



FOODSHED
CAPITAL

2023
Annual Report

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Looking back on a year of supporting more

Equitable & Regenerative

local food systems



▶ From the Executive Director

As I write these words, we are finishing up the 2023 holiday season, which is often referred to as the Season of Giving. When receiving a gift, I believe the only appropriate response is gratitude. It is in this spirit that I express by deepest and most sincere appreciation for the support Foodshed Capital received from funders throughout the course of 2023 to allow us to continue doing our work. I am also grateful for the many peer organizations who collaborate with us on a regular basis to transform our food system. And of course, I owe boundless gratitude to the FoodCap team, both staff and board, who devote their energy, passion, and creativity to our mission daily.

While I enjoy the Season of Giving as much as anyone, I lament that the spirit of giving doesn't pervade our all parts of our economy all times of the year, especially within the finance sector, where the very idea of a gift seems feared. Conditions and worthiness tests are often applied, interest and fees are charged, collateral is demanded, and exclusionary practices prevent access for many. It's a system that sows extraction and feeds wealth disparity and systemic racism.

At Foodshed Capital we've been committed to disrupting the conventional finance system since our organization was founded more than five years ago. Our work is motivated by a fundamental belief that finance can and should be relational and reciprocal - in the true spirit of the gift - rooted in grace, trust, and gratitude. If we are genuinely serious about transforming our food system in the face of accelerating climate catastrophe, we must not only apply the concepts of regeneration to our farming practices but to our financial practices as well.

I humbly admit that no one at Foodshed Capital knows precisely how to do that. But we are willing to try... and to be bold and veer way outside the box in doing so. We're proud of achieving many worthwhile goals in 2023, including surpassing \$1,000,000 in annual lending for the first time and making our largest loan to date in support of Black land ownership.

With the momentum of our success in 2023, we head into 2024 with unbounded optimism and excitement. We are launching our Ripple Campaign to help solidify our work well into the future, particularly our efforts to advance equity in the food system.

Properly resourcing small-scale, diverse farmers is the best way to build the food system we want to see, and it's what creates the most opportunity for impact.

By centering racial equity and regeneration, our work has a ripple effect: small infusions of support that expand and overlap for exponential impact.

Our seemingly simple focus on equitable access to capital and zero-cost business support has an elaborate effect: increased capacity to steward the environment and mitigate climate impacts; increased nutrition, public health, and community resilience through better food access; and more enduring businesses and thriving local economies through access to continued support. The ripple effect of our work is a steadfast reminder to me that everything is connected.

Thank you for your financial support, encouragement, and partnership over the past year. We look forward to sharing Foodshed Capital's continued impact with you in 2024!

Michael Reilly
Executive Director



2023

Annual Impact

28

Total Loans Made

\$1,033,150

Total Capital
Deployed

69%

of Funding to
BIPOC-Led
Operations

68%

of Funding to
Women-Led
Operations

439

Hours of Zero-
Cost Business
Support



Lifetime Impact

Our Mission

To build a more equitable, more regenerative local food economy through affordable, flexible financing and customized business support.

