



**LOUDOUN
VIRGINIA**

ECONOMIC DEVELOPMENT
D.C.'s TECHNOLOGY CORRIDOR

2013

LOUDOUN
VIRGINIA
ECONOMIC
DEVELOPMENT
ANNUAL
REPORT

FISCAL YEAR JULY 1, 2012 – JUNE 30, 2013

LOUDOUN



“For the second year in a row, CNNMoney reported that Loudoun is the #1 county for job growth in America. Our I.T. sector alone added 1,200 new jobs last year, which accounted for more than a quarter of the new jobs in the county. We have the highly skilled, highly educated workforce needed by I.T., government contracting and aerospace companies, and that’s helping to drive Loudoun’s success.”

TOM FLYNN
DIRECTOR

WINS

Fifty-six prospects within the department’s targeted business clusters moved to or expanded in Loudoun, adding an estimated investment of \$466.9 million, 1,645 jobs and 2.6 million square feet of commercial real estate to the county’s economy. The number of wins is up 47 percent over FY12. Selected wins include:

47%
OVER FY12

COMPANY	ESTIMATED INVESTMENT	JOBS CREATED/RETAINED	SQUARE FOOTAGE
Corporate Office Properties Trust	\$300 million	45	450,000
Cuisine Solutions	\$24.3 million	48	120,000
Digital Realty Trust	\$20 million	15	217,000
Pohanka Automotive Group	\$15 million	80	52,000
RagingWire	\$5 million	45	350,000
Virginia Marble	\$3.5 million	15	44,000
United Granite of Virginia	\$3.1 million	5	39,000
Pleasant Valley Tile	\$2.8 million	15	36,000
Latisys	\$2.5 million	5	22,000
Beltway Brewing	\$1.7 million	3	10,000
Wine’ing Butcher	\$1.2 million	15	4,174
Easterns Automotive Group	\$1 million	100	140,000
Airborne Technologies	\$1 million	20	35,000
Monogram Systems	\$1 million	10	25,000
iGate	\$1 million	250	10,000
Kestler Financial Group	\$1 million	15	4,300

PROSPECTS

150

ADDITIONAL
PROSPECTS IN
THE PIPELINE

By the end of the fiscal year, there were more than 150 additional prospects in the pipeline, up almost 23 percent from the prior year.

PROSPECT SOURCES

Direct: 58%
Developer/Consultant: 9%
Broker: 9%
VEDP: 9%
Trade Show: 3%
Other: 12%

FY13 PROSPECTS BY BUSINESS TYPE*

Data Centers: 41%
Information, Communications and Technology: 27%
Federal Government Contracting/Aerospace: 23%
International: 9%
Life sciences: 3%
Air Cargo/Freight: 1%
Other: 47%

*Percentages reflect overlap of business types in some prospects.



“Loudoun has the hottest data center market on the East Coast, with another 844,951 square feet of flex building permits issued in the second half of FY13. There has not been one day in the last five years without data center construction in Loudoun County.”

BUDDY RIZER
ASSISTANT DIRECTOR

RAYTHEON

One of the key wins of the year was Raytheon’s selection of Loudoun County as the location for the consolidated headquarters of its Intelligence, Information and Services business.

Raytheon has been one of Loudoun’s largest employers since they relocated significant business operations here in 2009. Raytheon IIS accounts for a significant portion of the nearly 20,000 federal government contracting jobs in Loudoun.

Loudoun is an ideal location for defense contractors like Raytheon, due to our access to federal government agencies, one of the most highly educated populations in the U.S., and our top quality of life factors.

More than two dozen of the nation’s largest defense contractors operate in Loudoun. The county’s federal government contracting industry has grown 116 percent in the past decade.

COMMERCIAL VACANCY RATES

The overall commercial vacancy rate decreased by 11.5 percent – from 11.3 to 10 percent – as more than 570,000* square feet of new commercial building space was added. As vacancy rates drop, developers are emboldened to bring speculative construction to the market. This year saw groundbreakings for two spec flex buildings in Ashburn, two spec office buildings at One Loudoun, and a spec office building in Lansdowne.

* Source: CoStar

BUSINESS RETENTION AND ATTRACTION



Staff had 415 meetings with commercial businesses to determine their plans for growth, expansion or relocation. This is nearly double the number of meetings made the year before. In addition to businesses in the DC metro area, we met with prospects or site selectors in:

Austin	London	San Diego
Boston	New York	San Francisco
France	Orlando	Seattle
Germany	Phoenix	St. Louis
Jacksonville	Russia	Switzerland
Korea	San Antonio	

The department exceeded our FY13 goals for the number of prospects in the pipeline and the number of meetings with existing businesses.

MARKETING

This year we launched an aggressive advertising campaign, with print ads in national publications such as Site Selection, Urban Land and NAIO's Development magazine, as well as the Washington Business Journal. We also ran ads on Google, Facebook and LinkedIn. As a result, visits to our website increased, and the number of subscribers to our Facebook page grew by 285 percent, Twitter followers grew by 59 percent, and LinkedIn group members grew by 44 percent.



