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BUSINESS DEVELOPMENT - INTRODUCTION

The 2030 Frederick County Comprehensive Plan relating to new business development focuses on four discreet areas that are all integral to the economy of the County. These areas are:

- **OFFICE AND INDUSTRIAL**
- **RETAIL**
- **TOURISM**
- **AGRIBUSINESS**

While each of these segments differs from one another, they are all interconnected and help form a well rounded economy.

Frederick County's attractiveness as a residential community will continue to expand our population. Recognizing that each new residence generates less than 50% of the taxes needed to offset the service burden created by the residence, the goal of planning for new business development is to attract businesses that will balance the tax base. Enhanced real estate valuations, business specific taxes such as machinery and tools, increased sales tax revenues, and meals and lodging taxes are all the results of a well executed business development plan. The opportunity for local residents to have an expanded employment base affords not only an enhanced quality of life and increased income, but also results in increased local spending and therefore increased sales tax collections.

The business development policies outlined in this plan will work collectively to further a positive economic future for Frederick County and its citizens.

CURRENT CONDITIONS

In order to develop a sound business development plan, an assessment of the current market, economic, demographic, political, and infrastructure conditions must be conducted for each of the four business development areas comprising this plan. Each segment of the plan includes an introductory analysis in order to effectively identify the base from which the future can be built. Further analysis will be essential in capturing the community's future potential.

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Frederick County has a proven track record in economic development and is committed to supporting existing businesses as well as welcoming new companies to the area. Frederick County as of 2010 has 16,700 acres designated to business and industrial uses. This chapter has a segment dedicated to each of the business development focuses (office and industrial; retail; tourism; and agribusiness).

FUTURE FOCUS

In order to maximize the effectiveness and benefit of economic development within Frederick County, strategic planning is essential. Efficient utilization of land, transportation networks, demographic changes, and spending patterns is crucial to ensuring strong economic development. In addition, recognizing the importance of the growth of existing businesses to future economic development is essential.

Where appropriate, the plan recognizes the changing nature of the social and economic environment and identifies potential adjustments to existing resource utilization.

Historically, Frederick County has sought to achieve a balanced ratio between commercial/industrial and residential and other use growth in terms of both available areas of land use and taxable value of the land uses. However, determining the percentage of balance was not institutionalized as a policy.

In an effort to provide an appropriate balance between the County's land use planning and fiscal policies, as well as to reinforce a sound planning policy basis, the 25/75 percent ratio between commercial/industrial uses and residential and other uses, in terms of both available areas of land use and taxable value of the land uses, will be the established benchmark. By achieving this policy goal, the taxable land values equate to the projected expenditures. The County seeks to achieve fiscal balance through land use planning.

To encourage commercial and industrial (C & I) uses to help achieve the targeted ratio, Frederick County has designated certain areas solely for commercial and industrial type uses such as the Route 11 North corridor, Kernstown area, Round Hill, the Route 277 Triangle area, and in the vicinity of the Winchester Regional Airport. The area planning process will continue to identify opportunities for economic development.

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COMMUNITY BENEFITS

A comprehensive plan cannot be considered effective if it does not serve the needs of the community and enhance the quality of life of its citizens. Adequate amounts of land must be planned for and set aside for commercial and industrial uses. This is beneficial to the community because these uses help support the community, provide services to its citizens, while at the same time keep the overall tax base low for the residents of Frederick County. A balanced approach to all of the above will ultimately ensure a high quality of life for the citizens of Frederick County.

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BUSINESS DEVELOPMENT – OFFICE AND INDUSTRIAL

CURRENT CONDITIONS

Strategically placed in the Mid-Atlantic region of the United States, Frederick County's location on the eastern seaboard is a valuable asset to companies serving the US markets and Europe.

Frederick County is the northernmost community in the Commonwealth of Virginia. The County's location places its businesses halfway between the markets of the north and south, within a one-day haul of 50% of the U.S. population. Over 60% of the goods manufactured in the United States are distributed from the 750-mile (1,207 kilometers) area.

In addition to being half way between Boston and Atlanta, Winchester-Frederick County is well positioned equidistant between Los Angeles and London. For national and international companies, being in the Eastern Time Zone maximizes their hours of operations, which helps to improve efficiencies.

