

Bean's Ghost Kitchen Playbook

A rotating food concept out of the space next door

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How to use this doc: Each section stands alone. You don't have to read it top to bottom. Jump to whatever you need today. Numbers are your friends -- follow them in order when you're ready to move.

1. The Big Idea

You lease the closed restaurant next door. You license it as a real food establishment. Then you rent that kitchen to food truck operators -- who cook and serve FROM the building, not from a truck on the street.

This sidesteps Denver's food truck proximity rules entirely. Those rules apply to trucks on public streets. A licensed restaurant building is a different category. You're not bending the rules -- you're using a better one.

2. Why This Works in Denver

Denver restricts food trucks on public streets. The main rules:

- Trucks can't operate within **50 feet of a brick-and-mortar restaurant** on a public street
- Certain zones restrict street vending entirely
- Trucks need a licensed commissary to prep food -- and those are hard to find

Your space solves all three problems.

A fixed address licensed as a **Retail Food Establishment** is not a food truck. It's a restaurant. Denver's proximity rules don't apply to it. Full stop.

The space also becomes a **licensed commissary**. That means operators who use your kitchen can satisfy their commissary requirement through you. That's a real service they're currently paying someone else for -- or struggling to find at all.

New in 2026 -- HB25-1295: Colorado passed a statewide reciprocal license law, effective January 1, 2026. A food truck operator with a valid license can now operate from a fixed location more easily. This removes a bureaucratic barrier that used to exist. Timing is good.

3. What You Need to Pull This Off

Six things. Not in any order yet -- just the full picture.

3.1 The Space (Lease or Use Agreement)

- You need legal access to the building.
- This can be a full lease OR a use/license agreement with the landlord.
- A short-term trial (30-90 days) is a smart ask to start.
- The landlord doesn't have to know every detail -- you're proposing a food business operating out of a restaurant space. That's straightforward.

3.2 The License

- Apply for a **Retail Food Establishment license** through Denver's Department of Excise & Licenses.
- CDPHE (Colorado Dept of Public Health & Environment) also has jurisdiction -- you'll need to coordinate with both.
- Ghost kitchens operate under standard Retail Food Establishment rules. No special category needed.
- Budget time: licensing can take **4-8 weeks**. Start early.

3.3 Commissary Setup

- The kitchen needs to meet commissary standards: three-compartment sink, adequate refrigeration, hand-washing station, proper ventilation.
- If the old restaurant is in decent shape, you may already have most of this.
- Schedule a **pre-inspection walkthrough** with CDPHE before applying. They'll tell you exactly what needs fixing. This saves time.

3.4 Operator Agreements

- Every food truck operator who uses your space needs a **written agreement**.
- Cover: schedule, payment terms, cleanliness standards, liability, what happens if they cancel.
- Keep it simple -- a 1-2 page document is fine. Have someone review it before you use it.
- Each operator should carry their **own liability insurance**. Require proof.

3.5 Basic Ops Setup

- A shared calendar or scheduling app (Google Calendar works fine)
- A cleaning log -- who left the kitchen clean, who didn't
- A lockbox or key system for access
- A point-of-contact rule: one person to call when something breaks

3.6 Your Own House Rules

- Post them in the kitchen. Laminated. Simple.
 - Examples: No shared ingredients without permission. Clean as you go. No overnight storage without arrangement. Lock up means lock up.
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4. How to Talk to the Landlord

Your goal: Get 90 days to run a test. Low commitment for them, enough time for you to prove the concept.

What's In It for Them

- The space is currently sitting empty and generating zero income.

- You bring in a tenant (you) plus foot traffic that keeps the building active.
- A clean, operating food business next door is better for property value than a dark storefront.
- If it works, you become a longer-term, reliable tenant.

What You're Asking For

Keep it simple. Something like:

"I'd like to lease the space for 90 days as a test. I'll license it as a food establishment and run a rotating concept out of it. I'll cover utilities [or negotiate split]. I'll keep it clean and maintain the equipment. If it works, we talk about a longer arrangement."

