



Mount Rogers, Grayson County

RURAL VIRGINIA ACTION COMMITTEE

March 5, 2025

AGENDA

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY RURAL VIRGINIA ACTION COMMITTEE MEETING

**March 5, 2025
12:30 P.M. – 1:20 P.M.**

**One James Center, 9th Floor – VEDP Board Room
Richmond, Virginia**

- | | |
|--------------------------------|--|
| 12:30 p.m. – 12:33 p.m. | Welcome/Call to Order – Nick Rush |
| 12:33 p.m. – 12:34 p.m. | Public Comment Period – Nick Rush |
| 12:34 p.m. – 12:36 p.m. | Approval of Minutes for 12/6/2023 Meeting – Nick Rush |
| 12:36 p.m. – 12:46 p.m. | Update: Local and Regional Competitiveness Initiative – Adam Watkins |
| 12:46 p.m. – 1:20 p.m. | VDACS Marketing and Economic Development Overview – Joe Guthrie, Rob Davenport, and Rachel Meyers |
| 1:20 p.m. | Adjournment |

Minutes
Rural Virginia Action Committee Meeting
Board of Directors of the Virginia Economic Development Partnership
December 11, 2024
12:30 p.m. – 1:30 p.m.
One James Center, 9th Floor – Board Room
Richmond, Virginia

Welcome and Call to Order

The meeting was called to order at 12:30 p.m. by Chair Rush, who noted that a quorum was present.

In-person Committee members: Nancy Howell Agee, Mimi Coles, Stephen Edwards, Rick Harrell, John Hewa, Connie Loughhead, Secretary Caren Merrick, and Nick Rush

Committee members absent: None

Other in-person Board members: Pace Lochte, Sonya Montgomery, Will Sessoms, and Steven Stone

In-person guests:

Public Comment Period

Chair Rush asked if any members of the public wished to comment. There were none.

Approval of Minutes for September 18, 2024

Chair Rush requested approval of the September 18, 2024, meeting minutes. A motion was made by Ms. Coles and seconded by Mr. Edwards, and the minutes were unanimously approved as presented.

Local and Regional Competitiveness Initiative: 2025 Update

Ms. Abigail Wescott introduced Adam Watkins, Assistant Vice President of Economic Competitiveness, and Kevin Farrelly, Manager of Economic Competitiveness, who gave an update on the Local and Regional Competitiveness Initiative (LRCI). Mr. Watkins and Mr. Farrelly presented PowerPoint slides that were included in the Committee's materials.

Mr. Watkins gave an overview of the Local and Regional Competitiveness Initiative and its goals. He stated that the local and regional partners were strongly interested in restarting the LRCI and ensuring the success of regional and local EDOs. The objectives of the 2020 LRCI were to provide partners with actionable insights to improve the economic development

activities; to equip partners with tools to advocate for economic development resources; and to improve VEDP's ability to support LEDO/REDO partners.

Mr. Watkins shared the results and selected takeaways from the 2020 LRCI survey:

- 127 LEDOs and REDOs were surveyed, and custom reports shared
- 20+ custom engagements conducted to support EDOs leveraging their report to inform their organization strategies and practices
- 40% LEDO respondents that had one or fewer full-time economic development staff
- 2X increased likelihood of a project win for LEDOs with two or more staff
- 52% EDOs said site availability was the main barrier to economic development in their area
- 67% EDOs had an outdated strategic/comprehensive plan or did not use a strategic plan

The presentation was turned over to Kevin Farrelly, who stated that based on expressed interest from LEDO and REDO partners, VEDP will relaunch the LRCI in 2025, with the following expected timeline:

- December 24 – March 25th Engage EDO working group to align on survey priorities and outputs
- Late Spring '25 Finalize survey and report deliverable and launch survey
- Summer '25+ Share custom reports and conduct engagements to support EDOs leveraging their report

Mr. Watkins and Mr. Farrelly answered questions from the board members at the conclusion of their presentation.

Closed Session – 1:00 pm:

Ms. Coles made a motion to go into closed session, which was seconded by Mr. Edwards. The members unanimously approved the motion shown below:

I move that the Rural Virginia Action Committee of the Virginia Economic Development Partnership Authority convene a closed meeting to discuss elements of VEDP's Strategic Plan, Marketing Plan, and Operational Plan pursuant to Subdivision A 50 of §2.2-3711 of the Code of Virginia, which allows for the discussion of such activities that would reveal to Commonwealth's competitors for economic development projects the strategies intended to be deployed, thus adversely affecting the financial interests of the Commonwealth.

