

# Town of Middleburg Economic Development Strategy

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November 2020



# PREFACE

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The Economic Development Strategy is a composite of several documents that were drafted over the course of 2020, including:

1. Town of Middleburg's COVID-19 Response – *October 2020*
2. Economic Development Strategic Plan Outline – *March 2020*
3. Economic Base Analysis – *January 2020*



# COVID-19 Response Strategy

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Town of Middleburg, VA

# INTRODUCTION

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Economic developers across villages, towns, and cities are facing an unprecedented health crisis and charged with navigating public health responses as it pertains to economic and business health.

While Middleburg's economic context is distinct from any other locale in the country, the town will continue to be shaped by state, national and global economic shifts. While much of the country's municipalities find themselves in precarious situations, Middleburg has been able to respond to changing conditions through direct funding to businesses or offering grants for necessary materials to improve business conditions.

As the economy and markets shifts, Middleburg's approach to economic development must continue to be prepared to adapt and concentrate efforts on the elements that are within its control.

The following pages showcase how Middleburg stands at the intersection of regional trends and how the town may seize opportunities as a result of market changes and the threats to monitor over time.

# COVID-19 Benchmarking Analysis - Hospitality

Focus Area	National Trends	Town of Middleburg Context	Opportunities	Threats
<i>Hospitality</i>	<p>During the initial months of the COVID-19 outbreak, the hotel and hospitality industry were among the hardest hit industries nationally. While some hotels remained open due to their essential nature, occupancy rates and overall hotel revenues plummeted due to a lack of leisure and business travel, and industry and other conferences being delayed or canceled, amongst other things.</p>	<p>The Salamander Resort has seen record occupancy numbers throughout the summer and fall months in 2020. This has likely been due to an influx of local, regional, and statewide travelers looking for lodging and leisure opportunities in less densely populated areas of Virginia. Furthermore, the Salamander Resort's ability and flexibility to adapt its facilities to adhere to COVID-19 guidelines, while also providing unique indoor/outdoor spaces and activities for its occupants to enjoy have likely made it a particularly popular destination for tourists with the means to travel throughout the pandemic.</p>	<ul style="list-style-type: none"> <li>Continued partnerships between the Salamander Resort, Town of Middleburg, and local/regional businesses that curate a sense of place and feeling of 'getting away' for tourists.</li> <li>Attraction of visitors from more densely populated urban areas as the pandemic continues.</li> <li>Enhanced visitation to local industries in the region that offer day-and-overnight tourists' activities outside of the Salamander Resort such as wineries, retail shopping, and various outdoor tours.</li> <li>Ability to grow market share and visitors through health and safety measures that make visitors feel welcome and safe.</li> </ul>	<ul style="list-style-type: none"> <li>Lowering of general consumer confidence related to travel and leisure activities due to a second major Covid-19 outbreak.</li> <li>Decreasing hospitality revenues in non-peak operating season.</li> <li>A concentrated outbreak of COVID-19 at the Salamander Resort.</li> <li>A concentrated outbreak of COVID-19 in Loudon County and/or Middleburg.</li> </ul>

# COVID-19 Benchmarking Analysis – Health, Wellness, & Recreation

Focus Area	National Trends	Town of Middleburg	Opportunities	Threats
<p><i>Health, Wellness, and Recreation</i></p>	<p>While many operators in the health, wellness, and recreation industries suffered an initial blow during the economic shutdown, many have rebounded since then as consumer demands for locally sourced production and high-quality ingredients remains strong in the food and beverage market. Consumers have generally continued to focus on their overall health and wellbeing throughout the pandemic, in addition to pursuing outdoor activities that offer a relief from the daily pressures.</p>	<p>Middleburg has access to a variety of assets in the health and wellness sector due to the town’s proximity to high quality, locally sourced ingredients. Activities like biking, horseback riding or hiking trails are all-natural links to Middleburg’s surrounding rural landscape and are also great activities for individuals, tourists, couples or families.</p>	<ul style="list-style-type: none"> <li>• Middleburg’s proximity to outdoor recreation amenities and activities (hiking, horse-riding, etc.).</li> <li>• Presence of, and potential expansion of agritourism in the region.</li> <li>• Many activities in the health, wellness, and recreation industry are more insulated from another COVID-19 outbreak due to their operations focusing on local supply chains and outdoor venues/areas.</li> <li>• Continued demand from urban residents looking for day-trips focused on outdoor activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited availability of outdoor recreation activities in colder winter months.</li> <li>• Lowering of general consumer confidence when traveling due to a second major COVID-19 outbreak.</li> <li>• Lowering of consumer discretionary income leading to fewer purchases of products from health and wellness industries.</li> </ul>

