

African People's Education and Defense Fund



DEFENDING the
HUMAN and **CIVIL RIGHTS** of
the **AFRICAN COMMUNITY.**

ADDRESSING the
GRAVE DISPARITIES
in **EDUCATION, HEALTH,** and
ECONOMIC DEVELOPMENT.

www.apedf.org 727-821-2437

1245 18th Avenue South St. Petersburg, FL 33705



Community Commercial Kitchen Project

Business Plan

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I. Executive Summary

The African People's Education and Defense Fund (APEDF) is a non-profit, tax-exempt (501c3) organization that strives to develop and institutionalize programs to defend the human and civil rights of the African community and to address the grave disparities in education, health, healthcare and economic development faced by the African community.

The Community Commercial Kitchen Project will complete the fund drive for the resources needed to outfit a commercial kitchen located at the St. Petersburg, Florida Uhuru House community center, the economic hub for the African community.

The Community Commercial Kitchen Project will provide an ongoing platform to address the grave disparities in economic development experienced by the African community.

The project will fulfill these key objectives in the African community:

- **Enable sustainable economic development** by lowering business entry barriers, like cost, for community members
- **Enhance opportunities for existing local food enterprises** to develop new technique and products which maintain viability or allow expansion
- **Offer opportunities for new entrants in the food service marketplace** to incubate start-up enterprises and develop skills to ensure ongoing viability
- **Contribute to the self-sufficiency of the Uhuru House community center** itself by enhancing the use of the banquet hall
- **Educate participants, as well as the greater community**, about the power and benefits of enterprise that retains ties to the local community and enlarges the notion of self-interest away from a narrow, atomized conception
- **Create more community commerce** and self-sustaining economic activity within the African community
- **Certifications** for professional food handling service
- **Training programs** for marketing and business management

As we will show in this document, there is an urgent need for economic development in the target community for the Community Commercial Kitchen Project. In addition, there is a specific need for the facilities and services this project will provide. Statistics show that community owned projects are a springboard for commerce within the community.

The Community Commercial Kitchen Project will continue APEDF's tradition of successful economic development within the African community. It will advance the goals of

- Creating real community commerce and employment opportunities
- Providing classes in nutrition and cooking
- Training programs in securing permits and licenses
- Professional food handling service
- Marketing and business management

Most importantly, it will become the model for African-led, self-sustained economic development around the country and elsewhere. Our goal is to complete the project by June, 2010.

II. Challenge



The current kitchen at the Uhuru House Community Center

APEDF's challenge is to outfit a commercial kitchen with NSF grade commercial kitchen equipment and receive licensing from the County Health Department and State of Florida.

The current space has already undergone a renovation and is now in need of architectural plans, permits, and construction fees for installation of commercial equipment, including a hood, fire suppressant system and grease trap. Also, the following equipment is needed:

- 6 burner stove and grill
- Hood and fire suppressant system
- Stackable convection ovens
- 3 compartment sink
- Sanitizer
- Hand wash sink
- Mop sink
- Hot water heater
- Stainless steel refrigerator
- Stainless steel freezer
- Hobart mixer and robot coupe
- Grease trap, basic utensils, cart and shelves

III. Situation Analysis

Company Analysis

This project is sponsored by the African People's Education and Defense Fund, known for uniquely meeting the needs of the historically under-served African community with such programs and institutions as:

- A community gym and wellness center featuring sliding scale fees and no contracts
- Annual weight lifting competitions, health fairs, and wellness seminars
- Healthy Connections Newsletter, a free source of articles, recipes and neighborhood information
- Youth leadership and basketball programs
- Uhuru Furniture & Collectible stores for economic development
- Uhuru House community centers
- Events, forums and networking partnerships with like-minded community groups and organizations

Goals

APEDF's goals are:

1. To build community- based institutions and programs that address the grave disparities in education, health, and economic development faced by African people.
2. To address the human and civil rights of African people.

APEDF's goals for the Community Commercial Kitchen Project are:

1. To build the economic development capacity of the African community by outfitting a community commercial kitchen. This institution will specifically address community needs and be operated by and for the community.
2. The kitchen will meet the County Health Department and State of Florida requirements for food preparation in a licensed commercial kitchen for resale and vending sales at markets, fairs and festivals, and for service at privately catered parties.

