

**Commonwealth Dairy • St. Albans Cooperative Creamery
Vermont Housing & Conservation Board
Housing Vermont • Massachusetts Housing Investment Corporation**

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New Grant Program to Strengthen Dairy Farmers Announced
Innovative Collaborative Program Makes \$328,000 Available

[St. Albans, VT] Today representatives of business, state government and nonprofits kicked off an innovative program to provide grants to dairy farmer members of the St. Albans Cooperative Creamery. Funds donated by the Commonwealth Dairy to the Vermont Housing and Conservation Board (VHCB) will allow farmers to invest in a wide variety of infrastructure improvements.

"Not only did the recently completed \$12 million expansion of our Brattleboro plant allow us to increase production and hire more employees," said Tom Moffitt, President of Commonwealth Dairy, "but it also allowed us to enhance this special fund, established when the company was founded, to help our milk suppliers. Utilizing VHCB's highly successful Farm Viability Program will maximize the benefits to our farmers," Moffitt said.

According to VHCB Executive Director Gus Seelig, infrastructure grants will be awarded in a single competitive funding round. Eligible projects include barn, parlor, hoop house and other facility improvements; construction; design and engineering; energy efficiency upgrades; robotic milking equipment; and other machinery purchases. Applications are due April 28, 2014. Applications will be reviewed by a committee of dairy industry specialists, lenders, dairy farmers and business consultants as well as representatives from the Commonwealth Dairy and the St. Albans Cooperative Creamery. Grant awards will be announced in June.

The Farm Viability Program will make up to \$35,000 available for business planning to dairy farmers that are not awarded grants. This will help these Coop members to fine-tune and adjust their business plans so that they can secure funding to implement their projects.

"This is a terrific opportunity for our members to make needed improvements and upgrades," said Coop spokesman Tom Gates. "We appreciate the commitment of all the organizations that led to this unique opportunity to help our members."

Nancy Owens, President of Housing Vermont, described how that nonprofit organization and the Massachusetts Housing Investment Corporation (MHIC) partnered to create a favorable financing package for the Commonwealth Dairy expansion.

"While Housing Vermont has a 25-year track record in creating affordable housing, our ability to use the federal New Markets Tax Credit program to provide below market financing for economic development projects in low income areas is much more recent," Owens said. "In this instance, we joined with MHIC to not only finance Commonwealth Dairy's expansion, but to also create the opportunity for CD to strengthen their milk suppliers. That's the kind of extra value both organizations try to bring to each project."

Joe Flatley, President and CEO of MHIC, added comments on the start-up of Commonwealth Dairy.

"MHIC's investment in Commonwealth Dairy exemplifies the best of outcomes for low-income communities. We began working with the founders while they searched for sites, stuck with them through the financial crisis, helped assemble \$30 million to launch the company, and, recognizing competitive pressures, partnered with Housing Vermont on another round of financing to expand the plant and improve efficiency. The ways in which Vermont government agencies rapidly prioritized the project, made decisions, and offered the necessary support was truly remarkable. Tom and Ben's leadership has produced results exceeding all expectations—nearly three times the jobs, four times the milk demand, a much larger fund for Vermont dairy farmers. We are grateful for our partnership with Housing Vermont and look forward to more opportunities to invest with them in Vermont."

Chuck Ross, Secretary of the Vermont Agency of Agriculture, congratulated all of the organizations on creating an inventive means to support the state's dairy farmers and producers of value-added milk products.

"Commonwealth Dairy's success here in Vermont is producing big dividends and in a very short timeframe. We have seen a real positive impact for our farmers and our economy. This significant grant from Commonwealth dedicated for capital investments and business planning for St.

Albans Cooperative Creamery's members, coupled with the proven effectiveness of Vermont Housing and Conservation Board's Farm Viability Program, will help Vermont's dairy farmers meet the growing demand for high quality milk, create jobs, and support stewardship of Vermont's most prized working landscape."

Additional information on the Farm Viability Program is available from Ela Chapin, VHCB, at (802) 828-2117 or ela@vhcb.org.

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The Commonwealth Dairy, which produces high quality Greek and traditional yogurt products for a variety of retailers, as well as its own line of Green Mountain Creamery products, is known for its innovative approach to safe production methods, high quality products and commitment to environmental sustainability. The plant produces more than 125,000 cases of packaged yogurt per week, including its popular strained Greek yogurt. Commonwealth Dairy recently completed a \$12 million expansion project at its original Brattleboro, Vermont plant, which began operations in March of 2011. Since its founding, Commonwealth Dairy has regularly committed to returning 5% of its net profits directly back to the farmers who supply its milk.

The St. Albans Cooperative Creamery, Inc. was established in 1919 to give dairy farmers a reliable market and fair price for their product. More than 80 years later, it is the largest dairy cooperative in Vermont, processing and marketing over three million pounds of milk each day from approximately 463 member farms. The mission of providing members with a guaranteed, year round market for their milk at fair prices remains unchanged.

The Cooperative operates a highly efficient "straight - line" manufacturing facility with the ability to separate milk; process cream, skim and skim condensed milk; and dry milk to powder. This enables us to meet rapidly changing market demands. The milk received and processed at our facility is rBST free. Our FDA approved laboratory conducts product testing to help farmers achieve and maintain high quality standards.

The Vermont Housing and Conservation Board (VHCB) was established by the General Assembly in 1987. VHCB makes loans and grants to nonprofit organizations, municipalities and state agencies that work on conservation and affordable housing projects in Vermont communities. VHCB is one of a few programs of its kind in the country, emphasizing the dual goals of conservation and affordable housing, investments that are critical to Vermont's economic vitality and quality of life. VHCB has Conserved 620 farms covering over 146,000 acres of land and created 11,300 affordable homes and apartments. VHCB established the Vermont Farm Viability Program in 2003, providing business planning, technical assistance and implementation grants to Vermont agricultural enterprises in order to increase the economic viability of Vermont farms. The program has since provided in-depth business assistance to over 400 farms. For more information see [http://www.vhcb.org/Farm- Forest-Viability/](http://www.vhcb.org/Farm-Forest-Viability/).

Housing Vermont is a private, nonprofit development company founded in 1988 to produce permanently affordable rental housing for Vermonters through partnerships with communities and the private sector. Since its inception, Housing Vermont has raised and deployed \$280 million in private equity to finance 161 affordable rental housing developments throughout the State and construct or renovate 4,826 apartments. In 2010, Housing Vermont launched its New Markets Tax Credit (NMTC) program to support investment in the economic, environmental, and social well-being of Vermont communities. NMTC funds are used to retain and create jobs for Vermonters by financing key community developments in downtown and village centers and in other concerted community efforts which demonstrate positive impacts on Vermont's

