

Strategy Development for CEDS, Tourism, and Agricultural Economic Development Implementation



**Campbell County Department of
Economic Development**

March 2014

Introduction

The following report details a priority initiative developed and approved by the Board of Supervisors in 2013. The priority initiative called for a report that consolidates information from the 2012 CEDS, the 2013 Promoting Agriculture, Tourism, & Greenspace Preservation report, and the 2011 Tourism Assessment plan. The report includes recommended strategies, costs, options, and potential revenue options for implementation, if approved by the Board of Supervisors.

I. - 2012 CEDS

As outlined in the 2012 CEDS, Agriculture is an important component to Campbell County's overall economy, and has deep roots in the County's past.

Campbell County's agricultural sector remains vibrant even as it continues to change from largely tobacco-based to a diverse range of products such as grapes, livestock, and soybeans. While the 2012 USDA Agriculture Census County Data will not be available until mid 2014, existing data from the 2007 USDA Agriculture Census show the total number of farms in Campbell County increased by 8.0% from 2002 to 2007, while the average size of a farm decreased by 7.7% during that timeframe. Total land in farm production is 140,359 acres, representing a 1.2% increase over 2002. Total agricultural sales in the County increased dramatically from 2002 to 2007; \$15.6 million to \$25.3 million respectively, with livestock production responsible for the majority of this increase.

The Department of Economic Development continues to work with County partners, other localities, and the Virginia Tobacco Commission to apply for & administer regional agriculture-related grants to producers. Since 2007, six grants in four program areas have been awarded and administered: Value-Added Beef Initiative Grant, Commodity Storage Grant, Central Virginia Livestock Improvement Grant, and the latest grant which will soon be underway the Central Virginia Produce, Livestock, and Feed Storage Systems. Combined, these grants have provided reimbursement of \$2.6 million dollars on a cost share reimbursement basis to farmers to help them be more productive and profitable. A number of other initiatives are contained in the following sections that will highlight some steps that may be taken to continue to promote agriculture and green space preservation. Steps Campbell County presently take, such as zoning designations and land use programs, are detailed, along with tools that surrounding localities have at their disposal. Ideas that can help promote agriculture and green space preservation include better marketing land use and conservation easement programs, implementation of an agricultural advisory board, and/or the creation of an agricultural economic development position.

Significant hurdles exist into implementing new programs, the biggest of which is funding. With budgets forecast to be extremely tight well into the future, it will be difficult to acquire large sources of funding that some suggestions may require. Additionally, with the use of public funding to support agriculture activities in the form of incentives, there is expected to be a direct public return on investment from increased public revenue as received from industrial incentives. In discussions held during the Comprehensive Economic Development Strategy 2012 Update meetings there were perceived notions by a majority of the committee members that the County already does an outstanding job at preserving open space and further steps are not necessary to support agriculture activities. Other concerns, such

as duplication of existing services and competition between surrounding localities, are highlighted in the following sections.

II- Promoting Agriculture, Tourism, & Greenspace Preservation

A report titled Promoting Agriculture & Greenspace Preservation was presented to the Board of Supervisors in January of 2013. That report echoed many of the 2012 CEDS findings. The report reviewed and contained recommendations regarding a number of options/strategies and the potential cost for implementation of some of those items. These options included the following:

- Creating an Agriculture Advisory Board, including options of how to form the group as well as annual estimated cost ranging from a minimum of \$6,000 to as high as \$20,000.
- Creating an Agriculture Development Director staff position and stated in order for the position to be effective a budget of \$75,000 to \$100,000 would be necessary based upon research of similar offices within the surrounding counties. The research included counties outside of Region 2000.

A potential alternative to creating a full time county staff position was to look at partnering with the Virginia Cooperative Extension Service to provide an Agriculture Sustainability position at approximately \$55,000 per year.

- Farmers Market operates where area farms, for a nominal fee, can set up as a vendor and sell their product to consumers. The market would be held on certain days during growing season and would feature their specialty produce. By taking part in the farmer's market, vendors get their name and face out to the public. This in turn, not only provides a means for the farmers, but for the County, as well. This option came to fruition in 2013 where the county working with the Cooperative Extension Office assisted in organizing a Farmers Market at Brookville High School but the market has since ceased to operate. To effectively create a Farmers Market takes management time & funding for marketing.
- The report examined the Olde Dominion Agriculture Complex in Pittsylvania County. The cost of that facility to be constructed exceeded \$6 million and then there are on-going staffing costs.
- Farm tours are an integral part of educating the public about the importance of farms and the daily processes and requirements to yield products that we, as consumers, utilize on a regular basis. A farm tour would draw a large enough crowd to benefit not only the farmer, but the County as well. Farm Tours presently exist in Campbell County on a limited basis. These tours ebb & flow with time but have gained community acceptance once again. The issues with Farm Tours are similar to Farmer Markets in that it takes time, man power & funding to organize and market these events successfully. Several of the events have proven to be very successful over the past few years.
- Festivals have a tourism event draw from the community. The Heritage Festival is one such example that brings citizens and visitors together to participate in Campbell County's rich

heritage. Traditions are brought forth and displayed, whether it is through music, farming equipment, crafts, animals and food.

