**	**$17,170**

SG&A/general overhead			Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$15,450	$15,914	$13,456	$13,860	$14,276
Phase 2: East building development	0.0%	17.9%	$0	$0	$2,935	$3,023	$3,114
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$15,450**	**$15,914**	**$16,391**	**$16,883**	**$17,389**

TOTAL OPERATING EXPENSES (EXCLUDING DEDICATED LABOR)			Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1: West building development + remediation, energy upgrades	**100.0%**	**82.1%**	**$62,698**	**$64,249**	**$54,054**	**$55,399**	**$56,782**
Phase 2: East building development	**0.0%**	**17.9%**	**$0**	**$0**	**$11,789**	**$12,083**	**$12,384**
Phase 3: Outbuilding development	**0.0%**	**0.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Total	**100.0%**	**100.0%**	**$62,698**	**$64,249**	**$65,843**	**$67,482**	**$69,166**

Dedicated component labor	Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1: West building development + remediation, energy upgrades	$89,738	$92,430	$95,203	$98,059	$101,001
Phase 2: East building development	$0	$0	$0	$45,372	$46,733
Phase 3: Outbuilding development	$0	$0	$0	$0	$0
Total	**$89,738**	**$92,430**	**$95,203**	**$143,431**	**$147,734**

	Year 1	Year 2	Year 3	Year 4	Year 5
TOTAL OPERATING EXPENSES (INCLUDING DEDICATED LABOR)	**$152,436**	**$156,679**	**$161,046**	**$210,913**	**$216,900**

As table 4 illustrates, the facility has fairly stable operating costs of approximately $60,000 a year for general overhead. The addition of labor causes the climb to over $150,000 across all years. The labor (as detailed prior) might be a cost that can be offset by operating partners or supported by volunteer roles focused on education or access for the public. This would significantly reduce the needed overhead cashflow.

Site 2 - Glenwood Springs/LIFT-UP Site

Following the March 2023 workshop sessions, a potential site was identified by LIFT-UP in a Glenwood Springs business park. The site includes three leasable spaces over two floors with existing parking,

logistics, and loading dock areas. The site is immediately adjacent to a bus stop on the local transit system and would be accessible to the primary clients of LIFT-UP and other client groups as it sits in a "mid-valley" location with high need.

A full site evaluation was not performed for this facility, but the following parameters were verified before its inclusion in modeling:

- A physical tour of the site allowed NVA to assess the current condition of the site (favorable) to estimate construction and build needs for budgets and modeling.
- Existing architectural designs were provided that confirmed the size of spaces and existing space resources (toilets, storage space, doors, windows, dock doors, etc.).
- A review of zoning and regulatory for the site confirmed the site is compatible with the warehouse and light commercial uses proposed by the project. There were also no regulatory violations or citations on record that would delay or impede the development of the space.
- Licensing would be required for the integration of kitchen and production space elements.

The site is approximately 18,000 square feet including all three areas and was deemed compatible with the potential uses that had been developed in the prior model that was subsequently adapted (model 4) and is discussed below.

The primary challenge of developing a collaborative space in a project such as this one is typically the identification of a management model—that is, identification of who will be the primary operator of the space and oversee day-to-day general operations and upkeep and assist partners in working collaboratively in available spaces.

LIFT-UP was seeking new space to support their growing operations. A new warehouse, pantry, and thrift store space with limited office spaces was ideal for them to allow for a central distribution and staff facility mid-valley in their operational region. The Glenwood Springs site was larger than the projected space that LIFT-UP expected their operations to need. LIFT-UP was willing and capable (with existing roles and capacity) to take on the primary operator role in a combined facility. The organization will need to identify how to offset the additional overhead expenses of the partner spaces and how to offset the additional capital needed to build and develop those spaces within the facility. With this objective, the model for the Glenwood Springs site was developed as a segmented model to identify space across four phases (or segments) as detailed in figure 2.[11]

FIGURE 2: GLENWOOD SPRINGS SITE OPERATING COMPONENTS

PHASE	SPACE COMPONENTS	PRIMARY AUDIENCE
PHASE 1	LIFT-UP warehouse and storage spaces • warehouse/aggregation • dry, cold, frozen storage and loading docks	• LIFT-UP suppliers and staff

[11] In this context, the term "phase" might not refer directly to a specific time frame as the development of the site might occur all at one time depending on available capital resources and construction capacity. The phase is identifying different operational objectives and audiences with each segment. The actual timing of how the phases will be developed will be determined by LIFT-UP's ability to raise the needed capital for each phase of build.

PHASE	SPACE COMPONENTS	PRIMARY AUDIENCE
PHASE 2	PARTNER spaces • warehouse/aggregation • dry, cold, frozen storage and loading docks • production/shared kitchen • packaging/multi-use space • existing – toilets, storage/utility, break space	• partner organizations (staff) • partner organizations (volunteers) • LIFT-UP staff/volunteers • producers/farmers[12] • small businesses
PHASE 3	LIFT-UP main floor spaces • pantry space • thrift store space • private and shared office space (potentially leasable) • meeting space (potentially leasable)[13] • storage (limited/overhead loft) • existing – toilets, utility, break space, retail counter	• LIFT-UP suppliers and staff • pantry clients (public) • thrift store clients (public) • partner organizations (potential)
PHASE 4	External spaces (all existing) – parking, access roads, garbage	• all users

The Glenwood Springs site is three units available for purchase within a business park. The combined spaces total approximately 13,000 square feet of programmable space if all levels are utilized. The space is composed of two units on the main level (referred to in the models as floor 1) and a larger space on a lower level (referred to in the models as floor 2) (table 5).

TABLE 5: GLENWOOD SPRINGS SITE EXISTING CONDITIONS

BUILDING	SPACE	TOTAL SQUARE FOOTAGE	NOTES
Floor 1 (main/street level)	Unit 1	~2,300	• Existing open-plan unit proposed for retail (thrift store) use to support LIFT-UP operations • Existing toilets, small storage, retail desk, and basic structure (walls, doors, windows, carpeted floor, drop ceiling), so very limited build-out costs
Floor 1 (main/street level)	Unit 2	~2,000	• Existing office and small retail space planned for office and pantry space to support LIFT-UP operations • Existing toilets, small storage, two offices (private), meeting room, and a lofted storage area. • Space was used as a door showroom, so some demolition of display structures will be required and set-up/build of pantry space
Floor 2 (lower level)	Large space (1 space)	~9,000	• ~9K square feet of usable space currently being used for the manufacturing space related to a door manufacturing operation, will require commercial cleaning and refinish of floors/walls/ceilings to ensure no contaminants remain from manufacturing operations

[12] The space program, as will be discussed, has been designed to prioritize the needs of the food access organizations (including LIFT-UP). There should be space available to allow for producers, farmers, or potentially small businesses to lease storage or use production spaces, but this decision will be at the discretion of the operator (LIFT-UP).
[13] Based on the needs of LIFT-UP identified during interviews in the analysis phase, there will be additional office (shared) and conference space (or meeting room) that could be leased or rented to partner organizations for a small fee per use. This determination will be at the discretion of the operator (LIFT-UP) but was a need enunciated by partner organizations during the analysis.

BUILDING	SPACE	TOTAL SQUARE FOOTAGE	NOTES
			• Planned split of space between LIFT-UP and partner programmed spaces of ~4.5K each • All spaces will need to be food safe to protect cold and value chain documentation • Existing toilets, break, storage, and utility spaces; all other spaces will need to be built out to support functions
	TOTAL	**~13,300**	

The proposed programming of the space will support all primary functions identified in the analysis to support LIFT-UP operations and collaborative food access spaces to expand/grow food security in the valley, including

- storage (warehouse, dry, cold, frozen)
- aggregation (receiving, sorting, packing space)
- production (shared kitchen or processing space)
- multi-use (training, gathering, packing, meeting space)
- office space
- pantry and thrift store (public-facing spaces)
- support functions (loading docks, parking, truck parking, transit access)

Operating Model

Across the phases of development, the model will have multiple business functions and service at least three user groups, customers, or clients (in modeling nomenclature). The objective of the proposed facility's operations is to support food access distribution and food security in the valley. These business or operational functions do not generate traditional revenue streams (or profit, but some activities may help to offset the operational needs of the facility by generating nominal revenue from product sales, fees or rental charges, or shared operational costs.

Table 6 details these operational contexts.

TABLE 6: GLENWOOD SPRINGS SITE OPERATING CONTEXTS

Phase	Business function	Description	Audience/client	Potential revenue opportunities or cost sharing
1	Food distribution	• Warehouse and distribution to service the primary operator's core organizational functions – food access distribution and mobilization (coordination)	• LIFT-UP staff, volunteers, suppliers	• N/A
2	Food distribution/production	• Leasable rates by storage pallet or shelf – assumes rate will be below market (subsidized) to support greater partner access • Includes dock access • Production kitchen access for partners for gleaning, meal production, or product development • Potentially leasable space for local producers/farmers and/or small businesses depending on use and capacity	• LIFT-UP staff/ volunteers • partners - food access organizations (staff/ volunteers) • producers/farmers • small businesses	• Share of operating costs • Potential to lease or rent access to storage/production spaces
3	Pantry space	• Space to support public access to pantry resources (food distribution/ food access) for LIFT-UP	• public	• N/A

Phase	Business function	Description	Audience/client	Potential revenue opportunities or cost sharing
3	Thrift store space	• Public access for low-cost clothing and assorted goods that generate revenue for LIFT-UP operations (existing business entity)	• public	• Sales
3	Office and meeting space	• Space to support LIFT-UP organizational needs on site • Potentially leasable space for partners for shared office desks or meeting/conference room	• LIFT-UP staff and volunteers • partners (staff)	• Potential to lease or rent access to shared office desks or meeting space

Operator Role

LIFT-UP will be the primary operator of the facility and assumes oversight of all day-to-day operations. The operation of a facility, pantry, thrift store, and warehouse distribution spaces are aspects of LIFT-UP's existing operations at other sites in the valley, and thus the organization has trained staff with the capacity to oversee this site, which will consolidate facilities within their network. The organization may need to expand their staff to support this larger warehouse facility, and a pair of roles (warehouse and janitorial) have been created to support this need.

The thrift store and pantry spaces are current operations that LIFT-UP oversees, so it is assumed that key staff and volunteer roles already exist and/or LIFT-UP has capacity to identify and fill these roles as needed to operate these spaces within the new facility.

The development of the partner spaces is the only new segment of business that LIFT-UP does not currently oversee, but the organization has staff with training or specialized skills related to food production, kitchen operations, and shared spaces that will apply to managing these spaces in the new facility. LIFT-UP may need to engage a few specialized roles to support operation of the partner spaces (kitchen lead) and will need to utilize some technology inputs (booking software or inventory software) to assist partners in the collaborative space.

Build and Cost Analysis

Table 7 illustrates the total project cost—including all construction costs, itemized furniture, fixtures, and equipment (FF&E) to support each component's spaces and soft constructions costs—which is estimated at $4,330,652. The project cost is projected for the full building, but FF&E costs have been split between LIFT-UP and partner spaces to provide detail for future allocation of development and operating costs.

TABLE 7: GLENWOOD SPRINGS SITE BUILD COST MODEL

Project item	Cost
Site purchase	**$1,700,000**
Construction costs	**$1,733,249**
FF&E - LIFT-UP (outfitting, fixtures, forklift, kitchen equipment, etc.)	**$105,760**
FF&E - Partner (outfitting, fixtures, component equipment, etc.)	**$272,560**
Soft construction costs	**$519,083**
Design development, engineering, other and advisory services	$137,926
Working capital	$381,157
Total cost of project	**$4,330,652**

Operating Budget

Table 8 details the operating expenses across all three phases by component (payroll, utilities, insurance, SG&A, and dedicated labor). The table illustrates the total operational overhead needed to offset operations in years 1–5 as each space is activated and helps to illustrate the different financial burden that each successive phase or segment adds in relation to the project as a whole.

TABLE 8: GLENWOOD SPRINGS SITE OPERATING COST MODEL BY COMPONENT SPACES (BREAKEVEN)

			Year 1	Year 2	Year 3	Year 4	Year 5
Shared payroll - full campus							
Phase 1: LIFT-UP warehouse & storage space		30.3%	$0	$0	$0	$0	$0
Phase 2: Partner space		36.0%	$0	$0	$0	$0	$0
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$0	$0	$0	$0	$0
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Utilities			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		30.3%	$19,060	$19,632	$20,221	$20,827	$21,452
Phase 2: Partner space		36.0%	$22,640	$23,319	$24,019	$24,739	$25,482
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$21,225	$21,862	$22,518	$23,193	$23,889
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$62,925**	**$64,813**	**$66,757**	**$68,760**	**$70,823**
Property taxes & insurance			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		30.3%	$8,860	$8,948	$9,038	$9,128	$9,220
Phase 2: Partner space		36.0%	$10,524	$10,629	$10,735	$10,843	$10,951
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$9,866	$9,965	$10,065	$10,165	$10,267
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$29,250**	**$29,543**	**$29,838**	**$30,136**	**$30,438**
SG&A/General Overhead			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		30.3%	$8,920	$9,187	$9,463	$9,747	$10,039
Phase 2: Partner space		36.0%	$10,595	$10,913	$11,240	$11,578	$11,925
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$9,933	$10,231	$10,538	$10,854	$11,180
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$29,448**	**$30,331**	**$31,241**	**$32,179**	**$33,144**
TOTAL OPERATING EXPENSES (EXCLUDING DEDICATED LABOR)			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		**30.3%**	**$36,840**	**$37,768**	**$38,722**	**$39,703**	**$40,711**
Phase 2: Partner space		**36.0%**	**$43,759**	**$44,861**	**$45,995**	**$47,160**	**$48,358**
Phase 3: LIFT-UP main floor, front & back sections		**33.7%**	**$41,024**	**$42,058**	**$43,120**	**$44,212**	**$45,335**
Phase 4: Outdoor & parking support space		**0.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Total	**12,585**	**100.0%**	**$121,623**	**$124,687**	**$127,836**	**$131,075**	**$134,404**
Dedicated component labor			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space			$95,904	$98,781	$101,745	$104,797	$107,941
Phase 2: Partner space			$53,375	$54,976	$56,626	$58,324	$60,074
Phase 3: LIFT-UP main floor, front & back sections			$0	$0	$0	$0	$0
Phase 4: Outdoor & parking support space			$0	$0	$0	$0	$0
Total			**$149,279**	**$153,758**	**$158,370**	**$163,121**	**$168,015**
TOTAL OPERATING EXPENSES (INCLUDING DEDICATED LABOR)			**$270,902**	**$278,444**	**$286,207**	**$294,196**	**$302,419**

As table 8 illustrates, the facility has fairly stable operating costs of approximately $120,000 to $130,000 a year for general overhead. The addition of labor causes the climb to over $300,000 across all years. The labor (as detailed prior) might be a cost that can be reduced depending on existing roles within the operating organization. This would significantly reduce the needed overhead cashflow.

A Multi-Site Solution

A major component of discussions throughout this feasibility study has been whether it is most beneficial to the objectives of the project (identified in the opening sections of this report) to develop one or both sites proposed.[14] After all modeling has been reviewed and considered, the multi-site solution of developing the Emma store buildings site and the potential Glenwood Springs food access/LIFT-UP site appears to offer the best opportunity to comprehensively service the needs enunciated by project stakeholders during the interviews, survey, and workshop sessions.

The models presented do meet the mission objectives of the project:

- The Glenwood Springs site, if developed, may offer a central facility that can increase collaboration among organizations to support increased capacity, increased cooperation, and better distribution of food resources for the valley. The ability of the Emma site to act as a smaller cross-dock site offers additional capacity to this network or regional model.
- The programming of the Emma site as a more traditional, albeit simple, model of an agricultural hub will support producer access to storage at low cost. Further, it has been argued that programming the site will contribute to its preservation, and the proposed public-facing elements of the program should contribute to this respect.

Grand Valley Ecosystem – Projects in Development

It is important to note that during the March 2023 workshop session several stakeholders identified that there are existing projects underway or in-development in the valley that may offer compatible resources to the proposed facilities (Emma and Glenwood Springs) and certainly will offer access points to farmers, producers, and other stakeholders.

- Aspen Land Trust (Carbondale)
- City Market Development (Carbondale)
- Waters Edge 365 (Grand Junction)
- Food Bank of the Rockies (Grand Junction)

Risks and Mitigation Strategies

There are key risks to consider that may have a material impact on the proposed facilities successful development, launch, and viability. However, the risks may be mitigated with the right upfront strategies:

[14] This conversation had multiple facets at different times in the project because of the removal of the City Market site as an option, the introduction of an unknown or potential site (concept model exercise), and the final identification of the Glenwood Springs site. At varying times there was concern that the open discussion on "alternate" sites might confuse participants in the feasibility process and that it should be stressed that the Emma store buildings site was the only existing site that was owned and overseen by a project partner (Pitkin County Open Space and Trails). The feasibility team was aware of this concern and made every effort during the project to ensure that language reflected the available options on the table.

- identifying and raising initial capital for development
- gaining approval from boards and constituencies for proposed projects (Emma site)
- identifying and creating a collaboration model for partners (Glenwood Springs site)
- creating sustainable financials (both sites)

Conclusions

The study identified that there is a need across the valley for a centralized facility that can support both producer and food security needs and collaborations. Further, the engagement exercises during the study and feedback into early models identified that there is enthusiasm from both audiences for a model that provides needed infrastructure to support growth for both audiences—creating more food in the local value chain and supporting greater connections to fresh, locally grown and produced products for local consumers and recipients of food access resources.

The study created two models that together create the storage, production, gathering/meeting, and support spaces identified by the study as needed by the primary project stakeholders. The final models present a multi-site solution to the objectives of the project by creating two medium-sized access points with needed resources. It was not viable, with the removal of the City Market site, to create a centralized model that contained all potentially desired spaces in one facility; nor were study partners able to identify an existing regional asset that could support such a model.

However, both sites, especially the Emma store buildings site with its remediation and energy considerations, will require large capital investments to implement these models. This is a significant investment for all partners and the communities and constituencies they represent. Further, these facilities are being created to offer access to under-resourced and under-capitalized stakeholder groups who will have limited capacity to support the facilities with traditional revenue streams. Both facilities have limited opportunities to generate income from their user groups and will most likely require some sort of grant or additional funding to offset operational overhead in the initial five to seven years of operation.

The Emma site has as the advantage of strong partnerships with Pitkin County resources—such as Human Services, Open Space and Trails, the parks department, and other groups who may be able to support the identification of grants or funding resources for development, volunteer or staffing supports and complimentary programs, and facility and grounds upkeep.

The Glenwood Springs site has the advantage of an experienced primary operator with an organizational need for the site to expand and support their own operations and programs. The integration of their primary operations into the site will help to offset most of the initial operational lift and provide needed staff, resources, and expertise to the development of the collaborative facility.

In weighing the risks, advantages, and limitations of both sites and models, the study concludes that the models presented are feasible but that financial risk does exist at both sites in the financials presented. As stressed in the risks section prior, both projects will need to establish partnerships around their space and program offerings that can help to sustain operations post-development.

Feasibility is determined by the ability of the site to

- meet the determined project objectives with the support of the community and buy-in from partners, community organizations, and key stakeholder groups
- support a viable operational model with key elements such as an identified site or location, a capable operator, and processes and programs that meet and service project objectives
- support over time a viable financial model

Project Background

Introduction

In 2008, Pitkin County Open Space and Trails purchased and invested in preserving the historic Emma store buildings on a 12.5-acre property in Basalt, Colorado.

In 2015, the Roaring Fork Food Policy Council authored a study report evaluating the need for a food hub or centralized food warehouse facility in the Roaring Fork Valley (defined as between Aspen, Colorado, and Parachute, Colorado, along the Highway 82 corridor). The report made multiple recommendations but highlighted the need for local infrastructure such as storage, aggregation, and production (including shared kitchen) space in the valley.[15]

During the 2017 Emma Open Space Management Planning process, there was extensive discussion about the Emma store buildings and proposed future uses and management options. The topic was deemed too large for the initial planning process, and a specialized committee (the Emma Store Building Steering Committee) was formed to develop recommendations for a future management strategy and programming for the store buildings. The committee's formation and the use of the Emma store buildings site was addressed in the 2017 Emma Open Space Management Plan.[16] Further, as a result of the committee's study, a report was produced that identified potential future uses and advised on non-compatible uses, cautions, and considerations for any proposed development.[17] The report also included an initial traffic study, public comment, and historic preservation guidelines for any future uses.

In 2022, a proposal initiated by Pitkin County's Department of Human Services recommended a food hub. The proposal focused on study work conducted by the Pitkin County ESF6 Food Distribution Group[18] and included recommendations to utilize the Emma store buildings site as the location of the proposed food hub facility to support collaborative access to warehouse and distribution space for food access organizations. The proposal detailed potential uses of the buildings, including warehouse, public, and production (including shared kitchen) spaces.[19]

In response to the food hub proposal, Open Space trustees and the County Commission agreed to study the potential for the combined Emma store buildings' 7,000 square feet to be used as a food hub serving local farmers and nonprofits like LIFT-UP that distribute food to pantries across the region. The buildings are beloved by the community, and there is support for their redevelopment; however, there are

[15] Gwen Garcelon, The Roaring Fork Food Policy Council, "A Food Hub Study for the Roaring Fork Valley (Aspen to Parachute)," June 2015.
[16] Pitkin County Open Space and Trails, "Emma Open Space Management Plan," June 26, 2017.
[17] Emma Store Building Steering Committee, "Emma Store Buildings: Future Use Recommendation" and "Emma Store Buildings: Appendix," January 2021.
[18] The Pitkin County ESF6 Food Distribution Group was formed to evaluate and facilitate partnerships and opportunities to support food access and food access distribution throughout the Roaring Fork Valley. The group includes partnerships/organizations such as LIFT-UP, Food Bank of the Rockies (FBR), the Safe and Abundant Nutrition Alliance (SANA), Aspen Family Connections, the Family Resource Center of the Roaring Fork Schools, Harvest for Hunger, Valley Meals and More, A Little Help, the Aspen Homeless Shelter, Pitkin County Senior Services, Aspen Community Foundation, UpRoot Colorado, Eagle County Economic Services, the Farm Collaborative, Two Roots Farm, Garfield County Public Health, the City of Aspen, Pitkin County Open Space and Trails, and Pitkin County Human Services.
[19] Pitkin County Human Services, "Emma Store Buildings Food Hub Partnership Proposal," February 17, 2022.

concerns (raised in the Emma store buildings' future use report) about increased vehicle congestion if their use will bring significant car or truck traffic to the tight intersection along Highway 82.

Concurrently, one of the food access partners in the proposed food hub project, LIFT-UP, was also evaluating acquiring a 45,000-square-foot building in Carbondale, ten miles to the west of the proposed Emma store buildings site. The Carbondale City Market site is the home of a former supermarket that has been vacant for several years. LIFT-UP's objective for the property was to create a central warehouse and distribution facility to support its growing operations. Although the property would cost significantly more to purchase and renovate than LIFT-UP's own identified facility needs, it was thought that the site's layout and location might be well-suited to a wide range of identified needs in the food system: warehousing (cold, dry, and frozen storage); canning and flash freezing; better docking for the food pantry; a new location for a thrift store—and, to reduce the stigma surrounding food insecurity, the property could become a dynamic community center with a coffee shop, café, farmers market, and so on. LIFT-UP also became aware of the proposed food hub project, and the City Market site became a second potential location, with ample square footage to integrate the proposed elements.

In late 2022, Pitkin County (both Human Services and Open Space and Trails) and LIFT-UP agreed to evaluate the potential of a food hub to be located at either property as one combined feasibility study. The three partner organizations entered into an agreement with Aspen Community Foundation to serve as fiscal agent for the project and engaged New Venture Advisors to conduct a feasibility study looking at both properties as a potential site for the proposed food hub.

In late 2022, as the feasibility study was beginning outreach work, it was confirmed that the Carbondale City Market site would no longer be available as an option for the proposed food hub. LIFT-UP and the partners decided to proceed with the study with the existing Emma site, and NVA suggested including in the scope a request for information (RFI) for additional sites if the assessed need required additional space. This was to be determined during the analysis phase of the project. With the City Market site no longer a viable option for development of any proposed hub, it was determined that the project would proceed with evaluating the Emma store buildings site and a potential second "concept" model that could be identified via an RFI or site search process later in the study.[20]

Near the conclusion of the study (March 2023), a second site was identified in Glenwood Springs, Colorado (mid-valley), that was compatible with LIFT-UP's organizational needs for expanded warehouse space and that may offer additional square footage (3,000–5,000 sf) to support the proposed collaborative hub needs. The identified two-story location in a Glenwood Springs business park was therefore utilized as a second site in all modeling discussed in this report.

Purpose and Vision

The partners engaged NVA to evaluate the feasibility of a proposed food hub and determination of the appropriate components, scale, design, and the potential for a financially sustainable model for the infrastructure to be located at a site in the Roaring Fork Valley. The feasibility would assess the compatibility of the identified hub model with the Emma store buildings site and potentially additional

[20] This is discussed later in this report as a question of the Emma store buildings site *and* a second site (if both sites could be utilized to support identified need); or, the Emma store buildings site *or* a second site (if an additional site was not determined to be necessary).

sites in the Roaring Fork Valley along the Highway 82 corridor between Aspen and Rifle with an emphasis on mid-valley locations.

The feasibility study's purpose was defined by six objectives:

1. To assess the need for a regional food hub located the Roaring Fork Valley corridor, including an assessment of the local landscape of existing programs, organizations, and infrastructure supporting producer capacity and growth and identification of where needs exist (especially in terms of infrastructure)
2. To understand the ability of a hub infrastructure to create additional sales opportunities for regional farmers supporting the development of the regional "local food" value chain and the ideal way to incorporate these into the optimal operational model and facility design
3. To understand the ability of a hub infrastructure to act as a nutrition hub and distribution facility supporting increased collaboration among local food access nonprofit organizations operating in the valley and the ideal way to incorporate these needs into the optimal operational model and facility design
4. To evaluate and identify if existing individuals, organizations, businesses, or groups are interested in utilizing space within the facility or acting as facility operator and the impact of that interest on design, scale, and overall growth goals and uses for the infrastructure
5. To assess if the Emma store buildings site could support the food hub model and would be compatible with the proposed uses and functions (within the parameters identified for future uses of the site)
6. To assess the proposed facility's opportunities to generate revenue or offset costs to achieve financial viability and to operate at a capacity that could sustain operations over time

The vision for the proposed food hub facility is a traditional food hub infrastructure with a unique mission focus on supporting both local agricultural objectives and local food access objectives. All potential uses of the proposed infrastructure were to be considered, but especially those uses that would support both stakeholder groups' need for growth, scale, and operational collaboration (in the case of food access nonprofits), including

- warehouse and logistic space (docks, truck access, and parking)
- storage (dry, cold, frozen, root cellar, equipment, and variable temperature storage)
- space to support local product and food access resource aggregation and distribution
- crop processing and value-add (season-extension) production space
- shared kitchen or prepared foods production space
- gleaning processing space
- retail spaces (including a site for a thrift store, café, coffee shop, market)
- food pantry site
- classroom or event space (including food security coordination/meeting space, community spaces, and community dining spaces)
- office space
- outdoor recreation support spaces (bike path rest areas, restrooms, or community amenity spaces)

Study Hypothesis and Funding

The partners began this project with the hypothesis that there is an existing need for infrastructure that can support additional capacity and growth for both regional agricultural producers and food access nonprofits. And that creating this infrastructure would support increased collaboration among all stakeholders and result in increased food supplies and food security for the region. The proposal for the hub hypothesized that "increased levels of food security within a community/region have been correlated with decreased amounts of crime, improved educational outcomes for students, increased positive health outcomes, and increased economic activity." Further, "the Emma Food Hub would provide a location from which efforts can be coordinated and directed. It could serve as a substantial resource to aid the organizations engaged in reducing food insecurity and serve as a visual reminder to [our] community that we are dedicated to solving this problem."21

Additionally, if the Emma store buildings site was deemed compatible with the functions of the food hub, the project hypothesized that the new use would preserve a historical asset within the valley and keep a historical site accessible to the public.

This feasibility study was funded by combined grants and funds from all partners and held by Aspen Community Foundation as the project's fiscal sponsor.

Project Teams

NVA executed the feasibility study with a team composed of project leads from four partner organizations (table 9).

TABLE 9: FEASIBILITY STUDY PROJECT TEAMS

Project leads	Title/role	Organization
Valerie Carlin	Cradle to Career Director	Aspen Community Foundation
Paul Holsinger	Agriculture and Conservation Easement Manager	Pitkin County Open Space and Trails
Ivan Jackson	Executive Director	LIFT-UP
Sam Landercasper	Assistant Director of Strategy and Operations	Pitkin County Human Services
Lindsay Maisch	Human Services Director	Pitkin County Human Services
Gary Tennenbaum	Director	Pitkin County Open Space and Trails
Drew Walters	Agricultural Specialist	Pitkin County Open Space and Trails
Jessie Young	Planning and Outreach Manager	Pitkin County Open Space and Trails

Study Methodology

NVA has developed a multi-stage planning process. The early stages examine the food system to uncover gaps and opportunities for development. The specific scope of NVA projects varies based on the needs of our clients. For this project, NVA conducted a feasibility assessment that included the following scope components:

- ***Landscape assessment and market analysis***—Primary and secondary research tools, including interviews, surveys, and community engagement with stakeholder groups, were utilized to validate the study hypothesis, identify potential tenants and operators, and inform the operating model development and facility design.