AGRICULTURAL BUSINESSES

This year, the Loudoun County Board of Supervisors approved the Rural Economy Business Development Strategy. It's designed to double the growth of the agricultural business sector by 2023, and will direct the department's agricultural economic development efforts for the next five years. Components of the strategy include:

- Strengthening the county's equine industry, which is the largest in Virginia and the 25th largest in the U.S. Loudoun's equine industry generated \$70 million in total sales last year;
- Creating a year-round, permanent farmers' market, which could generate an additional \$3 million annually;
- Producing special events and branding that promote agricultural products to urban and suburban markets;
- Building a new multi-user trails program.

The board added \$92,677 to the department's FY2014 budget to implement the plan, as well as a full-time staff member.



Loudoun's agricultural businesses contribute more than \$69 million in revenue to the county each year. That includes taxes from products sold by Loudoun's 35 wineries. Loudoun has the most wineries of any county in Virginia, and was also #1 in Virginia in grape production last year – 1,342 tons.

Winery owners, along with producers in Loudoun's other agricultural business sectors, received a new publication the department launched this year. "Loudoun Producer" was enthusiastically received, and will be published three times each year.

FY13 HIGHLIGHTS



A study showed that the new Silver Line Metro stations will stimulate development and ultimately be worth a billion dollars to the county.

RAIL TO LOUDOUN

The Board of Supervisors acted to extend metro rail service into Loudoun County. By 2018, it will be possible to ride the 23-mile Silver Line from the nation's capital, past the Washington Dulles International Airport, and into the wealthiest county in the U.S.

A study showed that the new stations will stimulate large-scale, mixed-use development and will ultimately be worth a billion dollars to the county. Loudoun is the only community along the Silver Line rail route that has 700 acres zoned for transit-oriented development and approximately 600 acres zoned for mixed use.

FAST-TRACK PROCESS

This year the department announced the new Fast-Track Process, which provides commercial real estate projects in targeted industries with a dedicated project team. The process saves qualified businesses time and money by cutting commercial development timelines in half.

BUSINESS ASSISTANCE TEAM

The department was instrumental in the formation of the county's new Business Assistance Team, which provides coordinated service to business customers regardless of which county department the customer contacts first. The team is made up of staff responsible for various parts of the commercial development process, such as permitting, licensing, mapping and zoning.

LOUDOUN SOURCELINK

A new website, Loudoun SourceLink, was launched to help match entrepreneurs to resources that can help their businesses grow. More than 50 resource providers are included in the website's database, and the site also features a calendar of small business events, information about funding sources, and valuable articles for entrepreneurs.

LOUDOUN INTERNMATCH

Loudoun has one of the most highly skilled workforces in the U.S., and the department launched a portal on **InternMatch.com** to help Loudoun companies develop a pipeline of future star performers. Local businesses can post their internships on Loudoun's InternMatch portal at no cost, and students from any college in the world can access Loudoun internships there for free.

DOLPHIN TANK

Dolphin Tank was one of many business development events we offered to Loudoun entrepreneurs this year. The department partnered with AOL's Fishbowl Labs and Springboard Enterprises on this fast-pitch event based on the popular "Shark Tank" TV show. Entrepreneurs presented their business ideas to a panel of industry experts, which included the former CEO of Etsy. Presenters received positive, actionable feedback from the panel, along with useful input from an audience of local business leaders.

DEPARTMENT INFORMATION

Year founded: 1979
Current budget: \$2.2 million
At full staffing: 21 employees

PARTNER ORGANIZATIONS

Agricultural District Advisory Committee
Blue Ridge Cattlemen's Association
CEO Cabinet
Committee for Dulles
Greater Washington Initiative
Loudoun Beekeepers' Association
Loudoun Chamber of Commerce
Loudoun County Design Cabinet
Loudoun County Equine Alliance
Loudoun Economic Development Authority
Loudoun Economic Development Commission
Loudoun Horse Association
Loudoun Small Business Development Center
Loudoun Towns and Villages
Loudoun Valley Christmas Tree Growers Association
Loudoun Valley Homegrown Markets Cooperative
Loudoun Valley Sheep Producers
Loudoun Winegrowers Association
Loudoun Wineries Association
Mason Enterprise Center – Leesburg
Metropolitan Washington Airports Authority
NAIOP
Northern Virginia Technology Council
Rural Economic Development Council
Rural Regional Group
Virginia Economic Development Partnership
Visit Loudoun
Washington Airports Task Force



**LOUDOUN
VIRGINIA**

ECONOMIC DEVELOPMENT
D.C.'s TECHNOLOGY CORRIDOR

1 Harrison St. SE,
MSC # 63
Leesburg, VA 20175
1-(800)-LOUDOUN

www.biz.loudoun.gov

www.loudounfarms.org

www.loudounsourcelink.org

www.facebook.com/LoudounEconomicDevelopment

www.twitter.com/LoudounBiz