



**RURAL INVESTMENT
COLLABORATIVE™**
Small towns, big opportunities.™

2024 Annual Report



**FEDERAL RESERVE BANK
OF RICHMOND®**

Richmond • Baltimore • Charlotte

*Strengthening the economy
and our communities™*

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"The core of our work within Community Development at the Fed is to make sure all people have access to capital and credit, and to expand

economic opportunity. That's what the Rural Investment Collaborative focuses on: making sure small towns and rural communities can access the investment dollars needed to help their communities thrive."

Carrie Cook

*Vice President and Community Affairs Officer
Federal Reserve Bank of Richmond*

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INTRODUCTION

The Rural Investment Collaborative™ (RIC) brings together community leaders in small towns and rural areas from Maryland, North Carolina, South Carolina, Virginia, and West Virginia to help improve economic investment. The RIC is led by the Richmond Fed in collaboration with several core partners. The Richmond Fed provides leadership and project management for the initiative. The Richmond Fed does not fund or otherwise award grants, participate in the selection of grantees, or select the communities that will receive training or technical assistance.

The RIC is comprised of three workgroups with community leaders who are state and national leaders from rural intermediaries, businesses, nonprofits, philanthropy, and the public sector. Fed staff help convene and support the workgroups but do not serve on them. These three workgroups

provide expertise on rural capital access, manage resource development, and select communities for training, technical assistance, and other resources. As we look ahead into 2025, the RIC Steering Group, Project Development Workgroup, and Capital Development Workgroup are focused on the ongoing sustainability of the program, including fundraising and evaluating the program's effectiveness. We will also engage previous program participants by hosting quarterly alumni connect sessions and requesting participation in RIC workgroups.

A signature focus of the RIC is the Community Investment Training (CIT) program, which provides training and guidance to assist community leaders with developing viable projects that support the economic and community development of their towns. Since its inception in 2023, the following outcomes have been achieved:

Community Investment Training Program Outcomes:

43

Engaged 43 rural communities through the CIT.

100%

One hundred percent of the CIT participants strongly agree/agree that they would recommend the CIT to other rural leaders.

\$500,000

The RIC Steering Group, which does not include Richmond Fed staff, raised \$500,000 through 2024. This is multi-year funding that includes implementation grants that will occur in 2025.

\$191,000

To date, \$191,000 has been awarded to community organizations to advance CIT graduate projects. This includes \$36,000 for mini-grants and \$155,000 for technical assistance funds that were awarded by the steering group through a competitive process.

\$135,000

Two communities from the 2024 CIT cohort were awarded \$135,000 in follow-on funding from other capital sources after completing the training and developing their projects.

STATEMENT FROM PRESIDENT



Tom Barkin
*President,
Federal Reserve Bank
of Richmond*

Maximum employment is one of our two mandates from Congress, so we at the Richmond Fed are committed to understanding what hinders labor force participation and economic growth across the Fifth District. Small towns and rural communities, which compose nearly a quarter of our district, tend to lag in these economic outcomes. Thus, we've made a concerted effort to get to know these communities, understand the unique challenges they face, and determine how we can best support them.

Time and time again, we've heard of driven rural leaders who were motivated to support their communities but lacked the necessary technical skills to pull together project proposals and access capital. We launched the Rural Investment Collaborative to help bridge that gap. The Collaborative leverages our convening power to bring together driven individuals who want to make a difference with the skills, training, and funding needed to make that difference. At the same time, we work with regional and national funding organizations to help them increase the availability and accessibility of capital for rural projects.

With our first year behind us, I'm proud of what we have accomplished and excited for what lies ahead. Our 2024 cohort graduated 18 participants who have already received \$155,000 in technical assistance funding. Our 2025 cohort is almost a third bigger, with 25 leaders participating. I am grateful to all our partners who have made this work possible, and I am excited to see the Collaborative and its participants realize their promise in the years ahead. Together, we can help improve rural economic outcomes throughout the Fifth District.



PROGRAM OVERVIEW

The Rural Investment Collaborative, which began in 2023, seeks to improve economic investment in small towns and rural communities. The Richmond Fed collaborates with workgroups comprised of rural-serving organizations and funding sources to help communities develop project proposals and make access to funding easier.

In addition, the Richmond Fed's RIC works to address a basic problem of supply and demand that is a barrier for many small towns to access the available capital needed to advance economic and community development efforts.

On the demand side, rural regions have fewer people who are equipped to develop strong project proposals. The Community Investment Training, part of the collaborative's work, brings together community leaders in small towns and rural areas to participate in shared learning and programming that helps them improve their access to capital.

