



**VERMONT**

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**WORKING LANDS ENTERPRISE INITIATIVE**

**[www.vermontworkinglands.com](http://www.vermontworkinglands.com)**

Annual Report

**2013**



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Agency of Agriculture, Food & Markets  
Department of Forests, Parks & Recreation  
Agency of Commerce & Community Development

## Working Lands Enterprise Initiative Annual Report to the Legislature Fiscal Year 2013

**Background:** The 2012 Legislative session brought with it a renewed commitment to Vermonters' values by passing the Working Lands Enterprise initiative, ACT 142, for the management and investment of \$1 million into agricultural and forestry based businesses. Over 97 percent of Vermonters value the working landscape. Approximately 20 percent of Vermont's land is used for agricultural purposes and 75 percent as forestry. The backbone of Vermont's "working landscape" is the economic viability of the agriculture and forestry based businesses. It is Vermont's working landscape that allows us to be a key economic engine within the northeast metropolitan markets of the regional farm and forest economies.

**Program Description:** The Vermont Working Lands Enterprise Board (WLEB) is an impact investment organization whose mission is to grow the economies, cultures, and communities of Vermont's working landscape by making essential, catalytic investments in critical leverage points of the Vermont farm and forest economy, from individual enterprises to industry sectors. Vermont prospers and its unique sense of place thrives in large part because of intelligent investment in the people and enterprises that comprise its farm, food, and forest based systems.

The WLEB represents a cross-agency, cross-sector network of partners around the same investment platform: Vermont Agency of Agriculture, Food & Markets; Vermont Forests, Parks & Recreation; Vermont Agency of Commerce & Community Development; nine designated board members from across the supply chains of Agriculture and Forestry; and Ex Officio members from the Vermont Economic Development Authority; Vermont Housing Conservation Board; and the Vermont Sustainable Jobs Fund.

The WLEB solicits, reviews, and awards investments (currently in the form of grants) for farm and forest based businesses within the following three categories:

- I. **Enterprise Investment Grants:** \$3,000-\$20,000 grants with a 25% cash required match available for early-stage and growing agricultural and/or forestry based businesses that demonstrate the need for capital & infrastructure, marketing, market development, business development and/or technical assistance in order to enhance the viability of their business.
- II. **Service Provider Grants:** \$10,000 - \$150,000 grants with a 50% cash/in kind required match available for technical assistance and support services provided to agricultural and/or forestry based businesses that will benefit industry sector(s) and address a need not already filled by an existing program(s).
- III. **Capital & Infrastructure Investment Grants:** \$15,000 - \$75,000 grants with a 1:1 required match (50% cash) available for shovel-ready projects that demonstrate a viable business plan and project feasibility to increase operational capacity for impact beyond the immediate business or organization (i.e. benefits multiple working lands businesses, benefits the supply chain, benefits an entire sector).

**FY' 13 Projects Funded and Dollars Leveraged:** The Working Lands Enterprise Board invested over \$1 million (\$1,037,000.00) into 37 agriculture and forestry projects reaching every county in the State and **leveraging an additional \$1.3 million** in matching funds (*funded 25 ag projects and 12 forestry projects proportionate to the total number of applications received by each sector*).

**Demand and breakdown of three Investment Areas:**

The demand for funds was more than twelve times the amount available (\$986,500) with \$12 million in total requests for funds and 389 applications from all 14 counties.

**1. Enterprise Investment Area**

Received 191 applications requesting \$2.1 million

Funded 20 Enterprises (14 ag, 6 forestry) = \$204,406 (\$145,871 Agriculture/\$58,535 Forestry)

**2. Service Provider Grant Area**

Received 84 Letters of Intent requesting \$3.2 million

Funded 8 Service Providers (6 ag, 2 forestry) = \$369,802 (\$271,802 Agriculture/\$98,000 Forestry)

**3. Capital & Infrastructure Investment Area**

Received 112 Letters of Intent requesting \$6.7 million

Funded 8 Businesses (4 ag, 4 forestry) \$411,522 (\$203,369 Agriculture/\$208,153 Forestry)

