

# Foodshed Capital

## 2021 Impact Report: 1<sup>st</sup> Quarter



### 1<sup>st</sup> Quarter Highlights:

- ▷ 11 Loans Made
- ▷ \$195,750 in loans total
- ▷ 43 Hours of technical assistance delivered
- ▷ 3 new strategic initiatives launched
- ▷ New loan management software activated
- ▷ One new position added – Diversity Coordinator

**Our Mission: To promote an equitable and regenerative local food economy through patient, non-extractive, low-cost capital, and business-focused technical assistance.**

### Historical Performance

*(since January 2019)*

45 Loans Made

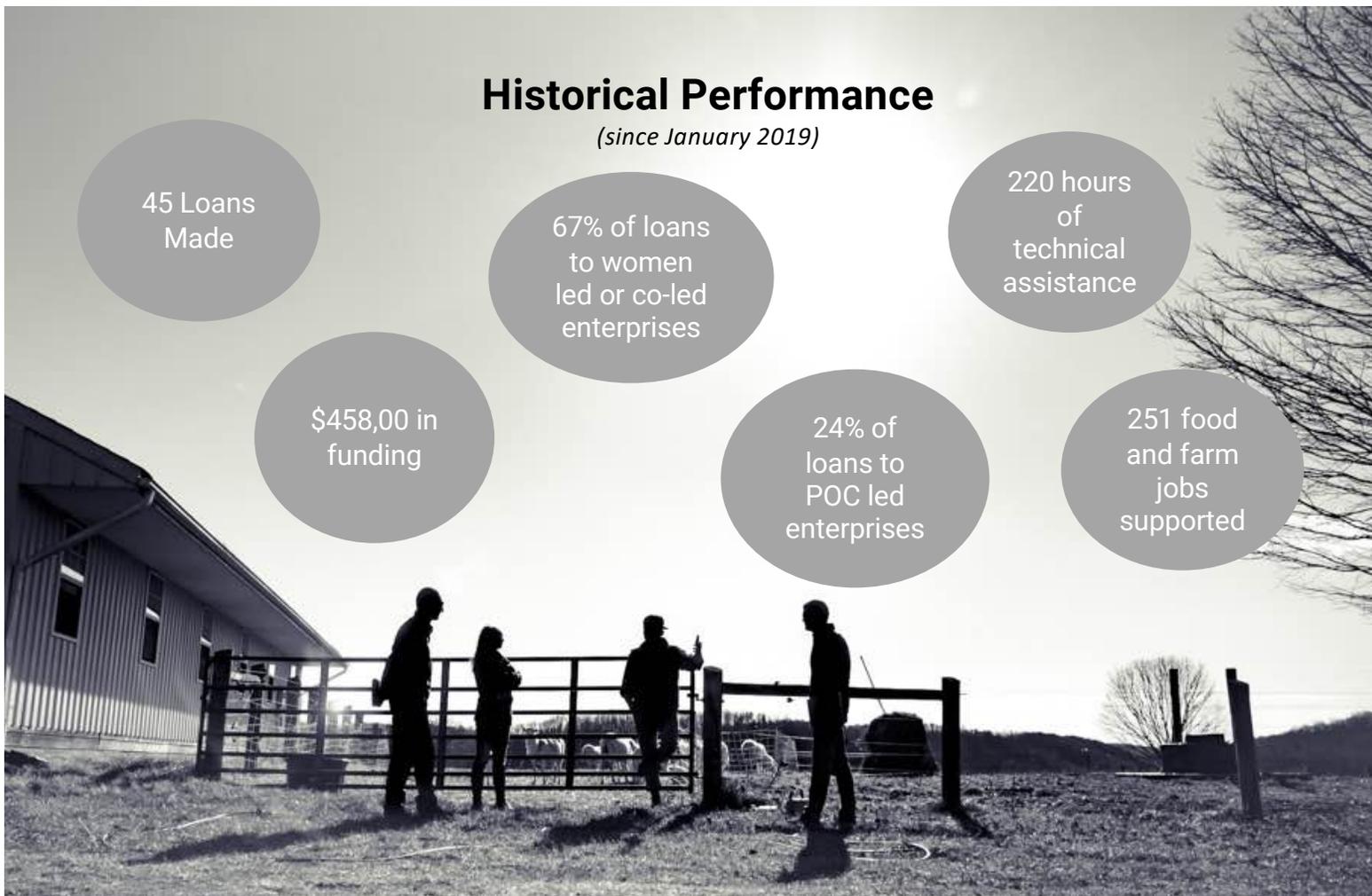
67% of loans to women led or co-led enterprises

