



2ND QUARTER 2022 IMPACT REPORT

A QUARTER OF CLARITY:

REFRESHING OUR MESSAGE + RENEWING OUR COMMITMENT

Since the start of 2022, Foodshed Capital has brought on one part-time and two full-time staff as well as a summer policy intern, doubling the size of our team in a very short window. With that expansion, we've realized how vital it is to clarify what we do, why we do it, and how we do it—both internally and externally.

In that vein, this quarter brought to bear the completion of our new, refreshed website, which we invite you to explore at www.foodcap.org. Like so many projects, what we thought would be a simple facelift snowballed into a full-blown examination of every facet of our organization: What is the deepest, most vital purpose of our work? How do we most effectively articulate that work to the wider world? How do we catalyze support for our mission and inspire funders to get on board?

While we know the answers to those questions will continue to evolve, we feel confident about our clarified direction: we're changing the face of farm finance through mission-driven lending and customized business support. What's more, we've renewed our commitment to building more equity into the regenerative agriculture space—a space that is happily growing, but still largely occupied by white farmers and food entrepreneurs. We understand that increasing financial opportunity for BIPOC farmers requires robust partnerships, open communication, and accessible resources, and are pleased that our recent increase in capacity is already allowing us to expand our support in those categories.

Q2 saw us closing a diverse array of loan projects: bridge loans for long-term farm planning, a loan to support the restoration of a Black-owned former tobacco farm, and a loan participation agreement with eight different funders to support Black land ownership. We closed loans across five states and are working with food systems advocates in North Carolina and New York to continue expanding our footprint. It's been an invigorating few months, and it is with pleasure that we share this report of what we've achieved.

Q2 HIGHLIGHTS:

8 new loans funded

\$180,000 in capital deployed

55% of funding to BIPOC-owned farms

33 hours of technical assistance provided

3 new team members added



CUMULATIVE IMPACT

THROUGH JUNE 2022



76

TOTAL LOANS MADE



\$1,266,930

TOTAL CAPITAL DEPLOYED



411

HOURS OF TECHNICAL
ASSISTANCE PROVIDED



33%

OF LOANS TO BIPOC-
OWNED OPERATIONS



66%

OF LOANS TO FEMALE-
OWNED OPERATIONS



332

TOTAL FOOD & FARM
JOBS SUPPORTED



COLLABORATIVE CAPITAL:

FUNDING THE FOODSHED WITH INNOVATIVE FINANCING PROJECTS

BUTTS BROS FARM LOAN PARTICIPATION \$20,000 ZERO-INTEREST LOAN

This quarter Foodshed Capital joined financial advisor/impact consultant Trellis Capital LC3 and the associated Local Farms Fund, as well as six other private investors, to support veteran-chef-farmer Justin Butts with a 0% interest loan to purchase a 100+ acre property in upstate New York.

With diverse experience ranging from service in the US Navy, chef certification from Culinary Institute of America, training through the Braiding Seeds Fellowship, and livestock experience from Soul Fire Farm, Justin is using the purchase of the property to expand his animal husbandry and farm-to-table operation. With a focus on heritage breed pork, pastured poultry, veggies, and value-added projects like lard-based soaps, his mission is to create a thriving operation that also serves as an incubator and community space for BIPOC and veteran farmers.

Loan participation agreements like these are critical to the success of bigger ticket items like land purchases, and Foodshed Capital will continue supporting similar projects as they arise.



NEW ROOTS COMMUNITY FARM + AGRARIAN COMMONS \$50,000 LOW-INTEREST LOAN

FoodCap has been working in a variety of ways to support the expansion of the Agrarian Commons, a subsidiary initiative of the Agrarian Trust which helps increase land ownership opportunities and land tenure equity for beginning farmers. In West Virginia, the project is taking root with participants like New Roots Community Farm, a women-led nonprofit serving as a food aggregation and distribution site, a diversified veggie demonstration farm, and an educational and community space. The Agrarian Commons framework means New Roots will receive low-cost financing for things like farmland, equipment, and infrastructure development.

Foodshed Capital supported New Roots with a low-interest loan to help cashflow operations as they await seasonal revenue and build internal capacity as they expand operations. In Central Virginia, we are also on deck to support Agrarian Commons with the purchase of 5+ acres of urban farmland—more on this project next quarter.



EQUITY IN THE FOODSHED:

MORE ZERO-INTEREST LOANS TO SUPPORT BLACK FARMERS

MOORE'S PRODUCE // Blount's Creek, NC \$30,000 LOAN AT 0% INTEREST

This quarter, FoodCap supported Moore's Produce, a fourth generation Black-owned vegetable farm, with a 0% interest loan to purchase new equipment and expand regional sales. Owner Kelton Moore is also founder of the local Black Farmers' Cooperative, where seasoned farmers mentor young producers, pool resources, and share equipment. His mission is to continue the 100-year history of cultivation at Moore's Produce and to establish a strong support system for Black farmers.

