

# NoteWorthy

VERMONT COMMUNITY LOAN FUND

Summer 2014

## Small Business, BIG Impact

Vermont's small businesses represent over 96% of our employers, are responsible for three out of every five Vermont jobs, and make up the fastest growing sector of our jobs market.

For a closer look at VCLF's impact on Vermont's business landscape, we checked in recently with some of our borrowers.

### HEAT LOCAL

"We hear a lot about eating local. At **Vermont Wood Pellet**, we want to heat local," says Chris Brooks, co-owner along with Katie Adams of North Clarendon's Vermont Wood Pellet.

A fifth generation lumberman, Brooks came to Vermont following timbering stints in Minnesota, Wisconsin and Georgia. From the beginning, Brooks and Adams wanted to do things more sustainably, sourcing their wood from within a 30-mile radius. Their proposed niche also included "being the best," according to Brooks: they came up with a pellet composition that was more energy- and cost-efficient, burning longer, warmer and with less waste.

In VCLF, they found a lender with a similar ethos. "We work on a community scale," Brooks says, "and so does the Loan Fund. Their decisions are made for the benefit of the community. Ours too."

Now in its third year, Vermont Wood Pellet has grown steadily, with 24 employees in its mill, "and for every one of them, there are four in the woods," he says. Most tellingly, they've also completely sold out of last year's pellets and are hard at work preparing for next winter.

"VCLF played a critical role in our success," says Brooks. "VCLF sees value where other lenders might not." [vermontwoodpellet.com](http://vermontwoodpellet.com)



### LOGICAL STEPS

"I was studying early ed at Champlain College when I started working in child care," recalls Crystal Thompson. "I wanted to do it my way," she says, meaning "a high-quality program that was engaging and educational." Today, the children and families at **Kid Logic Learning** are happy that Thompson has done just that.

In 2011, Thompson began discussions with VCLF Director of Child Care Programs Hope Campbell, on how to make it happen. "Hope helped me with my business plan, pricing, marketing, everything. For two years she helped me to look for the perfect location for Kid Logic. If not for her and VCLF, I wouldn't be here in this beautiful building, mentoring amazing teachers, caring for children and serving their families," she says.



Continued on page 3



# From the Executive Director

## BOARD OF DIRECTORS

Alec Barclay, *Essex Junction - Secretary*  
Nancy Rowden Brock, *Waterbury Center*  
– *President*  
Louise Calderwood, *Craftsbury*  
– *Vice President*  
Karin Chamberlain, *Etna, NH*  
Brian Dunkiel, *Burlington*  
Kim Keiser, *Moretown*  
Michelle Ollie, *Hartford*  
Andrew Perchlik, *Plainfield*  
Jennifer Silpe, *Underbill - Treasurer*  
Nicki Steel, *Wilmington*  
Stephanie Wernhoff, *Shelburne*

## VOLUNTEER COMMITTEE MEMBERS

Megan Cicio  
Gisele Kloeckner  
Chuck Lief  
Kim Phalen  
Suzanne Roberts  
Barbara Saunders  
Nancy Wasserman

## STAFF

Will Belongia, *Executive Director*  
Sam Buckley, *Director of Business Programs*  
Hope Campbell, *Director of Child Care Programs*  
Cindy Daniels, *Business Development Specialist, Project SUCCESS*  
Lynn Gosselin, *Administrative Manager*  
Paul Hill, Jr., *Director of Housing and Community Facilities Programs*  
Cindy Houston, *Microloan and Grant Portfolio Manager*  
Susan Hood, *Investment and Grant Coordinator*  
Jake Ide, *Director of Development*  
Maria Lamberti, *Loan Coordinator, Child Care Programs*  
Anne Loecher, *Marketing and Communications Manager*  
Linda Markin, *Director of Finance and Administration*  
Katherine Nelson, *Senior Accountant*  
Barbara Petrie, *Loan Coordinator, Housing and Community Facilities Programs*  
Dan Winslow, *Loan Coordinator, Business Programs*

## SUMMER 2014 NOTEWORTHY

*Writing & Editing:* Anne Loecher  
*Design:* RavenMark, Inc.  
*Printed by:* Leahy Press



15 State Street, P.O. Box 827  
Montpelier, Vermont 05601  
Phone: (802) 223-1448 Fax: (802) 223-1455

Dear Friends,

When a small business comes to VCLF, they get much more than just a loan. Through us, they're connected to our full network of other lenders, business consultants, successful entrepreneurs, service providers and other resources. These partnerships are critical to the support VCLF provides to Vermont's business community, and to our broader goals of building healthy communities and financial stability for Vermonters.

