



Connection Social Enterprise & Community Capital

Workshop at SAFSF 8th Annual Forum
Wednesday, June 16, 2010

Moderator: **Don Shaffer**, *president & CEO, RSF Social Finance, San Francisco, CA*

Panelists:

Michelle Long, *executive director, the Business Alliance for Local Living Economies, Bellingham, WA*

Jeff Rosen, *director of Finance, Solidago Foundation, Northampton, MA*

Judy Wicks, founder, *White Dog Café and Foundation; co-founder, the Business Alliance for Local Living Economies; investor, The Reinvestment Fund, Philadelphia, PA*

Sandy Wiggins, *chair, E3 Bank; Principal, Consilience LLC; past chair, U.S. Green Building Council, Philadelphia, PA*

PANELIST RESOURCES

RSF Social Finance

In partnership with a community of investors and donors (comprised of over 1000 individuals, institutions, and foundations), RSF has made \$200 million in loans and over \$90 million in grants since 1984 to non-profit and for-profit social enterprises addressing key issues in Food & Agriculture, Education & the Arts, and Ecological Stewardship. Recent transactions include a loan to Revolution Foods to expand their healthy school lunch delivery service, and a program related investment (PRI) loan to the Farmers Conservation Alliance to develop and market its innovative fish screens, which keep wildlife out of agricultural water intake systems. RSF is inspired by the work of Rudolf Steiner, who developed biodynamic agriculture – considered by many to be the precursor to the organic movement – in the 1920s. RSF's mission is to transform the way the world works with money; underlying all of our work is a spirited conversation about the role that money can play in our individual and collective development.

www.rsfsocialfinance.org

Note in particular a recent blog post listing Food Investing Resources:

www.rsfsocialfinance.org/food-investing-rsrcs/

The Business Alliance for Local Living Economies (BALLE)

BALLE is North America's fastest growing network of socially responsible businesses, comprised of over 80 community networks with over 21,000 independent business members across the U.S. and Canada. BALLE brings together independent business leaders, economic development professionals, government officials, social innovators, and community leaders to build local living economies – economies that include local food systems and sustainable agriculture. In response to increasing creativity and demand from the local networks that comprise BALLE, the organization intends to add Community Capital resources to its growing list of local, state, national, and international models and resources that it brings to this new model of economic development.

www.livingeconomies.org

e3bank

Currently in formation, e3bank is committed to restoring and protecting the natural capital that supports life and our economy, and to live off its interest instead of its principal. The name is shorthand for the bank's focus on the triple bottom line, and the guiding principle is that its decisions will: Build prosperous and sustainable enterprise through sound investments in people and our planet; Protect the health of our planet's environment, which supports life and our economy; and Increase social equity by being fair to all people affected by the bank's decisions and by improving the quality of life in the communities it serves.

www.e3bank.com

Pioneer Valley Grows Infrastructure Finance Project

Pioneer Valley Grows Project is a collaborative of individuals and organizations working together to revitalize the local food system, housed by Community Involved in Supporting Agriculture (CISA). The Infrastructure Finance working group is developing new loan options and creative financing opportunities for enterprises that help bring more local food to markets and fill food system infrastructure gaps in the Pioneer Valley of Massachusetts. The PV Grows loan pool targets the specific needs of food systems enterprises who may not find a match with conventional bank loans. It will be hosted by one of the collaborative's lender partners, which include the Western Massachusetts Enterprise Fund, the Cooperative Fund of New England, the Franklin County Development Corporation, and Equity Trust. Favorable loan terms are supported in part by commitments from the Lydia B. Stokes Foundation, The Frances Fund, and other philanthropic partners who share an interest in bringing capital to the local food system. PV Grows is now looking for committed entrepreneurs whose well-researched plans provide solutions for handling, processing, or distributing local agricultural products, and improve sales for farm-related businesses.

