

# VIRGINIA RURAL DEVELOPMENT



*“Improving the Quality of Life in Rural Virginia”*



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# 2002 ANNUAL REPORT

## TABLE OF CONTENTS



### Mission Statement

*To enhance the ability of rural communities to develop, to grow and improve their quality of life by targeting financial and technical resources in areas of greatest need through activities of greatest potential.*

Message from the Secretary	1
Message from the Under Secretary	1
Message from the State Director	2
Rural Business-Cooperative Programs	3
Single Family Housing Programs	5
Multi Family Housing Programs	7
Community Facility Programs	9
Water and Environmental Programs	12
Other Programs	14
Partnerships	15
Program Index	16
Office Locator	18

**Cover photos from left to right: Oakwood Fire Department, new fire truck; Town of Wytheville, water tower; Virginia state insect, tiger swallowtail butterfly; Warsaw Manor Apartments, new community room; Saint Paul High School, Wetlands Estonsa Project; Virginia state bird, northern cardinal ; Inman Village, complex remodeling; Abingdon Cold and Storage Inc., interior renovation; Scott County, water line replacement; Single family home**

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## *Ann Veneman, Secretary of Agriculture*



*This past year the Bush Administration continued a strong commitment to expanding jobs and bringing renewed economic opportunities to rural America through strong leadership and strengthened programs.*

*One of the President's top priorities is to create new jobs and help spark economic growth. The tax relief package that the President signed into law in 2001 continues to help families throughout America and USDA's Rural Development programs are also creating new opportunities. In 2002, for example, economic grants and loans provided by USDA helped create or protect more than 150,000 rural jobs. As well, rural development programs provided more than \$12 billion in economic infrastructure grants and loans, helping improve education, healthcare, telecommunications, water treatment facilities, fire protection efforts, and other community centers.*

*However, USDA's commitment to improving rural America didn't stop there. Employees worked with local communities to provide homeownership financing for more than 42,000 families. These efforts are helping move closer to reaching the President's goal of increasing minority homeownership by fifty percent in five years.*

*The Farm Security and Rural Investment Act of 2002 signed by the President last May provides new resources and programs aimed at making continued progress in rural America. This includes new grant programs to assist in the development of renewable energy sources; funding to expand the availability of information technologies; and financing for community water and wastewater improvements.*

*As we embark upon a new year, we have a strong agenda and many opportunities to strengthen America's rural communities. The Administration will continue to build upon the principles outlined in our policy publication, "Food and Agricultural Policy: Taking Stock for the New Century". Our team at USDA will continue working with all interested parties and build new coalitions to help families, create jobs and invest in America's rural sectors.*

## *Thomas Dorr, Under Secretary for Rural Development*



*A strong and vibrant economy in rural America serves as the cornerstone of President Bush's economic agenda. USDA Rural Development is working hard to expand economic opportunities and improve the quality of life for all of the 59 million Americans living in rural communities. Through the efficient and effective delivery of Rural Development initiatives, new jobs have been created, home ownership has increased and families and businesses have been strengthened. New investments and entrepreneurial spirit will continue to grow, bringing increased opportunity to rural areas.*

*I know and understand that rural Americans are resilient and share a pioneering spirit that will once again forge new frontiers in the future. In this same spirit, USDA Rural Development's challenge is to look beyond today and to envision a better way to work with America's rural communities to improve existing partnerships, and forge new ones.*

*In looking back over the last year, we have begun to build an economic foundation, shaped like what President Bush advocates. I am proud of the aggressive efforts by USDA Rural Development employees to*

## EXECUTIVE STATEMENTS

*quickly turn many of the 2002 Farm Bill provisions into new economic hope for America's farmers, ranchers and rural families. These efforts ensured the delivery of \$703 million to finance 377 communities water and wastewater infrastructure projects. Additionally, \$37 million helped support the development of 231 agricultural value-added ventures that will bring new opportunities for increased revenues to our American farmers and ranchers. In total, over \$12 billion was invested through USDA Rural Development programs in rural America in Fiscal Year 2002.*

*From fire hydrants to fiber optic cable -- from sewers to symphonies -- USDA Rural Development financial and technical assistance is making a positive difference. In Fiscal Year 2002 alone -- 42,000 rural residents became first time homeowners, nearly 7,000 homeowners received loan and grant funding to make needed repairs and improvements, and 1,400 loans and grants were provided to assist communities finance essential community facilities. Electricity, telephone, water and wastewater infrastructure funding totaled over \$6.8 billion. Distance learning and telemedicine funding helped communities in 37 states gain access to modern technologies. Over 1,100 rural areas have clean drinking water and sanitary waste systems.*

*Again, we have accomplished much in fiscal year 2002. I commit USDA Rural Development to administer all our programs and policies fairly, equitably, and honorably. It is the right thing to do, it is what I believe, and I will tolerate nothing less. Through our collective hard work we will continue to increase the economic opportunities in rural communities and improve the quality of life for all rural Americans.*

### *Joe Newbill, Virginia State Director*

*I am pleased to present this annual report detailing the positive impact our efforts and successes have made for individuals and communities throughout rural Virginia.*

*This year's investment of \$296 million addressed vital economic needs such as job creation, business and cooperative development, housing, infrastructure, safe drinking water, fire and rescue, telecommunications, education, and medical services.*

*I am proud to say that Rural Development in Virginia ranked #1 in the nation for utilization of loan and grant dollars administered through our community facilities program. We were also fortunate to receive \$17.2 million from the 2002 Farm Bill signed by President Bush to fund our backlog of loan and grant applications in the water and waste disposal program.*

*I invite you to review this summary and witness examples of how Rural Development programs were successful in improving the lives of individuals and helping communities in Virginia become better places to live --- Successful because of the strong commitment of our dedicated staff throughout the state and the leveraging of resources in partnership with our local communities, federal and state agencies, and other organizations to create an even greater number of economic and social opportunities.*

*We look forward to strengthening our partnerships and building new alliances with our communities to improve the quality of life for rural Virginians.*



## Helping Rural Communities Prosper...

*This year's investment of \$4.1 million from Rural Development and \$5.1 million leveraged from other financial resources, provided more than \$9.2 million to finance and/or expand businesses involved in manufacturing, special events and lodging, restaurant and retail services, employment and training services, infrastructure and cooperative development, and technical assistance for business development.*

