

VERMONT COMMUNITY LOAN FUND

Winter 2013–14

Investing in Women for Over 25 Years

From the start, VCLF has been committed to providing financing and business consulting to Vermont women. Working with the Loan Fund, women-owned businesses have grown and thrived, creating jobs and helping Vermont families build wealth. Women-led organizations of all shapes and sizes have used VCLF financing to work toward healthier communities and happier families. Our Child Care Program alone is 100% women-operated, with a loan portfolio comprising 100% women-owned businesses and programs, providing essential services to our communities, families and children.

The Loan Fund wouldn't be what it is today without these businesses and community organizations and the women behind them. Here are a few of their stories.

Family Matters

As Executive Director of the **Rutland County Parent Child Center** (RCPCCC), Caprice Hover is focused on improving quality of life for families in her region of the state. She also chairs the Vermont State Housing Authority Board of Commissioners and is Vice-Chair at the Agency of Human Services' Children and Family Council for Prevention Programs.

"I always wanted to work with kids, to be involved in work that had long-term and true impact," says Hover. To that end, she now oversees 15 RCPCCC educational



*Nicole Foster and Julie Danyew
of Bridport Creamery*

and support programs, including child care services, mentoring, budgeting, health and nutrition classes, parenting classes, high school equivalency, career readiness and more. RCPCCC's 42 employees serve over 3,000 Rutland County residents, sixty percent of whom meet federal low-income standards.

Among the RCPCCC success stories Hover likes to tell is that of the "Learning Together" program that focuses on pregnant and parenting mothers up to age 21, who are working toward their GED. "The curriculum includes life skills, parenting, health, job readiness, and emotional wellness along with state-required high school courses," Hover describes. Classes run year-round, with housing and child care available to students. Currently, 20 young women and teens are enrolled.

Continued on page 3

From the Executive Director

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FALL/WINTER 2013 NOTEWORTHY

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Dear Friends,

VCLF has always been dedicated to providing equal access and opportunity to Vermont's underserved populations. And from the start, we've known that women face greater obstacles than men when it comes to financial, career and other advancement. We want to do something about it.

Not surprisingly, women have been at the heart of the VCLF story since the very beginning. Women played key roles in our founding. Our founding executive director was a woman. And VCLF has been there providing financing, consulting and education for women entrepreneurs and woman-led or women-focused organizations throughout our history.

Today, women lead our Board of Directors, make up the majority of our Board and staff and have ownership or leadership roles in more than half the borrowers we lend to and support in any given year.

More and more, women are controlling the investment dollars finding their way to VCLF, as well as the philanthropy and charitable giving that make our work possible.

A recent client survey by the Vermont Women's Business Center revealed that conventional lenders met the capital needs of less than half the responders. Happily, though, more than half the responders reported that they'd received financing and other assistance from alternative sources like the Loan Fund.

In light of all this, we felt it was relevant and important to dedicate an issue of *NoteWorthy* to the women — borrowers, leaders, investors and donors — who make the Vermont Community Loan Fund's work possible on every level. These are their stories. In this season of thanks and gratitude, we're grateful for all they've done, do today, and will do for the Loan Fund in 2014 and beyond.

Very truly yours,

A handwritten signature in blue ink that reads 'Will Belongia'.

Will Belongia



Will Belongia

"Today, women lead our Board of Directors, make up the majority of our Board and staff and have ownership or leadership roles in more than half the borrowers we lend to and support in any given year."



Investing in Women for Over 25 Years

Continued from page 1



*Recent graduates of the RCPCC
“Learning Together” Program*

“We recently received new data on the progress of some of our programs showing decreased rates of subsequent teen pregnancies, and rising rates of high school completion,” Hover says. She anticipates more such successes to come as she looks ahead to 2014, RCPCC’s 30th anniversary year, which will find them consolidating many of their programs under the roof of their new agency home, financed in part by VCLF.

Child Care Advocate

Judith Pransky was offered her first teaching job in a pleasant and relatively conflict-free Boston area school district. “But that wasn’t what I wanted,” she says. What she wanted was to work with children who lacked resources and opportunities. Pransky instead took a position teaching kids from the inner city projects, where she thrived — helping troubled kids to do the same. Within five months she was promoted to school principal.

Pransky’s passion for serving underserved children next led her to Vermont’s progressive Peacham School, where she taught reading to learning disabled teens, collaborated with Headstart programs, and developed



Cherry Street Playcare, St. Johnsbury

assessment tools for school readiness. “I’ve always been an activist,” Pransky says. “An active one.” She had a hand in developing the employee child care programs at Cabot Creamery and Ben and Jerry’s, among others.

