

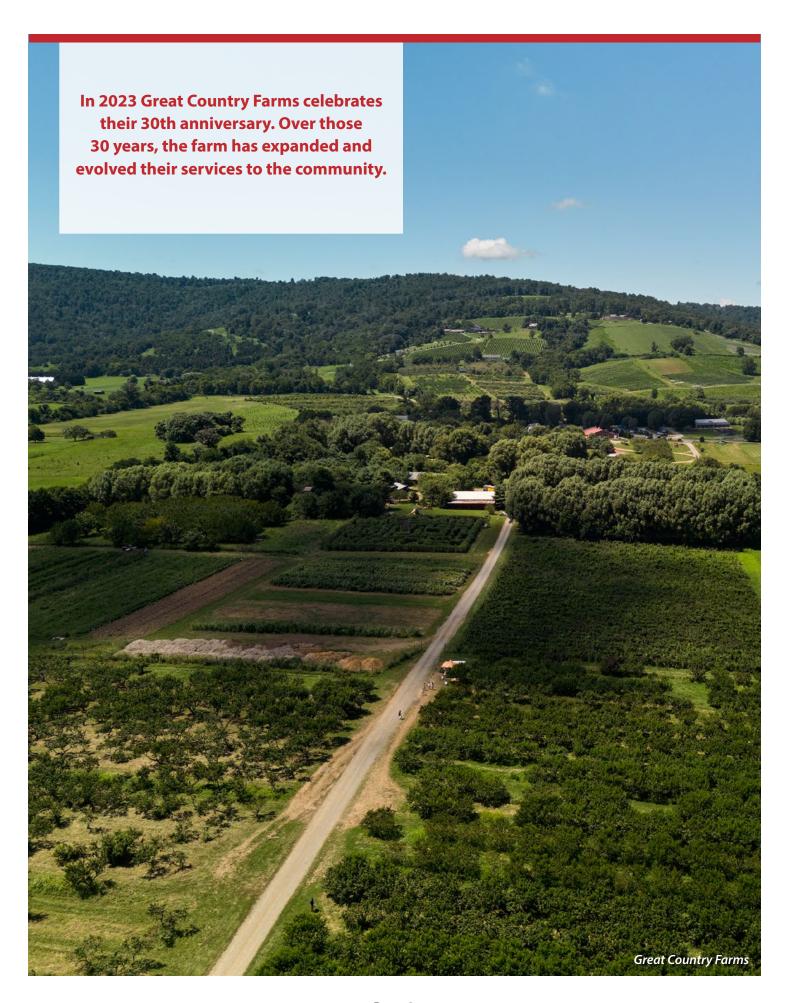






# Roots of Prosperity:

Nurturing Rural Resilience in Western Loudoun County



### A Letter from the Executive Director

Western Loudoun has long been celebrated for the way its picturesque landscapes, rich history, and charming communities play a vital role in creating a meaningful cultural tapestry for which our entire county can be proud. Additionally, the rural areas of Loudoun play an important role in our strong economic standing thanks to the vibrant and dynamic rural business sector that thrives within the county. At a time when digitalization dominates the economic landscape, the rural businesses of Loudoun County defy conventional expectations. They stand as resilient pillars of the local economy, offering unique opportunities, fostering a sense of community, and preserving Loudoun's natural beauty. From the historic farms and rolling vineyards to artisanal craft producers and small-scale agri-businesses, the rural economy of Loudoun County is integral to our identity and sustainability.

According to the most recent <u>USDA Census of Agriculture in 2017</u>, Loudoun County had 1,259 farms and 121,932 acres of farmland. While the latest census numbers will not be released until 2024, Loudoun continues to place great emphasis on efforts to preserve farmland, not only as a matter of agricultural conservation but also as a key component of rural economic sustainability and environmental stewardship. One of the most effective ways to ensure the continued existence of farmland is by providing opportunities and support for rural businesses. For decades, the Loudoun County Department of Economic Development (DED) has worked with our partners, such as Virginia Cooperative Extension and Visit Loudoun, to actively support business creation, retention and expansion in Western Loudoun. As this report shows, our support for rural businesses is extensive and effective, with 123 rural business projects accounting for \$37 million in new investment and 5,743 acres of land preserved in just the last five years. While most of our activity during that period has been with traditional agriculture businesses (including animal husbandry, specialty crops and commodities), we've also provided new programming and direct support for businesses providing overnight accommodations, as well as farm wineries and other craft beverage businesses.

With the support of our Board of Supervisors, DED built innovative programming to support rural businesses during the pandemic and beyond. Award-winning programs like the "Business Interruption Fund" and "Loudoun is Ready", consumer-facing marketing initiatives like the "Loudoun Made, Loudoun Grown Marketplace" and "Take Loudoun Home for the Holidays" and new direct support programs such as "Seeds for Success" and the "Loudoun Farm Exchange" are just a few examples of the great work our team has done in support of rural businesses. This report will go into much more detail about the work DED does in support of businesses in Western Loudoun.

I am proud of the work our team has done for Western Loudoun, in particular those who work directly with our businesses; rural business specialists John Magistro and Chris Blosser, our Towns Liaison and Business Retention Specialist KC Tregoning, small business specialists Jill Badger and Danelle Hayer and our business ombudsman Katy Lowitz. I also appreciate those working behind the scenes to support rural businesses such as our marketing team under the leadership of Mark Armentrout and our research and real estate work done by the team led by Alex Gonski. Finally, I want to thank Colleen Kardasz and Dave Diaz, who serves as the liaison to the Rural Economic Development Council, for their leadership of our department-wide efforts in support of those in Western Loudoun County.

