



Virginia's Agricultural BMP Loan Program & AgBMP Success Story

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December 16, 2021

Virginia Agriculture

- Virginia's largest private industry
- Approximately \$70 billion annually economic impact and provides more than 334,000 jobs
- Approximately \$3.9 billion in total agricultural outputs (2017)



<u>Sources:</u> The Economic Impact of Virginia's Agriculture and Forest Industries, Weldon Cooper Center for Public Service, University of Virginia, 2017 and 2017 USDA Census of Agriculture, 2016 survey data from NASS and the Economic Research Service (ERS)



Virginia Agriculture

Market Value of Agricultural Products sold in 2017

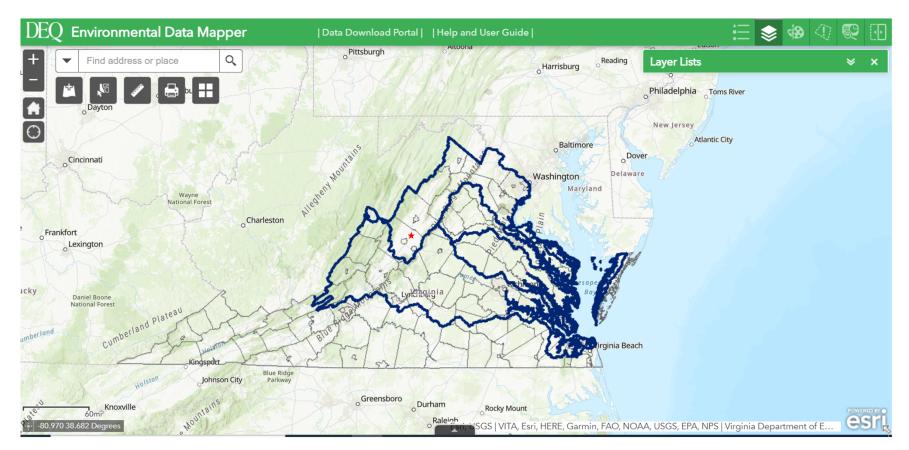
Rank	County	Total
1	Rockingham	\$795,919,000
2	Augusta	\$292,547,000
3	Accomack	\$163,269,000
4	Page	\$150,125,000
5	Shenandoah	\$142,825,000
6	Orange	\$113,069,000
7	Northampton	\$95,991,000
8	Amelia	\$86,577,000
9	Southampton	\$75,062,000
10	Pittsylvania	\$72,678,000



Source: 2017 USDA Census of Agriculture, 2016 survey data from NASS and the Economic Research Service (ERS). Highlighted counties are located in the Chaesapeake Bay watershed



Virginia Agriculture-Chesapeake Bay Watershed/Basins





Virginia's Chesapeake Bay Phase III Watershed Implementation Plan (WIP)

Table 2: Virginia's Bay Watershed Sector Loads and Reductions (in	pounds)		
Nitrogen (pounds)	2017 Progress Load	WIP III Final Load	Reductions Identified in WIP III Final
Wastewater	12,743,000	12,754,000	-11,000
Agriculture	19,726,000	13,145,000	6,581,000
MS4 Developed	3,708,000	3,483,000	225,000
Non-MS4 Developed	8,827,000	7,902,000	925,000
Natural	11,208,000	10,436,000	772,000
Federal	1,942,000	1,855,000	87,000
Total	58,155,000	49,573,000	8,582,000
Phosphorus (pounds)	2017 Progress Load	WIP III Final Load	Reductions Identified in WIP III Final
Wastewater	947,300	946,000	1,300
Agriculture	1,568,500	1,027,500	541,000
MS4 Developed	410,000	394,700	15,300
Non-MS4 Developed	881,100	766,900	114,200
Natural	2,023,000	1,822,900	200,100
Federal	292,200	272,000	20,200
Total	6,122,200	5,230,000	892,200

Source:
Commonwealth
of Virginia,
Chesapeake Bay
TMDL Phase III
Watershed
Implementation
Plan, August 23,
2019



VA's Agricultural Best Management Practices (AgBMP) Program Background

- Original AgBMP Loan program
 - ☐ Established in 2000
 - ☐ Total of 491 projects
- Suspended in 2016
 - ☐ Due to waning interest
- Reinstated July 1, 2019
 - □ Recognized as critical in Virginia's efforts to meet Chesapeake Bay goals
 - Administration supported additional incentives
 - ☐ Incentives required Code changes