[21] Pitkin County Human Services, "Emma Store Buildings Food Hub Partnership Proposal," February 17, 2022.

- ***Facility and site evaluations***—A comprehensive evaluation of the Emma store buildings site was conducted to assess its compatibility with identified needs for the food hub.
- ***Operating model and facility design***—Informed by the market analysis (including case studies of comparable operations), a range of concept business models were proposed and then narrowed to a single operational model and facility design with the input and feedback of the project team and stakeholders.
- ***Financial modeling***—Project budget, capacity, and break-even financial models were built to reflect the proposed operating model, evaluate cash flow potential, and inform the project's risk assessment.
- ***Finalization***—The final report evaluated the feasibility of the model to inform the project team's go/no go decision to proceed into development, along with recommendations for the next steps for implementation.

Project Plan and Timeline

The feasibility study was conducted between August 2022 and April 2023, with the final report on April 27, 2023. The full work plan and timeline are illustrated in table 10.

TABLE 10: FEASIBILITY STUDY PROJECT PLAN AND TIMELINE

Stage	Steps	Timeline
Project initiation and background research	• Hold kickoff meeting with core team and stakeholders • Gather background material from client • Review, summarize, and draw insights from all background material provided by client	August 2022
Emma store buildings site evaluation	• Gather RFI materials on proposed site, facility, and surrounding area and conduct a virtual tour • Conduct interviews, regulatory research, and a literature review of shared documents to assess the viability of the site for the proposed functions • Hold review session with project leads to share findings and recommendations for the site	September–December 2022
Landscape assessment	• Conduct secondary research of the food landscape, including area demographics, existing food system players, supply, demand, current infrastructure, competition, regional workforce, and critical demographics, etc.	September–October 2022
Market analysis and primary research	• Interview key stakeholders across the local food system • Develop research plan and instruments for interviews, surveys, and community engagement • Conduct interviews with members of the regional food system to assess opportunities, identify food needs and gaps, validate and inform facility components, and direct facility design • Survey local producers, small businesses, and potential buyers to assess capacity and demand within the region to integrate into potential facility uses, volumes, and sizing implications • Identify important takeaways and implications for the proposed facility from all previous research steps • Hold milestone meeting with project team to review all analysis and shape implications for facility uses and components	September 2022–February 2023

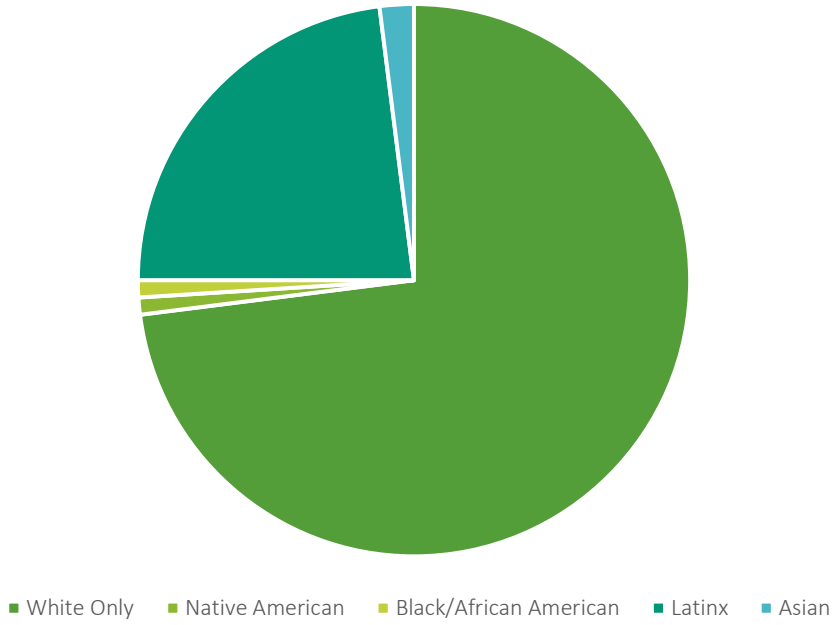
Stage	Steps	Timeline
Stakeholder focus groups	● Curate workshop or meetings with key stakeholders to share analysis findings, gather input into facility models and components, and identify potential partners ● Debrief with project teams to review implications for operating models and facility uses	February – March 2023
Operating model development	● Develop potential facility models based on assessment of potential operations across both proposed sites ● Identify valuable examples across the country; conduct case studies and draw insights and takeaways relevant to the proposed facility ● Develop steady state revenue and cost assumptions for all aspects of the proposed facility ● Develop mockups/designs of proposed facility ● Refine operator model, facility design, and cost model	March–April 2023
Financial model development	● Develop baseline financials for each facility model ● Establish detailed cost structure and capital expenses for the proposed facility ● Establish returns analysis based on client parameters	April 2023
Final deliverable and presentation	● Compile all study inputs, analysis, decisions, and strategies in a comprehensive final report to share with stakeholders ● Prepare an executive summary presentation to share conclusions ● Present final materials for discussion among the project partners and their key constituencies	April–May 2023

Food System Overview

Roaring Fork Valley Overview (Regional Landscape)

The Roaring Fork Valley (RFV) consists of three counties: Eagle, Garfield, and Pitkin. The total population is 134,744 people, with 73 percent White, 1 percent Native American, 1 percent Black/African American, 23 percent Latinx, and 2 percent Asian.[22] There was a 7 percent increase in population from 2010 to 2020.

FIGURE 3: ROARING FORK VALLEY DEMOGRAPHICS



Seventy-six percent of the population is in the workforce. Unemployment in the RFV is 3.5 percent, which is slightly higher than the state average of 3 percent. However, unemployment continues to improve since the onset of the pandemic, decreasing by 0.5 percent from November 2021 to November 2022.[23]

The largest industries in the three counties in terms of the largest number of employees are accommodation and food service, construction, retail trade, and arts, entertainment, and recreation.

Agricultural Landscape

The RFV is a minor food producer in Colorado. According to the most recent USDA Agricultural Census (2017), there are 1,030 farms in the RFV, accounting for 663,084 acres. The total agriculture sales in 2017 was $47,018,000, which is only 0.6 percent of Colorado's total ag sales.[24]

However, when the surrounding foodshed counties of Delta, Gunnison, and Mesa are factored in, there are an additional 4,419 farms with 846,302 acres. These three counties had a total of $185,420,000 in ag sales, which is 2.5 percent of Colorado's total ag sales. Livestock accounts for 51 percent of farm sales in the RFV foodshed; of the livestock sales, 78 percent are from 1,802 cattle operations.

[22] United States Census Bureau, *Quick Facts*, 2020, accessed April 25, 2023, https://www.census.gov/quickfacts/CO.
[23] Colorado Department of Labor and Employment, *Labor Force Employment and Unemployment,* December 2022, accessed April 25, 2024, https://colmigateway.com/vosnet/analyzer/resultsNew.aspx?session=labforce&qlink=1&plang=E.
[24] All statistics in this section: United States Department of Agriculture, *Census of Agriculture*, 2017, accessed April 25, 2023, https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Census_by_State/Colorado/index.php.

Overall, there is steady growth in the agriculture sector as the six-county RFV foodshed experienced a 27 percent increase in the number of farms and a 16 percent increase in the number of acres in farms from 2017 to 2012. The average farm size in the RFV foodshed is 461 acres. The average net income per farm is only $2,665, which is much lower than the Colorado state average of $29,669 per farm. However, the average farm acre value of $4,371 is much higher than the state average of $1,608 per acre.

TABLE 11: FARM CHARACTERISTICS ACROSS THE RVF FOODSHED

	Eagle County	Garfield County	Pitkin County	Delta County	Gunnison County	Mesa County
Farm operations in 2017	257	661	112	1,645	309	2,465
% change since 2012	56%	6%	37%	29%	27%	9%
Acres in production	155,200	475,166	32,718	236,846	266,922	342,534
% change since 2012	20%	53%	2%	-6%	40%	-11%
Average farm size (acres)	604	719	292	147	864	139
Total agriculture sales	$8,243,000	$35,863,000	$2,912,000	$67,117,000	$24,117,000	$94,186,000
Average income per farm ($)	$223	$7,104	-$17,364	$9,054	$11,341	$5,634
# of producers	431	1,217	201	2,898	572	4,378

The RFV foodshed experienced a 25.1 percent increase in the number of fruit and vegetable operations from 2012 to 2017. As of 2017, there were approximately 677 fruit and vegetable farms with 7,266 acres used for vegetable and fruit production. These operations are much smaller, with an average of 6.2 acres per farm. The majority of fruit and vegetable acres are located in Delta and Mesa Counties; Mesa is the number one fruit producer in the state of Colorado with most farms growing peaches.

TABLE 12: FRUIT AND VEGETABLE FARMS IN THE RFV FOODSHED

	Eagle County	Garfield County	Pitkin County	Delta County	Gunnison County	Mesa County
Vegetable operations	6	13	4	83	6	80
Fruit operations	1	17	0	154	2	311
Total fruit and veg farms, 2017	7	30	4	237	8	391
Total fruit and veg farms, 2012	1	18	3	187	0	332
Total fruit and veg acres in production	5*	322	1*	3,365	18*	3,555
Average size of fruit/veg farms (acres)	0.71	10.73	0.25	14.20	2.25	9.09

**Exact acres are withheld to avoid disclosing data for individual farms; thus, the number may be higher.*

There are 9,967 producers in the RFV foodshed. Of these, 98.6 percent are White, 0.6 percent are American Indian, and 3.6 percent are Hispanic. The average age of farmers is 58.7. Only 1 percent of operations farm organically.

Local Food Sales

Among the six counties, there are 556 farms that sell direct-to-consumer and 115 that sell directly to wholesale markets. In all, 17.7 percent of agriculture sales in the foodshed are from direct-to-consumer sales and direct to retail markets, institutions, and food hubs sales. The majority of sales come from farms in Delta and Mesa Counties; in fact, Eagle, Garfield, and Pitkin combined only account for 2.6 percent of the local food sales in the foodshed. In addition, there are 115 farms that sell processed or value-added products.[25]

TABLE 13: LOCAL FOOD SALES

	Eagle	Garfield	Pitkin	Delta	Gunnison	Mesa
Operations with direct market sales	24	49	8	165	19	291
Total direct market sales	$417,000	$628,000	$22,000	$2,256,000	$1,342,000	$8,205,000
Operations with retail, food hub institutional sales	2	4	0	43	11	55
Total retail, food hub institutional sales	*	*	0	$6,670,000	$1,342,000	$20,283,000
Farms offering processed/value-added products	7	6	1	44	4	54

**Exact sales are withheld to avoid disclosing data for individual farms; thus, the number may be higher.*

The Local Food MarketSizer® illustrates there is unmet demand for local dairy, poultry/eggs, and fruit/vegetable products in the RFV foodshed. There is, however, sufficient meat production.[26] This tool estimates unmet demand for locally produced food in a chosen geographic area using data from public and private sources to calculate unmet demand for local food at the state and county level.

GUIDE TO THE MARKETSIZER®

Local quotient is the percentage of category food sales produced within the area. A result of greater than 100 percent indicates that local demand could be met entirely with local production if it were directed to these markets through a local food system.

Local food demand is the approximate value of category wholesale sales that could come from local sources if supply were available.

Local food supply is the approximate value of category wholesale sales produced within the area based on the county-level.

TABLE 14: ESTIMATES FOR UNMET DEMAND FOR LOCALLY PRODUCED FOOD IN THE RFV FOODSHED

	Dairy	Meat	Poultry/eggs	Fruits/vegetables
Local quotient	0%	256%	0%	47%
Local food demand	$34,800,000	$26,900,000	$15,070,000	$105,300,000
Local food supply	$0	$59,440,000	$11,000	$53,300,000
Unmet market for local food	$34,800,000	NA	$15,060,000	$50,300,000

[25] All statistics in this section: United States Department of Agriculture, *Census of Agriculture*, 2017, accessed April 25, 2023, https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Census_by_State/Colorado/index.php.

[26] New Venture Advisors, Local Food *MarketSizer®*, accessed September 20, 2021, https://toolsite.newventureadvisors.net.

Local Food Infrastructure

There is a lack of infrastructure in RFV that supports local food trade, including access to capital for farmers and packing, processing, aggregation, and distribution facilities.

- There is one shared kitchen: Little Bird Commissary Kitchen (Gypsum).
- There are three meat processors: Gross Locker Plant and Cattle Company (Silt), Holy Cow Packing Plant (Silt), and Luark Ranch and Outfitters (Burns).
- There are two wholesale distributors: Innermountain Distributing Company (New Castle) and Farm Runners (Hotchkiss).
- There are 28 grocery stores.
- There are five seasonal farmers markets, of which three accept SNAP/EBT benefits, and one on-farm stand.

TABLE 15: RETAIL LANDSCAPE

	Farmers markets	Farmers markets that accept SNAP	Grocery stores
Eagle	1	0	16
Garfield	3	3	8
Pitkin	1	0	4

Food Access

Access to healthy food options is essential to healthy eating habits, which are, in turn, essential to good health. Food access is determined by three factors:

- a consumer's ability to physically get to places where healthy foods are available for purchase
- the affordability of healthy food options within that regional designation
- the availability of assistance to ensure consumers have the means to purchase healthy food

Data from these counties show a need for better accessibility to food. Compared to the state of Colorado, these counties

- have higher rates of food insecurity; Eagle and Pitkin counties report 9.1 percent and 10.1 percent food insecurity, while Colorado state's food insecurity rate is 8.3 percent; rates for child food insecurity are also greater than the state average of 11.2 percent[27]
- have higher rates of food insecurity among Hispanic residents: on average, 15 percent of Hispanic people face food insecurity, compared to 4.3 percent of White residents.
- have a median household income that is equal to or higher than the state median household income of $75,231[28]
- with the exception of Garfield County, have lower poverty rates than the state average of 9 percent[29]

[27] Feeding America, Map the Meal Gap, 2020, accessed April 25, 2023, https://map.feedingamerica.org/county/2020/overall/colorado.

[28] U.S. Census, American Community Survey, 2019.

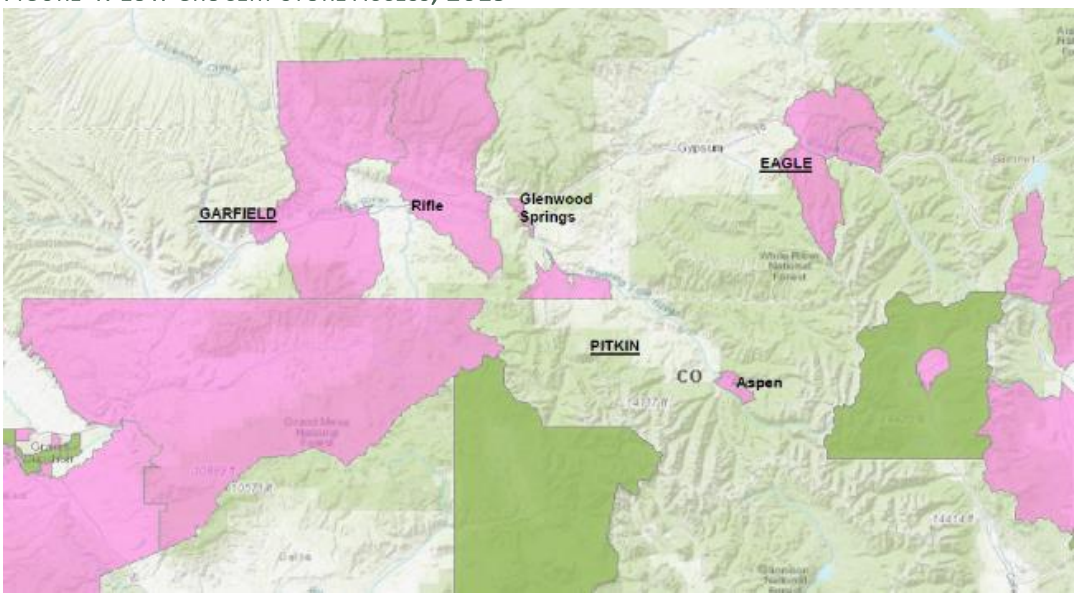
[29] Ibid.

TABLE 16: HOUSEHOLD HARDSHIPS

County	Median household income	% food insecurity rate, 2020	% child food insecurity rate, 2020	% poverty rate	% households enrolled in SNAP
Eagle	$85,877	9.1%	14.8%	7.1%	4.4%
Garfield	$75,435	8.0%	11.5%	9.2%	6.6%
Pitkin	$82,455	10.1%	12.4%	6.7%	2.2%
COLORADO	$75,231	8.3%	11.2%	9%	7.2%

Proximity is a challenge for most of the RFV as illustrated in the figure below. The purple indicates areas with low access to a supermarket, and the green indicates low-access areas that also have high rates of low-income households. (Note: "Low access" is defined in urban areas as being one mile or more from grocery stores and in rural areas ten miles or more). Approximately one in six persons has low access to a supermarket.

FIGURE 4: LOW GROCERY STORE ACCESS, 2019[30]



Food distribution is provided by

- Food Bank of the Rockies at ten partnering agency sites and by a mobile market that with eight stops in seven different communities
- The Community Market, a program of Eagle Valley Community Foundation that has two markets and four pop-up mobile markets
- Two food rescue organizations, UpRoot Colorado and Harvest for Hunger, that provide free access to fresh produce and donated goods; Harvest for Hunger distributes food at six sites each week in the RFV

[30] USDA, Food Access Research Atlas, 2019, https://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas/.

There are two school districts participating in farm to school programs:[31]

- Roaring Forks Re-1: 14 schools; between 31 and 51 percent of students are eligible for free/reduced lunch
- Garfield 16: 4 schools; between 51 and 86 percent of students are eligible for free/reduced lunch

Local Food Initiatives

The 2012 Colorado Cottage Foods Act allows limited types of food products to be sold directly to consumers without licensing or inspection. Foods covered by the law are not potentially hazardous, or in other words, do not require refrigeration for safety, including pickled fruits and vegetables with a finished equilibrium pH of 4.6 or below, spices, teas, dehydrated produce, nuts, seeds, honey, jams, jellies, preserves, fruit butter, flour, and baked goods, including candies, fruit empanadas, tortillas, and other similar products. Up to 250 dozen whole eggs may also be sold per month.

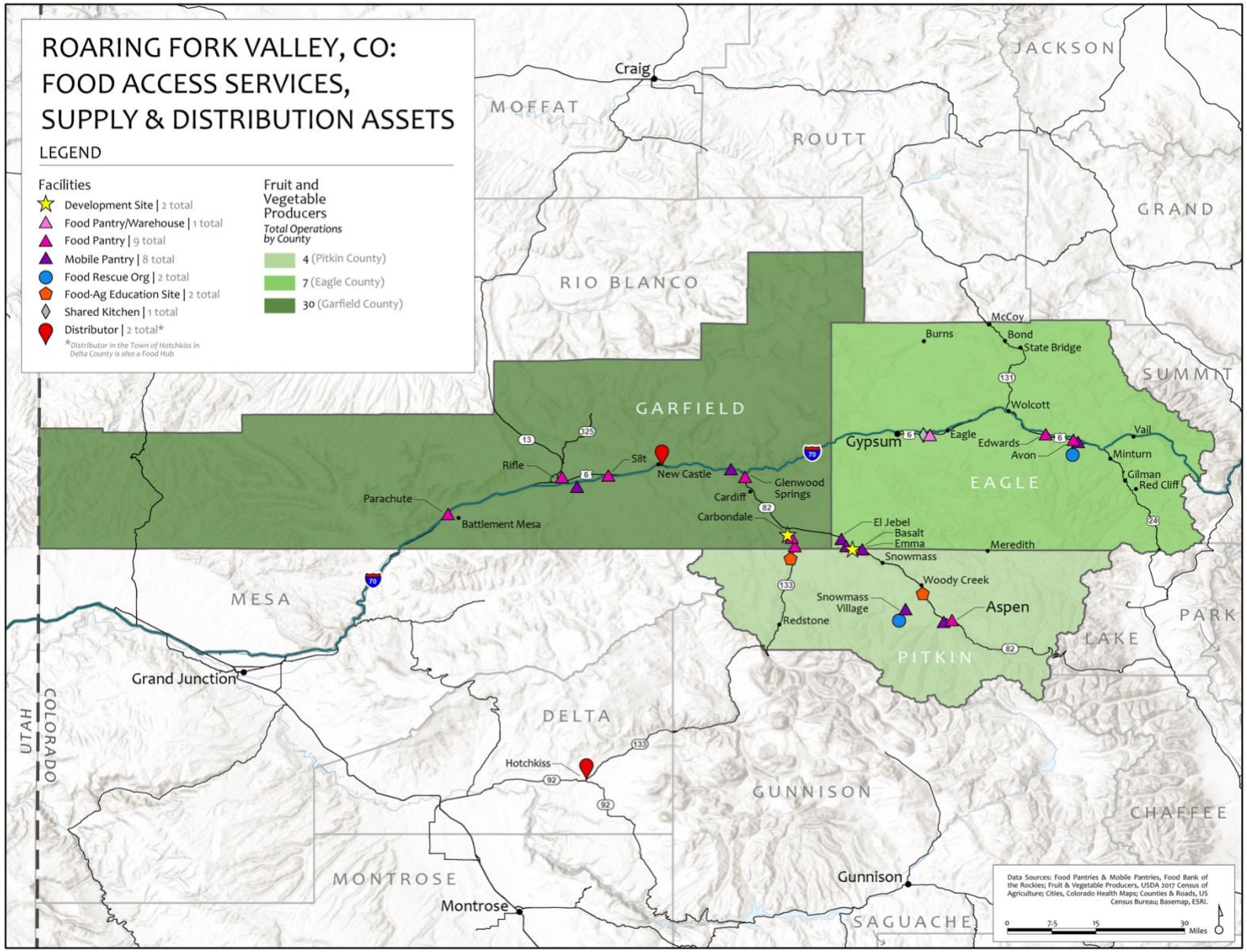
Within the state of Colorado there are a few key initiatives that support purchasing and access to local food and a small but strong network of both organizations and institutions working to improve food systems progress by offering training and educational programs (table 17).

TABLE 17: LOCAL PURCHASING INITIATIVES AND ORGANIZATIONS

Key initiatives	Program outline/offerings
Local Food Purchase Assistance Cooperative Agreement	In 2022, the Colorado Department of Human Services (CDHS) received the Local Food Purchase Assistance Cooperative Agreement through the U.S. Department of Agriculture (USDA).
Local Food Program	Administered by the Colorado Department of Education, the program offers selected school food authorities (SFAs) a reimbursement for the purchase of Colorado grown, raised, or processed products.
Organization/institution	**Program outline/offerings**
Colorado State University Extension	Offers free webinars and a Certified Colorado Gardener program (for a fee). The science-based courses are offered online and are specific to Colorado's unique climate, soil, environment, insects, wildlife, and plants.
Colorado Mountain College–Spring Valley at Glenwood Springs	Offers a degree in sustainability studies with an optional focus in regenerative food systems
The Farm Collaborative–Aspen	Offers skills trainings and workshops for youth adults on a range of topics, including canning, gardening, foraging, chicken rearing, and beekeeping
Sustainable Settings	Offers skill training and workshops for youth adults on a range of topics, including sustainable agriculture, gardening, chicken rearing, and beekeeping; offers integrated consulting services for related ag businesses

[31] USDA, *Farm to School Census*, 2019, https://farmtoschoolcensus.fns.usda.gov/census-results/states/co.

FIGURE 5: MAP OF FOOD ACCESS, SUPPLY, AND DISTRIBUTION ASSETS IN THE ROARING FORK VALLEY



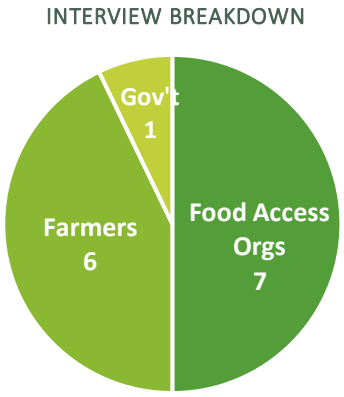
Primary Research Plan and Results

Methodology

Primary research was conducted through **interviews and surveys** between October and December 2022. Key research questions were designed to validate potential components of a food hub warehouse facility located in the Roaring Fork Valley. NVA worked with the partners to draft a research plan to guide the development of surveys and interview guides (see research plan in the attached appendix materials) and ensure project goals were being met. Key components that needed to be validated through the research were

- warehouse and logistic space (docks, truck access, and parking)
- storage (dry, cold, frozen, root cellar, equipment, and variable temperature storage)
- space to support local product and food access resource aggregation and distribution
- crop processing and value-add (season-extension) production space
- shared kitchen or prepared foods production space
- gleaning processing space
- food hall/market spaces
- food pantry site
- classroom or event space (including food security coordination/meeting space, community spaces, and community dining spaces)
- office space
- outdoor recreation support spaces (bike path rest areas, restrooms, or community amenity spaces)

Stakeholder groups interviewed included farmers and producers, food gleaners, food access organizations, and key stakeholders (government, supporting organizations, or nonprofits). Two surveys were designed and tailored for farmers and small businesses/potential kitchen users. These were distributed by the Pitkin County/LIFT-UP team through social media, email outreach, listservs, and local government agencies.



Results and Analysis

Interviews

The full interview synthesis can be found in the appendix materials. The following is a summary of themes pulled from all interviews conducted.

Fourteen interviews were conducted with three stakeholder groups: food access organizations, producers/farmers, and a governmental stakeholder. Interviews were conducted via phone and zoom calls between October 26 and November 16, 2022. The following is a full list of stakeholders interviewed (table 18):

TABLE 18: FEASIBILITY STUDY INTERVIEWEES

Name	Organization	Category
Mary Kenyon	Valley Meals and More	Food access
Sue Ellen Rodwick	Food Bank of the Rockies	Food access
Christine Dolan	Garfield Co Public Health	Food access
Rita Mary Hennigan	UpRoot	Food access
Judy Martin	Garfield Co Senior Services	Food access
Heather Paulson	The River Center	Food access
Gray Warr	Harvest for Hunger	Food access
Kaye Davis and Ruth	Early Morning Orchard	Farmer
Harper Kaufman	Two Roots Farm	Farmer
Eden Vardy	The Farm Collaborative	Farmer
Casey Piscura	Seed Peace	Farmer
Alyssa Barsanti	Marigold Livestock Farm	Farmer
Sarah Tymcyzyn	Highwater Farm	Farmer
Erica Sparhawk	City Council of Carbondale	Local government

Food Access Organizations

There were seven food access organizations interviewed with the aim to assess and understand how food is currently being procured, stored, and distributed in the RFV and the challenges they face in meeting their region's food security needs. The interviews further assessed the needs of the food access organizations in the following areas: storage/warehouse space, commercial kitchen and food processing, and other space needs (office, events, meetings). Lastly, the interviews gauged their interest in being involved as a partner in the facility project. Six out of the seven food access organizations interviewed work with LIFT-UP in some form.

Organizations mentioned the following issues as key challenges in the region:

- financial stress
- up-valley/down-valley dynamics
- region is not meeting Feeding America standards
- cost of food increases
- staff/volunteer limitations
- cold storage limitations
- issues with supply of meals/distribution of food for congregate meals
- inefficiency in the logistics with food distribution
- disconnect between the three counties and food access for the region

Spaces needed to address key challenges (number of mentions):

- cold storage (size ~800 sq ft; a walk-in that could accommodate a forklift and several pallets), ideally accessible 24/7 (4)
- freezer storage (less than cold storage volume, for meat and for extra produce to be used for value-added production) (4)
- equipment storage (1)
- community gathering/event space (~60 people) for congregate meals and senior socialization focused on food programming (2)
- co-working/office space (2)
- flash-freezing capability (2)
- clean space to sort/process/re-package produce (3)

Three organizations had an interest or need in accessing a **commercial kitchen space.**

Possible uses mentioned:

- Cooking Matters classes
- Preparing conjugate meals for seniors
- Volunteer opportunities to preserve harvest/gleaned food
- Bulk processing during peak season

Equipment mentioned:

- flash freezing equipment
- stock pots
- dehydrators
- canning equipment/pressure canner
- stoves
- refrigerators
- mixers

There was **less interest in a public marketplace** from this stakeholder group—interest was solely from a customer perspective and not as a user (e.g., a place to take seniors on an outing). However, most organizations stressed the importance in having a clear distinction between food pantry and public market. People need to know that the food they are seeking is going to be free; a clear delineation is required.

Overall, organizations mentioned the benefit a facility like this would have in increasing collaboration among various types of organizations in the RFV and the ability to increase food access to individuals through the gains in efficiencies in distribution, processing, and storage of food.

