



# BriarPatch Catalyzing *Local Farm and Ranch Loans*

By Catherine Van Dyke, Loan Officer, California FarmLink

California's food co-ops like BriarPatch are at the heart of community food systems, and local farms are the lifeblood. Small, family-owned farms provide jobs, ecological stewardship of cherished open spaces, and healthy foods to help celebrate this season of giving.

In partnership with BriarPatch Food Co-op over the past eight years, California FarmLink has been able to deliver vital loan dollars to farmers supplying fresh produce for your table. Together FarmLink and BriarPatch have created a local small farm loan fund devoted to the BriarPatch community of farmers and ranchers.

California FarmLink assists farmers with gaining access to land and capital, and this year it celebrates 20 years serving small, organic and sustainable farm entrepreneurs. As a 501(c)(3) nonprofit Community Development Financial Institution, or CDFI, FarmLink provides loans to farmers who often have limited options for affordable business capital.

Through our partnership, BriarPatch pays the loan origination fee and guarantees a portion of the financing, providing more security for the loan. This results in a lowered interest rate to the farmer or rancher (currently

3% annually), a stronger loan in FarmLink's portfolio and concrete

support for local farmers. BriarPatch "puts its money where its mouth is," supporting financial options for the farm and ranch businesses supplying local foods.

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California FarmLink has honed its approach to small farm development through mission-based lending, land linking for farmers looking to rent or to purchase land and assistance in developing land leases. About 90% of the farms it serves are organic. Beginning farmers in particular list access to land and capital as major barriers to success, and FarmLink seeks to address these structural barriers.

So far, with BriarPatch's support, FarmLink has lent \$414,000 through 13 loans to six farm businesses. Each loan is designed to serve their unique business needs. The loans have been used

for equipment purchases and operating capital for costs like seed and transplants, purchasing livestock, or land rental payments and seasonal field preparation.

An affordable operating loan, with payments structured according to farm income cycles, can significantly benefit cash flow and enable stronger investment in quality crops and sustainable practices.

One beneficiary of the lending partnership is Cosmic Roots Ranch, supporting its ability to grow and deliver unique Mangalitsa pork products, including a locally sourced, pasture-raised ground pork available in the Co-op's meat department. Most recently, FarmLink provided an equipment loan to New Leaf Grown with BriarPatch support. Owners Ellen and Jeff Weld are using the funds to purchase specialty tools for mushroom preparation that will increase their organic mushroom production. In 2019, FarmLink has also provided operating loans to Riverhill Farm and Flying V Farm for their organic vegetable production. FarmLink underwriters have been impressed by the variety and quality of locally grown products available at BriarPatch, that are now supported by this program.