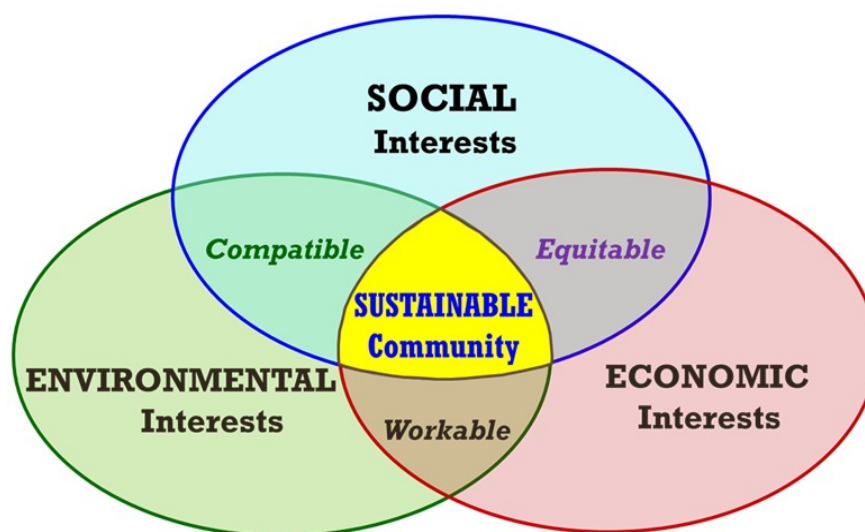


# Ad-Hoc Committee Report Summary

## SUGGESTIONS AND RECOMMENDATIONS FOR BUILDING A SUSTAINABLE RURAL COMMUNITY

February 8, 2018



Summarized by  
Ad-Hoc Committee Co-Chairs,  
Al Van Huyck &  
Malcolm Baldwin

Prepared by



**Ad-Hoc Committee Report Summary**

**Suggestions and Recommendations For Building  
A Sustainable Rural Community**

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# **SUGGESTIONS AND RECOMMENDATIONS FOR BUILDING A SUSTAINABLE RURAL COMMUNITY**

## **INTRODUCTION**

An Ad-hoc Committee was organized in November, 2016 by Alfred Van Huyck and Malcolm Baldwin, and consisted of several members from the Loudoun County Preservation and Conservation Coalition (LCPCC), the Rural Economic Development Council (REDC), and several rural business leaders. The Committee was formed after the Board of Supervisors at their 2016 Strategic Planning Retreat reaffirmed the strategic focus areas and agreed-upon outcomes for completion by December, 2019, including:

- Economic Development – Improving the rural economy in a way that maintains the quality of life for current residents; and
- New Comprehensive Plan (Envision Loudoun) – Seek a balance between preserving rural areas . . . and revitalizing other areas.

Early in the Ad-Hoc Committee discussions it became clear that the committee's work needed to take a look at the long term sustainability of the rural area.

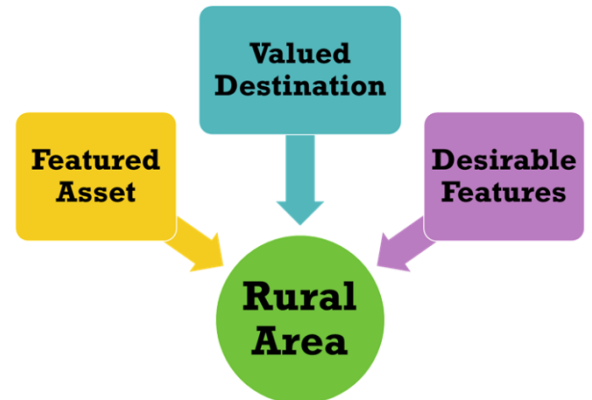
Committee work consisted of meetings held November, 2016 through June, 2017. Committee activities included interviews, case studies and site reviews of various rural business locations, and an analysis of current rural zoning ordinances, inconsistencies and related impacts. Presentations were made to invited rural business owners and to the REDC Policy Implementation Committee (PIC) on June 20, 2017.

The following provides a summary of the findings and recommendations. There was no formal review or agreement of the materials in this report by committee participants, but the points included were discussed at Ad-hoc group meetings. The committee has now completed its work.

## THE IMPORTANCE OF THE RURAL AREA TO LOUDOUN COUNTY

Committee work sessions and presentations emphasized the long-standing importance of Loudoun's Rural Area to county residents. Rural Loudoun is a valued resource whose attributes should be retained in perpetuity. Comments included:

1. Loudoun's comparative advantage is our rural area.
2. It is a featured asset in our economic development promotion.
3. It is a valued destination within the Metropolitan Area
4. It is ranked at the top of the list of desirable features by Loudoun's citizens both east and west.
5. The Rural Economy is a significant factor to diversification and economic growth of the County.



## CHALLENGES TO BUILDING A SUSTAINABLE RURAL ECONOMY

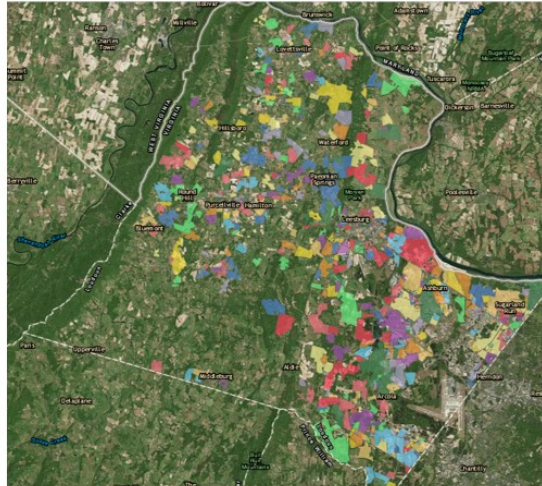


The future of the rural community faces the most significant adverse threats from the relentless conversion of Loudoun's farms to housing development. Housing clusters and subdivision developments have frustrated the agriculture and open space zoning vision of our Board of Supervisors since the turn of this century. Today, rural Loudoun faces growing traffic congestion, unknown limitations of ground water withdrawal and recharge, loss of traditional farms, introduction of large scale land uses not compatible with the rural economy, and conflict of values with some rural residential households.