**70 businesses were assisted and more than 1,050 jobs were created or saved!**

Rural Business-Cooperative Programs 2002 Funding						
Project Name	County	RD Loan Amount	RD Grant Amount	Borrower's Contribution	Other	Total Project Cost
<b>B &amp; I</b>						
Poplar Springs	Fauquier	\$1,300,000				\$1,300,000
Virginia Diner, Inc.	Sussex	\$1,305,600		\$18,278		\$1,323,878
<b>IRP</b>						
City of Norton	Norton	\$150,000				\$150,000
<b>RBEG</b>						
Town of Grundy	Buchanan		\$99,000	\$100,000		\$199,000
Alleghany County	Alleghany		\$83,500			\$83,500
Appalachian By Design, Inc.	Montgomery		\$18,530			\$18,530
Floyd Community City for the Arts, Inc.	Floyd		\$98,000	\$2,000	\$252,000	\$352,000
West Franklin Business Park	Franklin		\$99,900	\$198,315	\$110,200	\$408,415
Town of Amherst	Amherst		\$199,900	\$1,822,711	\$1,000,000	\$3,022,611
Town of Broadway	Rockingham		\$99,500		\$30,000	\$129,500
Town of Mount Jackson	Shenandoah		\$99,950		\$928,300	\$1,028,250
Green Thumb, Inc.	Arlington		\$99,958	\$162,600		\$262,558
MBC CDC/Meherrin Development Corp.	City of Petersburg		\$95,000			\$95,000
<b>RCDG</b>						
Southern States Cooperative Foundation	Henrico		\$299,980	\$195,219	\$105,850	\$601,049
<b>RBOG</b>						
Radford University	City of Radford		\$49,587	\$50,558	\$10,000	\$110,145
Eastern Shore PSA	Northampton		\$50,000	\$40,000	\$55,000	\$145,000
<b>TOTAL</b>		<b>\$2,755,600</b>	<b>\$1,392,805</b>	<b>\$2,589,681</b>	<b>\$2,491,350</b>	<b>\$9,229,436</b>



### Rural Business Enhancement!

**Smyth County Machine and Welding Company, located in Atkins, Virginia, received a Business and Industry guaranteed loan to expand the business. The construction, which was completed in August, added 10,000 sq. ft. of space for fabricating environmental pollution control modules. Twenty-two new jobs were also created.**

## BUSINESS-COOPERATIVES

### Supporting the Growth of Rural Businesses

Since 1975, Rural Development has provided loan guarantees to assist local lenders to provide the credit needed for expansion and preservation of jobs. The guarantees allow the lender to make larger loans available, provide better rates and terms, and bring additional capital into the community through sale of the guaranteed portion of the loan.



Since 1929 the Virginia Diner, located in Wakefield, Virginia, has been a refuge for folks who like “down home cooking.” This business, that employs 90 full-time persons, has expanded into a nationwide retail peanut operation and web based business. With the assistance of Rural Development, in the form of a guarantee for a working capital loan, this business expects to increase jobs in excess of 150 during peak seasons.

### Southern States Foundation and Rural Development Partner to Make a Difference

In the three short years since the foundation was established, it has received significant support from USDA in the form of a cooperative agreement to assist tobacco growers and two Rural Cooperative Development Grants. While the foundation serves producers seeking to establish new cooperatives or provide technical assistance to those who have already done so, it is beginning to have an impact in Virginia.

“We have found that our ability to assist groups in the state is very much enhanced by the working relationship that we have with USDA,” states Paul Darby, Executive Director for Southern States. “Virginia has not been a hotbed of cooperative development activity; however, that is changing because of the commitment to development by Joe Newbill, Virginia Rural Development State Director, and Laurette Tucker, Cooperative Development and Rural Business Specialist. The foundation is extremely proud of this working relationship and works hard to make certain that we keep the lines of communication open,” Darby concluded.

In Virginia, the foundation is assisting the Peanut Growers Cooperative Marketing Association in Franklin, the Washington County Dairy Producers Association and Appalachian Sustainable Development in Abingdon.

### Rural Business Owner Gets A Boost!

“The support that USDA gave me not only made the process easier and more understandable, but also made this project reality,” states Howard Foer, Owner and Operating Manager of Poplar Springs Inn & Spa, a special events facility located in Cassanova, Virginia.

Construction of the 13,000 sq. foot inn/meeting facility and other major reconstruction became a reality through the B&I program.

Located in the Casanova area of Fauquier County, Virginia, this historic property was transformed from a personal residence to a newly renovated facility with a 20-room inn & spa, modern restaurant/kitchen, private meeting facility, and garden terrace. “Having programs available such as B&I can make years of hard work come true. I feel that smaller community lending institutions need programs available to them such as this in order to be able to support the growth of the local business community,” Foer further states.



Pictured above: Poplar Springs Inn & Spa

## Home Sweet Home...

*Through this year's investment of \$109.2 million, 1260 households in rural Virginia were successful in buying, building, or repairing their own homes. Another 1088 individuals or families were afforded decent, safe, and sanitary housing through rental assistance.*

### *The American Dream Can Come True... Through Our Single Family Housing Program*



Single Family Housing Program		
Program	Families Assisted	Total Funds
502 Direct	338	\$26,500,000
502 Guaranteed	579	\$58,700,000
504 Repair	320	\$1,644,000
<b>State Total</b>	<b>1237</b>	<b>\$86,844,000</b>

### Dream Comes True for Single Mom!

Dana Mullins, a resident of the Town of Pound, has reason to celebrate! Through a joint program with the Wise County Redevelopment and Housing Authority and Rural Development, her dream of owning a home where she can raise her two daughters has come true. Dana Mullins pursued her desire to become self sufficient by earning her associates degree and obtaining steady employment. The dream of homeownership was made possible through interagency partnership and self-determination to improve her life.



Home similar to that which was purchased by Dana Mullins

Mullins believes the housing program is excellent because it gives people with lower incomes the opportunity to become homeowners. She states, "The program is especially beneficial to single mothers (like me) because many could not buy a house otherwise."

Rural Development teamed with the Housing Authority, with Rural Development financing 80 percent of the home. Dana Mullins now makes a mortgage payment that is not much more than what it would cost to rent a home.

### Rural Development Partners to Improve Senior's Home

Mary Jones, a senior citizen in York County, lacked many of the resources to address safety issues within her home. Rural Development, York County Department of Community Services, York County Volunteer Association, and Housing Partnerships Inc. (a non-profit based in Williamsburg) coordinated efforts to address the dire housing needs of Mrs. Jones.