Our loan funds will allow him to expand production and distribution through partnerships with 4P Foods, Dreaming Out Loud, and the Black Church Food Security Network. As part of our ongoing business support, FoodCap has also connected Moore with Croatan Institute, who will help him with bookkeeping, marketing, and help facilitate the expansion of regenerative practices on his land. Pairing loan funds with business support is the core of our mission, and it's what helps ensure long-term viability for farms like Moore's Produce.



MOR-INDUSTRIES // Crystal Hill, VA \$50,000 LOAN AT 0% INTEREST

This loan was an exciting change of pace for Foodshed Capital. MOR-Industries is a Black-owned and woman-led operation specializing in hemp production, value-added hemp products like their hemp-infused spirit, Tusk, and diversified veggies. Operated by mother and son Debbie and Stephon Morton on land that has come in and out of their family's ownership over many years, the Morton's are implementing regenerative management to restore soils that have been degraded by tobacco production.

Their zero-interest loan funds will cover the costs of harvesting and processing equipment, bottling supplies, and expanded vegetable production. With increased efficiency and imminent GAP certification, they'll be able to scale up to meet the needs of local grocers and co-ops. In line with their vision to "expand, rejuvenate, and bring economic growth to Southern Virginia," MOR-Industries will also distribute produce through mutual aid in DC's Wards 7 and 8.



MORE Q2 LOAN HIGHLIGHTS:



WHITE STAG FARM // Tyler Hill, PA \$7,500 Low-Interest Bridge Loan

White Stag owner Brett Hogancamp aims to transform the American food system into one that is more sustainable, humane, and healthy. FoodCap provided White Stag with a low-interest bridge loan to help them create a strategic expansion plan for their farm. With the goal of increasing their 100% grass-fed beef, forest-fed pork, and pastured production, they'll receive reimbursement through the Pennsylvania Farm Vitality Planning Grant program.



WILD FOX FARM // Lane Barto, PA \$7,500 Low-Interest Bridge Loan

With a "legacy goal" of bringing 1000 acres of Pennsylvania's Butter Valley into regenerative agricultural management, Wild Fox Farm owners Ben and Karah Davies work to feed their local community while preserving their soils and ecological systems. Our low-interest bridge loan is another through the PA Farm Vitality program—the funds will help them build a stronger business plan and outfit a new farm store to expand retail sales.



HEART STRINGS FARM // Dillsburg, PA \$7,500 Low-Interest Bridge Loan

Heart Strings Farm owner Michelle Flanagan uses regenerative practices to raise heritage and rare breed laying hens and educate her community about their value. With an increased demand for these breeds—and the nutrient-dense eggs they produce—Flanagan is creating a long-term strategy to expand her hatchery, flock, and portable housing. As yet another PA Farm Vitality grant recipient, we're happy to support Heart Strings with a low-interest bridge loan to support strategic growth.



TIMSHEL WILDLAND // Wingina, VA \$7,500 Low-Interest Loan

Timshel Wildland uses holistic management to produce 100% grass-fed beef and lamb, veggies, and fruit with an emphasis on verified ecological outcomes (EOV). As a Savory Institute regional hub (the Robinia Institute), they also train other farmers to become EOV certified. FoodCap supported Timshel in 2020 with a loan to build out their farm infrastructure, and this second low-interest loan will help them expand their herd of heritage-breed cattle.



BEYOND LENDING:

SUPPORTING THE FOODSHED THROUGH GRANTS + SPONSORSHIP



BLACK YARD FARM COLLECTIVE

DONOR SPONSORED GRANT
New York State

Although grants are not a major focus of our work, a partnership with a motivated donor allowed us to extend a \$5000 grant to Black Yard Farm Collective to support their operations.

The New York-based collective is Black-led and cooperatively owned and works to increase Black food sovereignty and land access. They grow food, teach classes, and host events focused on regenerative practices like rotational grazing, low tillage, and chemical-free cultivation, and honor ancestral knowledge in everything they do.

Co-founders Ashanti Williams and Arian Rivera are proud to be “farmers from NYC, growing food for NYC.” The grant funds will help them purchase broiler feed and pasture seed in bulk.