Unless Loudoun County addresses these potential threats with a robust action plan and strategy we believe that, based on current data and trends, our rural area will become unsustainable as a unique and economically, environmentally and socially valued attribute of Loudoun.

## Residential Communities Map of Loudoun

By-Right Development

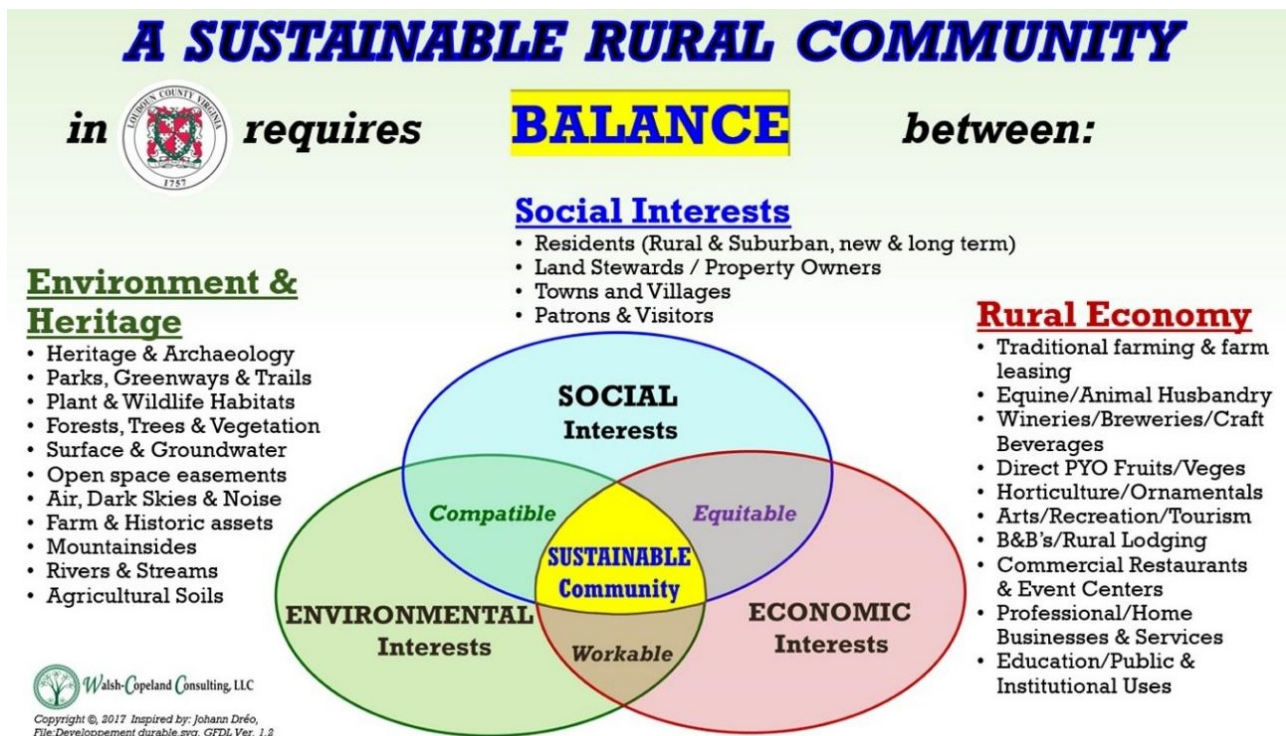


This picture illustrates the intense development pressures that exist in northern rural Loudoun.

Source: [www.loudoun.gov/mapping](http://www.loudoun.gov/mapping)

## FRAMEWORK FOR A SUSTAINABLE COMMUNITY

The diagram below illustrates the concept that a Sustainable Rural Community requires a balance between the economic interests of farmers and rural business owners that sustain our rural economy, the social interests of residents and landowners, and the preservation and enhancement of the environmental and heritage assets critical to the rural economy that make the rural western Loudoun landscape unique.





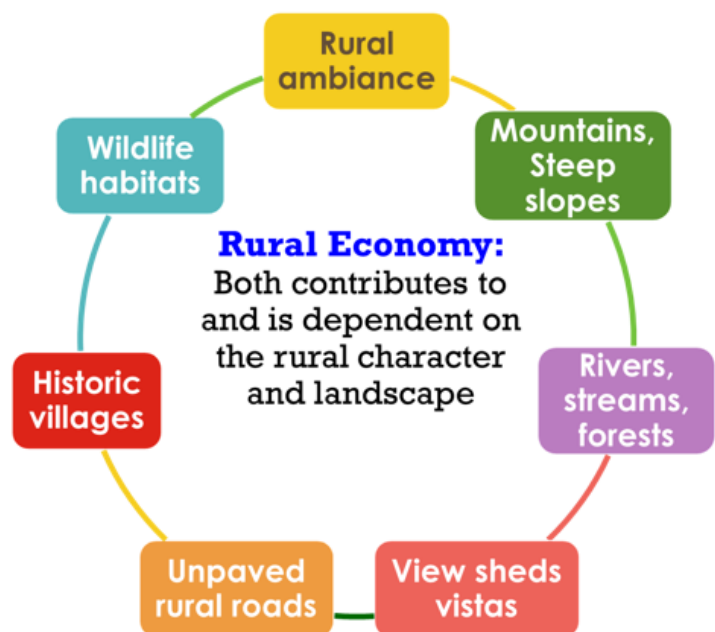
A Sustainable Rural Community in Loudoun County requires understanding of the inter-relationships of the economic, social and environmental interests as well as the methods to achieve the major goals identified by the Board of Supervisors to

- Reduce the economic costs to County taxpayers from the ongoing growth of housing throughout Loudoun County.
- Support with effective incentives and promotion of agri-business opportunities that will preserve farmland from conversion to housing, including measures for new rural economy initiatives as outlined in the REDC Strategy “The Long View.”
- Improve the rural economy in ways that enhance the environmental assets that support rural quality of life for current residents, managed through consistent and enforced County Zoning Ordinances and the Subdivision and Facilities Standard Manual, and supported by effective procedures that respond to citizen reports of violations.

