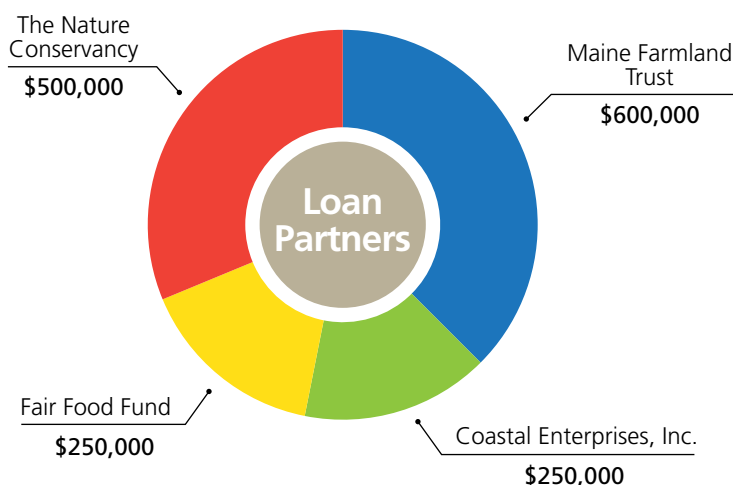


Farms, Fisheries, and Food: A Report

Impact Investing at the Maine Community Foundation

THE MAINE COMMUNITY FOUNDATION AND ITS DONORS ARE COMMITTED to strengthening local economies in Maine by supporting farming and fisheries enterprises and projects through the Farms, Fisheries, and Food impact investing portfolio. While offering highlights of this targeted impact investing program, this report also shows how nonprofit and donor partners advance our goal to help communities and the environment flourish.



Investment activities and outcomes 2014-2015*

\$750,000 deployed by intermediaries
\$439,000 additional investments leveraged
44 full- and part-time jobs created and/or retained

*As of July 2015. Note: Only outcomes for investments made for a year or longer are reflected in these figures. The investments are from CEI and Fair Food Fund only.

MAINE FARMLAND TRUST

High-value farmland is being permanently protected and transferred to new and existing farmers at affordable prices through a renewed five-year \$500,000 loan to the Trust's Buy/Protect/Sell program. Since 2008, this loan partnership has helped preserve more than 9,200 acres of farmland and transfer 32 farms to new farmers. In 2014, the Maine Community Foundation provided an additional five-year \$100,000 loan to the Trust to establish a pilot loan program in Washington County. This program will provide loans and targeted technical and business development assistance to new farmers purchasing farmland who do not qualify for bank financing.

THE NATURE CONSERVANCY

It's hard to make a living if you are fishing for groundfish in Maine — there are fewer fish to catch and costs are high. Part of the cost for fishermen is access to fishing rights, or quotas, granted through federal permits. The community foundation is supporting The Nature

Conservancy's strategy to rebuild the fishery by providing a \$500,000 loan to purchase groundfish permits in Maine. The Conservancy will manage acquired permits with the help of local partners and lease the quotas at favorable rates to active fishermen who adopt conservation measures, such as using more sustainable fishing methods and/or participating in collaborative research. The foundation provided an additional \$25,000 grant to support this initiative.

COASTAL ENTERPRISES, INC.

Fisheries-related enterprises generate 33,000 jobs in Maine and \$585 million in economic activity. The Maine Community Foundation made a \$250,000 five-year loan to CEI to support fisheries-related enterprise development. So far, CEI has made two loans totaling \$152,500, which has leveraged another \$209,000 in funding. One loan went toward the purchase of equipment by a lobster wholesaler in York County. The loans to date have helped create or retain 26 jobs.

FAIR FOOD FUND

Maine's agriculture industry has a \$1.2-billion impact on the state's \$40-billion economy. At the same time, however, a critical need exists to increase access to capital for farmers to expand markets and respond to the growing demand for locally produced fresh food. The Maine Community Foundation's \$250,000 loan to the Fair Food Fund will support food-related businesses focused on distribution, processing, and value-added products (see case study below). We have also provided \$10,000 to support technical assistance.

CASE STUDY: NORTHERN GIRL, LLC

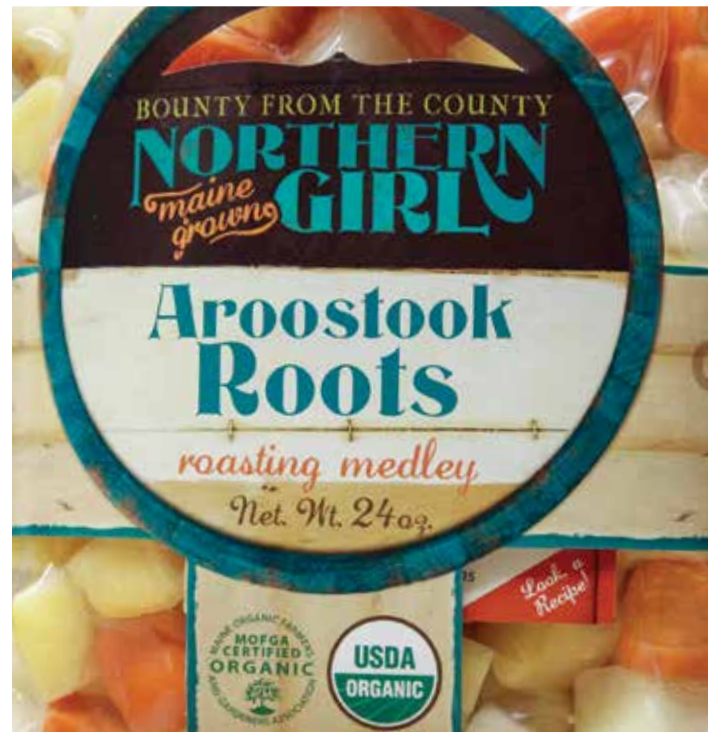
Northern Girl, LLC, processes root crops purchased from Aroostook County farmers and sells them to retail stores and institutions across New England. After operating in a commercial kitchen space in Limestone, Northern Girl moved into its own facility in Van Buren.

In August 2014, Fair Food Fund made a \$230,000 loan to Northern Girl through the Maine Community Foundation's impact investing program. The loaned funds were used to purchase equipment for processing potatoes and beets, as well as establish an appropriately scaled freezing technology. As a result, Northern Girl has expanded operations, increased the supply of local food, and created new jobs and markets for local producers.

Prior to this financing, the Fair Food Network, which oversees the Fair Food Fund, provided cash flow planning support through its Fair Food Consulting Corps in partnership with Slow Money Maine and CEI. Recently, the Fair Food Network approved another Consulting Corps project to help Northern Girl further develop its food safety plans.

"It's tough to imagine a better mission-fit for the fund than our work with Northern Girl, which is simultaneously supporting a local good food enterprise, vibrant working farms, and resilient local food economies."

—Alex Linkow, program director, Fair Food Fund



"The \$230,000 loan really allowed us to ramp up our production. It's allowing us to get the right equipment for freezing the product more efficiently."

—Leah Cook, vice president, Northern Girl



For more information about this program, please contact Peter Taylor at ptaylor@mainecf.org or visit www.mainecf.org