\$2,577,464

**Total Capital
Deployed**

115

**Total
Loans
Closed**

922

**Hours of Zero-
Cost Business
Support**

62%

**of Funding to
BIPOC-Led
Operations**

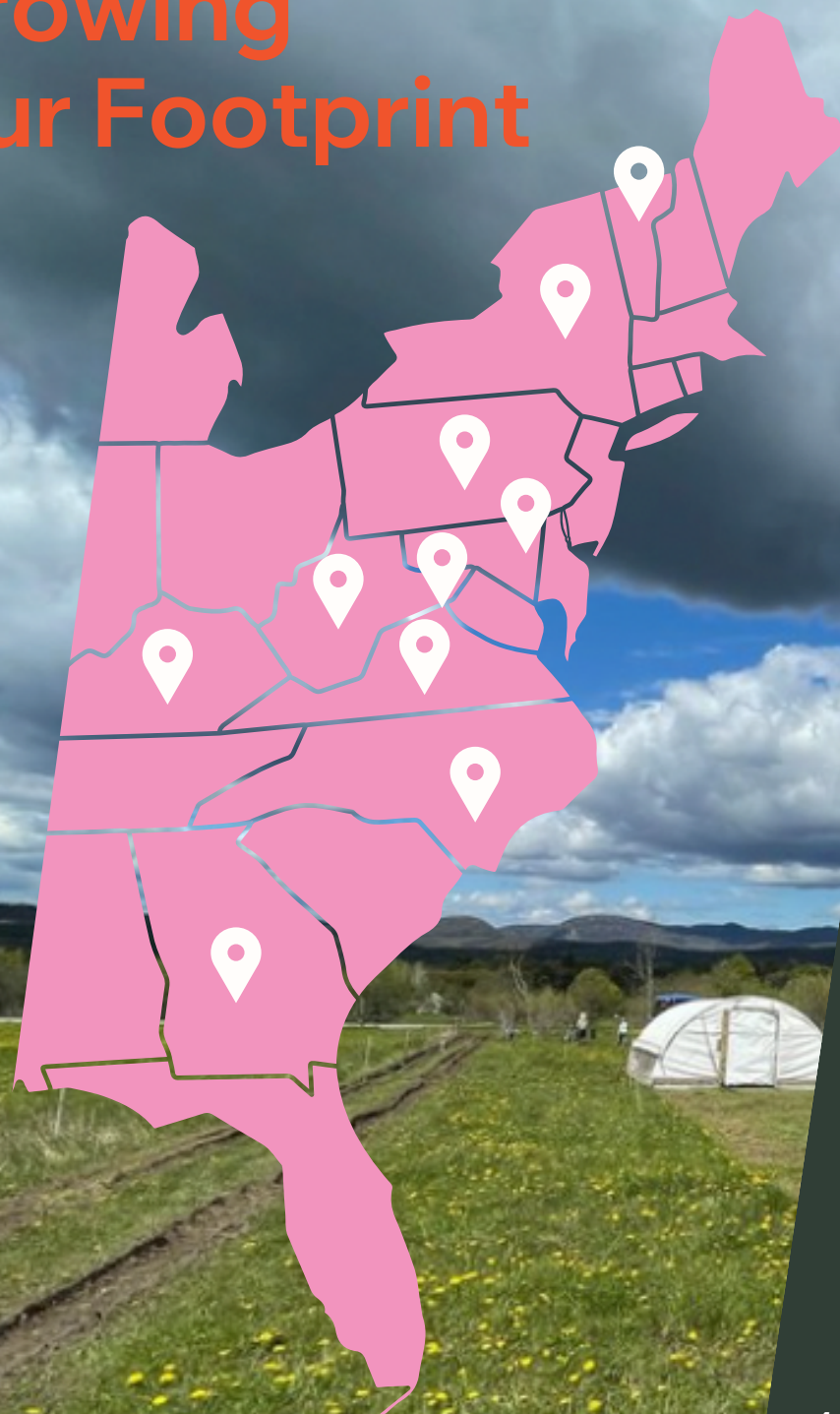
470

**Food and
Farming Jobs
Supported**

12,069

**Regenerative
Acres
Supported**

Growing Our Footprint



In response to the growing need for capital among small-scale farmers and food operations, Foodshed Capital expanded to three new states in 2023. Founded in central Virginia in 2018, our footprint now stretches as far south as Georgia and as far north as Vermont. We'll continue this thoughtful expansion in partnership with mission-aligned peers.

1. Virginia
2. North Carolina
3. West Virginia
4. Maryland
5. New York
6. Pennsylvania
7. District of Columbia
8. Kentucky
9. Georgia
10. Vermont