Current DEQ AgBMP Loan Program

- Total revolving loan fund of \$28 Million
- Applications ranked based on TMDL watershed(s) and estimated nutrient reductions
- 0% interest for up to 10 years dependent on lifespan of practices and useful life (No Till Drill up to 7 years)
- Cost-share/financial assistance goes directly to pay down the principal as a balloon payment



Current DEQ AgBMP Loan Program

- DEQ Clean Water Financing and Assistance Program Project Managers
 - Boots on the ground
 - Work directly with farmers (loan applicants/recipients), SWCD, and NRCS
- Virginia Resources Authority
 - Conduct credit reviews (Farm Credit assists in some cases)
 - Underwrite loans
 - Disburse eligible payments during construction
 - Collect payments upon project completion



Current DEQ AgBMP Loan Program

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Practice #	Practice Name	Practice #	Practice Name	
EM-1AT	Small Scale Manure Composting for Equine Operations – Aerated Systems		Stream Protection - Fencing with Wide (>35 ft) Width Buffer	
EM-1T	T Small Scale Manure Composting for Equine Operations – Static Systems		Stream Protection (fencing)	
FR-3	Woodland Buffer Filter Area		Animal Waste Control Facility	
LE-1T*			Dairy Loafing Lot Management System	
LE-2T*	Livestock Exclusion with Reduced Setback		Composter Facilities	
			Animal Waste Structure Pumping Equipment	
SE-2	Shoreline Stabilization		Animal Mortality Incinerator Facilities	
SL-1***	Long Term Vegetative Cover On Cropland		Animal Waste Control Facility for Confined Livestock Operations	
SL-4	Terrace System			
SL-5	Diversion	WP-4LL**	Loafing Lot Management System with Manure Management (excluding bovine	
SL-6A	Small Acreage Grazing System	MD 4CE**	dairy)	
SL-6AT	Small Acreage Grazing System	WP-4SF**	Seasonal Feeding Facility with Attached Manure Storage	
SL-6B	Alternative Water System	WP-5	Stormwater Retention Pond	
SL-6N	Stream Exclusion with Narrow (<35 ft) Width Buffer and Grazing Land Management	WP-6	Agricultural Chemical & Fertilizer Handling Facility	
			Surface Water Runoff Impoundment for Water Quality	
SL-6W	Stream Exclusion with Wide (>35 ft) Width Buffer and Grazing Land Management	WP-8	Relocation of Confined Feeding Operations From Environmentally Sensitive Areas	
SL-7	Extension of Watering Systems	WQ-5	Water Table Control Structure	
SL-11B	Farm Road, Animal Travel Lane, Heavy Use Area Stabilization	WQ-6	Constructed Wetlands	
WP-1	Sediment Retention, Erosion or Water Control Structures	WQ-6B	Wetland Restoration	
WP-2A	Streambank Stabilization		Irrigation Water Recycling System	
WP-2B	Stream Crossing & Hardened Access		Fuel Storage Treatment	
			Agricultural Sinkhole Protection	
WP-2C	Stream Channel Stabilization		Roof Runoff Management System	
WP-2N	Stream Protection -Fencing with Narrow (<35 ft) Width Buffer	NTD [†]	No-Till Planter/Drill	

^{*} LE-1T replaced with SL-6W for FY2021, LE-2T replaced with SL-6N for FY2021, WP-2T replaced with WP-2N and/or WP-2W for FY 2021



^{**} Newly eligible loan practices beginning in FY 2021

F SL-1 has maximum loan term of 5 years, NTD has maximum loan term of 7 years

AgBMP Loan Program- Current Dashboard as of 12-9-2021

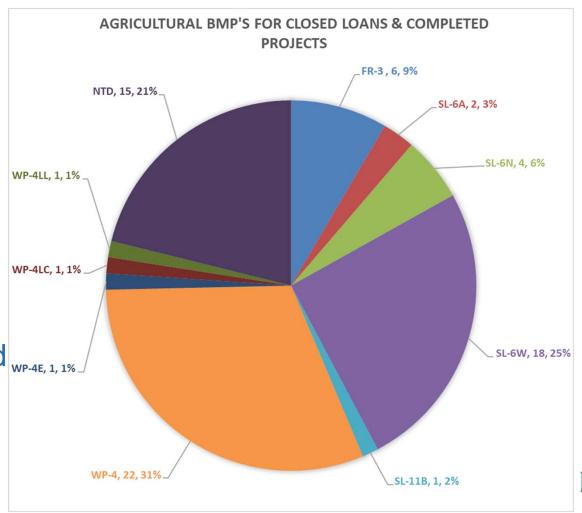
185 total applications

 \$10,876,206.34 in 71 loans closed (30 completed projects)