Sincerely,

Buddy Rizer, CEcD Executive Director





























## Business Development

Promote agricultural and other rural businesses as part of a diverse rural economy



Business development is the process used, and services offered, by DED to recruit new business, grow existing industries, and improve the county's business climate. DED's strategy for rural business development includes continuing to promote agricultural and other rural businesses as part of a diverse rural economy that is a regional destination and local advantage that benefits residents in all parts of Loudoun County. While those efforts are led by the Business Development Officer for Agriculture and Business Services and the Rural Business Development Manager, in the last five years the entire business development team of 10 professionals plus the marketing, strategic initiatives, and leadership teams have all worked directly with or supported rural businesses. Services offered to businesses of all sizes, in all stages of growth, and across all rural uses include:

- Planning, promoting, and developing programs and initiatives to enhance the economic vitality and sustainability of agriculture.
- Recommending and overseeing initiatives that support creation, retention and growth of businesses that produce, process, or utilize agricultural products.

- Promoting all aspects of the agricultural industry including farming, agribusiness, agritourism, value added processing, marketing, and sales.
- Advocating for new and existing businesses with county and state regulatory agencies.
- Facilitating assistance to individual businesses based on a comprehensive knowledge of technical and financial assistance programs.
- Identifying, recommending, and prioritizing economic, workforce, and statistical data needs to support agricultural business development efforts.

In the last five years, DED assisted 123 projects that established a new, or expanded an existing, rural business in Loudoun County, preserving approximately 5,743 acres of western Loudoun land and creating \$37 million of new investment in rural enterprises, according to data recorded between August 2018 and August 2023. The leading category of business assisted was Agriculture, which includes animal husbandry, specialty crops, and commodities; followed by Farm Wineries, Overnight Accommodations, and other Craft Beverages.

As one of DED's targeted business clusters<sup>1</sup>, rural wins represent an important portion of the overall success of the department. In the last five years rural wins have made up nineteen percent of the total number of wins recorded by DED.

—— 💥 Key Stats ———

Businesses often come back for additional assistance. In the last five years:

550 rural businesses had repeat activities

87% of rural businesses had repeat activities

The business development process can take days, weeks, months or even years depending upon the stage of the business and market factors that can be compounded for weather-dependent agricultural activities, and emerging rural industries facing regulatory and legislative changes. While DED does get referrals that end up being a one-off or singular support service, most businesses work with DED multiple times throughout the life of a project. During this five-year period, DED recorded repeat activities with 550 rural businesses, reflecting DED's track record of maintaining strong and ongoing relationships with Loudoun's rural businesses. "Activities" describes the aggregate set of meetings, events, tasks, and other communication to support rural economy business retention and expansion, ombudsman support, workforce development assistance, and other new client outreach, business development and educational events. Of the rural businesses DED interacted with, 87% were "repeat businesses" and 98% of all recorded rural activities were with businesses DED had interacted with previously. These numbers

show a commitment to working with businesses on an ongoing basis. Additionally, the number and type of rural businesses worked with continues to grow. As of October 1, 2023, the current pipeline associated with the rural cluster includes 125 active prospects<sup>2</sup> across the entire spectrum of rural business uses.

In the last five years, the approach to rural business development has changed multiple times to accommodate market realities, with no change greater than adapting to the COVID-19 crisis. While demand for local products certainly rose, the strain on local businesses, the closure of many others and expensive adaptations that needed to be made put a significant strain on businesses of all shapes and sizes across the County. DED's COVID-19 support included direct outreach and support and the administration of several rounds of business grants <sup>3</sup>. DED reached out to over 400 different rural businesses in an outreach campaign following the onset of the COVID-19 pandemic. Starting in Spring of 2020 the following grant programs all provided significant funding to rural businesses:

1. Business Interruption Fund (BIF): The first of the available grants using DED funds to start before incorporating The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds, BIF allocated 50 grants to rural businesses in the Loudoun Made, Loudoun Grown (LMLG) program during the first round of funding. The BIF grant program supported the resilience of Loudoun's rural economy by helping businesses remain solvent while revenue dropped in the months following the onset of the COVID-19 pandemic, and it helped them continue to employ and re-hire employees. Across all rounds of grants, DED's outreach efforts continued to encourage rural businesses to apply and receive funding.

<sup>1 |</sup> Industry clusters are defined as geographic concentrations of interconnected companies, specialized suppliers, service providers, and associated institutions in a particular field. DED's target industry clusters include Information and Communications Technology (ICT), Highly Specialized Manufacturing, and Agriculture/Rural Economy businesses.

<sup>2 |</sup> An active prospect is a business that is actively seeking to move or expand and will be adding commercial space, new land under cultivation, new investment, and/or new jobs. Prospects may be new recruitment, expansion, or retention based on whether they already have a presence in Loudoun County.

<sup>3 |</sup> https://biz.loudoun.gov/loudoun-business-fund/

2. Loudoun Is Ready Outdoor Seating Grant: Meant to help food-based and hospitality businesses specifically incorporate health and wellness adaptations for customers, approximately half of funding went to rural businesses such as wineries, breweries, and restaurants in western Loudoun.



3. Loudoun Hotel Relief Grant: The first of the distributed grants using American Rescue Plan Act (ARPA) funds, this grant was specifically written to include Loudoun's many bed & breakfast (B&B) businesses throughout western Loudoun who saw sharp declines in overnight stays and were unable to host many of the events that supplement their income throughout the year. 10 B&Bs received and accepted funding.



4. Business Reinvestment and Recovery Grant (BRRG): BRRG was designed to fund innovative solutions to accelerate business growth for companies that needed to pivot in the wake of the COVID-19 crisis. DED provided up to \$50,000 for 124 Loudoun businesses to help enable them to adapt their business model, adopt new technologies or practices, or otherwise reinvent their business to cope with the economic and/or public health requirements and challenges during the pandemic.

BRRG grants went to several rural businesses to add equipment, marketing support and more, including:

#### a. Long Stone Farm:



In order to increase production and sales of beef, chicken, and pork, BRRG funds were secured to improve fencing and handling corrals, well and watering troughs, soil amendments, as well as three new chicken tractors and funding to market a new retail farm store.