Culture

APEDF has a "do for self!" culture that empowers the African community to continue its historic struggle for economic self-reliance and sustainability. APEDF also makes it possible for all people, regardless of race, religion, class or ability, to participate in and support this culture. The Community Commercial Kitchen Project will foster a self-reliant, non-charity relationship within the community. APEDF institutions, including the kitchen, engender mutually supportive relationships within the African community through community-focused economic enterprises, rather than alien or atomized entities which have no relation or a negative relation to the community.

Strengths

APEDF's most significant strengths:

- 1. APEDF is an organization with a track record of providing solutions.**
- 2. APEDF has successfully managed long-term, community-based institutions.**
- 3. APEDF is rooted in the African community which it serves.**

1. APEDF not only educates and informs people about the grave disparities faced by the African community; it also does the research to determine how the problem will be solved. The Community Commercial Kitchen Project is one more example of APEDF providing genuine economic development for the African community.
2. As stated earlier under "Company Analysis", APEDF has developed many successful programs and institutions over the years. But even more significant is the fact that APEDF has created long-standing community businesses and programs. Many have stood the test of time and thrived under even the extreme economic conditions of the past few years. They have become anchors to the communities they serve and vital voices representing the perspective of the African community.



- Uhuru Furniture & Collectibles in Center City, Philadelphia is preparing for its "Sweet Sixteen" Birthday Celebration
- Uhuru Furniture & Collectibles in the Grand Lake District of Oakland, CA recently celebrated its 20th Anniversary



UFC Oakland (left), Philadelphia (above)

These community-based, good-quality used furniture stores are successfully navigating through one of the most difficult economic times for non-profits and for-profits alike.

The commitment and experience of the leaders and volunteers involved can be seen in the actual development of APEDF programs. The composition of the non-profit is reflective of the communities it serves: "By and for the community!"

APEDF took what could have been just sponsoring children's basketball teams to developing a Youth Basketball Program that not only coached trophy winning teams, but also incorporated academic tutoring and leadership skills and culturally relevant field trips.



10 and under basketball team

The quest for individual health became a community program with the establishment of a sliding scale community gym and fitness center; wellness center; sponsoring forums and

a monthly newsletter, Healthy Connections, to address the grave disparities and provide a solution.

The Uhuru House community centers have been a hub of activity, meeting genuine needs of the local people. They have housed programs such as:

- Spanish language classes
- Free childcare collective
- Youth and adult martial arts and dance
- Physical fitness classes
- Forums and educational film showings
- After school tutoring and computer science programs

Uhuru House
Community Center



Further evidence of APEDF's successful management of its institutions was the determination to close the Uhuru Furniture & Collectibles store in St. Petersburg, FL. Though it had established a loyal customer base and positive partnerships in the business community, it was a prudent and wise decision that has become even more evident in hindsight. APEDF was able to correctly analyze the seriousness of the situation when Florida was the first state hit with the negative economic impact of the housing market crash. This also reversed the trend of winter "snow birds" and tourists, factors specific to the Florida store location. This critical management decision enabled APEDF to liquidate its assets without incurring loss.

3. APEDF is rooted in the African community. It maintains this connection through its Board of Directors, all active in their communities and passionate about the mission statement. APEDF also has regular open office hours, conducts weekly community outreach, creates open community meetings and encourages community participation in every event, program and action.

Weaknesses

We have not satisfied the potential for economic development in a very popular area in the African community - food production - where historically there is talent and creativity but not the ability to achieve viable businesses.

A major weakness we have is the lack of financial resources to get this project completed. APEDF has limited capital to compensate for the lack of capital in the African community that it serves, which has only 1/10 of the wealth of predominantly white communities, and little access to capital from established institutions.

There is a demonstrated history of established financial and governmental institutions not serving this community and others like it across the U.S. Since the community is underserved by traditional financial institutions, the need for investment is overwhelming. APEDF is pursuing several avenues for funding. Details are outlined in section "VI. Funding Plan".

Another weakness is in the development and implementation of community partnerships, the outreach infrastructure and outreach plan. Up to this point our focus has been on the research and substantial logistics of realizing this project. For the Community Commercial Kitchen Project to be successful, our next step must be to inform the target community about this project and bring them together to advance our capacity for developing viable economic development projects resulting in an overall increase in community commerce. Details are outlined in section "V. Marketing Strategy".

