

USDA Rural Development 2024 Accomplishments in Virginia

Together, America Prospers

Spotlight on Virginia

I've posed for countless photos over the past year and each one tells the story of another community that is growing and thriving with help from USDA Rural Development (RD).

The image at right, for example, is from my visit to Colonial Beach to announce a new Rural Community Development Initiative Grant to help the Virginia Department of Housing and Community Development (VDHCD) continue funding its Mobilizing Main Street accelerator program, which works through qualified nonprofits and local governments to strengthen local economies.

It's one of many memories of connections made through our partnerships with a wide variety of nonprofits, local governments, cooperatives and other organizations.

You'll see a lot of impressive numbers in this report, but the relationships are even more important because they help us get a foot in the door to keep investing in the future of rural Virginia.



Perry Hickman (front row, second from the right) stopped for a group photo during a walking tour showcasing accomplishments of past Mobilizing Main Street participant Colonial Beach (photo by Kyle Meyer, VDHCD).

That's what it's really all about, isn't it? Meeting people's needs and remaining in their corner through tough times such as when Hurricane Helene hit hard in Giles, Grayson, Smyth, Tazewell, Washington and Wythe counties and the independent city of Galax.

We visited the Wytheville Wastewater Treatment Plant and the Washington County Service Authority as part of our efforts to help communities rebuild, gaining valuable insights into storm impacts and resources needed to come back stronger. We also gathered in Lovingston on the 55th anniversary of Hurricane Camille to announce a 2024 project that will enable the village to upgrade the sanitary sewer collection system installed after that devastating event.

RD helped more than a thousand Virginians become homeowners in fiscal year 2024 through our direct and guaranteed loan programs. Our team also put on work clothes to install new flooring in a Central Rappahannock River Habitat for Humanity home dedicated this summer. Loans and grants to police and fire departments are helping make distressed communities safer, and water and wastewater treatment plant upgrades in various stages of completion are reducing or eliminating health hazards in these communities.

Read on to get a more complete picture of how our work impacted rural Virginia in the past year.

Perry Hickman Virginia State Director

Fiscal Year 2024 Investments in Virginia Communities

The Virginia team ranked second in the nation for total funding, obligating \$1.37 billion to help businesses and communities across the commonwealth prosper.



. Program	. Amount	. Award
. Business and Industry Loan Guarantees ¹	. \$62.9 million	. 5
. Rural Business Development Grants	. \$564,100	. 6
. Renewable Energy Loan Guarantees and Grants ²	. \$28.7 million	. 25
. Value-Added Producer Grants	. \$1.3 million	. 6
. Water and Waste Disposal Loans and Grants	. \$8.5 million	. 5
. Telecom Loans and Grants ³	. \$24.1 million	. 11
. Electric Direct Loans and Loan Guarantees	. \$933.5 million	. 6
. Single Family Housing Direct Loans	. \$45.7 million	. 153
. Single Family Housing Loan Guarantees	. \$194.7 million	. 918
. Single Family Housing Repair Loans and Grants	. \$972,146	. 91
. Multifamily Housing Rental Assistance	. \$49.8 million	. 245
. Community Facilities Direct Loans and Grants	. \$4.5 million	. 22

¹For all loan guarantee programs, Rural Development backs the loans, which are made by private-sector lenders with USDA to participate in the programs. ²Renewable Energy Loan Guarantees and Grants include the Biorefinery, Renewable Chemical and Biobased Product Manufacturing Assistance Program. ³Telecom Loans and Grants includes Farm Bill broadband loans, Community Connect grants, Distance Learning and Telemedicine grants and Telecommunications Infrastructure loans.

Data reflect funding levels for USDA Rural Development as of December 2024.

In any given year, USDA RD has a full roster of projects at various stages of completion. Each reaches the finish line at a different rate based on the scope and complexity of the initiative. While equipment purchases may be made quickly, it takes much more time to equip a new fire truck, renovate a community facility or upgrade a wastewater treatment plant. We stay in the picture at every stage of the project to help ensure that all Virginians have access to safe, affordable housing, reliable infrastructure, and critical emergency services.

Framing a Panoramic View of CF Projects



At the Starting Line. A \$522,000 Community Facilities Grant awarded in 2024 will help Ballad Health purchase equipment to properly outfit expanded treatment areas so the recently renovated Appalachian Highlands Community Dental Center can operate at full capacity. Computers and other office machines will also be replaced to enable staff to more efficiently provide essential health services to the residents of this rural area.