The Short-Term Trial Frame

- 90 days. Firm start and end date.
- You handle all licensing and permits.
- Monthly rent -- get a number that works for both of you. Lower is better at first; you're proving the concept.
- Option to extend or negotiate longer lease at end of trial.

What to Bring to the Meeting

1. This playbook (or a 1-page summary of the concept)
 2. A proposed monthly rent number
 3. Your liquor store next door as credibility -- you're already an established neighbor
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5. How to Find and Pitch Food Truck Operators

Where to Find Them

1. **Denver Food Truck Association** -- start here. They know everyone.
2. **Instagram** -- search #DenverFoodTruck. DM operators directly.
3. **Local food truck events** -- show up, introduce yourself, hand out a card.

4. **Commissary boards** -- food truck operators actively hunt for commissary space. Post there.
5. **Word of mouth through your liquor store** -- you already know people.

What to Offer

- A licensed kitchen, available on a rotating weekly schedule
- Commissary status -- they can list your address as their commissary
- Fixed location serving -- they set up and serve FROM the building, no truck restrictions
- Storage options (negotiate per operator)
- A real address for marketing, catering pickups, and Google Maps listings

What They Get (Say This Out Loud)

"You get a licensed kitchen, commissary status, and the ability to serve from a fixed address without the street parking fight. You keep your truck for events. This is your home base."

Your Pitch Vibe

You're not begging anyone to show up. You're offering something genuinely useful. Lead with the commissary and fixed-address angle. That's the pain point. That's what they need.

6. The Rotation Model

Basic Structure

- **Weekly slots** work best to start. Monday-Sunday = one operator's week.
- Or split the week: Operator A gets Mon-Wed, Operator B gets Thu-Sun.
- You set the schedule. Operators apply for slots.

Monthly Schedule Concept

- Month 1: 1-2 operators, staggered
- Month 2: Add a third operator once you've worked out the kinks

- Month 3: Consider a "resident" anchor operator (Mon-Fri lunch) + rotating weekend operators

How to Handle Conflicts

- **First rule:** The schedule is final once posted. No swaps without Bean's approval.
- **Second rule:** 48-hour cancellation notice required. Short notice = they lose the deposit.
- **Third rule:** If two operators want the same slot, the one who committed first gets it.
- Put all of this in the operator agreement. Don't rely on memory.

Scheduling Tools

- Google Calendar (shared, color-coded by operator) -- free and simple
 - Or a whiteboard in the kitchen for the current month
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7. Revenue Model

Three options. Here's the honest breakdown for your situation.

Option A: Flat Weekly Rent

How it works: Each operator pays a set fee per week they use the kitchen. Example: \$200-400/week depending on hours and storage.

Pros: - Predictable income. You know what's coming in. - Simple to track. No need to verify anyone's sales. - Easy to explain and enforce.

Cons: - You don't benefit if an operator has a killer week. - May be too high for newer operators just starting out.

Best for: Getting started. Simplicity is worth a lot right now.

Option B: Percentage of Sales

How it works: Operator pays you X% of their gross sales from the kitchen (e.g., 8-12%).

Pros: - You share in their success. - Lower barrier for operators who are earlier stage.

Cons: - Requires trust and verification. How do you know what they actually made? - Adds complexity -- point-of-sale integration or honor system. - Cash sales are hard to track.

Best for: Operators you know well and trust. Or as an add-on to flat rent.

Option C: Hybrid (Recommended)

How it works: Low flat weekly rate + small percentage of sales above a threshold.

Example: \$150/week base + 5% of sales over \$1,500.

Pros: - Floor income is guaranteed. - You participate in upside without it being all-or-nothing. - Fair to operators at different stages.

Cons: - Slightly more complex to track. - Requires a clear agreement on what counts as "sales from the kitchen."

Best for: Once you have 2+ operators and want a model that scales.

Bean's starting recommendation: Start with flat weekly rent. Keep it simple while you learn what works. Revisit in 90 days.

8. First 90 Days Checklist

Work through these in order. Don't skip ahead.

Week 1: Assess and Decide

- [] 1. Walk through the restaurant space. Make notes on condition.
- [] 2. List what equipment is already there and what's broken.
- [] 3. Write down your number: what monthly rent can you afford to pay the landlord and still make money?
- [] 4. Decide: are you doing this? (Yes? Keep going.)