- Land Use, Zoning & Conservation Easements were examined to determine impact on preserving open space. The preservation of agriculture land and green space plays an important part of bringing tourism to the County. Preserving green space in the County can be established through conservation easements to protect land from being developed in perpetuity. Land use is automatically granted through conservation easements in the County; this also excludes the fees or registration processes attached to land use. However, conservation easements can limit the amount of tax revenue collected from landowners.

Still there are other options to help market the agriculture sector in Campbell County. The introduction of niche products such as wine and aquaculture has also become more of the mainstream to consumers rather than tobacco and produce. There are several vineyards in the County that host events for the public to visit and see the processes to yield their goods. Many of the vineyards have also partnered with neighboring localities to showcase their products at outside events. These partnerships, again, get their name out to the public and bring consumers to our direct economy in the County.

Partnerships with our neighboring localities are a vital part of enhancing our Tourism marketing efforts. In doing so, this makes the County more recognizable in situations where advertising alone would not have been as effective. Working with local, regional and business partners can offer better coverage of area events, tours and festivals.

III- Campbell County Tourism Assessment Plan

In May of 2013 the Board received a Campbell County Tourism Assessment Plan. This plan was prepared with the assistance of the Virginia Tourism Corporation and a 33 member stakeholder group. There were four goals & objectives adopted and recommended in this plan. They are:

Goal 1- Increase Economic Benefit of Tourism for Campbell County

Establish a dedicated funding source to support Tourism initiatives
Investigate and institute lodging tax to support tourism
Educate local stake holders
Develop tracking system for Campbell County Tourism
Develop better communications within the county

Goal 2- Create Campbell County Tourism Alliance

Develop unified alliance to manage, coordinate, and move Tourism efforts forward
Development of a plan for Tourism Stake holder buy-in

Goal 3- To Improve, Enhance, Tourism Marketing Efforts

- Create an effective Marketing plan
- Create Branding for the County
- Utilize Technology better
- Better utilize and establish relationships with local media
- Create and Train Tourism Speakers

Goal 4- Encourage the Development and Expansion of Tourism Assets

- Develop plan for expanding and developing Tourism assets
- Develop plan to assist attractions to prepare for visitors
- Develop plan to recruit businesses to support gaps in Tourism

The plan concluded by stating Representatives of Campbell County recognize the significance of tourism through its economic impact and related contributions to the quality of life for the citizens in the towns and county. The significant steps taken by those representatives and milestones met prior to the development of this first tourism strategic plan serve as evidence of that recognition. This plan is intended to build upon those accomplishments and to help create a sustainable tourism program. Local government support and stakeholder participation is required for this plan to be implemented and successful.

IV- Conclusions

CEDS Conclusion

Campbell County has retained its largely rural designation since its inception; however, future growth from Lynchburg and along the U.S. 29 and 460 corridors will challenge this designation. It is wise for the County to continue to promote agriculture and green space and promote responsible growth. This will reduce overall operating government costs in the future, as unchecked growth and sprawl create more service costs than are paid in taxes. Managed growth and green space preservation also have the added benefit of ensuring Campbell County's outstanding quality of life will remain well into the future. Given modern pressures more proactive approaches in land use controls is advisable to insure farm land is used for the production of crops and open green space is maintained.

Promoting Agriculture, Tourism & Green Space Preservation Report Conclusion

Agriculture and green space continue to be vital resources within Campbell County. With numerous reports stating that one of the County's greatest attributes being quality of life, it is imperative that agriculture be promoted and green space protected. Several threats exist to the agriculture community

and green space protection, including urban growth and increased costs. Despite these threats, programs such as family farm days, farmer’s markets, and agricultural advisory boards play pivotal roles in promoting and growing the agriculture base. Campbell County must continue to work with local, state, and regional partners, along with the farming community, to continue to ensure agriculture is a viable industry for years to come, and that green space will be saved for the enjoyment of future generations.

This cannot be accomplished without the addition of resources in both manpower and funding. Several options are included in this report to assist with revitalizing agriculture enterprises. As the Board weighs the options and the allocation of additional capital resources it should consider the return on investment of allocating capital resources. That can be either in the return of direct revenue to the county or the preservation of open space there by assisting to limit future demands for additional county services.