220 hours of technical assistance

\$458,00 in funding

24% of loans to POC led enterprises

251 food and farm jobs supported



# Featured 1<sup>st</sup> Quarter Loans



## Broadfork Farm

Chesterfield Co, VA

**\$50,000 Low Interest Loan, January 2021**

Broadfork Farm is a Certified Naturally Grown vegetable farm about 40 minutes southwest of downtown Richmond. The farm has been owned and operated by wife-and-husband team Janet Aardema and Dan Gagnon since 2011. Over that time, they have developed a robust and financially sustainable business through a farm share membership program and savvy marketing. They are both outspoken leaders on behalf of regenerative agriculture and equity in farming. Our loan to Broadfork Farm helped them pay for construction of a multi-purpose building on the property, which they own. The building will partly provide for employee housing, which is a huge step toward demonstrating the capability of small farms toward improve working conditions for employees.



## Root and Marrow Farm

Loudoun Co, VA

**\$25,000 Low Interest Loan, February 2021**

Root and Marrow Farm is located near the town of Lovettsville in northern Virginia. The farm was started by Erik Schlener in 2017 after working at several organic farms on the East Coast and in Australia. The farm grows a variety of vegetables using intensive no-till regenerative organic practices. They have achieved rapid success with their CSA program and by selling to restaurants and markets in the DMV area. With an increased interest in local food in 2020, their business received a big boost, tripling sales over the prior year. To accommodate the growth in demand and be able to grow more year round, they are building a new high tunnel with their Foodshed Capital loan.



## Purple Mockingbird Farm

Appomattox Co, VA

**\$18,500 0% SOIL Loan, February 2021**

Purple Mockingbird Farm, just north of the town of Appomattox, is a new livestock farm started by Dara and Byron Burns in early 2021. The 60-acre operation will be dedicated to raising livestock using regenerative practices, with a focus on holistic grazing. This is one of our pilot farms as part of our Regenerative Financing Initiative to work with farm businesses along the entire value chain in an effort to increase holistically managed acreage and improve soil health practices in the region. Our loan is helping them pay for installation of perimeter fencing and consulting services to plan the long-term success of their farm. We expect to be working hand-in-hand with the Burns as they grow their farm business through the years.



## Third Wheel Cheese Co.

Philadelphia, PA

**\$20,000 Low Interest Loan, March 2021**

Owned and operated by Ann Karlen, Third Wheel Cheese began as a wholesale distributor of local and regional cheeses serving restaurants and specialty retailers. Third Wheel works with nearly two dozen small-scale local and regional dairy farms and cheese makers committed to regenerative agriculture and animal welfare. The wholesale cheese business is a significant source of revenue for its farmer partners. The pandemic forced Third Wheel to shift its business from restaurants to retail and now their business is growing rapidly. The business has outgrown its current space and is relocating this spring to a 1,200 square foot space with a walk-in cooler and the ability to create a retail storefront. The Foodshed Capital loan will allow Third Wheel to prepare this space for full-service operation.



# More 1<sup>st</sup> Quarter Loans At A Glance

## Earth Spring Farm Cumberland Co, PA \$7,500 Bridge Loan February 2021

Earth Spring Farm is a 42-acre operation run by Mike Nolan and his wife Diem Nguyen.



They grow fruits and vegetables using organic practices and produce eggs.