Initially, the Smithfield office was contacted to partner with York County to find out if Mrs. Jones was eligible for funds under the 504 grant program to repair her home. After fully assessing the situation it was determined that it would be much more cost effective to construct a new home. \$49,800 later Mrs. Jones lives in her four-room home free of lead-based paint, asbestos, and other harmful substances.



Pictured above: Before and after photos of Mrs. Jones' home

Norris Baker, Community Development Manager in the Smithfield Office, said this was a very rewarding project. "We were able to work together with several other organizations, the contractor, and builder to get the correct permits and licenses to make this possible. This project involved cooperation for well over a year, and it was certainly well worth the time and effort," stated Baker.

### A Home of Their Own!

Lebanon resident Julia Cobb found out about Rural Development housing programs through a friend and called the local office in Lebanon for more information. She filed an application and she moved into her home on September 18th.

Through the Section 502 Direct Loan Program, Cobb was able to obtain a loan to purchase an existing four-bedroom home. Cobb said that thanks to the program she and her four children were able to move from their small, poorly maintained three-bedroom apartment into a beautiful single family home.

"She has been one of our model customers. We were pleased that we could help her to improve her living situation dramatically and realize that her dream of homeownership could become a reality," states Pat Fuller, Community Development Specialist.

*"We became like family. They were there every step of the way and answered all of my questions."*

Julia Cobb, pictured here with Community Development Specialists Becky Sword and Pat Fuller





## *Affordable Rental Housing...In An Apartment Setting*

Multi Family Housing Program		
Program	Families Assisted	Total Funds
Housing Preservation Grant	59	\$2,253,185
New Construction	48	\$1,500,000
Rehabilitation	103	\$1,044,000
Rental Assistance	1088	\$17,627,763
<b>State Total</b>	<b>1298</b>	<b>\$22,424,948</b>

### **Housing Preservation Grant (HPG) Funds Assist Rural Homeowners**

Grant funds may be awarded to a state, commonwealth, trust territory, other political subdivision, or public nonprofit corporations authorized to receive and administer Housing Preservation Grant (HPG) funds. These organizations administer funds to finance repair and rehabilitation to individual housing, rental property, or co-ops occupied by very low and low-income persons.

This year Virginia funded three HPGs totaling \$253,185. Cumberland Plateau Regional Housing Authority received \$87,780 in funds to assist homeowners in Buchanan County. Giles County Housing and Development Corporation received \$77,625 to assist Giles County homeowners. Piedmont Housing Alliance received \$87,780 to assist homeowners residing in Nelson, Louisa, Fluvanna, Greene, and Albemarle Counties.

### *Congratulations to Awardee!*

**James Carter received Rural Development's Maintenance Person of the Year Award for his work at Guildfield Heights Apartments located in Chatham, Virginia. Mr. Carter was honored for his service, dedication, and caring attitude toward tenants.**

### **Magnolia Place Rehabilitation**

Magnolia Place Apartments, a 56-unit elderly property located in Nottoway County, received \$560,000 for rehabilitation from the Rural Development Section 515 program. The renovation was completed in late July 2002. This complex also has 56 units of Rental Assistance for very low and low-income tenants.



**Above: Workers complete renovations to the office at Magnolia Place.**

Lou Gaines, a resident at Magnolia Place for fifteen years, says she really enjoys living here. "I have been waiting for work to be done here for some time and it just looked like it wasn't going to happen. *Now I really love it here!* My friends always comment on how lovely the place looks when they come to visit and that's always nice. The place looks great since the change!"

### *Special Salute to More Awardees!*

Rural Development's Site Manager of the Year Award for an Elderly Property in Virginia was presented to Glenda Ingo for her work at the Longview Village Apartments in Wytheville, Virginia. Mrs. Ingo is cited as an outstanding employee for her tireless efforts to solve resident's problems, plan enjoyable activities for them, and spending countless hours improving the apartment complex on her own personal time.

Rural Development's Site Manager of the Year Award for a Family Property in Virginia was presented to Michael Blair of the Rutledge Hills Apartments located in Amherst, Virginia. Mr. Blair's tireless efforts made the property safe, decent, and free of violence and drugs.

### **Inman Village Receives \$3 Million Overhaul**

The Inman Village apartment complex in Appalachia recently completed a \$3 million overhaul. These improvements were made possible with creativity and hard work of individuals on every level of government. Rural Development partnered with the Virginia Housing Development Authority (VHDA) to revive a property that was financed for construction about twenty years ago.

The 88 family housing units underwent major rehabilitation that included new roofs, brick construction (to replace warped, worn siding), new doors, windows, kitchen cabinets, appliances, and construction of a new community center. The community center includes an adult education center and an area that will be used for after school educational programs for children. The learning labs are supplied with computers with internet access and instructors to provide technical assistance and help with homework. The rehabilitation has brought the complex into compliance with ADA regulations and is probably one of the most "elderly friendly" properties in the county.

Gary Farmer, Rural Development Specialist in the Lebanon Area Office said it was so encouraging to see the foresight of Wise County Redevelopment and Housing Authority to recognize the need to improve the quality of lives for the residents who call Inman Village their home. "Their willingness to take the necessary initial actions with the appropriate entities, {Rural Development, VHDA, and Housing Equity Fund of Virginia (low income tax credits)} raised the capital needed to pay for the improvements. Their dedication and willingness to manage and perform the necessary monitoring that will be required is commendable."



Interior of the newly constructed community building at Inman Village.



*"Inman Village is living proof that getting the right people together, all driven by the need to reach a common goal, fosters positive inter-agency cooperation to ensure success."*

—Gary Farmer, Rural Development Specialist in the Lebanon Area Office

# Essentials For A Better Quality Of Life...



This year's investment of more than **\$51 million** ranked **Virginia #1 in the nation** for loan and grant programs that provided facilities for public services such as health care, telecommunications, fire and rescue, libraries, courthouses, education, and community events.