In 1985, Pransky opened **Emerson Falls Playcare** in St. Johnsbury providing care for 50 kids and their families, and later started a summer camp and afterschool program. She moved her business into **Cherry Street Playcare** in 2001, the building having received funding from VCLF.

In 2010, Pransky again turned to the Loan Fund to help fund a sizeable addition to Cherry Street, to address the community’s growing need. Today, with 71 kids enrolled, 96% from low-income households, Cherry Street is a 4-STARs rated program with a 5th STAR (the highest possible rating) on the way. Her staff of ten is paid well above state average and her facility is state-of-the-art. She continues to be a tireless advocate for child care workers and quality care.

House Keeping

Brenda Torpy maintains 2,600 households. As Executive Director of the **Champlain Housing Trust** (CHT), she and her staff see to it that affordable housing is managed, kept up and available to rent or purchase in Chittenden, Franklin and Grand Isle counties, in perpetuity. “We also provide homebuyer education, foreclosure prevention, low-interest loans, commercial real estate and special needs properties, cooperatives and mixed-use properties and historic preservation,” Torpy adds... and then wonders if she’s missed anything!

Torpy and CHT are combating homelessness and providing safe, affordable homes to thousands of Vermonters. “We’re striving for permanent affordability on behalf of the communities we serve,” she says.



Residents at CHT housing

Among CHT’s highly successful programs, their homeownership program garnered a 2009 U.N. World Habitat Award and has been replicated at locations across the globe. The innovative program establishes a stock of homes (currently numbering 530) for sale as permanently affordable. Purchasing homes at a significantly below-market price, qualified buyers agree to resell at a lower profit margin (though home improvement costs can be fully recouped). The program has ushered scores of Vermonters into homeownership, who have then successfully gone on to purchase subsequent homes, leading to greater financial stability.

Continued on page 6

March 1 — October 31, 2013

Small Business Lending

Anything Engraving, Island Pond

Custom engravers on granite, marble, wood and other materials, Anything Engraving originally leased their tools from another business. When an opportunity arose to purchase that equipment and go their own way, they came to VCLF for financing. This loan has preserved a job for one craftsman. anythingengraving.com

Catamount Glassware/ASI Associates, Bennington

Borrowers Irene and Alain Karyo own real estate holding company A.S.I. Associates and Catamount Glassware, manufacturer of custom cookware and glassware printer/screener. VCLF helped them refinance existing debt and pay for electrical and energy efficiency upgrades to the building occupied by Catamount. These loans have preserved 21 jobs and are anticipated to create two new positions. catamountbarware.com

Cedar Sawmill of Vermont, Swanton

Cedar Sawmill of Vermont buys cedar logs from local loggers and turns them into value-added lumber. With VCLF's help financing a new shaving mill, CSW increased revenues by adding a new product and revenue stream: selling shavings to farmers for bedding. cedarsawmillofvt.com

Fat Toad Farm, Brookfield

Fat Toad Farm, producers of gourmet goats' milk caramel dessert toppings, had turned to high-interest credit cards to finance their manufacturing during high production/low revenue periods of the year. Their new VCLF loans, one involving the Carrot Project (thecarrotproject.org), will give them another option, saving thousands of dollars in interest costs. fattoadfarm.com

Hudak Farm, Swanton

Hudak Farm has been growing and selling fruits and vegetables for nearly four decades at their 30+ acre farm and farm stand. A VCLF loan provided working capital for their growing farm stand operation, leading to the preservation of six jobs. hudakfarm.com

J & M Fields, Forests and Firewood, Dorset

John White became ill three years ago. Self-employed and without health insurance, he had no choice but to sell his log skidder to cover medical costs. Today, with help from VCLF, he has purchased a new one, and is back at work in the woods. jmfieldsandforestryervices.webs.com

Kelley View Farm, Newport

Kelley View Farm provides spreading, planting and harvesting services to dairy farmers. When they needed a new mower and manure tank, already facing high interest payments due another lender, they approached VCLF to help purchase the equipment and refinance the earlier loan. They've been able to preserve eight jobs, and create one new job. kelleyviewfarm.com

Mansfield Forest Products, Charlotte

Mansfield Forest Products sells lumber and maple sugaring equipment. When the company needed to pay off high interest rate credit card debt and accounts payable, VCLF was able to help them do so and improve the company's cash flow. mansfieldforest.com