Off and Running. State Director (SD) Perry Hickman traveled to Marion in June, to help break ground on the Mount Rogers Community Services' Smyth Campus expansion, which was partially funded through a \$5 million Emergency Rural Health Care Grant obligated in fiscal year 2023.

Finishing Strong. Later that week, he joined officials from the city of Norton and the Wise County Public Service Authority (WCPSA) to showcase more than 50 years of collaboration to enhance public safety and quality of life in these neighboring communities.

The festivities kicked off in Norton with a focus on funding for fire and police vehicles. Then, the celebration continued at the WCPSA headquarters where Executive Director Cody McElroy highlighted projects dating back to 1971, including six vehicles purchased with a combination of loan and grant funds.

Virginia RD also obligated funding to construct a new fire hall in Tazewell, purchase five public works vehicles, and secure distance learning equipment that will help increase enrollment and expand the availability of popular course offerings at six Southside Virginia Community College campus locations.

Middle: SD Perry Hickman (center) poses with Area Specialist Robert Hilt and Loan Specialist Grace Atwell at the Mount Rogers groundbreaking. Bottom: Norton Assistant City Manager Stephen McElroy shares schematics for the town's newest fire truck while Fire Chief Todd Lagrow looks on near an RD-funded vehicle.

Sharpening Focus on Water and Waste Systems

At the Starting Line. Fifty-five years after Hurricane Camille carved a path of devastation through Lovington, RD unveiled a \$2.2 million project to upgrade the village's sanitary sewer collection system.

Most of the manholes and predominantly clay lines installed to repair storm damage had not been updated since the Nelson County Service Authority (NCSA) acquired the system in 1988. Water and Waste Disposal Loans and Grants will help finance the repair or replacement of about 8,000 linear feet of sewer pipe and 31 manholes.

The following month, Hurricane Helene pummeled Southwest Virginia with heavy rains and winds that damaged road, homes and infrastructure. USDA RD Under Secretary Basil Gooden visited with local officials and toured the area to learn more about needs for recovery assistance.

Off and Running. The town of Big Stone Gap saw a drop in production of about 250,000 gallons per day with an overall accountability of around 50 percent as they worked to meet the daily demands from residents and wholesale customers. The four-million gallon per day treatment plant was keeping up, but an upgrade was needed to address long-term needs. Construction began in May and will include a pump station upgrade, installation of nine master meters, and replacement of 230 water meters and 33,500 linear feet of water line. Zone meters in storage tanks are already providing significant savings for the community.

Finishing Strong. The Woodway Water Authority (WWA) was losing about 75 percent of the water it purchased from the towns of Jonesville and Pennington Gap when Executive Director Jeff Kilgore initiated a multi-pronged effort to fix the leaks. After completing preliminary work in house, he teamed up with RD and the Lane Group on a project to replace more than 100,000 linear feet of water lines and install 96 gate valves and 64 fire hydrants throughout the system.

Pre-COVID pricing allowed the team to complete the upgrades in a little over a year and do some additional work on the system. The gate valves were a critical addition to help WWA better isolate problems without knocking out the entire water system. Water losses dropped from 75 to 13 percent after construction wrapped this year.



Nelson County 2024



Wytheville 2024



Lee County (2018 project completed in 2024)

Left to right: SD Hickman poses with Nelson County Administrator Candy McGarry and NCSA Assistant Executive Director Jennifer Fitzgerald after the Lovingston announcement. RD Under Secretary Dr. Basil Gooden visits the Wytheville Wastewater Treatment Plant to learn more about Hurricane Helene storm damage. Gate valves installed at new connections will help to reduce WWA water losses (courtesy photo).

