# CHICAGO SHARED KITCHEN GUIDEBOOK

Innovating Food Entrepreneurship



#### A GUIDE TO:

Using a Shared Kitchen

Starting a Shared Kitchen

**Sharing Your Restaurant** 

## ABOUT SHARED KITCHENS

A Shared Kitchen makes it possible for food entrepreneurs to share space, share equipment, share ideas, and share in one another's success. The shared kitchen is equipped with commercial grade kitchen equipment and a business license, and users pay for the time they need. As a result, entrepreneurs can test recipes and grow gradually in a kitchen that has passed inspection and complies with all local requirements for the preparation, cooking, holding, and storage of food, without investing in their own kitchens.

In this guidebook, you can find information on how you can utilize a shared kitchen in Chicago, whether you are the USER, KITCHEN OPERATOR, or SHARED RESTAURANT looking to share your facility in off hours. Shared kitchens are a relatively new part of Chicago's business landscape. Like many new ventures, operating or using a shared kitchen can present great opportunities, as well as challenges. The good news is that there are many local organizations that can help you through it. At the end of this guide you will find the contact information for a few Chicago-based organizations that are knowledgeable in shared kitchen design, development, and management.

## FINDING YOUR WAY

**USER** 



I am looking to use a shared kitchen

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**KITCHEN OPERATOR** 



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**SHARED RESTAURANT** 



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## **USER**

I am looking to use a shared kitchen.

#### Using a Shared Kitchen

The chance to use a shared kitchen is a relatively new opportunity in Chicago. As a result, the shared kitchen landscape is changing (and growing) all the time!

#### Finding a Shared Kitchen Near You

Using the City of Chicago data portal, you can look up all businesses that are registered as shared kitchens. In addition, you can sort the results by Ward. While the data portal does not provide phone numbers for these businesses, it does provide a list of businesses with a shared kitchen license that you can look up and contact to learn about services and rates.



City of Chicago Data Portal: https://data.cityofchicago.org/

click on Business Licenses-Current Active

search license code 8342 for shared kitchens search license code 8343 for supplemental shared kitchens

Rather than finding a kitchen that is already licensed for sharing, you might also try asking a business with a licensed kitchen to share with you. A restaurant, catering kitchen, or other licensed food establishment may share space with another food business if it gets a supplemental shared kitchen license. Sharing can bring in extra revenue in the hours that the kitchen is not normally in use. Keep an eye out for food businesses that do not fully utilize the kitchen in the hours when you need it. If your business is not directly competitive with theirs (for example, you want to make wedding cakes at night in a restaurant that serves breakfast only), then the business might be more willing to share its kitchen with you. Make a connection with the owners and try to negotiate a deal that makes financial sense for both of you. It takes a lot of trust to allow another business in the kitchen, so be ready to propose a plan that will make the hosts comfortable. Give them this guidebook to explain how it works.

When choosing a shared kitchen, think through your business needs in the near future. Will it be available when you will need the space? What is the process for reserving space and times? Does it have any specialized equipment you need? Is there adequate storage for your ingredients, supplies, and equipment? And, of course, are the rates workable for your budget?

#### Shared Kitchen User Licenses

Once you have a shared kitchen relationship lined up, you should apply for a shared kitchen user license in the Department of Business Affairs and Consumer Protection (BACP) at Chicago City Hall. It is recommended that you schedule an appointment.\* Your license options are the following:

VS.

\$330 2 duration of YEARS rent space in multiple shared kitchens

Long-Term Shared Kitchen User License \$75 90 duration of DAYS rent space in one shared kitchen

Short-Term Shared Kitchen User License

#### What You Will Need

To apply for the shared kitchen user license, you must have all of the following:



Valid Government-Issued Photo ID\*



Illinois Department of Revenue Account ID



Required ANSI Certificates
See next page.



**Signed statement of intent or lease** with a start date, from the owner or operator of the shared kitchen.\*\*



#### Menu

Items you intend to prepare, store, taste test, develop, package or otherwise handle or use at the shared kitchen. The menu must include the applicant's individual or business name and the residential address of the applicant. See next page for more information.



#### All city debts must be paid

**Records and ID Badges:** Although not required to maintain your license, you should keep records of the dates and times you used the shared kitchen and the written statement from the shared kitchen operator giving you permission to work there. Be sure to have your photo ID badge, provided by the shared kitchen, always on hand. These are required for inspections.