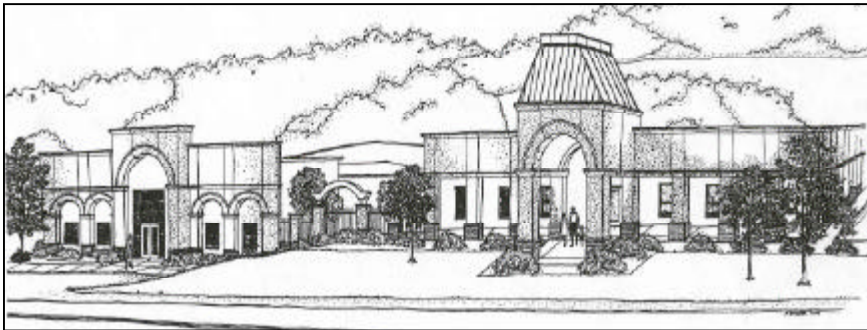
Community Facilities Program					
Project Name	County	CF Direct Loan Amount	CF Grant Amount	Other Funding	Project Total
Oakwood Volunteer Fire Department	Buchanan	\$85,000	\$25,000	\$50,000	\$160,000
Appalachian Regional Community Head Start, Inc.	Wise	\$1,088,100	\$35,000		\$1,123,100
Virginia Coalfield Economic Dev. Authority	Russell	\$729,000			\$729,000
Wise County Redevelopment & Housing Authority	Wise	\$545,000	\$28,869	\$959,938	\$1,533,807
Patterson Volunteer Fire Department	Buchanan	\$20,000	\$100,000	\$20,000	\$140,000
Town of St. Paul - (Lake Estonoa)	Town of St. Paul		\$100,000	\$37,290	\$137,290
Virginia Coalfield Economic Development Authority	Russell	\$150,400			\$150,400
Appalachia Culture Arts Council, Inc.	Wise		\$23,000	\$152,000	\$175,000
Buchanan County	Buchanan		\$30,000	\$220,000	\$250,000
The Long Way Home, Inc.	Montgomery		\$30,000	\$60,000	\$90,000
Baren Springs Volunteer Fire Department	Wythe	\$120,000			\$120,000
Floyd Community Center for the Arts, Inc.	Floyd	\$73,600		\$582,150	\$655,750
Crossroads Rural Entrepreneurial Institute	Carroll	\$2,200,000		\$1,745,000	\$3,945,000
Town of Marion	Smyth	\$1,500,000		\$300,000	\$1,800,000
Friends of the Pulaski Theater, Ltd.	Pulaski		\$30,000	\$118,100	\$148,100
Bland County IDA	Wythe	\$3,500,000		\$254,600	\$3,754,600
Town of Wytheville	Wythe	\$14,454,000		\$1,000,000	\$15,454,000
Newport Community Action Committee, Inc.	Giles		\$19,600	\$16,205	\$35,805
Troutville Volunteer Fire Department	Botetourt	\$662,000			\$662,000
Friends of Rural Retreat	Wythe	\$75,000			\$75,000
Ivanhoe Volunteer Fire Department	Wythe	\$100,000	\$100,000		\$200,000
Glade Spring Volunteer Fire Department	Washington		\$30,000	\$30,000	\$60,000
Mt. Rogers Community Improvement Club, Inc.	Grayson		\$50,000	\$1,967,636	\$2,017,636
Town of Keysville	Charlotte		\$45,130	\$19,887	\$65,017
Cumberland County School System	Cumberland		\$2,000	\$690	\$2,690
Charlotte County Schools	Charlotte		\$2,000	\$689	\$2,689
MacCallum More Museum and Gardens	Mecklenburg		\$16,350	\$5,950	\$22,300
Halifax County E-911	Halifax	\$478,000		\$8,589	\$486,589
Boydton Community Health Center	Mecklenburg	\$4,303,700		\$460,400	\$4,764,100
South Hill Community Development Association	Mecklenburg		\$35,000	\$2,862,187	\$2,897,187
Wilson Volunteer Fire Department	Augusta	\$166,000		\$46,538	\$212,538
Grottoes Volunteer Fire Department	Rockingham	\$180,000		\$120,000	\$300,000
Strasburg Fire Department	Shenandoah		\$11,500	\$9,437	\$20,937
Town of Mount Jackson	Shenandoah	\$900,000		\$1,063,000	\$1,963,000
Glasgow Volunteer Fire Department	Rockbridge		\$25,000	\$9,487	\$34,487
Purcellville Volunteer Rescue Squad, Inc.	Loudoun	\$1,582,000		\$500,090	\$2,082,090
City of Lexington	Rockbridge	\$5,879,700			\$5,879,700
Rockbridge County	Rockbridge	\$10,067,960			\$10,067,960
Town of Luray	Page	\$1,500,000			\$1,500,000
Oak Grove Volunteer Fire Department	Westmoreland		\$22,681	\$68,500	\$91,181
Bayview Citizens for Social Justice, Inc.	Northampton		\$65,500		\$65,500
Town of Exmore	Northampton		\$100,000	\$35,000	\$135,000
King & Queen Community Development, Inc.	King & Queen		\$100,000	\$431,808	\$531,808
<b>TOTAL FUNDING</b>		<b>\$50,359,460</b>	<b>\$1,026,630</b>	<b>\$13,155,171</b>	<b>\$64,541,261</b>

## COMMUNITY FACILITIES

### ARCHS Finds New Home

The Appalachian Regional Community Head Start, Inc., has been a fixture in the Southwest Virginia area since 1965 and works with children 1-12 years of age and pregnant mothers. It provides head start programs, community education, dental and health screening services for the 19,755 families in its primary service area of the city of Norton, and the counties of Wise and Dickenson.

Rural Development funds were used to purchase the current corporate headquarters, purchase a mobile health unit, five four-wheel-drive vehicles, playground and computer equipment. The organization aspires to change the setting of the headquarters to make it less industrial and more residential. The automobiles will assist employees in conducting home visits and providing necessary transportation to pregnant mothers.



*“Getting this assistance was like adding the icing to the cake. The improvements we made with Rural Development funds will improve the quality and quantity of program services.”*

Bill Bowen, Director Appalachian Regional Community Head Start, Inc.

### Young People Making A Difference!

A group of students at St. Paul High School in St. Paul, Virginia, and their science teacher Terry Vencil have made it their mission to do just that with the creation of the Wetlands Estonoa Project. This student-directed project proposes that the area formerly known as the local fishing and swimming hole be developed as a learning center to promote the study of wetland ecosystems and encourage the preservation and conservation of this precious natural resource. Rural Development awarded a \$100,000 grant to assist the students in realizing their goal.