We have consistently sought out other organizations that can help us advance our mission. Some of these partners, like Green Mountain Power's Cow Power program or the Building Bright Futures Facilities Fund, provide financial resources. Some, like the Small Business Development Centers and our own Project SUCCESS, provide business education and consulting. Some, like the Carrot Project, provide both! Working together, they all support Vermont business people doing what they do best – from farming to manufacturing, from retail to providing quality early care and education.

Thank you for supporting VCLF, and, through us, Vermont's small business people. Help us spread the word — and the opportunities!

Sincerely,

Will Belongia, *Executive Director*



Will Belongia  
*Executive Director*

## Staff and Board News & Notes

In May, we said goodbye to VCLF Board President **Elizabeth Glenshaw** at the conclusion of her eight-year term. The managing director at Clean Yield Asset Management in Norwich, Vermont, Elizabeth shared her financial expertise, her perspective, energy and friendship and was instrumental in leading the Loan Fund through last year's strategic planning process. Thank you for your time and spirit, Elizabeth.

Welcome to **Karin Chamberlain**, who joined the Board in February. Karin also works at Clean Yield Asset Management where she focuses on food and agriculture in Vermont. She's a native of the Upper Valley, living in Etna, NH.

And another warm welcome to **Nicki Steel** of Wilmington, a longtime VCLF investor and donor who joined the Board in April. Nicki's diverse background includes teaching, photography and extensive volunteer work with local government, affordable housing, farming and other organizations.

Former VCLF Board member **Alec Barclay** returns to our Board. Now retired, Alec had a long career in finance, working for NBT Bank, KeyBank and Chittenden Bank. He's remained active on our Affordable Housing & Community Facilities Loan Committee. We're glad to have him back.

Following Elizabeth Glenshaw's departure, former Vice President **Nancy Rowden Brock** steps up to become President; **Louise Calderwood** moves from Secretary to Vice President; **Jennifer Silpe** replaces **Rick Isabelle** as Treasurer, and **Alec Barclay** becomes Secretary.

Enormous thanks to all of our dedicated Board and Committee members, past and present!

# The Loan Fund at Work

January 1, 2014 - July 31, 2014

## Small Business Lending

10 loans

\$523,444

- Bella Farm, *Monkton*
- Bridport Creamery, *Bridport*
- Chester House Inn, *Chester*
- D's Market & Deli, *Bennington*
- Danforth Pewterers, *Middlebury*
- Hollister Hill Farm, *Marshfield (2 loans)*
- Kettle Song Farm, *Worcester*
- North Branch Vineyard, *Montpelier*
- Rollo Cedar Sawmill, *Swanton*



## Child Care Lending

5 loans

\$295,868

- Berry Patch Holistic Childcare, *Moretown*
- Bristol Family Center, *Bristol*
- Megan's Childcare, *Danville*
- School House Learning, *Burlington*
- Spring Hill School, *Waitsfield*

## Housing & Community Facilities Lending

4 loans

\$940,000

- Addison County Community Trust, *Middlebury*
- Living Well Community Care Home, *Burlington*
- Maiden Lane, *Burlington*
- W.R. Vilas, *Burlington*

**Total Loans (19)**

**\$1,759,312**

## Small Business, BIG Impact

*Continued from page 1*

In April of 2013, Kid Logic opened in South Burlington, with 54 available child care slots. Kid Logic employs eight child care workers, many with higher degrees, including a Spanish teacher and art instructors.

"Now I'm mentoring new teachers, just as I was mentored early on. With all that's been given to me, I want to give back," Thompson says. [kidlogiclearning.com](http://kidlogiclearning.com)

## CRAFTING A BETTER BUSINESS

Joe Bossen has a lot on his plate. He's the founder, owner, chef, delivery man, marketing guy and more at **Vermont Bean Crafters**. "I wear a lot of hats," he says, laughing.