**Protecting our environmental and cultural values.** The Rural Policy Area established in the Revised General Plan is to be a permanent asset to Loudoun County based on a sustainable rural community, strong rural economy, and a high quality of life for its rural residents.

The rural economy is made up of large traditional farms, wineries, breweries, event centers, B&B’s, country inns and restaurants, the equine industry and animal husbandry, innovative agriculture, passive and active outdoor recreation, and a wide range of homebased businesses. Each economic use both contributes to and is dependent on Loudoun’s rural character and landscape.

The rural economy and community at large depend on maintenance of Loudoun’s mountains, forested steep slopes, rivers and streams, wood land, view sheds and vistas, unpaved historic rural roads, stone walls, historic villages and private homes, and support of wildlife habitats and corridors. All these attributes provide the visitors and tourists drawn to our rural businesses with a unique rural experience.



To achieve a sustainable rural economy requires specific commitments by the Board of Supervisors to:

- Support strong policy commitments in the New Comprehensive Plan that will sustain the economic and environmental attributes on which the Rural Economy depends.
- Support measurable green infrastructure policies in the New Comprehensive Plan to save county expenditures and environmental values.
- Support analysis and measures that will improve the efficiency of the rural road network in the Rural Policy Area as part of the New Countywide Transportation Plan without widening major arterials and continued maintenance of the 280 miles of historic unpaved roads.
- Support the installation of high speed broadband and telecommunications facilities.
- Support the preparation plans for hiking and equine trails and bike paths to connect rural economy activities.

### Input to New Comprehensive Plan

Measurable Policy Statements

Green Infrastructure Policies

Improving Rural Road Network

Support Broadband and Telecom

Support Trails and Bike Paths

## SOCIAL, ENVIRONMENTAL AND ECONOMIC INTERESTS:

### Typology of Rural Residential Communities

Residential communities in the rural area contribute to building a sustainable rural community. Each community needs specific policies and programs to facilitate its contribution to a Sustainable Rural Community.

#### 1. Owners of large acreage

Owners of large farms (50 acre lots and larger) that constitute about 75,000 acres are, de facto, Loudoun's major land stewards. Their properties include Loudoun's last remaining large agriculture farms on Loudoun's most productive soils, equine farms, and forestry holdings and large vineyards. Southwestern Loudoun has a large number of conservation easements but most farms north of Snickersville Turnpike do not. These farms, most notably in the northern AR-1 zoning area, are ongoing targets for residential and non-residential development if and when their present owners and heirs no longer believe they can afford ownership. *Sound economic policy requires effective County actions to retain these large agricultural assets.*

## 2. Small farms of diverse agricultural, horticultural, livestock, or equine lands

Of Loudoun's approximately 1,400 farms most are under 50 acres. Their horticulture, animal husbandry, or specialized agriculture thrives and provides Loudoun's markets, restaurants, and individual consumers with a wide variety of products. A look at the County GIS map shows that the AR-1 rural north is characterized by much smaller holdings, many of 10 acres or less. Even these small farms provide their owners with a rural life style and an income while members of the family may also hold non-agricultural jobs. Other small farm lots are owned by families, who seek the rural lifestyle, but are not attempting to work the land commercially. They own horses, grow fruit and vegetables for their own consumption, or run home-based businesses that purchase local goods and services, including support for nearly 30 Bed and Breakfast facilities as of 2018. *Given the economic, social and environmental benefits of these small farms the County needs to minimize the costs of entry into these small farming operations and reduce costs that inhibit their economic productivity.*

## 3. Hamlets, Rural Villages, and Clustered Subdivisions

The County decided in 2002 that the then minimum lot size of three acres was wasteful and inefficient for retaining the rural land resource, and it changed the base zoning to 20 acres in the North (AR-1) and 40 acres in the South (AR-2). Then the Board created a cluster option in each of the two zoning areas: under AR-1 the overall density yield is one house per five acres, with most houses on even smaller lots and one or more on larger rural economy lots. The provisions are more strict in the AR-2 zone, allowing clustered lots at an average of 15 acres. There are also Zoning Ordinance options for Hamlets and Countryside Rural Villages.

The underlying justification for clustering was that by clustering housing we could help preserve open space. However, several issues have commonly arisen:

- a. The distinction between AR-1 and AR-2 lot and cluster provisions has exacerbated the loss of farms in AR-1. It has fostered more houses in the north and contributed to vastly more population than in the south (by more than 10 times). But this AR-1 and AR-2 distinction has resulted in far fewer conservation easements and much more rapid loss of farm land than in the south. *The result of the housing allowed by AR-1 zoning is increased costs for the county for public services and, of course, more traffic and pressure on Loudoun's hundreds of miles of unpaved roads.*





- b. The open-space lot(s) that AR-1 zoning allows have nearly always been unusable for agriculture. *Open space lots, being widely separated rather than being contiguous, and thus lie fallow or get mowed.*
- c. Residents in the clustered housing, especially in AR-1, often buy in expectation of enjoying a suburban life, with resulting desire for suburban type facilities and services. They sometimes oppose the inconvenience caused by rural tourism and farming (such as moving farm equipment on rural roads). *The increasing number of households which are located in the rural area, but with suburban as distinct from rural living expectations, creates stress on efforts to sustain our rural economy and communities.*

#### 4. Historic Villages

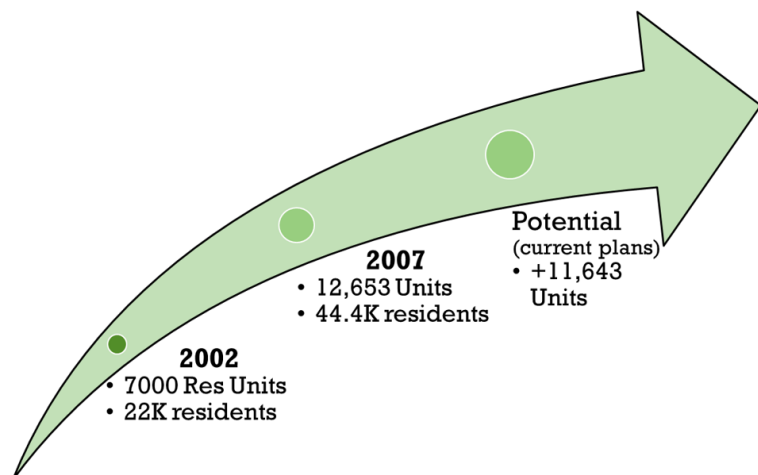
Loudoun's 12 historic villages and towns provide homes for families seeking a unique quality of life. The historic nature of our villages and towns are a major asset in the tourism industry bringing thousands of visitors each year to visit the wineries, breweries, and other attractions and provide tourism revenue to village B&B's and Country Inns. *To maintain this tourist attraction our towns and villages must work to retain their historic integrity, as many have by maintaining historic architecture and village form that residents and tourist appreciate. Our towns, villages, the County and the State must work together to help manage the growing volumes of commuter traffic that cuts through the villages like Waterford and the Town of Hillsboro with increasing detriment to the quality of life residents have traditionally enjoyed.*