INSIGHT HIGHLIGHT

An increase in frozen storage would provide opportunity to increase food access and food distribution to those in need.

- **UpRoot** (gleaner) was especially interested in flash freezing the large volumes of fruit gleaned from Delta County, training their staff to do this, and storing the product, all of which would enable them to reach more clients.
- **Food Bank of the Rockies** mentioned mid-valley cold storage is needed to reach other areas of the RFV.
- **Harvest for Hunger** reported that cold storage would increase their ability to move food and decrease trips required by LIFT-UP and the food bank.

Farmers/Producers

There were six interviews conducted with farmers/producers aimed at assessing and understanding producer business activities, challenges and interest and potential engagement in the food facility. Farmers were specifically asked about storage/warehouse space; commercial kitchen and food processing; business support services, and their interest in a public market/ vendor space.

- Farmers interviewed were mostly young and beginning farmers (compared to national average age).
- Farms ranged in size from 2 to 1,200 acres.
- If they were producing vegetables, they offered highly diversified selection from small acreage.
    - Other products (beyond vegetables) being produced: hay, tree fruit, grapes, melons, chicken, turkeys, lamb, sheep

Interviewed growers were very interested in **commercial kitchen space** (4 out of 6), although those making value-added products are doing so on a very small scale and would need access to labor to utilize a kitchen. There was interest in the kitchen being connected to a storage or distribution site for convenience and efficiency. Farmers also voiced concerns about how a kitchen like this would be managed.

Storage space was also of very high interest for farmers (5 out of 6), specifically cold and root cellar storage to over-winter crops. Growers mentioned that storage needs are high during the harvest season, and it would be more attractive with additional services attached like tool sharing/kitchen/produce washing/processing services. **Business services** of interest were business planning, marketing/sales support, and regulatory/licensing education.

There was **low interest from growers in a public marketplace** or new vendor stall—two said they would use, but all others already felt they had enough outlets or would want to ensure their food would be reaching a different customer market.

Overall, growers were excited about the opportunity to store and process more product and mentioned that many had capacity to increase production but that infrastructure was a main limitation. Farmers mentioned their concern over parking, the cost to use the facility, and how the shared kitchen space/storage space would be managed. Carbondale was the preferred location for interviewed growers, followed by Emma or Silt.

Government Stakeholder

It was recommended that NVA speak with Mayor Pro Tem Erika Sparhawk from Carbondale City Council. The City of Carbondale appears to have strong buy-in from both local government and the community for a regional food facility in their town.

- Carbondale is heavily engaged with their youth community, and they have expressed a need for "safe places to go to in town" for substance abuse prevention. When the youth community was asked what is missing from their community, they replied, "a community/youth 'hang-out.'" The youth brainstormed that the old City Market building could be opened for creative uses to serve their community.
- Carbondale is an ideal location (mid-valley) because it is at the confluence of two highways (one from North Fork Valley, Delta County, and the other highway from Route 133, Paonia) and would be an easy hub for access/storage/services/public marketplace.

- The old City Market building in Carbondale has existing infrastructure in place: a large parking lot with two entrances and ample space for food trucks; easy transportation accessibility (walkable, bikeable, bus stop nearby), making it an ideal location for services and gathering.
- Financing and partnerships:
    - Carbondale has experience owning a building and leasing to nonprofits. There is a possibility for Carbondale to own building and then rent to LIFT-UP.
    - Carbondale local government does not have interest in coordinating or managing leases, but if it makes sense for getting loans, the Garfield County Commissioner may have interest in helping low-income and low–food access households.
    - There may be potential for financial partnerships with Carbondale Recreation, LIFT-UP, or Pitkin County.

Interviews: Key Take-Aways

There is a strong need for a permanent warehouse location mid-valley (Carbondale/Basalt/El Jebel/Glenwood Springs) with cross-docking, cold storage, freezer storage, and food access resources (pantries/services/information) in order to focus on the mission of high-volume food distribution to people in need. A "drop site" for produce with a storage component would work well for farmers.

- Empowering food access partners to meet their goals is needed.
- There is a disconnect between the three communities (Garfield, Pitkin, and Eagle Counties) when it comes to addressing food access. There exists an up-valley/down-valley dynamic that becomes an obstacle in food access solutions across the region.
- There is strong need and interest in access to commercial kitchen space for processing and value-added production opportunities to enhance local food economy.
- Collaborative processing could allow for more products to go to market and make it more feasible for farmers.
- A recurring question is who would manage a shared kitchen or shared storage space.
- Extra transportation steps and tedious logistics could be mitigated with a local food facility with storage and commercial kitchen access.
- An onsite manager would be a key position to fill.
- Easy farmer distribution to LIFT-UP could reduce produce prices for LIFT-UP.

Surveys

There were 52 total survey respondents between the two farmer and small business surveys. Copies of the survey questions can be found in the appendix materials, in addition to the full survey results. The following section analyzes survey results for each survey and highlights key insights and findings impacting the proposed food facility.

TABLE 19: SURVEY SUMMARY

Farmer survey		Small business survey
31 *total respondents*		***21*** *total respondents*
11	produce only	**9** food businesses
14	livestock	**9** small businesses
4	produce and livestock	**2** unlicensed
2	value-added	**1** business ready to launch

Farmer Survey Results: Producer Demographics and Warehousing Interest/Utilization

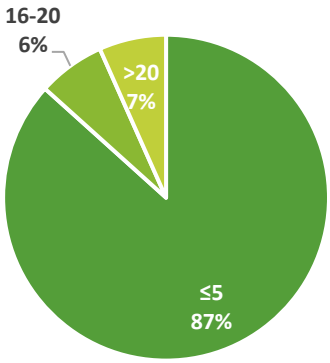
Farmer demographics (Q1,2; Q48, 49,50): Out of 30 growers, most were from Carbondale (8) or Glenwood Springs (5). There was an almost even split in male and female farmer respondents. Most were middle-aged (between 30 and 59), 4 were under 30, and 3 were over 60. Of the respondents, 72 percent were White and one identified as Hispanic or Latino. Two-thirds were beginning farmers with 10 reporting farming for less than five years, and 10 under ten years. Eight have been farming for more than 21 years.

Q1. Town	Count	%
Carbondale	8	27%
Glenwood Springs	5	17%
Basalt	4	13%
Silt	3	10%
Snowmass	3	10%
Palisade	2	7%
New Castle	2	7%
Rifle	2	7%
Aspen	1	3%
Total respondents	**30**	

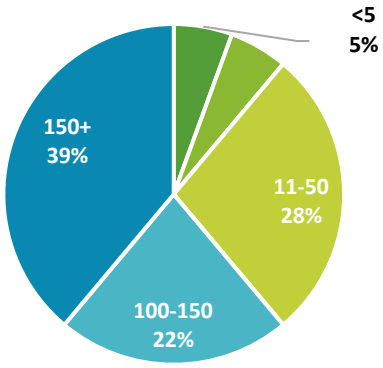
Farm types and acreage (Q3, Q4, Q12; Q11, Q19, Q9, Q17): Fourteen farmers report raising livestock/meat solely, 11 report being produce only, 4 do both. There was an even representation from all types. Two report primarily doing honey, syrup, or value-add. Produce farmers are very small, with 13 out of 15 (87%) reporting under 5 acres in production. Livestock growers were mid-sized with 5 reporting 11–50 acres and 7 with over 150 acres. Thirteen produce farmers said they were interested in devoting additional acreage to fresh produce, if they had a market.

Q3. Farm type	Count	%
Livestock/meat (includes poultry, beef, pork, lamb, goat, eggs, dairy)	14	45%
Produce (includes all vegetables, fruit, herbs)	11	35%
Produce and livestock/meat	4	13%
Honey, syrup, or other value-added products	2	6%
Total respondents	**31**	

Q4,12. Acres of fresh produce



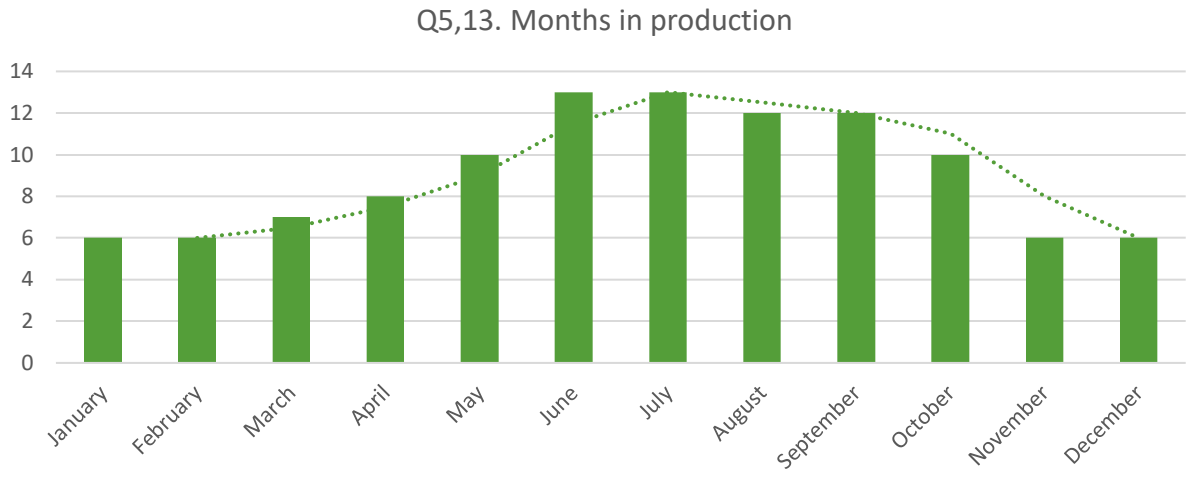
Q11, 19. Livestock acreage



Produce farmers: products (Q3): A third of produce farmers report growing fruit but the volumes are two times that of produce. Four growers raise eggs, flowers, grains, herbs, and make value-added products. Only one grower reports processing their fruits/vegetables. Only one grower raises legumes.

Q3. Currently grow/produce	Count	%	Volume
Vegetables	13	87%	177,189 lbs
Fruits	5	33%	359,500 lbs
Eggs	4	27%	70 dozen
Flowers/ornamental crops	4	27%	20,200 stems
Value-added products	4	27%	3,000 jars + 2,000 dried fruit
Grains	3	20%	-
Herbs	3	20%	100 lbs
Other	2	13%	-
Legumes	1	7%	80,000 lbs
Processed fruits and vegetables	1	7%	-
Total respondents	**15**		

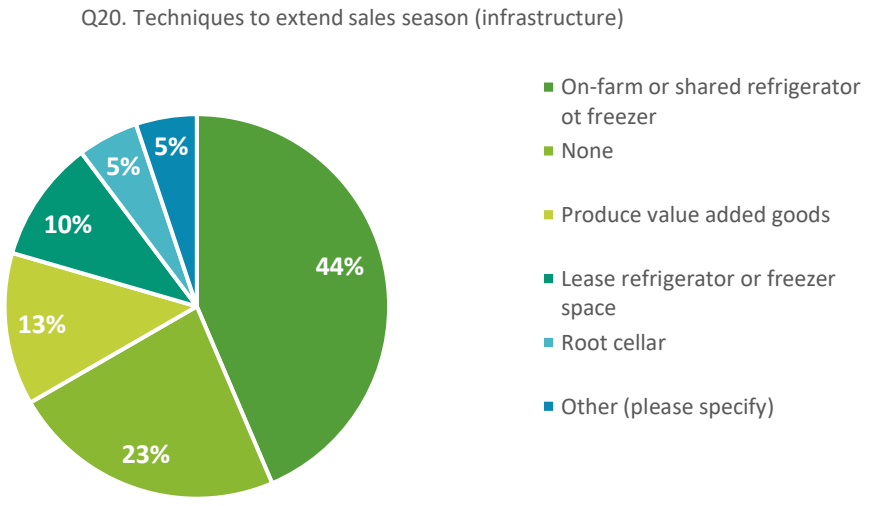
Produce farmers: months in production and seasonality (Q5, Q7,8, Q13, Q15,16): Out of 13 produce growers, 6 reported producing year-round. Peak production occurs from May to September. About 73 percent of farms (11) have methods to extend the growing season through greenhouses or high tunnels, and 53 percent use low tunnels or row cover. However, there is very little production happening in winter months, with 10 growers reporting only about 2.8 acres in season extension available combined.



Livestock farmers: products (Q10, 18): The majority of livestock farmers raise beef, averaging 74 per farm. Poultry was the next highest livestock group, averaging 430 birds per farm. Hogs (3) and lamb (2) farmers represented the smallest group of livestock respondents with the smallest number of animals raised.

Q10, 18. # of animals raised per year for meat	Farmer count	Total animals	Avg per farm
Beef	15	1,107	74
Poultry	9	3,865	429
Hogs	3	50	17
Lamb	2	21	11
Total respondents	**18**		

Infrastructure and assets (Q20, Q24): Out of 31 farms, 17 reported an on-farm refrigerator or freezer (55 percent); 5 reported producing value-added goods to extend sales season; and 4 reported leasing refrigerator/freezer space. A quarter of farmers have no storage infrastructure to extend sales season. Seventy-four percent of growers use their personal vehicle to distribute product, 48 percent report the buyer picking up from their farm, and 8 percent use a refrigerated vehicle.



Q24. Distribution strategies	Count	%
Personal vehicles (car, van, pick-up truck)	23	74%
Buyer picks up (includes individuals and distributors)	15	48%
Refrigerated vehicle	8	26%
We ship our product	5	16%
Not applicable	4	13%
Total respondents	**31**	

Certifications (Q21,22): Out of 31 growers, 20 **reported no certifications.** Five had Colorado Proud. Only 3 growers were GAP certified. However, 21 out of 28 said they *definitely or maybe* would consider getting GAP certified if there was a reliable market that required it.

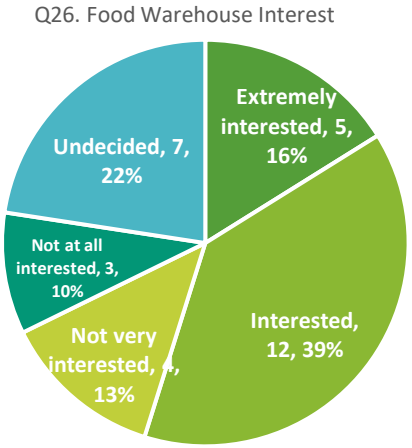
Q21. Certifications	Count	%
I do not have any certifications	20	65%
Colorado Proud	5	16%
GAP or H-GAP (Good Agricultural Practices)	3	10%
Other (please specify)	3	10%
HACCP (Hazard Analysis and Critical Control Points)	1	3%
Certified organic	1	3%
Certified naturally grown	1	3%
American Grass Fed Association	1	3%
Animal Welfare Approved	1	3%
Total respondents	**31**	
Other:		
BQA - Beef Quality Assurance certified		
Fair Food Program		

Top challenges for farmers (Q23): Top challenges that potentially could be addressed by the proposed facility were availability/cost of **labor** (16); lack of **storage capacity** (10); lack of adequate slaughter/**meat processing** (9); **customer knowledge**/awareness of local food (7). Notably low on the list were post-harvest handling equipment (wash/pack), crop processing, and technical assistance (food safety, financial management, government grants). Worker housing and weather were also top challenges.

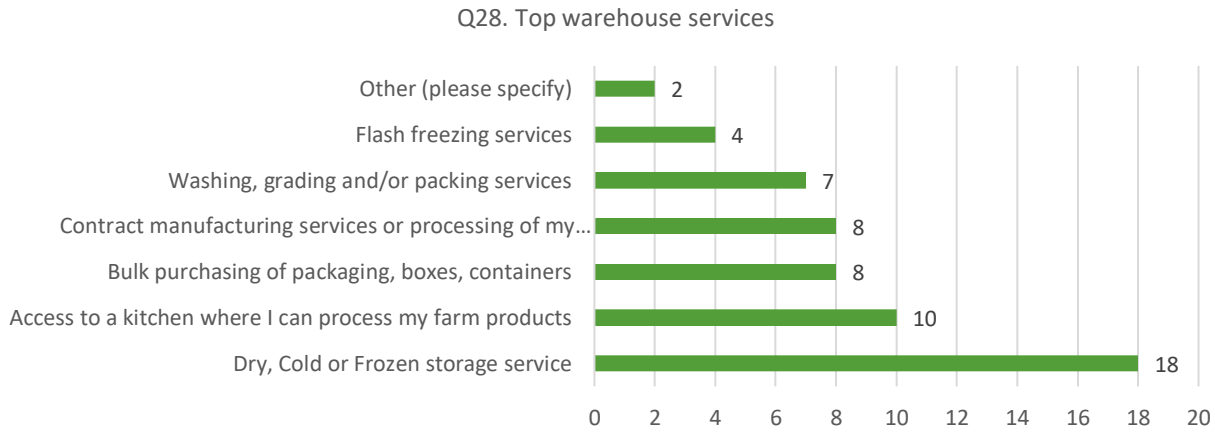
Q23. Top farming challenges	**Count**	**%**
Availability/cost of labor	16	52%
Storage capacity (cold, frozen)	10	32%
Adequate slaughter and meat processing facilities	9	29%
Worker housing	8	26%
Customer knowledge/awareness of local food production	7	23%
Weather	7	23%
Availability/cost of suitable land	5	16%
Access to capital or knowledge of government grants and programs	5	16%
Delivery or shipping costs/logistics	5	16%
Fair pricing	4	13%
Finding and/or negotiating with buyers	4	13%
Time and effort required for meeting food safety standards	4	13%
Crop processing capacity	3	10%

Q23. Top farming challenges	Count	%
Financial management and/or recordkeeping	2	6%
Production or post-harvest handling equipment	1	3%
Total respondents	**31**	

Food warehouse interest (Q26, 27): There was high interest in a new food warehouse, with 17 out of 24 farmers saying they were interested in a food warehouse. Seven said they were undecided or unsure. Most interested farmers were produce growers. Growers highlighted their desire to increase sales/diversify their market channels, to increase access to storage for winter and seed crops, and to increase collaboration among Roaring Fork Valley producers through shared resources and efficiencies.

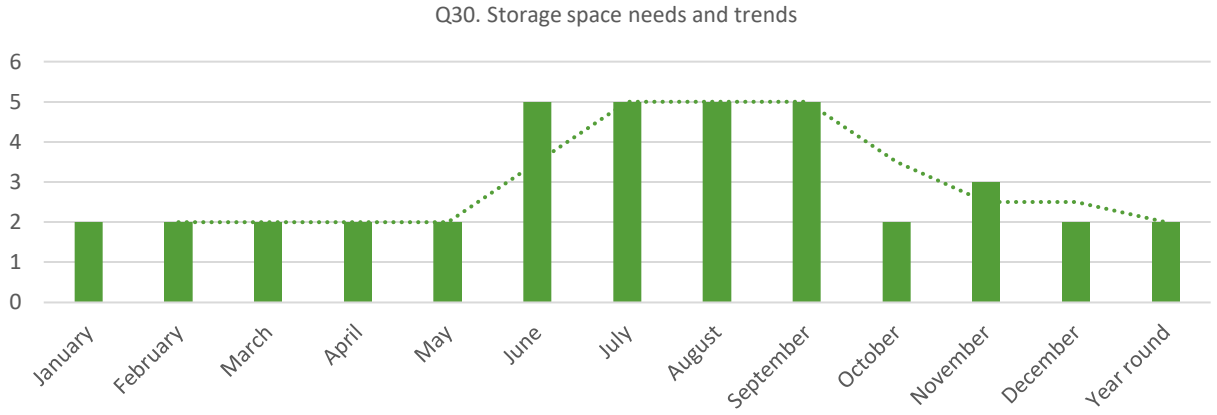


Warehouse services and features (Q28): Farmers reported highest interest in dry, cold, or frozen storage service, followed by interest in access to a kitchen to process their own products, bulk purchasing of supplies, and contract manufacturing services. There was little interest in flash freezing services to be performed by the warehouse. Interest in contract manufacturing doesn't align with earlier stated challenges or activities (only four growers previously reported doing value-add).



Storage space utilization (Q29,30,31): Only 6 out of 18 interested growers responded to storage space needs, drop off frequency and desired pricing strategy—data is inconclusive and square footage reported very small. Most growers were not sure how much square footage they would need in

storage—total numbers amounted to 197 square feet in cold storage, 40 in dry, and 20 in frozen from only 6 growers, despite significant desire for this service. Growers reported wanting storage space throughout the year with highest demand between June and November. Preferred storage pricing was a variable rate based on income and usage.



Growers supporting food access needs (Q38,39): Almost all growers were willing to support food access needs with a variety of products.

Q39. Crops willing to sell at a reduced price or donate	
Apricots	Lettuce
Beef/ground beef	Melons
Carrots	Microgreens
Chickens	Peaches
Crops	Potatoes
Eggs	Tomatoes
Excess products	Whole garlic
Frozen meat	
Total Respondents: 16	

*"More **accessible distribution, WIC, SNAP and Double Up Food Bucks programs**, partnerships with organizations like SANA"*
- Farmer interested in warehouse

Food Business Survey Results: Business Types and Demographics
Note: low survey response rate

Business types (Q2,3,4): Nine respondents operate a licensed food business, and nine respondents operate a non-food business. Two report operating an un-licensed business, and one is ready to launch within three to five years. Five were specialty packaged products business, two caterers, one prepared meals business, one farmer, and one food truck.

Q4. Type of Food Business	Count	%
Specialty packaged product (i.e., jams, pickles, pasta, sausage, granola, etc.)	5	42%
Caterer	2	17%
Other (please specify)	2	17%
Prepared meals/meal kits	1	8%
Farmer processing crops for value-added products (pickles, jams, salad dressings, canned goods etc.)	1	8%
Food truck	1	8%
Total respondents	**12**	
Other:		
Cooking class		
Food rescue		

Production and sale (Q6,7,8): Three businesses produce out of a commercial kitchen; Born to Bake in Basalt was listed as another kitchen in the area. Two produce at home. About half sell at farmers markets or through their own store/direct-to-consumer channel. Three sell to restaurants or distributors.

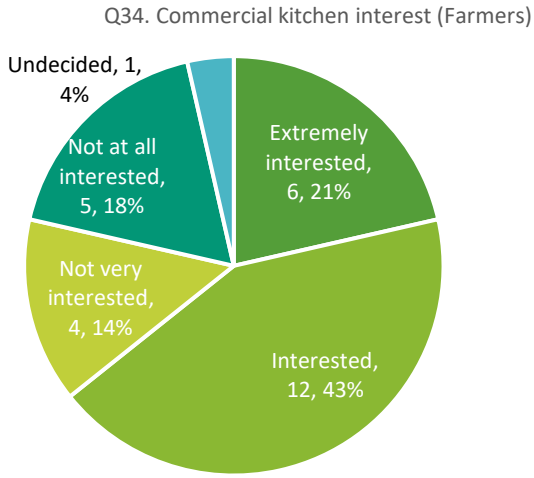
Q8. Selling location	Count	%
Farmers market, farm stand or CSA	6	50%
My own store, e-commerce store, restaurant, or food truck	6	50%
Retailers, grocery stores, cooperatives, online grocer	5	42%
Other (please specify)	5	42%
Restaurants and cafes	3	25%
Wholesalers or distributors	3	25%
Food hubs	2	17%
Total respondents	**12**	
Other:		
Catering events		
DTC at various pick-up locations		
First Friday Carbondale, Jazz Aspen		
Food pantries		
Private homes		

Business barriers (Q22): Top business barriers to growth reported were access to space and access to equipment.

Q22. Barriers to business growth	Count	%
Access to equipment	7	88%
Access to space	7	88%
Access to capital	2	25%
Access to sales channels/buyers	2	25%
Access to technical assistance or business support	2	25%
Total respondents	**8**	

Farmer and Food Business Survey Results: Commercial Kitchen Interest and Utilization

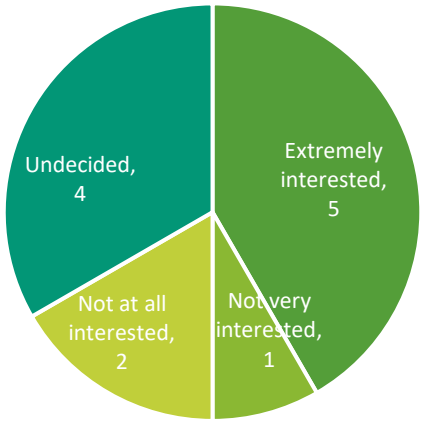
Commercial kitchen interest (farmers) (Q34, 35): Out of 28 farmers, 18 (64%) were interested in a commercial kitchen space. Top space uses were for light processing and flash freezing, followed by hot line use and meat value add space. Produce growers were slightly more interested in kitchen space than warehouse. Out of 19 farmers, 12 (63%) want to do the processing themselves. There was more interest in processing and flash freezing associated with a kitchen than with a warehouse (indicates scale: preferred market channels – warehouse = larger volumes).



Q35. Desired kitchen features and uses (farmers)	Count	%
Light processing space	16	84%
Flash freezing space	9	47%
Hot line use	7	37%
Meat value-add space	7	37%
Baking	5	26%
Dry ingredient assembly	3	16%
Grain processing space	2	11%
Smoking	1	5%
Total respondents	**19**	

Commercial kitchen interest (food businesses) (Q9,10, Q35): There was low interest from food entrepreneurs in using a kitchen. Out of 12 businesses, 5 were interested in using a commercial kitchen. Unaided reasons was to access additional space to expand production and benefit from collaboration. The 5 interested businesses were 3 caterers, 1 farmer, and 1 food truck. Undecided were a specialty packaged product business, a livestock farmer, and another caterer. Reasons to use a new kitchen were efficiency, the ability to expand value-added production, increased collaboration, and equipment. Top desired features were processing, catering, and hot line use. All respondents said they'd like to process their own products.

Q9. Commercial kitchen interest (businesses)



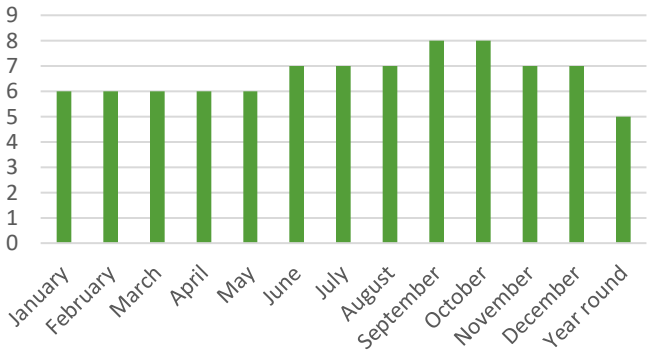
Q35. Desired kitchen features and uses (businesses)	Count	%
Light processing space	4	44%
Prepared meals/catering space	4	44%
Hot line use	3	33%
Flash freezing space	1	11%
Grain processing space	1	11%
Dry ingredient assembly	1	11%
Baking or bread making	1	11%
Classroom space	1	11%
Meat value-add space	0	0%
Total respondents	**9**	

Kitchen utilization (food businesses) (Q15, 16): Usage peaks from September through December with five businesses using the kitchen year-round. Business users have a slightly later peak than farmer users. While in production, an average of 12 cars, 3 vans, and 1 trailer need to access the facility. Eight businesses reported *potential* weekly use of

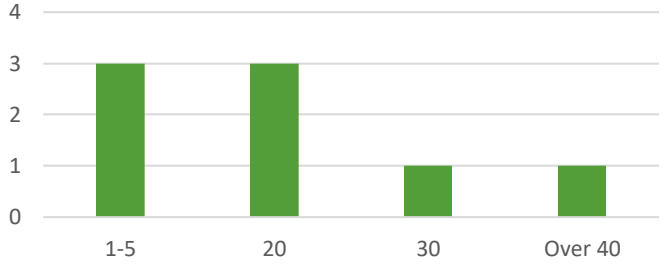
- 136 hours
- 21 people accessing the kitchen throughout the week

Note: This doesn't include farmer, food access organizations, or other business utilization.

Q15. Months in production (businesses)



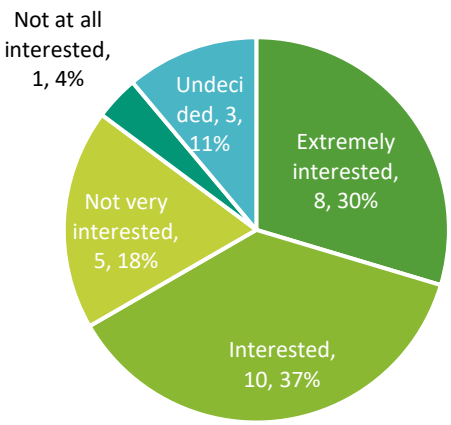
Q16. Hours per week (businesses)



Farmer and Food Business Survey Results: Food Hall / Market Interest and Utilization

Food hall interest and space needs (farmers) (Q41, 42, 43): There was high interest in a food hall from growers. Out of 26 farmers, 18 (69%) were interested in a food hall/market; 3 were undecided (slightly higher than the number interested in a warehouse and kitchen). Cold storage was the top need for a food hall, followed by parking. Square footage needs totaled 3,376.