#### b. Hope Flower Farm:



BRRG funds allowed this flower farm and orchard to install a new well that would be suitable as a public water supply as well as restore their barns as they made the necessary pivot to direct sales on their farm when the pandemic had severely impacted the wedding and events industry.

#### c. Cedar Creek Farm:



As an equestrian boarding, training and show facility, this farm used the BRRG funds to acquire a new tractor, create an online scheduling system to optimize social distancing, and make building improvements to provide more space for guests as well as outdoor wash stalls for horses.

#### d. Paige's Pit Stop:



BRRG funds allowed this small farm and farm market to make building and infrastructure improvements, as well as secure new kitchen equipment to support the increase in demand for food items, continue the expansion of the area under cultivation for more locally grown produce; expand chicken and duck egg production; and expand chicken/turkey meat production.

#### e. 868 Estate Vineyards:



This farm winery used BRRG funds to help address their customers' desire to safely spread out across

the property in comfort and allowed them to be served through enhanced Point-Of-Sale (POS) access via expanded Wi-Fi, covered outdoor seating, and centralized entertainment.

#### f. Wine Reserve at Waterford:



In order to improve margins for their wine production and increase sales via non-contact payments including POS and subscriptions, the farm winery used BRRG funds to install new vineyard and acquire equipment for vineyard maintenance as well as technology to support their sales operations.

#### g. Spring House Farm:



BRRG funds allowed this livestock producer to expand their breeding stock offerings beyond their current cattle and hog operations as well as make their post-slaughter butchering more efficient and cost effective by building out their own on-farm facility.

DED has also incorporated rural businesses into its commercial business development process by including information in pitch packets about rural businesses and western Loudoun as well as directly supporting rural business in its outreach efforts. For example, DED

highlights LMLG products as gifts for prospects and visitors, purchasing \$6,450.22 in Loudoun products directly from local businesses since 2019. Additionally, local rural caterers are used during prospect meetings and signature events, with \$22,982.05 in investment since 2019.

Oftentimes businesses become involved with DED through the strategic activities and resources the department leads. These activities are meant to increase the rural business pipeline and support existing businesses with access to resources and customers. Examples of these activities include:

 Rural Uses Guides: Released in 2019, this resource was requested by the business community in order to simplify technical language and help navigate county and commonwealth regulations specific to rural uses.
 These guides were created by a cross-departmental team and promoted across the County. Once the new zoning ordinance is approved staff will review the guides and work on updating the documents.

### **What They're Saying**

For farmers like Elizabeth Crush from Spring House Farm, social media knowledge is power. After attending Seeds for Success: Social Media 101, she said "I'm constantly multitasking and pitching in to help with tasks on the farm. I truly appreciate your attention to helping those of us who might be behind the scenes in helping our business stay afloat...Having the knowledge you shared will help me to align my daily tasks with the needs of our business."

 Seeds for Success: Introduced in 2019, this educational program provides access to resources in the areas of marketing, sales and business administrative resources.
 Previous classes included social media strategies, event marketing, financing, and video marketing tips.
 With the start of <u>Launch Loudoun</u> in 2023, Seeds for Success has been integrated into DED's overall small business program and a new partnership with Virginia Cooperative Extension Loudoun (VCE) will see the series reinstated in 2024. Additionally, DED is currently working with VCE to promote programming such as a Spanish language ServSafe training in November 2023, and opportunities to expand and enhance this service into 2024.

• Producer/Buyer Marketplace: Held three times before the COVID-19 pandemic, this networking and business-to-business (B2B) event was last held in 2020 in partnership with Visit Loudoun. The Producer/Buyer Marketplace brought together Loudoun's makers and producers with buyers from the hospitality industry in one place to help facilitate new business connections.



- <u>Loudoun Farm Exchange</u>: Post-COVID-19 DED evaluated its earlier programming and decided to expand its B2B event into a broader event and a new website meant to connect Loudoun's rural businesses to more buyers across a variety of industries.
  - Event: Held on March 28, 2023, 66 attendees including farmers, service providers, and resource partners met at Harmony Hall in Hamilton to connect and make new business deals.
  - Website: To facilitate these connections on an ongoing basis, <u>LoudounFarm.Exchange</u> helps local agricultural producers find farm goods, services and land available in the county. This program was recently recognized by the National Association of Counties (NACo) with an Achievement Award in the community and economic development category.
- Minority Farmers Group: Initiated in 2021 in partnership with VCE, the group was formed to get to know members' needs, goals, successful and not so

successful experiences and how to partner to help and strengthen the community.

- Crop Suitability Tool: DED participated in the
  development of the new Crop Suitability Tool for the
  County which was a work product of the VCE and
  Department of Mapping and Geographic Information.
  The goal of this tool is to encourage farmers, beginner
  farmers, people interested in farming, and realtors to
  use this tool to make guided decisions before starting
  a crop for the first time or buying land. Both DED and
  VCE use this tool to help clients better understand
  their properties and potential for future agricultural
  purposes before conducting full soil testing or
  investing in a new business venture.
- Large Animal Emergency Rescue Training: Held in 2021 by the Loudoun County Equine Alliance and sponsored by DED, this event was a three-day training course for first responders, veterinarians, and horse owners in technical, large animal emergency rescue training. This course focused on the practical considerations, behavioral understanding, specialty equipment, tactics, techniques, and methodologies behind the safe extrication of a live large animal from entrapments (trailer wrecks, ditches, mud, water, barn fires) in local emergencies and disaster areas.

For many businesses it is a combination of efforts and activities that leads to success. A few examples of business success that DED helped facilitate include:

#### 1. Green Hills Garden and Nursery:



Located in Taylorstown, this rural business processes harvested green and black teas and has recently entered a partnership with Dominion Tea to sell the first Loudoun County green tea to the public.

Throughout the process, Green Hills had the support

of VCE for its farming practices and worked with DED on establishing its business and access to capital, including receiving a letter of support from the department for a USDA Value-Added Producer Grant which they were awarded for processing equipment.