#### 5. Towns and Joint Land Management Areas

Loudoun's Rural Towns have grown rapidly within town boundaries and (in some cases) Joint Land Management Areas. Towns along the Route 7 corridor have expanded their residential and commercial base significantly and now are reaching build-out. The same is true for Lovettsville, off Route 287. These developments are significant as County and town's policy has been to locate major public facilities and non-agricultural commercial uses in the towns. One result is vastly increased traffic for these towns. Now, however, present AR-1 zoning increases pressure to locate these essentially urban facilities within the outlying rural area as well. The result: further loss of productive prime agricultural soils, and land for rural uses. *It is important for our towns to consider the impact of their development policies on the surrounding rural area as to traffic generation, requirement for schools and other public facilities, and compatible economic development.*

## Future Residential Growth

Between 2002 and 2017, the number of housing units and the residential population of the Rural Policy Area nearly doubled from, respectively, 7,000 to 12,653 units, and from 22,000 to 44,400 residents.<sup>1</sup> The County estimates that the overall rural area presently has the potential to add another 11,643 residential units under present plans and regulations. The Towns and JLMA's can potentially add many more. As matters stand, the vast majority of these housing units will be in the form of clusters or town suburban densities with little connection to the rural economy and lifestyle.



These growth estimates will be in part accelerated because the land in the rural area has substantially lower cost than in the Suburban Area where there is only limited land available for single family detached houses. In addition, no proffers are required for by-right development which creates still more incentives to build in the rural area.

Further threatening the sustainability of the rural community is the increasing pressure, due in part to attractive land values, to locate economic activities such as shooting ranges, or indoor recreation facilities unrelated to agriculture and the rural community. The current General Plan addressed this issue directly by stating

*"New non-rural commercial uses that are not compatible with the dominant agricultural land use pattern will be allowed to locate only in Towns. The County may permit non-agriculturally related commercial uses by special exception in the Rural Policy Area if the use is agriculturally and rurally compatible in scale and intensity, poses no threat to public health, safety, and welfare, and if the use helps to preserve farmland and open space and continue agricultural operations."*

***This policy must be retained explicitly and strengthened with measurable goals in the pending New Comprehensive Plan in order to preserve and enhance Loudoun's rural economy.***

Beyond retention of this Comprehensive Plan provision, Loudoun County has other ready opportunities to respond to these rural threats.

<sup>1</sup> (Data for 2017 are from: Envision Loudoun Stakeholders Committee, "Rural Policy Area and Existing Villages: Topic Paper, December 13, 2017. <https://www.loudoun.gov/ArchiveCenter/>).



**Change the cluster and zoning provisions for the AR-1 district.** We have described how the current AR-1 zoning in our rural north fosters the rapid conversion of our remaining farmland to suburban housing. Currently, there are more than 85 approved residential subdivisions in various stages of construction in the County's Rural Policy Area. The County issued over 2,000 new building permits for this area between 2009 and 2016. While it is sometimes asserted that the Rural Policy Area is zoned primarily for 20-acre and larger properties, this is highly misleading.

In fact, the subdivision options in the current zoning ordinance allow fertile farmland to be divided into clustered housing parcels of one acre or less, so long as the dense subdivisions are accompanied by larger residential parcels. There is no requirement that larger parcels be contiguous to each other or that they be reserved for agriculture, recreation or other open space uses, rather than for housing and suburban-style grass lawns. There is no requirement that any subdivided farmland be placed in permanent conservation easement. The dense, housing clusters currently emerging all over the Rural Policy Areas can be sited anywhere in the rural landscape, where they can significantly degrade (and have already degraded) the beautiful scenery on which our lucrative agri-tourism, outdoor recreation, and other local businesses depend. Each new residence built in the Rural Policy Area costs County taxpayers far more than the revenues it generates.

These are the kinds of measures, taken together, that have the potential to protect and sustain the environmental, social and economic contributions of our rural economy.

### Opportunities to Consider:

1. Publicizing and encouraging use of currently available techniques for preserving rural lands via the adoption of conservation easements and the Land Use Tax and opportunities to obtain financial support for preservation actions.

#### Financial Support

- Conservation easements
- Land Use Tax

#### 5-20 acres

- Join Ag/Forrestal Districts
- Open Space Land Use Tax

#### Review Zoning

- Protect historic villages
- Establish traffic calming

#### Town Plans

- Integrate in planning

#### Manage housing

- Increase average cluster size
- Management plan for open space lots

#### Reduce costs

- Partner with land trust orgs
- Defray up-front easement costs

2. Allow properties between 5 and 20 acres to join Agricultural and Forrestal Districts and qualify for the Open Space Land Use Tax if they have an approved management plan and are accumulating their five-year agricultural production records, running an equine facility both commercial and non-commercial; or have agreed to the permanent preservation and enhancement of environmental assets.

3. Review zoning regulations to ensure that the integrity of historic villages is not compromised by incompatible forms of development and to establish appropriate traffic calming, regulation, and management is applied to maintain the historic character of the village.
4. Integrate Town Plans into the overall objective of building a sustainable rural community.
5. Consider ways to reduce the construction of housing units which do not contribute to the rural economy and way of life such as increasing the average size of the cluster back to the original 10 acres in the AR-1 zone and in all cases require a viable Management Plan for the open space conservation lots that contributes to the rural economy and life style.
6. The attractiveness of conservation easements on farm land, by which the owner donates development rights to a private land trust organization, has sometimes suffered from concern about up-front costs: appraisals, legal fees, and stewardship costs. County programs to contribute to these costs, in partnership with the land trust organizations, offer another promising opportunity to save farms and the rural economy.