External Opportunities

APEDF's greatest external opportunity lies in the unquestionable talent, skill, creativity and entrepreneurial spirit in the African community. In order for this particular project to be successful, APEDF conducted a community survey to determine the needs specific to the area surrounding the Uhuru House community center. Our community survey shows that food service is one of the top ten business possibilities for the surrounding community.

Another opportunity is the demand for commercial kitchen facilities at reasonable prices as demonstrated in our target community. Existing commercial kitchens, usually operated by churches, charge rental fees for "state of the art" kitchens that are generally unaffordable, or lower priced kitchens do not have all the equipment typically needed. Many African market vendors, community BBQ institutions, and community organization fundraising committees are not currently able to satisfy the Health Department and State of Florida licensing requirements due to the unaffordable commercial kitchen spaces.

APEDF will be drawing upon untapped talent in the community; deepening the vibrant culture; addressing an underserved market with local enterprises independent from for-profit corporations which are typically not based in the community and centralized around other interests.

Recent economic studies have shown that locally controlled enterprises keep far more money circulating in the community than outside, corporate controlled enterprises run by distant owners. If a dollar is spent at a locally controlled business, 73 cents circulates in

the community, benefiting the people there. If a dollar is spent with a non-local corporation, only 43 cents stays in the community.

It is clear that there is an urgent need for the Community Commercial Kitchen Project. It will increase local economic control, keeping resources circulating within the local economy, thereby increasing community commerce.

External Threats

Corporate Expansionism and Encroachment

A chain grocery store in a community, while providing some services all communities expect and generally have, does not satisfy the need for genuine economic development, in particular in a community in which 71% live on or below the poverty level.

Outside corporate enterprises extract 57 cents of every dollar that is spent there, whereas 73 cents of every dollar spent with local enterprises within the community stays and is circulated within that community.

Gentrification

The process of gentrification is not positive for most members of the community whose interests we represent – namely, working-class African people. This process negatively impacts lower-income working people, renters and those living on a modest fixed income. It is having a negative impact on the African community of south St. Petersburg, Florida, which is primarily economically engaged as a reserve labor pool. Most of the community is unemployed or underemployed. This community has a jobless rate nearly twice the population as a whole.

Gentrification traditionally pushes out the poor working-class and drives up property values, benefitting one community over the other -- especially property owners, real estate speculators and those with access to financial capital vs. those without such resources. Taxes rise with increasing values, pushing out long time residential owners who bought their homes when costs were substantially lower but who can no longer afford the costs of ownership. Code enforcement levels fines that people are unable to pay. In a community with a high percentage of renters with no ability to own, rents become unaffordable. New owners buy the house and often modest homes are leveled to build new homes. The culture that once served the people who historically lived there, no longer exists.

Throughout the historically African community of south St. Petersburg, there are several examples of African neighborhoods that, through gentrification and corporate expansionism, have lost their base of locally owned and operated African businesses, devastating local economies and ripping up the social fabric.

The African People's Education and Defense Fund's goal is to strengthen the economic development capacity of the Black community that allows people to stay in their homes and sustain their communities. The Community Commercial Kitchen Project will help reverse this trend by developing economic opportunities for the African community, counteracting the negative affects of gentrification and corporate encroachment.

Competitors and Marketshare

Client Analysis

The kitchen's client base will come from:

- The St. Petersburg/Tampa Bay area community that is not able to afford the current rental costs of existing commercial kitchens
- Potential entrepreneurs who now see opportunity with a community-based kitchen that also coordinates community training programs
- Market vendors priced out of existing commercial kitchens
- Caterers and all food service people who would choose to support a kitchen representing economic development for the African community

Concentration of Customer Base

- Caterers, in general
- Caterers who also need a banquet hall attached to kitchen
- Saturday Morning Market vendors
- Fair and festival vendors such as the families that vended at the MLK parade
- Uhuru Holiday Pies
- Other pie and cake bakers
- Non-profits for fundraising dinners and pancake breakfasts
- Family reunion dinners
- Entrepreneurs developing products
- Chefs and bakers for cooking classes
- Community youth programs

Collaborators

Caterers who have used the banquet hall at the Uhuru House community center in the past; Saturday Morning Market vendors; families that vended at the MLK parade; non-profit and community groups.

Climate

Political and Legal

The City has enforced stricter standards prohibitive street vending, even if on private property. This has traditionally been a much needed source of economic sustainability for the African community, whether in Harlem or St. Petersburg.

