

Operating Capital

For Food & Farm Businesses in Western North Carolina



The Sequoyah Fund and **EmPOWERing Mountain Food Systems** (EMFS), a project of the Center for Environmental Farming Systems – are teaming up to provide affordable financing and specialized support to small- and mid-scale and limited-resource farmers and food businesses. These services can help them obtain the infrastructure and capital needed to grow and expand their businesses.

What's the Program For?

This grant/loan program is designed to provide start-up and growth capital for farm and food businesses. Eligible uses can range from basic start-up expenses to equipment and working capital to expand your existing business.

Who's Eligible?

North Carolina businesses who:

- Farm in, produce in, or purchase from producers in the seven western counties of NC (Haywood, Graham, Jackson, Macon, Swain, Cherokee, or Clay) or on the Qualla Boundary.
- Currently sell or process vegetables, fruit, meat or other agricultural products or run other food-related businesses.
- Have a business plan in place for their business.
- Attend at least one counseling session with their local Small Business Center prior to financing.

How Does the Financing Work?

The program is eligible for working capital and/or equipment purchases of \$15,000 or less.

Grant

The EMFS grant will cover up to 30% of the cost of the infrastructure or equipment being purchased. Maximum grant: Up to \$4,500 (30% of \$15,000).



Loan

- Use of funds: Purchase of equipment or infrastructure by eligible businesses.
- Amount: Minimum loan of \$1,000
- Terms typically range from 1 to 5 years, depending on loan size and farm/company's ability to repay.
- Interest rate: Fixed, 5% to 12% as of January 1, 2020.
- Origination fee: 1% of loan amount.
- Collateral: A first lien on equipment or infrastructure to be purchased and additional collateral may be required.
- Guarantee: Personal guaranty by any owner of 20% or more of the enterprise.
- Underwriting includes review of credit report and tax returns.
- Borrower equity: A minimum of 5% required on all loans

How Do I Participate?

Fill out this interest form to see if you are eligible: <http://bit.ly/foodfarmloans>

- Obtain a quote and/or prepare an enterprise budget for your purchase.
- EMFS will reach out to confirm your eligibility and will connect you with a Sequoyah Fund representative to discuss your financing needs.
- If required, participate in training and/or business counseling as requested.
- Provide The Sequoyah Fund, Inc. with annual tax returns including all statements for the life of the loan.
- Participate in evaluation related to the impact of these funds on your business.

For general inquiries or to get started, contact:

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About The Sequoyah Fund

The Sequoyah Fund, Inc. is a U.S. Treasury-certified non-profit Native Community Development Financial Institution (CDFI) located in Cherokee, NC. We serve the enrolled members of the Eastern Band of Cherokee Indians on the Qualla Boundary, as well as the seven far-western counties of NC. We offer lending, training, and other support services to start-up and growing small businesses.

About EMFS

EmPOWERing Mountain Food Systems (EMFS) is a three-year project focused on bringing expanded opportunities & capacity to food and farm businesses across the southwestern NC region. Programs focus on the seven counties of Western North Carolina (Jackson, Macon, Haywood, Swain, Cherokee, Clay, and Graham). EMFS is based at the Eastern Band of Cherokee Indians Cooperative Extension Office through a partnership between the Center for Environmental Farming Systems, Cherokee Preservation Foundation, and the Appalachian Regional Commission.