Returned to Open Meeting, Certification of Closed Meeting – Followed by a Roll Call Vote:

Ms. Wallmeyer read the following certification and then conducted a roll call vote:

Do you certify, that to the best of your knowledge, (i) only public business matters lawfully exempted from the open meeting requirements of FOIA were discussed in the closed meeting, and (ii) only such matters as were identified in the motion to go into the closed meeting were heard, discussed, or considered during the closed meeting?

Upon the vote:

Ms. Agee	Absent for the vote
Ms. Coles	Aye
Mr. Edwards	Aye
Mr. Harrell	Aye
Mr. Hewa	Aye
Ms. Loughhead	Aye
Secretary Merrick	Aye
Mr. Rush	Aye

Adjournment

There being no further business, Chair Rush adjourned the meeting at 1:30 pm.

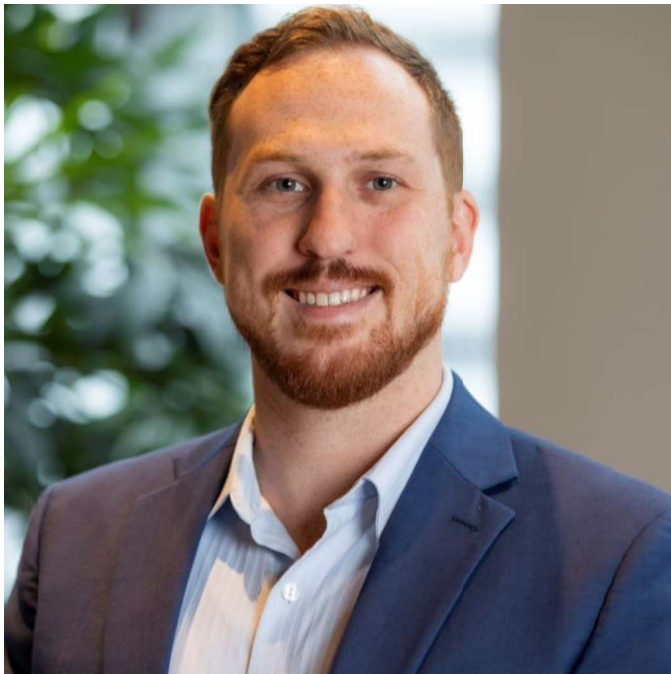
Respectfully submitted,

Lesley Brown

DRAFT

LOCAL AND REGIONAL COMPETITIVENESS INITIATIVE: 2025 UPDATE

PRESENTER



Adam Watkins

AVP & Interim Leader, Economic Competitiveness

awatkins@vedp.org

804.397.9819

THE LOCAL & REGIONAL COMPETITIVENESS INITIATIVE PROVIDES EDOs WITH PEER INSIGHTS TO IMPROVE STRATEGIES AND ADVOCACY

The LRCI includes:



A self-assessment, with questions on:

- Staff and budget
- Strategic plans
- Asset and business developments strategies



Individual reports containing:

- Summary data on peer EDOs
- Best practice overviews
- Case studies



Custom engagements with EDOs and their stakeholders, providing strategies and recommendations based on the data

Estimated launch: July/August 2025

THE LRCI WILL BE LEVERAGED TO ENGAGE EDOS ON BEST PRACTICES AND COMMUNICATE ED PRIORITIES TO LOCAL ELECTEDS

January – July 2025 LRCI Development

- Work with LEDOs and REDOs to shape deliverables and engagement plans
- Create the survey and draft reports
- Align effort with partner engagement priorities, including planned local elected official engagements

July – Sept. 2025 LRCI Launch

- Launch the survey
- Develop custom reports based on survey responses
- Use webinars and the VEDA conference to promote the report use cases to partners
- In collaboration with LEDO/REDO partners, pilot outreach to local elected officials that leverages LRCI data

September 2025+ Partner Engagement

- Execute custom engagements with LEDO and REDO partners on strategy best practices
- Continue conducting meetings with local elected officials to communicate ED priorities

LRCI ENGAGEMENT PLANS INCLUDE A LEDO WORKING GROUP AND FOCUS GROUPS ON KEY PRIORITIES

LEDO Working Group will be heavily engaged to develop the content and approach:

- Rebekah Castle (Augusta)
- Jenna French (Shenandoah)
- John Kilgore (Scott)
- David Manley (Wythe)
- Chris Morello (Newport News)
- Bryan Rothamel (Culpeper)
- Roxanne Salerno (Powhatan)
- Patrick Small (Manassas)

Other partners will be engaged in the following ways:

REDO engagements

- REDO Working Group
- Potential combined single-region REDO-LEDO focus group

LEDO focus groups

- Rural LEDOs
- City/urban LEDOs
- Unaffiliated LEDOs
- Towns with economic developers

Additional engagements

- VEDA
- Office hour 1-1s (Post VEDA)
- Local elected officials and City/County Administrator focus group (sourced from LEDOs)

LEDO AND REDO FEEDBACK HAS INFORMED PROPOSED CHANGES FOR THE 2025 LRCI

LRCI elements	2020 version	2025 proposed updates
Reports	<ul style="list-style-type: none"> ▪ Individualized reports ▪ Best practice descriptions and case studies included 	<ul style="list-style-type: none"> ▪ Reports will include more data upfront ▪ Best practice descriptions and cases studies will be shared through separate documents
Use of a “scoring system”	<ul style="list-style-type: none"> ▪ Scored EDOs into “stages” based on responses 	<ul style="list-style-type: none"> ▪ No scoring system; will directly share details on what best practices peers employ
Peer groups	<ul style="list-style-type: none"> ▪ Geographic and population-based peers 	<ul style="list-style-type: none"> ▪ Ability to self-select peer EDOs to incorporate aspirational peers
Survey questions	<ul style="list-style-type: none"> ▪ Fourteen topic areas on organizational and strategic aspects of economic development 	<ul style="list-style-type: none"> ▪ Greater focus on staff and budget breakdowns ▪ Streamlined list focus areas ▪ Identify aspects of partner collaboration
Descriptions of best practices and case studies	<ul style="list-style-type: none"> ▪ Included in reports, reducing readability of material and data 	<ul style="list-style-type: none"> ▪ Updated case studies, shared separately from reports ▪ Potential update of best practice details

**VIRGINIA DEPARTMENT
OF AGRICULTURE &
CONSUMER SERVICES**

VDACS Marketing and Economic Development Overview



Joe Guthrie – VDACS Commissioner

Rob Davenport – Director, Division of Marketing

Rachel Meyers – Program Manager, Office of Ag and Forestry Development

VEDP Rural Committee

March 5, 2025

Virginia Agriculture Economic Impact

- Agriculture is Virginia's largest private industry
- Economic impact of **\$82 billion** annually
- Provides over **380,000** jobs
- Ag and forestry total of **\$106 billion** impact and over **490,000** jobs.
- Every job in ag and forestry supports 1.7 jobs elsewhere in the Virginia economy
- Record value **\$5 Billion** in ag & forestry exports in 2022
- About 14% (1/7) of total ag and food revenue is at the farm. The remainder is value-added



Top 10 Products

Crop/Livestock	Farm Cash Receipts
1 Broilers	956,536,000
2 Cattle and calves	381,428,000
3 Turkeys	345,231,000
4 Miscellaneous crops	321,863,000
5 Dairy products, Milk	297,840,000

Crop/Livestock	Farm Cash Receipts
6 Soybeans	294,826,000
7 Corn	266,047,000
8 All other animals and products*	238,524,000
9 Floriculture	144,537,000
10 Hay	118,790,000

Source: 2021 USDA NASS and ERS data figures rounded to the nearest million dollars. Date of data is Dec. 1, 2022.
 *All other animals includes horses, aquaculture, and all other livestock.

Virginia in the Global Marketplace

Agricultural & forestry exports were valued at more than \$5 billion in 2022.

Top Five Export Products:

- | | |
|-----------------------------|---------------------|
| 1 Soybeans and soybean meal | 3 All other animals |
| 2 Pork | 4 Poultry |
| | 5 Tobacco |



Farm Facts

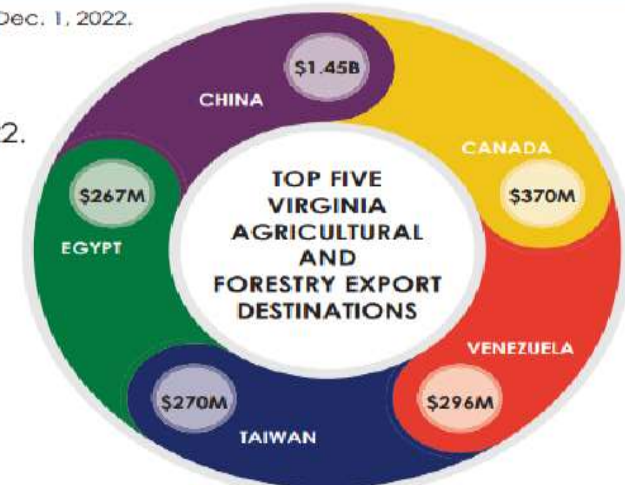
Virginia has 41,500 Farms.

