VERMONT SUSTAINABLE JOBS FUND WAS CREATED BY THE LEGISLATURE TO ACCELERATE THE DEVELOPMENT OF VERMONT’S GREEN ECONOMY.

WE HAVE 4 TOOLS THAT WE WORK WITH: LOANS, TECHNICAL ASSISTANCE, NETWORK DEVELOPMENT, AND GRANTS

VSJF Flexible Capital Fund, L3C

The Flexible Capital Fund, L3C is a mission-based investment fund that provides ‘equity-like’ financing in the form of royalty (or revenue-sharing) loans and subordinated debt to growth companies in value-added agriculture, forest products, and clean technology. [www.flexiblecapitalfund.com]

VSJF’s Vermont Agriculture & Forestry Development Program (VAFDP) supports the growth and long-term success of value-added agricultural and forestry enterprises based in Vermont. The program provides enterprise coaching and technical assistance to strengthen the capacity of businesses in order to serve an expanding market for Vermont food and forest products. VAFDP partners with the Vermont Farm and Forest Viability Program on this effort.

VSJF coordinates the Farm to Plate Network in order to maximize the collective impact of the Farm to Plate food system plan. We developed the Farm to Plate website and we keep track of population indicators and performance measurements for Vermont’s food system. [www.vtfarmtoplate.com]

Since 2003, the Vermont Bioenergy Initiative has connected diversified agriculture and local renewable energy production for on-farm and community use by supporting research, technical assistance, and infrastructure development in emerging areas of bioenergy including biodiesel production and distribution for heating and transportation, oil crops for on-farm biodiesel and feed, grass for heating, and algae production for biofuels and wastewater management. [vermontbioenergy.com]
The Flexible Capital Fund, L3C is a mission-based investor providing ‘near equity’ financing—in the form of royalty (or revenue-sharing) loans and subordinated debt—to Vermont growth companies in value-added agriculture, forest products, and clean technology. The Flex Fund is an independently-run company that contracts with the VSJF for operations and administrative support.

In 2015, the Flex Fund invested $685,000 in new portfolio companies like Northern Reliability and Pulmac Systems International, and made a follow-on investment of $150,000 with existing borrower, Liz Lovely, Inc. In total, Flex Fund investment helped these companies leverage an additional $482,500 in capital to help grow their companies. Since 2011, the Flex Fund has made 14 investments to 9 companies totaling $2,390,000.

“...The Flex Fund’s proven track record with big success stories like Vermont Smoke and Cure speaks volumes to the Fund’s credibility and clout here in Vermont. Our employees have over 30 years of experience developing energy storage systems—an otherwise emerging field worldwide—and that really sets Northern Reliability apart from the companies just starting energy storage initiatives. The Flex Fund’s investment allows us to grow our business development to further penetrate the market and insert our vast experience to provide solutions for the world’s energy storage needs.”

- Jay Bellows, CEO, Northern Reliability, Inc.
The Vermont Agriculture & Forestry Development Program (VAFDP) was launched in 2011 to meet the business planning and technical assistance needs of value-added agricultural and forestry clients “wherever they are” in their development. **To date, VAFDP has worked with 34 clients.** A **third-party evaluation** found that VAFDP “has provided high benefits to program clients and the state’s agricultural development community. It has shown similar promise in its 2014 program expansion to serving several forest products enterprises.”

Coaching effectiveness is largely a function of building trust—at the heart of trust is a willingness to hold and value both the aspirations and the vulnerabilities of the client. One highly valued aspect of the program was a series of “Roundtables” that brought together past and current clients to share a meal, remind them that they were part of a cohort of like-minded entrepreneurs, and discuss and problem solve on some aspect of being in business.

VAFDP tracks clients’ key performance metrics for three years after they complete the program. Calendar year 2015 fiscal data is still coming in from clients, but based on data received from a subset of companies to date:

- **14 of 16** improved sales compared to baseline year.
- **46%** revenue increase for 16 companies since participating in program.
- **69 FTE** 12 of 16 clients increased employment from baseline year.
- **12 of 15** increased payroll compared to baseline year, adding ~$1.8 million/year in wages.
- **10 of 15** improved profitability compared to baseline year.
- **17 of 18** have raised at least $100,000 in new capital.

Following in the business founded by their father in 1961, owners Patrick and Patsy Cooperman moved the business to Bellows Falls in 1987. Along with the 20 craftsmen they employ, the Coopermans ship custom drum sets to military bands and classical orchestras in both the US and abroad, and make handcrafted tunable frame drums like tambourines, bodhrans, and tars that are featured by renowned percussionists performing both classical and world music repertoires. The **Cooperman Company** engaged the Vermont Ag & Forestry Development Program to help them expand their unique solid shell-making process into high value markets worldwide.

**Cooperman**

THE COOPERMAN COMPANY OF BELLOWS FALLS HANDCRAFTS SOME OF THE WORLD’S FINEST ROPE-TENSION DRUMS, FRAME DRUMS, DRUMSTICKS, AND SOLID WOOD FIFES FROM MAPLE TREES HANDED PICKED FROM LOCAL VERMONT FORESTS FOR THEIR UNIQUE TONE QUALITIES AND BENDING CHARACTERISTICS.
FARM TO PLATE INITIATIVE

2016 marks five years since the release of the Farm to Plate Strategic Plan. Vermont should be proud of creating the preeminent food system plan in the United States. At the heart of our food system is a desire to trust the people, places, practices, and products that nourish us. In its first five years, the Farm to Plate Network has worked to build and strengthen relationships across the state to pursue new opportunities and tackle long-standing problems. We’ve developed a comprehensive data collection, analysis, and visualization system for tracking progress on 25 goals.