#### 2. Endless Summer Harvest:



Mary Ellen Taylor and the team at Endless Summer Harvest are Virginia's longest continually operating hydroponics farm, producing more than 8,000 lettuce plants and other greens on a weekly basis. Endless Summer Harvest can produce the equivalent of 12 acres of crops in just 12,000 square feet of greenhouses and do so 12 months out of the year. Every week, Taylor and her team fulfill orders for customers from western Loudoun to Washington, D.C. Endless Summer was one of the first farms to embrace DED's LMLG Online Marketplace during COVID-19 and provided valuable feedback to staff on the platform.

#### 3. Three Caps Farm:



Having tried to start a business once before, lan Triplett, a veteran farmer, was introduced to DED who helped provide information and support

## ------ 🔅 What They're Saying -

Katie and Chris, I wanted to reach out real quick to thank you for making the Loudoun Farm Tour happen. Last weekend was completely exhausting and very successful here at 3CF. Had a lot of folks come by showing genuine interest in what we do, we had less people make snickering remarks about magic mushrooms (always a good sign), and saw an overall increase relative to last year! We were really happy with the results. Of course, this couldn't have happened without you all and your team. So again, thanks so much for what you all do. Also, please let me know if there's anything that I can participate in to help spread Loudoun Agriculture awareness. I can't say that I can commit to every opportunity, but I'd love to do my part when possible.

- Ian Triplett, Founder/Owner of Three Cap Farms

throughout the process of growing a business through direct marketing channels, a facilities expansion, and made referrals to other local resources along the way. As the business was launched mid-COVID, they were having difficulty entering the farmers markets in Loudoun as they were all very popular and not taking additional vendors. He needed help with branding and marketing his farm products to set him apart as he went to other markets in the region as well as enhancing his online sales channels. Three Cap Farms joined the LMLG program and established a presence on the Loudoun Farms Marketplace and started participating in Loudoun Farm Tour events. He used the marketing assets provided by these programs to expand into numerous markets and gain new customers in the region. Just 9 months later, he hired two new employees and built a new agricultural structure on his farm, with guidance from DED through the process for permitting.

#### 4. A Farm Less Ordinary:

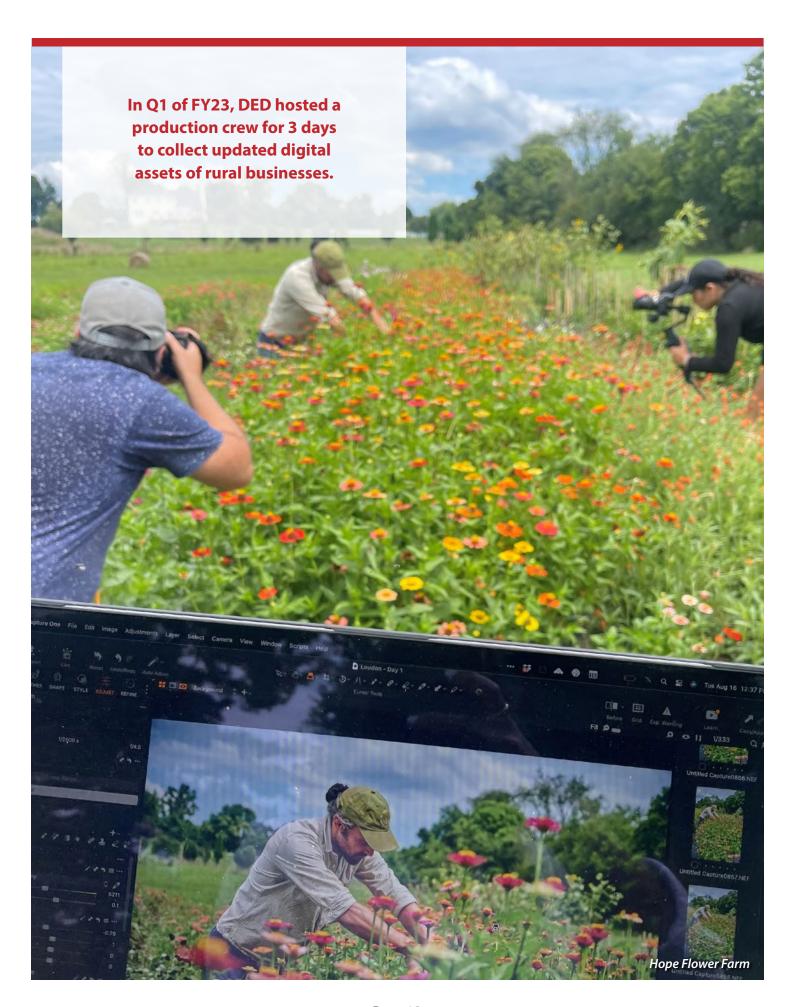


A Farm Less Ordinary, a non-profit operating two farm locations in Loudoun, provides employment and a welcoming community to people with developmental and intellectual disabilities. DED's marketing team shared a Google Data Center Community Affairs Program grant opportunity with the business development team. In turn, the Business Development manager shared the opportunity with A Farm Less Ordinary's co-founder Maya Weschler. Less than 6 months later, the non-profit farm was awarded a \$20,000 grant.

### ----- 🗱 Honoring Rural Businesses 🕒

The department works closely with the Catoctin and Blue Ridge districts to recognize and honor our rural businesses. Over the last five years, a dozen businesses in those districts were celebrated during Small Business Week. The County also recognized Century Farms<sup>4</sup> during the 2023 Loudoun County Fair with engraved plates, honoring the 13 farms for their longevity and contributions to the County.

<sup>4 |</sup> A Virginia Department of Agriculture and Consumer Services initiative which recognizes and honors those farms that have been in operation for at least 100 consecutive years and farmed by descendent of the original owners.