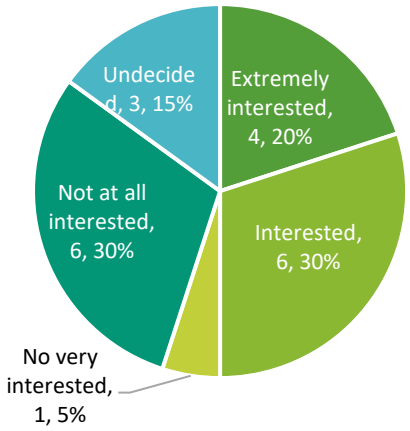
Q41. Food hall interest (farmers)



Q42. Resources needed to vend/sell at new market	Count	%
Cold storage	16	76%
Parking	6	29%
Other (please specify)	5	24%
Kitchen processing/prep space	4	19%
Electrical plug ins	4	19%
Loading dock	3	14%
Total respondents	**21**	

Food hall interest and space needs (businesses) (Q23, Q25, Q27,28): Of the ten businesses that are interested in vending at a new food hall/market (50% of respondents), six are food businesses and four are non-food businesses. The top need indicated was cold storage space and kitchen processing or prep space; parking was also a top need. Most would vend a few times per week (3) or weekly (4) and consider a fee structure of 11 percent of total business revenue to be fair market value to rent space.

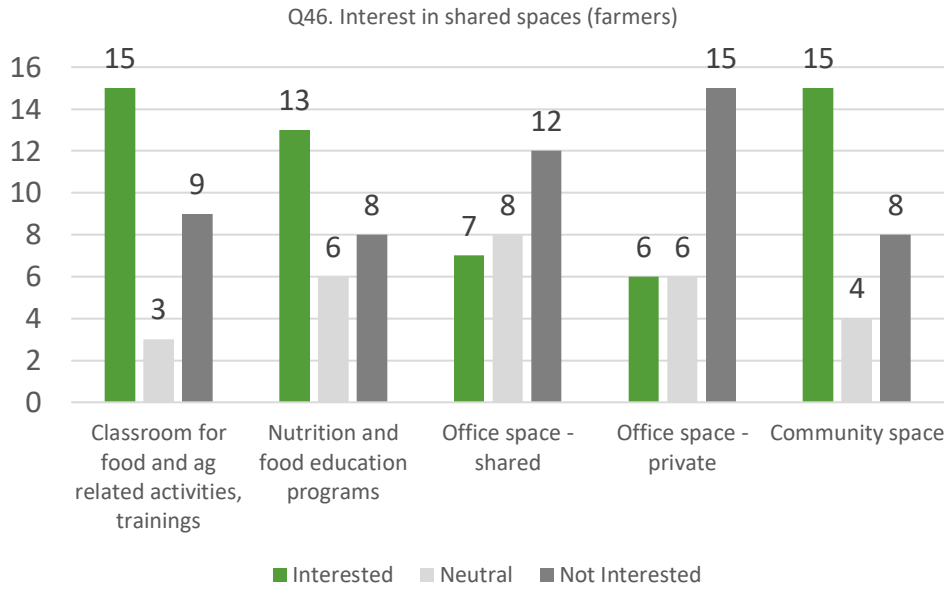
Q23. Food hall interest (businesses)



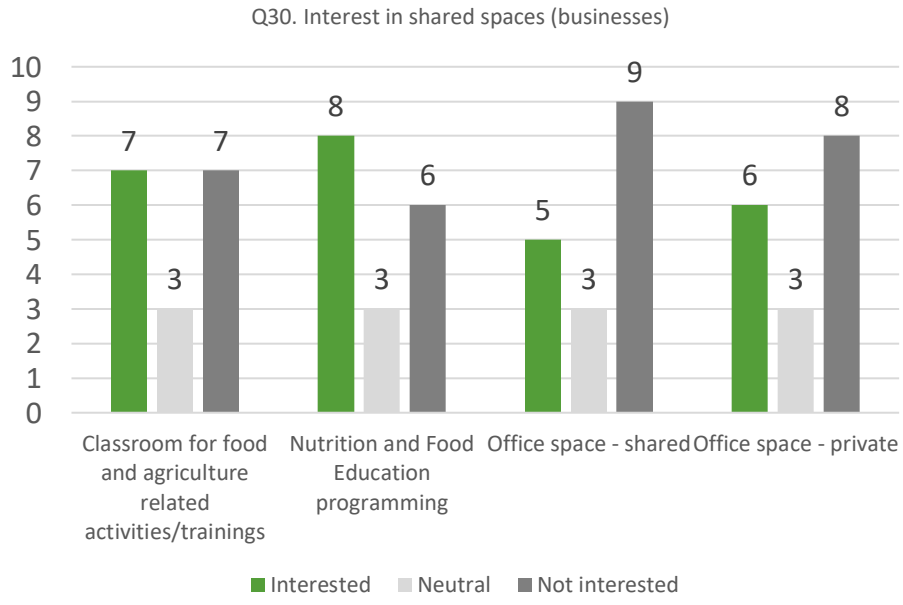
Q25. Resources needed to vend/sell at a new market	Count	%
Cold storage	7	58%
Kitchen processing space	6	50%
Prep/packaging space	6	50%
Car parking	6	50%
Van/truck parking	4	33%
Electrical plug-ins	3	25%
Hood/hot cooking on demand space	2	17%
Loading dock	1	8%
Total respondents	12	

Food hall/market utilization (farmers) (Q43, 44): Growers weren't aligned on when they would attend a market: 43 percent of growers said they would vend at the market weekly during growing season, and 33 percent said monthly during off season. Farmers reported an average of 7 percent of total business revenue would be fair market value to rent space. Most growers wrote in between 0 and 5 percent—a bit lower than the small business respondents.

Interest in additional spaces and programs (farmers) (Q46): Highest interest was indicated in classroom space for food and agricultural activities and a community space, followed by nutrition and education programming. The least interest was indicated for office space; however, several farmers said they were interested in shared (7) or private (6) office space.



Interest in additional spaces and programs (businesses) (Q30): Small businesses indicated their highest interest in nutrition and education programming and a classroom. There was less interest in office space, though five businesses said they were interested in shared and six said they were interested in private office space.



"I think these are cool ideas but wonder if they would be utilized… given that farmers in the valley are really pressed for time (maybe wouldn't have time to drive to an office space) but adding community space or shared space would probably go a long way to improve overall mental health/community/ connection!"
–Valley Farmer

Research Summary and Takeaways

Location Insights

Food hall location input from farmers and businesses:

- Carbondale or Basalt (food businesses)
- Concerns about Emma site: access and parking
- Concerns there are already enough markets in Carbondale and Basalt and that there isn't need for more retail sites in the RFV
- Grand Junction has a food hall project underway (Waters Edge 365)

Warehousing location input from food access organizations:

- Three of six interviewees prioritize Carbondale, with Emma site as second choice; there is also interest in an alternative location (El Jebel or Glenwood Springs)
- Concern that mid-valley drop-off site is too far away for down-valley; there is some doubt that a location in mid-valley would improve access for down-valley residents
- The Aspen–Parachute region has had the issue of meeting Feeding America standards, especially in Pitkin County
- There is currently no food pantry in El Jebel/Eagle County

Farmers

There are few produce farmers in the Roaring Fork Valley, and their operations are very small. Surveys found there is high interest in selling at a new food hall/market and in accessing a kitchen for light processing and flash freezing. Growers are eager and ready to utilize unused land to expand farm operations, but a major barrier to growth is access to storage, especially through the winter months. Very few growers have time or ability to do value-added production currently, although most report they would want to do it themselves at a new facility. In comparable facilities, farmers at similar scale are often unable to devote time to production – basing development on this assumption is thus a risk.

There were 18 farmers interested in a food hall, which indicates the desire for these farmers to sell into new markets and reach more customers. There is a large need from meat/livestock farmers (beef, poultry) for meat processing capabilities and a desire to localize meat fabrication. The top challenges for growers in the region—worker housing, labor, weather, access to slaughter/processing—may not be addressed by the proposed facility, but many of the other challenges like storage and access to processing space could be. Collaboration and decreasing competition was mentioned across all farmer groups as key reasons to support a facility like this and to work toward better relationships in the grower community.

Ideas to reduce barriers for local farmers:

"Incentivizing local procurement for institutions; collaborative distribution streams and marketing…."

"shared marketing and advertising"

"Create a facility that processes and markets value added product. "

- Farmers interested in warehouse

Small Businesses

There was a low interest/low response rate from food businesses interested in using a kitchen. Interested food businesses were caterers, one farmer, and one food truck, and their peak kitchen usage overlaps with desired farmer utilization. Top needs were

processing space and equipment access. Reported utilization rates were in line with very small, start-up business use.

"Emma space sounds nice, access from Highway 82 is problematic. Prefer a Carbondale location."
- Food Business

"A large indoor market area would be invaluable to this community."
- Food Business

"Logistically, we need a mid-way point - a place to 'land'- for people to put it [drop off and pick up] on their calendars and be available at specific days/times."
- Food Bank

Ten businesses were interested in vending at a new food hall/market (six food, four non-food). Top needs to vend at a market would be cold storage space, kitchen processing or prep space, and parking.

Food Access Organizations and Partners

There is a desire for a facility to provide a geographic midway point for cross-docking, repackaging/sorting/processing, and cold/freezer storage for food access organizations to increase the volume of food distribution to people in need. There is a strong desire in the region to increase the efficiency of food distribution by bringing transportation costs down and increasing cold storage capability. There is also opportunity for more food to be gleaned with the addition of storage access and to strengthen food access efforts: gleaner businesses would be able to grow, which would enable more food for immediate distribution, and a portion can be stored and processed/preserved for value-added opportunities. There is interest in access to commercial kitchen space adjacent to other spaces like a classroom, community space, and processing space for value-added production. Organizations repeatedly noted a lack of collaboration and logistical inefficiencies among the tri-county area. A food facility may help synergize efforts.

SWOT Summary

A food facility in the Roaring Fork Valley has potential to serve a diverse group of stakeholders in the region. Some strengths to the project include the clear excitement and enthusiasm from the small farmer community in the RFV for a facility to support their growing businesses. There was also a clear demonstrated need for storage in the region to serve many different types of organizations and businesses involved in producing and distributing food. There is the opportunity to grow farmer–food bank relationships given that the pandemic-era farm to food bank program was incredibly popular and instilled goodwill among growers to support food access efforts. In both surveys and interviews, the desire to increase collaboration and efficiency was a recurring theme for all stakeholders—a food facility provides an opportunity to co-locate a number of shared services under one roof and address this issue. LIFT-UP has identified itself as an anchor tenant for a central food facility, and this is a great strength to the project. And finally, there may be opportunity to coordinate or partner with the Grand Junction Food Hall to support clients/businesses interested in vending at new markets.

A project of this magnitude and undertaking comes with risks as well. The small grower population and low year-round production mean there is very low supply of locally grown product in the region. Farmers expressed their concerns over lack of labor and time to do value-added production or processing, despite wanting to be able to do this. There are also a number of successful farmers markets and farm stands in the RFV that may feel threatened by a new market channel selling similar products or

overlapping suppliers. Any new facility would need to ensure that they were bolstering existing markets, not detracting from infrastructure that's already in place. Down-valley inclusion in the project was another repeatedly cited concern, and ensuring their participation and access will be important in creating continued buy-in and support for the project.

Operating Model Implications from Research

The following section summarizes recommended facility operating model features based on the research analysis.

Food Warehouse

Warehouse space that provides cross-docking opportunities for food access organizations and leasable cold, frozen, dry, and root cellar space for farmers would be well received by the region. Additional considerations include

- Local food from farmers could also go to food access efforts.
- Warehousing for food bank is needed mid-valley and to supply pantry partners—there are no food pantries in El Jebel or Eagle County.
- A central warehouse would provide opportunity for the three-county region to coordinate and collaborate on food distribution (disconnected currently).
- Rentable farmer storage space would enable season extension and allow farmers to increase production and sales.

Commercial Kitchen

There is high interest in a processing kitchen space for farmers and food access organizations to process raw farm products and to capture more gleaned product to store/freeze. Additional considerations include

- Kitchen would also be used by community organizations to serve meals and teach classes (could be at a separate site).
- Kitchen would be used by growers in peak season to do value-added processing and flash freezing of raw farm product.
- Kitchen could potentially process crops for farmers for a fee in the future.
- Kitchen could potentially do specific value-added meat processing for specialty meat products like sausage or jerky.
- Local businesses, like caterers or food trucks, could rent space as well but not be the core user group.

Food Hall/Market

There is high interest in a year-round food hall/market for small businesses to have a retail opportunity to sell their products. Additional considerations include

- There would need to be access to kitchen prep space and ability to store cold/prepped product adjacent to food hall.
- Clear delineation between food hall and food pantry/free food would be required.
- Year-round indoor/outdoor operation would be preferable, including being open during the week.
- Car and van parking would need to be available.

Classroom Space/Community Space

There is much interest in a classroom or community space for food, ag, and nutrition-related programming and activities. Space can be flexible to accommodate small group classes or congregate meals of about 60 people.

Nutrition Education and Programming

Farmers and businesses were interested in accessing or having these types of programs and classes in their community.

Flexible Office Space

Two organizations mentioned a need for co-working/office space, and six food/farm businesses said office space would be of interest to them.

Location

Warehouse (Food Access)

- Most interviewees prioritize Carbondale as the central site, with the Emma site as second choice.
- There is also interest in an alternative location (El Jebel or Glenwood Springs).
- To be easily accessible and central for farmers—most growers were in Garfield County—Carbondale is the preferred warehouse location.
- Grand Junction is building two additional food warehouse sites (Food Bank and Waters Edge 365), which could be an easy drop-off site for down-valley growers.

Kitchen

- A processing kitchen should be centrally located to growers and gleaners in the mid-valley.
- A prep/catering kitchen is desired for food businesses, events, and organizations.

Food Hall

- A food hall should be located in Carbondale or adjacent to any new food prep kitchen space.
- Any new development must delineate the food hall from pantry/free food site.

Concept Model Development

Models 1-5 (Concept)

Informed by the analysis implications, NVA synthesized the demand across different spaces, function, and program needs to develop a series of concept models. Three initial models evolved over the course of February and March and were refined with project leads at the March 2023 workshop sessions. Models 1 and 3 were utilized during the March 2023 workshop sessions with all project partners and regional stakeholders.

Following the input collected at those sessions, the models were updated to reflect that feedback and two additional models (model 4 and model 5) were developed. Model 4 paired the feedback on the collaborative food access model with a newly identified site in Glenwood Springs. Model 5 was created in partnership with the OST project partners to reflect a baseline development model and costs for the Emma Store building site.

- **Model 1 (Emma store buildings site):** Model 1 was defined by the available parameters at the Emma site. An initial site evaluation assessed 6,000 square feet of programmable space potential and access limits based on traffic, parking, and location considerations.
- **Model 2:** Model 2 was a concept-only model, not attached to a specific site, which included all desired retail and public functions identified in the analysis (survey and interview inputs). This 40–45,000-square-foot model was developed for the purpose of creating a request for information (RFI) compatible with a location similar to the Carbondale City Market site if the LIFT-UP team or other project partners decided to re-engage the owners of that property or a similar property for the largest potential model.32 This model was not utilized in further review or feedback sessions as project partners determined it was unrealistic that any additional facility sites existed that met the sizing needs of this model.
- **Model 3:** Model 3 was a concept-only model, not attached to a specific site, which included all the desired spaces to support food access collaborations identified in the analysis. This model was developed to help participants in the March workshop sessions provide input and help refine their thinking on the food access infrastructure needs.
- **Model 4 (Glenwood Springs building site):** LIFT-UP identified a potential site in a Glenwood Springs business park following the March workshop sessions. This model, built off of model 3, is designed to service LIFT-UP's organizational needs and the integration of collaborative food access spaces and/or leasable storage space.
- **Model 5 (Emma Store building site – Baseline):** A final additional model of the Emma site was developed to represent the baseline financial costs of construction and site improvements needed to preserve and activate the site for any potential use.

For this report, model 1 and 5 (Emma store buildings) and model 4 (Glenwood Springs) will be discussed and built out for full operations, design, and financial feasibility assessments.

Community Workshop Sessions (March 2023)

At the conclusion of the analysis portions of the scope, NVA supported the project partners in organizing a full day of workshop sessions with regional stakeholders with the following five objectives:

[32] The City Market model RFI is included in the appendix documents.

1. Review all synthesized analysis conclusions and provide opportunities for interested stakeholders to provide feedback on those conclusions, adapt information shared, and discuss conclusions with their peers and colleagues.
2. Share initial concept models, discuss their ability to be supported at the Emma store buildings site, and provide opportunities for stakeholders to provide feedback on design, program elements, and site/location preferences.
3. Share initial budget models for the concepts and provide opportunities for stakeholders to ask questions, provide feedback, and provide input into financials.
4. Create an opportunity for all stakeholder groups to share their opinions and feedback in a peer-to-peer format.
5. Allow potential operators, tenants, facility users, program partners, and/or organizations with other opportunities or developments to share in a peer-to-peer format.

The workshop day was held on Wednesday, March 22, from 10 a.m. to 2:30 p.m. MST. The event was hosted by LIFT-UP at the Morgridge Commons facility in Glenwood Springs. Forty-seven stakeholders representing nonprofit organizations, small businesses, producers, agricultural programs organizations, municipal and county administration, education, and steering committee members attended the event. An additional 14 responded but were unable to attend, but 6 of those who did not attend in person followed up with input, feedback, or comments on the materials shared. A full list of all attendees is included in the appendix documents along with the presentation materials shared and updated to reflect the input collected at the conclusion of the peer-to-peer sessions.

Business and Financial Analysis

Models 1 and 5 – Baseline Development

Knowing that the cost to develop and preserve a historic site like the Emma Store buildings would be a significant investment for the community, Model 5 was developed to use as a "baseline" case that illustrates the minimum spend required to activate the Emma Site for any potential future uses. For this purpose, a cost model was built and detailed to illustrate the $2.5 million development cost.

Both Cost Models for the Emma site include spending assumptions across the following categories:

- **Minimum build and preservation costs to activate the buildings:** basic construction, demo, and utilities upgrades/installations
- **Specialization of the spaces within the facilities to meet minimum code standards:** addition of toilet facilities and accessibility upgrades
- **Preparation of the site for access by people and vehicles:** Highway connection, walkway access, parking, and building landscape and hard surface (including wayfinding, paint/marking, and appropriate accessibility inclusions)
- **Protection of the site against future highway/debris impacts:** protective fencing, soundproofing, and insulation
- **Basic energy improvements to offset future operational overhead:** solar incorporation and battery backup.

Model 1 builds upon the baseline represented in model 5 to illustrate how the site could be developed to support some of the specialized needs and functions of core stakeholder groups participating in this feasibility. Namely, a central valley location to assist food access organizations in expanding their distribution across the valley community and increasing collaboration amongst organizations.[33]

In addition to the baseline model, Model 1 also includes cost modeling to support:

- Specialization of the spaces within the facilities to service the desired functions identified in the feasibility study (food access, food distribution, and agricultural support functions).
- Additional environmental and energy considerations to offset future operational costs and make the site self-sufficient in a major emergency or disaster event.
- Facade and public-facing improvements to the exterior structure.

Model 5: Construction Cost Analysis

Table 20 illustrates the total project cost—including detailed construction costs - to support each component's spaces and soft constructions costs—which is estimated at $1,107,635. The costs and square footage are informed by the building program which is included in the Appendix documents.

[33] As discussed later in this report, the model also incorporates access opportunities for agricultural users (local producers) and public spaces.

TABLE 20: MODEL 5 CONSTRUCTION AND BUILD DEVELOPMENT COSTS

Building Component	Square Feet by Floor Plan: East Building Floor 1	West Building Floor 1	Access Building & Exterior Space	Combined Townsite Model: Square Feet	SF % of Total	$ Cost / SF	Total Cost
Phase I: West Building Development + Remediation, Energy Upgrades							
Multi-Use (General Warehouse or Cold Storage)	-	1,151	-	1,151	9.7%	$244.00	$280,844
Circulation (access to overhead loading)	-	347	-	347	2.9%	$63.80	$22,139
Toilets	-	50	-	50	0.4%	$430.00	$21,500
Vestibule (access to toilets and multi-use)	-	75	-	75	0.6%	$63.80	$4,785
Parking (Paved Areas for box truck, 3 car spaces, walkways, trash)	-	-	6,000	6,000	50.4%	$7.20	$43,200
Accessible Building Ramp	-	-	1,900	1,900	16.0%	$91.84	$174,496
Subtotal - Phase I	**-**	**1,623**	**7,900**	**9,523**	**80.1%**	**$57.44**	**$546,964**
Phase II: East Building Development							
Multi-Use (Warehouse or upgrade to other functions)	1,856	-	-	1,856	15.6%	$244.00	$452,864
Storage Closet	73	-	-	73	0.6%	$63.80	$4,657
Toilets	60	-	-	60	0.5%	$430.00	$25,800
Vestibule (access to toilets and multi-use)	88	-	-	88	0.7%	$63.80	$5,614
Subtotal - Phase II	**2,077**	**-**	**-**	**2,077**	**17.5%**	**$235.40**	**$488,936**
Phase III: Outbuilding Development							
Farm Equipment Storage (double height)	-	-	294	294	2.5%	$244.00	$71,736
Subtotal - Phase III	**-**	**-**	**294**	**294**	**2.5%**	**$244.00**	**$71,736**
Total Cost of Construction - All Phases	**2,077**	**1,623**	**8,194**	**11,894**	**100.0%**	**$93.13**	**$1,107,635**

Model 5: Remediation Cost Analysis

Utilizing the site for ANY potential functions or uses would require some remediation and development actions. The steering committee recommendations and OST project leads stipulated that the site development should integrate energy considerations to make the site compatible for emergency use and operationally sustainable long-term.

Initial site remediation includes protections for the building due to its proximity to the highway and the work needed to create functional utility supports (table 21).

TABLE 21: MODEL 5 - BASELINE SITE & ENERGY COST DETAIL

Remediation or Upgrade	PHASE 1	PHASE 2	PHASE 3
Protective Fencing (82 ft span) along highway barrier	$ -	$ 160,000.00	$ -
Access road and updates to 82 access lanes/turning lane.	$ 25,200.00	$ -	$ -

Remediation or Upgrade	PHASE 1	PHASE 2	PHASE 3
Traffic Study (Update)	$ 20,000.00	$ -	$ -
Water System work	$ 120,000.00	$ -	$ -
Electric System work	$ 150,000.00	$ -	$ -
Spetic System work	$ -	$ 20,000.00	$ -
Total Site:	**$ 315,200.00**	**$ 180,000.00**	**$ -**
Highway impact remediations	$ -	$ 17,200.00	$ -
Repairs and improvements on exterior historical edifices (side and former front sections)	$ -	$ 150,000.00	$ -
Total Building:	**$ -**	**$ 167,200.00**	**$ -**
Battery Station/Solar Array (Install)	$ -	$ -	$174,000.00
Total Green / Energy:	**$ -**	**$ -**	**$174,000.00**
SUBTOTALS BY PHASE	**$ 315,200.00**	**$ 347,200.00**	**$174,000.00**
TOTAL REMEDIATION	**$ 836,400.00**		

Model 5: Total Development Costs

The objective of introducing model 5 into the project was to create an understanding of the total base expense that would be required to develop the Emma Store buildings site for any potential future uses. The development of a building program informed the construction costs, quotes from local contractors and comparable modeling informed site and energy costs, and these were combined with itemized furntiture, fixtures and equipment (FF&E) to support each component space, and soft construction costs for a projected total of **$2.5 M** (table 22).

TABLE 22: MODEL 5 (BASE CASE) CONSTRUCTION AND DEVELOPMENT ASSUMPTIONS DETAIL

Project Item	Phase I	Phase II	Phase III	Total Site
Land Purchase (1)	-	-	-	-
Construction Costs	$546,964	$488,936	$71,736	$1,107,635
Site Remediation & Related Costs (building remediation, green / energy)	$315,200	$347,200	$174,000	$836,400
FF&E (outfitting, component equipment, fixtures, etc.)	$115,810	$89,110	$4,500	$209,420

Project Item	Phase I	Phase II	Phase III	Total Site
Soft Construction Costs	$162,460	$155,235	$43,454	$361,148
Design Development, Engineering, Other & Advisory Services (2)	$64,662	$62,710	$18,430	$145,803
Working Capital (3)	$97,797	$92,525	$25,024	$215,346
Total Construction & Development Cost of Project	**$1,140,433**	**$1,080,481**	**$293,690**	**$2,514,604**

Model 1 (Emma Store Buildings Site)

Specialization Informed by the Feasibility Study

Model 5 was developed to illustrate the minimum potential spend to remediate, prepare, and build out the Emma Store buildings site to support ANY potential future use. In the next section, model 1 builds upon that baseline to represent how the site could be developed to support some of the specialized needs and functions of core stakeholder groups participating in this feasibility. Namely, a central valley location to assist food access organizations in expanding distribution, collaborating to increase volumes available to the community, and potential incorporate more buying opportunities for local agricultural producers.

Site Evaluation

The site evaluation of the Emma store buildings site was undertaken to answer the following primary question: Can this particular building or site support the functions and uses currently under discussion for the proposed food hub? It is important to note that just because a function or use (such as warehousing or meeting space) was deemed functionally possible at this site does not mean that it will be the end recommendation once the analysis of the feasibility is complete.

A site evaluation included four assessments:

1. ***The condition of the land, any existing buildings, and the layout of the site***. This included a review of floorplans, site photos, a virtual tour, permit drawings and existing architectural designs, and related data sources to assess the current state. This evaluation parameter included inputs and recommendations made by the steering committee report and interviews with officials from the Colorado Department of Transportation on traffic, access, and highway impacts and restrictions. A turn analysis and initial traffic study, steering committee recommendations report, and site/land schematics were all supplied as resources by the partners.
2. ***Licensing, zoning, or regulatory restrictions***. This included a code review, zoning review, and review of licensing considerations for proposed future uses and audiences. Historical preservation requirements and environmental considerations were also reviewed during this analysis.
3. ***External recommendations and considerations***. This included interviews, a data review, and a literature review to gain political and community viewpoints on the proposed facility and site uses and preferred priorities of the community.
4. ***Cost and build assessment***. This included initial high-level cost modeling of needed functional upgrades, land modifications, and building costs to adapt the site to proposed functions.

Following these analyses, the site was deemed initially compatible with the proposed uses. It was noted in the evaluation that although none of these parameters eliminated the site from consideration for the proposed project uses, three key areas would place significant limitations or restrictions on programs and site function:

1. Site/building size. Based on the initial analysis, it was determined that the site would be "small" and might not support all demand or need (storage capacity, average user counts, etc.) within the space available.
2. Historical parameters for proposed uses. The steering committee recommendations included some public-facing potential future uses and uses that support the regional agricultural community, but the use of the facility to support distribution needs related to food access might fall slightly outside of those intended uses.
3. Traffic/access patterns of proposed uses. The site had specific truck access (per hour) limitations, parking limitations, and access restrictions (turn radius for truck sizes above 26 ft) that would severely limit the intended functions related to a food access distribution hub.34

The full site evaluation discussion was documented in a presentation deck that is included in the appendix documents.[35]

Site Remediation and Environmental Considerations

To utilize the site for the proposed hub functions or related uses, the site would require some remediation actions. The steering committee recommendations and Open Space and Trails project leads also stipulated that the site development should integrate green build and energy considerations to make the site both compatible for emergency use and compliant with energy conservation objectives of those organizations.

The primary site remediation included protections for the building due to its proximity to the highway and work needed to create functional utility supports, including[36]

- protective fencing that protects the building edifice from debris, snow, or highway impacts but also still allows for a visual sightline to the building for visitors
- access road updates from the Highway 82 turn lane and access lane to ensure appropriate access for approved trucks, personal vehicles, and safe integration of these lanes with existing bike and recreational path users
- updated traffic study to confirm volume parameters for truck, car, and related vehicle traffic

[34] The initial traffic assessment of the site noted a potential land use restriction of approximately ten vehicles per hour (including all car, truck, and related vehicle traffic) parking, accessing, or loading/unloading at the site. It was also determined in the truck turn analysis that WB67 and WB50 size trucks would not be able to access the site and safely execute turning needed to access the site and/or facility. Intermediate semi WB40 or smaller trucks would be allowed access.

[35] It is important to note that the site evaluation was conducted in tandem with initial analysis and not all analysis conclusions were fully synthesized prior to the presentation on site compatibility. This is an intended cadence to evaluate if the site ***should*** be considered once all operating implications and quantitative inputs have been synthesized. However, with that, some early recommendations on space programming were adapted once all information was at hand and could be used to evaluate and further develop design and programming.

[36] The septic system was upgraded during some initial site work prior to this study. A small budget was included for potential expansion or support tanks during phase 2 or 3 if additional restrooms or public spaces were incorporated into the design as proposed.