Mike's Hobbies & Raceway, Rutland

Mike's Hobbies & Raceway had been financing their inventory via high-cost credit cards. VCLF provided Mike with a less expensive option by refinancing the existing debt and providing a loan for inventory, preserving one full-time and one part-time job. mikes hobbies.com

Outdoor Gear Exchange, Burlington

One of the city's largest retailers of sports and outdoor equipment, OGE has continued to thrive and grow since their first loan with VCLF in 2002. In 2011, OGE moved to a new space on the Church Street Marketplace, expanding their retail operations significantly. VCLF recently increased their line of credit to support continued growth. This loan resulted in the preservation of 81 jobs. gearx.com

Robbins Mountain Enterprise, Bolton

Robbins Mountain is a family-run maple sugaring operation with a 489-acre sugar bush in the northern Green Mountains. Looking to expand and offer a unique agricultural tourism experience, they came to VCLF to finance a new sugarhouse and treehouse accommodations within the sugar bush.

Vermont Bean Crafters, Waitsfield

Vermont Bean Crafters makes a variety of bean-based products that they sell at retail and wholesale, as well as offering catering services. Working with the Carrot Project (thecarrotproject.org), they received



The Loan Fund at Work

financing to purchase beans and other ingredients, and to update their packaging. vermontbeancrafters.com

W. Masonry, Westford

W. Masonry, a commercial stone masonry company, came to VCLF in 2013 for help bridging payroll costs while working on large projects concurrently. Additional funding refinanced the company vehicle. W. Masonry provides competitive wage jobs for five Vermonters.

Webiomass, Rutland

Webiomass, manufacturer and servicer of energy efficient pellet boilers, came to VCLF to finance a purchase order for a complete purchase of a large BTU boiler. The loan helped preserve one full-time job. webiomass.com

William Austin Antiques, Chester

Since 1986, William Austin Antiques has sold country antiques, recently adding a seafood restaurant and ice cream parlor to increase revenues. Following Tropical Storm Irene, the business suffered losses of nearly \$200,000, and approached VCLF to help them get back on their feet. Five jobs have been retained, and one part-time job was created. wmaustin.com

Affordable Housing Lending

Abe's Corner, Burlington

Abe's Corner is part of the North Street Revitalization Plan in Burlington's Old North End. The building under construction will include retail space and eight apartments, one of which is designated as an affordable rental residence through VCLF financing. The loan also resulted in the creation of eight construction jobs.

Hilltop Family Housing, Burlington

Serving Essex, Orleans and Caledonia Counties with affordable housing and homeownership, RuralEdge came to VCLF to help finance the Hilltop Family Housing project, a group of four St. Johnsbury properties being rehabilitated and redeveloped into 24 rental residences, affordable in perpetuity. ruraledge.org

Packard Lofts, Burlington

Hartland Group Community Developers approached VCLF to help fund their Packard Lofts project, providing 25 affordable homes for rental in downtown Burlington. The loan also led to the creation of 28 construction jobs. hartlandgroup.biz

Harbor Place, Shelburne

Chittenden County's homeless shelters have been forced to turn away more and more people in need of emergency housing. Champlain Housing Trust, which creates and preserves perpetually affordable housing in northwest Vermont, has found a solution. With VCLF financing, they purchased a former motel, which now provides 60 short-term, transitional homes. champlainhousingtrust.org

Child Care Lending

ABC Early Education, Castleton

When ABC's owner Tearsa Brannock wanted to redesign her facility to better meet the needs of the children she serves, she came to VCLF for funding. The refitted space, which added a new kitchenette and bathroom, also enabled her to double her enrollment to 12 children and their families.

Kid Logic Learning, South Burlington

After working in child care for over 15 years, Crystal Thompson was ready to take the next step: opening her own facility to provide care for 68 children and their families. VCLF helped her finance start-up costs, including a fire alarm system, fencing and improvements to the space she leases.

Mother Hen's Daycare, Orleans

When Mother Hen's owner Shelly Riendeau wanted to make improvements to her home-based facility, she came to VCLF for

financing. The renovations have allowed her to increase her children/families served from three to five.

Turtles 'n Tots, Johnson

Turtles 'n Tots, the only licensed child care center in Johnson, has been a VCLF borrower since their opening in 2012. This year, owner Michelle Tallman came back to VCLF for another loan to help cover costs associated with expanding her program from 35 children/families served to 50. She'll also employ two more Vermonters, for a total of 10.