Virginia farm operations cover 7,700,000 acres.

97% of Virginia farms are family-owned.

Virginia is home to 18,957 new and beginning farmers.

On average, 16¢ of every consumer dollar spent on food goes to the farmer.



Source: Global Trade Information Services Inc.

Virginia Ag Behind the Numbers



- ▶ The **Chesapeake Bay** is a national treasure that Virginia is helping to restore
- ▶ Ag is working to meet goals to reduce pollution from fertilizers
- ▶ Large funding for ag BMP's such as cover crops and stream exclusion for livestock

- ▶ Governor Youngkin is making a strong push to make Virginia the top state in the nation for **Controlled Environment Agriculture (CEA)**

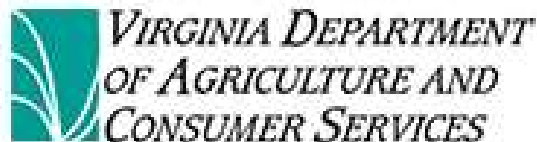
- ▶ Virginia is the 5th largest producer of **grapes and wine** in the US with over 300 wineries
- ▶ VDACS houses the Virginia Winery Distribution Company that provides for self-distribution
- ▶ Albemarle Region named the Wine Region of the Year by Wine Enthusiast Magazine.

- ▶ **Aquaculture** is a growing industry
- ▶ Oysters - natural filters cleaning the bay and tributaries
- ▶ Blue Catfish - turning an invasive species into a marketable product

ABOUT VDACS

Established in 1877, the Virginia Department of Agriculture and Consumer Services (VDACS) promotes the economic growth and development of Virginia agriculture, provides consumer protection and encourages environmental stewardship.

The agency is headquartered in Richmond and has several field offices, four regional diagnostic animal health laboratories and a global network of representatives promoting Virginia products internationally.

