

Starting & Operating a Food Business Out of a Shared Kitchen

Introduction

This guidance document provides a high-level view of the types of things a prospective food business owner in Minnesota should consider when evaluating a shared kitchen space for use to make a food product intended for sale. Use this document as one tool to help you determine whether a shared kitchen will meet your needs. The focus of this document is on factors that affect a food operator's ability to meet common food safety-based requirements. Some business planning-related tips are provided – these are called out in separate “Business Strategy” sections. For more guidance on these topics, refer to the additional resources listed at the end of the document.

Ultimately, before renting space and starting production in a shared kitchen, you will still need to contact the relevant regulatory agency to determine your licensing needs and to ensure your plan for production will satisfy applicable rules and regulations. Additional information is provided in the section “licensing and inspections.”

What is a shared kitchen?

[Shared commercial kitchens](#) (also commonly referred to as shared-use, community, or incubator kitchens) rent space to food producers. These spaces allow individuals and businesses, especially start-up and small-scale food producers, to use commercial kitchen equipment and be licensed there to produce food for the public (subject to regulatory approval). Shared kitchens offer the equipment and spaces usually required for a food license, such as approved surfaces, stainless steel tables, refrigeration, ware-washing facilities, handwashing sinks, range and oven, pots and pans, and other equipment.

What kind of food products can you make in a shared kitchen?

Working out of a shared kitchen can be a great way to start your food business and build your market without having to make the initial financial investment of building your own processing plant or buying all your own equipment before testing out your product. It can be an ideal situation for someone producing just one or a few product varieties. There are also limitations to the types of products you can make and sell out of a shared kitchen. Consider the following:

- A shared kitchen is unlikely to be adequate for processing raw milk or producing other Grade A dairy products such as yogurt, flavored milks, or sour cream and dips, except in certain scenarios. Bottling equipment and pasteurization requirements are very specific for these products and not typically available in a shared kitchen.
- A shared kitchen is not a suitable space for meat or poultry slaughter. If you intend to use meat or poultry ingredients in the products you make, these ingredients must come from an approved source, i.e., they must be Minnesota or USDA-inspected. In some cases, selling products with meat or poultry ingredients will require additional permitting and inspections.
- Certain certifications such as organic or gluten free may be challenging or impossible to obtain when you do not control the whole production environment. You may not be able to guarantee that shared equipment won't be used to make products that aren't organic or gluten-free, for example.

- To make products that fall under a [specialized process](#) (i.e., acidified food, low acid canned food, juice, or seafood) you will have to meet additional requirements prior to licensing. A Hazard Analysis and Critical Control Point (HACCP) plan is required to make juice and seafood. A filed process and process authority review/letter is needed for acidified and low-acid canned food. In these cases, you will work with an inspector to build these requirements into your timetable prior to beginning production.

General Facility Considerations

As an individual food operator in a shared kitchen, you probably won't be directly responsible for facility-wide maintenance and operations, but you should still verify that appropriate systems are in place. Ask the kitchen owner or manager about the following:

- Building permits – Does this facility have a permit from the city or other local authority to operate as a food manufacturing facility, if that is legally required in the area?
- Water and septic – Most kitchens will be on municipal water and septic, but if the kitchen is on well water, the construction of the well must be evaluated and approved by the Minnesota Department of Health Well Management before you'll be able to get a license to make a food product for sale at that facility. Annual testing may also be required. If the kitchen has a private septic system, a certificate of compliance from the local authority will be required.
- Pest control – Does the facility have a pest control program or contract with a third-party pest control company? Proper pest management is important, and if it's not managed on a facility-wide level, a pest problem caused by another food operator could affect your ability to stay in business. Pest control records, both self-monitored or third-party, must be maintained and available for review.
- Security – Who has access to the building and how is that controlled or monitored? Will the security measures in place allow you to keep your raw ingredients and finished product protected?
- Temperature monitoring – For any shared refrigerators and freezers, who is monitoring temperatures and keeping records? This is critical when product is stored during non-production days/weeks. Inspection staff will need access to temperature monitoring records. Equipment for cold holding, hot holding, and cooling of certain foods must also be monitored and documented.
- Do the kitchen owners/managers have their own requirements for operators who work in their space? For example, a kitchen may require operators to have a [Certified Food Protection Manager](#), even if it is not required from a regulatory standpoint.