Excellent road, rail, inland ocean port and the Dulles World Cargo Center provide access to the major markets in North America, Latin America, and globally.

Interstate 81 runs directly through the County. Several major airports are within 100 miles of Frederick County, including Washington-Dulles International Airport, Baltimore-Washington International Airport, and Ronald Reagan Washington National Airport. Frederick County is home to a growing regional general aviation airport. These assets support access to Frederick County's economic development opportunities.

With the formation of the Washington-Baltimore Metropolitan Statistical Area after the 1990 US Census, the fifth largest USA market begins at the County Line. This close proximity to Washington D.C. also provides access to the unique opportunities associated with the Federal Government and the County's location is supportive of those policies established for purposes of Homeland Security.

In addition to the ideal geographic location of Frederick County, other significant strengths of the Frederick County market, particular to attracting new office and industrial development, include favorable tax rates, a high quality of life, education, healthcare, workforce, and a diverse current office and industrial community. Frederick County is currently home to several

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government agencies including, FEMA, Corps. of Engineers, and the FBI.

Frederick County has an incredibly low tax rate in comparison to neighboring communities. Supported by a proactive Economic Development Commission (EDC), the areas workforce has a high work ethic and a low turnover rate. The area has an educated workforce with 84% of county residents being high school graduates and 24% with bachelors or more advanced degrees.

Education opportunities abound in Frederick County which has a well respected primary education system. In addition, higher education opportunities exist with a growing student base at the following establishments;

- Shenandoah University
- Lord Fairfax Community College

The community has an excellent healthcare system which is centered around the Valley Health Systems. Facilities include:

- Winchester Medical Center
 - Regional Referral Center
 - Level II Trauma Center
- Quick Care / Urgent Care Centers
- Health and Wellness Center

Frederick County provides a high quality of life which is considered to be an important factor in recruiting companies and maintaining a desirable workforce. The City of Winchester, with its successful downtown walking mall, is a resource for additional workforce and provides numerous retail and entertainment opportunities.

Current office and industrial operations within the community provide for diversity in current business markets. The area is not linked to one major industry or employer. There is a redundancy in resources offered at certain business parks. In addition, a Foreign Trade Zone with several locations provides tax free trade areas.

FUTURE FOCUS

Frederick County should focus on targeted office and industrial economic development opportunities over the next twenty years. It can be anticipated that there will be an increased opportunity to capitalize on the following operations:

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Food Processing

Anticipate increase in number of food processors locating in area as out-sourcing internationally is not an option. Processers seek access to resources, location and workforce within a right-to-work locality. Water resources will be necessary for this industry.

Distribution/Repackaging and Assembly Centers

Anticipate increase in distribution and repackaging centers based on area location and proximity to transportation

Healthcare Research & Development

Anticipate increase in healthcare related research and development operations

Plastics Manufacturing

Anticipate increase in plastics manufacturing, an industry already common in this area. Water resources will be necessary for this industry.

Back Office Support

Anticipate increase in back office support organizations. Current examples operating in Frederick County include Navy Federal Credit Union and American Background.

Government Activity

Anticipate an increase in government agencies locating operations to Frederick County. Location plays major factor, in particular, Homeland Security locational factors are extremely favorable in Frederick County. COOP's, Continuity of Operations Plans, highlight the attributes of Frederick County.

Additional government activity in Frederick County will result in an increase in the number of jobs directly related to their presence. Those jobs will typically be highly skilled, high paying jobs. In addition, there will be an increase in support and ancillary jobs. Similarly, there will be a significant increase in ancillary support business opportunities such as support contractors, many of which will be higher tech. As previously noted, this will drive a need for services, housing, entertainment, retail, and other businesses.

A well planned business development marketing strategy will not be effective if insufficient acreage has been set aside to accommodate desired business uses in suitable key locations. The Area Plans will need to identify and

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incorporate ample areas of business and industrial land use in support of the business development goals of The Plan.

Frederick County is supportive of green initiatives in the field of economic development. Sustainable development initiatives should be recognized and their implementation incentivized. Such an example is rail access and transportation which will become more valuable and expected in industrial settings due to desire to operate effectively and efficiently.