Portraits of Progress













- 1. USDA RD Under Secretary Basil Gooden stopped by the Virginia Artesian bottling company in Hanover to announce a new group of REAP recipients in November 2023.
- 2. SD Hickman receives a plaque from Caroline County's Future Builders Program.
- 3. Christopher Jackson and his son cut the ribbon on their new home built through our partnership with Hanover and King William Habitat for Humanity (June).
- 4. Executive Director Betsy White poses in front of a quilt collection protected by a climate control system RD helped to fund at the William King Museum of Art.
- 5. Robert Hilt, Grace Atwell, and Masengo Kapanga stand ready to network with attendees at the April Virginia Rural Water Association Conference in Roanoke.
- 6. Jodi Reynolds, President of the Theater Guild of Buchanan County, opens the door to new growth made possible through a Community Facilities Program grant.
- 7. Deputy Chief Robert Hayes, Sr., demos some of the features of the Alberta Volunteer Fire Department's new pumper for Courtland Area Specialist Peggy Jordan.
- 8. SD Hickman helps underscore USDA's commitment to land-grant universities during Deputy Secretary Xochitl Torres Small's January visit to Virginia State University.
- 9. Laurette Tucker (top) and Catherine Pittman network with participants during outreach events at the Brunswick County Community Center and The Story Café (June and October).
- 10. Executive Director Cody McElroy (fourth from left) welcomed RD to the Wise County Service Authority offices in June to celebrate a partnership spanning 50 years.
- 11. SD Hickman gets an update from owner Sally Cowal on how a VAPG grant impacted operations at Muse Vineyards.
- 12. Nina Brown (second from right) assists with a question and answer session at USDA Secretary Tom Vilsack's July Town Hall at Virginia State University (photo by Jeff Blakley).











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USDA Rural Development

Putting Infrastructure Upgrades on Burst Mode



At the Starting Gate. Virginia RD was third in the nation for investments in energy infrastructure and invested heavily in projects that will help expand access to a clean and reliable electric grid in remote areas of the commonwealth.

The **Rappahannock**, **Central Virginia**, and **Shenandoah Valley** electric cooperatives received nearly \$430 million in Electric Infrastructure Loan and Loan Guarantees Program funding to build out and improve systems operating within state boundaries. About \$200 million of those loans and grants were obligated for smart grid technologies.

Virginia residents will also benefit from three other projects that will use these investments to enhance service to customers in neighboring states. The **A & N** and **Craig-Botetourt** co-ops were awarded more than \$54 million for upgrades that will extend into Maryland and West Virginia with about \$10 million in total funding allocated for new smart grid enhancements.

The Tennessee-based **Powell Valley Electric Co-op** will use a portion of its \$34.2 million award to upgrade service to customers in Lee, Scott and Wise counties. That loan includes a \$4.7 million set aside for smart grid technologies. Virginia co-ops can also leverage funding offered through the National Rural Utilities Cooperative Finance Corporation (NRUCFC) to support rural electric and telecommunications projects.

The member owned nonprofit headquartered in the commonwealth received a \$450,000 loan to help rural electric members acquire, construct, and operate electric distribution, generation, transmission and related facilities.

Plugged in for Progress

The chart below highlights Virginia projects funded between 2020 and 2024 to advance rural electrification.



Syncing Telecoms Projects with Local Needs

At the Starting Line. We were in the top 10 states this year for telecommunications investments with seven new Distance Learning and Telemedicine (DLT) grant projects funded to help three community colleges, two county school boards, one public school system, and one behavioral health and family services provider deliver community services and instruction via videoconferencing.

This \$4.4 million investment will enable real-time collaborative learning, teacher sharing and professional development; offer dual-enrollment options for students at three high schools with a focus on Science, Technology, Engineering, Art and Mathematics (STEAM) courses; improve access to mental health providers and deliver scientific, mathematic and Career and Technical Education (CTE) courses to thousands of students.



Pemtel Site Visit with RUS Admin. Andy Berke (2024)

Two ReConnect Program projects will also help to deliver reliable, affordable broadband coverage in socially vulnerable communities. The Pembroke Telephone Cooperative (PemTel) will use its \$10 million loan to bring high-speed internet to 2,127 people, 22 businesses and 130 farms in Craig, Giles and Montgomery counties. In Accomack County, the Eastern Shore of Virginia Broadband Authority's \$196,269 grant will finance the deployment of a fiber-to-the-home network that will provide high-speed internet to 190 people, two businesses and two farms.

Off and Running. Four 2023 DLT projects are already helping to bridge the digital divide between rural people and the world at large. Lee County Public Schools used a \$740,793 grant to equip one hub and 11 hub and end-user sites throughout the county with interactive teleconferencing equipment to help instructors deliver resources, professional development courses and mental health services to 5,545 students in 11 locations.