Week 2: Talk to the Landlord

- [] 5. Request a meeting with the landlord.
- [] 6. Bring your concept summary and your rent number.
- [] 7. Ask for a 90-day trial agreement.
- [] 8. If they say yes, get it in writing before you spend any more time on this.

Week 3-4: Licensing and Inspection Prep

- [] 9. Contact CDPHE for a pre-inspection walkthrough. Ask what you need to fix.
- [] 10. Contact Denver Dept of Excise & Licenses. Ask for the Retail Food Establishment application packet.
- [] 11. Get quotes on any equipment repairs or upgrades the inspector flagged.
- [] 12. Submit your license application.

Month 1: Build Your Operator List

- [] 13. Join Denver Food Truck Association (or contact them).
- [] 14. Post in 2-3 food truck operator groups that you have commissary + kitchen space available.
- [] 15. Have at least 3 conversations with interested operators.
- [] 16. Draft your operator agreement. Have someone read it.

Month 2: First Operator

- [] 17. Sign your first operator agreement.
- [] 18. Set up the shared calendar.
- [] 19. Post the house rules in the kitchen.
- [] 20. Run the first week. Watch what breaks. Fix it.

Month 2-3: Refine

- [] 21. Check in with your first operator. What's working? What's not?
- [] 22. Add a second operator if the first is going smoothly.

- [] 23. Revisit your revenue model. Is flat rent working?
 - [] 24. At 90 days: decide whether to extend or renegotiate the lease.
 - [] 25. Celebrate. This is real.
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9. Watch Out For

9.1 The Licensing Takes Longer Than You Expect

What happens: CDPHE and Denver licensing can take 4-8 weeks. You make promises to operators before the license comes through.

How to handle it: Don't promise operators a start date until you have the license in hand. Tell them you're in the process. Give them a realistic window, not a firm date.

9.2 Operators Don't Clean Up After Themselves

What happens: Someone leaves a mess. The next operator is furious. You're in the middle.

How to handle it: Document the kitchen condition with photos before and after each operator's week. Hold a cleaning deposit (\$100-200) from each operator. Return it if they leave it clean. Keep it if they don't. Put this in the agreement.

9.3 Your First Operator Falls Through

What happens: Someone says yes, signs a loose agreement, then ghosts or flakes at the last minute.

How to handle it: Take a deposit before you put anyone on the schedule. Even \$50-100 shows commitment. If they bail, you're not left holding nothing. Have a second operator lined up as backup.

9.4 The Landlord Gets Cold Feet

What happens: After you've put time and money into licensing, the landlord changes their mind or changes the terms.

How to handle it: Get the agreement in writing before you spend money on licensing or repairs. Even a simple letter of intent helps. Know your walk-away point before you start negotiating.

10. Resources

Licensing

- **Denver Department of Excise & Licenses** Website:
denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Excise-Licenses Phone: 720-865-2740 *Ask for: Retail Food Establishment license application*
- **Colorado Dept of Public Health & Environment (CDPHE)** Website:
cdphe.colorado.gov/retail-food-establishments *Ask for: pre-inspection walkthrough and Retail Food Establishment requirements*

Community

- **Denver Food Truck Association** Find them at: denverfoodtruck.com (or search on Facebook/Instagram) *Start here for operator connections and industry advice*

Legal Reference

- **HB25-1295** -- Colorado statewide reciprocal food license Effective January 1, 2026.
Simplifies fixed-location licensing for mobile operators.
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Your First Three Calls to Make

1. **CDPHE** -- Ask for a pre-inspection of the restaurant space. Tell them you're planning to license it as a Retail Food Establishment and want to know what's needed.
2. **Denver Excise & Licenses** -- Request the application packet and ask about current processing times.

3. Denver Food Truck Association -- Introduce yourself. Tell them you're opening a ghost kitchen/commissary space and want to connect with operators.

That's it. Three calls. Make them this week.

Bean -- you've got the location, the context, and the community trust. This thing is real. Go build it.

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