Frederick County should be proactive in ensuring the resources necessary for economic development are planned in a sustainable way and available in support of the identified office and industrial users.

With regards to water, waste water treatment, and electricity, manufacturers will be concerned with quantity and availability, but also of equal or greater importance will be quality and service reliability. There is a finite capacity of these resources that must be managed accordingly.

The concept of redundancy will need to be a priority. Manufacturers and government agencies will require redundancy in services necessary to support their economic investment and growth.

COMMUNITY BENEFITS

The value of office and industrial business development to Frederick County is immeasurable. As part of the County's economic development effort, office and industrial growth is a key component for ensuring a selection of employment opportunities for the citizens of Frederick County.

The continuation of a low residential tax rate is a direct result of the expansion of the commercial and industrial tax. Currently commercial and industrial tax revenue accounts for approximately 13% of the County's tax base. The County's goal indicates this should be around 25% to ensure a balanced fiscal environment and a continuance of low real estate taxes.

The County's development impact model projection for a single-family home anticipates tax revenue of approximately fifty percent of the projected costs to the County. The County's fiscal survival is dependent upon recruiting office and industrial occupants which offset those residential costs.

An effective office and industrial business development strategy will also ensure the stabilization of the workforce and maintain low levels of unemployment. An increase in high skill, high paying jobs locally will result in

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a decrease in number of skilled residents commuting outside the region to the Northern Virginia region.

Overall, a sound office and industrial business development strategy will result in the conservation of a variety of finite resources and promote a high quality of life for the citizens of Frederick County.

POLICIES/IMPLEMENTATION

POLICY: IDENTIFY AND RECOGNIZE AREAS IN THE COUNTY MOST STRATEGICALLY SUITED TO MEET THE REQUIREMENTS OF OFFICE AND INDUSTRIAL DEVELOPMENT

IMPLEMENTATION:

- Complete review of area land use plans to ensure sufficient acreage is identified and reserved for office and industrial use to enable a balanced County tax base.
 - Lands identified for business use should avoid limestone areas where karst geology is present.
 - Ensure these lands are properly located in relation to transportation and water, sewer, and natural gas.
- Communications infrastructure, such as voice and data fiber, should be extended to areas identified for office and industrial use.
- The zoning process and support should be examined by the County to encourage willingness on the part of landowners of properties identified in Area Plans (see Appendix I) to proceed with rezoning.

POLICY: PROACTIVELY ATTRACT DESIRED BUSINESS ENTITIES

IMPLEMENTATION:

- Review/revise office and manufacturing zoning to minimize the number of low tax generating entities locating in the area.
 - Minimize distribution centers as they have a minimal personal property tax, typically result in lower paying jobs, and absorb greater land mass than other uses.

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- Maximize targeted industries such as governmental facilities, as well as high-tax base industries that have a low resource requirement.
- Continue to examine and fund business location marketing that builds or modifies the current business base to take the County forward to its goal of increased income for its citizens and tax value for the County.

**POLICY: CONSIDER REGULATIONS ENCOURAGING AND/OR REQUIRING
SERVICE REDUNDANCY IN OFFICE & INDUSTRIAL AREAS**

IMPLEMENTATION:

- Complete an analysis to determine services most desirable for redundancy and determine the feasibility of service redundancy in currently zoned office and industrial areas.
- Create incentives for industrial site developers to implement service redundancy.

POLICY: FUNDING OF POLICIES

IMPLEMENTATION:

- Determine funding plan for policies such as service redundancy, water availability, electric service, communication, etc. These could include public/private funding and transportation access funds for industrial development.
- Address how the County's public role could be used more effectively in lowering development costs.

COMMUNITY PARTNERS AND STAKEHOLDERS

- Winchester-Frederick County Economic Development Commission
- Industrial Development Authority
- Industrial Parks Association
- Blue Ridge Board of Realtors

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SUPPORTING MATERIALS AND RESOURCES

- Economic Development Commission Targeted Business Plan
- WinVa.com

BUSINESS DEVELOPMENT – RETAIL

CURRENT CONDITIONS

The retail sales potential of any geographic market is based upon two factors:

- 1) The number of households within the market and the income of those households. These variables are dynamic and depend, in large part, upon a variety of factors beyond the control of any entity tasked with maximizing a market's retail potential.
- 2) The market's ability to compete successfully against neighboring markets. Meaning that if there are gaps in the local market's supply of desirable retailers, residents are forced to shop and dine in neighboring markets. Or conversely, is the market pulling shoppers and diners in from outside of its borders?