BIRDHOUSE FARMERS MARKET

2022 MARKET SPONSOR
Richmond, VA

Foodshed Capital is a proud financial sponsor of Richmond's only mid-week, urban, SNAP-accepting and matching community farmer's market. Located in a historically Black neighborhood in Richmond, the market is a vital food access point for low-income community members. It's also a staple sales channel for several of our farmer borrowers, and even a CSA pick-up spot for some of our staff. If you're in Richmond, check it out Tuesdays from 3-6:30 pm.

BREAKING GROUND



CONVENING WITH FUNDERS FOR REGENERATIVE AGRICULTURE (FORA)

In April, Executive Director Michael Reilly traveled to Paicines Ranch in California to convene with members of FORA, an organization of funders seeking to finance more regenerative food systems. Members toured the ranch and learned about efforts to restore soils and manage livestock in the midst of extreme drought. One particularly inspiring partnership was forged with co-host Nikki Silvestri of Soil and Shadow – more on the upcoming DEI learning journey we're beginning with her organization next quarter.



RURAL BEACON INITIATIVE GROUNDBREAKING

We were humbled to be invited to a groundbreaking ceremony at Vera Brown Farm (renamed Free Union Farms), a newly purchased 52-acre heirs property in rural eastern North Carolina that will soon be transformed into a regional agriculture and sustainability hub. In partnership with Rural Beacon Initiative and Croatan Institute, Foodshed Capital financed the purchase of the property, and we are thrilled to support Rural Beacon as they realize their vision for the land.

“Rural communities are too often hotbeds of poverty, environmental disaster, and economic disinvestment. This project is our attempt to stand in the gap and create a new direction.

- William Barber III,
Rural Beacon founder



WELCOME + FAREWELL



EMILY SEPULVEDA

Lending Coordinator

Emily joined our team in April and has become a vital addition to our Lending Team, supporting applicants and borrowers throughout the lending process. With a background in crop production, livestock care, dairy, beekeeping, biodynamics, and nonprofit management, Emily is familiar with a wide range of production styles and has first-hand experience with the financial and logistical needs our borrowers face. She currently resides in Floyd, VA.



ASHLEY APPOLON

Communications + Marketing Coordinator

The newest addition to our staff, Ashley is working closely with our Director of Operations on messaging and outreach to our various audiences. Born in Haiti and raised in Georgia, she cultivated a passion for the environment at a young age helping out on her parents' small farm. She brings a background in climate research and environmental justice, diversity and inclusion initiatives, and event planning to our team. She is newly located in Gainesville, VA.



ANABELLE NUELLE

Summer Policy Intern

A master's degree candidate at the UVA Batten School of Public Policy, Anabelle is interested in food production and distribution, ag-related policy and its impact on farmers, and how to increase equity and access in the food space. This summer, she's sharing time with us and with our partners at 4P Foods, helping us build our internal awareness of ag-related policy efforts as well as assisting us as we flesh out our borrower business support resources. She's located in Charlottesville, VA.

SAYING GOODBYE TO BOARD MEMBER JOHN WILSON

A note of gratitude to John Wilson, one of Foodshed Capital's inaugural board members. John is a dedicated local food advocate who ran Virginia Beach-based New Earth Farm for 22 years. With a focus on natural, chemical-free produce, he also worked to educate his community about the importance of sustainable agriculture through cooking and food preservation classes. Many thanks to John for his contributions to our board over the years!



WITH GRATITUDE

In a trying time for our climate, our human rights, and our political institutions, we thank you for your attention and ongoing commitment to helping us build more equitable, regenerative foodsheds. Whether you're a donor, an investor, a partner, or an advocate, we are grateful to have your support on the journey.

FOODSHED CAPITAL STAFF

MICHAEL REILLY

Executive Director

INDIA BRAHM

Director of Lending

ERICA HELLEN

Director of Operations

BRIANA STEVENSON

Diversity Coordinator

EMILY SEPULVEDA

Lending Coordinator

ASHLEY APPOLON

Communications Coordinator

HEATHER LYONS

Controller

**FRANCESCA
COSTANTINO**

Project Manager

ANABELLE NUELLE

Summer Policy Intern

BOARD OF DIRECTORS

HUNTER HOPCROFT

Conservation Investment Consultant,
Richmond, VA

HARRISON RODAY

Founder, Bridging Virginia,
Richmond, VA

TRACEY WILEY

DEI Director, Bally's Corporation
Providence, RI

LEESA CHRISTIAN

Bankers Insurance,
Henrico, VA

SHANTELL BINGHAM

Climate Justice Alliance
Atlanta, GA

KRISTEN SUOKKO

Former ED, Local Food Hub
Charlottesville, VA

MICHAEL CARTER, JR.

Owner+Founder
Carter Farms, Africulture
Orange, VA

**DARROW ISAACMAN-
VANWERTZ**

Self Help Credit Union
Blacksburg, VA