• \$18,357,609 obligated

\$3,604,253 cost-share repayments

• \$13,246,644 unobligated wp-4E, 1, 1%





Project Details

- 140 cow/calf pairs on approx. 375 acres
- 2 wells and pumping plants
- 11 troughs
- Approx. 12,000' or 2.2 miles of pipeline
- Approx. 23,104' or 4.3 miles of exclusion fence
- Approx. 77 acres of riparian buffers both herbaceous and forested
- Approx. 27,000 linear feet or 5.1 miles of streambank excluded





Garber Farms, Inc.- Stream Exclusion and Grazing Land

Management with Riparian Buffers

Project Details

- Reduced Annually
 - Approx. 3,481 lbs of Total P

9,713 lbs of Total N

1,056 tons of TSS

- Total project cost of \$229,412.20
 - Approx. \$66/lb of P

\$24/lb of N

\$217/ton of TSS

Great example of funding and conservation partnerships!!

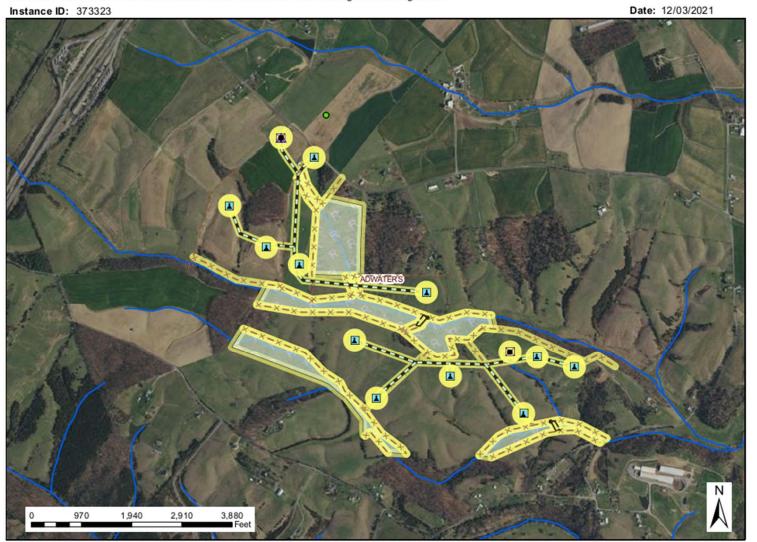
Above nutrient reductions calculated based on the Chesapeake Assessment Scenario Tool (CAST) Model for Virginia, Grass Buffer, Streamside with Exclusion

Fencing



BMP Map

Practice: SL-6W: Stream Exclusion with Wide Width Buffer and Grazing Land Management



Final asbuilt map courtesy of Headwaters SWCD





Before

- Streambank Erosion
- Direct Deposition
- Over grazing & under grazing
- Streams as only water source
- Poor manure distribution







Before photo courtesy Headwaters SWCD





Trough photo courtesy Headwaters SWCD















Garber Farms Interview Video December 2021



Project Benefits

- Water Quality
 - □ Reduced streambank erosion and elimination of direct manure deposition
 - Better managed pasture paddocks = better forage and less run-off
 - □ Protected riparian buffers that will reduce run-off and nutrient loading to the streams
 - □ Potential for reduced stream temperatures in the forested buffer areas



Project Benefits

- Soil Quality (Soil Health)
 - □ Rotation grazing = better manure distribution
 - Better forage management = healthier forages and healthier soil
 - ☐ Less compaction in concentrated areas
 - No livestock access to streambanks





Project Benefits

- Financial
 - □ Pasture paddocks allow for better maintenance of fertilizer, lime, weed control
 - Easier pasture/herd management leads to less time and labor
 - Less calves lost due to calving in/near the streams





Project Outcomes

- Partnership
 - 100% cost-share from two funding sources and 0% interest AgBMP loan
- Conservation Award Winners
 - EPA PISCES "Excellence in System Partnerships"
 - ☐ Clean Water Farm Award Winner-Headwaters SWCD
 - Shenandoah Grand Basin Clean Water Farm Award Winner-DCR



Questions?



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