Consumers are often willing to forego secondary costs when they desire products and services being offered outside of their local trade area, thus it is imperative for any market to draw retail spending dollars from neighboring areas and to fend off the outflow of retail spending beyond its borders. With regards to this inflow/outflow of retail sales, Frederick County naturally finds itself in a tug-of-war with the City of Winchester. Because potential incoming retailers likely consider Frederick County and Winchester as a single market containing "pocket markets", little can be done to influence the end results of this competition. The availability of land, the location of new developments and the location of "pocket markets" within the Frederick County/Winchester market as a whole, are all determining factors in whether a new development or incoming retailer locates within the city or the county. However, the Winchester/Frederick County market collectively finds itself in a larger tug-of-war with neighboring markets, particularly Martinsburg/Berkeley County, and Front Royal/Warren County, where recent retail development has likely reduced both the city and the county's inflow of retail sales.

Beyond the basic service retailers (grocery, drug, general and discount department, gas, fast-food, etc.), there are countless specialty retailers that, due to their internal growth structure and nature of their products, look at non-urban markets from a distinctly regional perspective. Examples of such retailers include Pottery Barn (home furnishings), and The Cheesecake Factory (dining). It is unlikely that we will see any such retailer open an establishment in Frederick County/Winchester and another in a neighboring market. Thus the stage is set for an ongoing inflow/outflow specialty retail sales competition, and the Frederick County/Winchester market must be prepared to position itself to win this competition against its neighboring markets.

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FUTURE FOCUS

Over the next twenty years, population growth in Frederick County and its environs will continue to fuel retail development and the opening of basic service retailers throughout the area.

With such growth, specialty retailers will, in considering the potential of Frederick County and neighboring markets, select sites to establish their brands within the region. Each site selection will have an effect on subsequent decisions made by other specialty retailers creating a domino effect where one market within the region gains a cumulative prominence. Due to its size, average household income, central location within the region, access, the continued growth of Winchester Medical Center, the establishment of federal agency operations, and intangible factors such as the County's historical, architectural, and aesthetic charm, Frederick County is well-positioned to gain such prominence. If successfully promoted against neighboring markets, Frederick County will establish itself as the dominant market within the region.

To achieve this goal, Frederick County must strategically identify prime areas for commercial land use in key locations to capitalize on future commercial opportunities. In addition, Frederick County must effectively market itself to the network of developers, national and regional retail trade organizations, retailers, and tenant-representation real estate agents and brokers that influence site selection decisions.

While the county's ability to attract national and regional developers and retailers to the area cannot be understated, the county must not underestimate the importance of supporting locally-owned and operated developments and retail establishments. The growth of such locally-owned businesses within the market's retail mix will have a direct positive impact to the vitality of the market's retail profile and the quality of life of local residents.

To assure retail growth preserves the aesthetic integrity of the area (which in turn will make it more attractive to potential retailers), Frederick County must encourage high standards with regards to the architectural design and upkeep of retail developments.

COMMUNITY BENEFITS

The community benefits of a vital retail environment cannot be understated. Successful growth of retail equates to an increase in sales tax revenue to support county services and capital improvements. A strong retail environment also plays a key role in the quality of life for the residents of any geographic area and thus plays an integral role in an individual family, a corporation, or other entity deciding to relocate to that area. Retail growth also equates to more jobs, both directly (with the retailers themselves) and

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indirectly (a strong retail environment plays a role in drawing relocating employers to the area).