<sup>\*</sup>See Appendix A for BACP contact information.

<sup>\*</sup> For more information: http://www.cityofchicago.org/content/dam/city/depts/bacp/general/3simplestepstoobtainbuslicf05313.pdf

<sup>\*\*</sup>See Appendix C for "Statement of Intent" guidelines.

#### ANSI-Accredited Food Service Certification

A licensed shared kitchen user must have at least one person with a Food Service Sanitation Manager certificate on-site at the shared kitchen whenever potentially hazardous food is being prepared, tasted, handled, packaged, prepared for storage, served or otherwise used. Food Sanitation Manager certification is offered through ServSafe, a food and beverage safety training and certificate program administered by the National Restaurant Association. The program is accredited by ANSI and the Conference for Food Protection. Sanitation certification is required by most restaurants as a basic credential for their management staff. Any person who handles food must have an ANSI-accredited food handler certificate if the person does not have a Food Sanitation Manager certificate.

#### Menu Approval

The Chicago Department of Public Health must approve your menu and your planned activities before you receive a shared kitchen user license. After you are licensed, you must notify the Department of Public Health about changes to your menu, and you must give the shared kitchen you use a copy of the Department of Public Health's written authorization for menu changes.



Schedule a Menu Consultation Contact: cdphfood@cityofchicago.org

#### **Shared Kitchen Arrangements**



#### Sign a Contract

Most shared kitchen users are required to sign a contract that specifies their rights and responsibilities when using the shared kitchen space. The terms of these agreements will vary on a case-by-case basis, so look through the contract carefully when choosing a space. Pay close attention to the risks that come with sharing space. What happens if there is a health code violation? In Chicago, the city can hold either the kitchen operator or the user — or both — responsible for violations. Check whether the contract requires you to get insurance to cover risks and whether it requires you to reimburse (or indemnify) the kitchen operator if it has to pay fines as a result of your use. Check the rules to see how you can keep your supplies secure but allow the kitchen operator to access them for a health inspection.



#### Food Safety

You a required to comply with all certification requirements and food safety regulations, as well as the shared kitchen's rules, such as cleaning thoroughly after you use the space.\* Shared kitchens typically institute non-compliance penalties, such as cleaning fees if the area has not been appropriately cleaned and termination of your user agreement for serious sanitation problems, meaning you can no longer use the shared kitchen space.

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<sup>\*</sup>Refer to Appendix B for in-depth information on food safety.



## KITCHEN OPERATOR

I am looking to operate a shared kitchen.

#### Starting a Shared Kitchen

Shared kitchens need approval from a variety of City of Chicago Departments, such as the Department of Public Health, the Chicago Fire Department, and, depending on the extent of your project, maybe the Department of Buildings and Zoning.

#### Shared Kitchen License

The Shared Kitchen License is for businesses whose primary or exclusive purpose is to operate a shared kitchen. This license allows you to lease commercial kitchen space to individual food businesses or cooks. If you are looking to start a shared kitchen but do not currently operate a commercial food business this is the license you will need.

\$660 2 duration of YEARS for an independent shared kitchen

Shared Kitchen License

To apply for the license, you should start by setting up an appointment with the Department of Business Affairs and Consumer Protection. You will also need to have a consultation with the Chicago Department of Public Health and inspections to make sure you understand and meet all of the relevant requirements of the health code. The process is very similar to the process for licensing a restaurant.\*



Learn more about licensing at the
City of Chicago's
Restaurant Start-up Program:
www.cityofchicago.org/restaurant

<sup>\*</sup>See Appendix A for details on how to apply for a Shared Kitchen License.

#### Choosing a Location

When choosing a location, use the City of Chicago's Online Zoning Map tool to determine if your building is in the proper zoning district. Always check zoning first so you do not invest time or money in a space that cannot be approved for a shared kitchen.

Also be sure to check on the requirements for the building you are considering by contacting the Chicago Planning & Zoning Bureau. You may need to provide parking and other features based on your zoning district.



## Online Zoning Map Tool: gisapps.cityofchicago.org/zoning

Shared kitchens are allowed in the following zoning districts:

- Downtown District DS
- Business District B3
- Commercial Districts C1, C2, & C3
- Manufacturing Districts M1, M2, & M3
- Planned Manufacturing Districts (PMDs)

For more information, visit the web page of the Department of Planning and Development: www.cityofchicago.org/city/en/depts/dcd.html

#### **Determine Your Needs**

To help determine your spatial needs, the following should be considered:



Think about the number of people cooking and the amount of prep space per person. It is recommended that you provide about 100 square feet per person.