Virginia State University and Germanna and Southside Virginia community colleges have also used more than \$1 million in total funding to equip about 30 hubs and end-user sites in 22 counties and



Above: A Lee County Schools staffer demonstrates a remote classroom connection made possible through a 2023 DLT grant.

the city of Petersburg that have enabled instructors to provide healthcare education courses, nursing and emergency management services simulation labs, shared college courses, integrated interactive college teaching rooms, and interactive meeting screens for high schools to deliver dual credit college courses.

Stabilizing Rural Business Initiatives for Success



At the Starting Line. Ammonium sulfate producer Advansix Inc. will use a \$11.7 million Fertilizer Production Expansion Program grant to boost operational capacity at its Hopewell facility. Planned upgrades will allow the business to grow its client base to more than 36,000 producers in the Midwest and on the East Coast, raising local revenue and lowering input costs for farmers.

Five 2024 Value Added Producer Grants will help open up new income streams for a winery, juice and cider enterprise, and beef, seafood, and lavender operations while strengthening the nation's food supply chains. Six Rural Business Development Grants will be used to create revolving loan funds and finance educational/ technical assistance programs and a feasibility study to help grow Virginia's grain economy.

Off and Running. The Virginia Foundation for Agriculture, Innovation and Rural Sustainability (VA FAIRS) received its second \$200,000 Rural Cooperative Development Grant in two years to continue offering networking, collaboration and training activities to create and sustain more value-added enterprises. VA FAIRS provided a helping hand for all five VAPG applications. **Finishing Strong.** When you speak of The Plant Company, the name really says it all. The Augusta County business was established in 2019 to make high-quality houseplants more readily available to garden centers and offer retailer support to help ensure that consumers are better equipped to care for them.

We were pleased to join the owners, state dignitaries and legislators for the October 2024 grand opening of a \$16.5 million cutting edge, climate controlled greenhouse made possible through a 2023 Business and Industry Loan Guarantees program project.

In nearby Waynesboro, roof mounted solar panels are generating ample power to keep the Zeus Digital Theater running day and night. The 40-foot building is heated and cooled with electricity and the projectors run on electric current, so it is one of the biggest expenses for the business.

Owner Brett Hayes used a 2023 Rural Energy for America Program grant to make the switch for the long-term viability of this vital community hub.

Balancing Exposure to Homeownership Risks

At the Starting Line. Outreach is key to ensuring that limited loan and grant funds get to the people who need them most. State Director Hickman and State Office Specialist Kerry Crowley promoted RD partnership projects and funding opportunities on B101.5's "Town Talk" podcast, and the agency partnered with Brunswick County and the Metropolitan Business League to conduct two outreach events at The Story Café to help get the word out about available assistance. Virginia closed out fiscal year 2024 with obligations for 91 loans and grants offered through the Section 504 Home Repair Program to help residents of rural communities remove health and safety hazards in their dwellings.

Off and Running. Partners like Habitat for Humanity and the Southside Outreach Group are leveraging Mutual Self-Help Grant Program funds to put homeownership in the picture for more Virginians. The RD Virginia team worked alongside Jimmy Nave to install flooring in the structure that would become his new residence and capped off National Homeownership Month by participating in the Central Rappahannock River Chapter open house event. In Halifax, RD has closed on loans for five of 12 homes that very-low and low-income families will help construct in the spring of 2025 through a Southside Outreach Group project.

Cutting the ribbon for Jimmy Nave's open house. Finishing Strong. Mary Ann Forrester's new home didn't just help eliminate expensive maintenance issues. It actually opened the door to a healthier future for her adult son Eric after busted pipes led to flooding and the discovery of mold in the walls in their rental house.

> "The mold spread throughout the house and Eric was hospitalized three times," said Forrester. "With cystic fibrosis, a new type of bacteria can bring on an infection and he can become septic in a moment. I knew I had to get him out of there."

She learned about USDA RD housing programs when she submitted a loan application through the Virginia Housing Authority (VHA). Loan originator Sam Hanks made the referral to RD when she couldn't qualify for a large enough loan through his agency to purchase a property in the local area.

The townhouse they moved into in late October of 2023 checks all the boxes for mother and son. It's in a good location with convenient access to shopping and critical medical services. The property also has a small lot for easy maintenance and the kitchen and bathrooms were recently renovated.



Making connections at The Story

Wurning conmections at Café in Lawrenceville.



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