POLICIES/IMPLEMENTATION

POLICY: **PROMOTE FREDERICK COUNTY AS A DYNAMIC, VITAL RETAIL MARKET.**

IMPLEMENTATION:

- Engage National and Regional Trade Organizations.
- Strategically identify prime areas for commercial land use in key locations to capitalize on future commercial opportunities.
- Participating as an exhibitor in events such as the International Council of Shopping Center's National Trade Exposition and Leasing Mall (which brings together more than 30,000 developers, owners, retailers, lenders, and municipalities) or smaller events of a regional nature (The ICSC also holds an annual event in Washington, D.C.).

POLICY: **REQUIRE FUTURE DEVELOPMENTS TO BE OF A HIGH QUALITY AND REQUIRE UPKEEP OF EXISTING DEVELOPMENTS, THUS ASSURING LONG-TERM VIABILITY OF DEVELOPMENTS, AND THE ONGOING ABILITY TO MAKE A POSITIVE IMPRESSION ON POTENTIAL DEVELOPERS AND RETAILERS CONSIDERING ENTRY IN THE MARKET.**

IMPLEMENTATION:

- Promote enhanced architectural/design requirements for future retail development, including structure appearance, landscaping, and signage.
- Establish and implement regulations regarding upkeep of existing and future retail development including the removal of exterior debris, the removal of non-approved signage, and the maintenance of landscaping.

POLICY: **PROVIDE EASY ACCESS TO UP-TO-DATE MARKETING MATERIALS AND RESOURCES TO POTENTIAL DEVELOPERS, RETAILERS, AND TENANT-REPRESENTATION REAL ESTATE AGENTS AND BROKERS.**

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IMPLEMENTATION:

- Develop and periodically update general retail marketing materials for the market, including brand-establishing information (history, appeal, etc.), demographics (population disbursement, income data, etc.), and access and existing retail locations (maps).
- Provide electronic access to these materials (via web download) for developers, agents/brokers, and retailers.

POLICY:

CONDUCT AN IN-DEPTH ANALYSIS OF THE MARKET'S RETAIL POTENTIAL VERSUS ITS CURRENT PERFORMANCE. UNDERSTAND IF THE DAILY RETAIL DEMANDS OF THE CITIZENS OF THE FREDERICK COUNTY/WINCHESTER MARKET BEING MET BY THE EXISTING SUPPLY OF RETAIL ESTABLISHMENTS. ANECDOTAL EVIDENCE SUGGESTS THE MARKET ENJOYS SUCH BALANCE, WITH AN EVER-GROWING ARRAY OF RETAIL AND DINING ESTABLISHMENTS.

IMPLEMENTATION:

- A comprehensive analysis of census and business data for the region should be conducted to determine if Frederick County has an adequate supply of retail and dining establishments.
- Conduct an analysis to determine which retail segments in Frederick County are underperforming and determine where new opportunities for retail growth lie.

COMMUNITY PARTNERS AND STAKEHOLDERS

- Winchester – Frederick County Economic Development Commission
- Chamber of Commerce

SUPPORTING MATERIALS AND RESOURCES

BUSINESS DEVELOPMENT – TOURISM

CURRENT CONDITIONS

Each year, thousands of visitors come to the Frederick County/Winchester area. Events and attractions such as the Shenandoah Apple Blossom Festival, the Museum of the Shenandoah Valley, the Cedar Creek and Belle Grove National Historic Park, orchards, farm markets, and historic homes are key assets in bringing travelers to the area.

Currently tourism and travel related business contributes an estimated \$93,503,585 to Frederick County's economy and provides an estimated 1,038 jobs, and \$3,616,084 in revenue in the form of lodging occupancy taxes and food service taxes. The Virginia Tourism Corporation estimates that the average dollars spent per visitor is approximately \$100.

In the last four years, four new lodging facilities have been built in Frederick County, adding to the number of available rooms. The County also continues to lure new restaurant and lodging as a result of present position and future potential in the market.

In the year 2009, international visitation to Virginia increased by 16% with more than 380,000 travelers. This places Virginia as the 14th most visited state by international travelers. The Smith Travel Research, which is the leading lodging industry research company, published its 2010 1st quarter results that show that room demand in the state of Virginia is up 2.3% over 2009. The Virginia Tourism Corporation identified travelers from New York, Washington, D.C., Ohio, Pennsylvania and Maryland as the top visitors to the state.