At no other time in Vermont’s history has food system activity been more coordinated and more of an economic driver. Coming out of the Great Recession, economic trends demonstrate sustained increases in food system sales, jobs, businesses, value added manufacturing, and Vermont’s overall contribution to New England’s food system.

“The last five years have seen a remarkable increase in coordination, awareness and cohesion among all the economic actors that help drive a dynamic food system. The last five years have also seen an increase in diversified business models on farms, food system entrepreneurship, and remarkable innovation.”

- Dan Smith, President, Vermont Tech

In 2015, the Farm to Plate Network:

▶ Launched Slow Money Vermont to inform, inspire, and connect individuals, businesses, philanthropists, and investors interested in investing in food system businesses.

▶ Released new research on increasing the amount of local food products at independent grocery stores.

▶ Organized the first Open Farm Week to welcome the public to experience agritourism activities around Vermont.

▶ Launched the Food System Education Professional Learning Community for middle school, high school, and Career Technical Education teachers to share and create food system education resources and curriculum.

For more information on Farm to Plate, including regional data profiles, see the 2015 Farm to Plate Annual Report.

SOIL HEALTH AND WATER QUALITY WERE THE THEMES OF THE FIFTH ANNUAL FARM TO PLATE GATHERING IN OCTOBER 2015. “FARM IN NATURE’S IMAGE” WAS THE TAKEAWAY MESSAGE SHARED BY KEYNOTE SPEAKER RAY ARCHULETA, CONSERVATION AGRONOMIST AT THE USDA NATURAL RESOURCES AND CONSERVATION SERVICE. ARCHULETA ENGAGED THE 250 FARM TO PLATE NETWORK MEMBERS IN ATTENDANCE WITH A SOIL STABILITY DEMONSTRATION.
VERMONT BIOENERGY INITIATIVE

The Vermont Bioenergy Initiative (2003-2015) was a small-scale bioenergy development effort funded by the U.S. Department of Energy that invested in oilseed crop research, field trials, and workshops; on-farm oilseed crop harvesting, cleaning, drying, and processing infrastructure; biodiesel processing infrastructure; switchgrass field trials and densification into “pucks” for heating applications; and algae-to-biofuels research.

The last VBI grant was for an EvoWorld HC100 ECO biomass boiler at the Vermont Farmers Food Center (Rutland). This boiler is specially designed to accommodate and effectively burn various forms of coarse biomass, including wood pellets, wood chips and densified pucks made from perennial grass and other ag residue.

Fuel savings at current propane costs are estimated to be $5,000 per year resulting in a payback period of 21.7 years for the total project cost. Assuming propane prices will return to $3.00 per gallon and also assuming heating demand increases by 50% to support the growth of activities at VFFC’s Farmer’s Hall and increased vendor and consumer comfort, this payback period could be reduced to 9.5 years. Net carbon emissions will be reduced avoiding the equivalent of 53,000 passenger car miles per year.

- Greg Cox, President, Vermont Farmers Food Center

The benefits of the installation of an EvoWorld biomass heater at the VFFC include reduced heating costs which allows our funds to be used to advance the economic opportunities of Rutland’s agricultural community while also reducing our dependency on fossil fuels. The new system also enables VFFC the opportunity to purchase local biomass—keeping our heating dollars circulating locally.
Note 1: Federal Grant Revenue Sources include HUD-EDI, US Department of Energy, and Economic Development Authority funds for various programs. Foundation grants represent private philanthropic foundation funds received in FY14 or FY15 but expensed in FY15.

Note 2: Special Projects are expenses related to specific market development initiatives and/or are connected to specific grantee support services. Professional Services include accounting, audit, and legal expenses.

VSJF could not continue without the generous support of our many funding partners including:

CASTANEA FOUNDATION
HENRY P. KENDALL FOUNDATION
HIGH MEADOWS FUND
JANE’S TRUST FOUNDATION
JOHN MERCK FUND
KEURIG GREEN MOUNTAIN
NORTHERN COMMUNITY INVESTMENT CORPORATION (US EDA)
SANDY RIVER CHARITABLE TRUST
US DEPARTMENT OF ENERGY
US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

VARIOUS CORPORATE SPONSORS (FOR FARM TO PLATE INITIATIVE)
VERMONT AGENCY OF AGRICULTURE, FOOD AND MARKETS (GENERAL FUND)
VERMONT AGENCY OF COMMERCE (GENERAL FUND)
VERMONT AGENCY OF EDUCATION (PERKINS GRANT)
VERMONT COMMUNITY FOUNDATION
VERMONT DEPARTMENT OF PUBLIC SERVICE (US DOE)
VERMONT TRAINING PROGRAM (GENERAL FUND)

VSJF also provides fiscal sponsorship services for Energy Action Network, the Food Hub Management Program, and the Hunger Mountain Food Coop Fund.