Consider designated cooking, serving, and teaching spaces, if applicable, and consider the amount of square footage dedicated to each activity.



Consider everyone's storage needs. If several businesses are using the kitchen in shifts, the shared kitchen will probably need a lot more freezer, cold, and dry storage space than a typical restaurant would.



Depending on the condition of your space, you may need renovations to meet Chicago Building Code and pass the city's inspection process.\*

Architecture firms and organizations can help you determine and understand what will be required to either renovate an existing space or build a new space.\*\* For extensive renovation projects, architect-signed permit documents will need to be approved by the City of Chicago.

<sup>\*</sup>For more information consult the Chicago Department of Buildings.

<sup>\*\*</sup>See the "We Are Here to Help" section, or contact AIA Chicago.

#### Time Commitment

It's helpful to think about your project in phases to create a strategic game plan. Below is a diagram of typical project phases.



#### **Business Idea**

Planning your business takes time and will require a variety of steps. Meet with a Business Affairs and Consumer Protection (BACP) Consultant\* to learn more about location restrictions, permit requirements, and food safety requirements.

Other tasks include:

- O Researching potential sites
- Applying for a Shared Kitchen License
- O Applying for all required licenses and certifications such as the Chicago Food Service Sanitation Manager Certificate



#### Capital Campaign

Fundraising for your shared kitchen should begin early and can continue beyond the completion of the shared kitchen to help support maintenance expenses. This is also the time to market the project to your community to get their input and create awareness about the amenities of your shared kitchen.

Typical Project Costs:

- O Kitchen Equipment
- O Construction
- O Professional fees
  Architectural, Engineering, Legal
- O Startup & Operating Expenses
- Marketing
- O Food Delivery
- O Cookware



### Development & Buildout

Depending on the extent of work, design development and construction could take anywhere from 2 to 9 months. Contact an architect to determine requirements for your buildout.

Project phases can include:

- Program Development
- Zoning Analysis
- O Building Analysis
- O Permit Documentation
- Construction



#### Running Your Kitchen

Now you are up and running! As you can imagine, managing your kitchen will take a good chunk of time.

You will need to address:

- O Program Management
- O Cleaning and Maintenance
- Community Involvement and Awareness

<sup>\*</sup>See Appendix A for details on how to contact a BACP Consultant.

#### Setting Up Your Shared Kitchen

There is no one way to set up a commercial kitchen. Each space and process is unique. Listed on the following page are various aspects to consider as you think about your new Shared Kitchen.

Before receiving a shared kitchen license, an applicant must pass an inspection by the Chicago Department of Public Health and meet the health requirements of retail or wholesale food establishments. This may mean substantial changes if a kitchen that has not been licensed before is being converted into a commercial kitchen.



- Don't be afraid to start small!
- Don't rush! Take your time.
- Think about how your program can grow, and make decisions with this in mind.
- There are many resources and professionals available to help you along the way.

Consult a professional to help you meet your unique requirements, which can include the following:



Hand-washing sinks equipped with soap and towels and separate from utensil-washing sinks, placed within 20 feet of any workspace.



A utility or mop sink for cleaning purposes.



A stainless steel, three-compartment sink with an attached metal drain board, a grease trap, and a preventative backflow device.



Self-closing doors.



Exhaust hoods for all ranges.



A commercial dishwasher that either reaches a high temperature of 180 degrees Fahrenheit or uses lowtemperature chemical sanitizing, with either chlorine or iodine.



A sufficient number of toilet rooms for each gender and based on the number of employees.



208 (3) phase electrical power supply is suggested but depends on the size of the kitchen.



Room in ceiling or direct access to exterior for running ductwork from exhaust hood above cooking equipment.

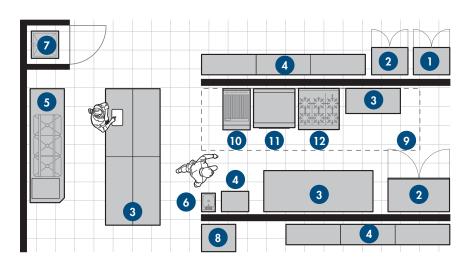


Natural gas or propane gas hookup to your building.