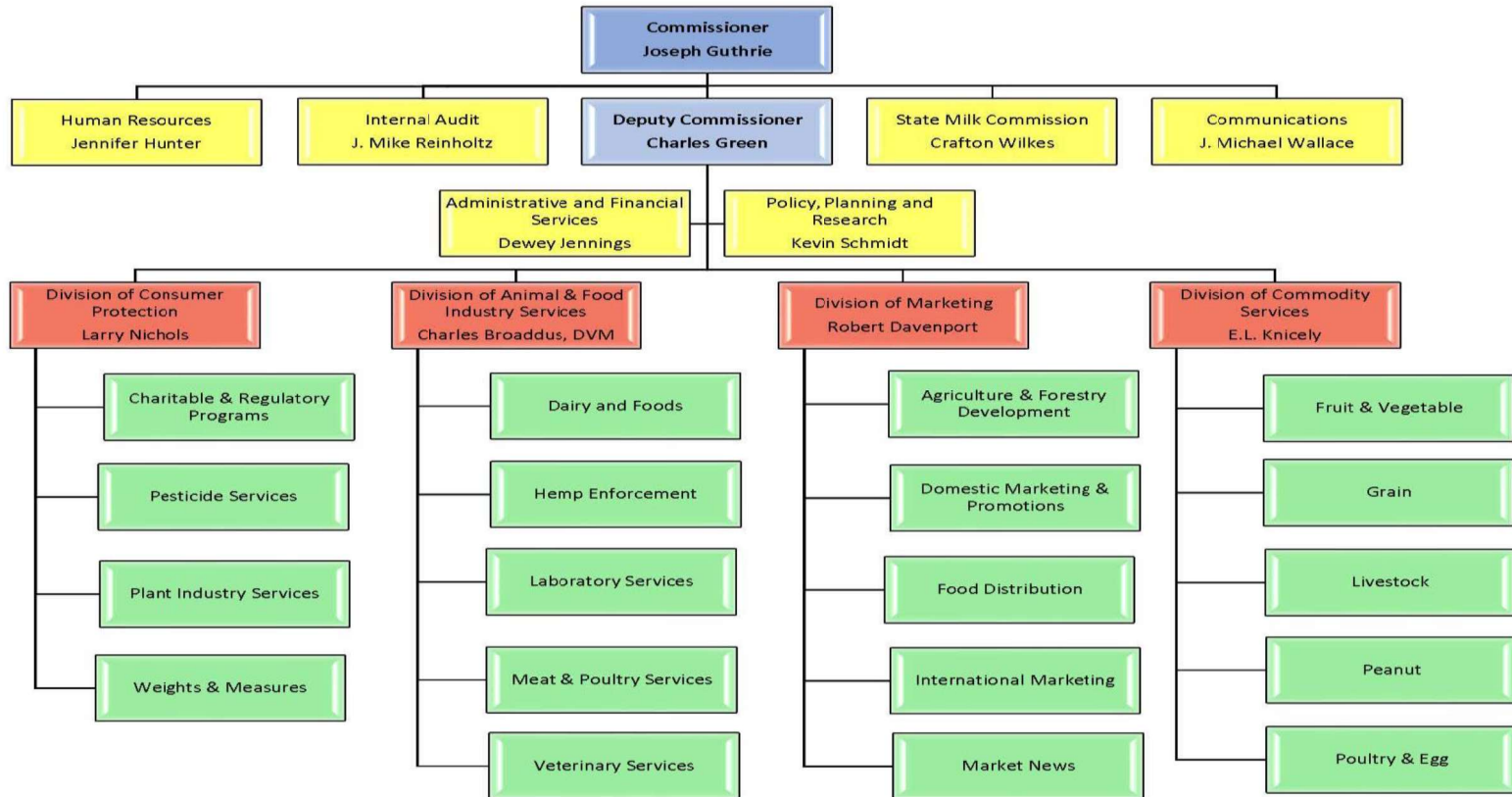


5 Words to Describe the Work of VDACS



- ↴ **Productive:** Helping farms and agricultural businesses produce more goods that people need every day
- ↴ **Profitable:** Helping farms and agricultural businesses survive and thrive financially, through marketing and other efforts
- ↴ **Sustainable:** Protecting and enhancing our precious natural resources
- ↴ **Safe:** Providing consumers with products with an assurance of safety
- ↴ **Secure:** Fighting food insecurity for those people and communities where it is a challenge

VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
ORGANIZATIONAL CHART



6/20/2024



- ↴ **Commissioner's Office:** Policy, Budget, Communications
- ↴ **Commodity Services:** Test, inspect grains, peanuts, livestock, etc.
- ↴ **Marketing:** Promotion (Virginia's Finest/Virginia Grown), International Marketing, AFID, Land Preservation
- ↴ **Animal and Foods:** Veterinary, Labs, Food and Food Establishment inspection, NEW: Hemp enforcement
- ↴ **Consumer Protection:** Pesticide regulation, Weights and Measures, Invasive & Endangered species, Charitable and Regulatory Programs (Charitable solicitation and gaming), and other consumer services

Some Current Key VDACS Initiatives

- Pesticide Applicators Registration streamlining process and fee reduction
- New hemp/cannabis regulation and enforcement program
- Recently began registration of hemp retail outlets
- Virginia Beer Distribution Company, mirroring Va. Wine Distribution Co.
- Value-added agriculture incentivization through AFID grants, etc.
- New large food access grant for grocery stores in food deserts
- Controlled Environment Agriculture initiative
- Grant incentives, tax changes, symposiums
- Blue catfish processing AFID funding
- Lab system capital expansion and renovation
- Inspecting electric vehicle charging stations



Some Issues of Concern

- **Animal Disease**
 - **Highly Pathogenic Avian Influenza**
 - **African Swine Fever**
- **Invasive Species**
 - **Fire Ants**
 - **Spotted Lanternfly**
 - **Blue Catfish**





Rural Farming:
Opportunities and Challenges





Some of the Top Challenges to Rural Farmers



Rising Input Costs



Labor Shortages



A Public Disconnect

12



Some of the Top Opportunities for Rural Farmers



Direct-to-Customer
Marketing



Agritourism



Growing Demand for
Locally Sourced,
Sustainable Food



Helping Rural Farmers



Partnership with VSU's Small Farmer Outreach Program



Virginia Grown and Virginia's Finest Marketing Programs



Governor's Agriculture and Forestry Industries Development Fund (AFID)

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OFFICE OF AGRICULTURE AND FORESTRY DEVELOPMENT

Virginia Department of Agriculture and
Consumer Services



Overview

VDACS' Division of Marketing and Development houses the Office of Agriculture and Forestry Development (OAFD).

