

## **MAINE**

### **Coastal Enterprises, Inc. (Wicasset)**

[www.ceimaine.org](http://www.ceimaine.org)

CEI began the Maine Farms Project (MFP) in 1995, in recognition of the importance of small family farms to Maine. CEI sees farming as a critical economic sector, one not only deeply rooted in our past, but one that - through the right strategies - holds great promise for Maine's future. Since 1995, MFP has undertaken over a dozen different activities, often in partnership with other Maine organizations, such as the Maine Coalition for Food Security and the Maine Organic Farmers and Gardeners Association (MOFGA). All activities are designed to respond to some need or opportunity within the farm sector. To date, MFP's work has involved Market Development, Business Assistance and Training, Community Food Security, Financing, and Policy. MFP provides selected farms with a package of focused, individualized business services leading to development of an investment-grade business plan and the chance to obtain a grant (of up to \$25,000) to implement that plan.

Farmers assisted by the Maine Farms Project include:

*Stutzman's Farm of Sangerville, ME.* Stutzman's is a family farm with a reputation for handpicked freshness in all the high quality fruits and vegetables it sells. Stutzman's Farm is a 100-acre, third generation vegetable farm selling wholesale potatoes and assorted vegetables and fruit. Their goal is to improve the economic viability of Stutzman's Farm so that it can be sustainable and maintained as a working farm into the next generation. This will be accomplished through a number of improvements and changes including transitioning from cultivating wholesale potatoes to higher grossing per acre retail vegetables. Improving and expanding the farm store, introducing labor-saving devices, and upgrading the soil tillage practices in order to conserve the soil.

The Stutzmans received a \$25,000 grant through the Maine Farms Program's Farms for the Future program, which is a program that CEI developed and now runs in partnership with the Maine Department of Agriculture. FFF provides substantive, individualized, team-based technical assistance leading to an investment-grade business plan (for a farmer who wants to innovate or expand operations in some manner). After the business plan is developed, the farms are then eligible for a grant (of up to \$25,000 or 25% of the cost of implementing that business plan).

## **KENTUCKY**

### **Mountain Association for Community Economic Development (Berea)**

[www.maced.org](http://www.maced.org)

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MACED

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MACED believes that building Kentucky's rural economies requires investment in small farm communities and that family farming is a vital part of a healthy local rural economy. Kentucky is a unique state with over 90,000 family farms, many heavily dependent upon the income from tobacco, a declining crop. To counter this trend, MACED is committed to helping build a strong local economy of farmers, growers, processors, restaurateurs, retailers, distributors and brokers throughout Appalachian Kentucky with its Agricultural Diversification Lending Program.

The program seeks to: develop new markets and strengthen existing markets for farm and food producers in Appalachian Kentucky; improve access to capital for those seeking operating funds for diversification or value-adding projects with low-interest loans; provide low-interest direct loans to farmers to leverage existing program grant and loan dollars; and provide financial management and planning assistance for on-farm diversification or value-adding projects.

MACED's Agricultural Diversification loan program has been making loans to "viable and yet unbankable" agricultural diversification ventures including blueberry growers in the burgeoning Bluegrass Blueberry Growers Association and an oyster and shiitake mushroom grower in Bath County. Because these project ventures fall outside of the traditional commodity crop farm lending that banks are comfortable with, there is no ready-capital access for these businesses. As a non-bank Community Development Financial Institution, MACED continues to fill a gap in the capital available to these upstart businesses that are diversifying the traditional family farm landscape of the Bluegrass State.

## **NEW MEXICO**

### **New Mexico Community Development Loan Fund (Albuquerque)**

[www.nmcdf.org](http://www.nmcdf.org)

Vangie Gabaldón, Executive Director  
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The New Mexico Community Development Loan Fund (Loan Fund) is a private, nonprofit, alternative source of loans and technical assistance for entrepreneurs and nonprofit organizations. The Loan Fund makes term loans and lines of credit available to borrowers, including affordable housing developers, and provides free, personalized technical assistance and training through one-on-one interactions, group training sessions and workshops.

One of the Fund's borrowers is:

*La Carreta Farm of Dixon, New Mexico.* This woman-owned and operated farm grows and produces high quality organic specialty food products, including preserves, jams, syrups and vinegars, much of which is sold in area farmers' markets. The Loan Fund describes the farm as, "*La Carreta* products are inspired by Southwestern traditions. Northern New Mexico is famous for its beautiful orchards. Its ancient waterways, called *acequias*, bring snow melt from the *Sangre de Cristo* mountains to the high valleys where our delicious fruits and herbs are grown."