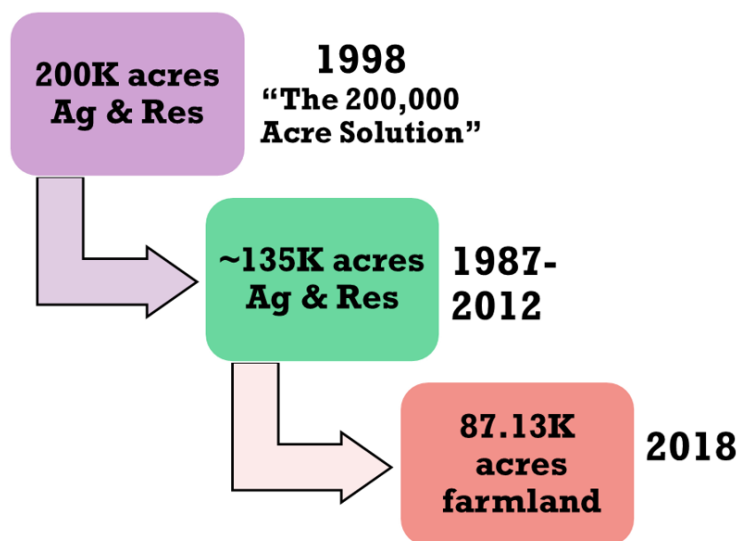
## **SAVING TRADITIONAL FARMS AND PRESERVING OPEN SPACE**

County actions over the next several years will determine whether or not Loudoun continues to lose its traditional farms and open space to large lot and clustered housing and inappropriate commercial ventures unrelated to the rural economy. These threatened changes will irrevocably harm our rural economy and mar the landscape, discourage and degrade tourist experiences, increase County public facilities and services costs, and ultimately destroy the quality of life and rural economy which enjoy major public support today.

Positive action requires leadership from County Supervisors, Staff, and the REDC to integrate new land conservation programs with effective promotion of our rural economy. The REDC will need to update its strategy to carry out this integration. In cooperation with REDC and Visit Loudoun, the County will need to formulate effective public/private partnerships to preserve and sustain landscapes that foster rural tourism and other rural businesses. Without these measures Loudoun's goal of a Sustainable Rural Community will soon fail, with economic, social and environmental irrevocable costs to the county and its residents.

## Some Basic Facts

Every year the Spring and Fall Farm Tours each bring over 9,000 visitors to Loudoun's farms, and many more tourists come throughout the year. The beauty of the farms, the scenic vistas, and their relationship to the historic villages, the mountains, streams, forests, rural roads and stone walls contribute directly to the ambiance which supports the tourism industry of wineries, breweries, and event centers. The continued loss of the traditional farms will impact the rural economy way beyond the immediate loss of production.



The 1998 "The 200,000 Acre Solution" report commissioned by the Board of Supervisors recommended significant measures to preserve Loudoun's rich agricultural land base. That year some 200,000 acres were zoned for agricultural *and* rural residential use. The report noted that the 1992 US Department of Agriculture for agricultural survey identified 200,000 acres of farmland alone. Between 1987 and 2012, our County's farm acreage shrank by more than a third – from over 200,000 to less than 135,000 acres.<sup>2</sup> Now, in 2018, the County's Agricultural Land Use Assessment Program includes only 87,130 acres of our farmland in 1,119 parcels over 20 acres.

Approximately 60,000 acres of the 134,000 existing farmland is under permanent conservation easement – predominantly in southwestern Loudoun – and approximately another 20,000 acres in Development Easements (with no tax implications and largely not in perpetuity) that are held exclusively with the County.

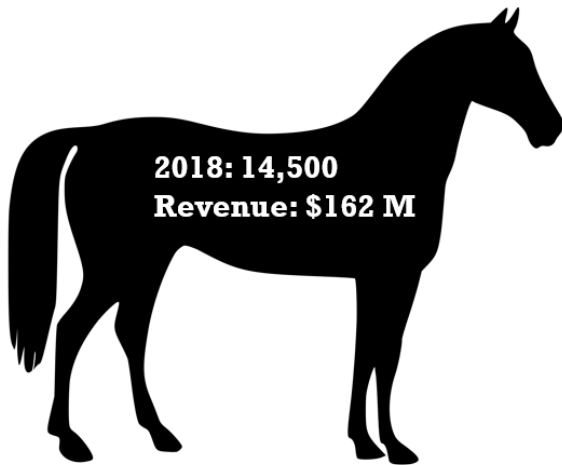
County surveys, public input sessions at the Comprehensive Plan Envision workshops and a recent University of Virginia survey confirm county residents' desire to protect our Rural Policy Area. Yet the continued loss of farmland to housing development not only diminishes this competitive advantage of the County, but it raises costs to county taxpayers because the public service and school costs to the county exceed the property tax revenue. Precisely how much it reduces rural income is a figure the county, Visit Loudoun, and tourist business still need to determine.

<sup>2</sup> U.S. Department of Agriculture, "Census of Agriculture, County Profile: Loudoun County, Virginia," 1987 and 2012.





Loudoun is home to an estimated 14,500 horses (both pleasure and commercial) which provide revenue to the county of \$162 million. Vineyards play a very important role in our rural economy although they only occupy about 738 acres in Loudoun. Vineyards serve Loudoun's



vibrant winery business with an estimated total revenue of \$136 million. But vineyards and wineries, along with breweries, play a limited role in retaining agricultural lands and open space in the County.

The US Department of Agriculture has estimated that Loudoun has \$37 million in annual market sales of agricultural products. Traditional farms provide meat and vegetables for local consumers and restaurants through farmers' markets and supply contracts. However, even though the potential market for local products for households, restaurants,

and schools as well as for export is growing rapidly, our farmers cannot take full advantage of these trends for several reasons: the aging of the farmers themselves (now averaging 60 years of age), the high cost of Loudoun's rural land, the lack of key agricultural processing facilities in the production system and some regulatory and tax barriers.