On the supply side, rural communities don't always have access to the funding sources available in more populated areas. Some sources of funding are missing, and funding more broadly is not always as well-coordinated. By working together to address the supply and demand challenges, we are creating a future in which small towns and rural communities achieve economic resilience and prosperity.

What We Are Learning

Based on our discussions through training sessions and rural engagement, we have learned about challenges and opportunities.

We heard that our rural community leaders:

- Wear several hats and have limited time and expertise for proposal project development.
- Need to pivot frequently and remain agile because of obstacles and opportunities.
- Take on multiple projects at one time.
- Lack knowledge about community development financing and technical assistance resources.



"The Rural Investment Collaborative is a valuable coordinating and convening body representing expert voices who are engaged and committed to supporting rural communities."

Brandy Bynum Dawson
Senior Program Director, MDC
(RIC Steering Group Member)

2024 and 2025 CIT projects focus areas:

- 23% tourism
- 20% downtown and/or Main Street revitalization
- 20% affordable and workforce housing
- Other project focus areas: workforce development, business incubation, community centers, weather resilience, broadband, health facilities, and food systems.

2024 CIT participants shared:

- 100% strongly agree/agree they would recommend the CIT to other rural leaders.
- 100% strongly agree/agree they would like to continue learning with people who have completed the CIT.
- 93% are very likely to use what they learned from the CIT to continue working on their project
- 85% are very likely to use what they learned to work on multiple projects in their community.

The Rural Investment Collaborative™ will continue to gather input, feedback, and survey data to uncover further insights from program participants. In 2025, the RIC will also engage an independent evaluator to provide accountability, transparency, and program recommendations.

PROGRAM OUTCOMES

The RIC Steering Group, which does not include Richmond Fed staff, raised \$500,000 through 2024. The steering group awards these funds through a competitive awards process. In 2024, community organization leaders who completed the CIT were awarded \$191,000:

- **\$36,000 in mini-grants:**

\$2,000 provided to community organizations to support projects CIT graduates are leading.

- **\$155,000 in technical assistance funding:**

Eleven projects received received technical assistance funding in 2024. Technical assistance funding supports tangible products, engineering and architectural studies to advance rural community projects.

- **\$135,000 in follow-on funding:**

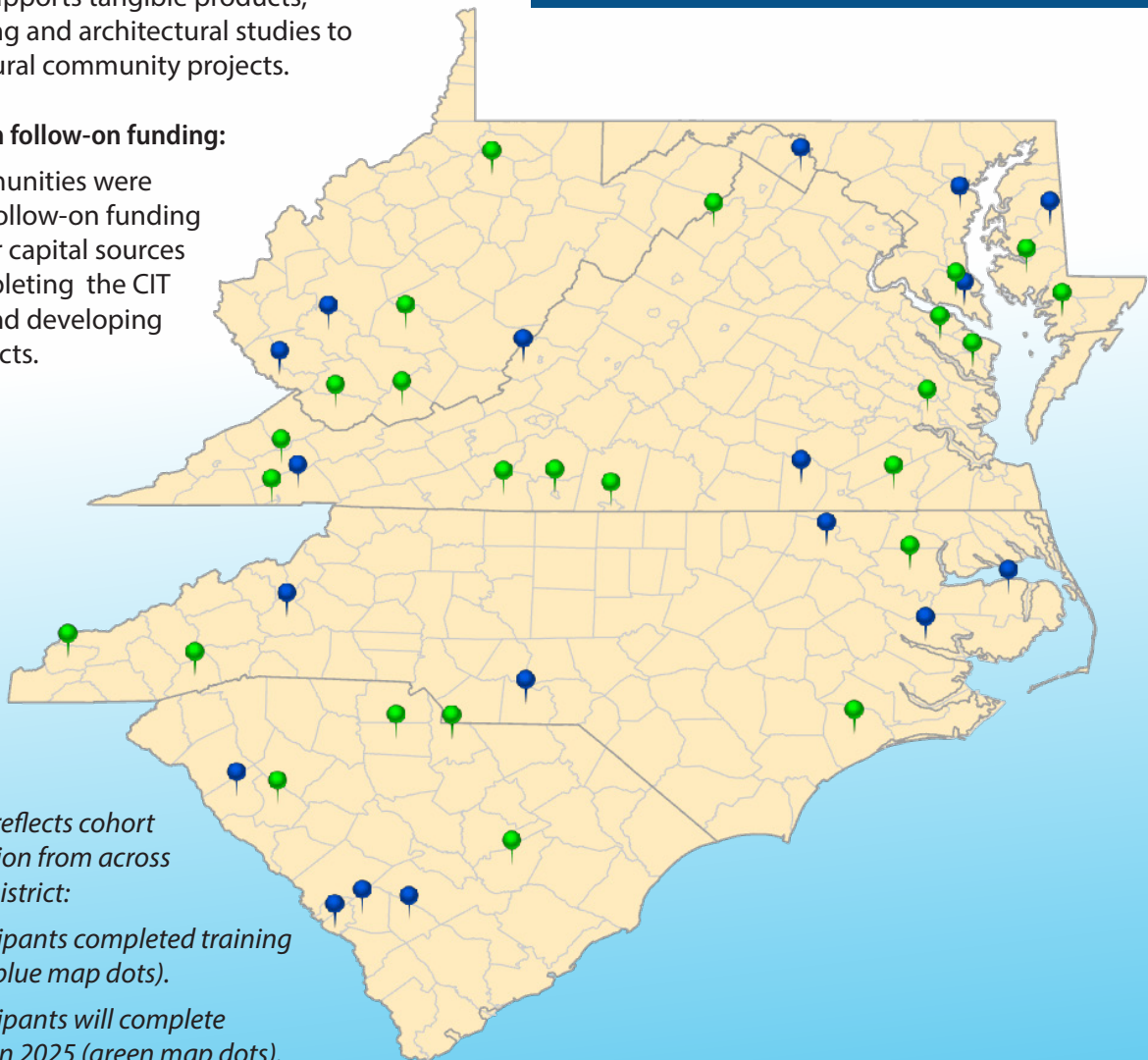
Two communities were awarded follow-on funding from other capital sources after completing the CIT training and developing their projects.