"*La Carreta's* home is a small farm in the Embudo Valley. It is the scene of beautiful sunsets, summer thunderstorms, spring showers, rainbows, winter snows and periods of hot and cool summer weather. The company and the farm reflect a relationship with nature. No pesticides or artificial fertilizers are used. The products are a culmination of the experience of being with the fruit trees, irrigating the soil, and watching in continual wonder the way things grow. "

## **MINNESOTA**

### **Northcountry Cooperative Development Fund (Minneapolis)**

[www.ncdf.coop](http://www.ncdf.coop)

Margaret Lund, Executive Director  
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Northcountry Cooperative Development Fund (NCDF) has been lending to small farmers since 1982, when the organization first loaned capital to a producer co-op. Over the years, NCDF has made loans to two farmer producer co-ops over the years, and to one Community Supported Agriculture (CSA) farm. The total of these loans was about \$212,000.

As early as 1989 NCDF made a loan of about \$10,000 to an emerging cooperative of organic produce and dairy farmers called CROPP. The organization did not have a lot of financing options at that time outside of NCDF. These farmers have built an amazing business since then however, and have approximately \$125 million in revenue. The popular dairy business, now known as Organic Valley Family of Farms, is totally committed to their members - all organic family farmers.

## **CALIFORNIA**

### **Rudolf Steiner Foundation (San Francisco)**

[www.rsfoundation.org](http://www.rsfoundation.org)

Rudolf Steiner Foundation's (RSF) investors and donors share their commitment to developing community and healing the earth. RSF donors and investors support a range of innovative projects, from an intergenerational farm community in New York, to a Buddhist retreat center in Nepal, to Waldorf schools around the world.

Some of Rudolf Steiner Foundation's borrowers include:

*Hawthorne Valley Farm* - Founded in 1976, Hawthorne Valley Farm is a diversified four-hundred-acre biodynamic farm in rural upstate New York. The farm produces milk, eggs, grain, vegetables, meat, and honey. The farm supports its own bakery, café, retail store, and dairy processing plant. The farm also offers apprenticeships in biodynamic farming. RSF's loan enabled the farm to purchase new dairy plant equipment as well as consolidate and restructure its debt. Please visit their website at [www.hawthornevalleyfarm.com](http://www.hawthornevalleyfarm.com).

*Bent Oak Farms* - With financing from RSF, Bent Oak Farms, LLC was able to purchase the assets of the Here and Now Garden nursery business, a for-profit biodynamic organic flower farm in Gale Creek, Oregon, 30 miles west of Portland. Bent Oak Farms is now operating and expanding the nursery on land being converted for organic use – a beautiful example of the success of biodynamic agriculture. The project also created a Donor Advised Fund at RSF which will be used for further education and research in biodynamic farming. Please visit their website at [www.hereandnowgarden.com](http://www.hereandnowgarden.com).

## **NORTH CAROLINA**

### **Self-Help Credit Union (Durham)**

[www.self-help.org](http://www.self-help.org)

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Self-Help's work is based on the belief that ownership allows people to improve their economic position. Owning assets, such as a home, can enable a family to send a child to college, start a business, or weather a financial crisis. Ownership provides communities with a solid foundation on which to grow and prosper. Lack of assets limits choice and opportunity. In addition to direct lending, Self-Help acts as a laboratory for economic

development—experimenting to find out what works and advocating for change in the public and private sectors.

Rural development in North Carolina now includes innovative projects and businesses that combine the agriculture of our ancestors with a burgeoning entrepreneurial savvy. Thanks to partners including the Golden LEAF Foundation and the Educational Foundation of America, Self-Help is adding a new dimension to rural development.

Rural revival is on the rise after years of plant closings, drought and floods. Farmers are once again selling directly to consumers, receiving more value from what they grow and generating more income from fewer acres. Diverse operations that grow a variety of high-end products like organic tomatoes or specialty herbs are more resilient to weather and market fluctuations and reduce over-dependence on commodities like cotton and corn. Farmers' markets and plans called "community supported agriculture" (CSAs), in which customers purchase shares of farm-grown produce, add new markets for farmers.

In fact, Self-Help made one of its first farm loans to an eager organic grower who is developing her own CSA and children's program, using organic methods that ensure agricultural run-off won't pollute the nearby Haw River. A growing phenomenon called "farm tourism" seeks to engage urban families in real life experiences on local farms. Farmers derive extra income while urbanites, particularly children, learn where their food comes from.

Corn mazes as large as an acre challenge kids to find their way in and out. Pizza farms grow everything found in a pizza (wheat, tomatoes, basil, dairy); school kids can visit the farm and then eat the pizza. These fun, creative enterprises breathe new life into North Carolina's rural economy.

Self-Help also has been providing extensive technical assistance to the new Eastern Carolina Organics (ECO) cooperative. Owned and managed by Carolina Farm Stewardship Association (CFSA), ECO is a centralized marketing and distribution arm for a set of primarily eastern North Carolina organic growers.