- installation of soundproof windows, glare windows, insulating or noise-dampening remediation into wall and air-gap build-out
- repairs and improvements to the historical edifice, including protection of the surface (block/brick/wood/exterior surfaces) and repair or reinforcement of various areas
- water system work, to potentially include a new Y joint to access existing systems, and supporting piping and connections for the installation of commercial/public restroom facilities
- electric system work, to include connections related to three-phase equipment (refrigeration), integration with energy components (solar/battery), emergency uses (generator or battery back-up), and all related technology connections

In addition, it was determined that ideally the site would be able to support emergency services such as food storage or holding during a disaster or emergency, emergency shelter, or related opportunities. Green build elements were incorporated into the construction budget projected, and a budget for a battery station build, solar array, and generator install were all incorporated. The full site remediation and energy upgrade budget is illustrated in table 23.[37]

TABLE 23: EMMA STORE BUILDINGS SITE - SITE REMEDIATION AND RELATED COST ASSUMPTIONS

Remediation or upgrade[38]	PHASE 1 (cost)[39]	PHASE 2 (cost)	PHASE 3 (cost)	Details
Protective fencing (82-ft span) along highway barrier	$160,000	$0	$0	• Fencing to protect building edifice from debris, winter effects, and other hazards. Range of options includes chain-link fence, acrylic panels, glare screen barrier, Blast-Safe Barrier Fence System (behind Jersey Barriers). Pricing ranges from $14K at low end through $140K high end. • Recommended by Colorado Department of Transportation • Pricing is based on quote spec for mid-range acrylic panel option plus buildout related to existing highway barrier system.
Access road and updates to Hwy 82 access lanes/turning lane	$505,120	$0	$0	• Recommended during initial traffic study—may include improvements to existing turn lanes, turn radius, addition of access road up to parking area. • Pricing is based on quote spec from asphalt and road improvements database.
Traffic study (update)	$20,000	$0	$0	• Update to traffic study to include more in-depth truck turn radius for finalized design related to access road, Highway 82 highway, parking, and loading access points.
Water system work	$120,000	$0	$0	• May include new Y joint to access existing structures, all new piping and connections, and commercial restrooms connections for water.
Electric system work	$150,000	$0	$0	• May include system connections for three-phase for equipment and connections into solar/battery system.

[37] The costs of remediation and energy build-out are addressed over three phases of development, which are explained in the next section of this report.

[38] Relocation of the buildings was discussed in initial pre-reading materials as a potential site remediation expense or option that could exceed $1 million if elected to be undertaken. However, an advisor on the steering committee noted that movement of the buildings (within the property or to an alternate site) might void the historical building designation and protections and thus would not be permitted. This expense was therefore not updated with a new quote or budget.

[39] Where not otherwise specified, pricing is based on requested quotes or pricing from two construction firms within the project region that the consulting firm has existing relationships with.

Remediation or upgrade[38]	PHASE 1 (cost)[39]	PHASE 2 (cost)	PHASE 3 (cost)	Details
Septic system work	$0	$20,000	$0	• Project team confirmed existing septic upgrades will support proposed uses. • Limited budget included depending on final uses chosen for east building activation in phase 2.
Total site:	**$955,120**	**$20,000**	**$0**	
Highway impact remediations	$29,400	$0	$0	• Includes soundproof windows, glare windows, insulating/noise dampening remediation to wall/air-gap build-out. • Pricing is based on quote for 12 or less windows plus insulation upgrades.
West building—repairs and improvements on exterior historical edifices (side and former front sections)	$140,000	$0	$0	• Pricing is based on quote for two sides edifice work.
East building—repairs and improvements to front entrance and exterior historical edifice (side and former front face)	$0	$160,000	$0	• Pricing is based on quote for two sides edifice work.
Total building:	**$169,400**	**$160,000**	**$0**	
Battery station/solar array (install)[40]	$249,000	$0	$0	• Pricing based on solar energy analysis and additional install costs to connect into three-phase support for equipment and emergency power needs.
Generator/back-up (Install)	$250,000	$0	$0	• Assumes generator to run all existing equipment and emergency operations and install and connection to electrical and green energy components.
Total green/energy:	**$499,000**	**$0**	**$0**	
Phase subtotals:	**$1,623,520**	**$180,000**	**$0**	
Total remediation/energy costs:	**$1,803,520**			

A solar energy analysis was performed to estimate initial solar energy costs and the long-term impact on utility spend for operational cost modeling (as included in the remediation costs above and in future budget discussions). Table 24 illustrates the initial input and annual operating expense assumed based on this research.

TABLE 24: SOLAR ENERGY ANALYSIS - BUILD AND OPERATING COST DETAIL

Solar panel system build		
Cost of solar panel system/watt	$3.00	
Solar watts/square foot	5.0	
Square footage of building using solar	11,600	
Total cost of solar panel system	**$174,000**	*<--- upfront capex spend*

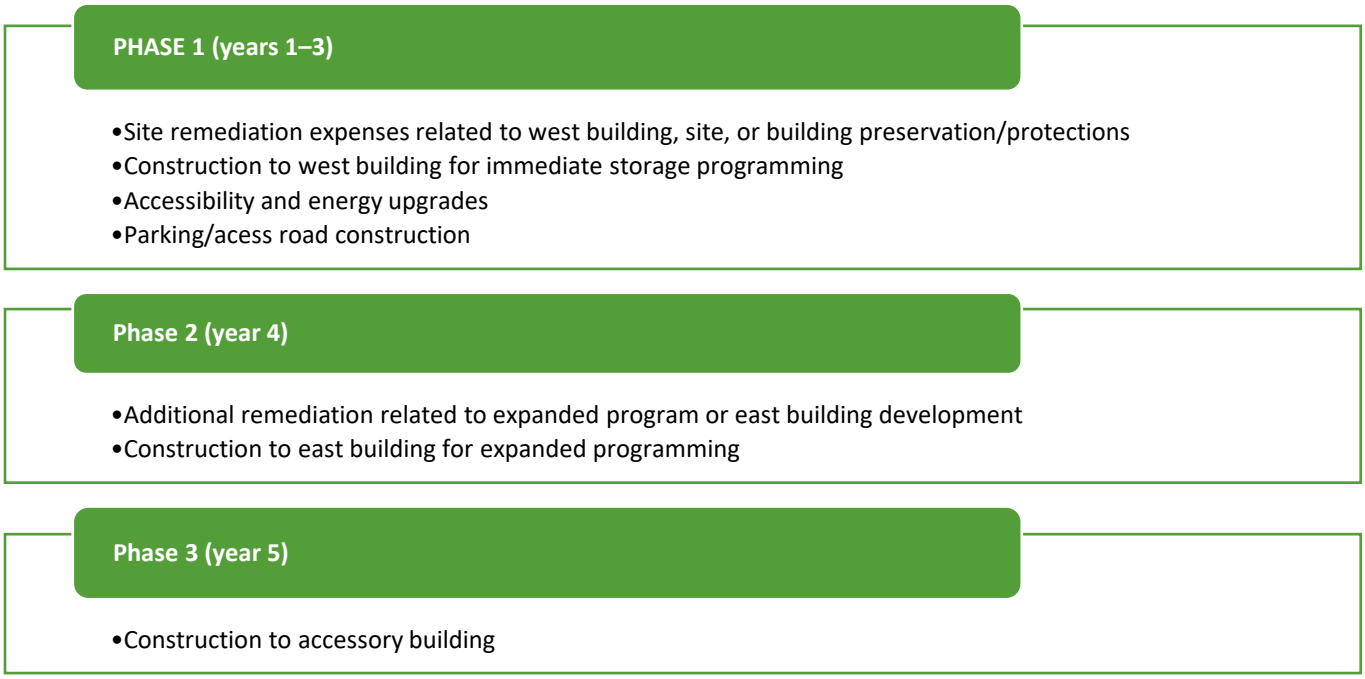
[40] A solar energy analysis was performed to estimate solar energy installation costs for modeling and the long-term impact of solar energy savings (for battery storage integration) on overall utility spend for operating modeling. This work is briefly addressed here and detailed with assumption citations in the accompanying financial sheets included in the appendix.

Solar power system energy cost (annual operation)		
Electric power kWh of electricity produced/year	50,435	
Estimated solar efficiency Gain	15.0%	
Solar power kWh of electricity produced/year	58,000	
Commercial electricity rate/kWh	$0.12	
Annual solar energy cost	**$6,960**	*<--- annual operating expense*

Phased Development (Three Phases)

It was determined during workshop and review sessions with the project team that it would be advantageous to phase the proposed development over three phases to spread costs over a longer timeline and ensure that each successive phase allowed for adaptation in response to how the proceeding phase was progressing. The proposed development timeline for programming the full set of Emma store buildings included (figure 6).

FIGURE 6: EMMA STORE BUILDINGS SITE PHASED CONCEPT MODEL OUTLINE



Each building phases is earmarked for development against a year in the initial five years of the building's operation. There is a longer timeline to allow for fundraising or evaluation between phase 1 and phase 2 as phase 1 has the largest initial development costs (site remediation, parking, building accessibility, and related costs).

Facility Program[41]

The Emma store buildings site is a collection of three structures sitting on a 12+ acre parcel. The primary structure (east and west buildings) could create 6,750 square feet of programmable space if all floors/levels are built out for utilization. An additional accessory building on the eastern side of the property provides an additional 588 square feet of programmable space (over two potential floors or levels).

TABLE 25: EMMA STORE BUILDINGS SITE EXISTING CONDITIONS

BUILDING	STORIES	TOTAL SQUARE FOOTAGE	NOTES
EAST "Store"	1	2,250	• Currently one level (raw space) • Renovated external shell • No internal development • Joint building with west (shares center wall) • *Undeveloped basement (partially dug out) could offer 500 sq ft additional space
WEST "Warehouse"	2*	2,000	• 2000 sq ft per level (raw space) • *No existing second floor – total square footage is only available if the second floor is built out and developed.
	TOTAL	**4,250**	• ***Immediately available space (6,250 if second floor developed; 6,750 if second floor and basement are developed)**
ACCESSORY	2	294	• 294 sq ft per level • *No existing second floor – total square footage is only available if the second floor or level is built out and developed

Based on the limited size and space available, and the access (truck volume and size) restrictions identified in the initial analysis, the most compatible programming for the building was identified as a combination of storage aimed at agricultural (and potentially food access users) and public-facing elements that highlighted and preserve the history of the site and buildings.

Storage Program

Both restrictive parameters, size and access, will limit the programming of storage related to food access organizations at the site. Initial volume estimates collected in the analysis from food access groups were significantly higher than available space at the Emma site could accommodate. Additionally, a majority of these groups had deliveries in semi (WB 67 or WB 50) sized trucks, especially those deliveries coming from the Food Bank of the Rockies, who would be unable to access this location.

However, local agricultural producers thought the location of the site could be compatible with their storage needs for short-term high-season cold storage (greens, perishable vegetable crops, animal protein, eggs, etc.) and longer-term off-season root storage. Equipment storage (for off-season or collaboration) was also a desired function for agricultural producers that the site could support.

[41] Facility program is a professional term that refers to how the building is approached from an operational, process flow, and design perspective to allocate space and function across its component spaces.

Food access nonprofits and organizations thought that the site could potentially support very short-term cross-docking need (overnight storage of small loads prior to mobile or small vehicle distribution).

With storage, the site could support limited space for sorting and packing/unpacking of loads. Any production or processing space (kitchen or wet processing space) would need more space than the facility would allow and was not included in designs or modeling.

The initial program includes dry, variable temp cold storage (36-38°F or roots at 40-50°F) and a limited pack area in the west building. The initial development plan is designed around a single floor space.

Phase 2 – Program Options

In phase 2, the east building would be developed. There are two potential development paths that phase 2 could take depending on the usage and current capacity of the west building:

- ***Public-facing elements*** – The east building could be programmed to support public-facing elements such as a small history museum or information space, a multi-use space (classroom or public support offering such as bike repair), and/or additional toilet facilities.
- ***Additional storage*** – If the west building is in high use, the east building could offer direct expansion of either dry or cold storage offerings and/or additional packing or wash areas.

If elected, there is a small dug-out area of basement or below-grade storage in the east building that could be further dug out to accommodate a traditional root storage or temperate dry storage area. It is assumed that the east building would remain a single floor space.

Phase 3 – Program Options

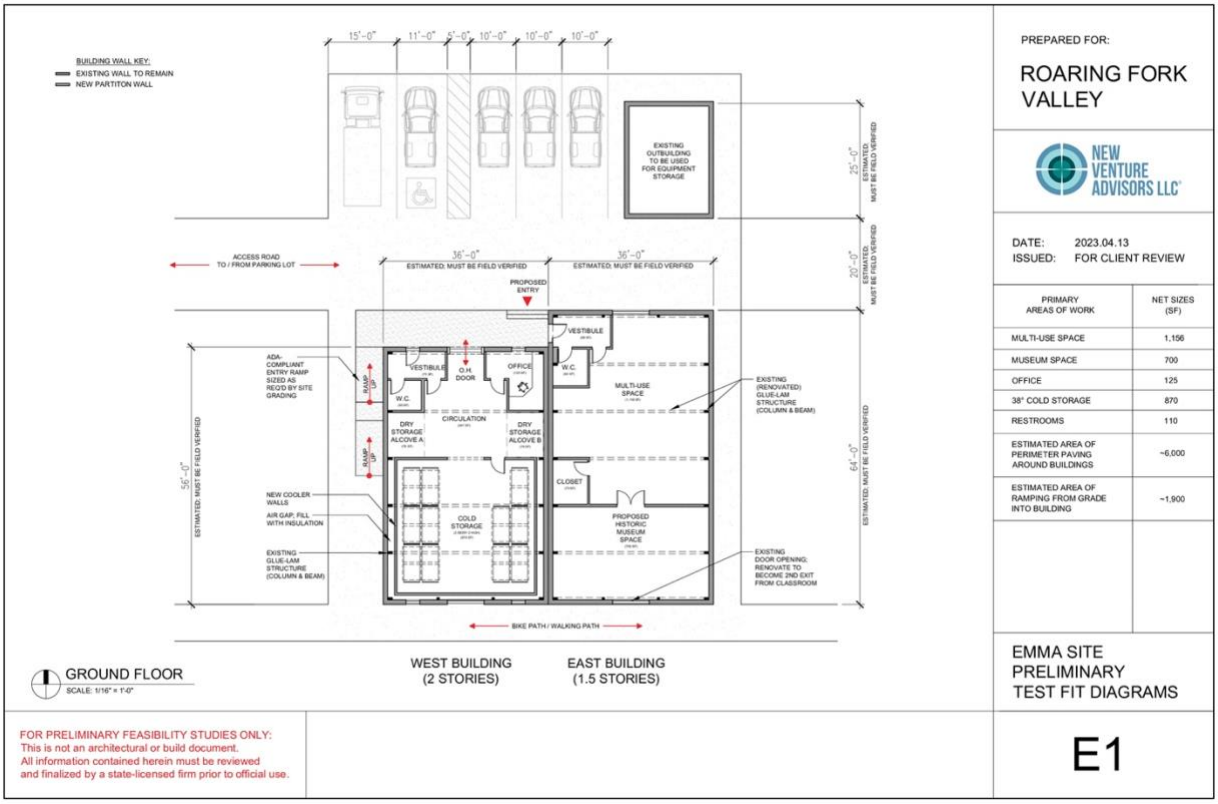
In phase 3, the accessory building would be developed to offer equipment storage for local agricultural producers to lease. The building could accommodate a single-height set-up for equipment storage with minimal upgrades to its structure. Although the accessory building could be split into two floors with existing head heights, this is not recommended if the desired function is to support tools, medium- to large-size farm equipment, and related wares.

Facility Design

With these programming considerations, the final iteration of the proposed design for the Emma store buildings site reflected the three phases of development, a small parking area, and accessibility upgrades. A full-scale version of the design is included in the appendix documents (figure 7).[42]

[42] The designs provided by NVA are intended for use in preliminary feasibility evaluation only and are not architectural or build documents. All information contained in this design must be reviewed and finalized by a state-licensed firm prior to official use.

FIGURE 7: EMMA STORE BUILDING SITES MODEL 1 DESIGN



The following considerations were incorporated into the design and building program based on all available information:

- **Access:**
  - A small access lane is depicted coming from the west, which would connect out to the Highway 82 west access area. This will need to be verified and routed by an engineer but is the recommended access direction.
  - Parking is illustrated for one truck (26 ft or less), one accessible vehicle, and three personal vehicles to support facility access for users, support staff, or the public. These spaces are depicted along the rear of the property as this is the most accessible from the western access lane.
  - An accessibility ramp has been depicted along the west building, which would allow for people and product to access the facility. It has been sized to accommodate both ADA compliance and a small forklift or pallet moving vehicle to access the facility from the rear (parking area).
  - A garage door (street level loading access via the ramp) has been added into the rear of the facility. The limited building-face space, truck restrictions (turn radius), and product mix preferences from potential users (farmers and producers using hand-trucks or similar) would be most compatible with an at-grade access door rather than a loading dock or leveling loading dock.

- **Storage elements:**
    - Cold storage has been depicted as a single space that could be allocated into zones with the use of a cold-bot or similar mechanicals to support one to two zones of cooling and holding.
    - Dry storage was in limited demand (primarily from food access organizations for temporary holding/cross-docking), so a limited amount has been depicted in phase 1. If food access partners utilize the site, this could be directly expanded into the east building in phase 2.
- **Public washrooms/toilets:**
    - Two public toilets (one in phase 1 and one in phase 2) are depicted that could be isolated to allow access by trail users or the public during hours when the rest of the facility is not operational.
    - Only one toilet would be required for the facility (based on expected occupancy) and it would ideally be located in the East building side (near public access points for ease of use). However, if the development is phased, the project team will have to decide to either build two toilets (as depicted) or build one and locate it in the West building (although this utilizes needed storage square footage and there is not ideal for space use).
- **Museum/front building access:**
    - A small museum or historical/public space has been depicted in phase 2 (east building) that would utilize the historic front-of-building door access.
- **Glue-lam structure and air-gap:**
    - The rendering keeps the existing glue-lam reinforcement structures in place to control re-development costs.
    - The west building includes an air-gap to allow for additional insulation to support cold holding needs in the space.

Facility Sizing and Building Program

Based on the proposed program of the space and the design illustrated above, a building program was created that identifies the square footage allocations across the spaces and ideal adjacencies in the building.[43]

The building sizing is constrained by existing building structures, but the total build will develop 11,894 square feet of space to support all identified programming and site upgrades (~4,000 square feet of interior space and ~7,000 square feet of exterior space and parking). Sizing recommendations for the various spaces within the building were sized based on inputs from the analysis gathered from survey and interview data provided by food access, small business, and producer participants. This data was used to define the minimum viable square footage recommended for the storage, production, and public-facing spaces of the facility. These sizing inputs are detailed in the financial workbook included in the appendix materials. The design schematic (detailed above) utilized the sizing inputs to produce a potential recommended design that integrated and prioritized spaces based on partner input. The final sizing, detailed in the building program below, is informed by the workbook sizing exercise and finalized by the schematic design that was overlayed onto existing schematics of the building site.

[43] Building program is a professional term used by operating and design professionals to refer to the space allocation designations that accompany designs such as architectures, risers, and renderings.

The building program also assigns a per-square-foot construction cost against each space (table 26). These costs are based on three sources of national construction firm data that have been specified against a region (western plain states, Colorado), for a type of build area (semi-urban), for new development, and includes a 35 percent cost increase to integrate green build and/or historic preservation impacts on building material costs.[44]

TABLE 26: EMMA STORE BUILDINGS SITE CONSTRUCTION COST PER SQUARE FOOT

Construction estimates	Per square foot (BASE)
Cold storage*	$ 276.75
Frozen storage*	$ 311.85
Warehouse/light industrial space	$ 270.00
Office space	$ 510.30
Event/classroom (with technology)	$ 734.40
Hospitality/kitchen	$ 637.88
Toilets/locker rooms	$ 540.00
Support/functional spaces	$ 384.75
Parking/exterior surface spaces	$ 123.98

TABLE 27: EMMA STORE BUILDINGS SITE BUILDING PROGRAM

DESIGNATED USE	EMMA TOWNSITE MODEL 1 Square Footage by Floor Plan				CONSTRUCTION PER SQUARE FOOT (ESTIMATES)
Phase 1	**EAST BUILDING Floor 1**	**WEST BUILDING Floor 1**	**ACCES. BUILDING & EXTERIOR**	**Total SF - Model 1**	
Variable temp (segmented room - cold bot/dual zones)				-	$276.75
Zone 1 (segment) - cold (multiple zones)		870		870	$276.75
Zone 2 (segment) - warehouse/dry		-		-	$276.75
Circulation (including access to overhead door/loading from parking lot)		347		347	$384.75
Dry storage alcoves (ambient alcoves with shelving)		156		156	$384.75
Mechanical room (Included in above)		-		-	$384.75
Janitorial support space (included in above)		-		-	$384.75
Operator's office (1–2 person)		125		125	$510.30
Toilet (single, unisex, accessible from exterior)		50		50	$540.00
Vestibule (access to toilet room; access to multi-use space)		75		75	$384.75
Required support functions (circulation/transit hallways)	-	-	-	-	$123.98

[44] Even though the Emma site has existing buildings, they are exterior shells only and thus will require full structural and elemental build-out; therefore, all costs have been allocated as "new build" versus a traditional refurbishment of an existing building, which would have existing structures, utilities, etc.

DESIGNATED USE	EMMA TOWNSITE MODEL 1 Square Footage by Floor Plan				CONSTRUCTION PER SQUARE FOOT (ESTIMATES)
Parking (paved areas for box truck, 3 car spaces, walkways, trash)			6,000	6,000	$123.98
Accessible building ramp			1,900	1,900	$123.98
Outdoor support spaces				-	$123.98
Phase 1 totals	**-**	**1,623**	**7,900**	**9,523**	
Phase 2: East building development - museum/additional storage, potential basement space					
Proposed historic museum space	700			700	$510.30
Multi-use space	1,156			1,156	$734.40
Storage closet	73			73	$270.00
Toilet (ADA compliant; accessible from exterior off-hours)	60			60	$540.00
Vestibule (access to toilet room; access to multi-use space)	88			88	$384.75
Phase 2 totals	**2,077**	**-**	**-**	**2,077**	
Phase 3: Outbuilding development					
Storage - farm equipment (double height space)			294	294	$270.00
Phase 3 totals	**-**	**-**	**294**	**294**	

Operating Model

Across the phases of development, the model will have two primary business functions and thus two customers or clients (in modeling nomenclature). In phase 1, the primary business function is leasable storage space that supports agricultural or food access customers—the facility is being re-developed to support food security in the region. The objective is not to generate profit or revenue but to charge nominal rates to offset minimal operational needs.

In phase 2, the primary business function could be expanded, or an additional function of public access spaces and programs could be integrated. Incorporating a museum or public-facing space such as a multi-use training space would change the customer base to include members of the public. The facility's purpose is expanded to include public supports. The objective is still to charge nominal fees to offset minimal operational needs and preserve a historic site.

The table below details these primary operational contexts (table 28).

TABLE 28: EMMA STORE BUILDINGS SITE OPERATIONAL CONTEXTS

Phase	Business function	Description	Audience/client
Phase 1	Leasable storage (cold/dry)	• Leasable rates by storage pallet or shelf – assumes rate will be below market (subsidized) to support greater farmer access • Subsidized rates: $8 per pallet per month (short-term, ~18 sf each); $30 per pallet per 3 months (long-term, ~18 sf each) • Market rates: $30–35 per pallet per month (short-term); $60–75 per pallet per longer term	• farmers • food access organizations • small businesses

		• Includes dock access	
Phase 2	Museum space	• Donation or suggested fee to support historic preservation • $5–10 per person per visit	• public
Phase 2	Classroom or multi-use space	• Assumes class fee based on course topic • Training such as HACCP, GAP certification, business programs • Public classes such as nature-based, history, or demonstration related to ag • Space could also be leasable • $10–50 per class depending on topic	• farmers • food access organizations • small business • public
Phase 3	Leasable storage (equip)	• Leasable rates by equipment or space designation • Flat Fee ($20–40 per space per season)	• farmers

Equipment Considerations

For the development planned, a detailed roster of equipment was built out across all three phases of development for each of the component spaces. This equipment was spec'd in a quote from a national supplier and used to estimate initial equipment spend for the cost model (table 29).[45]

TABLE 29: EQUIPMENT MATRIX (DETAILED, ITEMIZED EQUIPMENT FOR ALL PHASES)

	RECOMMENDED EQUIPMENT	COUNT	SPEC COST	UNIT	EST TOTAL COST	PHASE 1	PHASE 2	PHASE 3	COMMENTS
1	**WAREHOUSE AND STORAGE SPACES**								
	Control systems software budget	1.00	$3,000	budget	$3,000	$3,000	$1,200	$0	Inventory management and/or booking software initial set-up budget; phase 2 expansion
	Handwashing sink with faucet mount	1.00	$250	ea	$250	$250	$250	$0	wall mount, no wings, faucet included
	Mop sink (janitorial use)	1.00	$850	ea	$850	$850	$850	$0	
	Commercial spray hose + nozzle	1.00	$250	ea	$250	$250	$250	$0	(mop sink set-ups)
	Forklift (basic model, small size)	1.00	$38,000	budget	$38,000	$38,000	$0	$0	loading/unloading (pallet based system) - loading larger delivery vehicles
	Pallet jack (automatic)	2.00	$5,000	ea	$10,000	$10,000	$0	$0	attached to each loading and/or receiving area to transverse the space
	Transport carts	2.00	$200	ea	$400	$400	$0	$0	push/pull carts for users to transport goods/products between spaces
	Dolly/handtruck	2.00	$225	ea	$450	$450	$0	$0	handtrucks for box movement between spaces

[45] Due to the variability of the commercial equipment market, all spec quotes are for 30 days. Actual equipment costs will vary for regional supplier costs and final implementation date.

	RECOMMENDED EQUIPMENT	COUNT	SPEC COST	UNIT	EST TOTAL COST	PHASE 1	PHASE 2	PHASE 3	COMMENTS
	Pallet racking or shelving to support storage spaces	2.00	$4,500	budget	$9,000	$9,000	$9,000	$4,500	budget per warehouse/storage space ($4,500)
	Humidity gauges	3.00	$120	ea	$360	$360	$360	$0	one per storage/holding space
	Temperature gauges and emergency alert system	2.00	$1,200	budget	$2,400	$2,400	$1,500	$0	one per storage space (system expanded phase 2)
	ColdBot (unit)	1.00	$60,000	budget	$60,000	$50,000	$60,000	$0	
	SPACE SUB-TOTAL					**$114,960**	**$73,410**	**$4,500**	
2	**OTHER SPACES**								
	Office space								
	Desk, chair, storage budget	1.00	$850	ea	$850	$850	$0	$0	
	Multi-use space								
	Desk, chair, storage budget	1.00	$5,000	ea	$5,000	$0	$5,000	$0	
	A/V install and configure budget	1.00	$8,500	budget	$8,500	$0	$8,500	$0	
	Museum space								
	Budget for outfitting	1.00	$2,200	ea	$2,200	$0	$2,200	$0	
	SPACE SUB-TOTAL					**$850**	**$15,700**	**$0**	
					Total itemized FF&E:	**$115,810**	**$89,110**	**$4,500**	

Operator Role and Labor Considerations of the Model

An operator has not been identified for the proposed development of the Emma store buildings site. The buildings will continue to be owned and overseen by Pitkin County Open Space and Trails and its advising bodies. Initial conversations with the project partners were that a paid role could be instituted on a part-time to full-time basis to oversee phase 1.[46] In phase 2, additional roles would be needed to support the museum and/or any additional public functions. All of these roles could be offset by the budgets of partners based on the services and audiences they serve, or additional grant funding could be sought based on the agricultural, food security, and historic preservation mission of the facility program.

A detailed labor model based on limited roles was developed for the building program and to inform financial models. Table 30 includes all relevant roles and budgets related to labor.

[46] Initial conversations with project partners identified that a part-time or full-time role might be supported by one of the partners in the initial years of development. Analysis also identified that there are private operators in the region who might be interested in supporting the facility operationally if funding existed to offset these roles. As the final program for the site has not been finalized and will require approval of the steering committee, Open Space and Trails board, and other bodies, these conversations will need to be continued once a building program is finalized.

TABLE 30: EMMA STORE BUILDINGS SITE NEW LABOR ROSTER

BLDNG #	BUILDING ID	PHASE	ADDITIONAL ROLES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
WEST	Warehouse/storage	1	Facility manager (warehouse/aggregation)	$89,737.95	$92,430.09	$95,202.99	$98,059.08	$101,000.85
EAST	Multi-purpose space	2	Programs lead/museum docent				$45,372.07	$46,733.24
		2	Volunteer staff supports (museum/programs)				$0.00	$0.00
	TOTALS			**$89,737.95**	**$92,430.09**	**$95,202.99**	**$143,431.15**	**$147,734.09**
				Annual Growth:	*3.0%*	*3.0%*	*3.0%*	*3.0%*

SG&A Expenses Detail

Sales, general, and administrative costs (SG&A) consist of security monitoring, cleaning/supplies, packaging, and general services and building/vehicle improvements sufficient to operate the campus and are grown at 3 percent per year in the general operational budget.