“A big success that came out of the training is that the project I was focused on has already been awarded funding through an opportunity that was brought to our attention from the cohort training, so that is a very tangible result that is very exciting.”

Katie Ryan

*Director of Operations, Clifton Forge School of the Arts
(2024 Cohort Member)*



RURAL INVESTMENT COLLABORATIVE WORKGROUPS

The Richmond Fed's Community Development team serves as a convener for three external workgroups. These workgroups provide strategic leadership and decision-making for the RIC.

RIC Steering Group:

The RIC Steering Group is composed of rural intermediaries, including the rural council, center, or hub for each state. The group meets at least quarterly with two, in-person retreats per year to foster deeper learning within the network. The steering group also provides oversight and leadership for the capital development and project development workgroups.

Project Development Workgroup:

The Project Development Workgroup works to ensure that small town and rural communities can develop project proposals that are investable. This group oversees the 16-week Community Investment Training for community leaders in partnership with Invest Appalachia. At the end of the training, participants pitch their project proposals to the group.

Capital Development Workgroup:

The Capital Development Workgroup is focused on making improvements to the rural capital ecosystem. The group produces actionable data analysis and research products that will help RIC partners communicate with decision-makers. In addition to leveraging individual and organizational relationships, the workgroup will also convene decision-makers to share findings and encourage implementing improvements to the system.



“Community capacity is developed by identifying formal and informal leaders and building their skills by working through the project they bring to the training — not bringing in outside experts. This provides these leaders with the skills to do project after project in their community. That’s what I think is going to be successful in filling the capacity gap more broadly across rural America.”

*Deb Markley
Executive Director, Community & Sector Partnerships
Locus (Capital Development Workgroup Member)*

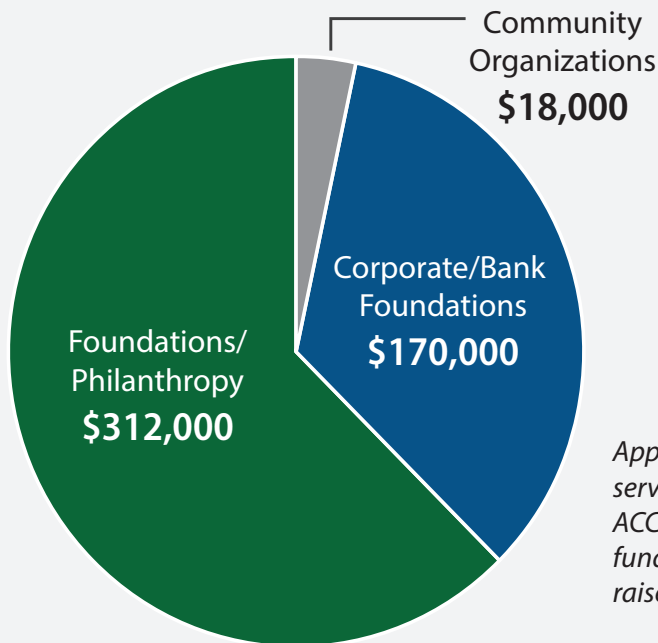
FINANCIALS

The Rural Investment Collaborative is led by the Richmond Fed in collaboration with several core partners. The Richmond Fed provides leadership and project management for the initiative, including coordinating the training. The independent steering group reviews all applications and awards the grants. Members of the various workgroups, which do not include Richmond Fed representatives, provide recommendations and input to the steering group's decisions. The steering group reviews

applications submitted from rural community organization leaders who have existing or new project ideas that need to be developed into a proposal.