Above: Team Estonoa 2001-2002

Terry Vencil, science teacher and project mentor, says the wetlands project is “place based education at its best” and applauds the students for their interest in the environment and improving their local community.

“This project has truly been one of the most interesting and worthwhile that this staff has ever been involved with. The Team Estonoa students that we have worked with are very intelligent, very energetic students. They have put together the grant application for this proposal, they worked with various state and federal agencies to complete the environmental review requirements, and they have been very diligent in their quest to build this learning center for the school. We can't say enough good things about Team Estonoa, their teacher Terry Vencil, and the St. Paul School administration,” states Rural Development Manager Sally Hamer.

**Medical Revitalization!**

Since its founding in 1812 the Town of Boydton has survived the Civil War, urbanization, factory closings and a host of other hardships. Today, the town’s story of survival is no different. Following the closing of the two major factories, the town fell on hard times again. Boydton’s citizens rose to the challenge. Along with a little help from Rural Development, a group of local leaders was able to see their dreams of economic revitalization and improved health care become reality.



Pictured in photo L-R: Mr. Glanzy Spain, Mecklenburg County Board of Supervisors; Dr. Carol Dill, Boydton Community Health Facility; Mr. David Skipper, President, Boydton Community Health Facility; Mr. Joe Newbill, Virginia Rural Development State Director; Congressman Virgil Goode; Delegate Tommy Wright, Virginia House of Delegates; Mayor Charles Reamy, Town of Boydton

Rural Development provided a loan of \$4.3 million to renovate facilities for a comprehensive primary care center. The Boydton Community Health Facility will contain expanded primary care services, including a pharmacy, a dental clinic, a mental clinic, and telemedicine services for specialty care with links to the University of Virginia.

The portion of the project that is funded by Rural Development is slated to take about a year to complete. Rural Development Loan Specialist Art Powers from the Lynchburg Area Office has worked on this project since its inception. Mr. Powers states, “This project is a unique opportunity for Rural Development to assist with the growing medical needs of the critically under served Boydton-Mecklenburg County area by renovating blighted, but historically significant buildings. It constitutes a win-win situation from a human services, economic development and environmental/historic preservation perspective.”

***New Fire Truck!***

**Oakwood Fire Department Chief Max Williard stands next to the department’s newly purchased fire truck.**



**Protecting our Homeland**

**The Ivanhoe Volunteer Fire Department serves a 100 square mile section of eastern Wythe County and parts of neighboring Carroll County. The area is made up of about 6,000 people including 1600 homes and an industrial development area.**

**Funds from the Community Facilities program will be used to purchase a new pumper-tanker fire truck. This will eliminate a potential safety hazard by replacing an inadequate truck whose chassis was made in 1974 and the tank built in 1949.**

**“Without the help of the local Rural Development office, I don’t know if we would have ever gotten the funds for the new truck. The end result is well worth the effort,” states Robert Walk, Ivanhoe VFD Chief.**

## UTILITIES

### *A Safer Environment...*

*This year's investment of \$50 million provided rural Virginians with safe drinking water as well as improvements and expansions to sewer lines and water and wastewater treatment facilities.*

*The 2002 Farm Bill signed by President Bush provided an additional \$17.2 million in loan and grant monies to fund backlogged applications in the water and waste disposal program. Eight projects in Virginia benefited from this farm bill provision. They were located in the counties of Giles, Lee, Montgomery, Pulaski, Smyth and Westmoreland; and the towns of Dublin and Goshen.*



Water & Environmental Program						
Name	Project Type	County	Direct Loan Amount	Grant Amount	Leveraged Funding	Total Project Cost
City of Norton	Water	Wise	\$1,000,000	\$450,300		\$1,450,300
Dickenson County Public Service Authority	Water	Dickenson	\$561,200	\$1,683,600	\$1,500,000	\$3,744,800
Town of Gate City	Water	Scott	\$418,200	\$300,000		\$718,200
Scott County PSA	Water	Scott	\$440,100	\$1,320,100	\$2,829,659	\$4,589,859
Smyth County	Sewer	Smyth	\$2,735,500	\$2,000,000	\$1,000,000	\$5,735,500
Washington County Service Authority	Sewer	Washington	\$569,200	\$700,000		\$1,269,200
Smyth County	Water	Smyth	\$346,000	\$692,000	\$380,000	\$1,418,000
Town of Glen Lyn	Water	Giles	\$33,000	\$237,000	\$50,000	\$320,000
Town of Wytheville	Sewer	Wythe	\$822,000			\$822,000
Town of Narrows	Water	Giles	\$139,740	\$510,460	\$11,700	\$661,900
Wythe County	Water	Wythe	\$547,700			\$547,700
Floyd-Floyd County PSA	W/S	Floyd	\$250,000			\$250,000
Town of Amherst	Sewer	Amherst	\$3,121,000	\$458,300	\$528,132	\$4,107,432
Montvale Water Co	Water	Bedford	\$538,000	\$480,300	\$500,000	\$1,518,300
Town of Clarksville	Water	Mecklenburg		\$1,500,000		\$1,500,000
Town of Stuart	Water	Patrick	\$291,000			\$291,000
Town of Mineral	Water	Louisa	\$959,200	\$757,700		\$1,716,900
Rockbridge County	Sewer	Rockbridge	\$3,450,260		\$2,200,000	\$5,650,260
Fork Union Sanitary District	Water	Fluvanna		\$1,018,400		\$1,018,400
Westmoreland County	Sewer	Westmoreland	\$328,330	\$1,180,400		\$1,508,730
Northumberland County	Sewer	Northumberland	\$345,000	\$893,000		\$1,238,000
Westmoreland County	Sewer	Westmoreland	\$280,600			\$280,600
Bayview Citizens For Social Justice, Inc.	Sewer	Northampton		\$800,000		\$800,000
Northumberland County	Sewer	Northumberland	\$309,000			\$309,000
<b>TOTALS</b>			<b>\$17,485,030</b>	<b>\$14,981,560</b>	<b>\$8,999,491</b>	<b>\$41,466,081</b>

## Agencies Partner to Improve Sewer System

Financial assistance from Rural Development in the form of a grant and low-interest loan in the amounts of \$2,000,000 and \$2,735,500 respectively will be utilized to install a new sewer collection and transmission system to serve citizens in the Allison Gap area of Smyth County. The construction of this project will remove an existing health threat to the citizens of Allison Gap, and 255 residential households with private, failing septic systems will now be connected to a public sewer system.

