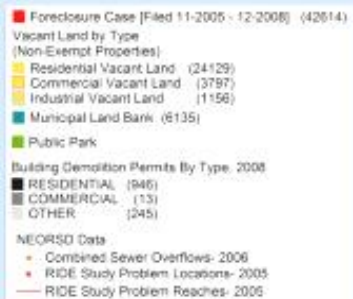




Photo: City Farm, Stephanie Cwik

Developing an Urban Farm Business Plan

VACANT AND FORECLOSED PROPERTY (with NEORSD RIDE Study Data) CUYAHOGA COUNTY, 2008



The Challenges

- Widespread abandonment
- Economic Downturn
- Very poor market for Real Estate

Numbers of vacant properties

Pittsburgh - 15,000

Buffalo - 40,000

St Louis - 40,000+

Indianapolis - 22,000

Philadelphia - 30,000+

Baltimore - 42,000

Detroit - 90,000

Cleveland - 20,000

Vacant lots aren't harmless...

They actively drag a neighborhood down:

- Illegal dumping
- Crime
- Eyesores
- Lowers surrounding area property values



EPA Supports Community Based Work

- **Brownfields & Land Revitalization Program**
 - Provides funding through the Assessment, Clean-up and Revolving Loan Fund (RLF) program
 - Brownfields Job Training Program
 - Area Wide Planning
 - Office of Brownfields and Land Revitalization provided funding for the Urban Farm Handbook
- **Partnership for Sustainable Communities**
 - Building Block Grants
 - Smart Growth Implementation Assistance
 - Community Challenge & Regional Planning Grants

Additional EPA Resources

- Additional information on urban agriculture can be found on EPA Brownfields Urban Agriculture website:

<http://epa.gov/brownfields/urbanag/>

- Another new resource from Region 5

BROWNFIELDS AND URBAN AGRICULTURE:

Interim Guidelines for Safe Gardening Practices

About the Fernwood Site

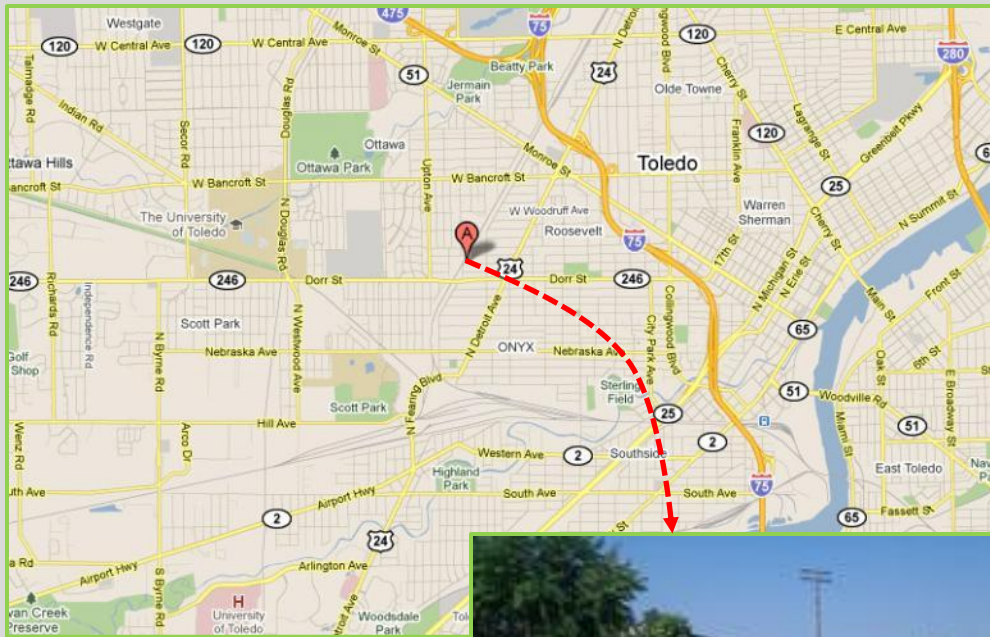


Photo: Chris Choi

- Located between downtown and the University of Toledo
- Former Champion Spark Plug Facility
- Approx. 2 acres site, next to train tracks
- Vacant for 16 years
- Obtained brownfield RLF cleanup grant through City

Community Goals for Fernwood Growing Center

- Provide an economically viable source of fresh locally grown fruits and vegetables and related products to our community
- Facilitate a greater understanding of the social impacts of food choices by encouraging healthy diets and lifestyles, providing nutrition education, and fostering a sense of community by reconnecting people with locally grown foods;
- Strengthen the local economy through the productive reuse of abandoned properties, local jobs, and job training; and
- Benefit public health and the environmental by cleaning up brownfields properties and utilizing operation and production techniques that minimize pollution and conserve resources.