Campbell County Tourism Assessment Plan Conclusion

Campbell County values agriculture and preserving green space as a vital part of our community and economy. Encouraging farm tours, farmer’s markets and other related programs will help to expand the agriculture base and educate the public on the importance of preserving land, green space and farming in the County. Continuing partnerships with the Tobacco Commission, Campbell County Extension Services and farmers to obtain future regional grants, to better our direct economy, will have a great impact on agriculture in the County. More grants mean more opportunities to build, improve and in some cases, start the process of preservation. Similarly, with the introduction of an agriculture development position, the County would see growth in further research for future grants, assist in promoting activities, farm tours and markets, and have an agriculturally educated liaison for the Board of Supervisors and farming community. Increasing the staff support to the County for agriculture purposes increases the amount of work we can accomplish, as well as the investment of resources to come to a higher rate of agriculture and green space production in the County. In working alongside our farming community, local, state and regional partners, the agriculture industry can be encouraged and preserved for many generations to come.

V- Options

2012 CEDS

**Potential
Costs**

**Potential
Revenue**

Promote and encourage the development of Tourism in the region
 Continue alliance with Lynchburg Tourism & Convention Bureau
 Agricultural land planning Initiative
 Market travel & tourism related activities as well as Industrial sectors
 Work to implement a transient occupancy tax of 5% to support Tourism efforts
 (3% for Tourism) \$200,000
 Continue collaboration with regional/state tourism alliances, such as Fish
 Virginia First
 Work to continue to find and support grant opportunities to assist farmers
 Work with established alliances to seek funding, educational opportunities,
 and marketing support for the agriculture community to help find cost
 effective methods of producing and selling products

Promoting Tourism & Agriculture Greenspace

Create county Agriculture Advisory Board \$20,000.00
 Create County Agriculture Development Director position \$100,000.00
 Work with the Virginia Cooperative Extension Service to create a Sustainability
 Agriculture position \$55,000.00
 Potential for a Agriculture Complex \$6 million+
 Farm Tours/Festivals
 Land Use, Zoning & Conservation Easements

Tourism Assessment- (complete listing of goals in document above)

Establish a dedicated funding source to promote Tourism Initiatives
 Investigate and institute a lodging tax to support Tourism (3% for Tourism
 purposes) \$200,000
 Create an effective Marketing Plan
 Develop plan for expanding and developing tourism assets

VI- Summary and Recommendations

A number of options are found to be consistent or similar through all three of the documents. First Tourism and Agriculture are very important elements of Campbell County’s economy and contributes to the livelihood and enjoyment of our citizens. All three documents suggest that Campbell County be proactive in helping to insure that both Tourism & Agriculture be nurtured to be sustainable and grow. All of the efforts involved dedicating resources to assist in the endeavor. Some of the resources are staff related and some of the resources have to be capital/revenue to invest in the activities. The Code of

Virginia allows counties to enact a Transient Occupancy tax of up to 5% with those revenues over 2% being restricted to fund Tourism activities. These funds have some latitude as to how they can be spent but are restricted to tourism and travel, marketing of tourism or initiatives after consultation with the local tourism industry organizations, including representatives of lodging properties located in the county, attract travelers to the locality, increase occupancy at lodging properties, and generate tourism revenues in the locality. If the full 3% were enacted based upon existing hotels we would generate approximately \$200,000 to support Tourism related initiatives. Funds that are presently supporting tourism activities could be replaced with these funds allowing the existing funding to be used to support agriculture activities such as the cost sharing proposal with the Virginia Cooperative Extension Service. Transient occupancy Taxes are paid by people passing through Campbell County not county residents.

The CEDS and the Agriculture, Tourism, and Greenspace Preservation both recommend action be taken to look at land planning, Zoning, and conservation easements to assist in encouraging open space preservation and continued agriculture production. Options were included in the Agriculture, Tourism, and Greenspace preservation plan for funding a position to assist and insure agriculture production is sustainable for the future so we at least keep what we have and hopefully grow new activities.

- i. Staff suggests the Board consider enacting some of the Options identified by the three commissioned studies the Board authorized. The most feasible the Board might want to consider would be to enhance the Transient Occupancy Tax in Campbell County an additional 3% on top of the existing 2% to provide a funding source to be used toward dedicated tourism activity instead of using general tax dollars as is currently the case. Each 1% of Transient occupancy Tax generates about \$65,000.
- ii. Staff suggests strong consideration should be given to working with the Virginia Cooperative Extension Service to create an agriculture sustainability position in Campbell County to work with and assist farmers in being more profitable thereby assisting in maintaining agricultural operations. This is an adopted Board priority for this year and is included in the Fiscal 15 budget. While total cost is \$55,000 the county's share is only 50% or \$27,500 in general fund dollars.
- iii. Staff believes that the recommendation of the CEDS & the Agriculture, Tourism, and Greenspace Preservation report to enhance land planning efforts to protect and preserve agriculture/greenspace properties should be considered. Actions such as defining rural residential regulations to enhancing conservation easements are suggested for consideration. The Planning Commission has the responsibility and should be the group responsible for reviewing and making recommendations to the Board of Supervisors for consideration of land planning efforts.