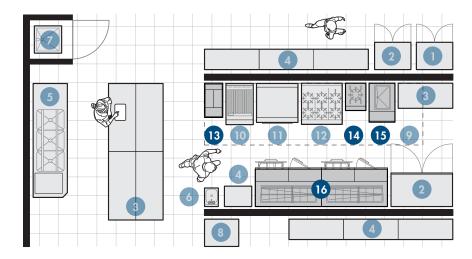


Adequate ventilation.

#### **Starting Out**



#### Future Expansion



**Diagram A.** Example floor plan designs for a shared kitchen.

#### Typical Equipment

The following is a suggested list of equipment for a kitchen that serves three or four users at one time. This list does not suit all situations and should only be used as a reference. Your list will depend on specific program needs and spatial limitations. Several items are required by code(\*) or are needed in conjunction with the use of another:

- Freezer
- 2 Refrigerator
- 3 Stainless Steel Prep Table
- 4 Storage Rack
- 5 3 Compartment Sink with Drainboard\*
- 6 Hand-Washing Sink\*
- Mop Sink\* & Chemical Storage Area\*
- 8 Prep Cart
- 9 Exhaust Hood (Above)\*
- 10 Char-Broiler
- Char-Broiler Counter
- 12 6 Top Gas Range
- 13 Deep Fryer
- Stock Pot Burner
- 15 Pasta Boiler
- 16 Refrigerated Prep Table

#### Client Interaction and Communication

When running your kitchen, be sure to address the following with your clients to ensure operations run smoothly, efficiently, and safely:



#### Sign a Contract

All kitchen users should be required to sign a contract that specifies their rights and responsibilities with regard to the shared kitchen. The terms of these agreements will vary on a case-by-case basis, and many of the terms are common to any form of business relationship; however, there are some specific issues that should be considered in the context of a shared kitchen, such as **indemnification and insurance**. The shared kitchen license ordinance makes the kitchen operator joint and severally liable for violations of the shared kitchen users' obligations. This includes sanitation obligations and means, for example, that the operator could be liable for fines and penalties in the event of food contamination. Consider requiring users to sign an indemnification agreement that would cover such an event. It may also be wise to require all shared kitchen users to show that they have an appropriate level of insurance.



#### **Scheduling**

The kitchen operator is required to ensure that there are never too many people operating in the kitchen at once. User times should be scheduled in advance in order to maintain compliance with occupancy and fire safety requirements.



#### Kitchen Rules & Procedures

Be sure to provide secure areas for users to store their supplies. However, in the event of a city inspection, the kitchen operator must provide access to all storage containers, so you may wish to periodically inspect all food to ensure safety. The kitchen operator should have means to access all stored food while still keeping the food secure, such as a lock box with extra keys. The shared kitchen users should be aware that inspections are possible and understand that any noncomplying food will be destroyed and disposed of immediately. Shared kitchen users must be provided with a photo ID badge which should be worn at all times while using the kitchen.



#### Food Safety

All users should be required to comply with all certification requirements and food safety regulations.\* Users should also be required to clean thoroughly after each use. This is an area where a shared kitchen licensee may consider creating non-compliance penalties, such as a cleaning fee if the area has to be cleaned after use or termination of the agreement for serious sanitation problems.



#### Tips for Running and Managing Your Kitchen

- Elect a point person from your organization to run the shared kitchen.
- Organization is key. Keep the kitchen schedule organized and up to date.
- Provide sufficient time between users for cleaning and prepping the space.
- Ensure that all users understand and comply with the guidelines of the kitchen. Require every user to attend an orientation. This will help protect and maintain your organization's property and equipment.
- Keep storage organized and secure.
- Be ready for periodic inspections, typically three times a year.
- Consider having a user application process.

#### Record Keeping

All records must be kept for at least two years and be available on request for inspection by an authorized city official. Shared kitchen licensees must be able to provide access for inspection of all shared kitchen and shared kitchen user equipment. Also, shared kitchen licensees must ensure that at any given time the number of people in the kitchen operating at once does not cause a health or safety risk.

Kitchen operators are responsible for maintaining the following records:



A list of all kitchen users and their contact information.



A copy of each kitchen user's Chicago Department of Health-approved menu.



The dates and times at which each person used the kitchen.