They have a 200-member CSA, and sell at farmers markets and their on-farm store. This was our latest bridge loan as part of the PA Farm Vitality Program that provides grants to farms for business consulting services. Earth Spring is working with our partner, Kitchen Table Consultants, to improve the financial and systems management of their farm.

## Tonoloway Farm Highland Co, VA \$15,000 SOIL Loan (0%) January 2021

Tonoloway is a forest farm located in the Appalachian Highlands of Virginia, where they produce maple, hickory, and black walnut syrup as a vital contributor to the local food economy. Owned and operated by wife and husband team, Lauren and Christoph Herby, the farm is located on 205 acres, where they also grow mushrooms and garlic. Their Foodshed Capital loan helped pay for the completion of an on-farm workshop for their syrup, mushroom and nut processing and storage.

## Wholesome Dairy Berks County, PA \$7,500 Bridge Loan January 2021

Wholesome Dairy is a grass-fed dairy in the Oley Valley of Pennsylvania. It's been operated by Mark Lopez since 2008, on land that's been in his family for generations. This bridge loan is part of the Farm Vitality Program. Mark is working with Kitchen Table Consultants on a succession plan to turn the farm over to a long-time, non-family employee.



## Clover Forest Goochland Co, VA \$18,500 Bridge Loan March 2021

Clover Forest is a 280-acre property in Goochland County that is the site of an 18<sup>th</sup> century historic home. The property is run by Sebastian and Deirdre Volker, where they raise cattle, sheep, chicken and bees, and host weddings and other events on the scenic property. Our bridge loan to Clover Forest allowed them to implement a 100% cost-share project for livestock stream exclusion fencing and a managed grazing plan through the Virginia Association of Soil and Water Conservation Districts.



## Althea Bread Charlottesville, VA \$6,000 SOIL Loan (0%) March 2021



Althea Bread is an artisan bakery and stone mill located on Henry Avenue in Charlottesville. The business has been owned and operated by Andy and Susan Bayker since 2018. They are dedicated to using locally sourced grains in their sourdough breads. This is the second SOIL Loan we have made to Althea. The \$6,000 is helping pay for refrigeration and some additional components to a large commercial bread oven they recently purchased at their new location on Henry Ave.

## Mirkwood Farm Augusta Co, VA \$8,500 SOIL Loan (0%) March 2021

Mirkwood Farm is a new and emerging farm business operated by husband-and-wife team James and Sara Loving.

They purchased the 15-acre property in Mount Sydney in 2019 and are developing a pick-your-own fruit operation. Their SOIL Loan will provide them with start-up capital for a variety of needs, including equipment and supplies as well as the cost of a website and marketing materials.



## Gillespie's County Line Farm Fluvanna Co, VA \$20,000 Low Interest Loan March 2021

County Line Farm is a 7-acre farm business run by Valerie Gillespie and her husband Cody. They started the farm in 2019 and have been raising goats, pigs, cattle and laying hens. They are dedicated to regenerative agriculture and are slowly transitioning to Silvopasture. With their funding from Foodshed Capital they are purchasing poultry processing equipment and constructing a storage shed on the property, which they purchased in 2016.



# New Initiatives in First Quarter 2021

## Black Farmer Equity Fund

Launched in January with a seed grant from the PATH Foundation in Warrenton, this fund is intended to deepen our work supporting farmers of color throughout the Mid-Atlantic. In addition to solidifying and expanding our 0% loan product for Black farmers, we are developing a mini-grant program. Most importantly, we are building partnerships to make this fund a collaborative process. Our two launch partners are 4P Foods and Africulture, a nonprofit providing support and training to Black farmers in Virginia.

## Regenerative Financing

We've been supporting regenerative organic agriculture since our very first loan in January 2019. In most cases, these loans have financed isolated equipment or infrastructure needs. To truly advance regenerative agriculture, we know we need a more integrated approach, work more closely with new and transitioning farms, and support more farms through the entire value chain. As part of this work we are partnering with many organizations, including the local Savory Institute hub know as Robinia Institute. We currently have two pilot farms we are working with as part of this initiative.