## Marketing

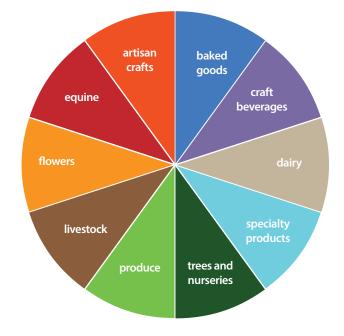
## Bridging East and West by promoting Loudoun's rural businesses



The business development efforts mentioned above can be quiet, behind-the-scenes efforts especially for projects that change over time or are part of large, ongoing efforts. The information gathered from business visits, and activities attended by DED staff has built a strong relationship between business development and marketing efforts allowing for more targeted and flexible messaging that can quickly adapt to changing needs or time-sensitive opportunities. To that end, DED supports and promotes rural businesses through a variety of methods including annual signature programs, social and paid media campaigns, sponsorships, local gift purchases for clients and catering for events to showcase the diverse rural products and services that are available. Through annual signature event programming, studies and other events, DED has invested over \$250,000 since 2019 to promote rural Loudoun businesses.

With social media as a dominant platform for sharing information, Loudoun Farms social media channels have 17,347 active followers (individuals and businesses who subscribe to and receive information from Loudoun Farms channels) and, since September, 2020, posts by DED's Loudoun Farms have a reach of 549,516 on

Facebook, 88,333 on Instagram, and an overall reach for paid campaigns of 244,098. Reach is measured as the number of accounts that saw posts. DED ensures that its social media and website posts reflect the diversity of rural businesses and uses and highlights all the different opportunities. Across all of DED's channels the following rural business sectors were highlighted or featured in a variety of posts, blogs and articles.



### 🗱 Key Stats

Loudoun Farms has 3,913 posts, or 43.7%, of total posts by DED.

Apart from paid and earned media<sup>5</sup>, DED also invests in dedicated web-based resources to provide information to both local businesses and consumers. In fulfilling the Department's strategic plan of highlighting LMLG products, especially those from businesses in the rural economy, LoudounFarms.org was created as a consumer-facing outlet. Originally structured with basic information, DED made a significant investment in adding an e-commerce marketplace early into the COVID-19 pandemic to provide an additional option for getting Loudoun products into consumer's hands in a safe and effective manner.

This process was also supported by DED's successful application to the USDA Farmers Market and Local Food Promotion Program that provided a \$250,000 grant to support Loudoun's rural businesses. Additional details on that grant are provided below, but as the county emerged from COVID-19, DED made another adjustment to its marketing realizing that the online platform was a temporary solution to the COVID-19 restrictions. The website was restructured in 2023 to update branding and focus on signature programs and a directory-style marketplace. There are now 191 local farms and farm businesses listed on the Loudoun Farms Marketplace as part of the LMLG program. To launch and rebuild the LoudounFarms.org website and Marketplace, more than \$25,000 was invested to promote LMLG businesses.

#### ☼ Social Buzz -

Social buzz. People are talking about us. Iterations of #LoudounFarms have nearly 7,900 uses and #LoudounFarmTour is at over 1,300 on Instagram.

Along with the website, marketplace and online marketing efforts, several hallmark programs are supported primarily by the Marketing and Communications team at DED with direct outreach and ongoing support offered not just by the Rural Business Development Manager, but the entire DED team. Those programs include:

1. The LMLG program is an ongoing initiative that promotes local vendors. Through the online marketplace and promotional products that are produced and distributed to participants to



designate themselves as a certified LMLG vendor, the program provides branded experience at farm stores, farmers markets, and other events that generates repeat customers. Over \$50,000 has been invested in the LMLG program since its inception in 2015.



2. The Loudoun Farm Tour is a twice-yearly signature event that invites Loudoun residents and visitors from the Capital region to experience life on the farm for a weekend. The 2023 Fall Farm Tour marks the 30th anniversary of this popular event that draws thousands of visitors to Loudoun County rural businesses. 20,000 collector maps are distributed each year, along with social and traditional media exposure. The Loudoun Farm Tour is not only an exciting event for those who attend, but also DED staff as the department happily takes an "all-handson-deck" approach to staffing the weekend. This means that rather than a small group supporting the event, the entire staff of 26 divides the list of farms and ensures that every business is visited by a member of staff, asked how we can better

<sup>5 |</sup> Paid media is external marketing that involves paid content placement and includes digital ads, pay-per-click ads, and sponsorships. Earned (or free) media is free publicity and includes press releases, blog posts, reviews, and organic social media (shares, mentions, reposts, etc.).

support their efforts, and provided additional farm tour resource as needed. This leads to a significant number of referrals and projects each year that are distributed among business development staff after the event. Not including staff time ahead of or during the tours, or specialized training offered to program participants, since July 2018, DED has invested over \$35,000 in the Farm Tour signature program. And the impact is not just to the visitor, but has tangible impact for the participating businesses:

- a. 85% of self-reporting participating farms saw an increase in sales during Farm Tour weekends compared to a normal sales weekend, with 25% reporting a more than 100% increase in sales.
- b. 87% of self-reporting participating farms saw an increase in visitors during Farm Tour weekends compared to a normal weekend.



- 3. Each winter holiday season, DED promotes the "Take Loudoun Home for the Holidays" (formerly "Christmas in the Loudoun Valleys") campaign, highlighting special experiences, gift packages, and evergreen trees from rural Loudoun businesses. A comprehensive marketing campaign complete with dedicated landing page, social media, direct mail, and traditional media supports the "buy local" mantra and drives holiday spending to rural Loudoun. DED has invested \$23,000 in the program since July 2018.
- 4. Elevating farming and rural businesses is a key component of DED's workforce strategy that is aided

by the longstanding Farmer Trading Card program to ensure Loudoun farmers are given their time in



the spotlight as local heroes. Coinciding with Major League Baseball's Opening Day each year, a new starting lineup of all-star Loudoun farmers are unveiled via custom trading cards. Since COVID-19, DED has enhanced the program by adding online and video features. Through a partnership with Loudoun County Publics Schools (LCPS), the trading cards are distributed to all elementary schools in Loudoun and feature videos are played each morning for the children to learn about the diversity of farms in the county. Starting in 2022, DED partnered with Loudoun United Football Club to feature the farmer trading card honorees during halftime of the LMLG title night, followed by an autograph session with those in attendance. Since 2019, \$12,708.13 has been invested in the Farmer Trading Card program.