Our team is tasked with...

01



Collaborating within VDACS

- Office of Domestic Marketing and Promotions
- Office of International Marketing
- Office of Agriculture and Forestry Development

Administering the AFID Program

- AFID Facility Grant
- AFID Infrastructure Grant
- AFID Planning Grant
- AFID Blue Catfish Grant



02

03



Offering Specialized Knowledge and Building Relationships

- Connections
- Partnerships
- Ag Resources

Office of Agriculture and Forestry Development

Overview

- Provides economic development assistance to businesses involved in food, forestry or agriculture
 - AFID Program: discretionary, matching grants to localities and other political subdivisions to support economic development related to agriculture and forestry
 - Marketing services and economic development assistance
- **Rachel Meyers**, Manager, Office of Agriculture and Forestry Development
 - (804)-786-6911 - rachel.meyers@vdacs.virginia.gov

The image is a cover page for a report. It features a central photograph of a combine harvester in a field, overlaid with a semi-transparent teal filter. The background is decorated with abstract geometric shapes, including white and green triangles and lines, particularly on the left and right sides. The title 'THE AFID PROGRAM' is prominently displayed in the center in a large, white, serif font. Below the title, the subtitle 'The Governor's Agriculture and Forestry Industries Development Fund' is written in a smaller, white, sans-serif font. In the bottom right corner, the page number 'Page 125 of 297' is printed in a small, black, sans-serif font.

THE AFID PROGRAM

The Governor's Agriculture and
Forestry Industries Development Fund

The AFID Program: Background

In 2012, the General Assembly created the Governor's Agriculture and Forestry Industries Development Fund (AFID)

Goal: To encourage localities to better incorporate agriculture and forestry into their overall economic development efforts.

(Initially two grant programs, now four!)



AFID

The AFID Program: One Fund, Four Programs

- **AFID Facility Grants:** Economic development incentive grants for new and expanding agribusinesses
- **AFID Infrastructure Grants:** Supports local food and farming infrastructure
- **AFID Blue Catfish Infrastructure Grants:** Supports local blue catfish processing infrastructure projects
- **AFID Planning Grants:** Supports local planning efforts and initiatives supporting broader ag and forestry industry

Guidelines, applications, and other information can be found on our website!

www.vdacs.virginia.gov/marketing-agriculture-and-forestry-development

AFID Facility Grants

Overview

- Agriculture and forestry value-added or processing projects
- Supports agribusinesses of all sizes including produce companies, dairy processors, meat and poultry processors, specialty food and beverage manufacturers, greenhouse operations, forest product manufacturers and more
- Awards of up to **\$500,000**. Most awards are between \$10-100K.
- Awarded to counties, cities, IDAs/EDAs, PDCs to support projects by those entities in partnership with private businesses
- Requires **dollar-for-dollar match** from locality
- New or expanding value-added businesses using at least 30% Virginia grown agricultural or forestal products
- Priority grant areas include **Controlled Environment Agriculture (CEA), meat processing, aquaculture, and forestry products**

AFID Facility Grants

Administration

- Applications are accepted on a rolling basis
- Grant period typically 3 years from award date
- Payout is typically performance based
- Reporting requirements
 - Annual reporting
 - Number of jobs created
 - Amount of capital expenditure
 - Amount/volume of Virginia grown products
 - Other metrics as listed in Performance Agreement

AFID Facility Grant Example:

Richlands Creamery - Dinwiddie County

Dairy farm adding a creamery to make ice cream and bottled milk to support agritourism and sell wholesale milk to local retailers

- 1.7M capital expenditures
- 17 new jobs added
- \$959,071 Virginia-grown milk purchases
- \$20,000 AFID Grant Award



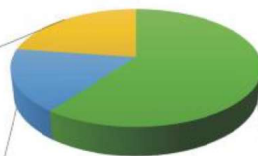
Governor's Agriculture and Forestry Industries Development Fund Grant Awards 2012 - 2022

Between 2012 and 2022, the Governor's Agriculture and Forestry Industries Development Fund Facility Grants has incentivized 125 projects, awarded \$12,077,900 to assist new and expanding Virginia companies that have committed to creating 4,065 jobs, generated \$1,466,825,067 in capital investments, and facilitated the purchase of \$1,434,416,595 of Virginia grown products.