<http://bit.ly/auc5UM>

ADDITIONAL RESOURCES

California Environmental Associates' Local Foods: A Guide for Investors & Philanthropists

This white paper by CEA Associate Amy Dickie explores opportunities to invest in local foods across the supply chain. It outlines the opportunities in each of the major steps along the food supply chain: production, processing, distribution & aggregation, sales & marketing, and retail. It was informed heavily by three local food economy assessments (in Vermont, New Orleans and Wisconsin) which CEA conducted on behalf of Slow Money [see below]. It has also been informed by past engagements with investors and intermediaries working across the food chain with a broad range of objectives (e.g. the Walton Family Foundation, Roots of Change Fund, California Fisheries Fund, and the Sea Change Investment Fund).

<http://bit.ly/beiZMT>

The Carrot Project

The Carrot Project's Strolling of the Heifers Microloan Fund is a partnership of Strolling of the Heifers and The Carrot Project with lending partners Chittenden Bank and MassDevelopment. The mission of the fund is to address the difficulty that some New England farmers have in obtaining credit for projects that improve their operations and increase their income, as well as for emergency needs. The Maine Farm Business Loan Fund is a collaboration between Coastal Enterprises, Inc. in Maine, a statewide, nonprofit community development financial institution, and The Carrot Project. The Fund was established to meet the financing needs of small and mid-sized farms that use sustainable practices and serve local and regional markets in this growing sector of Maine's economy.

www.thecarrotproject.org/farm_financing

National Sustainable Agriculture Coalition's Guide to USDA funding for Food Systems

In April 2010, NSAC launched a new tool to help producers, community-based organizations, local governments, and other groups who are engaged in work to develop their local or regional food system. The *Guide to USDA Funding for Local and Regional Food Systems* seeks to de-mystify some of the federal grant programs most likely to be useful to food systems' development work and directs organizations to specific resources that can help in designing a project and writing a grant. Applying for federal funding can be daunting, but these federal programs belong to us and NSAC hopes this guide helps us to take advantage of them and, in doing so, add to the vibrant movement to rebuild local and regional food systems.

<http://bit.ly/bSgCzE>

NewSeed Advisors / Agriculture 2.0 conferences

NewSeed aims to catalyze the growth of sustainable agriculture by connecting investors with entrepreneurs poised to have a game-changing effect on the current agricultural system. NewSeed is helping to form the critical mass that will transition our food system to one with a more enduring, healthful, equitable nature; they believe that strategic, well-placed investment in scalable, environmentally responsible agricultural companies will yield both extensive positive impact and significant investor returns. NewSeed works with small- and medium-sized growth companies in the sustainable agriculture realm, ranging from food production (including crop protection, farming equipment) to food processing to branded food products. NewSeed has hosted two Agriculture 2.0 sustainable agriculture investing conferences (in NYC and CA), with plans for future conferences in the works.

www.newseedadvisors.com

Obama Administration's Healthy Food Financing Initiative

The Healthy Food Financing Initiative will bring grocery stores and other healthy food retailers to underserved urban and rural communities across America. Through the joint initiative, which was included in the President's Budget for 2011, Treasury, USDA, and HHS would make available more than \$400 million in financial and technical assistance to community development financial institutions, other nonprofits, and businesses with sound strategies for addressing the healthy food needs of communities. The initiative will make available a mix of federal tax credits, below-market rate loans, loan guarantees, and grants to attract private sector capital that will more than double the total investment. Federal funds will support projects ranging from the construction or expansion of a grocery store to smaller-scale interventions such as placing refrigerated units stocked with fresh produce in convenience stores.

<http://bit.ly/c9cNxz>

Slow Money Alliance

Slow Money's mission is to build local and national networks, and develop new financial products and services, dedicated to: investing in small food enterprises and local food systems; connecting investors to their local economies; and building the nurture capital industry. Slow Money's goal is: a million Americans investing 1% of their assets in local food systems within a decade. Because the first step is a fundamentally new way of thinking about money, Slow Money's first step is a campaign to obtain signatories to the Slow Money Principles. The next step is growing the Slow Money Alliance into a major national network that provides strategic and financial assistance to local initiatives around the country. The Founding Members of the Slow Money Alliance includes many recognized leaders in organic food, sustainable agriculture, philanthropy and social investing.

www.slowmoneyalliance.org