As the economy improves and travel increases, it is critical that the Frederick County area be poised to capitalize on the growth in the arena of travel and tourism. The current, jointly funded, Convention and Visitors Bureau is a key component to driving the marketing effort for the present and future effort to draw additional visitors to the area.

The value of travel and tourism's economic impact reaches every citizen of Frederick County by means of providing employment and tax revenues as well as offering a diverse portfolio of local events, attractions and activities that are not only marketed to the destination traveler but, more importantly, serve the local community.

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FUTURE FOCUS

First impressions frame the rest of a visitor's experience and most travelers arrive in Frederick County through its roadways. So the character of Frederick County's entrance corridors, especially in areas adjacent to the city of Winchester, is a key factor for the visitor experience and their decision to stay longer. Enhancing these corridors will improve visitor impressions, and will benefit the quality of life for residents.

In addition, the traditional, small-town character that is a distinctive feature of the Shenandoah Valley is a unique asset that is marketable for cultural heritage tourism. Cultural heritage tourism is defined as "traveling to experience the places and activities that authentically represent the stories and people of the past and present. It includes historic, cultural and natural resources." *Source: National Trust for Historic Preservation Heritage Tourism Program.*

Frederick County should concentrate on how to increase the County's ability to attract visitors – especially the heritage traveler – through policies and projects that enhance the visitor experience, ensuring that visitors to Frederick County are left with an exceptional memory of their visit, positive stories to share with friends and family, and a desire to return.

Heritage tourists are a valuable demographic to attract because they:

- stay longer - 4.7 nights compared to 3.4;
- spend more during their travels - \$623 per trip compared to \$457;
- shop more – 44% compared to 33% for other travelers.

Source: Travel Industry Association of America and Smithsonian Magazine: "The Historic/Cultural Traveler, 2003 edition.

Heritage tourists are looking for authentic experiences. Market research conducted for the Shenandoah Valley Battlefields Foundation in 2007 found that visitors to the Valley who said their visit exceeded their expectations were more likely to have experienced the region's historical sites. Frederick County should continue to create a unique visitor destination, offering authentic experiences that are not available in other communities.

The presence of the Cedar Creek and Belle Grove National Historic Park is another important feature in Frederick County. There are less than 350 national park units nationwide and Frederick County is fortunate to have one of them within its borders. The park can be a key economic driver and a unique cultural and recreational resource for visitors and County residents

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today and in the future. The success of the park will rely on its ability to offer a meaningful, engaging experience for visitors, one that leaves them with a sense of respect and appreciation for the northern Shenandoah Valley's history and exceptional landscapes.

Other tourism opportunities that should be developed in the future include recreation, sports, commercial recreation, and wineries.

POLICIES/IMPLEMENTATION

POLICY: LINK THE AREA'S VISITOR ATTRACTIONS WITH A TRAIL NETWORK THAT FACILITATES NON-VEHICULAR MOVEMENT FROM PLACE TO PLACE.

IMPLEMENTATION:

- Work with the Northern Shenandoah Valley Regional Commission and surrounding jurisdictions to update and improve the regional bike/ped plan, "Walking and Wheeling in the Northern Shenandoah Valley".
- Support the Redbud Run Greenway project to provide a trail network that will link natural areas, battlefields, including the existing five-mile trail on the Civil War Preservation Trust property, schools, and other facilities in the Redbud Run corridor.
- Update and implement plans for a trail network within Frederick County that will connect attractions to one another and to retail and hospitality areas. Such plans may include connectivity among other community facilities such as schools and parks.
- Identify potential projects as candidates for transportation enhancement grants, and encourage the incorporation of segments of the regional trail network into development projects. These projects could be included as part of the Capital Improvements Plan.

POLICY: PRESERVE AND ENHANCE THE HISTORIC CHARACTER OF FREDERICK COUNTY'S ROADWAYS AND NEW CONSTRUCTION, MAKING THEM ATTRACTIVE AND APPEALING TO VISITORS AND RESIDENTS.

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IMPLEMENTATION:

- Foster a compact community design that uses traditional building features to help maintain Frederick County's unique historic character to help maintain a sense of place that sets the community apart from other areas in Virginia.
- Strengthen the use of corridor overlay districts.
- Strengthen the effort to focus development in compact centers, using Neighborhood Design guidelines, and keeping the rural, agricultural landscape as part of the visitor experience in Frederick County.