TABLE 31: EMMA STORE BUILDINGS SITE SG&A EXPENSE DETAILS

EXPENSE CATEGORY	ANNUAL?	BASE COST	NOTES
Pest management	Annual	$ 800.00	
Preventative maintenance for equip	Annual	$ 3,300.00	*3% for compressors/storage units
Repair/replace budget for equip	Annual	$ 5,500.00	*Flat assumption - storage units, energy grid, small mechanicals
Licensing, regulatory, inspections (city/state/fed)	Annual	$ 250.00	
USDA certification + inspections/audits	Annual	$ 1,000.00	
Insurance	Annual	$ -	* Insurance cost itemized separately in operating cost forecast
Security and key card (operations/maintenance)	Annual	$ 500.00	
Waste management	Annual	$ 1,200.00	* Waste management cost itemized separately in operating cost forecast
Janitorial resources (budget)	Annual	$ 500.00	
Lawn/landscaping resources/snow removal (budget)	Annual	$ 1,200.00	
Maintenance general site resources (budget)	Annual	$ 1,200.00	
Total		**$15,450.00**	

Case Studies

During the March 2023 workshop session, NVA provided case studies that illustrated comparable projects offering similar services and programmed spaces in a sustainable operational model. The two case studies featured in relation to the suggested program for the Emma store buildings site were

- Swamp Rabbit Café and Grocery, Greenville, South Carolina
- The Valley Roots Food Hub (and Colorado Food Hub Network), Mosca, Colorado

Both case studies are detailed in the presentation slides included in the appendix documents from the March 2023 workshop materials.

Construction and Development Budget

Table 32 summarizes the total build budget for the Emma store buildings site model as detailed in the component space sections in the report. The total construction budget for the facility is estimated at $2,904,944 for all component spaces, including some supporting build needs (space for necessary circulation and transit hallways).

TABLE 32: EMMA STORE BUILDINGS SITE CONSTRUCTION AND BUILD BUDGET (DETAIL)

	Construction cost assumptions						
	Square feet by floor plan			Combined townsite model			
	East building floor 1	West building floor 1	Access building & exterior space	Square feet	SF % of total	$ cost / SF	Total cost
Zone 1 - cold	-	870	-	**870**	**7.3%**	**$276.75**	**$240,773**
Circulation (access to overhead loading)	-	347	-	**347**	**2.9%**	**$384.75**	**$133,508**
Dry storage alcoves	-	156	-	**156**	**1.3%**	**$384.75**	**$60,021**
Operator's office	-	125	-	**125**	**1.1%**	**$510.30**	**$63,788**
Toilets	-	50	-	**50**	**0.4%**	**$540.00**	**$27,000**
Vestibule	-	75	-	**75**	**0.6%**	**$384.75**	**$28,856**
Parking (box truck, 3 car spaces)	-	-	6,000	**6,000**	**50.4%**	**$123.98**	**$743,904**
Accessible building ramp	-	-	1,900	**1,900**	**16.0%**	**$123.98**	**$235,570**
Subtotal - Phase 1	**-**	**1,623**	**7,900**	**9,523**	**80.1%**	**$161.02**	**$1,533,419**
Historic museum	700	-	-	**700**	**5.9%**	**$510.30**	**$357,210**
Multi-use space	1,156	-	-	**1,156**	**9.7%**	**$734.40**	**$848,966**
Storage closet	73	-	-	**73**	**0.6%**	**$270.00**	**$19,710**
Toilets	60	-	-	**60**	**0.5%**	**$540.00**	**$32,400**
Vestibule (access to toilets and multi-use)	88	-	-	**88**	**0.7%**	**$384.75**	**$33,858**
Subtotal - Phase 2	**2,077**	**-**	**-**	**2,077**	**17.5%**	**$622.12**	**$1,292,144**
Farm equipment storage (double height)	-	-	294	**294**	**2.5%**	**$270.00**	**$79,380**
Subtotal - Phase 3	**-**	**-**	**294**	**294**	**2.5%**	**$270.00**	**$79,380**
TOTALS	**2,077**	**1,623**	**8,194**	**11,894**	**100.0%**	**$244.24**	**$2,904,944**

The accompanying table summarizes the total build budget and upfront project costs for each component in the proposed facility development model. The building program, based on the initial schematic design, was used to validate square footage and process flow to accommodate all building components and their respective functional uses. Construction costs are detailed by component based on an estimated price per square foot when taking into consideration necessary equipment, capacity, and space buffering.[47]

[47] Construction cost assumptions are detailed in the prior section related to the building program.

Table 33 illustrates the total project cost—including all construction costs, itemized furniture, fixtures, and equipment (FF&E) to support each component's spaces and soft constructions costs—which is estimated at $5,762,807.

TABLE 33: EMMA STORE BUILDINGS SITE TOTAL DEVELOPMENT COSTS

Project item	Phase 1	Phase 2	Phase 3	Total townsite
Land purchase	-	-	-	-
Construction costs	**$1,533,419**	**$1,292,144**	**$79,380**	**$2,904,944**
Site remediation & related costs (building remediation, green/energy)	**$1,623,520**	**$180,000**	**$0**	**$1,803,520**
FF&E (outfitting, component equipment, fixtures, etc.)	**$115,810**	**$89,110**	**$4,500**	**$209,420**
Soft construction costs (includes both items detailed below)	**$564,045**	**$266,536**	**$14,342**	**$844,923**
Design development, engineering, other & advisory services	$236,770	$110,411	$5,954	$353,135
Working capital	$327,275	$156,125	$8,388	$491,788
Total construction & development cost of project	**$3,836,794**	**$1,827,791**	**$98,222**	**$5,762,807**

The assumptions detailed in the above table include

- Pitkin County Open Space and Trails currently owns the land and will continue as landlord and owner of the full property parcel. There is no lease or purchase cost associated with the land.
- Estimated cost of construction per square foot has been itemized in the building program according to each programmed space/space function.
- Total development includes 11,894 square feet (this includes all interior space in three buildings and the exterior development spaces).
- Total estimated cost of construction is $2,904,944.
- Remediation costs (detailed in the earlier section) include all recommendations from the steering committee report, which have been requoted by Colorado contractors for $1,803,520.
- FF&E, detailed in the earlier equipment section, is $209,420.
- Soft construction costs, which include design development, engineering, and other advisory services, of $844,923 are estimated at 7.5 percent of the total construction budget.
- A working capital budget of 10 percent of total construction, site remediation, and FF&E is allocated to offset initial development needs.

The construction costs were also broken out to illustrate the allocation of costs over the five-year development timeline (table 34).

TABLE 34: EMMA STORE BUILDINGS SITE DEVELOPMENT COSTS ACROSS PHASED TIMELINE

Illustrative construction cost timeline by phase	Year 1	Year 2	Year 3	Year 4	Year 5	Total C&D
PHASE 1: Years 1–3						
Construction	$511,140	$511,140	$511,140			**$1,533,419**
Site remediation	$541,173	$541,173	$541,173			**$1,623,520**
FF&E	$38,603	$38,603	$38,603			**$115,810**
Soft costs	$188,015	$188,015	$188,015			**$564,045**
PHASE 1: Total C&D expense	**$1,278,931**	**$1,278,931**	**$1,278,931**			**$3,836,794**
PHASE 2: Year 4						

Construction				$1,292,144		**$1,292,144**
Site remediation				$180,000		**$180,000**
FF&E				$89,110		**$89,110**
Soft costs				$266,536		**$266,536**
PHASE 2: Total C&D expense				**$1,827,791**		**$1,827,791**
PHASE 3: Year 5						
Construction					$79,380	**$79,380**
Site remediation					$0	**$0**
FF&E					$4,500	**$4,500**
Soft costs					$14,342	**$14,342**
PHASE 3: Total C&D expense					**$98,222**	**$98,222**
TOTAL C&D Costs - ALL PHASES	**$1,278,931**	**$1,278,931**	**$1,278,931**	**$1,827,791**	**$98,222**	**$5,762,807**
Cumulative % of total	***22.2%***	***44.4%***	***66.6%***	***98.3%***	***100.0%***	
Cumulative YoY growth		*100.0%*	*50.0%*	*47.6%*	*1.7%*	

Capital Source Scenarios

Table 35 illustrates three potential capital scenarios related to the development of the Emma store buildings site. Capital projects of this size in comparable locations typically utilize a combination of grant funding and low interest debt sources that may be available from the federal government or related programs. A funding development plan will need to be developed that integrates different funding resources and tools to raise the needed capital for this project. [48]

Table 35 shows three hypothetical capital funding scenarios based on varying levels of debt financing to fund the construction and development costs of the Emma Store townsite. Assuming a zero-debt funding scenario, the top end of grant proceeds required totals $5,762,807. Should debt financing be available to cover the construction and development costs less the site remediation expenditures, the bottom end of grant proceeds required would be $1,803,520. The third scenario to the far right reflects grant funding to cover the total site remediation expenditures plus fifty percent of the remaining construction and development proceeds. Grant funding proceeds under this scenario total $3,783,163. Given current conditions of the commercial real estate bank financing market, a debt funding range of roughly thirty to seventy percent of total construction and development costs could be explored with a strong banking partner.

TABLE 35: EMMA STORE BUILDINGS SITE POTENTIAL CAPITAL SOURCE SCENARIOS

	Full grant funding		Grant (remediation) + debt		Grant (rem. & 50% C&D) + debt	
Source	Funding	% of total	Funding	% of total	Funding	% of total
Debt	$0	0%	$3,959,287	69%	$1,979,643	34%
Equity	$0	0%	$0	0%	$0	0%

[48] Funding development planning related to both sites is addressed in the "Funding Development Plan" section later in this report.

Grant funding/donations/private funds	$5,762,807	100%	$1,803,520	31%	$3,783,163	66%
Total	$5,762,807	100%	$5,762,807	100%	$5,762,807	100%

Operating Budget

Table 36 illustrates the breakout of total operational costs necessary for the facility to scale over the life of the forecast and three phases of development. The facility will need to be able to offset annual operating overhead expenses of $152,436 in year 1 rising to $178,064 in year 5 (with the increase predominantly due to additional labor roles).

TABLE 36: EMMA STORE BUILDINGS SITE OPERATING COST MODEL

			Year 1	Year 2	Year 3	Year 4	Year 5
Financing Costs							
Debt (principal & interest payments)[49]			$0	$0	$0	$0	$0
Operational costs	**$ per SF**	**% increase YoY**					
Payroll costs[50]		3%	$89,738	$92,430	$95,203	$143,431	$147,734
Utilities[51]	$2	3%	$30,748	$31,670	$32,621	$33,599	$34,607
Insurance[52]		1%	$16,500	$16,665	$16,832	$17,000	$17,170
SG&A/general overhead[53]		3%	$15,450	$15,914	$16,391	$16,883	$17,389
Total operating costs			**$152,436**	**$156,679**	**$161,046**	**$210,913**	**$216,900**
Operating profit/EBITDA Margin	0%		$0	$0	$0	$0	$0
Revenue required			**$152,436**	**$156,679**	**$161,046**	**$210,913**	**$216,900**
Annual component/lease revenue required	**Allocation (Years 1-3)**	**Allocation (Years 4-5)**					
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$152,436	$156,679	$161,046	$173,149	$178,064
Phase 2: East building development	0.0%	17.9%	$0	$0	$0	$37,764	$38,836
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0

[49] For this initial modeling, it was assumed that the 100 percent grant funding scenario was utilized. The full financial model workbook was provided to the project partners and is a tool that can be updated to reflect interest and amortization if debt is utilized as a financing vehicle.

[50] Includes the total headcount (full time/hourly), wages, taxes, and benefits required for each component – detailed in the prior labor section.

[51] Includes electricity (with solar power/battery offsets), gas, water, waste removal, etc.

[52] Includes assumptions for property, general liability, and worker's comp. insurance. Property taxes applicable only if for-profit, so they are not included in these assumptions.

[53] Includes security monitoring, facilities cleaning and supplies, packaging, general overhead, etc., detailed in the SG&A section prior.

Table 37 details the operating expenses across all three phases by component (payroll, utilities, insurance, SG&A, and dedicated labor). The table illustrates the total operational overhead needed to offset operations in years 1-5 as each space is activated and helps to illustrate the different financial burden that each successive phase adds in relation to the project as a whole.

TABLE 37: EMMA STORE BUILDINGS SITE DETAILED OPERATING COSTS BY COMPONENT SPACE

			Year 1	Year 2	Year 3	Year 4	Year 5
Shared payroll - full campus[54]							
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$0	$0	$0	$0	$0
Phase 2: East building development	0.0%	17.9%	$0	$0	$0	$0	$0
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Utilities			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$30,748	$31,670	$26,780	$27,583	$28,411
Phase 2: East building development	0.0%	17.9%	$0	$0	$5,841	$6,016	$6,196
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$30,748**	**$31,670**	**$32,621**	**$33,599**	**$34,607**
Insurance			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$16,500	$16,665	$13,818	$13,956	$14,096
Phase 2: East building development	0.0%	17.9%	$0	$0	$3,014	$3,044	$3,074
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$16,500**	**$16,665**	**$16,832**	**$17,000**	**$17,170**
SG&A/general overhead			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: West building development + remediation, energy upgrades	100.0%	82.1%	$15,450	$15,914	$13,456	$13,860	$14,276
Phase 2: East building development	0.0%	17.9%	$0	$0	$2,935	$3,023	$3,114
Phase 3: Outbuilding development	0.0%	0.0%	$0	$0	$0	$0	$0
Total	**100.0%**	**100.0%**	**$15,450**	**$15,914**	**$16,391**	**$16,883**	**$17,389**
TOTAL OPERATING EXPENSES (EXCLUDING DEDICATED LABOR)			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: West building development + remediation, energy upgrades	**100.0%**	**82.1%**	**$62,698**	**$64,249**	**$54,054**	**$55,399**	**$56,782**
Phase 2: East building development	**0.0%**	**17.9%**	**$0**	**$0**	**$11,789**	**$12,083**	**$12,384**
Phase 3: Outbuilding development	**0.0%**	**0.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Total	**100.0%**	**100.0%**	**$62,698**	**$64,249**	**$65,843**	**$67,482**	**$69,166**

[54] Payroll is split into two views – shared payroll would be rolls that support the campus as a whole and/or are required across all spaces and component functions. For this model, labor has been detailed in the later "dedicated labor" section as the roles are specific to space and function across phases. If additional storage is added in phase 2 as a program in the current "multi-use" space, the manager/lead role attached to storage currently could be re-classified as a shared payroll role if the operator so chooses.

	Year 1	Year 2	Year 3	Year 4	Year 5
Dedicated component labor	Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1: West building development + remediation, energy upgrades	$89,738	$92,430	$95,203	$98,059	$101,001
Phase 2: East building development	$0	$0	$0	$45,372	$46,733
Phase 3: Outbuilding development	$0	$0	$0	$0	$0
Total	**$89,738**	**$92,430**	**$95,203**	**$143,431**	**$147,734**
	Year 1	Year 2	Year 3	Year 4	Year 5
TOTAL OPERATING EXPENSES (INCLUDING DEDICATED LABOR)	**$152,436**	**$156,679**	**$161,046**	**$210,913**	**$216,900**

As table 37 illustrates, the facility has fairly stable operating costs of approximately $60,000 a year for general overhead. The addition of labor causes the climb to over $150,000 across all years. The labor (as detailed prior) might be a cost that can be offset by operating partners or supported by volunteer roles focused on education or access for the public. This would significantly reduce the needed overhead cashflow.

Site 2 (Glenwood Springs/ LIFT-UP Site)

Initial Concept Model (Model 3)

The Glenwood Springs site was not identified until after the March 2023 workshop sessions. During the workshop sessions the discussion was still focused on "model 3," which was a concept model developed to address all of the desired spaces, functions, and programs for LIFT-UP to share space with the other food access nonprofit organizations with the objective of increasing collaboration and thus food security in the RFV.

Based on initial sizing inputs provided by these nonprofits during the analysis, the Emma store buildings site was deemed too small to support all the primary desired component spaces, which included a shared kitchen or production space, warehouse and storage, crop processing (wet wash space), packaging space for groups of 20–30 volunteers to pack food access boxes or bags, and gathering spaces (offices, training space, etc.). Model 3 was thus developed for the purpose of meeting with these organizations during the workshop sessions to gain input and feedback on the potential design – even though the design/concept was not attached to a physical site. The proposed facility design (figures 8 and 9) was a two-store facility sized to approximately 20,000 square feet that could support all desired function.

The facility was different than model 2 in that it did not include any public-facing spaces (i.e., retail, market, gathering) except for a small pantry space. The assumption was that the ideal facility would be a distribution and production facility being used primarily by the food access nonprofits and potentially with additional space to support local producer or farmer access above and in complement to the space being provided at the Emma store buildings site.[55]

[55] The integration of retail elements and public spaces was initially included because it was believed that space in the City Market building would need to be filled and help offset lease and operating costs. Once the City Market building was no longer an available option for this facility project, the retail elements were not prioritized. However, it should be noted that retail access points were of interest to local stakeholders based on input gathered during the surveys and interviews.

FIGURE 8: CONCEPT MODEL DESIGN FLOOR 1 (MODEL 3 - NO SITE)

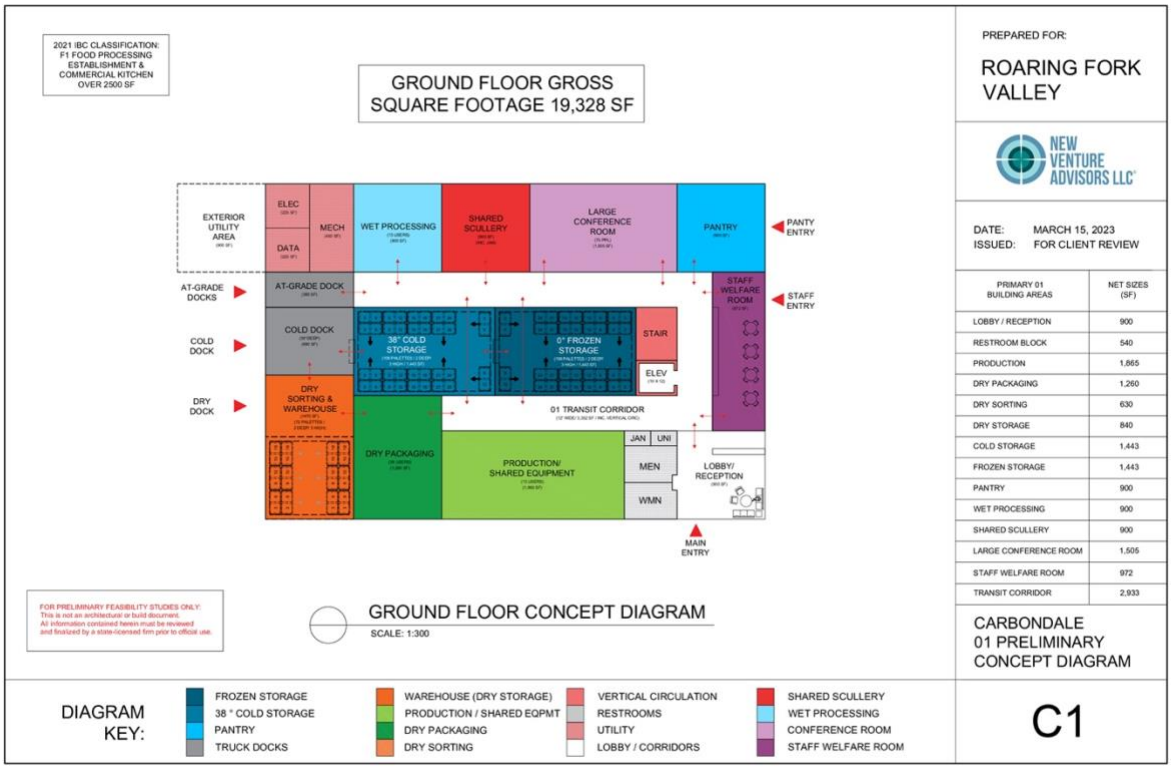
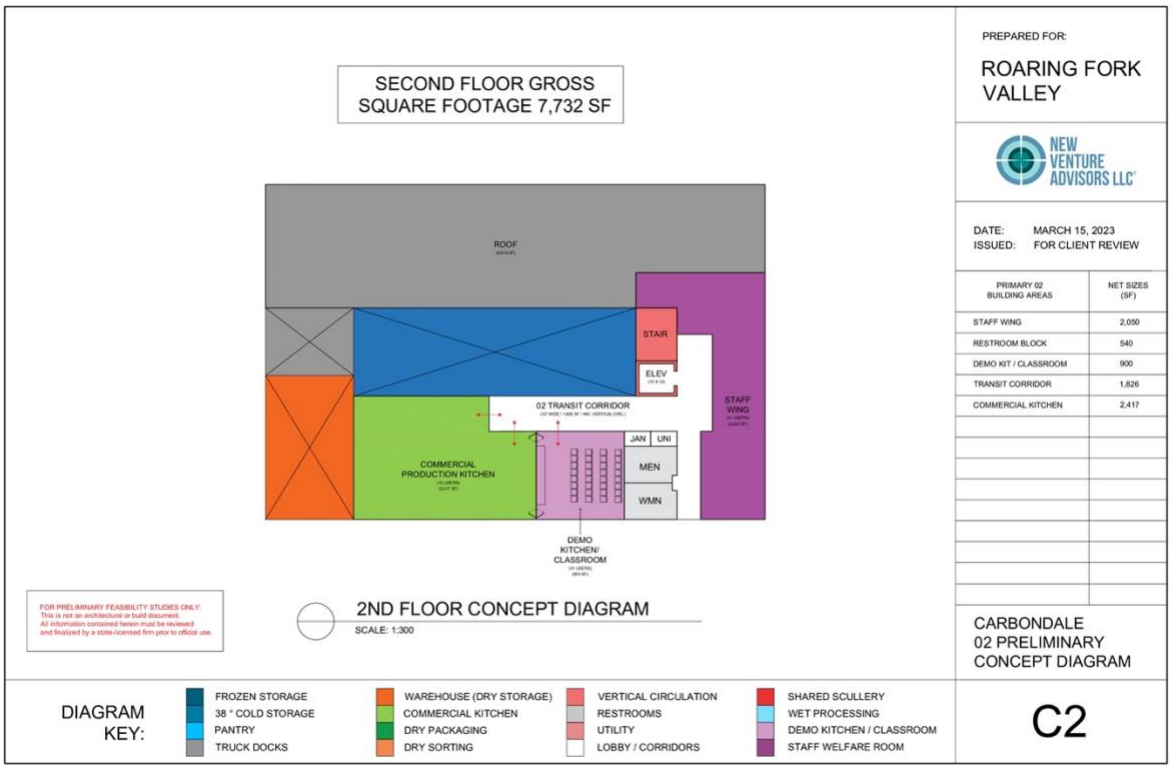


FIGURE 9: CONCEPT MODEL DESIGN FLOOR 2 (MODEL 3 - NO SITE)



Glenwood Springs Site and Model 4

Following the March 2023 workshop sessions, a potential site was identified by LIFT-UP in a Glenwood Springs business park. The site includes three leasable spaces over two floors with existing parking, logistics, and loading dock areas. The site is immediately adjacent to a bus stop on the local transit system and would be accessible to the primary clients of LIFT-UP and other client groups as it sits in a "mid-valley" location with high need.

A full site evaluation was not performed for this facility, but the following parameters were verified before its inclusion in modeling:

- A physical tour of the site allowed NVA to assess the current condition of the site (favorable) to estimate construction and build needs for budgets and modeling.
- Existing architectural designs were provided that confirmed the size of spaces and existing space resources (toilets, storage space, doors, windows, dock doors, etc.).
- A review of zoning and regulatory for the site confirmed the site is compatible with the warehouse and light commercial uses proposed by the project. There were also no regulatory violations or citations on record that would delay or impede the development of the space.
- Licensing would be required for the integration of kitchen and production space elements.

The site is approximately 13-14,000 square feet including all three areas and was deemed compatible with the potential uses that had been developed in the prior model that was subsequently adapted (model 4) and is discussed below.

Segmented Development and the Operational Role of LIFT-UP

The primary challenge of developing a collaborative space in a project such as this one is typically the identification of a management model—that is, the identification of who will be the primary operator of the space and oversee day-to-day general operations and upkeep and assist partners in working collaboratively in available spaces.

LIFT-UP was seeking new space to support their growing operations. A new warehouse, pantry, and thrift store space with limited office spaces was ideal for them to allow for a central distribution and staff facility mid-valley in their operational region. The Glenwood Springs site was larger than the projected space that LIFT-UP expected their operations to need. LIFT-UP was willing and capable (with existing roles and capacity) to take on the primary operator role in a combined facility. The organization will need to identify how to offset the additional overhead expenses of the partner spaces and how to offset the additional capital needed to build and develop those spaces within the facility.

With this objective, the model for the Glenwood Springs site was developed as a segmented model to identify space across four phases (or segments) as detailed in table 38.[56]

[56] In this context, the term "phase" might not refer directly to a specific time frame as the development of the site might occur all at one time depending on available capital resources and construction capacity. The phase is identifying different operational objectives and audiences with each segment. The actual timing of how the phases will be developed will be determined by LIFT-UP's ability to raise the needed capital for each phase of build.

TABLE 38: GLENWOOD SPRINGS SITE SEGMENTED MODEL SPACE COMPONENTS

PHASE	SPACE COMPONENTS	PRIMARY AUDIENCE
PHASE 1	LIFT-UP warehouse and storage spaces • warehouse/aggregation • dry, cold, frozen storage • loading docks	• LIFT-UP suppliers and staff
PHASE 2	PARTNER spaces • warehouse/aggregation • dry, cold, frozen storage • loading docks • production/shared kitchen • packaging/multi-use space • existing – toilets, storage/utility, break space	• partner organizations (staff) • partner organizations (volunteers) • LIFT-UP staff/volunteers • producers/farmers[57] • small businesses
PHASE 3	LIFT-UP main floor spaces • pantry space • thrift store space • private and shared office space (potentially leasable) • meeting space (potentially leasable)[58] • storage (limited/overhead loft) • existing – toilets, utility, break space, retail counter	• LIFT-UP suppliers and staff • pantry clients (public) • thrift store clients (public) • partner organizations (potential)
PHASE 4	External spaces (all existing) – parking, access roads, garbage	• all users

Facility Program

The Glenwood Springs site has three units available for purchase within a business park. The combined spaces total approximately 13,000 square feet of programmable space if all levels are utilized. The space is composed of two units on the main level (referred to in the models as floor 1) and a larger space on a lower level (referred to in the models as floor 2).

TABLE 39: GLENWOOD SPRINGS SITE EXISTING CONDITIONS

BUILDING	SPACE	TOTAL SQUARE FOOTAGE	NOTES
Floor 1 (main/street level)	Unit 1	~2,300	• Existing open plan unit proposed for retail (thrift store) use to support LIFT-UP operations • Existing toilets, small storage, retail desk and basic structure (walls, doors, windows, carpeted floor, drop ceiling), so very limited build-out costs
Floor 1 (main/street level)	Unit 2	~2,000	• Existing office and small retail space planned for office and pantry space to support LIFT-UP operations • Existing toilets, small storage, two offices (private), meeting room, and a lofted storage area

[57] The space program, as will be discussed, has been designed to prioritize the needs of the food access organizations (including LIFT-UP). There should be space available to allow for producers, farmers, or potentially small businesses to lease storage or use production spaces, but this decision will be at the discretion of the operator (LIFT-UP).

[58] Based on the needs of LIFT-UP identified during interviews in the analysis phase, there will be additional office (shared) and conference space (or meeting room) that could be leased or rented to partner organizations for a small fee per use. This determination will be at the discretion of the operator (LIFT-UP) but was a need enunciated by partner organizations during the analysis.

BUILDING	SPACE	TOTAL SQUARE FOOTAGE	NOTES
			• Space was used as a door showroom, so some demolition of display structures will be required and set-up/build of pantry space
Floor 2 (lower level)	Large space (1 space)	~9,000	• ~9K sq ft of usable space currently being used for the manufacturing space related to a door manufacturing operation; will require commercial cleaning and refinish of floors/walls/ceilings to ensure no contaminants remain from manufacturing operations • Planned split of space between LIFT-UP and partner programmed spaces of ~4.5K each • All spaces will need to be food safe to protect cold and value chain documentation • Existing toilets, break, storage, and utility spaces; all other spaces will need to be built out to support functions
	TOTAL	**~13,300**	

The proposed programming of the space will support all primary functions identified in the analysis to support LIFT-UP operations and collaborative food access spaces to expand/grow food security in the valley, including

- storage (warehouse, dry, cold, frozen)
- aggregation (receiving, sorting, packing space)
- production (shared kitchen or processing space)
- multi-use (training, gathering, packing, meeting space)
- office space
- pantry and thrift store (public-facing spaces)
- support functions (loading docks, parking, truck parking, transit access)

Storage Program

The analysis scope identified the need for a minimum of 30 pallets (~16x16 square feet of space per allocation) of space in cold, frozen, and dry storage, with higher volumes of dry storage predicted throughout the calendar year, and cold storage predicted during high-yield portions of the year for local produce donations (spring/summer/early fall). Depending on participating partners, cold storage demand across organizations could increase to 60 or more pallets. This high demand for storage was prioritized in the building program. Storage was allocated for the primary operator (LIFT-UP) and for shared storage for partners. The shared storage space could also potentially be leasable to producers, farmers, ranchers, or small businesses as space and demand allows.