Business strategy – evaluate location

In addition to evaluating the facility from a food safety perspective, consider whether the location will be suitable from a business operations standpoint. Is there adequate parking nearby, and will there be enough for additional staff members as you scale up production? As late nights and early mornings are often a necessity when operating a business, is the surrounding area safe and well-lit? As you scale and source ingredients in bulk, you'll probably want to have a loading dock for ingredient deliveries. Does the kitchen have a loading dock that's accessible during off hours? Is there a facility manager onsite who can accept deliveries in your absence?

Shared Space Considerations

Cleaning

Different operators may be working under different rules/requirements regarding cleaning or sanitizing, depending on the products they make and how they're licensed. Find out if the kitchen manager or owner has expected cleaning procedures in place and a plan for when those rules are not followed. You'll want to make sure you know how to operate the equipment used for cleaning, including dish-machines, chemical mix stations, etc. Does the facility owner provide training if needed? Who is responsible for ensuring shared-use non-food contact

areas and surfaces get cleaned? This includes things such as coolers, air vents, ovens, walls, ceilings, and drop cords.

Multiple operators working in the same area creates a risk of cross contamination/cross contact. Be aware of separation of raw vs. ready-to-eat products and means for controlling for and preventing cross contact of allergens. You may need to clean all surfaces and equipment both before and after production due to the potential for contamination when not in use. Additionally, you may need to wash a sink itself before you use it to wash, rinse, and sanitize utensils since you don't know what was in the sink before you used it.

Equipment

Prior to visiting a shared kitchen, have a good idea of the type and size of equipment you will need to adequately make and store your products, including equipment for cooling. This way you can assess if the available equipment will suit your needs. Is the processing equipment commercial grade and certified by a third party such as NSF? Most commercial grade food equipment will meet standards necessary for manufacturing food or non-Grade A dairy products, but equipment standards for retail foods differ. Note what equipment is available and be ready to discuss with an inspector during an initial meeting how you will use it in your food business. If you will be providing your own equipment and utensils, where will they be stored to ensure they remain clean and undamaged? Is secure equipment storage available at the kitchen?

Storage of ingredients and finished products

To determine whether a shared kitchen has adequate storage, you'll need to know your specific storage needs in advance. This includes space needed to store dry ingredients, as well as refrigerated or frozen ingredients. You'll want to ensure the kitchen has storage available at the proper temperatures.

Pay attention to how storage is organized at the facility. Are shelves labeled and does each operator get dedicated storage space? Is ingredient storage well-controlled? Consider how you will control storage and keep track of your ingredients if it is a publicly accessible area. Ensure your ingredients and finished products can be securely stored to prevent intentional tampering or other contamination. If secure storage is not available on site and you intend to store ingredients or finished product at a different location, you may need additional licensing or inspections. All food produced under a food handler license needs to be prepared/manufactured and stored in an approved, licensed space. You would not be able to store product at home or in a personal vehicle, for example.

Scheduling

A shared kitchen should have a reliable system in place for users to reserve space and equipment to make their products during set times. Without this option, you may run into issues with congestion when multiple operators are trying to use the same areas and equipment at the same time.

Will you be able to use the kitchen during regular business hours? If you don't have the option to access the kitchen during normal business hours (e.g., renting kitchen space at a restaurant after hours), you will be more limited in the types of products you can make and sell. Meat processing for wholesale must be done under continuous inspection. If you plan to make meat-filled sambusas to sell to restaurants, for example, you will need to schedule production during normal business hours when an inspector can be present.

Business strategy – think ahead

It's one thing to have access to space in the kitchen at the times and frequencies needed for your initial production, but what about as you grow? Will the kitchen be able to accommodate larger scale production when you are ready to do more? Is there walk-in storage space for large quantities of finished products? If you hire employees, will there be enough space for a team to work together in the kitchen?

Licensing and Inspections

If you've identified a shared kitchen space to start or expand your existing food business, contact the relevant regulatory agency to find out what steps you'll need to take to become licensed and to schedule inspections. The type of license(s) you'll need and the agency that will issue the license(s) depend on the products you are making,

where and how you intend to sell them, and the location of the kitchen. Not sure which agency to contact? The [Food Licensing Wizard](#) is an online tool that can help you identify your licensing or permitting needs. The MDA Licensing Liaison can also guide you. [Submit a request online](#) to receive a consultation.