Begun in 2011 and based in Waitsfield's Mad River Food Hub ([madriverfoodhub.com](http://madriverfoodhub.com)), Vermont Bean Crafters makes bean burgers, bean balls, soups and even cookies. These bean-based products are distributed at grocers, coops, restaurants, hospitals and schools. Beans are sourced locally, as are additional ingredients such as sweet potatoes, onions, carrots and grains.

After graduating from Green Mountain College, Bossen worked at various jobs including a stint in at Boardman Hill Farm, where Vermont farmer Greg Cox mentored him in sustainable agriculture.

"Our food system uses so much of our energy," Bossen says. "Even local agriculture can require huge amounts of energy to grow. Beans are different." Beans, he explains, are nutrient-dense, shelf-stable, and require less heat and water to grow than other crops.

Bossen was referred to VCLF by the Carrot Project ([thecarrotproject.org](http://thecarrotproject.org)), which helps smaller food producers find financing and technical assistance services. "The Loan

*Continued on back page*

## Invest in Vermont!

In every corner of our state, VCLF investors strengthen Vermont. They create and preserve jobs, ensure that Vermonters 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. Call Jake Ide at 802-223-4423 for more information about all of the benefits you receive when you invest in VCLF.

### Current Investment Rates\*

#### Social Investment Term Account

| 1-2 Years | 3-4 Years | 5-6 Years | 7-9 Years | 10+ Years |
|-----------|-----------|-----------|-----------|-----------|
| 0.85%     | 1.25%     | 2.25%     | 2.5%      | 3.0%      |

#### Social Investment Cash Account

| Open-Ended Maturity, Withdrawals on Demand |
|--|
| 0.5%                                       |

\* Rates as of July 1, 2014. 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.



## Small Business, BIG Impact

*Continued from page 3*

Fund isn't just looking for ways to make a buck off business people. They're looking for what's good for Vermont," he says.

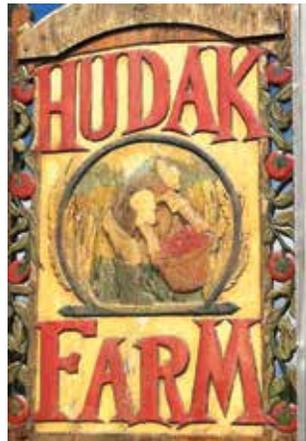
### FARM TEAM

"Making a farm financially viable is so challenging. What our population spends on food doesn't relate to the cost of producing it," says Marie Frey of **Hudak Farm**. "But that's where VCLF comes in," she adds.

Hudak Farm was a dairy operation when husband and wife Richard Hudak and Marie Frey took over from his parents in the 1970's. The new couple switched to farming vegetables and fruits. Years later, wanting to keep diversifying their operations, they came upon two answers: compost, and the Vermont Community Loan Fund.

"VCLF helped us put together a plan for our compost production," Frey says. "It's critical to have lenders like VCLF in support of Vermont farms, whether they're diversifying like we were, or brand new. That's what the Loan Fund does so well," she adds.

[budakfarm.com](http://budakfarm.com)



## TECHNICAL ASSISTANCE: MORE THAN JUST MONEY

**A**long with their loans, VCLF borrowers get another significant benefit: specialized business skills training, offered absolutely free of charge. The Loan Fund's technical assistance provides education, tools and resources in a range of business essentials such as writing a business plan, marketing, accounting and more. Loan Fund staffers and small business specialists Cindy Houston and Cindy Daniels roll up their sleeves with hundreds of borrowers and applicants every year.

"We might start out working on taxes with a borrower, and then later they might come to me for help with budgeting. We continue to offer technical assistance even when you've paid off your VCLF loan," says Daniels.

Houston admits that the time she spends training borrowers is among the most exciting aspects of her job. "To me, it's all about the impacts," she says. "I think about all the jobs created by these new and growing businesses, the legacy they're creating, how they're helping Vermont families."