In order to make this project a reality, Rural Development financially partnered with the Department of Housing and Community Development, who provided a community development block grant in the amount of \$700,000; the Town of Saltville, who provided funds in the amount of \$300,000; and the County, who contributed \$253,900 from their resources. The Town of Saltville's contribution was in the form of a low-interest loan from Rural Development that will be used to increase capacity in the Town's existing wastewater treatment plant, thus allowing the Town's plant to treat the sewage flow from Allison Gap. "This project is truly a testament of federal, state, and local governments working together to improve life for rural Virginians," said Travis Jackson, Manager of Rural Development's Wytheville office.

### *Another Successful Partnership!*

**Federal, county, and local officials gather to commemorate another successful project at the ribbon cutting ceremony for the Bland County Water Treatment Plant.**

Pictured L-R: Danny Kinder, Bland County Board of Supervisors; Robert Munsey, Bland County Board of Supervisors; Travis Jackson, Rural Development Manager (Wytheville Area Office); Congressman Rick Boucher; Joe Newbill, Rural Development Virginia State Director; Henry Blessing, Bland County Service Authority; Frank Chandler, Bland County Board Of Supervisors; Wade Blankenship, Bland County Board Of Supervisors.



## Earth Day 2002- Clean Water Celebration!

Rural Development celebrated Earth Day by announcing funding to the Scott County Public Service Authority to extend water service to the Daniel Boone area of Scott County. This area suffered from both water quality and quantity issues, has a low median household income, and a high unemployment rate.

The project includes the installation of water lines, a water storage tank, and water meters to provide clean, safe drinking water to citizens who have not had the benefit of this most basic resource that most of us take for granted. With grant funds from Rural Development, Department of Housing and Community Development, Virginia Department of Health, and Lenowisco Planning District Commission, this dream will soon become reality.

## OTHER PROGRAMS

### *Connecting Rural Virginia...*

#### **Distance Learning and Telemedicine**

Funding through the DLT program is used to purchase video and audio equipment that allows rural schools and health care centers to communicate and consult with educational and medical experts from outside their area. Three grants totaling \$715,278 provided financial assistance to the following institutions to provide greater educational opportunities and health care services: University of Virginia (to serve the counties of Buchanan, Grayson, Giles, and Smyth), Southside Virginia Community College (to serve the city of Emporia and the towns of Albert and South Hill), and Crossroads Rural Entrepreneurial Institute (to serve the towns of Bland, Galax, Hillsville, Independence, and Rocky Gap).

#### **Electricity**

More than \$80 million was provided to five electric cooperatives that supply affordable electric service to rural customers.

Electric Program		
Project Name	County	Loan Amount
Shenandoah Valley Electric Cooperative	Rockingham	\$18,000,000
Central Virginia Electric Cooperative	Nelson	\$9,000,000
Mecklenburg Electric Cooperative	Mecklenburg	\$16,000,000
A & N Electric Cooperative	Accomack	\$10,500,000
Rappahannock Electric Cooperative	Spotsylvania	\$26,950,000
<b>TOTAL</b>		<b>\$80,450,000</b>



### *Supporting The Community...*

#### **Rural Community Development Initiative**

Over \$457,000 in grant funds will assist private, nonprofit, and community based housing and development organizations and low income communities by improving their ability to develop rural housing, community facilities and economic development. LENOWISCO Planning District Commission located in Duffield was awarded a grant of \$50,000 and the ENSAT Corporation located in Culpeper was awarded a grant of \$407,570.

### *Protecting Our Natural Resources...*

#### **Solid Waste Management**

The objective of this program is to reduce or eliminate pollution of water resources by improving the planning and management of solid waste sites. Technical and training assistance is provided to identify and evaluate solutions to water and waste disposal problems in rural areas; improve operation and maintenance of existing water and waste disposal facilities; and assist applicants in applying for water and waste grants.

Two technical assistance and training grants were funded this year: Cumberland Plateau Company - \$30,000; and Water Systems Council - \$150,000. In addition, the Rural Community Assistance Program (RCAP), whose headquarters is located in Virginia, was the recipient of an \$850,000 solid waste management grant. RCAP will assist rural community leaders with the planning, management, and implementation of area-wide integrated solid waste plans in 29 target states.



## *Working With Others...*

### *Rural Development Salutes Our Partners!*

*During these times of critical budget considerations, it becomes even more important that Rural Development partner with our communities, other agencies, and organizations to assist our customers.*

*At an awards ceremony held in Roanoke, Virginia, some of our longstanding partners received special recognition from Rural Development for their invaluable partnerships that have been and continue to be essential to providing financial resources to those who need it most:*

*The Virginia Department of Health  
Under the direction of Dr. Robert Stroube, State Health Commissioner*

*The Virginia Department of Housing and Community Development  
Under the direction of Bill Shelton, Executive Director*

*The Virginia Housing Development Authority  
Under the direction of Susan Dewey, Executive Director*

*The Southeast Rural Community Assistance Program  
Under the direction of Mary Terry, Executive Director*

*The Federation of Appalachian Housing Enterprises  
Under the direction of Jim King, Executive Director*

*The Waynesboro Housing Redevelopment Authority  
Under the direction of Edward Delapp, Executive Director*

*The Rapidan Better Housing Corporation  
Under the direction of Cindy Reid, Program Coordinator*

*Mountain Shelter, Inc.  
Under the direction of Andy Kegley, Executive Director*



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## PROGRAM INDEX

### Rural Business-Cooperative Programs

**Business and Industry Guarantee Loan-** Helps create jobs and stimulate rural economies by providing financial backing for rural businesses. This program guarantees up to 80 percent of a loan made by a commercial lender. Loan proceeds may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. The primary purpose is to create and maintain employment and improve the economic climate in rural communities.

**Intermediary Relending Program Loan-** Finances business facilities and community development projects in rural areas, including cities with a population of less than 25,000. Rural Development lends these funds to intermediaries, which, in turn, provide loans to recipients who are developing business facilities or community development projects. Eligible intermediaries include public bodies, nonprofit corporations, Indian tribes, and cooperatives.

**Rural Venture Capital Demonstration Program-** Designates up to 10 community development venture capital organizations to demonstrate the usefulness of guarantees to attract increased investment in private business enterprises in rural areas. Such organizations shall establish a rural business private investment pool to make equity investments in rural private business enterprises. This program is available in rural areas (this includes all areas other than cities of more than 50,000 people and their immediately adjacent urban or urbanizing areas).

