

# Their Future Is Bright

## Recognizing and Nurturing Hidden Potential



Staff and kids tend to their young, thriving plants, just some of the many things flourishing at the Laraway School in Johnson.



Laraway's art teacher offers a few minor suggestions to a youth's design for his snowboard graphics.



Working together to upgrade a competition vehicle built to pull weights makes this project fun!

### Laraway Youth & Family Services

Laraway Youth and Family Services, founded in 1972, is a non-profit agency offering alternative education, therapeutic foster care and public school-based intervention programs to at-risk children and youth from all parts of Vermont. Many clients experience challenging circumstances at home, in school or in the community. Laraway's mission is to provide opportunities for children and families to recognize their individual strengths while supporting their growth and their ability to contribute within our communities.

### A Formula for Success

Sticking with a proven philosophy, shared and carried out by caring and dedicated experts in a modern and unique facility, helps Laraway celebrate success. The staff works to meet each child at their level of development. Laraway's individualized approach builds on a child's strengths by combining traditional academics with hands-on curricula, emphasizing outdoor education and service learning.

### An Exciting Expansion for Laraway

In 2009, Laraway purchased a 39-acre farm in Johnson with plans to renovate the large, dormant barn and farmhouse into a school with classrooms, counseling areas and therapeutic spaces. In 2010, Community National Bank (CNB) started working with Laraway as a financial partner and helped construct a long-term financing plan to see the expansion project through completion. In order to complete the package, additional financing was granted by The Vermont Community Loan Fund. USDA Rural Development provided a loan guarantee.

### Meeting Laraway's Changing Needs

Jim Heath, Laraway's Business Manager, researched the New Market Tax Credit (NMTC) program, a federal community development tax program created to spur investment of private capital for economic development in both rural and urban low-income communities. Jim believed that the school and community would benefit from the tax credit program, as NMTC funds are used not only to retain and create jobs for Vermonters, but to support investment in the economic, environmental and social well-being of Vermont communities as well.

Jim discovered that an NMTC loan would substantially reduce Laraway's real estate obligations, allowing more funds to be allocated to program activities. To be eligible for the NMTC, prospective projects must be located in a qualified census tract, and Laraway's location met that qualification. Additionally, a funding source for an equity investment by an individual or a corporation into a "community development entity" is required to fund the tax credits, and when Steve Marsh, CNB President and Board Member of Housing Vermont, learned of Laraway's need, he committed the funds to assist Laraway and the surrounding community.

Laraway Youth and Family Services worked with many business partners including Vermont Community Loan Fund (VCLF), Vermont Economic Development Authority (VEDA), Vermont Rural Ventures (operated by Housing Vermont) and Community National Bank to be able to take advantage of the tax credit program and close on the complex permanent loan. In this transaction, CNB's role changed from being the commercial

real estate lender to an equity investor while VCLF and VEDA assumed the role of lenders.

*"We are pleased to have worked with Laraway Youth and Family Services on the renovation and completion of their new school, and look forward to continuing to serve as their community bank and as the equity investor in their final project. Laraway Youth and Family Services provide an invaluable resource for our community and our state."*

— Heather Bradley

*"CNB took time to get to know the people and functions of our organization and to learn why our work with youth and their families is so important. We appreciate the expertise CNB brings to the table. This plus their investment in Laraway, allows us to strengthen the education and treatment we provide today and well into the future."*

— Greg Stefanski, Laraway's Executive Director

### "We're in our communities to serve"

At CNB, we have a team of experienced commercial lenders and support staff to accommodate businesses' unique borrowing needs. If you're looking to start or grow your business, we would appreciate the opportunity to sit down to discuss how we can best meet your needs. To contact a CNB commercial lender, please call a local CNB office near you.



Heather Bradley,  
CNB Commercial  
Loan Officer



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