**I. Enterprise Investment Grant Recipients:**

**14 Agriculture Grant Recipients**

- Eddy Farm Shiitake, Middlebury | \$3000 for infrastructure improvements to log laying yard
- The Last Resort Farm, Bristol | \$15,000 for trout and strawberry aquaponic production
- Dancing Bee Gardens, Middlebury | \$6,000 for barn for honey production and beekeeping courses
- Vermont Chevron, Danville | \$10,000 for market research and tactical marketing plan development
- Vermont Goat Collaborative, Colchester | \$10,868 for a new American custom exempt goat slaughter facility
- Adam's Berry Farm, Charlotte | \$10,000 for a walk-in refrigerator and freezer
- Maple Wind Farm, Richmond | \$15,000 for an inspected poultry processing facility
- Vermont Cranberry Company, Fletcher | \$15,000 for press building, freezer space and a solar drying facility
- Does' Leap, Bakersfield | \$6,103 for increased pork production and sausage processing infrastructure
- Sweet Rowen Farmstead, West Glover | \$15,000 for a 200 gal. pasteurizer to quadruple milk capacity
- Krueger-Norton Sugarhouse, Shrewsbury | \$9,900 to convert to high vacuum gravity tubing system
- Vermont Switchel Company, Cabot | \$15,000 for bottling and capping equipment
- Screamin' Ridge Farm, Montpelier | \$15,000 for equipment to boost production efficiency for Joe's Soups
- Sidehill Farm, Brattleboro | \$15,000 for equipment and frozen storage capacity to expand product line

**6 Forestry Grant Recipients**

- Green Mountain Logging and Landscape Management, Rupert | \$8,000 for equipment for logging wood
- Guild of Vermont Furniture Makers, Dorset | \$10,000 for a comprehensive marketing plan to increase sales
- Currier Forest Products, Danville | \$12,000 for a small kiln to support Northeast Kingdom businesses
- The Sculpted Tree, Winooski | \$5,629 for equipment for wood turning and classes
- A.S. Hudak Lumber and Logging, Swanton | \$11,406 for a CSA model where consumers can be investors
- Timberhomes, LLC, Vershire | \$12,000 for Natural Structurally Insulated Panels made with Vermont timber

## **II. Service Provider Grant Recipients:**

### **6 Agriculture Grant Recipients (Statewide Impact)**

- The Northeast Organic Farming Association, Richmond | \$20,000 for professional development for farmers' market managers
- Patricia A. Hannaford Regional Technical School District, Middlebury | \$55,000 for expansion of meat butchering program
- University of Vermont Extension Service, Berlin | \$39,302 for poultry and grape sector business model research and development
- University of Vermont Extension Service, Brattleboro | \$40,000 to increase supply and quality of local vegetable storage
- Vermont Meat and Poultry Processors' Association | \$15,000 to enhance innovation in Vermont's meat processing industry
- Vermont Solid Waste District Managers Association | \$55,000 for technical planning services for food-scrap composting

### **2 Forestry Grant Recipients (Statewide Impact)**

- Vermont Housing and Conservation Board, Montpelier | \$100,000 to expand assistance to agricultural infrastructure and forestry sectors
- Vermont Wood Manufacturers Association | \$48,000 for workforce development for the secondary wood manufacturing industry

## **III. Capital and Infrastructure Investment Recipients**

### **4 Agriculture Grant Recipients (Statewide Impact)**

- Black River Meats, North Springfield | \$50,000 to build volume and value for Vermont livestock producers in new markets
- Champlain Orchards, Shoreham | \$75,000 to expand Vermont's cider apple supply chain
- Jasper Hill Farm, Greensboro | \$50,000 for a cheese microbiology lab to develop "artisanal cultures" to promote quality and safety
- Vermont Refrigerated Storage, Shoreham | \$43,369 to increase storage capacity for farms, distributors and processors

### **4 Forestry Grant Recipients (Statewide Impact)**

- Vermont Wood Pellet Company, North Clarendon | \$38,153 mill upgrades to increase efficiency and quality
- Vermont Wood Studios, Vernon | \$100,000 to expand markets of Vermont furniture by building a destination shopping experience
- Vermont Woodworking School, Cambridge | \$50,000 for an incubator space for emerging woodworking businesses
- A. McGovern Logging and Sawmilling, West Brookfield | \$20,000 for a portable sawmill upgrades to increase volume

## **IV. Special Funding Recipients**

### **1 Poultry Processing Funds Grant Recipient**

- Parmelee Farm, Randolph Center | \$20,000 for the construction of a fixed poultry processing facility

### **FY'14 and '15 Projections – Current Enterprise and Capital and Infrastructure Recipients**

The following were reported to JFO for the Performance Based Budgeting Pilot – data based on self-reported information from Grantee Intake Surveys