The name of the person holding a Food Service Sanitation Certificate who was present each time potentially hazardous food was used in the shared kitchen. It is recommended that your elected point person have this certification.



Detailed information about the agreements entered into with each user, including the agreement's start dates and termination dates.



A copy of each shared kitchen user license.



## SHARED RESTAURANT

I am looking to share my restaurant kitchen.

#### **Sharing Your Existing Kitchen**

A kitchen that has already been inspected and approved by the City of Chicago, may opt to share the space with another business. Sharing can be a helpful source of extra revenue, especially if a licensed kitchen has space that is not used all day every day.

#### Shared Kitchen-Supplemental License

The Shared Kitchen–Supplemental License is for an already-licensed retail or wholesale food establishment that leases its kitchen to one or more businesses or chefs as a secondary business. For example, this license is perfect for a restaurant or catering company that wants to bring in extra revenue by leasing its kitchen to another

\$330 2 duration of YEARS for an existing food establishment

Shared Kitchen-Supplemental License

food business while the restaurant is closed. Since the kitchen has already submitted designs and passed inspections, the license application process is simpler and quicker.\*



If your food establishment has passed a health inspection in the last year, you do not need a new health inspection to receive a Shared Kitchen—Supplemental License. Be aware that the shared kitchen—supplemental license holder and the user can both be held responsible for violations of the health code. The shared kitchen operator is legally bound to make sure that users are licensed and comply with health requirements.

<sup>\*</sup>See to Appendix A for details on applying for a Shared Kitchen– Supplemental License.

#### Client Interaction and Communication

When running your kitchen, be sure to address the following with your clients to ensure operations run smoothly, efficiently, and safely.



#### Sign a Contract

All kitchen users should be required to sign a contract that specifies their rights and responsibilities with regard to the shared kitchen. The terms of these agreements will vary on a case-by-case basis, and many of the terms are common to any form of business relationship; however, there are some specific issues that should be considered in the context of a shared kitchen, such as **indemnification and insurance**. The shared kitchen license ordinance makes the kitchen operator joint and severally liable for violations of the shared kitchen users' obligations. This includes sanitation obligations and means, for example, that the operator could be liable for fines and penalties in the event of food contamination. Consider requiring users to sign an indemnification agreement that would cover such an event. It may also be wise to require all shared kitchen users to show that they have an appropriate level of insurance.



#### Scheduling & Kitchen Rules

The kitchen operator is required to ensure that there are never too many people operating in the kitchen at once. User times should be scheduled in advance in order to maintain compliance with occupancy and fire safety requirements. The shared kitchen users should be aware that inspections are possible and understand that any noncomplying food will be destroyed and disposed of immediately. Shared kitchen users must be provided with a photo ID badge which should be worn at all times while using the kitchen.

#### Record Keeping

All records must be kept for at least two years and be available on request for inspection by an authorized city official. Shared kitchen—supplemental licensees must be able to provide access for inspection of all shared kitchen and shared kitchen user equipment. Also, shared kitchen—supplemental licensees must ensure that at any given time the number of people in the kitchen operating at once does not cause a health or safety risk.

Kitchen operators are responsible for maintaining the following records:



A list of all kitchen users and their contact information.



A copy of each kitchen user's Chicago Department of Health-approved menu.



The dates and times at which each person used the kitchen.



The name of the person holding a Food Service Sanitation Certificate who was present each time potentially hazardous food was used in the shared kitchen. It is recommended that your elected point person have this certification.



Detailed information about the agreements entered into with each user, including the agreement's start dates and termination dates.



A copy of each shared kitchen user license.

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http://ij.org/ij-clinic-on-entrepreneurship/

#### Who We Are

The Institute for Justice Clinic on Entrepreneurship provides free legal assistance, support, and advocacy for low-income entrepreneurs in Chicago. The IJ Clinic also trains the next generation of attorneys to be vigorous and creative advocates for entrepreneurs. The IJ Clinic has been a leader in the fight to legalize street food in Chicago and continues to be a resource for food entrepreneurs with big dreams and tiny budgets.

#### Fielding Questions

While legal issues are our expertise, the IJ Clinic has been working on food-related advocacy for quite some time. If you have specific questions, the IJ Clinic may be able to answer them or connect you with someone who can. Please contact us at clinic@ij.org.