Your business may be subject to an initial licensing inspection and then on-going routine inspections. Your inspector will be able to provide detailed information about expectations for these inspections. These are some things they may review during inspections:

- Employee training records, including Good Manufacturing Practices (GMP's) and illness reporting and exclusion
- Employee practices including handwashing, hygiene, hairnet use, removal of jewelry, knowledge of allergen and cross contact control, etc.
- Flow of food through the facility – raw vs. ready-to-eat (RTE), allergens, and cross contact or cross contamination risks
- Flow of employees through the facility – foot traffic patterns, location of hand sinks, etc.
- Cleaning and sanitation of food contact surfaces – tabletops, utensils, pans, etc.
- Cleaning and sanitation of non-food contact surfaces – walls, floor, shelves, racks, fans, vents, etc.
- Food handling equipment and its condition
- Storage of finished product and raw materials – secure, partial containers closed/sealed, proper labels, etc.
- Temperature monitoring records – storage areas, hot holding, cold holding, cooling
- Production records – may include batch sheets, testing results, temperatures, etc.
- Packaging and label review
- Other records – pest control, water testing, sanitation, raw material testing, finished product testing, complaints, supplier records (Certificate of Analysis or Letter of Guarantee, etc.)
- Pathogen Environmental Monitoring records, if applicable

Business strategy – consider alternatives

A shared kitchen isn't the only option for a prospective food business owner who doesn't want to start by building or buying their own facility. Consider working with a licensed food processor to [co-pack your product](#) or do private labeling, though keep in mind this option can come with high startup costs, depending on minimum order quantities. When feasible, this option gives a new business owner a chance to focus more on marketing than production while they test out their recipe. Co-packing can also be a route for business expansion if you outgrow a smaller space.

If your product qualifies as a [“cottage food,”](#) you may be able to produce it in your home kitchen under the Cottage Food Law, which allows for individuals to make and sell certain non-potentially hazardous food and canned goods in Minnesota without a license.

Resources

MDA Resources

Shared Commercial Kitchen Directory: www.mda.state.mn.us/shared-commercial-kitchen-directory (This opt-in list gives information on some, but not all, shared commercial kitchens throughout the state of Minnesota. You may find a kitchen closer to you that isn't included in this directory, such as a local restaurant willing to rent out space after hours.)

Minnesota Co-Packer Directory: www.mda.state.mn.us/minnesota-co-packer-directory

Food Licenses: www.mda.state.mn.us/food-feed/food-licenses (Information about different types of food licenses in Minnesota)

Food Business Licensing & Food Safety Wizard: www2.mda.state.mn.us/webapp/foodlicensingwizard/ (Answer a series of questions in this online tool to find out what type of licensing or permitting you may be required to obtain for your food business, as well as which department will have regulatory authority)

Food Licensing Liaison Request: www.mda.state.mn.us/food-liaison-request (Submit a request for a consultation with the MDA licensing liaison)

Food Business Development – New Markets: www.mda.state.mn.us/food-business-development-new-markets (Part of the MDA Ag Marketing & Development Division, this program offers information and support for helping Minnesota food businesses reach new markets)

Specialized Processes: www.mda.state.mn.us/food-feed/specialized-processes (Different types of specialized processes and requirements for maintaining a HACCP plan for these processes)

Cottage Food Law Guidance: www.mda.state.mn.us/food-feed/cottage-food-law-guidance

Other Resources

Minnesota Certified Food Protection Manager (CFMP) Program:
www.health.state.mn.us/communities/environment/food/cfpm/index.html

Agricultural Utilization Research Institute Shared-Use Commercial Kitchen Report: auri.org/research-reports/minnesota-shared-use-commercial-kitchen-final-report/

Association of Food and Drug Officials – Guidelines for Incubator Kitchens: www.afdo.org/wp-content/uploads/2020/11/Guidelines_for_Incubator_Kitchens_acc_updated_2017.pdf

Minnesota Institute of Sustainable Agriculture – Commercial Kitchen Guide:
misadocuments.info/Commercial_Kitchen_Guide.pdf

University of Minnesota Extension – Food, Health, and Nutrition: extension.umn.edu/food-health-and-nutrition

Contacts

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MDA Ag Marketing and Development Division: 651-201-6012