Economic Environment

- Increasing unemployment estimated at 50% and higher
- 71% of the community neighboring the Uhuru House community center living on or below the poverty level
- Only one third of African high school students receiving a high school diploma in the Pinellas County Schools

Social and Cultural Environment

Historically the African community has provided its traditional foods and culinary arts to its community. There have always been caterers, bakers, barbeque experts, community fish-frys and cookouts. Food sales have also traditionally been an avenue for raising funds for youth programs, supporting community activities, as well as subsidizing income.

IV. Market Segmentation

- The community to be served is the impoverished south side African community of St. Petersburg, FL
- Existing viable businesses and vendors who need certified kitchen facilities (examples: caterers, Saturday Morning Market vendors, fair vendors such as those in the annual MLK parade, etc.)
- Existing viable businesses and vendors who desire to develop new products or services
- Entrants into the food service industry, who desire to establish a new business
- Existing businesses that are struggling and can benefit from support services
- People who desire employment in the food service industry and need new skills training or who desire to enhance their current skills
- Renters of the Uhuru House banquet hall who require food service facilities
- Food service providers of every type who choose to rent this kitchen as a way to contribute to the economic development efforts of the African community

V. Marketing Strategy

The APEDF Community Commercial Kitchen Project will fill the gap of affordable, available commercial kitchen space for use by the groups identified in our target market. There are no other community-based, available and affordable commercial kitchens to rent. APEDF is a unique non-profit that specifically meets the needs of the African working class and impoverished community. Our marketing strategy rests on our ability to effectively 1) communicate the significance of this project, 2) highlight the high quality of the facilities and 3) promote its accessibility and affordability.

Building Community Partnerships

APEDF will coordinate an outreach campaign to bring the target community together with the goal of building community partnerships, especially with those individuals named in section "IV. Market Segmentation". APEDF will then host an open community meeting to form a committee for this project.

Pricing

Kitchen rental pricing will be reasonable and take into account the average income in the community. Estimated costs will be based on sliding scale taking into account 1) the number of hours the facilities are needed by the individual or group; 2) the equipment use and electric/gas outlay; 3) the commitment to regular weekly/monthly contract; and 4) whether or not the use of the facilities will be tied to rental of banquet hall.

Advertising and Promotions

- Customer base will be reached through:
 - Distribution of flyers
 - Ads in newspapers
 - Online postings
 - Church bulletins and announcements
 - Social networking sites
 - Specific outreach to food vendors and caterers
- Press release developed and sent to:
 - Print and radio media
 - Websites
 - Internet news sites
 - Postings online
- New business cards produced.
- Flyer announcing open community meeting to form a committee for the project.
- APEDF website refreshed with new design and updated with campaign including thermometer measuring fund drive and equipment list encouraging in-kind donations. Weekly web manager will be identified within volunteer base.
- A name for the community commercial kitchen will be determined.
- Creating a brochure of the outfitted kitchen with features, costs, classes offered and a vision of possibilities for economic development projects.
- Mailing to all caterers, food service providers, special events coordinators, tour coordinators, non-profits, market vendors, and fair and festival vendors.
- Hosting a grand opening celebration upon the completion of outfitting the kitchen and securing the Health Department certification.

VI. Funding Plan

The funding plan will include raising resources from these sources:

- Special events and benefits
 - APEDF co-sponsored Earth Day celebrations
 - Music benefits
 - “Yoga With a Purpose” fundraisers
- Forums and tour events featuring prominent speakers
- Meetings with known supporters for large donations
- Identifying new donors from the base of support of APEDF and its long time institutions such as Uhuru Furniture & Collectibles stores
- Donations from scores of supporters of African self-determination and economic sustainability
- Grants from schools, foundations, green and community based businesses
- Churches and organizations committed to social justice
- Websites and internet promotions
- In-kind donations of equipment

VII. Appendix A: Capital Budget

Community Commercial Kitchen Project
February 2010

Estimated Expenses:

EMPAD Architecture and Design	3,500
Henson Development and Construction	29,620
Permit and Impact fees (to be determined)	
Additional cost for ext. hood (to be determined)	
Cost to transport stove to FL (to be determined)	