Additional investment from national, state, and local investors ensures that there is a funding pool for mini-grants, technical assistance, and implementation grants during the five years.

2024 Funds Raised by Steering Group (As of End of December 2024)



Appalachian Community Capital (ACC) serves as the fiscal sponsor of the RIC. ACC has a designated, specific purpose fund to receive and distribute funds raised by the RIC Steering Group.

LOOKING FORWARD

2025 Update

- The 2025 CIT program started in January 2025 with an increased cohort size of 25 community leaders.
- Forty-three organizations applied to participate in the 2025 cohort, doubling the number from the previous cycle. The Project Development Workgroup will work with the 18 applicants who were not accepted into the program to strengthen their position and better prepare them for the next application cycle.

2025 Strategic Focus

- The RIC Steering Group will focus on resource development, including the ongoing sustainability of the program to identify opportunities to expand the RIC.
- The Project Development Workgroup will focus on recruiting participants from areas not yet reached and cultivating the readiness of past applicants to the program.
- The Capital Development Workgroup will finalize a theory of action to include research and resources to help capital providers understand how to invest in small towns and rural communities individually and through better alignment of capital sources.
- Previous program participants will be offered multiple ways to engage. Quarterly alumni connect sessions will provide an opportunity for program alumni to provide updates on their projects and receive technical assistance. Alumni will also engage with current cohort participants to share lessons learned from their involvement in the CIT as guest speakers and informally through planned social hours. Finally, we will invite past program participants to participate in workgroups.
- The RIC will engage an independent evaluator to provide assessment and feedback on the overall effectiveness of the RIC and the CIT program, including graduates' progress and outcomes.
- The RIC Steering Group will continue to manage resource development to allow for funding between \$300,000-\$500,000 per year to be awarded through the competitive awards process.



"The Benedum Foundation has become an investor in the training because we see capacity issues throughout a lot of the organizations that we fund in West Virginia.

This workgroup is just another creative and innovative way for the Claude Worthington Benedum Foundation to contribute to a broader vision and mix our philanthropic funds with other philanthropic dollars to train more people who are working on the projects that we all care about."

Jen Giovannitti

*President, The Claude Worthington Benedum Foundation
(Funder/Capital Development Workgroup)*

RURAL INVESTMENT COLLABORATIVE PARTNERS AND ROLES

Rural Investment Collaborative Partners

The Rural Investment Collaborative (RIC) is led by the Richmond Fed with Appalachian Community Capital (ACC) serving as the fiscal sponsor.

Role of the Richmond Fed

The RIC is made possible with contributions from several core partners. The Richmond Fed provides leadership, project management, and technical assistance. The Richmond Fed does not fund or otherwise award grants, participate in the selection of grantees, or select the communities that will receive training or technical assistance.

The independent [steering group](#) reviews all applications and awards all grants. Workgroup members also provide recommendations and input to the steering group's decisions. Federal Reserve employees are not part of the steering group or the grant award process.

Role of [Appalachian Community Capital](#)

ACC serves as the fiscal sponsor of the RIC. ACC has a designated, specific purpose fund to receive and distribute funds raised by the RIC Steering Group.

Role of [Invest Appalachia](#)

Invest Appalachia provides the core curriculum for the CIT. Invest Appalachia licenses the curriculum and contracts with training facilitators and speakers. [Wright Venture Services](#) provides lead facilitation and content management on behalf of Invest Appalachia.

Role of Community Investment Partners

The RIC's fiscal sponsor, ACC, receives and distributes monies raised by the RIC Steering Group. These monies fund the mini-grants, technical assistance grants, and implementation grants that are awarded to eligible CIT members. Contributions from the following organizations help make the steering group's vision for supporting rural communities possible:

- [Appalachian Community Capital](#)
- [Annie E. Casey Foundation](#)
- [Camber Foundation](#)
- [Cannon Foundation](#)
- [Claude Worthington Benedum Foundation](#)
- [Community Foundation for a greater Richmond](#)
- [Dominion Energy](#)
- [Invest Appalachia](#)
- [North Carolina Rural Center](#)
- [River Counties Community Foundation](#)
- [SECU Foundation](#)
- [The Duke Endowment](#)
- [Rural Maryland Council](#)
- [United Way Southwest Virginia](#)
- [United Way Greater Charlotte](#)
- [Z. Smith Reynolds Foundation](#)



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