Additionally, in 2003, Self-Help surveyed over 400 sustainable farmers to determine their financing needs and credit barriers. The organization's new report, "Funding the New Harvest," seeks to boost credit availability to entrepreneurial farmers, to change state and federal policies where needed, and to emphasize that traditionally debt-averse farmers need training in how loans can grow their enterprises.

## **WASHINGTON**

**ShoreBank Pacific (Ilwaco)**  
[www.eco-bank.com](http://www.eco-bank.com)

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Since its inception in 1997 ShoreBank Pacific has been interested in the organic food category, which includes local & organic food, and loans at all levels related to food production and distribution. This includes growing, processing and retailing. The ShoreBank Pacific portfolio includes about 1.8 percent organic farm loans at this time (slightly more than \$1 million); the volume is increasing. ShoreBank Pacific's food-related loan portfolio in total is about 6 percent of all loans (\$3 million), and includes farms, shellfish, fish, food processors (some of whom do vegan, kosher and organic lines), and both food cooperatives and for-profit retail stores.

Some of ShoreBank Pacific's borrowers include:

*Columbia Blossom Orchards* - This farm is certified by Oregon Tilth, and grows stone-fruit crops (peaches, nectarines and cherries) and grapes in west Wasco County. The farm uses swallows and bats instead of synthetic insecticides to control flying insects, a solution that is much more bee-friendly. To retain and improve soils, alfalfa and natural fertilizers are used instead of synthetic soil amendments and plastic soil covers. Irrigation is with drip lines instead of overhead sprinklers or sprayers, to conserve water and reduce runoff and loss from evaporation. This is a high quality stone-fruit grower, who sells to high-end organic retail food stores in the Portland area.

*Holmgren Dairy* - This farm is one of seven organic dairies in the Coquille Valley. When in full production, the pasture-based operation will support 325 head of Jersey cows. The milk produced is sold under the Organic Valley label through the Coulee Regional Organic Produce Pool (CROPP), a co-operative group of over 200 farm members in 13 states. ShoreBank Pacific in partnership with ShoreBank Enterprise Pacific (a non-profit lender) jointly helped finance loans to this farm family. This farm led the way in the valley to change from conventional to organic dairy farming. As of 2004, all but one dairy are organic in this valley. CROPP distinguishes itself in one very important way: all farms are pasture-based, which means cows graze outside in fields on grass instead of being in barns or feed lots during their producing lives.

## **ARKANSAS**

### **Southern Development Bancorporation (Arkadelphia)**

[www.southerndevelopmentbancorp.com](http://www.southerndevelopmentbancorp.com)

Southern Development Bancorporation, a CDFI certified bank holding company, has two CDFI certified banks, FNB of Phillips County and Delta Southern Bank, providing loans to family farmers in the Arkansas/Mississippi Delta. Farming in the Delta, as in other regions, has been impacted by mechanization. Farming is a more capital intensive industry requiring less labor and higher price equipment to remain competitive. The traditional family farm has been severely impacted by this trend. FNBPC and DSB try to

provide stable access to funding for family farmers in a growing era of corporate farms. The family farm remains one of the social and economic foundations of the rural Delta market. FNBPC has provided 78 loans for a total of \$31 million while Delta Southern Bank has provided 20 loans for a total of \$6 million.

## **VERMONT**

### **Vermont Community Loan Fund (Montpelier)**

[www.vclf.org](http://www.vclf.org)

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The Vermont Community Loan Fund has been lending to smaller farmers throughout the region since 1995. For the seven months ending June 30, 2004, VCLF made \$165,158 in farm loans, representing 11.3 percent of its business loan volume and 3.6 percent of its overall loan volume for the period.

One of VCLF's more recent programs was to finance an equipment sharing program for local organic Community Supported Agriculture (CSA) programs to help them procure tractors and related equipment that individual CSAs would not be able to afford or fully utilize owning wholly. The new equipment enabled all the CSAs to expand their operations.

Among VCLF's borrowers is:

*Lazy Lady Farm* - Laini Fondiller started Lazy Lady Farm in 1988 with 1 goat, 1.5 acres of organic vegetables, and a small flock of sheep for meat and wool. In 2002, VCLF made a loan in the amount of \$30,000 to the farm, part of a \$40,450 project to construct a new cheese making facility and to purchase additional equipment. Today, Lazy Lady Farm is a thriving, woman-owned business that produces award-winning organic goat cheese and offers classes in cheese-making techniques. The farm is an excellent example of sustainable farming practices, using solar electricity and organic farming methods. Not only does Lazy Lady Farm add value to Vermont's agricultural community, but it also brings value to the Northeast Kingdom, which is recognized as an economically struggling region of the state.