POLICY: MAXIMIZE THE OPPORTUNITY PRESENTED BY THE NEW CEDAR CREEK AND BELLE GROVE NATIONAL HISTORICAL PARK.

IMPLEMENTATION:

- Encourage cooperation between the National Park Service, the non-profit partners who operate facilities within and near the park's boundary, the Winchester-Frederick County CVB, and surrounding towns, landowners, and businesses.
- Ensure that the park's historic, natural, and cultural resources are protected as land use and public policy decisions are made that affect areas in or near the park.
- Support efforts to create recreational and public access facilities within and adjacent to the park, such as trails and other visitor services.
- Continue and promote the County's membership in the Cedar Creek and Belle Grove National Historical Park Federal Advisory Commission.

POLICY: PURSUE COMBINED COMMERCIAL AND RECREATION USES.

IMPLEMENTATION:

- Identify new areas of land uses that would specifically promote the recreational and open space attributes of the County in conjunction with surrounding localities, landowners, and businesses.

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- Enable the development of commercial and recreational land uses which will provide economic development, tourism, and entertainment benefits to Frederick County.
- Recognize opportunities to create a well-designed conference facility integrated with those tourism related commercial and recreational land uses.

COMMUNITY PARTNERS AND STAKEHOLDERS

- The Winchester-Frederick County Convention and Visitors Bureau
- The Mid-Atlantic Tourism Public Relations Alliance
- The Quad State Tourism Partners
- Virginia Tourism Corporation
- The Shenandoah Valley Travel Association
- Kernstown Battlefield Association
- Cedar Creek and Belle Grove National Historical Park
- Belle Grove Plantation
- The Cedar Creek Battlefield Foundation
- Frederick County and Winchester Parks and Recreation
- Old Town Development Board
- Top of Virginia Chamber of Commerce
- Winchester-Frederick County Economic Development Commission
- Shenandoah Valley Battlefields Foundation
- The Museum of the Shenandoah Valley.

SUPPORTING MATERIALS AND RESOURCES

- National Trust for Historic Preservation's "How to Get Started in Cultural Heritage Tourism" website:
<http://www.culturalheritagetourism.org/howToGetStarted.htm>.
- Marketing and Interpretive Plans for the Shenandoah Valley Battlefields National Historic District
- "Walking and Wheeling in the Northern Shenandoah Valley"
- Winchester-Frederick County Joint Funding Agreement creating the Convention & Visitors Bureau.
- Virginia Tourism Corporation Economic Impact Study 2009.
- Smith Travel Research Lodging Demand Results 1st Quarter 2010.
- Winchester-Frederick County Economic Development Commission.

BUSINESS DEVELOPMENT – AGRIBUSINESS

CURRENT CONDITIONS

Agriculture has traditionally been an important aspect of Frederick County, not only in terms of its economic impacts but also its value to the identity and character of Frederick County. The rural areas are not a mere scenic backdrop for the urban areas, but also a source of jobs and a way of life worth preserving. A thriving rural economy is a critical component of the future vision for the rural areas.

While the County has seen a continuous decline in the total acreage of farmland, Frederick County's interest and support of its agricultural economy remains strong. From 2002 to 2007, Frederick County experienced a reduction in the number of farms (676 from 720), the amount of land in farms (98,278 acres from 112,675) and the average size of a farm (146 ac. from 156). However, the market value of products sold (71% crop and 29% livestock) increased by 29% to \$27.9 million, an average of 38% per farm according to the U.S. Census of Agriculture. Top crops were forage, apples, corn, and soybeans. Leading livestock inventory included cattle, hogs, laying chickens, horses, and goats.

This period of time included significant population growth and residential development in the County that spilled into the rural area. The amount of housing in the Rural Area now represents 50% of the current total of 28,338 homes in the County. The Rural Area has both a low housing density and by right development (see Residential chapter). Residential conversion because of rising value of agricultural land was likely a major cause of the above reductions.