How do we translate these goals into an operating farm?

Getting to Specifics...

While intention is good, it is essential to think about all the necessary steps to make it sustainable and successful.

Some basic things to consider:

- ❑ What crops will be grown?
- ❑ Who will do the work?
- ❑ How will crops be sold?
- ❑ What are the initial startup costs?
- ❑ What about operating costs?
- ❑ Who are the competitors?
- ❑ How will you address cleanup of the site?
- ❑ What are your community's codes regarding urban farming?



Photo: Windy City Harvest

Our Process

EPA, SRA International, and Vita Nuova worked with local organizations in the Toledo area to create a framework to answer these (and other) fundamental questions.

Toledo partners include:

Toledo Community Development Corp.
Lucas County Improvement Corporation
University of Toledo
Center for Innovative Food Technology
Congresswoman Marcy Kaptur's Office

The Collaborative
Toledo Grows
City of Toledo
Federal Partners: HUD, DOT



Components: Marketing Strategy

- Market
 - Customers
- Product
- Distribution
- Sales
 - Pricing
 - Sales Volume
- Competition
- Promotion

Worksheet # 9 - Product

Describe the products to be offered and how it will compete for each market segment. Complete a worksheet for each market segment.

Market Segment:
What products will be offered?
What specific product characteristics meet the needs of the target market?
How are your products unique?
Why would a customer prefer your product to a competitor's?
What are the strengths and weaknesses of the product?
How does your business differentiate itself from competitors?

Components: Operational Strategy

- ❑ Crop Management
- ❑ Size and Capacity
- ❑ Physical Resource Needs
- ❑ Human Resource Needs
- ❑ Regulation & Policy

Worksheet # 18 -Physical Resources

Physical resources include land, buildings, and equipment necessary to produce and market your crops to meet the objectives of your marketing strategy. Describe your physical resource needs and how they will be acquired.

List the resources needed.	Describe the physical resource and how it will be acquired.
Land	
Buildings	
Other structures	
Equipment	
Supplies	

Components: Financial Strategy

- ❑ Expenses
- ❑ Income
- ❑ Income & Expense
- ❑ Fixed Assets
- ❑ Funding Requirements
- ❑ Risk Management

Worksheet # 28 – Income and Expense

Estimate the annual profit or loss for the farm. Profit or loss is calculated under the Worksheet # 28 (Income and Expense) tab of the Urban Farm Pro Forma spreadsheet. The spreadsheet includes formulas to calculate profit or loss based on the completion of Worksheet # 26 (Expense) and Worksheet # 27 (Income) tabs. The table below is presented for reference.

Income and Expense Projection	Year 1	Year 2	Year 3	Year 4	Year 5
Income					
Projected Sales	-	-	-	-	-
Grants and other income	-	-	-	-	-
Total Income	-	-	-	-	-
Direct Operating Expenses					
Annual setup and removal	-	-	-	-	-
Total repairs and maintenance	-	-	-	-	-
Equipment and Tools	-	-	-	-	-
Seed & Soil Materials	-	-	-	-	-
Human Resources & Personnel	-	-	-	-	-
subtotal	-	-	-	-	-
Indirect Operating Expenses					
Sales and Distribution	-	-	-	-	-
Marketing and Advertising	-	-	-	-	-
Utilities	-	-	-	-	-
Total Operating Expenses	-	-	-	-	-
Net Operating Income(Loss)	-	-	-	-	-
General and Administrative	-	-	-	-	-
One-Time or Start-up Costs	-	-	-	-	-
Net Income Before Non-Cash Items	-	-	-	-	-
Depreciation and other non-cash expenses	-	-	-	-	-
Net Income Before Taxes	-	-	-	-	-
Income Taxes (if any)	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-

Tying it All Together



- ▣ Introduction
- ▣ Vision Statement
- ▣ Mission Statement
- ▣ Goals

Potential Uses

- ▣ Map out strategy for the start-up and operation of the urban farm
- ▣ Provide important information to investors and funders
- ▣ Communicate plan to other stakeholders
- ▣ Track progress of business to goals

Availability and Download Information

Available online:

<http://www.epa.gov/brownfields/urbanag>

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