This unique rural agricultural resource, so close to the jobs and facilities of the Washington Metropolitan Area, is a major asset in attracting new businesses, contributing to tourism and retaining existing rural businesses in the County.

*It is imperative that the County, the farming community and other rural businesses (wineries, breweries, B&Bs, and restaurants) thriving on tourism recognize the critical value that traditional farms bring to the rural economy. These business interests must also join forces to support and work with Visit Loudoun and others to obtain far better economic data on the importance of traditional farms to tourism.*



*To facilitate practical policy reforms for protecting traditional farms Loudoun can and must assess the practical policies and regulations followed by other Virginia counties (and those in other states) that can be, tailored to meet the needs of the County's present and future farmers.*

## **Recommendations For Saving Traditional Farms And Preserving Open Space**

### **Labor**

1. Establish and support a stable agricultural labor force under Federal and State regulations and local County policies and regulations and create flexibility in farm workforce housing regulations.
2. Develop an Agricultural Workforce Education and Development Strategy.

### **Farm Management**

3. Monitor the use of ground water and set policies for limiting large water uses not connected to farming and the rural economy.
4. Require Farm Management Plans and Conservation Design of all rural residential cluster projects to preserve environmental features and best agricultural soils from the residential footprint.
5. Design performance criteria for Solar Farms and Windmills as Special Exception uses in specific locations.

### **Taxation**

6. Open up Agricultural and Forrestral Districts to permit use of Open Space Land Use Tax Rates to property owners of 5-20 acres which have approved Farm Management Plans and meet performance criteria implementing the objectives of the Comprehensive Plan.
7. The County tax program should make distinctions between structures used predominantly for farming, and those used as high-revenue producing wineries or breweries. Given how critical profitable farming is to the welfare of rural Loudoun farm structures – those used as out-buildings – simply should not be taxed: the economic cost to farmers is high and the revenue to the County are low. If they are taxed they should only be taxed at the Agricultural Land Use Tax Rate. Depreciable equipment should be exempt if the farm is located within an Agricultural and Forrestral District and has an up-to-date Farm Management Plan approved.
8. The Staff of the Assessor's Office should receive training in assessing the various types of farm out-buildings and equipment to ensure equal treatment and consistent outcomes.

### **Incentives**

9. Provide regulatory incentives to encourage the private sector to provide affordable, high-speed internet services to all farms and rural businesses through a Strategic Plan.
10. Create County incentives and services to assist farmers, upon request, in preparing their estate plans to retain the farm in productive use while recovering the equity through conservation easements.
11. Prepare County information and circulate it widely to property owners in the open space category of the Land Use Tax Plan on the advantages and potential in arranging long term leases with young farmers to bring land back into production for their mutual benefit.

12. Undertake a concentrated effort to improve the quality of hay grown in the County to reduce the reliance on imported hay and encourage retention of high-quality hay-producing land.
13. Change County planning and zoning regulations to permit a slaughter house and processing capacity and vegetable processing facilities by Special Exception to facilitate the growth of animal husbandry and horticultural industries.
14. Develop a Consolidated Year-Round Farmers Market in Loudoun.

### **Conservancy Lots and Farming**

15. If the County decides to retain its AR-1 cluster zoning provisions, require that at least 50% of the "rural economy lots" in clustered subdivisions be on arable land that can be farmed (not on steep slopes or in watersheds in which building or agriculture would not be permitted or viable).
16. Require that developers provide access roads for farming, fencing, and low-cost leases to farmers wishing to use the rural economy lots for farming.
17. Encourage, to the extent possible, that rural economy lots are contiguous to each other and to any undeveloped land (farms, woodlands, watersheds, slopes, or other land already in conservation easements).
18. Provide that rural economy lots not used for farming (i.e. woodlands and slopes) be made available for public hiking or biking trails where appropriate.
19. Encourage clustered residences to be well landscaped with trees and kept off steep slopes and situated to avoid damage to viewsheds.

### **Farm Loss Prevention**

20. The County should reestablish the Purchase of Development Rights<sup>3</sup> as a means of retaining important farms, view sheds, and to create public trail access to support the rural economy. Eligible under the PDR program should be reimbursement of qualified land owner's costs of entering the PDR program.
21. In cooperation with private land trusts, sponsor information and outreach programs to acquaint land owners with the benefits of private conservation easements.
22. Revise regulations affecting development open space easements to convert them to conservation easements in perpetuity and establish programs for stewardship monitoring with private land trusts.

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<sup>3</sup> The Board of Supervisors defunded this program in January, 2004. The County established its PDR program in response to the recommendations of the "200,000 acre Solution" report. It resulted in the County's purchase of development rights on 12 properties, covering 2,535 acres at a cost of \$8.9 million (\$3,674 per acre). This program preserved 335 acres within or eligible for state or federal historic landmark designation, 1,546 acres along scenic byways, 1,500 acres identified by Virginia as important natural habitats, 6.66 miles of stream frontage along major stream corridors, and 1,200 acres of prime and secondary farmland. Some 20 counties in the Commonwealth of Virginia, have active PDR programs. Given the pressing need to preserve farmland, a funded PDR program focused on the most critical, endangered farms and open space in Loudoun should be a no-brainer.

## RURAL TOURISM

As identified in the Rural Economy Business Development Strategy (REBDS) 2013 strategic planning documents, *"The Long View,"* Loudoun County's Rural Tourism has multiple benefits and offerings. It brings to Loudoun visitors from the Washington Metropolitan Area, other parts of the U.S and foreign visitors, as well as providing a destination for Loudoun citizens for a pleasant family day trip or weekend get-a-way. Loudoun County's Bed & Breakfasts offer overnight accommodations for these visits.

County-sponsored events popular with residents and other visitors include the "Farm Tours" "Artisan Trail" and the annual County and Town Fairs. Other significant community sponsored events attract many tourists from Loudoun and beyond, like the Waterford Fair and Lovettsville's Mayfest and Oktoberfest. Wineries, breweries, event centers, restaurants, B&B's and Country Inns also welcome tourists with regular services and events.

For all of these events Loudoun's rural setting provides tourists with additional opportunities to visit historic sites and villages, enjoyable rural breweries and wineries, Civil War battlefields, hiking and biking trails, outdoor passive and active recreation facilities.