## Northern NY Expansion

We intend to expand our work geographically when excellent opportunities present themselves. That was the case in Northern New York, where we are now collaborating with the Adirondack North Country Association (ANCA) to offer patient capital to small farms throughout a 14-county region. Founded in 1955, ANCA is a non-profit working to build dynamic local economies that sustain thriving communities in Northern New York. They have strong relationships with many farms and food business, which is essential to our ethos at Foodshed Capital as relationship lender.

## More collaborations integral to our work in first quarter 2021:

### Kitchen Table Consultants

We first started working with KTC in 2020 on business support for some of our borrowers. It blossomed into the Farm Vitality Planning Grant collaboration. This past quarter they worked with several of our farm partners on technical support.

### Local Food Hub

Our close working relationship with Local Food Hub has always been important to us. We've applied for funding together, supported each other's work, and in March we worked together to hire a new shared team member who will help us each with our respective diversity initiatives.

### Virginia Community Capital

Since 2019 we've been partnering with VCC to help increase food financing in Virginia. We look up to them as mentors in the CDFI sector and are grateful for their recent financial support. This past January we finished up a six-month webinar series together on Food System Financing.

### Soil & Water Conservation Districts

The Virginia Association of Soil and Water Conservation Districts oversees the implementation of conservation programs around the state. We have begun collaborating with them to facilitate cost-share projects on farms through our flexible lending program.

### Small Business Development Center

We recently began partnering with the Central Virginia SBDC to provide technical support on a few of our loan applications. The CV SBDC is hosted by Community Investment Collaborative (CIC) in Charlottesville. We hope to work with more SBDCs around the state.

### The Health Collaborative

The Health Collaborative is a cross-sector group of residents working to improve the health and well being in the Dan River Region. They have been supporting us over the past several months as we launch the Black Farmer Equity Fund and they hosted us on a webinar in January.

# New Team Members



## **Briana Stevenson** Diversity Coordinator

Briana officially joins our team on April 12. She will dive right in helping us with development of the Black Farmer Equity Fund. Briana is a Richmond local and VCU

business graduate. She has extensive experience working with community gardens and urban farms in Richmond. Briana has also worked for nearly four years in the insurance industry and runs her own custom jewelry business. We are excited to be sharing Briana's services with Local Food Hub where she will help with their grower services team.



## **Harrison Roday** Board Member, Treasurer

Harrison joined our board of directors in February and assumed the role of Treasurer. He is a partner at American Industrial Partners, a

a New York-based investment firm focused on working with U.S. manufacturing companies. He is also founder of Bridging Virginia in Richmond, which provides low-interest loans to minority-owned and women-owned small businesses. Harrison is a graduate of William & Mary.



## **LoanWell**

In January we launched an innovative new loan management system called LoanWell, based in Durham, NC. LoanWell was founded in 2017 by Justin Straight and Bernard Worthy. It is an end-to-end management platform for intake, origination, underwriting, closing, servicing, and reporting. Their product is now being used by a growing number of CDFIs around the country. We chose LoanWell due to the customization they offer, which is highly aligned with our mission to provide flexibility to our farm borrowers.

Thank you to all those who have sustained us financially in the past 12 months, including individual donors (>\$25), grantors, impact investors, and creditors:

Atlantic Union Bank  
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Kathy Blum  
Lincoln Boykin  
Wendy Brown  
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Central Blue Ridge  
LuAnn Cooley  
Evan Driscoll  
DF Impact Capital, LLC  
Dunn Family Foundation  
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Dr. Susan Miller & Kenneth Kendler  
Robert & Valerie Mosolgo  
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The Opaline Fund  
Patagonia  
PATH Foundation  
The Praxis Too Fund  
Proteus Foundation  
Harrison Roday

Julie Schauer  
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Mary Spadero  
Nancy Stiff  
Kristen Suokko  
USDA Rural Development  
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**India Brahm**  
Director of Lending

**Briana Stevenson**  
Diversity Coordinator

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