## - 🎇 What They're Saying —

"It's been a lot of fun to see how much the kids really do enjoy them," said Tia Walbridge, Loudoun County Farm Bureau president. "It's a really creative way to get more kids engaged and thinking about agriculture as something they might get involved in."

## Collaborating with our Partners

All the above efforts happen because of dedicated teams within DED and partner organizations. DED has worked to strengthen its strategic partnerships over the last several years to make sure that more businesses can be supported, and that each business has access to the specific resource needed. These strategic partnerships include:

1. Virginia Cooperative Extension Loudoun (VCE):



During the past five years, DED has developed a strong working relationship with the VCE. DED has collaborated with VCE on several training activities for farms and rural businesses, worked with VCE staff to beta test the Crop Suitability Model, held numerous landowner meetings with VCE agents, sponsored the recent Afghan Shepherd Training **Program**, co-sponsored the Vineyard Pruning Workshop, and participated in the 2023 Agri-Tech Field Day. DED and VCE staff also cooperated to meet with local breweries to analyze the types of products that could be grown and introduced into each business' brewing process, and often work as a team on business development efforts where a business has questions about their land and growing practices and the fundamentals of starting a rural business.

 Loudoun Soil and Water Conservation District: DED collaborates with SWCD on farm and rural business activities related to farm conservation planning, costshare practices, education and outreach, and farm site visits. In May 2023, DED and SWCD co-hosted the Western Loudoun Farm Tour for the Washington Metropolitan Council of Governments described below.



- 3. Visit Loudoun: DED has partnered with Visit Loudoun on a number of projects including: the 2019 State of the Loudoun County Wine Industry Survey, the Take Loudoun Home marketing campaign – which has expanded to include year-end holiday promotions such as Take Loudoun Home for the Holidays, the Producer-Buyer Marketplace events linking Loudoun farms with food and hospitality businesses, and promotion of Loudoun's other rural assets to residents and visitors such as bed and breakfast stays, wedding venues, equine activities, and other special events that support our rural businesses, Additionally, seven current DED staff have taken the training to be **Certified Tourism Ambassadors** to continue to strengthen the relationship between DED and Visit Loudoun.
- 4. Washington Metropolitan Council of Governments (COG): In May 2023, DED and SWCD hosted a Western Loudoun Farm Tour for COG members and stakeholders. The tour highlighted diverse farms in western Loudoun which are implementing practices to support environmental and economic sustainability. Participants included members of the Loudoun BOS, COG Board and other local elected leaders, as well as the Chesapeake Bay and Water Resources Policy Committee, FARM Policy Committee, Regional Agricultural and Catalytic Opportunities Work Groups, the US Department of Agriculture's Agricultural Marketing Service, and COG staff. DED has also hosted meetings of COG's FARM Policy Committee in western Loudoun.

### ——— 🗱 What They're Saying –

"THANK YOU so much for an extraordinary event and educational day. I know the Chair of COG's FARM Committee came away with some big ideas on important issues he'd like to work on to support small farmers in the region."

> -Lindsay Smith, Regional Food Systems Planner Metropolitan Washington Council of Governments

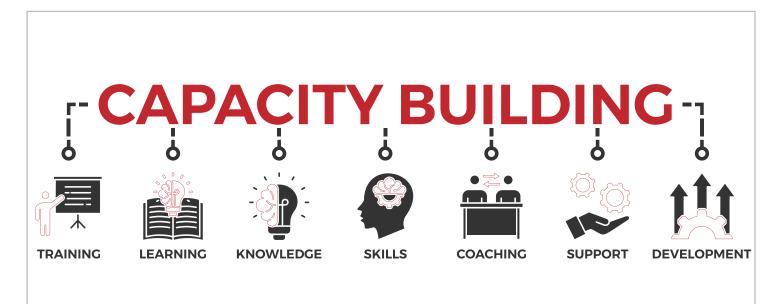
- 5. Future Harvest Chesapeake Alliance for Sustainable Agriculture: DED has partnered with Future Harvest on several activities including being a gold sponsor and plenary speaker at the 2019 Future Harvest Conference, hosting a workshop on DED's marketing strategies for farms at the 2020 Conference, sponsoring numerous Ag Field Days in Loudoun County and sponsoring the 2022 Regional Membership Meet and Greet.
- Rural Economic Development Council (REDC):
   DED provides administrative support to REDC to ensure compliance with all County policies and

procedures regarding meetings, advises the REDC on any matters involving the Virginia Freedom of Information Act, and monitors the membership roster and informs the Office of the County Administrator when a vacancy outside of term limits occurs. In 2021, DED prepared the Loudoun County's Rural Economic Business Development Strategy Update Report. In addition to monthly meeting support, DED coordinated with REDC on capacity building activities such as a recent protein producer survey, a multi-use event center study, and the USDA Grant stakeholder meetings.



## Capacity Building

Growing with our rural business community



Oftentimes the business development, marketing, and partner activities discussed above reveal areas where the current market or available resources are not meeting the demands of the business community. As part of its strategy to improve the business climate, DED facilitates market studies, large industry projects, and supports the use of incentives and grants to directly support areas of need in a given time. These efforts help increase the overall capacity within our rural businesses either by meeting specific needs or seeking out the information necessary for the County and/or the local businesses to make strategic and effective decisions. These efforts have included:

- 1. Virginia Department of Agriculture and Consumer Services (VDACS): DED works with VDACS in several ways to support educational opportunities offered by the Commonwealth, but has also supported grants from the Governor's Agriculture and Forestry Industries Development Fund (AFID) for local businesses and projects:
  - a. In April 2019, DED recommended, and the BOS approved, a \$13,700 grant to Little Austria, LLC as AFID Match to support capital investment,

- creation of new jobs and purchase of Virginiagrown products associated with Little Austria's bakery in Loudoun County. To date, Little Austria has met all their metrics (\$371,000 capital investment, creation of 5 new jobs at the facility, and purchase of 36,000 pounds of Virginia-grown apples) with a final report to be submitted in February 2024.
- b. In October 2020, DED directly received \$20,000 from the AFID Planning Grant Program for the LMLG Virtual Marketplace. This project complements the work funded by the multi-year USDA grant described below and was a critical piece in having the cash-match necessary for this larger grant.