In 2016, Loudoun's tourism sector, which relies heavily on rural scenery, events, and services, supported over 17,000 jobs, paid over \$663 million in wages, and generated over \$27 million in local tax revenue.<sup>4</sup>

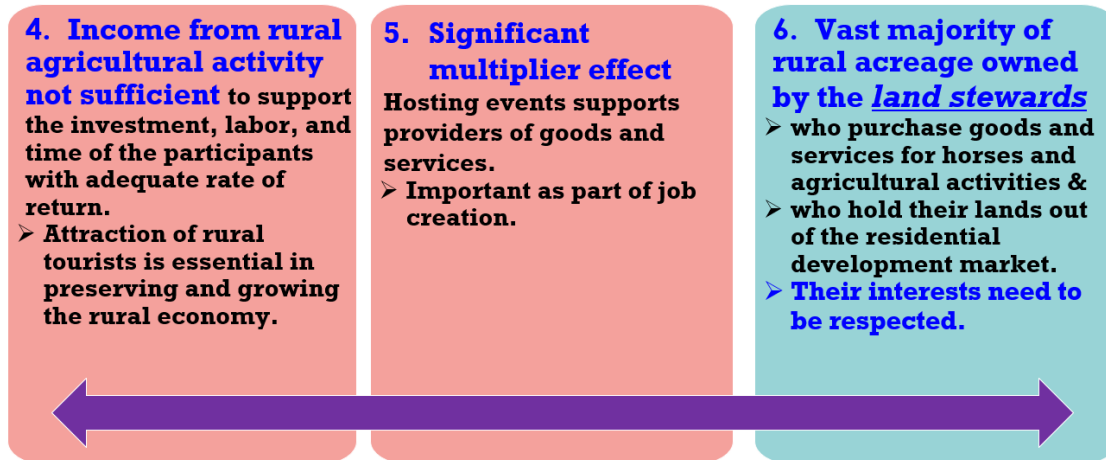
### RURAL TOURISM: Benefits & Offerings



<sup>4</sup> Brian Tinsman, Loudoun Domestic Tourism Worth Nearly \$1.7 billion, September 13, 2017, (<https://biz.loudoun.gov/2017/09/13/loudoun-domestic-tourism-worth-nearly-1-7-billion/>)

The Ad-Hoc Committee carried out various case studies and interviews that highlighted the opportunities of our rural tourism and identified several challenges, opportunities and considerations that should be addressed more effectively.

## **RURAL TOURISM: Challenges, Opportunities, Considerations**



1. When the income from rural agricultural activity does not cover the owner's costs of investment, labor, local and state taxes and time, a tourist business may offer an opportunity to augment farm income.
2. Tourist events and wineries, breweries and markets foster significant multiplier effects that support rural restaurants, B&Bs, and other rural service and recreational businesses.
3. On the other hand, these tourism activities on farms can cause traffic, noise, light pollution and other impacts disturbing to neighbors if poorly located, whose complaints the County needs to monitor and respond to effectively.
4. While case studies have demonstrated that most activity centers have caused no problems, there is some evidence that rural residential properties in close proximity to large scale tourism event locations can lose value and be difficult to sell. The problem areas are traffic volumes on inadequate roads, parked vehicles blocking passage on public roads, noise and light pollution all should be addressed by remedial action.
5. The vast majority of acreage in rural Loudoun is owned by the *land stewards*, who purchase goods and services for their horses and agricultural activities and who hold their lands out of the residential development market. If a significant segment of this group decides that rural Loudoun is no longer a desirable place to live and maintain their property then the entire rural area along with the rural economy can be lost. Their interests need to be respected.

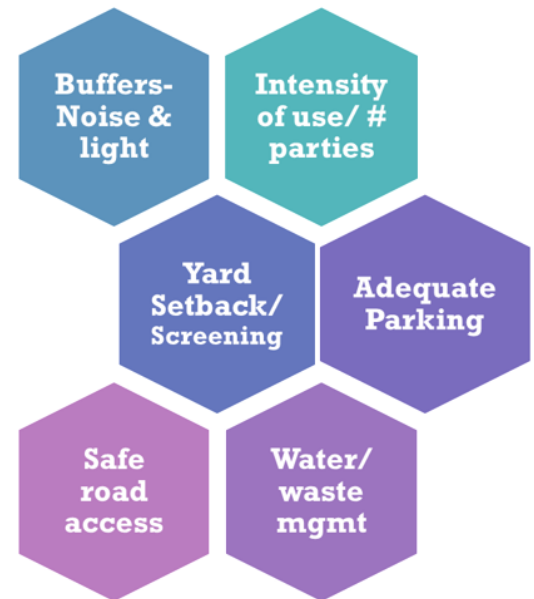


## Balancing Rural Tourism for a Sustainable Rural Community

It is essential that our rural tourism industry continue its robust growth which is now reaching a cross roads. Initially, the effort had been to manage growth by maintaining the minimum of regulation. But as the tourism industry grows, it is time to plan for its sustainable growth over the long term in harmony with the overall rural community. This will require appropriate county regulations and voluntary action taken by the tourism industry.

County regulations for B&Bs, wineries, breweries, and other tourist facilities can and should address the most common tourist location and practice issues with requirements for:

- sufficient acreage for buffering of noise and lights;
- reasonable numbers of events/parties per week and year;
- reasonable use intensity (numbers of people);
- sufficient yard setback, landscaping, buffering, and screening;
- adequate parking areas;
- safe and compliant road access (per Section 5-654); and
- safe water and waste management.



These County requirements have largely proved successful when implemented for rural uses, such as Bed & Breakfasts. Current regulations for other rural uses have some clear gaps and uneven treatment of facilities. Due to inconsistencies in performance standards, some rural use conflicts will continue and perhaps grow.

To manage tourist impacts from traffic, noise, lighting and other changes, a good neighbor policy by each rural business and improved enforcement of county regulations will be important, as many tourist business groups already recognize. Additional recommendations include:

- Encourage rural economy business associations to assess their practices and to develop any additional voluntary criteria to encourage best practices for each rural tourism industry. These best practices may include criteria that go beyond regulatory requirements, such as the relationship of a specific activity, scale, and business plan to the characteristics of the potential site; the impact on neighboring properties; and needs for road access, surface and volume capacity.
- All tourism activities (except B&B's) should have Farm Management Plan prepared by the Soil and Water Conservation District staff.