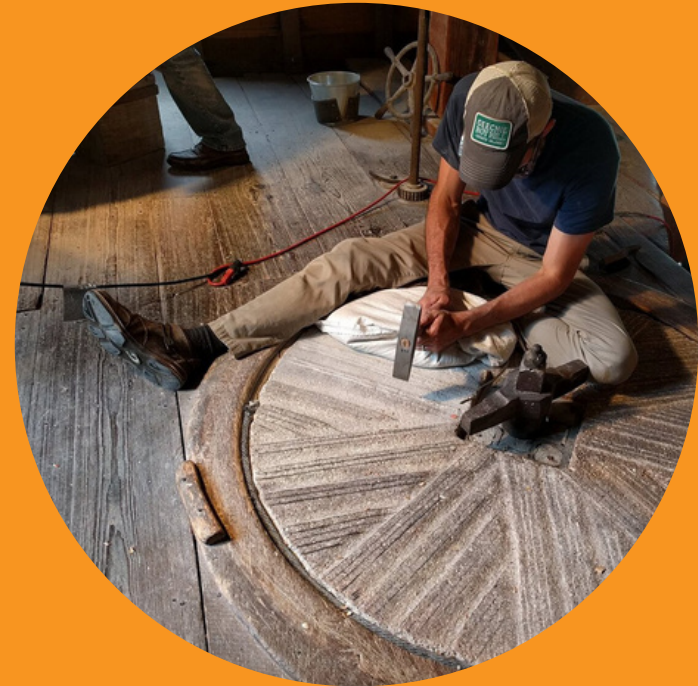
Loan Highlights

Q1



The Garden International Beltsville, MD

The Garden International is an urban mushroom owned by Cory Moore and Liz Robinson. They grow 20 varieties of specialty mushrooms such as lion's mane, oyster, chestnut, and shiitake. FoodCap supported them with a 0% interest loan to purchase new equipment, expand into new markets, and increase food access work.



Deep Roots Milling Nelson County, VA

In 2023 we had several existing borrowers come back to us for additional financing as they expanded their businesses. We were proud to support the team at Deep Roots with a bridge loan to renovate another space in their historic mill to increase production.

Loan Highlights

Q2



Dodo Farms

Silver Spring, MD

FoodCap supported this Certified Naturally Grown diversified veggie operation with a 0% interest loan to purchase an on-farm vehicle. We look forward to supporting co-owners Tope and Niyi Fajingbesi again in Q1 of 2024 with financing as they transition to their newly purchased forever farm.



Accelerating Appalachia

Midway, KY

Our first ever loan in Kentucky supported this non-profit organization with bridge financing to kickstart business technical assistance for regenerative farmers ahead of reimbursement from a USDA Climate Smart Commodities grant.

Loan Highlights

Q3



Healing Hope Urban Gardens Petersburg, VA

This veteran-owned veggie farm launched on just a 1/4 acre of land held by the Central Virginia Agrarian Commons. Owner Natasha Crawford is one of several new BIPOC farmers getting started at the Petersburg Oasis CommUNITY Farm, the managing entity of the commons. FoodCap supported the initial land purchase in 2022.



Sweet Greens Farm Scottsville, VA

James Marzluff and Claudia Seixas run this diversified veggie and cut flower farm in Scottsville, VA. With a low-interest loan from FoodCap, they're building new infrastructure to house storage crops such as potatoes, winter squash, dried flowers, and herbs.

Loan Highlights

Q4



Waddle Om Farm

Scottsville, VA

Waddle Om Farm is a holistic livestock and herbal farm run by Daniel and Shankari Goldstein. They specialize in raising sheep and have recently built out an herbal apothecary. With their 0% interest loan, Waddle Om covered the up-front costs to install a new well, fencing, and waterers ahead of grant reimbursement.



Farmer Jawn

West Chester, PA

FarmerJawn is the largest Black-owned, verified Regenerative Organic veggie producer in the US with a focus on increasing food access and promoting Black ownership in agriculture. With a 0% interest loan from FoodCap, owner Christa Barfield renovated and stocked a retail storefront on the farm's new 123-acre property.

► Business Support:

Zero-Cost Services for Thriving Food Businesses

In 2023, our lending and outreach teams spent hundreds of hours supporting farmers and food entrepreneurs up and down the East Coast with customized business support based on their specific needs. Through direct consultation with members of our staff or work with external bookkeepers, we provided vital business services at zero-cost.

In particular, we dedicated over 200 hours to Liberation Farm, a Black-owned vegetable farm and community organization in New York State, as they sought to solidify their business foundation, develop revenue projections, and secure farmland. With better awareness of their financial position, they were able to secure a generous lease agreement with a values-aligned landowner. And thanks to philanthropic support, FoodCap also supported Liberation Farm with a \$30,000 grant to help with transition costs.