2. United States Department of Agriculture (USDA): In 2020, Loudoun County was awarded a multi-year,

\$250,000 grant through the USDA Farmers Market and Local Food Promotion Program to determine the effectiveness of the LMLG Marketplace e-commerce platform in increasing access to Loudoun food products which in turn will increase Loudoun food production.

- a. During Phase One, DED hired a technical / marketing contractor to assist with the operation, marketing and data collection associated with the LMLG e-commerce platform.
- b. During Phase Two, DED hired an independent contractor to conduct a comprehensive evaluation of platform operations and surveying current vendors and consumers to identify strategies for improving the platform. The contractor also developed an outreach and survey strategy for current marketplace vendors and farms/rural businesses expressing interest in expanding their operations.
- c. Based on the Phase Two results, the County implemented several of the recommendations:
  - i. Retired the LMLG Online Marketplace hosted by Local Line.
  - ii. Developed a new, centralized website that promotes LMLG products and suppliers while making it easy for customers to connect with suppliers.
  - iii. Created a library of LMLG photography and videography for use by the Department (web and marketing materials) as well as LMLG suppliers.
  - iv. Offered technical support to suppliers who lack the experience or resources but are interested in operating their business online.
  - v. Facilitated connections between new farmers and farmers with more experience and/or resources and hosting vendor fairs / matchmaking events, and in-person networking events for LMLG suppliers to meet potential buyers in/around Loudoun County
- d. Phase Three of the study has just begun with a new consultant and involves a local food chain

- feasibility study to understand opportunities in wholesale contracts with public and private institutions to increase LMLG supplier production and increase opportunities to sell existing products.
- 3. 2019 State of the Loudoun County Wine Industry Survey: This study was funded by the Loudoun Wineries Association, Visit Loudoun and DED after response from the industry that a bad year weatherwise may have created lasting impacts for the industry. The study assessed the current state of the Loudoun County Wine industry across aspects of production, employment, visitation and economic impact and was provided directly to the industry for their use.
- 4. Live Animal Handling Facility Feasibility Study: In May 2023, DED provided \$5,000 to the Virginia Equine Alliance in support of the Large Animal Quarantine Facility Feasibility Study at Dulles Airport. The Facility would serve the entire region and would provide significant benefits to Loudoun's equine sector and associated support services to the horse industry. The preliminary results of the study suggest there is interest within the region for such a facility, however, there are several operational and infrastructure improvements at Dulles Airport that would be needed to make this a viable project.
- 5. Multi-use event center feasibility study: In June 2023, DED provided \$50,000 to evaluate the market viability of a new multi-use events center, in support of the BOS strategic goal of "exploring the feasibility of a multi-purpose event center with possible uses for arts, events, conventions, and agriculture." The project scope is as follows:
  - a. Provide a summary of facilities in Loudoun County and the region, including utilization levels and types of events, to evaluate gaps in the market and the demand for a new multi-purpose facility.
  - b. Collect information from partners and stakeholders who have expertise and insights into event facilities locally and nationally that complements the technical analysis identified above regarding existing and comparable facilities.

c. Recommend a facility type based on the estimated market demand and key demographics in the County. Provide an analysis of the potential economic and fiscal impacts of a new multipurpose events facility and the potential impacts to existing facilities.

DED selected a contractor for the market study in late June and the project is currently underway with a completion date of December 2023. If the results of the Phase 1 study indicate that market demand exists for a multi-purpose events facility in the County, DED will request additional funding from the BOS to evaluate potential sites in the County, provide an estimate of capital construction costs, and project annual on-going revenue sources that may be available to pay for the initial capital costs of the multi-purpose events facility.

- 6. Incentive Lovettsville Cooperative Market: In September 2022, DED recommended, and the BOS approved, a \$60,000 local grant for the Lovettsville Cooperative Market. The agreement was executed on July 7, 2023, and includes the following terms to promote Loudoun products at the Lovettsville location:
  - a. Capital Investment of \$1.18 Million
  - b. Commitment to sourcing Loudoun products at the following minimum ratios: 25% of total store sales; 50% of in-season produce; 50% local meats; 50% craft beverage.
  - c. Hiring of 25 employees with an average annual salary of \$40,000.

The Cooperative Market has engaged with several Loudoun farms and vendors and anticipates opening the store in the Fall of 2023.

7. Protein Producer Survey: In response to several requests and discussions regarding the need for protein processing services, DED prepared a survey related to livestock production in August 2023. The goal of the survey was to compile sufficient information from our producers to determine if there is enough steady demand for processing services to justify a new facility, and if so, develop an in-depth feasibility study which will include a detailed market

assessment. DED coordinated the survey effort with VCE, SWCD, REDC, Loudoun Farm Bureau and Fauquier Department of Agriculture.