Community Facilities Lending

Living Well Community Care Home, Bristol

Providers of exemplary residential care to Vermont seniors, Living Well Community Care Home came to VCLF when the opportunity to purchase their facility came up. Living Well currently provides residential care, senior care, meals and medication management for up to 30 seniors. The loan also led to the preservation of 17 jobs. livingwellcarehome.org

Total Lending March 1 — October 31, 2013

Small Business Lending:
21 loans \$1,672,782

Affordable Housing Lending:
4 loans \$2,670,000

Child Care Lending:
5 loans \$133,500

Community Facilities Lending:
1 loan \$550,000

TOTAL LOANS
31 loans \$5,026,282

Katherine Nelson joined the Loan Fund in June as Senior Accountant. Nelson grew up in Plainfield, Vermont, spent 15 years in Boston's high tech software industry and earned her MBA. Now back in Plainfield, Katherine lives with her boyfriend and four dogs, teaches yoga and cooks amazing vegan dishes.



We bid a fond farewell to former Senior Accountant **Ryan Humke**, whose family has picked up roots to embark on a two-year (at least!) adventure in China. We wish them safe, happy, interesting travels!

Louise Calderwood rejoined the VCLF Board in April. Louise brings years of experience and expertise in policy development, education in agricultural production, food policy and renewable energy and more.

We said goodbye to board members **Christine Zachai** and **Alec Barclay**. Alec will continue on as Chair of the Housing and Community Facilities Committee. We are so grateful for their service to VCLF, and wish Christine and Alec all the best!

Stay Connected

We've completed our new Strategic Plan, our goals and guide for the coming years. Take a look at: investinvermont.org/about/vclf-publications-and-reports.

We've also rolled out FUNDSCAPE, an interactive map of all our loans, grants and other achievements. See what VCLF has done in your town at: investinvermont.org/about/map.

And, we're launching a new, quarterly e-newsletter, *Points of Interest*, to keep you up to date between printed issues of *NoteWorthy*. Sign up to receive it today: investinvermont.org. ■

Investing in Women for Over 25 Years

Continued from page 3

Over the years, the Loan Fund has collaborated many times with CHT, providing funds to rehab and develop additional affordable housing throughout northwestern Vermont. Collaborations have included large apartment buildings and 'scattered sites,' in which several homes and apartments comprise a larger project. "VCLF has helped us acquire properties and rehab buildings. They've always been there for us, making a tremendous difference," Torpy says. Harbor Place, the latest CHT/VCLF collaboration, is now underway, planned as 60 short-term residences for persons transitioning out of homelessness. Learn more about CHT at champlainhousingtrust.org.

Say Cheese!

What are the ingredients for a top quality cheese operation? Impossibly fresh milk, a great herd of cows, a pasteurizing cheese vat and a level of perfectionism that insists on nothing but the best. Ask **Bridport Creamery** business partners and cheese producers Nicole Foster and Julie Danyew.



Bridport Creamery's delectable farmstead cheese

"I'm a dairy kid," says Foster. Her father still runs the family's Iroquois Acres dairy farm in Bridport, and her husband is one of the well-known Foster brothers of Foster Brothers Dairy Farm in Middlebury. Danyew is a native Virginian who came north to UVM, fell in love with the Green Mountains — and subsequently, with great cheese.

The two met when Danyew taught Foster's daughter as a preschooler. Discovering their common interest — cheese — they contacted the Carrot Project, an alternative funding finder for agricultural enterprises in New England, which in turn, directed them to VCLF. Bridport's operations, alongside Iroquois Farms and its approximately 350 cows, produces farmstead cheese curds and flavored wheels, and next spring, plans are in place to introduce a goat's milk cheese, as well. For more information on Bridport Creamery and the Carrot Project, visit: thecarrotproject.org/about_us ■

"The Loan Fund wouldn't be what it is today without these businesses and community organizations and the women behind them."



Rachel Lee Cummings of Armistead Caregiver Services

Invest in VCLF – Invest in Vermont

In every corner of our state, VCLF investors strengthen Vermont. They create and preserve jobs for themselves and their neighbors, ensure that single adults, seniors and families have homes that are both safe and affordable, provide critical community services, preserve our working landscape, and provide quality child care, creating healthy beginnings for Vermont's youngest citizens.

It's easy to help. VCLF offers a variety of investment options to accommodate your social and financial goals.