439

Hours of Zero-Cost Business Support

Types of 1:1 Support Provided

Financial literacy

Business planning

Bookkeeping

Revenue projections

Cash flow analysis

GAP + certification

Funding opportunities



Free public workshops covering similar topics



▶ The 2501 Program:

Expanding Business Support through Grant Funding



This year, members of the FoodCap team successfully applied for \$750,000 of grant funding through USDA's Underserved and Veteran Farmers and Ranchers program, commonly referred to as the 2501 Program. We'll use the funds over three years to expand our Business Support services for BIPOC farmers, including hiring a designated Director of Ag. Business Advising to head up this work. Find more on this new hire later in this report.

Our Business Support program will expand in four key categories:

1. Customized 1:1 Support

Expansion of existing programming to build up financial literacy and support with bookkeeping and business planning for individual farmers

2. Lending Readiness Program

Development of services specifically focused on funding opportunities, debt preparedness, and successfully completing loan applications

3. Public Workshops

Expansion of free, public-facing, virtual programming that covers bookkeeping/accounting and topics that support overall business success

4. Resource Library

A database of free financial literacy materials and other resources available on our website in English and Spanish

► Partnerships

Expanding our Work with Values-Aligned Peers

In 2023 the Foodshed Capital team engaged in numerous fruitful conversations with peers in our region and beyond to explore how we might join forces to support regenerative farmers. ED Michael Reilly and Dir. of Strategy and Comms. Erica Hellen forged new connections at Rodale Institute in Pennsylvania, and in 2024, we'll work with their team to extend grant funding to BIPOC farmers and support graduates of the Rodale Institute Farm Training (RIFT) program with their financing needs.



American Farmland Trust

Energizing conversations with the Mid-Atlantic team at American Farmland Trust (AFT) prompted us to successfully apply for a grant through AFT's Growing Equity program. We'll use the \$80,000 award over four years to further bolster our Business Support program.

Through a separate sub-award from AFT, we'll also expand our zero-cost services to BIPOC farmers in Virginia by covering the cost of accounting software and bookkeeping support.



▶ Advancing BIPOC Land Security

with Our Largest Loan to Date



Clemmons Family Farm Charlotte, VT

Foodshed Capital's first-ever loan in the state of Vermont was also our largest: a \$350,000 bridge loan made in Q1 of 2023 at 0% interest to Clemmons Family Farm. The historic, 148-acre farm is one of just .4% of farms nationwide that remain Black-owned, and one of just 17 Black-owned farms in the entire state of Vermont.

President and Executive Director, Dr. Lydia Clemmons, PhD, MPH, united a diverse array of funding partners to finance the purchase of the farm at its fair market value and secure both its history and its future. The collaboration of public grantors, private donors, equity-focused lenders, and land trusts reflects the farm's own diversity and ingenuity as an arts and culture center, working farm, and historic site.

People of color own less than 2% of farmland in the United States.

Alongside our operational lending, we participate in collaborative financing arrangements to increase BIPOC land ownership.





THE RIPPLE CAMPAIGN

Through support from the Bainum Family Foundation, our team partnered with Onward, a BIPOC-led strategic consulting firm, in Q4 of 2023 to articulate Foodshed Capital's strategic goals and develop a capital campaign to fund our work over the next few years. In 2024, you'll hear more about The Ripple Campaign, which builds on the impact of our first five years and **creates a ripple effect** that will **sustain** our ability to resource diverse, regenerative food producers, create a **model** for institutionalizing racial equity, and **expand** our work in ways that increase access to affordable, nutritious, culturally appropriate foods on a larger scale.

Phase 1: 2024 Implementation

SUSTAIN:

0% INTEREST LENDING + BUSINESS SUPPORT

Raising \$1,500,000 to ensure the continuation of zero-cost business support and non-extractive 0% interest financing for BIPOC farmers.

MODEL:

POWER REDISTRIBUTION

Raising \$500,000 to transition our leadership at the executive level and model what change management rooted in equity can look like in regenerative finance.

