VASWCD: DEQ Ag BMP Loan Program Virtual Training

January 20, 2021
Mission:
To provide financial stewardship to farms and businesses promoting an equitable and regenerative local food economy.

We do this through various forms of flexible, low-cost financing, including a 0% revolving loan fund called SOIL, as well as through technical assistance focused on financial and business support services.

Key Facts:
• Founded 2018
• 501(c)(3) Non-profit
• Certified Community Development Financial Institution
• Serving Virginia, Pennsylvania and Beyond
Foodshed Capital began as a Slow Money program in May 2018.

In January 2019, the organization made its first two 0% loans in Virginia.

In February 2019, Virginia Foodshed Capital was incorporated and received its 501(c)(3) status a month later.

In June 2019, the inaugural Board of Directors convened for the first time.

In May 2020, Virginia Foodshed Capital was certified as a Community Development Financial Institution (CDFI).
Small family farms, particularly direct-to-consumer farms, have been historically excluded from commercial lending programs, typically due to: income limitations, lack of collateral, little understanding of small-scale local agriculture in the finance world.

Foodshed Capital is offering an alternative, unconventional framework for farms and food businesses to access capital...

Government backed lending programs tend to favor larger commodity farms. They are also perceived by small direct-to-consumer farmers as complicated, with onerous paperwork and pre- and post-loan requirements.
### WHAT UNCONVENTIONAL LOOKS LIKE...

- 0% Interest/low-interest
- Flexible terms
- Quick turn around
- Partnership: Customization to the borrower’s needs; patience throughout the term of the loan

- No reliance on credit scores
- Reduced and streamlined paperwork
- No collateral (except land and major equipment)
- No unnecessary fees
- Customized technical assistance

... All a work in progress
IMPACT

34 LOANS MADE

$259,300 TOTAL FINANCING

76% LOANS MADE TO FARMS AND BUSINESSES OWNED BY WOMEN AND PEOPLE OF COLOR

200 HOURS OF TECHNICAL ASSISTANCE AND BUSINESS TRAINING DELIVERED

17 VIRGINIA CITIES / COUNTIES

2 STATES
USE OF FUNDS

Farms:
➢ Processing equipment
➢ Storage equipment
➢ Fencing
➢ Livestock
➢ Growing supplies
➢ Working capital
➢ Bridge loans/Cost-Share

Non-Farms:
➢ Food Hubs (2)
➢ Bakery
➢ Farm Market
➢ Restaurant
➢ Value-Added Producer
EQIP High Tunnel Bridge Loan

Verdant Acres Farm

(Raphine)
Wild Rose Orchard

(Mount Sidney)
FOODSHED CAPITAL: VASWCD & DEQ

Smaller Loans (<50K) | Quick Turnaround Needed | Short-term bridge (Cost Share)
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