Current Investment Rates*					
Social Investment Term Account					Social Investment Cash Account
1-2 Years	3-4 Years	5-6 Years	7-9 Years	10+ Years	No term, Withdrawals on Demand
0.85%	1.25%	2.25%	2.5%	3.0%	0-0.5%

* Rates as of November 1, 2013. Lower interest rates allow us to keep financing affordable to borrowers, increasing the impact your investment has in Vermont communities. Rates are subject to change.

For more information, contact Susan Hood at (802) 223-4426 or susan@vclf.org

investinvermont.org

Join the Legacy Investors Circle!

The Loan Fund offers three opportunities for you to plan for a gift that will support our work forever: **Legacy Investments**. 100% of your Legacy Investment will support our Permanent Capital Fund, which will be dedicated strictly to loan capital in perpetuity. Your gift will be the foundation on which VCLF is able to both make more loans and raise additional capital. How you can help:

1. **Make a bequest.** Consider including a gift to VCLF in your will.
2. **Bequest your investment.** If you're already an investor in the Loan Fund, you can bequest your investment to VCLF. Your investment will continue functioning normally, and you'll be able to continue choosing your rates and terms over time. At the end

of your life, your investment will become permanent loan capital and continue working to transform Vermonters' lives forever.

3. **Make a Charitable Gift Annuity.** In exchange for your gift, you and/or your designee will receive interest payments for life, while the capital you've provided to the Loan Fund is loaned out to create opportunities throughout Vermont. At the end of your life, your CGA will become a part of our Permanent Capital Fund, to be loaned and re-loaned in perpetuity. A CGA allows you to make an immediate gift to the Loan Fund with permanent effects.

For more information about Legacy Investing, please contact Jake Ide, Director of Development, at (802) 223-4423 or jake@vclf.org. ■



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LOAN FUND

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Investor Profile

Investing Across Generations

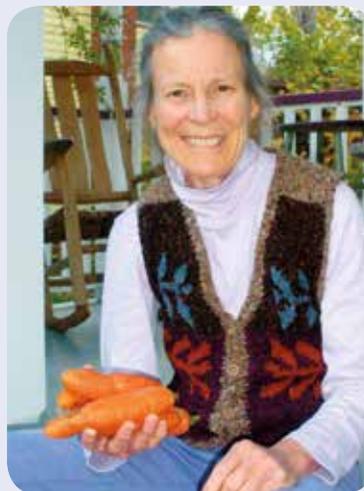
Elizabeth Glenshaw believes that the increasing number of women investing in the Loan Fund is part of both a long tradition and a new and rising trajectory. And she'd be one to know: besides serving as the President of VCLF's Board of Directors, Elizabeth is Managing Director of the Clean Yield, a Vermont-based asset management firm focused on helping their clients achieve both monetary and social returns.

"Women have been speaking with their dollars about their social concerns for some time," says Glenshaw. "Think of the nuns," she adds, smiling, noting that various religious orders have been deeply involved in community-focused, socially-responsible investing for decades. As women continue to outlive men, and build or inherit wealth of their own, Glenshaw sees women controlling more assets today than at any prior point, turning more and more to organizations like the Loan Fund to help them meet their investment goals.

One such VCLF investor is artist and food and farming activist **Bonnie Acker** of Burlington's Old North End. She and husband John Davis came to Vermont nearly 30 years ago, and felt an immediate affinity — for the lifestyle, the landscape, and the progressive endeavors they came to embrace. For Acker, Burlington's Intervale Center (a longtime VCLF borrower) was an immediate draw. She recalls gardening

with her daughter there, learning together about food and farming. When her daughter entered public school, Acker was stunned that "with all the fresh, wonderful foods available in the area, the public school lunches left a lot to be desired." Acker began to advocate for fresh, nutritious foods in schools, helping start the Burlington School Food Project, now the state's largest farm-to-school program.

Between Bonnie's interests and John's (he's a founder of Burlington Associates in Community Development, which supports community land trusts and affordable housing development), the Loan Fund caught their attention, and they became donors in 1989.



Bonnie Acker, Burlington

Acker remembers a conversation with her mother Isabella, who, at age 100, was still looking for investment opportunities that satisfied her financially and socially. "She'd heard about the Loan Fund from us. She liked it and said, 'What about investing in this?' And that's just what she did," recalls Acker.

Though Isabella passed away last January, Bonnie has carried on her investment. "VCLF translates money into services and opportunities, uplifting everybody in our state. If that's something

I can invest in — opportunities, equality — then that's what I want to invest in," Acker says. ■