- Grantee Job Creation
  - Current Employment for all Grantees: **168**
  - FY'14 Target – **45 total jobs created**
  - FY'15 Target – **60 total jobs created**
- Gross Income (Increase averaged across all grantees)
  - FY'14 Target – **Additional \$146,871 – 10% average increase**
  - FY'15 Target – **Additional \$183,588 – 15% average increase**
- Increase in Value Added Product Income from Vermont Sourced Raw Products (Increase averaged across all grantees)
  - FY'14 Target - **\$34,441 (5% average increase)**
  - FY'15 Target - **\$51,662 (7.5% average increase)**

Other measurables being tracked via intake surveys and (following project completion) post-grant surveys:

- Business Strength and Overall Health
- Job Preservation due to grant funding
- Employees: average hours worked per week
- Agricultural and Forest Land in Production Owned or Leased
- Raw and Value-Added Product Production
- Anticipated Increase in Product Distribution
- Level of Knowledge of Available Funding, Business Assistance and Technical Service Providers

### **FY' 14 Working Lands Enterprise Applications Received (\$1,215,195 available for investment):**

This fiscal year the Working Lands Enterprise Board received a total of **\$5,349,767** in funding requests. Fewer applications were received however overall quality of applications increased. Preliminary application review indicates that working lands enterprises are connecting with service providers to develop viable projects and business plans (i.e. the VT Farm & Forest Viability Program supported with Working Lands funds to provide business development assistance to the forestry sector).

**Enterprise Applications - \$655,304 TOTAL;** 38 Agriculture (\$563,339, 86% of total \$ requests); 7 Forestry (\$91,905, 14% of total \$ requests)

**Service Provider LOIs – \$2,450,165 TOTAL;** 31 Agriculture (\$1,599,365, 65% of total \$ requests); 8 Forestry/Forest Products (\$670,800, 28% of total \$ requests) and 3 Ag and Forestry (\$180,000, 7% of total requests)

**Capital and Infrastructure LOIs - \$2,244,298 TOTAL** 26 Agriculture (\$1,514,298, 67% of total requests); 12 Forestry/Forest Products (\$730,000, 33% of total \$ requests)

### **Working Lands Enterprise Board (WLEB)**

#### **State Agency/Department members:**

- **Chuck Ross**, (Secretary of Agriculture, Food and Markets or designee) Chair  
Designee – **Jolinda LaClair**, (Deputy Secretary of Agriculture, Food and Markets)
- **Mike Snyder**, (Commissioner of Forests, Parks and Recreation or designee)  
Designee – **Matt Langlais**, (County Forester)
- **Lawrence Miller**, (Secretary of Commerce and Community Development or designee)  
Designee – **Alex Ibey** (Senior Economic Development Specialist at Commerce and Community Development)

**Designated Board members:**

- **Beverley Thurber**, (One representative of Vermont’s dairy industry who is also a dairy farmer) Lilac Ridge Farm
- **Brian Kemp**, (One representative of the two largest membership-based agricultural organizations in VT who is NOT a dairy farm) Mountain Meadow Farms
- **Eleanor Léger**, (One representative who is actively engaged in value-added agricultural products manufacturing) Eden Ice Cider
- **Emma Marvin**, (One representative actively engaged in commodity maple production) Butternut Mountain Farm
- **Eric DeLuca**, (Two representatives actively engaged in providing marketing assistance, market development, or business and financial planning) University of Vermont Continuing and Distance Education
- **Joe Nelson**, (One representative of the VT forest industry who is a forester) Consulting Forester
- **Kathleen Wanner**, (One representative of a membership-based forestland owner organization) Executive Director of the Vermont Woodlands Association
- **Mike Rainville**, (One representative actively engaged in wood products manufacturing) Maple Landmark
- **Robin Scheu**, (Two representatives actively engaged in providing marketing assistance, market development, or business and financial planning) Addison County Economic Development Corporation

**Ex Officio members:**

- **Ellen Kahler**, (Executive Director of VT Sustainable Jobs Fund or designee)  
Designee – **Janice St. Onge** (Flexible Capital Fund VSJF)
- **Gus Seelig**, (Executive Director of VT Housing and Conservation Board or designee)  
Designee – **Ela Chapin**, (Director of the Farm Viability Program)
- **Jo Bradley** ,(Manager of VT economic Development Authority or designee) Manager of VT Economic Development Authority  
Designee – **Sarah Isham** (Senior Agricultural Loan Officer)