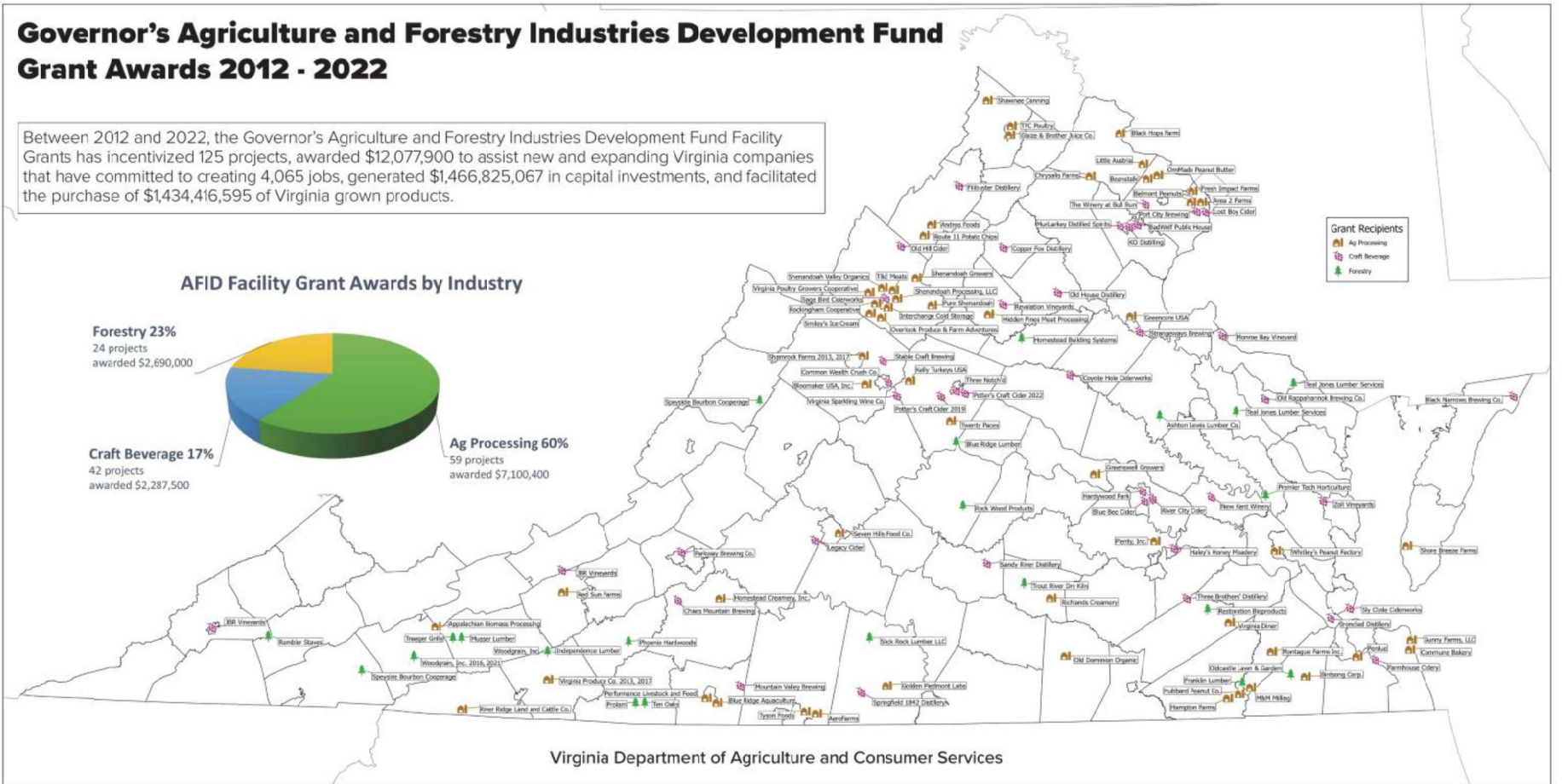
AFID Facility Grant Awards by Industry

Forestry 23%
24 projects
awarded \$2,690,000

Craft Beverage 17%
42 projects
awarded \$2,287,500



Ag Processing 60%
59 projects
awarded \$7,100,400



AFID Infrastructure Grants

Overview

- New and existing **food hubs, farmers markets, commercial kitchens** and other value-added facilities such as those used for **processing and packaging meats, dairy products, produce, or other Virginia-grown products.**
- Small farmers, producers, and food systems advocates encouraged to apply
- Reimbursable grants of up to **\$50,000**. Most awards between \$10-25K.
- Awarded to counties, cities, IDAs/EDAs, PDCs to support projects by those entities or non-profits, private businesses, and other groups
- Requires **dollar-for-dollar match** from locality
- Grant funds must primarily be used for capital expenditures
- Reduced match potential for projects in economically distressed localities/underserved communities