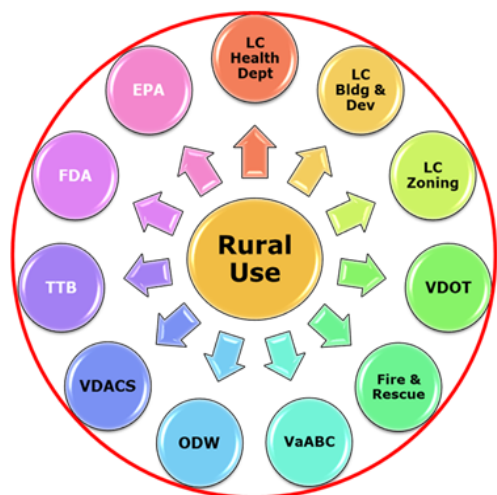
- The current exemption for farm buildings and structures from the Uniform Statewide Building code has allowed for appropriate reuse of existing structures to create valued, scenic venues for B&B and other rural business owners. However, the exemption has also enabled abuse by some new rural businesses to circumvent County permitting, zoning and inspection requirements. Similar to the tax program recommendation above, the County should make distinctions between structures used predominantly for farming or renovated without amenities (e.g., bathrooms, catering kitchens or manufacturing), and those used as high-revenue producing tasting rooms, manufacturing and event venues. For the health and safety of the public, the County should support legislation that requires new, primarily non-agricultural, commercial public use and manufacturing structures in rural areas to meet County building, and importantly, fire codes.
- The zoning regulations governing rural tourism uses should be made consistent and related to the use, scale and economic/environmental impacts of the enterprise.
- Policies clarifying the enforcement of applicable regulations should be developed as to what violations require what response from the State, County, and/or Sheriff Department and what penalties will be levied as appropriate.
- A hot line, similar to Animal Control, should be established to record citizen complaints and to assign remedial action as appropriate. All calls should be inventoried by a County office as a permanent file and possibly effect the renewal of the event license if appropriate criteria can be established. The county must be vigilant to respond to abuses and consider revisions and/or better zoning enforcement and improve overall consistency of requirements and regulations.



As stated previously, a Sustainable Rural Community requires a balance between the economic interests of farmers and rural business owners, the social interests of residents and landowners, and the preservation and enhancement of the environmental and heritage assets. Although some additional regulation changes may be necessary to obtain and maintain balance, it remains critical that we do not discourage compliant rural tourism that helps prevent the ongoing conversion of farms to housing that could destroy rural Loudoun.

## REDUCING THE COST OF ENTRY INTO THE RURAL ECONOMY

It is essential to continue to attract new investment in all sectors of the rural economy. However, the process of obtaining the necessary approvals, licenses, and other permissions needed to initiate operations can be both time consuming and costly.



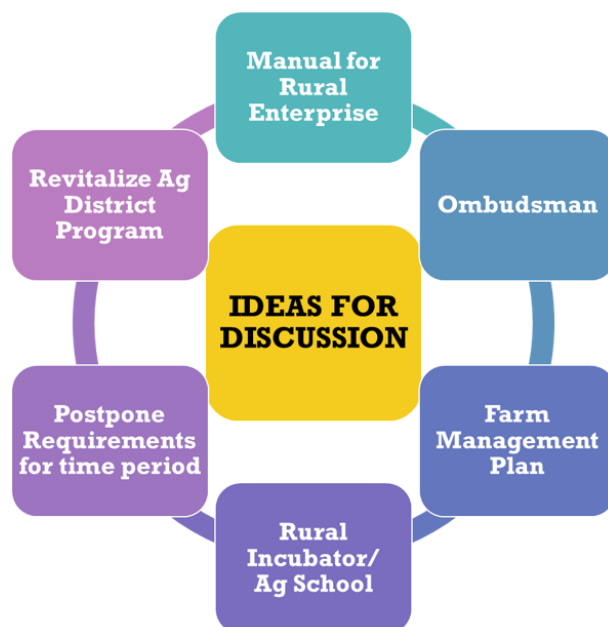
*For many rural businesses, start up operations may require applications and approvals from almost a dozen organizations. As shown in the color wheel to the left, only a third of those organizations are managed by Loudoun County, with the rest being State or Federal agencies under separate management.*

Since many enterprises are small scale, high risk, and often involve the owners in a supplemental business the process can be daunting and expensive. There is a need to reduce the cost and time for establishing a rural economic enterprise.



### Recommendations for more efficient and effective support of new rural businesses

- Prepare a manual that explains the requirements for each major category of rural enterprise and lists each step required to obtain approval for establishing the enterprise and where and how to obtain the approval.
- Establish a position of Ombudsman to guide applicants through the process to obtain approval and assist as appropriate to represent the applicant's interests at each step of the approval process.
- Consider requiring a free Farm Management Plan prepared with Soil and Water Conservation District for each use.
- Support the implementation of the Rural Incubator Project.
- Revitalize the Agricultural District Program to allow properties between 5-20 acres to obtain Open Space Land Use Tax Status if they are initiating an agricultural plan which will qualify for Agricultural Land Use in five years or creating an agricultural oriented rural tourism facility.



## CONCLUSION

The conversion of rural land to housing will threaten tourism, increase service costs to the county, disrupt rural values sought by residents, and diminish the environmental attributes essential for sustaining rural Loudoun.

Recommendations included in this report address problems that require additional zoning and policy changes. Each recommendation can significantly help to protect the important, and inter related and interdependent environmental, economic and social values of rural Loudoun.

The long-standing County Policies for the rural area have been clear and strong which has maintained the Rural Area as a permanent asset to Loudoun County. However, new threats and opportunities have arisen which now place the future of the Rural Area in jeopardy unless clear, aggressive action across a wide range of issues is launched. We hope that this report can contribute ideas and proposals to that effort as shown in the NEXT STEPS diagram

## NEXT STEPS

The suggested next steps are to further study and develop the key issues identified in this report.