Equipment/Estimated Costs

6 Burner gas range/grill: Donated!	0
Shipping cost from CA (Con freight \$1,250)	
Must get donated or reduced to contributed for gas	up to 500
8'Hood/Fire retardant system included in contractor bid	0
Convection Ovens (Doubledeck, gas), used	2,500
Brands Vulcan, Montague, Blodgett, Southbend	
2 door Stainless Steel Freezer, used	1,200
2 door Stainless Steel Refrigerator, used	1,200
3 compartment stainless steel sink, used	500
Spray faucet, new	250
Mop sink	220/320
Hand wash sink and hardware	125
Sanitizer, used e-bay plus shipping	2,000
Four racks	145
Hot water heater (capacity tbd) estimate	600/800
Grease trap (size/capacity tbd)	30# \$290/50# \$450
30 qt. Mixer, used ebay	1,800
Brands: Univex or Hobart	
Robot coupe 30 qt.	1,000
Misc: speed racks; sheet pans; utility cart; utensils	800
 Equipment Subtotal	 \$13,590
 Total known costs to date (2/13/10)	 \$46,710

VIII. Appendix B: Capital Fund Drive

Community Commercial Kitchen Project
February 2010

Estimated Costs		\$46,710
Am't cash expenses	33,120	
Am't equip/in-kind	13,590	
Less Campaign Cash on Hand		(16,835)
Total to be raised		\$29,875

Funding Strategy

\$30,100

Donors

Dynamic presence of APEDF website		
Testimonials from donors and updated thermometer		
Promotional presence with appeals for donations on websites of fair trade groups, green business associations and organizations on Global Exchange		1,000
USM Earth Day events		1,000
Meetings with large donors and supporters		
Each UFC store: identify 3 donors		10,000
Medium donors:		
10 @ \$100.00		1,000
10 @ \$50.00		500
20 @ \$25.00		500

Grants

USF Grant		5,000
Others to investigate:		
Franciscan Foundation		
Home Depot Foundation		
Whole Foods		

Appeal to Social Justice Sectors

Unitarian Universalist Churches:		
Florida, Aptos, CA, Philadelphia		
5 @ \$500 (split the plate) focus: ovens		2,500

Yoga for a Purpose

May 9 th – 14 th , 2010	4,000	
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"Pave the Way to Freedom" Bricks Campaign

2,000

Benefit Events

NYC February 27th, 2010 benefit		500
Student Action Network: New College		500

Corporate Matching Funds

Oracle March 2010		600
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Identify one other through contacts, website

In-kind donations of equipment

1,500

IX. Appendix C: Operating Budget

APEDF Community Commercial Kitchen Project - 3 year Operating Budget Sample Projections

Income:	Rate	YEAR ONE					YEAR TWO					YEAR THREE					Income Total	
		Hrs					Hrs					Hrs						Income Total
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total		
Vendor prep	\$ 15	150	150	35	150	485	200	200	50	200	650	225	225	50	225	725	\$ 9,750	\$ 10,875
Caterers prep	\$ 15	50	70	35	100	255	75	100	50	150	375	100	125	75	175	475	\$ 5,625	\$ 7,125
Stove/Oven- Cater/Chef/Baker	\$ 20	25	50	15	50	140	40	50	25	75	190	50	60	30	100	240	\$ 3,800	\$ 4,800
Classes	\$ 10	10	10	10	10	40	20	20	20	80	80	30	30	30	120	120	\$ 800	\$ 1,200
Monthly contracts	\$ 12.5	150	150	50	200	550	250	250	100	300	900	300	300	100	400	1,100	\$ 11,250	\$ 13,750
Kitchen rent with auditorium	\$ 100	8	6	8	8	30	10	8	5	10	33	15	10	10	15	50	\$ 3,300	\$ 5,000
Other:																		
Total Income						1,500				2,228					2,710		\$ 34,525	\$ 42,750
Expenses:																		
Utilities: gas	\$2/hr																\$ 4,456	\$ 5,420
Utilities: water/garb	\$2/hr																\$ 4,456	\$ 5,420
Utilities: electric	\$1/hr																\$ 2,228	\$ 2,710
Kitchen manager																		\$ 3,000
Supplies	\$1/hr																\$ 2,228	\$ 2,710
Promotion & Literature																	\$ 1,000	\$ 1,000
Equipment Maintenance																	\$ 2,400	\$ 2,400
Equipment Purchases																	\$ 3,000	\$ 3,000
Total Expenses																	\$ 19,768	\$ 25,660
Income - Expenses																	\$ 14,757	\$ 17,090