To protect the amount of land available for agricultural use, the County makes a variety of tools and programs available to land owners. The County continues to allow land owners to participate in the Land Use Tax Deferral Program which allows taxpayers to apply for specially reduced assessments, such as qualifying agricultural, horticultural, and forestry uses. Participation in one of County's many Agricultural and Forestal Districts is available to County property owners. As of 2010, there were six Districts covering approximately 10,000 acres.

Over the past few years, Frederick County has worked on implementing new tools to not only help protect the agricultural lands in the County but at the same time also help the farmer capture value of the property without actually

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developing or selling the land. These programs include the Purchase of Development rights Program and the Transfer of Development Rights Program. These programs are discussed further in the Rural Areas chapter.

Not insignificant is the location of the Alson H. Smith Agricultural Research and Extension Center in Frederick County operated by Virginia Polytechnic Institute and State University.

FUTURE FOCUS

Frederick County agriculture will evolve in a way that is likely to be more intensive. Ultimately, this will require less acreage than traditional farming activities, while increasing the income from operations. It will also continue a trend of diversifying into related enterprises that support the land base, such as new value added products, new processes, new retail opportunities, and agritourism. Agriculture will also change to take advantage of the technical results of research and development.

The County should not only protect and promote its agricultural industry, but should do so while accommodating development that is appropriate for the rural area.

COMMUNITY BENEFITS

The rural economy of Frederick County plays a significant role in the life and livelihood of its inhabitants. In addition to providing food products for the region, agriculture is a revenue generator which requires very few local services, including transportation. It is agriculture which contributes to Frederick County's extraordinary viewsheds while providing a living to its farmer citizens, and a place of enjoyment for its visitors. Agriculture also has a role in preserving structures that are part of the historic fabric. Most importantly, an active, profitable agriculture operation reduces the amount of land converted to more dense uses.

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POLICIES/IMPLEMENTATION

POLICY: THE COUNTY SHOULD SUPPORT ITS AGRICULTURAL INDUSTRIES WHILE ALSO RESPONDING TO CHANGES IN THE INDUSTRY.

IMPLEMENTATION:

- Diversified uses on the farm site such as farm markets, alternative fuels, animal boarding, Pick-Your-Own operations, agritourism and specialty crops, etc., should be encouraged to help preserve farming and agricultural uses in Frederick County.
- The ordinances of Frederick County should be reviewed to enable the full range of agriculturally related activities in the rural areas. Care must be taken to ensure that such activities are compatible in scale, size and intensity with surrounding land uses and the rural character.
- Value added processes and support businesses should be examined for location within the Rural Area. These processes currently are permitted in the business districts.
- Continue to allow and encourage the use of the Land Use Tax Deferral Program, Agricultural and Forestal Programs, Purchase of Development Rights Program and the Transfer of Development Rights Program. The County should also pursue new permitted policies in support of agriculture as they are developed and become available.

POLICY: THE COUNTY SHOULD EXAMINE THE BROADER CONTEXT OF THE BUSINESS OF AGRICULTURE AND CONSIDER ACTION TO ACCOMMODATE THE VARIETY OF USES WITHIN THE RURAL AREA.

IMPLEMENTATION:

- Ancillary agricultural operations such as a livestock market or fruit growers' labor camp should be looked at if the preference of the agriculturalists and appropriate locations are identified in the Rural Area.

BUSINESS DEVELOPMENT - AGRIBUSINESS

- Frederick County should be proactive in providing opportunities for combining agricultural operations with recreational uses, resulting in a cooperative enterprise which strengthens both. Ready examples include equine operations, and golf courses.
- Frederick County should engage agricultural associations, County organizations and private business associations to proactively promote agriculture as an important element of the local economy. Specifically, these organizations should be challenged to undertake community education initiatives, industry and market research, as well as strategic marketing and small business development in support of local agriculturalists.

COMMUNITY PARTNERS AND STAKEHOLDERS

- Frederick County Farm Bureau
- Frederick County Fruit Growers Association
- Old Time Apple Growers Association
- Virginia Cooperative Extension Service

SUPPORTING MATERIALS AND RESOURCES

- Alson H. Smith Agricultural Research and Extension Center, Virginia Polytechnic Institute and State University