#### **Events and Workshops**

The IJ Clinic offers workshops throughout the year on a variety of legal issues. Wondering how to structure your business? Need help negotiating contracts with customers or vendors? IJ Clinic events address these issues and many more. To see upcoming IJ Clinic events, visit http://ij.org/ij-clinic-on-entrepreneurship/clinic-get-involved/attend-an-event/

#### Apply to Become a Client

The IJ Clinic can provide help in a few different ways. If you are a new small business seeking general legal counsel or help with navigating issues around shared kitchens, you can apply to become a clinic client. The clinic serves about 15 business at any given time. Although we aren't always accepting new clients, we can often point entrepreneurs in the right direction to get the assistance they need.

#### **Navigating City Hall**

So, you've gathered all your materials and you're still wary that once you get to city hall, you'll learn that you are missing an essential piece. The IJ Clinic is happy to answer questions, look over applications, or even accompany you on your journey to city hall, time permitting.

#### **Our History**

The IJ Clinic has provided in-depth, first-rate legal assistance for more than 200 clients, ranging from food cart owners to fast-growing tech start-ups. When IJ Clinic clients face an intimidating obstacle, such as tough negotiations, handicapping legal restrictions, or the overwhelming complexities of business, we craft a strategic plan to help them.

The IJ Clinic has also supported thousands of entrepreneurs by hosting workshops, networking events, and conferences to answer the pressing questions that entrepreneurs face. The biggest conferences to date were Recipe for Success events in 2013 and 2014, where aspiring and experienced food entrepreneurs gathered to learn about legal requirements and business strategies that would allow them to add new flavors to the local palate and new businesses to the local economy.

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http://www.get-fed.org/

Contact us about your exciting project! We may be able to help with your project or point you in the right direction.

#### Who We Are

(f.e.d.) is a mission-based design nonprofit with the motto that "better design = more people fed." Our mission is to provide time, guidance, and assistance to all who care for the hungry through a collaborative network of individuals, with the focus on helping to design and construct facilities and programs that empower and nourish the community.

We aim to reflect the commitment and passion of the people who run these havens for the hungry through collaboration with local communities, other nonprofits, and charitable organizations by assisting them in continuing their missions of social good.

We strive toward a tangible exchange in the world by bringing the basic necessities to all by using design as the vessel of transformation and a celebration of life.

#### **Our History**

(f.e.d.) was founded in 2012 by Joe Junius and Chris Curran of Aria Group Architects, Inc., a Chicago area architecture and design firm specializing in hospitality. Our team has more than 15 years of experience working with many restaurateurs and consultants in designing and constructing restaurants around the country. This has provided us with an in-depth knowledge of the spatial and technical elements that make successful restaurants and kitchens work.

#### Services Provided

(f.e.d.) provides support through all forms of design: architecture, graphics, landscaping, planning, research, and interiors. In doing so, we intend to accomplish facilities needs assessment, capital campaign management, building and space planning, accessibility and code compliance, and environmentally sound design in constructing a commercial kitchen or idea thereof, helping to provide food and empowerment to organizations and individuals.

#### **Partnership**

(f.e.d.) wants to offer design services to help develop your organization, no matter its size. We maintain the drive to work with you to complete a project that makes sense for you. We strive to create lasting relationships and serve in partnership with organizations to achieve their goals of ending hunger. Working in partnership, we will work to achieve (f.e.d.)'s monetary compensation for the agreed-upon deliverables, whether that means assisting in grants or other forms of assistance if needed. (f.e.d.) will get to know you and your community to understand your values. No vision is too great or small; everything starts with the first step. Let's work together to put an end to hunger!

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#### APPENDIX A

#### Applying for a Shared Kitchen License

#### **Shared Kitchen License Application Requirements**

- Business entity registration documents
- Articles of incorporation, articles of organization, etc.
- Valid photo ID and social security number from all owners
- Valid City of Chicago Food Service Sanitation Manager certificate
- Lease or proof of ownership of the business location property (not required for supplemental license applicants)
- Federal Employer Identification Number (EIN)
- State of Illinois file number
- Illinois Department of Revenue (IDOR) Account ID (formerly known as an Illinois Business Tax [IBT] number)
- All city debts must be paid in full
- Business location floor plan (diagram) that illustrates the following:
  - Rooms, spaces, and other physical features
  - Fixtures (sinks, water heaters, furnaces, etc.)
  - Equipment
  - Food preparation area(s)
  - Food storage area(s)
- Affidavit that all structural, plumbing, electrical, or ventilation changes made to the premises while under the ownership or control of the applicant were done with a valid building permit.
- Chicago Health Department consultation and inspection:
  - Before receiving a license, an applicant must complete a
    consultation with the Chicago Department of Public Health to
    review equipment and food safety operations and must pass a
    health inspection and health risk assessment.\*