AFID Infrastructure Grants

Administration

- Two annual grant rounds - Spring and Fall
- Grant period of up to 2 years
- 75% of funds paid out during grant period, final 25% paid at closeout
- Reporting requirements
 - Interim after 1 year
 - Final at close of project period

AFID Infrastructure Grant Example:

New Castle Farmers Market- Craig County

Design and construction of a new farmers market facility in New Castle, VA.

- Providing a retail outlet for the agricultural community in Craig County and surrounding areas
- Increasing access to fresh, seasonal foods for residents
- **\$125,000** local cash match
- **\$50,000** AFID Grant Award



AFID Planning Grants

Overview

- Reimbursable grants of up to **\$20,000** for single locality applicants, **\$35,000** for multi-locality applicants
- Awarded to counties, cities, IDAs/EDAs, PDCs to support projects by those entities
- Requires **dollar-for-dollar match** from locality
- Requires the active participation of a local ag/forestry board, committee, or working group
- Supports activities such as creating **market development programs**, developing **local policies**, hiring consultants to conduct **feasibility studies** and **strategic plans**, etc
- Reduced match potential for projects in economically distressed localities/underserved communities

AFID Planning Grants

Administration

- Applications are accepted on a rolling basis
- Grant period of up to 2 years
- 75% of funds paid out during grant period, final 25% paid at closeout
- Reporting requirements
 - Interim after 1 year
 - Final at close of project period

AFID Planning Grant Example:

Meat Processing Feasibility Study- Fauquier
County

Feasibility study to determine if the Fauquier
Livestock Exchange is a suitable location for a meat
processing facility

- Partnership with the Local Farm Bureau,
PATH Foundation
- Addressing limited capacity of local meat
processing
- **\$10,000** local cash match
- **\$20,000** AFID Grant Award



AFID Blue Catfish Infrastructure Grants

Overview

- Projects that create processing, flash freezing, and infrastructure capacity in proximity to small-scale blue catfish watermen.
- Processing facilities that are primarily locally owned, including packaging, freezing, and labeling facilities that are used for processing blue catfish.
- Projects that involve or incorporate existing seafood processors and businesses.
- Reimbursable grants of up to **\$250,000**
- Awarded to counties, cities, IDAs/EDAs, PDCs to support projects by those entities or non-profits, private businesses, and other groups
- Does NOT require a match from the locality

AFID Blue Catfish Infrastructure Grants

Administration

- Annual grant round
- Grant period of up to 2 years
- 75% of funds paid out during grant period, final 25% paid at closeout
- Reporting requirements
 - Interim after 1 year
 - Final at close of project period

AFID Blue Catfish Infrastructure Grant Example:

Increasing Seafood Processing Capacity for
Sea Farms, Inc- Gloucester County

Expansion and modernization of equipment and
storage space, new blast freezer to increase blue
catfish purchases

- Inaugural funding of Governor's Blue Catfish Processing, Flash Freezing, and Infrastructure program
- Mitigating impact of blue catfish invasion
- **Increasing** capacity of a local seafood processor
- **\$250,000** AFID Grant Award





MARKETING SERVICES

Office of Agriculture and Forestry
Development

VDACS Marketing Services

Assistance for Producers and Agribusiness:

OAFD's experienced professionals can contribute at every stage, from business concept and site selection to the grand opening celebration. We can help you with...

- Financing resources
- Business assistance services
- Referrals
- Industry-specific partnerships





VDACS Marketing Services: Summary

With specialized **knowledge** in ag and forestry-related projects, **connections** within the industry, and **relationships** with partnering organizations and agencies, our team is equipped to help you.

Our Goal: To support Virginia agriculture and forestry!



Contact

OAFD Team

- **Rachel Meyers**, AFID Manager
 - (804)-786-6911 - rachel.meyers@vdacs.virginia.gov
- **Michele Bridges**, Project Manager, AFID Facility Grants
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- **Janelle Otieno**, Grants Coordinator
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ADJOURNMENT