The initial program includes dry, variable temp cold storage (36°F–38°F), and frozen storage (0°F).

Partner Spaces

The development of the phase 2 spaces for partner use in the facility is focused on storage and two other primary spaces:

- ***Production space (shared kitchen):*** A kitchen space was sized to accommodate one to two partners to use it at a time for product processing, prepared meals production, or small volume production of products or goods. All of these were expressed as needs from partner food access groups, gleaners, and potentially agricultural producers as space allows. Partners expressed a need for kitchen space to support about eight to ten workers in the space preparing meals, produce, or related goods in volume equipment such as a tilt skillet, steam kettle, commercial sinks and tables, and related items.
- ***Multi-use/packing space:*** Of high interest to partners was a multi-use space that could be set up to allow volunteers and staff to pack food distributions (up to 30 people), host small trainings (12–25 people), or host small gatherings or meetings (10–15 people). A multi-use space that could host these group sizes was programmed that could be set up as a classroom, group seating, or packing lines depending on the partner need.

The initial program includes dry, cold, and frozen storage, the production/kitchen space, and a multi-use space. The lower level also has existing janitorial space, toilets, break space, and limited storage.

Public Facing Spaces (Pantry and Thrift Store)

The development of the phase 3 spaces for LIFT-UP's operations includes two public facing spaces—a new home for the LIFT-UP thrift store and a needed pantry operation. The front unit on the main level will be allocated for the thrift store and should require minimum build-out as it is an existing retail space with support areas (toilets, storage, retail desk) and good finishes and will allow at least 1,200 square feet of retail space. The pantry will need to be erected within the back unit and has been sized to support a small client group to shop within the space as well as dry, cold, and frozen holding space. The pantry should require minimal build-out and has been allocated approximately 600 square feet of space.

Office and Meeting Space

The back unit of the main level contains two existing private offices and space to support shared office and conference or meeting space. There are existing toilets, a loft storage, and utility spaces, and the unit is in good condition requiring no major repairs to walls, ceiling, floor, window, or door finishes. LIFT-UP intends to occupy the private office spaces but may be able to lease or rent the shared office desks and meeting/conference space to partners if demand exists.

Facility Design

With these programming considerations, the final iteration of the proposed design for the Glenwood Springs site depicts the LIFT-UP and partner spaces over two floors (figure 10,11). A full-scale version of the design is included in the appendix documents.[59]

[59] The designs provided by NVA are intended for use in preliminary feasibility evaluation only and are not architectural or build documents. All information contained in these designs must be reviewed and finalized by a state-licensed firm prior to official use.

FIGURE 10: GLENWOOD SPRINGS SITE DESIGN FLOOR 1

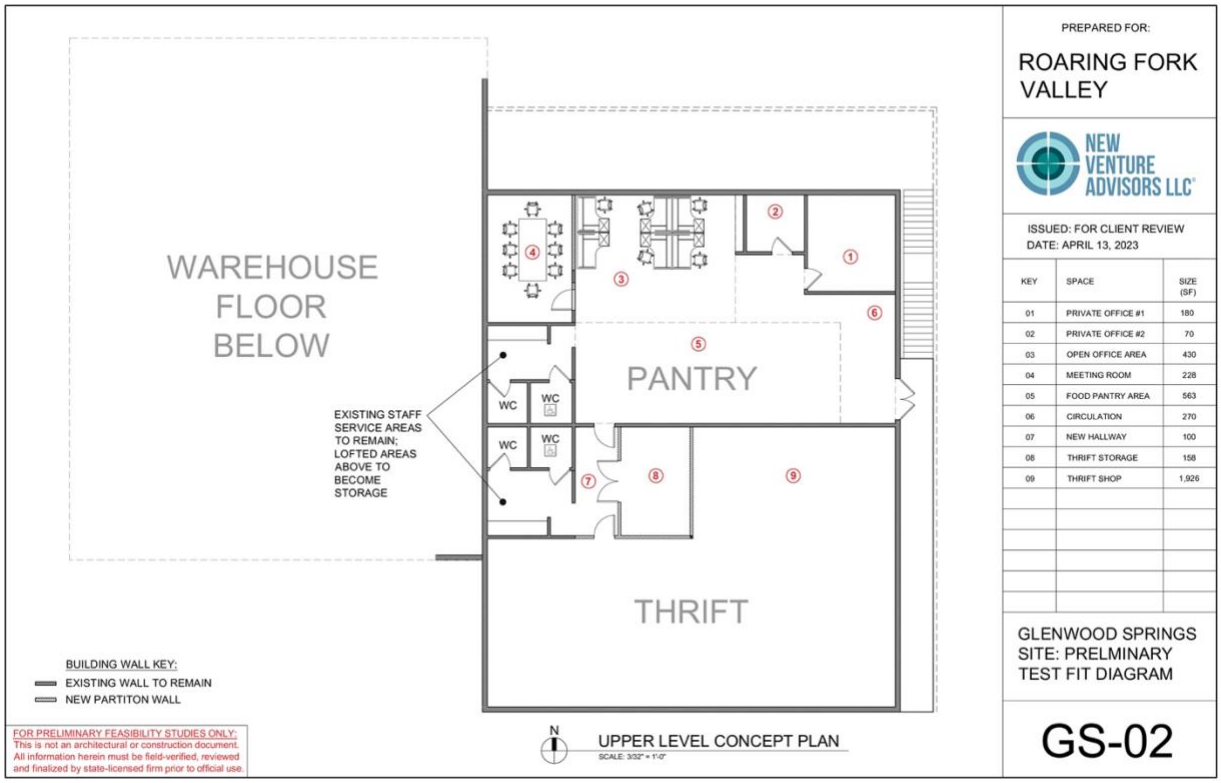
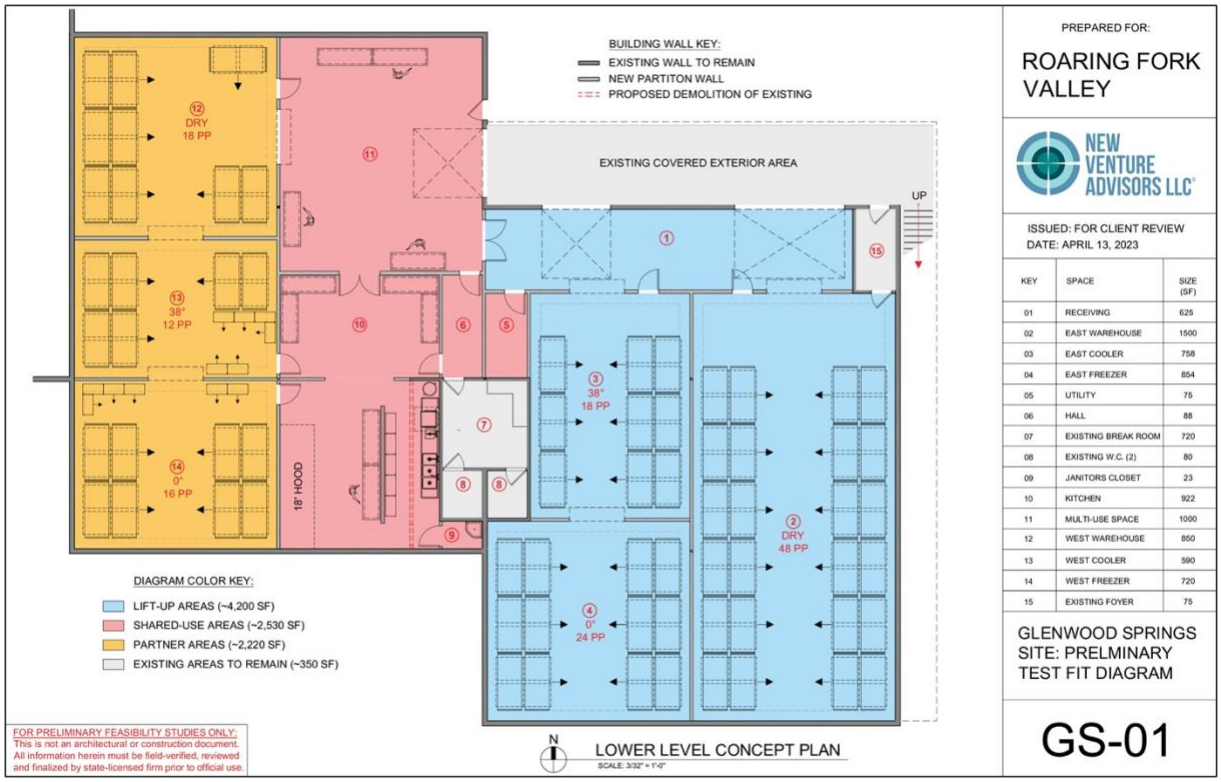


FIGURE 11: GLENWOOD SPRINGS SITE DESIGN FLOOR 2



Facility Sizing and Building Program

Based on the proposed program of the space and the design illustrated above, a building program was created that identifies the square footage allocations across the spaces and ideal adjacencies in the building.

The building units (across both levels) allow for approximately 13,000 square feet of space developed to support all identified programming. Sizing recommendations for the various spaces within the building were sized based on inputs from the analysis gathered from survey and interview data provided by food access, small business, and producer participants. This data was used to provide the minimum viable square footage recommended for the facility's storage, production, and public-facing spaces. These sizing inputs are detailed in the financial workbook included in the appendix. The design schematic (detailed above) utilized the sizing inputs to produce a potential recommended design that integrated and prioritized spaces based on partner input. The final sizing, detailed in the building program below, is informed by the workbook sizing exercise and finalized by the schematic design that was overlayed onto existing schematics of the building site.

The building program also assigns a per-square-foot construction cost against each space. These costs are based on three sources of national construction firm data that have been specified against a region (western plain states, Colorado), for a type of build area (semi-urban), and for a refurbishment or renovation (not a new build).[60]

TABLE 40: GLENWOOD SPRINGS SITE CONSTRUCTION PER SQUARE FOOT COSTS

Construction estimates	Per square foot (BASE)
Cold storage	$ 129.00
Frozen storage	$ 205.00
Warehouse/light industrial space	$ 244.00
Office space	$ 382.54
Retail (store & pantry) space	$ 260.00
Event/classroom (with technology)	$ 478.72
Hospitality/kitchen	$ 415.80
Toilets/locker rooms	$ 430.00
Support/functional spaces	$ 63.80
Parking/exterior surface spaces	$ 82.00

[60] All construction costs provided are based on standard building materials. Some factors such as required union labor, the decision to integrate green build and/or energy conservation materials, or custom finishes may increase the per-square-foot cost.

TABLE 41: GLENWOOD SPRINGS SITE BUILDING PROGRAM

Designated Space	Floor 1 (street level)	Floor 2 (below ground)	Total SF - Model 1	Per Square Foot Construction Costs[61]
East warehouse (dry storage)		1,500	1,500	$ 244.00
East cooler (38° F old storage)		758	758	$ 129.00
East freezer (0°F frozen storage)		854	854	$ 205.00
Receiving (east loading dock area w/2 existing overhead doors)		625	625	Existing
Existing foyer (off exterior loading area; existing to remain)		75	75	Existing
(Sub-total) LIFT-UP warehouse & storage spaces	**-**	**3,812**	**3,812**	
West warehouse (dry storage)		850	850	$ 244.00
West cooler (38°F cold storage)		590	590	$ 129.00
West freezer (0°F frozen storage)		720	720	$ 205.00
Multi-use space (event or packing) w/ 1 existing overhead door		1,000	1,000	$ 244.00
Kitchen (production or processing - wet room) (includes scullery)		922	922	$ 415.80
Janitor's closet (may require demo of existing storage closet)		23	23	Existing
Hall (connects to welfare areas - may require door move)		88	88	Existing
Utility closet		75	75	Existing
Existing water closets (2 toilet rooms existing to remain)		160	160	Existing
Existing break room (kitchenette)		100	100	Existing
(Sub-total) PARTNER spaces	**-**	**4,528**	**4,528**	
FRONT main floor section (floor 1) (all circulation included)				
- Thrift store (main retail space)	1,926		1,926	Existing
- Thrift storage	158		158	Existing
- Hallway (may require new partitions)	100		100	Existing
- Existing WC & break area to remain	160		160	Existing
BACK main floor section (floor 1) (all circulation included)			-	
- Private office 1 (180 sq ft existing to remain)	180		180	Existing
- Private office 2 (40 sq ft existing to remain)	70		70	Existing
- Open office area (workspaces for 4–6 people)	430		430	Existing
- Meeting room (conference table for 8–10 people)	228		228	Existing
- Existing WC & break area to remain	160		160	Existing
- Food pantry area	563		563	$ 63.80
- Open circulation area (could use for reception/security desk)	270		270	Existing
Main floor (front & back sections)	**4,245**	**-**	**4,245**	
INTERIOR SPACE TOTALS (BY FLOOR/BULDING SEGMENT)			**12,585**	

[61] Where "existing" is designated in the construction per-square-foot estimate column, this identifies that existing conditions will not be adapted or developed and thus construction budget has not been allocated against these spaces at this time. The operator (LIFT-UP) will have this final model and may elect to add additional budget if spaces are changed or developed in the future.

Operating Model

Across the phases of development, the model will have multiple business functions and service at least three user groups, customers, or clients (in modeling nomenclature). The objective of the proposed facility's operations is to support food access distribution and food security in the RFV. These business or operational functions do not generate traditional revenue streams (or profit), but some activities may help to offset the operational needs of the facility by generating nominal revenue from product sales, fees or rental charges, or shared operational costs. Table 42 below details these operational contexts.

TABLE 42: GLENWOOD SPRINGS SITE OPERATING CONTEXTS

Phase	Business function	Description	Audience/client	Potential revenue opportunities or cost sharing
1	Food distribution	• Warehouse and distribution to service the primary operator's core organizational functions – food access distribution and mobilization (coordination)	• LIFT-UP staff, volunteers, suppliers	• N/A
2	Food distribution/production	• Leasable rates by storage pallet or shelf – assumes rate will be below market (subsidized) to support greater partner access • Includes dock access • Production kitchen access for partners for gleaning, meal production, or product development • Potentially leasable space for local producers/farmers and/or small businesses depending on use and capacity	• LIFT-UP staff/ volunteers • Partners - food access organizations (Staff/ volunteers) • Producers/farmers • Small businesses	• Share of operating costs • Potential to lease or rent access to storage/production spaces
3	Pantry space	• Space to support public access to pantry resources (food distribution/food access) for LIFT-UP	• Public	• N/A
3	Thrift store space	• Public access for low-cost clothing and assorted goods that generated revenue for LIFT-UP operations (existing business entity)	• Public	• Sales
3	Office and meeting space	• Space to support LIFT-UP organizational needs on site • Potentially leasable space for partners for shared office desks or meeting/conference room	• LIFT-UP staff and volunteers • Partners (staff)	• Potential to lease or rent access to shared office desks or meeting space

Operator Role and Labor Considerations of the Model

LIFT-UP will be the primary operator of the facility and assumes oversite of all day-to-day operations. The operation of a facility, pantry, thrift store, and warehouse distribution spaces are aspects of LIFT-UP's existing operations at other sites in the Valley. The organization has trained staff with the capacity to oversee the site which will help to consolidate facilities within their network. The organization may need to expand their staff to support this larger warehouse facility and a pair of roles (warehouse and janitorial) are detailed in table 39 below.

The operation of the thrift store and pantry spaces are current operations which LIFT-UP oversees, thus key staff and volunteer roles already exist and/or LIFT-UP has capacity to identify and fill these roles as needed to operate these spaces within the new facility.

The development of the partner spaces is the only new segment of business that LIFT-UP does not currently oversee, but the organization has staff with training or specialized skills related to food production, kitchen operations, and shared spaces that will apply to managing these spaces in the new

facility. LIFT-UP may need to engage a few specialized roles to support operation of the partner spaces (kitchen lead) and will need to utilize some technology inputs (booking software or inventory software) to assist partners in the collaborative space.

A detailed labor model based on limited roles was developed for the building program and to inform financial models. Table 43 includes all relevant roles and budgets related to labor.[62]

TABLE 43: GLENWOOD SPRINGS SITE LABOR MODEL

					STAFFING FORECAST 3% growth built into each year				
FLOOR	**BUILDING ID**	**ADDITIONAL ROLES**	**PTE #[63]**	**FTE #**	**YEAR 1**	**YEAR 2**	**YEAR 3**	**YEAR 4**	**YEAR 5**
2	LIFT-UP warehouse/ storage	Facility support role (to main ops)		1	$76,554.15	$78,850.77	$81,216.30	$83,652.79	$86,162.37
		Maintenance staff	0		$0.00	$0.00	$0.00	$0.00	$0.00
		Janitorial staff	1		$19,350.00	$19,930.50	$20,528.42	$21,144.27	$21,778.60
2	Partner spaces	Processing/shared kitchen lead		1	$53,375.00	$54,976.25	$56,625.54	$58,324.30	$60,074.03
1	LIFT-UP thrift store	Retail staff (lead)	0		$0.00	$0.00	$0.00	$0.00	$0.00
		Volunteer staff	3		$0.00	$0.00	$0.00	$0.00	$0.00
1	LIFT-UP pantry	Pantry staff (lead)	0		$0.00	$0.00	$0.00	$0.00	$0.00
		Volunteer staff	3		$0.00	$0.00	$0.00	$0.00	$0.00
	TOTALS				**$149,279.15**	**$153,757.52**	**$158,370.25**	**$163,121.36**	**$168,015.00**

Equipment Considerations

For the development planned, a detailed roster of equipment was built across all three phases of development for each of the component spaces. Equipment costs were derived from a quote from a

[62] Detailed build-out of the labor model is included in the financial workbook to include payroll tax allocation, benefits allocation, and hourly role definitions (hours, weeks per year).

[63] Roles where a "0" is designated assumes that this role is currently supported by LIFT-UP staff, but these roles will be crucial to operations, so they are included here for consideration.

national supplier and used to estimate initial equipment spend for the cost model.[64] A detailed equipment model has been included in the appendix documents and allocates equipment between LIFT-UP and partner spaces to allocate cost accordingly.

SG&A Expenses Detail

Sales, general, and administrative costs (SG&A) consist of security monitoring, cleaning/supplies, packaging, and general services and building/vehicle improvements sufficient to operate the campus and are grown at 3 percent per year in the general operational budget.

TABLE 44: GLENWOOD SPRINGS SITE SG&A EXPENSE DETAILS

EXPENSE CATEGORY	ANNUAL?	BASE COST		NOTES
		LIFT-UP	PARTNERS	
Pest management	Annual	$ 1,200.00		
Preventative maintenance for equip	Annual	$ 4,920.00	$ 8,478.00	*3% for large equipment pieces
Repair budget for equip	Annual	$ 1,500.00	$ 2,500.00	*Flat assumption - storage units, large mechanicals, small mechanicals
Licensing, regulatory, inspections (city/state/fed)	Annual	$ 250.00	$ 500.00	
Space inspections (fire, suppression)	Annual	$ -	$ 1,100.00	
USDA certification + inspections/audits	Annual	$ 1,200.00	$ 1,500.00	
Insurance	Annual		$ -	* Insurance cost itemized separately in operating cost forecast
Booking system (commercial kitchens x 3)	Annual	$ -	$ 800.00	
Security & key card (operations/maintenance)	Annual	$ 500.00	$ 1,000.00	
Linen, rug & chemical contract	Annual	$ 1,000.00	$ 1,500.00	
Waste management	Annual		$ -	*Waste management cost itemized separately in operating cost forecast
Oil, grease & waste handling	Annual	$ -	$ 500.00	
Janitorial resources (budget)	Annual	$ 500.00	$ 500.00	
Lawn/landscaping resources/snow removal (budget)*	Annual	$ -	$ -	
Maintenance general site resources (budget)*	Annual	$ -	$ -	
Total		**$11,070.00**	**$18,378.00**	

Case Studies

During the March 2023 workshop session, NVA provided case studies that illustrated comparable projects that offer similar services and programmed spaces in a sustainable operational model currently. The two case studies featured in relation to the suggested program for the Glenwood Springs collaboration model/site were

- Nourish Hub, Murfreesboro, Tennessee

[64] Due to the variability of the commercial equipment market, all spec quotes are for 30 days. Actual equipment costs will vary for regional supplier costs and final implementation date.

- DC Central Kitchen, Washington, DC

Both case studies are detailed in the presentation slides included in the appendix documents from the March 2023 workshop materials.

Construction and Development Budget

Table 45 summarizes the total build budget for the Glenwood Springs site model as detailed in the component space sections in the report. The total construction budget for the facility is estimated at $1,733,249 for all component spaces, including some supporting build needs (space for necessary circulation and transit hallways). The cost of construction for this site is tempered because a majority of the building will be repurposed in existing conditions. If all square footage needs to be modified or updated to support function the cost of the project will increase.

The accompanying table summarizes the total build budget and upfront project costs for each component in the proposed facility development model. The building program, based on the initial schematic design, was used to validate square footage and process flow to accommodate all building components and their respective functional uses. Construction costs are detailed by component based on an estimated price per square foot when taking into consideration necessary equipment, capacity, and space buffering.[65]

TABLE 45: GLENWOOD SPRINGS CONSTRUCTION COST MODEL

	Construction cost assumptions					
	Square feet by floor plan		Combined concept model			
Building component	Street level Floor 1	Below ground Floor 2	Square feet	Sq ft % of total	$ cost/sq ft	Total cost
Phase 1: LIFT-UP warehouse & storage space						
East warehouse - dry storage	-	1,500	**1,500**	**12%**	**$244.00**	**$366,000**
East cooler – 38°F old storage	-	758	**758**	**6%**	**$129.00**	**$97,782**
East freezer – 0°F frozen storage	-	854	**854**	**7%**	**$205.00**	**$175,070**
Receiving - east loading dock	-	625	**625**	**5%**	**$0.00**	**$0**
Foyer - off exterior loading area	-	75	**75**	**1%**	**$0.00**	**$0**
Subtotal - Phase 1	**-**	**3,812**	**3,812**	**30%**	**$167.59**	**$638,852**
Phase 2: Partner space						
West warehouse - dry storage	-	850	**850**	**7%**	**$244.00**	**$207,400**
West cooler – 38°F cold storage	-	590	**590**	**5%**	**$129.00**	**$76,110**
West freezer – 0°F frozen storage	-	720	**720**	**6%**	**$205.00**	**$147,600**
Multi-use space	-	1,000	**1,000**	**8%**	**$244.00**	**$244,000**
Kitchen – production/processing, wet room, scullery	-	922	**922**	**7%**	**$415.80**	**$383,368**
Janitor's closet	-	23	**23**	**0%**	**$0.00**	**$0**
Hall connection	-	88	**88**	**1%**	**$0.00**	**$0**
Utility closet	-	75	**75**	**1%**	**$0.00**	**$0**
Water closets - 2 toilet rooms	-	160	**160**	**1%**	**$0.00**	**$0**
Break room/kitchenette	-	100	**100**	**1%**	**$0.00**	**$0**
Subtotal - Phase 2	**-**	**4,528**	**4,528**	**36%**	**$233.76**	**$1,058,478**

[65] Construction cost assumptions are detailed in the prior section related to the building program.

Phase 3: LIFT-UP main floor, front & back sections						
Thrift store - main retail space	1,926	-	**1,926**	**15%**	**$0.00**	**$0**
Thrift storage	158	-	**158**	**1%**	**$0.00**	**$0**
Hallway - new partitions	100	-	**100**	**1%**	**$0.00**	**$0**
Existing WC & break area	160	-	**160**	**1%**	**$0.00**	**$0**
Private office 1	180	-	**180**	**1%**	**$0.00**	**$0**
Private office 2	70	-	**70**	**1%**	**$0.00**	**$0**
Open office area – 4–6 person capacity	430	-	**430**	**3%**	**$0.00**	**$0**
Meeting/conference room – 8–10 person capacity	228	-	**228**	**2%**	**$0.00**	**$0**
WC & break area	160	-	**160**	**1%**	**$0.00**	**$0**
Food pantry	563	-	**563**	**4%**	**$63.80**	**$35,919**
Open circulation area	270	-	**270**	**2%**	**$0.00**	**$0**
Subtotal - Phase 3	**4,245**	**-**	**4,245**	**34%**	**$8.46**	**$35,919**
Phase 4: Outdoor & parking support space						
Parking	-	-	**-**	**0%**	**$0.00**	**$0**
Utility block/dumpsters/external stairway	-	-	**-**	**0%**	**$0.00**	**$0**
Subtotal - Phase 4	**-**	**-**	**-**	**0%**	**$0.00**	**$0**
Total cost of construction - all phases	**4,245**	**8,340**	**12,585**	**100%**	**$137.72**	**$1,733,249**

Table 46 illustrates the total project cost—including all construction costs, itemized FF&E to support each component's spaces and soft constructions costs—which is estimated at $4,330,652. The project cost is projected for the full building, but FF&E costs have been split between LIFT-UP and partner spaces to provide detail for future allocation of development and operating costs.

TABLE 46: GLENWOOD SPRINGS SITE TOTAL DEVELOPMENT COST MODEL

Project item	Cost
Site purchase	**$1,700,000**
Construction costs	**$1,733,249**
FF&E - LIFT-UP (outfitting, fixtures, forklift, kitchen equipment, etc.)	**$105,760**
FF&E - Partner (outfitting, fixtures, component equipment, etc.)	**$272,560**
Soft construction costs	**$519,083**
Design development, engineering, other & advisory services	$137,926
Working capital	$381,157
Total cost of project	**$4,330,652**

The assumptions detailed in the above table include

- The building is currently for sale for $1.7 million to include all three-unit spaces and the supporting exterior functional areas (shared with other units).
- Estimated cost of construction per square foot has been itemized in the building program according to each programmed space/space function.
- Total facility size is 12,585 square feet.

- Total estimated cost of construction is $1,733,249.
- FF&E, detailed in the earlier equipment section, is $378,320 for both LIFT-UP and partner spaces.
- Soft construction costs, which include design development, engineering, and other advisory services, are $519,083, estimated at 7.5 percent of the total construction budget.
- A working capital budget of 10 percent of total construction, site remediation, and FF&E is allocated to offset initial development needs.

Capital Source Scenarios

Table 47 illustrates two potential capital scenarios related to the development of the Glenwood Springs site. Capital projects of this size in comparable locations typically utilize a combination of grant funding and low-interest debt sources that may be available from the federal government or related programs. A funding development plan will need to be developed that integrates different funding resources and tools to raise the needed capital for this project.[66]

TABLE 47: GLENWOOD SPRINGS SOURCES OF CAPITAL

	Full grant funding		Equal split - grant & debt	
Source	Funding	% of total	Funding	% of total
Debt	$0	0%	$2,165,326	50%
Equity	$0	0%	$0	0%
Grant funding/donations/private funds	$4,330,652	100%	$2,165,326	50%
Total	$4,330,652	100%	$4,330,652	100%

Table 47 shows the level of grant funding proceeds required under two hypothetical capital funding scenarios. Given the total construction and development costs are comparatively lower than the Emma Site buildings yet in a similar location, funding 50% through a bank debt construction loan could be explored with a strong banking partner. Under this scenario total grant funding proceeds required would decline by roughly $2MM.

Operating Budget

Table 48 illustrates the breakout of total operational costs necessary for the facility to scale over the life of the forecast for all segments/phases. The facility will need to be able to offset annual operating overhead expenses of $285,160 in year 1 rising to $318,336 in year 5. A nominal 5 percent "profit" margin has been put into the modeling to account for the need for the facility to sustain its operations and budget for improvements as growth and scale develop.

TABLE 48: GLENWOOD SPRINGS SITE TOTAL OPERATING COST MODEL (BREAKEVEN)

			Year 1	Year 2	Year 3	Year 4	Year 5
Financing costs							
Debt (principal & interest payments)			$0	$0	$0	$0	$0
Equity (Interest accruals)			-	-	-	-	-

[66] Funding development planning related to both sites is addressed in the "Funding Development Plan" section of this report.

