

NEWS



MASSDEVELOPMENT



THE **carrot**
PROJECT
Creating small farm financing solutions

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MASSDEVELOPMENT, STROLLING OF THE HEIFERS, AND THE CARROT PROJECT LAUNCH LOAN PROGRAM TO HELP MASSACHUSETTS FARMERS

MassDevelopment, along with Strolling of the Heifers and The Carrot Project, today announced the MassDevelopment/Strolling of the Heifers Small Farm Loan Program through which eligible Massachusetts farmers can receive amounts ranging from \$3,000 and \$15,000. These funds will help farmers finance capital investments and meet operating costs. MassDevelopment and The Carrot Project will jointly administer the program.

“Supporting the Commonwealth’s farms benefits everyone,” said Robert L. Culver, MassDevelopment President and CEO. “More and more Massachusetts residents seek out fresh and quality produce as part of an ever-growing movement toward eating healthful, local food. We hope that these loans will help ensure that our farmers can meet the demand for their products and preserve valuable open space in Massachusetts.”

Many Massachusetts farmers saw their crops ruined this year by heavy rain in June and July, which delayed the growing season, and extreme heat in August. MassDevelopment has had success with similar loan products: the Aquaculture Loan Program, launched in 2005 to help the Commonwealth’s aquaculture industry recover from losses due to red tide, and the November 2009 announcement of \$100,000 in term working capital loans to Gloucester seafood businesses affected by the City’s boil water order over the summer.

“We are very happy to offer these loans to all Massachusetts farmers and work with MassDevelopment,” said Dorothy Suput, executive director of The Carrot Project, which coordinates the loan process for the fund. The deadline for the first round of applications is March 19.

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

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The new program will provide otherwise unavailable financing to help farmers increase production. MassDevelopment has aided local agriculture in the past by supporting the Massachusetts Farm to School Project, which aids schools and colleges in purchasing Massachusetts agricultural products. Both programs strengthen the economic viability of the Commonwealth's agriculture and protect open space. The Massachusetts House of Representatives recently passed legislation that the Departments of Agriculture and Elementary and Secondary Education would work with programs like Farm to School, developing a process for public schools to notify farmers of their interest in buying locally grown food.

Farmers who own or lease farms in Massachusetts are eligible, with a focus on farms that have 250 or fewer acres under cultivation, report annual revenues of less than \$250,000, and use or are moving toward organic methods. Capital investments covered in the loan include those that improve efficiency and quality, and those that expand farm production or sales. Other eligible expenses include repairs necessary to maintain farm operations; term operating needs such as inventory, supplies, or labor for expansion; and emergency funds in case of fire, natural disasters, or other unforeseeable events.

In 2009, Strolling of the Heifers and The Carrot Project partnered to launch the Microloan Fund, to finance capital expenditures and operating expenses for farmers in Vermont and Western Massachusetts. The MassDevelopment/Strolling of the Heifers Small Farm Loan Program will serve farms throughout Massachusetts.

"There's a clear need for a program of this kind to help bring new people into farming as well as to help support longtime family farms," said Orly Munzing, executive director of Strolling of the Heifers. Munzing added that the fund was launched with the help of a benefit concert featuring legendary folksinger Pete Seeger, and that another folksinger, Richie Havens, has agreed to help raise additional funds.

Massachusetts has 7,691 farms, totaling 517,879 acres of farmland, according to the 2007 U.S. Census of Agriculture. The industry pulls in \$6 billion in revenue, with cranberries, wild blueberries, squash, and maple syrup representing the largest crops. In a recent survey by the Farm to School Project, 205 school districts reported they purchased local foods during the 2008-2009 school year, with at least 80 of these districts purchasing some or all of their local foods directly from more than 60 Massachusetts farms. Forty-nine Massachusetts colleges and private schools reported they purchased local foods during the 2008-2009 school year.

MassDevelopment, the state's finance and development authority, works with businesses, financial institutions, and communities to stimulate economic growth across the Commonwealth. During FY2009, MassDevelopment financed or managed 229 projects statewide representing the investment of nearly \$1.2 billion in the Massachusetts economy. These projects are supporting the creation of 1,488 new housing units and 8,232 jobs: 3,362 permanent and 4,870 construction-related.

Strolling of the Heifers, www.strollingoftheheifers.com, is a non-profit organization based in Brattleboro, Vermont. Aiming to help save and support family farms by connecting people with the food they eat, Strolling of the Heifers organizes a major parade and festival each year in June. It makes educational grants to farmers and teachers, and raises loan guarantee capital for the Microloan Fund.

The Carrot Project, www.thecarrotproject.org, is a non-profit organization based in Somerville, Massachusetts, dedicated to creating financing solutions for small- and mid-sized farms, limited-resource farms, and those using ecologically sound practices. Its program model is designed to incubate and establish alternative financing programs in combination with business technical assistance. The Carrot Project works collaboratively with private investors, lenders, and farm support organizations to help rebuild a farming system that offers stability to local farmers, provides healthful food for citizens, replenishes the environment, and is good for regional and local economies.

For a prequalification questionnaire, visit www.thecarrotproject.org/farm_financing. For more information, e-mail info@thecarrotproject.org or call 617-666-9637.