#### Where to Apply

You can apply for a license in person at the **Department of Business Affairs and Consumer Protection's (BACP) Business Assistance Center**, located at: 121 North LaSalle Street. Room 800

Before applying, we recommend scheduling an appointment with a **BACP business consultant** by visiting:

www.cityofchicago.org/city/en/depts/bacp/sbc /small\_business\_centerhome.html and select "Schedule An Appointment" OR by calling (312) 744-6249

#### **License Fees**

#### Shared Kitchen:

- \$660.00 per shared kitchen
- Expires two years from date of issuance

#### Shared Kitchen-Supplemental:

- \$330.00 per supplemental shared kitchen
- Required in addition to retail or wholesale food establishment license fee
- Expires two years from date of issuance



Learn more about obtaining a **permit** at the City of Chicago's Department of Buildings: www.cityofchicago.org/city/en/depts/bldgs.html

Prepare for your **Health Department Consultation and Inspection**by visiting the Chicago Department of Public Health's **Guide to Your Initial Health Inspection**:

www.cityofchicago.org/city/en/depts/cdph.html
Select "Food Protection Services" from the column on the left

<sup>\*</sup>Note: This is not required for a Shared Kitchen–Supplemental License if the kitchen passed a health inispection within the 12 months prior to applying.

#### **APPENDIX B**

#### Hazardous Food Defined

**Hazardous food:** Any time potentially hazardous food is prepared or handled in the shared kitchen, the shared kitchen user must have, on the premises, a person with a Food Service Sanitation Manager certificate.

Potentially hazardous food is a very broad category, and all food should be assumed to be potentially hazardous unless it meets all of the criteria described below.

Potentially hazardous food is any food that requires time/temperature control for safety that consists in whole or in part of milk or milk products, eggs, meat, poultry, fish, shellfish, edible crustacea, or other ingredients, including synthetic ingredients, in a form capable of supporting rapid and progressive growth of infectious or toxigenic microorganisms; growth and toxin production of Clostridium botulinum; or, in raw shell eggs, the growth of Salmonella enteritidis.

Potentially hazardous food includes an animal food (a food of animal origin) that is raw or heat treated, a food of plant origin that is heat treated or consists of raw seed sprouts, cut tomatoes, cut melons; and garlic-in-oil mixtures that are not modified in a way that results in mixtures that do not support the growth of infectious or toxigenic microorganisms.

#### Potentially hazardous food does not include foods that:

- Have a pH level of 4.6 or lower
- Have a water activity value of 0.85 or less
- Are in an unopened, hermetically sealed container that
  is commercially processed to achieve and maintain commercial
  sterility under conditions of non refrigerated storage and
  distribution
- Are eggs with their shells intact that have been pasteurized to destroy all viable salmonellae

#### **APPENDIX C**

#### Supplementary Shared Kitchen Information

**Sanitation:** Shared kitchen users are responsible for following all department of health sanitation requirements. The education necessary to obtain the required certificates should cover the sanitation responsibilities, but the detailed requirements should be read and thoroughly understood. The majority of these requirements can be found in the Illinois Food Service Sanitation Code, available at www.ilga.gov/commission/jcar/admincode/077/07700750sections.html.

**Record keeping:** Each shared kitchen is responsible for keeping a record of dates and times at which the shared kitchen was used and a copy of the written authorization of the shared kitchen licensee that allows that person to use the shared kitchen, including the start and end dates of that authorization.

**Statement of Intent:** A written statement, signed by the owner or operator of each applicable licensed shared kitchen that the applicant uses or intends to use, containing the following information about each such shared kitchen:

- (i) the name and address of the shared kitchen
- (ii) the shared kitchen's license number
- (iii) a written authorization, signed by the owner or operator of the shared kitchen, stating that the applicant for the shared kitchen user license has been authorized by such owner or operator to rent, lease or utilize kitchen space at such shared kitchen; and
- (iv) the start date and, if any, the end date to which such authorization applies.