			Year 1	Year 2	Year 3	Year 4	Year 5
Operational costs	**$ per sq ft**	**% increase YoY**					
Payroll Costs[67]		3%	$149,279	$153,758	$158,370	$163,121	$168,015
Utilities[68]	$5	3%	$62,925	$64,813	$66,757	$68,760	$70,823
Insurance[69]		1%	$29,250	$29,543	$29,838	$30,136	$30,438
SG&A/general overhead[70]		3%	$29,448	$30,331	$31,241	$32,179	$33,144
Total operating costs			**$270,902**	**$278,444**	**$286,207**	**$294,196**	**$302,419**
Operating profit	5%		$14,258	$14,655	$15,064	$15,484	$15,917
Revenue required			**$285,160**	**$293,099**	**$301,270**	**$309,680**	**$318,336**
Annual component/lease revenue required	**Allocation**						
Phase 1: LIFT-UP warehouse & storage space	30.3%		$86,375	$88,780	$91,255	$93,802	$96,424
Phase 2: Partner space	36.0%		$102,599	$105,455	$108,395	$111,421	$114,535
Phase 3: LIFT-UP main floor, front & back sections	33.7%		$96,186	$98,864	$101,620	$104,457	$107,377
Phase 4: Outdoor & parking support space	0.0%		$0	$0	$0	$0	$0

In the bottom section of table 48, the operational need is allocated according to the total space that each "phase" or segment takes against the facility's operations as a whole. This is important as it identifies that the partner spaces account for approximately $102,000–$114,000 of the total operational budget annually, which is close to half of all operational costs.

In analysis, it was identified that at least four or five potential partner organizations would be interested in using the space to lease storage, use production or kitchen spaces, use aggregation/packing spaces, and/or use meeting/training or office space. All these functions, in a traditional hub facility model, would be allocated a fee, lease, or rental rate to offset operational costs and sustain the facility. In this instance, these costs could be looked at in three ways:

- ***Equal portion of operating expenses:*** Partner organizations could be asked to contribute to a percentage of operational expenses based on equal access to the spaces (storage, production, packing, office, event/meeting). Taken equally, the annual offset per organization (assuming five partners) would be approximately $20,000, or $1,700/month. This covers all operational upkeep, maintenance, and janitorial, an on-site kitchen manager, booking/inventory software, and related supports.
- ***Use portion of operating expenses:*** Similarly, a portion of operating expenses could be allocated based on an approximate bundle of usage (hours, access, space type, resources, staff/volunteers on site). This would have to be based on a formula of total hours, total resource, total space, and total people/product in relation to the other users of the space. This could be adjusted for over time as usage is identified but may be difficult to quantify in year 1.

[67] Includes all roles detailed in the labor section including payroll taxes, benefits/comp structure, and wages.
[68] Includes electric, gas, water, and garbage removal.
[69] Includes property, general liability, and worker's compensation insurance. Property taxes may vary depending on nonprofit status of the operator.
[70] Includes all SG&A detailed in the prior section.

- ***Fees for access or use:*** Due to the difficulty of projecting and quantifying the second option (portioned allocation), some facilities assess a fee structure for access to the space. Table 45 below shows common market rate and subsidized fees associated with the spaces that the Glenwood facility would have to offer. Technology such as Food Corridor booking software or related programs could help book and schedule use of spaces and storage to allow for collaboration across users.

TABLE 49: GLENWOOD SPRINGS SITE POTENTIAL REVENUE OPPORTUNITIES

Space	Market rate	Subsidized rate	In facility capacity	Other fees or options
Storage	$30–35/pallet (1 month)[71]	$8–15/pallet (1 month)	~50 pallet positions	Dock access
Kitchen	$25–40/station (hourly hot) $15–25/station (hourly cold)	$10–20/station (hourly)	~ 6–8 stations[72]	Cleaning fees Small wares
Processing (wash)	$15–20/station (hourly or 3-hour blocks)	$5–10/station (3- to 5-hour blocks)	~2 stations	-
Packing/aggregation	$50/use of space 3- to 6-hour blocks	$25–30/use of space (2- to 5-hour blocks)	1 space	-
Training (event)	$100/use of space (2–4-hour blocks)	$25/use of space (2- to 4-hour blocks)	1 space	Fees for specific class offerings
Co-work desk	$50–120/drop-in use (6 hours max)	$20–30/drop-in use (8 hours max)	6 desks	Office supply, copy access/use
Meeting/conference room	$40-75/use (2–3 hours max)	$10–25/use (3–5 hours max)	1 space (8–12 seats projected)	-

Table 50 details the operating expenses across all three phases by component (payroll, utilities, insurance, SG&A, and dedicated labor). The table illustrates the total operational overhead needed to offset operations in years 1-5 as each space is activated and helps to illustrate the different financial burden that each successive phase or segment adds in relation to the project as a whole.

TABLE 50: GLENWOOD SPRINGS SITE DETAILED OPERATING EXPENSE MODEL (BREAKEVEN) BY COMPONENT

			Year 1	Year 2	Year 3	Year 4	Year 5
Shared payroll - full campus							
Phase 1: LIFT-UP warehouse & storage space		30.3%	$0	$0	$0	$0	$0
Phase 2: Partner space		36.0%	$0	$0	$0	$0	$0
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$0	$0	$0	$0	$0
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Utilities			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		30.3%	$19,060	$19,632	$20,221	$20,827	$21,452
Phase 2: Partner space		36.0%	$22,640	$23,319	$24,019	$24,739	$25,482
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$21,225	$21,862	$22,518	$23,193	$23,889
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$62,925**	**$64,813**	**$66,757**	**$68,760**	**$70,823**

[71] Not all facilities use pallets—some organizations use totes, boxes, or shelves—but a pallet designates approximately 16 square feet of space within a storage area.

[72] Total station count will depend on the final set-up chosen by operator and the allocation of how many workers or people can be in each station. Most facilities do charge a separate rate for cold/prep stations and access to hot cooking equipment.

			Year 1	Year 2	Year 3	Year 4	Year 5
Property taxes & insurance			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		30.3%	$8,860	$8,948	$9,038	$9,128	$9,220
Phase 2: Partner space		36.0%	$10,524	$10,629	$10,735	$10,843	$10,951
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$9,866	$9,965	$10,065	$10,165	$10,267
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$29,250**	**$29,543**	**$29,838**	**$30,136**	**$30,438**
SG&A/general overhead			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		30.3%	$8,920	$9,187	$9,463	$9,747	$10,039
Phase 2: Partner space		36.0%	$10,595	$10,913	$11,240	$11,578	$11,925
Phase 3: LIFT-UP main floor, front & back sections		33.7%	$9,933	$10,231	$10,538	$10,854	$11,180
Phase 4: Outdoor & parking support space		0.0%	$0	$0	$0	$0	$0
Total	**12,585**	**100.0%**	**$29,448**	**$30,331**	**$31,241**	**$32,179**	**$33,144**
TOTAL OPERATING EXPENSES (EXCLUDING DEDICATED LABOR)			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space		**30.3%**	**$36,840**	**$37,768**	**$38,722**	**$39,703**	**$40,711**
Phase 2: Partner space		**36.0%**	**$43,759**	**$44,861**	**$45,995**	**$47,160**	**$48,358**
Phase 3: LIFT-UP main floor, front & back sections		**33.7%**	**$41,024**	**$42,058**	**$43,120**	**$44,212**	**$45,335**
Phase 4: Outdoor & parking support space		**0.0%**	**$0**	**$0**	**$0**	**$0**	**$0**
Total	**12,585**	**100.0%**	**$121,623**	**$124,687**	**$127,836**	**$131,075**	**$134,404**
Dedicated component labor			**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Phase 1: LIFT-UP warehouse & storage space			$95,904	$98,781	$101,745	$104,797	$107,941
Phase 2: Partner space			$53,375	$54,976	$56,626	$58,324	$60,074
Phase 3: LIFT-UP main floor, front & back sections			$0	$0	$0	$0	$0
Phase 4: Outdoor & parking support space			$0	$0	$0	$0	$0
Total			**$149,279**	**$153,758**	**$158,370**	**$163,121**	**$168,015**
TOTAL OPERATING EXPENSES (INCLUDING DEDICATED LABOR)			**$270,902**	**$278,444**	**$286,207**	**$294,196**	**$302,419**

As table 50 illustrates, the facility has fairly stable operating costs of approximately $120,000 to $130,000 a year for general overhead. The addition of labor causes the climb to over $300,000 across all years. The labor (as detailed prior) might be a cost that can be reduced depending on existing roles within the operating organization. This would significantly reduce the needed overhead cashflow.

Table 51 below takes a further detailed look at the allocated share of operating costs between LIFT-UP and potential partners allocated based on LIFT-UP's 64 percent majority share of the building's spaces and partners 36 percent use of total space.

TABLE 51: GLENWOOD SPRINGS SITE OPERATING COSTS ALLOCATED BY LIFT-UP AND PARTNER SPACE

Operating Costs by Line Item		Year 1	Year 2	Year 3	Year 4	Year 5
Payroll - LIFT-UP	**Itemized**	**$95,904**	**$98,781**	**$101,745**	**$104,797**	**$107,941**
Payroll - Partner	Itemized	$53,375	$54,976	$56,626	$58,324	$60,074
Total payroll		$149,279	$153,758	$158,370	$163,121	$168,015

Operating Costs by Line Item		Year 1	Year 2	Year 3	Year 4	Year 5	
Utilities - LIFT-UP	**64.0%**	**$40,285**	**$41,494**	**$42,738**	**$44,021**	**$45,341**	
Utilities - Partner	36.0%	$22,640	$23,319	$24,019	$24,739	$25,482	
Total utilities	100.0%	$62,925	$64,813	$66,757	$68,760	$70,823	
Insurance & taxes - LIFT-UP	**64.0%**	**$18,726**	**$18,913**	**$19,102**	**$19,293**	**$19,486**	
Insurance & taxes - Partner	36.0%	$10,524	$10,629	$10,735	$10,843	$10,951	
Total insurance & taxes	100.0%	$29,250	$29,543	$29,838	$30,136	$30,438	
SG&A/general overhead - LIFT-UP	**64.0%**	**$18,853**	**$19,418**	**$20,001**	**$20,601**	**$21,219**	
SG&A/general overhead - Partner	36.0%	$10,595	$10,913	$11,240	$11,578	$11,925	
Total SG&A/general overhead	100.0%	$29,448	$30,331	$31,241	$32,179	$33,144	
Operating costs by stakeholder							**Total Forecast**
Operating costs - LIFT-UP	**64.0%**	**$173,768**	**$178,607**	**$183,586**	**$188,712**	**$193,987**	**$918,660**
Operating costs - Partner	36.0%	$97,134	$99,838	$102,620	$105,484	$108,432	$513,508
Total operating costs	**100.0%**	**$270,902**	**$278,444**	**$286,207**	**$294,196**	**$302,419**	**$1,432,168**

A Multi-Site Solution

A major component of discussions throughout this feasibility study has been whether it is most beneficial to the objectives (identified in the opening sections of this report) of the project to develop one or both sites proposed.[73] After all modeling has been reviewed and considered, the multi-site solution of developing the Emma store buildings site and the potential Glenwood Springs food access/LIFT-UP site appears to offer the best opportunity to comprehensively service the needs enunciated by project stakeholders during the interviews, survey, and workshop sessions.

This project engaged two primary stakeholder groups—farmers/producers and food access organizations—who had some common needs but who varied in the ways and functions they would utilize the spaces to support their needs.

1. ***Producers*** expressed high interest in storage and market outlets. Both sites may offer storage solutions, but neither site will address retail or market outlet access. Producers had limited interest in processing or kitchen access, and there was mixed interest in classroom or training spaces. The smaller production kitchen at the Glenwood Springs site should be able to offer an access point for this smaller segment of the producer community if desired.
2. ***Food access organizations*** will benefit from the ability to access storage, packing/aggregation, and production spaces in a common facility if the Glenwood Springs site is developed. However, all these organizations have limited financial resources, so the primary question will be if a management and resource model (i.e., how fees are charged or how access is granted to different partners) can accommodate the varying capacities of these organizations to contribute to a facility's operations.

The models presented do meet the mission objectives of the project:

- The Glenwood Springs site if developed may offer a central facility that can increase collaboration among organizations to support increased capacity, increased cooperation, and better distribution of food resources for the Valley. The ability of the Emma site to act as a smaller cross-dock site offers additional capacity to this network or regional model.
- The programming of the Emma site as a more traditional, albeit simple, model of an agricultural hub will support producer access to storage at low cost. Further, it has been argued that programming the site will contribute to its preservation, and the proposed public-facing elements of the program should contribute to this respect.

[73] This conversation had multiple facets at different times in the project because of the removal of the City Market site as an option, the introduction of an unknown or potential site (concept model exercise), and the final identification of the Glenwood Springs site. At varying times there was concern that the open discussion on "alternate" sites might confuse participants in the feasibility process and that it should be stressed that the Emma store buildings site was the only existing site that was owned and overseen by a project partner (Pitkin County Open Space and Trails). The feasibility team was aware of this concern and made every effort during the project to ensure that language reflected the available options on the table.

Grand Valley Ecosystem – Projects in Development

It is important to note that during the March 2023 workshop session with stakeholders several stakeholders identified that there are existing projects underway or in development in the RFV that may offer compatible resources to the proposed facilities (Emma and Glenwood Springs) and certainly will offer access points to farmers, producers, and other stakeholders:

- ***Aspen Land Trust (Carbondale)*** – The ALT is developing a property in Carbondale that will house its new headquarters on an operating farm property. The project includes both a production kitchen and education/event space to support meetings, gatherings, or trainings. The ALT representative at the workshop noted that ALT will not utilize these spaces to capacity (estimated less than 20 percent of total available use needed for kitchen spaces in particular), so the organization will most likely make the space available to partners, other organizations, and producers in the Valley to use.
    - ***Of Note:*** The kitchen and event space were both desired elements for inclusion in the Emma store buildings site. However, limited space made it difficult to program these offerings into the building's available square footage and layout. Having these resources within a short distance might help support local groups looking for storage (Emma) and production capacity (ALT site).

- ***City Market Development (Carbondale)*** – Kade Gianinetti joined the workshop sessions and shared an update that he is part of a private development group that is looking to develop the City Market site in Carbondale for a market/co-op grocery store, production/processing space, storage, and related retail.
    - ***Of Note:*** The project, if completed, could support some of the retail and market channel access points that were of interest to producers in the analysis scope. The site is also located close to the Emma site and may offer limited access to processing or production spaces (although this is not clear at this time).

- ***Waters Edge 365 (Grand Junction)*** – A development team based in Grand Junction is also developing a public market space that will include retail space, market or vending opportunities for local producers, processing or co-packing space, and shared kitchen access.
    - ***Of Note:*** The project is outside the study area, so its offerings in relation to kitchen and production space may not be of use to regional producers in this study region, but the market and retail channels may be of interest. The project may also offer a regional site for additional storage or aggregation that may be beneficial to some food access partners.

- ***Food Bank of the Rockies (Grand Junction)*** – The food bank team is expanding their processing facility to offer great capacity for dehydration and potentially other production methods (in the future). With their expanded capacity, they may be able to offer access and/or co-manufacturing for local producers interested in access to a commercial dehydrator.
    - ***Of Note:*** Dehydration was a desired production method among surveyed producers in the study, and this access point, although outside of the immediate study area, may offer a resource.

Funding Development Plan

Finding financial support for this endeavor will be a practice of patience and relationship building and consist of grants, loans, equity, and individual and corporate donations.

As much as possible, it is recommended to raise donations through a capital campaign. While it requires more work upfront, donations are generally unrestricted to how they can be used and do not require the heavy reporting that comes with grants. Donations can also provide cash flow for the project as most federal grants are reimbursable only.

The partners should then identify grant opportunities for both government and non-government. It should be noted that most grantors do not support capital projects. The federal exception is the EDA grant and grants through USDA Rural Development (see below). Non-capital grants will play a larger role in financing the later stages, such as for programming, personnel, and equipment.

The development across the two sites will likely require taking on debt in the form of loans and lines of credit. The provided debt options offer lower interest rates as the project aligns with investment incentive programs such as New Market Tax Credits. The following lending options do not consider local bank options; however, financial institutions where established relationships exist should be strongly considered, as many lenders are excited to support community projects, especially when there is an opportunity for visible recognition. Finally, it should be noted that equity should be used sparingly as this can be the most expensive form of financing and should be pursued only when gap financing is needed.

Table 52 below provides an overview of each tool that will become part of the funding plan.

TABLE 52: AVAILABLE FUNDING TOOLS

Funding Source	Description	Timeline	Resources needed	Funding range
Donations/capital campaign	Unrestricted use	Ongoing (capital campaigns typically last 2–5 years)	Planning, strategy with outlined goals, board support, dedicated committee, collateral, naming considerations	Determined by organization of what is feasible based on findings
Grants	**Capital grants**: General support of campus development **Program grants**: Support for program-related expenses that correspond with specific outcomes	2–6 months	Application, development/operating plan, informational memorandum, staff support, cash flow as federal grants are typically reimbursable	Specified in each grant Capital generally are >$1 million; program are <$1 million
Debt	Fund construction/development and ongoing operating budget	6–12 months[74]	Financial model, business and operational due diligence items, permits, zoning, legal documents, local government approval, etc.	75–80% LTV, multiple of earnings or multiple of book value of equity

[74] Typical timeline from solicitation process to close. Internal timeline to prepare marketing materials, finalize financial model, and organize necessary due diligence items could extend process

Funding Tool Recommendations

The Funding Development Plan is a customized overview of the different opportunities available. Based on the project scope, NVA recommends pursuing the following tools:

Capital Campaign/Individual Donations

To be successful, the partners need to create a formal capital campaign strategy. Capital campaigns are generally multi-year, multi-phase plans headed by a campaign committee. A separate campaign strategy should address the following:

- campaign feasibility study to determine how much is possible to raise
- campaign case statement (a summary document presenting the campaign's Why? Why us? and Why now? This document will inform all other campaign collateral and messaging)
- campaign brand, including a name, tagline, and graphics
- campaign leadership: a strong campaign committee of staff and volunteers including well-connected and passionate co-chairs
- campaign timeline: the silent (quiet) and public phases of the campaign, including major milestones and key events
- campaign collateral: brochures, major gift ask template, volunteer tools, etc.
- campaign gift range chart and detailed gift solicitation plan
- campaign web presence: updating the current page on the website regularly to create enthusiasm and provide timely status reports

It is recommended that the organization complete the steps in the pre-campaign planning phase to put the infrastructure in place needed to support a healthy, successful campaign. If the partners have not yet identified a capital campaign strategy, it is recommended that they start with a reputable firm such as **Capital Campaign Pro,** an online consultancy resource with the knowledge and support organizations need to run an affordable capital campaign. They ensure that recommendations, plans, and tools are tailored to each organization.

Grants and Loans

A mix of outside funders and financial institutions will enable the RFV partners to offset the large-scale building project, associated operating costs, and programmatic implementation. Grant funding for these two development projects may include resources that address agricultural development, food access or food security, environmental/energy/ or emergency access (Emma site), and regional food system development. Table 53 (below) identifies some grants that may be compatible with the proposed projects and development sites.

- **Government grants** are a means to distribute federal funds toward ideas and projects that provide public services and stimulate the economy. Because government grants are funded by tax dollars, they require stringent compliance and reporting measures for ensuring the money is spent according to federal guidelines.
- **Community development finance institutes** offer tailored resources and innovative programs that invest federal dollars alongside private sector into communities that lack access to financing.

TABLE 53: GRANTS AND LOANS

Funding Source	Amount Range	Priority	Support Type
Colorado Enterprise Fund- Healthy Foods Initiative	Up to $1,000,000	Loan program for healthy food businesses such as retail grocery providers, delivery services, food production and distributors, rural agricultural projects, and more. Also deploy NMTC	Typical borrower use: • Growth capital and general working capital • Acquisition and/or renovation • Equipment purchases
Colorado Fresh Food Financing Fund	Contact for terms	Statewide loan and grant fund created to improve convenient access to affordable, healthy, and culturally relevant food	Capital, capacity, general operating
Colorado- PACE	Tax rebates	Enables owners of eligible commercial buildings to finance up to 100% of energy efficiency, renewable energy and water conservation eligible improvements. Financing is provided by private capital providers at competitive rates with repayment terms up to 25 years	Energy, renewable energy, and water conservation improvements
Colorado Dept of Ag- Community Food Access Program	$25,000	To improve access to and lower prices for healthy foods in low-income and underserved areas of the state by supporting small food retailers	Infrastructure
Colorado Energy Office- Geothermal Energy Grant Program	$100,000–$500,000/project	Support the use of zero-emission, geothermal energy for electricity generation and space/water heating and cooling in businesses	New build or retrofit installation Geothermal electricity generation Design studies
Healthy Food Financing Initiative	$25,000–$200,000	Offers financial assistance to help healthy food retailers overcome higher costs and initial barriers to entry in underserved areas across the country. Focuses on projects that increase access to healthy fresh food for low-income and under-served populations	Variety of aspects of retail or enterprise development, renovation, and expansion
Rural Business Enterprise Grant (RBEG)	$10,000–$500,000	Funds programs that are designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas	Construction or upgrade of facilities, equipment, planning, technical assistance for economic development, and more.
Economic Development Administration	Economic development	Supports bottom-up strategies that build on regional assets to spur economic growth and resiliency with an emphasis in distressed communities	Construction or upgrade of public facilities, planning, technical assistance for economic development, and more.

Funding Source	Amount Range	Priority	Support Type
USDA-NIFA Community Foods Project Grant	Up to $400,000, requires 1:1 match over 4 years	Funds projects designed to increase food security in communities by bringing the whole food system together to assess strengths, establish linkages, and create systems that improve the self-reliance of community members around their food needs	Purchase, construct, and/or improve essential community facilities; purchase equipment; and pay related project expenses.
USDA Rural Development Community Facility Grants and Loans	Contact for terms	Provides grants and low-interest loans to assist in the development of essential community facilities in rural areas and towns of up to 20,000 in population	Purchase, construct, and/or improve essential community facilities; purchase equipment; and pay related project expenses.
USDA Local Food Production Promotion Implementation Grant (LFPP)	$500,000 over 3 years	To improve or expand a food business that supports locally and regionally produced agricultural products and food system infrastructure	Program Implementation, salaries, equipment (*Note: construction must be complete to apply if facility is imperative to the grant*)

Risks and Mitigation Strategies

There are key risks to consider that may have a material impact on the proposed facilities' successful development, launch, and viability. However, the risks may be mitigated with the right upfront strategies.

- **Identifying and Raising Initial Capital for Development**
  - ***Risk:*** Both projects will require an initial investment of capital for the build-out and development of the sites. Both organizations (LIFT-UP and Pitkin County) have limited financial resources for development projects of this scale.
  - ***Mitigation:*** As discussed in the "Funding Development Plan" section, both organizations will need to identify a capital strategy that can include donations, funding opportunities, grant opportunities, and potential debt sources to meet capital needs for development.
- **Gaining Approval from Boards and Constituencies for Proposed Projects (Emma Site)**
  - ***Risk:*** The Emma store buildings site model falls within the parameters created and outlined by the special committee who are advising the steering committee of future uses for the site. However, as demonstrated during the workshop session in March 2023, there is still significant reticence from members of the committee to approve this use of the site over concerns related to traffic and function.
  - ***Mitigation:*** The model created for the Emma site incorporates those elements of the original food hub proposal that can be accommodated in the site with restricted parking, vehicle traffic, and minimal alteration to a historic structure. The committee and Open Space and Trail board will still need to review the future phases of the project to determine which proposed uses within the model best meet their objectives and service public and community needs. The producer community participating in the workshop sessions noted that the site will provide needed root, seed, equipment, and cold storage at a central point in the Valley. However, there is opportunity to cross-program the site to support other audiences via the museum and multi-use spaces in phase 2 of the model. Further discussion will be needed to determine the best match for the site and engage key decision makers.
- **Identifying and Creating a Collaboration Model for Partners (Glenwood Springs Site)**
  - ***Risk:*** The development of kitchen, production, storage, and aggregation space in the Glenwood Springs site will still require an investment of capital for build-out and an annual outlay of operational costs to support needed staff roles, upkeep, and general operations. LIFT-UP (as the primary operator) will need to create a collaborative model that engages partners to identify financial capacity to contribute to both initial capital needs and eventual operational needs for sustainable operation of that site.
  - ***Mitigation:*** Various methods of fee-based or shared cost operations models have been outlined earlier in this report. Open discussions with partners to identify their financial capacity, opportunities to seek funding to support their role in the project, and desired usage in the facility spaces will help to refine this thinking. Clear and open communication will be important to ensure all partners feel engaged in the process.
- **Creating Sustainable Financials (Both Sites)**
  - ***Risk:*** Both sites have limited revenue generation capabilities. The Emma site is designed for and targets an under-resourced community that will have limited financial capacity to pay fees or rentals for anything other than subsidized or below-market rate structures. Further, the emphasis of the facility on preservation, community access, and public resources will not necessarily generate any significant income (museum donations, limited class fees, or access fees) to support staff and operations. The Glenwood Springs site has an anchor

operator but will need to offset higher operational costs (kitchens, extensive storage facilities, and multi-use spaces) to not strain the organization. Partners in food access have stated that they too have limited financial resources to contribute toward the project.

- ***Mitigation:*** Both operations are not looking to produce income from the properties and projects, so there is an opportunity to use limited fees and program charges to offset minimal operational overhead. Creating a clear plan for partnership and collaboration in the spaces at the Glenwood Springs site and integrating partners with similar mission and program objectives into the Emma site will be necessary to find sustaining funding at both sites.

Conclusions and Strategic Recommendations

Conclusions

The study identified that there is a need across the RFV for a centralized facility that can support both producer and food security needs and collaborations. Further, the engagement exercises during the study and feedback incorporated into early models identified that there is enthusiasm for a model that provides needed infrastructure to support growth for both audiences – creating more food in the local value chain and supporting greater connections to fresh, locally grown and produced products for local consumers and recipients of food access resources.

The study informed two models that together create the needed storage, production, gathering/meeting, and support spaces identified by the primary project stakeholders. The final models present a multi-site solution to the objectives of the project by creating two medium-sized access points with needed resources. It was not viable, with the removal of the City Market site, to create a centralized model that contained all potentially desired spaces in one facility; study partners were not able to identify an existing regional asset that could support such a model.

However, both sites, especially the Emma store buildings site with its remediation and energy considerations, will require large capital investments to implement these models. This is a significant investment for all partners along with the communities and constituencies they represent. Further, these facilities are being created to offer access to under-resourced and under-capitalized stakeholder groups who will have limited capacity to support the facilities with traditional revenue streams. Both facilities have limited opportunities to generate income from their user groups and will most likely require some sort of grant or additional funding to offset the forecasted operational overhead in the initial five to seven years of operation.

The Emma site has the advantage of strong partnerships with Pitkin County resources – such as Human Services, Open Space and Trails, the parks department, and other local groups who may be able to support the identification of grants or funding resources for development, volunteer or staffing supports and complimentary programs, and facility and grounds upkeep.

The Glenwood Springs site has the advantage of an experienced primary operator with an organizational need for the site to expand and support their own operations and programs. The integration of their primary operations into the site will help to offset the majority of initial operational lift and provide needed staff, resources, and expertise to the development of the collaborative facility.

In weighing the risks, advantages, and limitations of both sites and models, the study concludes that the models presented are feasible but that financial risk does exist at both sites for both the upfront construction and development costs along with the ongoing operational expenditures forecasted in our financial model. As stressed in the risks section prior, both projects will need to establish partnerships around their space and program offerings that can help to sustain operations post-development.

Feasibility is determined by the ability of the site to

1. **Meet the determined project objectives with the support of the community** and buy-in from partners, community organizations and key stakeholder groups
2. **Support a viable operational model** implementing key elements such as an identified site or location, a capable operator, and processes and programs that meet and service project objectives
3. Support over time via **a sustainable and viable financial model** and ongoing improvements to facility operations

Strategic Recommendations

If the project partners choose to move forward with one or both sites, the following actions are recommended to complete pre-development prior to heading into implementation:

- **Refine the role of an operator** in the Emma site hub (operator, landlord, program partners, volunteer roles, etc.).
- Continue to **develop and clarify potential opportunities with partners, funders, and program partners at both sites**. Explicitly identifying clear partner opportunities at both sites to ensure that programs, financial relationships, user agreements, and roles are defined that will be necessary before advancing into any development steps.
- **Finalize the facility design**, refine infrastructure needs, and further refine build-out costs for local conditions. This will require engaging a licensed Colorado architecture firm to oversee architectural design for construction and development and to generate the needed drawings for the site (floor plans, elevations, etc.). A licensed contractor and reputable equipment dealer can provide quotes for site remediation, build costs, and determine all FF&E to refine the financial modeling against the solidified timeline.
- **Launch fundraising**. The project leads and partners will need to create a fundraising plan to explore and secure diverse capital streams from all available sectors.

Appendix: List of Additional Documents Provided for Reference

A folder of supporting resources referenced through the report has been provided. It includes the following documents:

- **Market analysis resources,** including the original mid-project summary slide deck, research plan, interview guides, contact outreach spreadsheet, survey drafts, and charrette slide deck and attendee list
- **Emma store buildings site/facility evaluation**, including the planning workbook and presentation slide deck
- **City Market RFI**
- **Operating workbook excerpts**, including the building program, equipment model, labor model, and summary review slides (including case studies)
- **Full-size visuals** for both sites (and for model 3)
- **Financial model excerpts**, including the break-even and utilization models
- **Final workplan (complete)**