Phase 2:

Expand Footprint +
Launch Micro-Grant Program

EXPAND:

SUPPORT MORE FARMERS IN MORE WAYS

Raising \$1,000,000 to expand our footprint and our services through a micro-grant program for emerging BIPOC farmers to fund training and start-up costs.

Staff Changes

Fond Farewells in 2023



BRIANA STEVENSON
Diversity Coordinator

In May we said goodbye to Brii, who joined our team in Spring 2021 and was on the road frequently visiting farms, representing our work at conferences, and building relationships with Black farmers around the state. She has continued her impactful work in a new role as National Urban Ag. Coordinator at Virginia Coop. Extension.



FRANCESCA COSTANTINO
Program Manager

In November 2021, we received a \$250,000 planning grant through the USDA's Regional Food System Partnerships (RFSP) program. The funding allowed us to form the Common Wealth Partnership: seven partners working to expand holistic livestock production with verified ecological outcomes, develop regional sales channels, and rectify processing bottlenecks. Francesca did a wonderful job managing the partnership and wound down her work in Fall 2023.

Warm Welcome in 2024



ALEX PATE
Director of Ag. Business Advising

In December, we extended an offer to Alex Pate to take the lead on all of FoodCap's Business Support services. Happily, he accepted the offer and will be officially joining our team in mid-January 2024. With a background in agricultural finance consulting at NY FarmNet and direct experience with farm management, we're thrilled to have Alex on the team to support farmers in our network with all their business needs.

Staff



ASHLEY APPOLON
Lending Associate



INDY BRAHM
Director of Lending



ERICA HELLEN
Director of Strategy & Comms.



ALEX PATE
Director of Ag. Business Advising



HEATHER LYONS
Controller



MICHAEL REILLY
Executive Director



EMILY TYBUR
Lending Coordinator

Board of Directors

In 2023 we welcomed four new board members: Kamal Bell, Kavita Koppa, Johnette Richardson, and Nikeya Thomas. We are so grateful for their experience and perspective as Foodshed Capital's work evolves. As always, you can learn more about our board members by reading their bios on our website.



KAMAL BELL
Director



LEESA CHRISTIAN
Director



**DARROW ISAACMAN-
VANWERTZ**
Treasurer



KAVITA KOPPA
Director



JOHNETTE RICHARDSON
Director



HARRISON RODAY
Chair



KRISTEN SUOKKO
Director



NIKEYA THOMAS
Director



TRACEY WILEY
Secretary

2023

Financial Snapshot

Revenue

	2022	2023*
Grants and contributions	\$1,301,217	\$1,441,219
Interest & Other Income	\$11,899	\$29,948
Total Revenue	\$1,313,116	\$1,468,167

Expenses

	2022	2023*
Program Services	\$555,493	\$714,373
Management & General	\$132,787	\$174,462
Fundraising	\$22,770	\$29,382
Total Expenses	\$711,050	\$918,217

Assets

	2022	2023*
Net Assets, End of Year	\$1,208,517	\$1,758,467
Total Assets	\$2,948,071	\$4,163,924

*2023 figures are un-audited. A 2023 financial audit should be available on our website by the end of March 2024.

Looking Forward

IN
2024:

- ▶ We'll onboard our new Director of Agricultural Business Advising.
- ▶ We'll build out a more robust program of Business Support for BIPOC farmers, including zero-cost, 1:1 support and public-facing workshops and resources.
- ▶ We'll develop a new Strategic Plan which incorporates everything we've learned in our first five years and looks to the future with more perspective.
- ▶ We'll resume lending with a new and improved process that includes clearer eligibility criteria, a more user friendly application, and better defined loan products.
- ▶ We'll welcome Johnette Richardson as our new Board Chair.
- ▶ We'll continue expanding our services to new places in partnership with mission aligned peers.

▶ **We'll continue building more equitable, more regenerative food systems.**



With Gratitude

None of Foodshed Capital's work is possible without the financial support and encouragement from all of you—our donors, grantors, investors, lenders, and cheerleaders. Thank you for helping us surpass \$1,000,000 in annual lending for the first time this year, and for the small or large part you have played in supporting our work over the last five years. We are fortified by your faith in our ability to help build more equitable, more regenerative foodsheds, and are ever grateful to you for sticking with us as we continue this vital work in 2024.