**Rural Business Enterprise Grant-** Helps public bodies, nonprofit corporations, and federally recognized Indian tribal groups finance and facilitate development of small and emerging private business enterprises located in rural areas (this includes all areas other than cities of more than 50,000 people and their immediately adjacent urban or urbanizing areas).

**Rural Business Opportunity Grant-** Funds provide technical assistance, training, and planning activities that improve economic conditions in rural areas. Applicants must be located in rural areas (this includes all areas other than cities of more than 50,000 people and their immediately adjacent urban or urbanizing areas). Nonprofit corporations and public bodies are eligible.

**Rural Economic Development Loans and Grant-** Finances economic development and job creation projects in rural areas based on sound economic plans. They are available to any Rural Utilities Service electric or telecommunications borrower to assist in developing rural areas from an economic standpoint, to create new job opportunities, and to help retain existing employment. Loans at zero-interest are made primarily to finance business startup ventures and business expansion projects. Grants are made to these telephone and electric utilities to establish revolving loan programs operated at the local level by the utility.

**Value-Added Agricultural Product Market Development Grant (VADG)-** Eligible agricultural producers that enter into value-added activities may use these funds will be used to develop feasibility studies or business plans (including marketing plans or other planning activities) needed to establish a viable value-added marketing opportunity for an agricultural product; or acquire working capital to operate a value-added business venture or an alliance that will allow the producers to better compete in domestic and international markets. In order to provide program benefits to as many eligible applicants as possible, applications can only be for one or the other of these activities, but not both.

**Cooperative Services-** Helps rural residents form new cooperative businesses and improve the operations of existing cooperatives by providing technical assistance, conducting cooperative-related research, and producing information products to promote understanding of cooperatives.

### Multi-Family Housing Programs

**Farm Labor Housing Loan and Grant-** Provides capital financing for the development of housing for domestic farm laborers. Funds can be used to purchase a site or a leasehold interest in a site; to construct housing, day care facilities, or community rooms; to pay fees to purchase durable household furnishings; and to pay construction loan interest.

**Rural Rental Housing-** Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, state or local public agencies, consumer cooperatives, and profit or nonprofit corporations. Direct, competitive mortgage loans are made to provide affordable multi-family rental housing for very-low, low, and moderate-income families; the elderly; and persons with disabilities. This is primarily a direct mortgage program, but its funds may also be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems.

**Housing Preservation Grant (HPG)-** Provides grants to sponsoring organizations for the repair or rehabilitation of low and very-low income housing. The grants are competitive and are made available in areas where there is a concentration of need. Those assisted must own very-low or low-income housing, either as homeowners, landlords, or members of a cooperative.

**Guaranteed Rental Housing Program-** Guarantees loans for development of multi-family housing facilities in rural areas. Loan guarantees are provided for the construction, acquisition, or rehabilitation of rural multi-family housing.

**Rental Assistance Program-** Provides an additional source of support for households with incomes too low to pay the subsidized (basic) rent from their own resources. Rural Development pays the owner of a multi-family housing complex the difference between the tenant's contribution (30 percent of adjusted income) and the monthly rental rate. Priority for RA is given to a project if a market study indicates the greatest percentage of prospective tenants need RA or if the area has the greatest housing need within the state and is selected for funding in accordance with the weighted criteria.

### **Single Family Housing Programs**

**Single Family Housing Loan Guarantee and Direct Loan-** Section 502 loans are primarily used to help low-income individuals or households purchase homes in rural areas. It provides financing at reasonable rates and terms with no down payment. Mortgage payments are based on the household's adjusted income. Funds can be used to build, repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.

**Rural Housing Repair and Rehabilitation Loan-** Funded directly by the government, these loans are available to very low-income rural residents who own and occupy a dwelling in need of repairs. Funds are available for repairs to improve or modernize a home, or to remove health and safety hazards.

**Rural Housing Repair and Rehabilitation Grant-** Funded directly by the government to dwelling owner/occupant who is 62 years of age or older. Funds may only be used for repairs or improvements to remove health and safety hazards, or to complete repairs to make the dwelling accessible for household members with disabilities. The amount of the grant is based on the applicant's ability to repay and must be used in conjunction with Repair and Rehabilitation Loan.

**Mutual Self Help Loan-** Used primarily to help very low- and low-income households construct their own homes to achieve homeownership. The program is targeted to families who are unable to affordably buy housing through conventional methods. Families participating in a mutual self-help project perform a minimum 65 percent of the construction labor on each other's homes under qualified supervision. The savings from the reduction in labor costs allows otherwise ineligible families to own their homes.

**Self Help Technical Assistance Grant-** Provides financial assistance to nonprofit organizations that will provide technical and supervisory assistance to low and very-low income households to build their own homes in a rural area. Funds may be used to pay salaries, rent, and office expenses of the nonprofit organization.

### **Rural Utility and Community Facility Programs**

**Water and Environmental Program-** Provides loans, grants and loan guarantees for drinking water, sanitary sewer, solid waste and storm drainage facilities in rural communities of 10,000 or less. Public bodies, nonprofit organizations and recognized Indian tribes may qualify for assistance.

**Technical Assistance and Training Grants-** Provide technical assistance and training to nonprofits to assist rural communities of 10,000 or less with their water, wastewater, and solid waste problems.

**Solid Waste Management Grant-** Provides technical assistance and training to nonprofits to assist rural communities of 10,000 or less to reduce or eliminate pollution of water resources, and to improve planning and management of solid waste facilities.

**Rural Water Circuit Rider Technical Assistance Grant-** Provides on-site technical assistance to help assure cost-effective operation of rural water systems.

**Community Facilities Program-** Provides loans, grants and loan guarantees to develop essential community facilities in rural communities of 20,000 or less. Public bodies, nonprofit organizations and recognized Indian tribes may qualify for assistance.