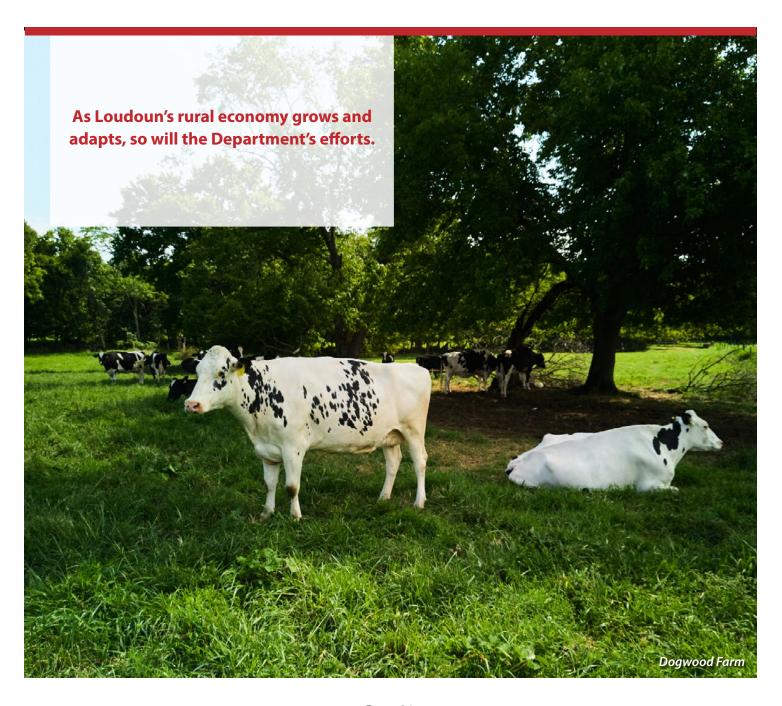
In summary, most of the survey participants would be interested in expanding production levels if they had better access to a USDA-inspected facility. Currently a feasibility study is underway at The Livestock Exchange in neighboring Fauquier County. A facility at this location would provide additional, local options for Loudoun's producers.

There appear to be other barriers to increasing capacity beyond processing that were highlighted in the survey and through ongoing discussions on the topic. DED recommends continuing to look for alternative ways to support our protein producers – particularly with respect to land access, infrastructure/ operational costs, and zoning requirements. DED also recommends that the County explore additional onsite opportunities, such as the <u>Virginia State University Mobile Processing Unit</u>, and on-farm modular units to ease the scheduling bottlenecks at the regional processing facilities. Finally, DED recommends circulating the survey to a wider audience to ensure accurate data as DED assesses the need for additional studies.

8. LMLG Marketing Grant: In the Fall of 2019, the Loudoun County Economic Development Authority and the Department of Economic Development established the "Loudoun Made, Loudoun Grown Marketing Fund" to support the viability and success of farms and rural businesses. The \$50,000 fund was set up to help rural businesses establish better roadside marketing that promotes direct-to-consumer sales of Loudoun products. Grants of up to \$5,000 were available to eligible businesses, to assist with marketing costs, including legislative applications for sign programs or sign permit fees. Additionally, the selected rural businesses were required to attend the department's monthly "Seeds for Success" workshops, which focus on marketing and business best practices. The funds were distributed among twelve rural businesses for projects related to roadside signs

- and associated permit fees, social media marketing, product packaging, brochures and rack cards.
- 9. Agri-Tech in Innovation Challenge: Started in 2020, the Loudoun Innovation Challenge is a business competition to promote entrepreneurship and business growth by identifying and supporting companies that are developing truly innovative products and services in Loudoun County. The Loudoun County Economic Development Authority (EDA), in partnership with DED have funded the Innovation Challenge each year with \$150,000 in available prizes and a pitch competition. In 2022, The

Loudoun Innovation Challenge added a category specifically for Agri-Business Technology. Out of an impressive list of submissions, three incredible finalists were chosen, and went head-to-head at the in-person pitch event. Judges and the viewing public were introduced to companies who are pushing the envelope in vermiculture, regenerative grain breeding, and indoor farming technology. Ultimately, Worm Works, LLC won the \$25,000 Agri-Tech prize, along with the \$5,000 People's Choice Award. The Agri-Tech category is included again in 2023 with finalists pitching their businesses at the in-person competition on November 29th, 2023.



## Conclusion

## Together, we can keep Western Loudoun a special and productive place

Western Loudoun is an incredibly important asset in our community, and our rural businesses play a key role in the future of our community. They foster a strong sense of place, bringing people together for farmers' markets, farm tours, and other events that showcase Loudoun. These businesses also enhance the appeal of our county for tourists and outdoor enthusiasts. Vineyards, orchards, and other agri-tourism assets attract visitors, boosting local tourism and recreation industries. As we have seen in recent information from Visit Loudoun, this influx of visitors boosts revenue and bolsters the local economy.

Providing opportunities for rural businesses is not only a pragmatic strategy for economic growth, but it is also a crucial means of preserving farmland, cultural heritage, and the environment. By recognizing the importance of rural businesses and implementing policies that support their

growth and sustainability, we help ensure that farmland remains a cherished and productive resource for current and future generations. DED will continue to innovate and provide opportunities for our businesses in order to create a financial incentive for landowners to keep their land in agricultural use. When farmland is profitable, landowners are less likely to sell their land for non-agricultural purposes, thereby preserving the rural landscape.

DED remains committed to this mission, and we appreciate the incredible support of the Board of Supervisors, County Administration, our sister departments, partner organizations and the members of our rural business community. Together, we will keep Western Loudoun the special and productive place we have all come to love.

## Award-winning Programs

**Rural Business Uses in Loudoun County:** 2019 MarCom Award from Association of Marketing and Communication Professionals (AMCP), 2020 Excellence in Economic Development from International Economic Development Council (IEDC), 2020 NACo Achievement Award from NACo, and 2020 Hermes Creative Award from AMCP

**Made Here, Grown Here Hospital Onesie Campaign:** 2019 Hermes Creative Award from AMCP, 2019 American Graphic Design Award from Graphic Design USA, and 2019 NACo Achievement Award from NACo

**LoudounFarm.Exchange Program:** 2023 NACo Achievement Award from NACo

Covid19 Grant Process: 2022 NACo Achievement Award from NACo

Loudoun County Covid19 Business Outreach: 2020 MarCom Award from AMCP

**Loudoun Is Ready Campaign:** 2020 Excellence in Economic Development from IEDC, and 2021 American In-house Design Award from Graphic Design USA

Virtual Farm Tour: 2020 Excellence in Economic Development from IEDC

## #LoudounPossible