#### APPENDIX D

#### Case Studies around the United States

Shared kitchen facilities can take a variety of forms. Plans for kitchen development should consider the needs of the community where the kitchen will be located, the types of clients expected to use the kitchen, and the food products that will be prepared in the kitchen. Most kitchen facilities around the country offer services beyond kitchen space rental, such as educational training for entrepreneurs and event space for community events.



## Clinch-Powell Community Kitchen Sneedville, TN

Facility: 1,000 square foot abandoned school.

**Team:** Nonprofit organization and religious organization.

Money spent: After two years of planning and research as a part of the Jubilee Project, a nonprofit and United Methodist mission, the Clinch-Powell Community kitchen began using an abandoned school building at no cost for its first three years of existence. Once the three years expired, it purchased the school facility for \$80,000 and made two phases of renovations totaling \$131,000. The total space for this kitchen is 1,000 square feet, which includes preparation, processing, storage, and office areas, as well as an apartment for its only staff person, the kitchen manager. Clinch Powell spent \$174,000 on kitchen equipment, including \$19,000 of used equipment.

**Funding:** The kitchen's initial funding source was a grant from the U.S. Department of Agriculture and a grant from the Tennessee Valley Authority for \$100,000.

**Users:** Thirty-seven percent of its businesses are farmers, and the rest are small entrepreneurs who purchase from the farmers. Eighty percent of the kitchen's users are local, and the rest come from more than two hours away or from out of state.

**Rental structure:** \$20–25/hour, additional rates are available for storage, labeling, and co-packing, upon request.

**Additional offerings:** Clinch-Powell offers business and technical assistance, as well as kitchen technical assistance, which includes recipe development and nutritional analysis. It does not have a required contractual agreement for its clients.

## ACEnet Food Venture Center Athens, Ohio

http://www.acenetworks.org/

**Facility:** Kitchen incubator includes a main kitchen, a packaging room, a thermal processing area, and a warehouse. The kitchen can house 12 tenants at a time.

Money spent: The idea for this kitchen was spawned from an existing business incubator opened in 1991 and the need for economic development. Between 1992 and 1996, fundraising took place to start the kitchen incubator. The kitchen raised \$650,000 and opened its doors in 1996. Today, ACEnet's investments total \$1.4 million, and it is on a campaign to raise another \$500,000 to construct a new facility.

**Funding:** U.S. Department of Agriculture (USDA), fundraising, and the rates charged to its tenants for usage.

**Users:** Clientele varies from individual entrepreneurs to larger businesses with at least 15 employees. Its niche market is in agriculture with a focus on processing and mass food production.

**Rental structure:** Open 24/7 and has one or two full-time staff members. Rent is determined on a sliding scale according to the size of the business and how much production space is needed. Rates are charged according to what part of the kitchen is being used (e.g., packaging, main kitchen, or wet room). Many tenants eventually graduate into their own facility.

Additional offerings: There is a retail area in the front of the incubator that can house three tenants at a time. The facility also houses organic gardens and greenhouses. Additional subsidized services are offered at no cost to the kitchen tenants, including business and food development, nutritional analysis, and a small business loan department.

#### Mi Kitchen es su Kitchen Long Island City, NY

http://www.mikitchenessukitchen.com/

**Facility:** Partners with a nonprofit facility that already has a commercial kitchen, turning the downtime of the facility into a kitchen incubator. It has 5,000 square feet with four separate kitchen areas and storage space.

Team: Mi Kitchen es su Kitchen partners with nonprofit organizations.

**Funding**: The facility's expenses and the respective services that the facility offers, which in this case are job training programs, are covered by government grants. The kitchen itself is self-sustaining through rental income.

**Users:** Urban facility, 85 percent of the kitchen is used for food production and another 15 percent is used for catering. Mi Kitchen es su Kitchen prefers that its tenants sell from their homes, generate about \$10,000 in annual sales, have a customer base, and have some business knowledge.

Rental structure: The fee for using the facility is based on its cost, excluding rent expense since the facility would be in existence regardless of the incubator. It costs \$180.00 per evening shift, which is from 6:30 PM to 2:30 AM Monday–Sunday and \$220.00 for each day shift, which is from 8:00 AM to 4:00 PM Friday–Sunday. The kitchen's occupants must have business status, product liability insurance, a security deposit, and they must sign a contract.

**Additional offerings:** Business development, technical assistance, and nutritional and food testing.

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