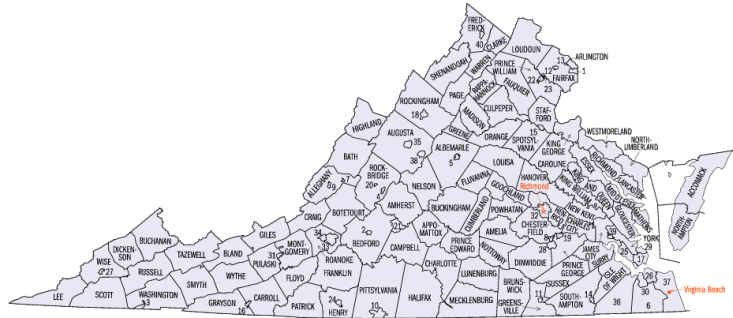


[www.rurdev.usda.gov/va](http://www.rurdev.usda.gov/va)

# OFFICE LOCATOR

## State Office

Joe Newbill, Virginia State Director  
 1606 Santa Rosa Road, Suite 238  
 Richmond, VA 23229  
 Phone: (804) 287-1550  
 Fax: (804) 287-1718



## Area Offices

**Lebanon Area**  
 383 Highland Drive, Suite G  
 Lebanon, VA 24266  
 Phone: (276) 889-4650  
 Fax: (276) 889-2105  
 Sally Hamer, Rural Development Manager

**Wytheville Area**  
 1000 USDA Drive  
 Wytheville, VA 24382  
 Phone: (276) 228-3513  
 Fax: (276) 228-2049  
 Travis Jackson, Rural Development Manager

**Lynchburg Area**  
 20311-A Timberlake Road  
 P.O. Box 4337  
 Lynchburg, VA 24502  
 Phone: (434) 239-3473  
 Fax: (434) 239-3735  
 Sally Hamer, Acting Rural Development Manager

**Harrisonburg Area**  
 1934 Deyerle Avenue, Suite D  
 Harrisonburg, VA 22801  
 Phone: (540) 433-9126  
 Fax: (540) 432-1707  
 Elizabeth Walker, Rural Development Manager

**Suffolk Area**  
 1548 Holland Road  
 Suffolk, VA 23434  
 Phone: (757) 539-9265  
 Fax: (757) 925-4750  
 Travis Jackson, Acting Rural Development Manager

## Local Offices

Location	Phone/Fax
<b>ACCOMAC</b> 22545 Center Parkway, Accomac, VA 23301 Counties served: Accomack, Northampton	(757) 787-3181 (757) 787-8142
<b>BOYDTON</b> 1028 Madison Street, Boynton, VA 23917 Counties served: Mecklenburg, Halifax, Brunswick	(434) 738-0300 (434) 738-0201
<b>CHARLOTTESVILLE</b> 695 Berkmar Ct., Suite 3, Charlottesville, VA 22901 Counties served: Albemarle, Fluvanna, Greene, Louisa, Nelson	(434) 975-0047 (434) 975-0223
<b>CHRISTIANSBURG</b> 75 Hampton Blvd., Christiansburg, VA 24073 Counties/Cities served: Montgomery, Alleghany, Botetourt, Clifton Forge, Covington, Craig, Floyd, Giles, Pulaski, Radford, Roanoke, Salem	(540) 382-0267 (540) 381-5604
<b>CULPEPER</b> 351 Lakeside Avenue, Culpeper, VA 22701 Counties served: Culpeper, Fauquier, Orange, Madison, Rappahannock	(540) 825-4200 (540) 825-1655

*Local Offices*

<b>Location</b>	<b>Phone/Fax</b>
DINWIDDIE P.O. Box 279, 13915 Boydton Plank Road, Dinwiddie, VA 23841 Counties/Cities served: Dinwiddie, Charles City, Chesterfield, Colonial Heights, Emporia, Goochland, Greensville, New Kent, Petersburg, Prince George, Sussex, Surry, Powhatan	(804) 469-3311 (804) 469-5962
FARMVILLE 100 C. Dominion Drive, Farmville, VA 23901 Counties/Cities served: Prince Edward, Amelia, Cumberland, Nottoway, Lunenburg, Charlotte, Buckingham	(434) 392-4906 (434) 392-4577
FREDERICKSBURG 4805 Carr Drive, Jackson Square Office Park, Fredericksburg, VA 22408 Counties served: Spotsylvania, Arlington, Caroline, Falls Church, Fairfax, Fredericksburg, King George, Loudoun, Manassas, Prince William, Stafford	(540) 899-9492 (540) 899-2014
GATE CITY 95 US Hwy 23 S, Suite 1, Gate City, VA 24251 Counties/Cities served: Scott, Wise, Lee, Norton	(540) 386-3951 (540) 386-9051
LEBANON 383 Highland Dr., Suite 5, Lebanon, VA 24266 Counties/Cities served: Russell, Buchanan, Dickenson, Tazewell	(276) 889-4650 (276) 889-2105
LYNCHBURG 20311-A Timberlake Rd., P.O. Box 4337, Lynchburg, VA 24502 Counties/Cities served: Campbell, Amherst, Appomattox, Bedford, Lynchburg City	(434) 239-3473 (434) 239-3735
ROCKY MOUNT 1297 State Street, Rocky Mount, VA 24151 Counties/Cities served: Franklin, Danville, Henry, Martinsville, Pittsylvania, Patrick	(540) 483-5341 (540) 483-0006
SMITHFIELD 203 Wimbledon Lane, Smithfield, VA 23430 Counties/Cities served: Isle of Wight, Chesapeake City, Franklin, Hampton, James City, Newport News, Suffolk, Poquoson, Southampton, Virginia Beach City, Williamsburg, York	(757) 357-7004 (757) 357-7798
STEPHENS CITY 130 Carriebrook Drive, Stephens City, VA 22655 Counties/Cities served: Frederick, Clarke, Page, Shenandoah, Warren, Winchester	(540) 868-1130 (540) 868-1135
TAPPAHANNOCK 772 Richmond Beach Road, Rappahannock Office Bldg, P.O. Box 700, Tappahannock, VA 22560 Counties served: Essex, Gloucester, King and Queen, Lancaster, Mathews, Richmond, Middlesex, King William, Northumberland, Westmoreland	(804) 443-4304 (804) 443-1375
WYTHEVILLE 100 USDA Drive, Wytheville, VA 24382 Counties/Cities served: Wythe, Bland, Bristol, Carroll, Galax, Grayson, Smyth, Washington	(276) 228-3513 (276) 228-2049
VERONA P.O. Box 70, 70 Dick Huff Lane, Verona, VA 24482 Counties/Cities served: Augusta, Bath, Buena Vista, Harrisonburg, Highland, Lexington, Rockbridge, Rockingham, Staunton, Waynesboro	(540) 248-6218 (540) 248-0691