# COVID-19 Benchmarking Analysis - Retail

Focus Area	National Trends	Town of Middleburg	Opportunities	Threats
<i>Retail</i>	<p>The COVID-19 outbreak has contributed to shifts in the national retail landscape, including:</p> <ul style="list-style-type: none"> <li>• Lower discretionary spending by consumers.</li> <li>• A surge in e-commerce.</li> <li>• Consumer spending and support for local businesses.</li> <li>• The increased use of technology (apps, online ordering, etc.) by retailers.</li> <li>• Increased demand for items such as home gym equipment, building materials, and outdoor equipment.</li> </ul>	<p>While there were two closures due to retirement, there have not been any closures of retail stores directly related to the economic effects of the pandemic. Further distinguishing itself from trends hitting other parts of the country, there has been a successful restaurant opening and there continues to be active interest in vacant properties in Middleburg.</p> <p>The Town Council has also agreed to offer grants to businesses to acquire heaters to accommodate outdoor dining into the cooler months.</p>	<ul style="list-style-type: none"> <li>• Implementation of new technologies (online ordering apps, target marketing software, etc.) by Middleburg businesses.</li> <li>• Continued marketing and other partnerships with regional organizations (Visit Loudon).</li> <li>• Programs and offerings targeting residents looking for more ways to support local businesses.</li> <li>• Creative use of outdoor spaces for restaurants and retailers.</li> <li>• Attraction of regional businesses that are looking for location in a less dense location.</li> <li>• Celebrating Middleburg’s walkable atmosphere that is ideal for social distancing measures.</li> </ul>	<ul style="list-style-type: none"> <li>• A decrease or lack of additional funding/support for businesses at the federal level.</li> <li>• Longevity of local resources.</li> <li>• Additional economic shutdown(s) due to a second wave of COVID-19 outbreak.</li> <li>• Limited pipeline of entrepreneurs/small businesses to replace existing businesses if they decide or are forced to close.</li> <li>• Lowering of general consumer confidence when traveling due to a second major COVID-19 outbreak.</li> </ul>

# COVID-19 Benchmarking Analysis - Housing

Focus Area	National Trends	Town of Middleburg	Opportunities	Threats
<p><i>Housing</i></p>	<p>A recent report from the Urban Land Institute indicates that single-family rental housing will increase in demand, and that much of that demand is and will continue to materialize in suburban areas.</p> <p>A lack of existing single-family housing supply is driving up housing prices in many suburban area of the country.</p> <p>Early in the pandemic, housing activity came to an abrupt halt. Now, demand has rebounded, but the dynamics have changed. Housing demand has shifted to low-density markets and areas where homebuyers can purchase larger homes more conducive to remote work and distance learning models.</p>	<p>The Virginia Realtors Association reports that from August 2019- to August 2020:</p> <p>Loudoun County</p> <ul style="list-style-type: none"> <li>- Existing home sales are up 12.2%</li> <li>- Median home price are up 10.6%</li> <li>- New listings are up 2.7%</li> <li>- Active inventory is down -42.1%</li> </ul> <p>The latest market information from online home sale website Zillow shows that home values fell 0.3% in the past 12 months in the 20117 ZIP code. Zillow predicts that home values will fall an additional 0.2% in the next year. Yet, anecdotal evidence shows that the housing market remains tight with limited diversity in the housing supply.</p> <p>It was recently announced that the Salamander Resort said they are developing 49 luxury homes on their property. Home prices will start around \$1.9 million.</p>	<ul style="list-style-type: none"> <li>• Harness the spending power of the new residences (in the long term).</li> <li>• Drawing on the expertise/skills/networks of the new residents.</li> <li>• Encouraging home-based businesses, entrepreneurs, providing networking opportunities to these individuals.</li> <li>• Capture high end rental market.</li> <li>• Consider redevelopment opportunities, especially Federal Street, and what elements would capture shifting market.</li> </ul>	<ul style="list-style-type: none"> <li>• Severe economic downturn from ongoing pandemic related closures.</li> <li>• Keeping up with telecommuting technology as WFH grows.</li> <li>• Limited housing for workforce, harming hospitality businesses.</li> <li>• The town stands to miss attracting a new generation of business owners, residents and families if housing options are not diversified.</li> <li>• Continued development pressure from the suburbs.</li> </ul>

# Middleburg's Role in COVID-19 Recovery and Beyond

- Based on national, regional, and local market trends, what is the Town's role in supporting businesses?
- The strategies on the following pages describe how Middleburg's work must concentrate on supporting the businesses' physical environment and concurrently use opportunities to market itself as a superior location to return to shopping, dining and recreation. This message supports visitor attraction and sets the stage for potential businesses that want to seek market opportunity and are seeking the right fit for their business.



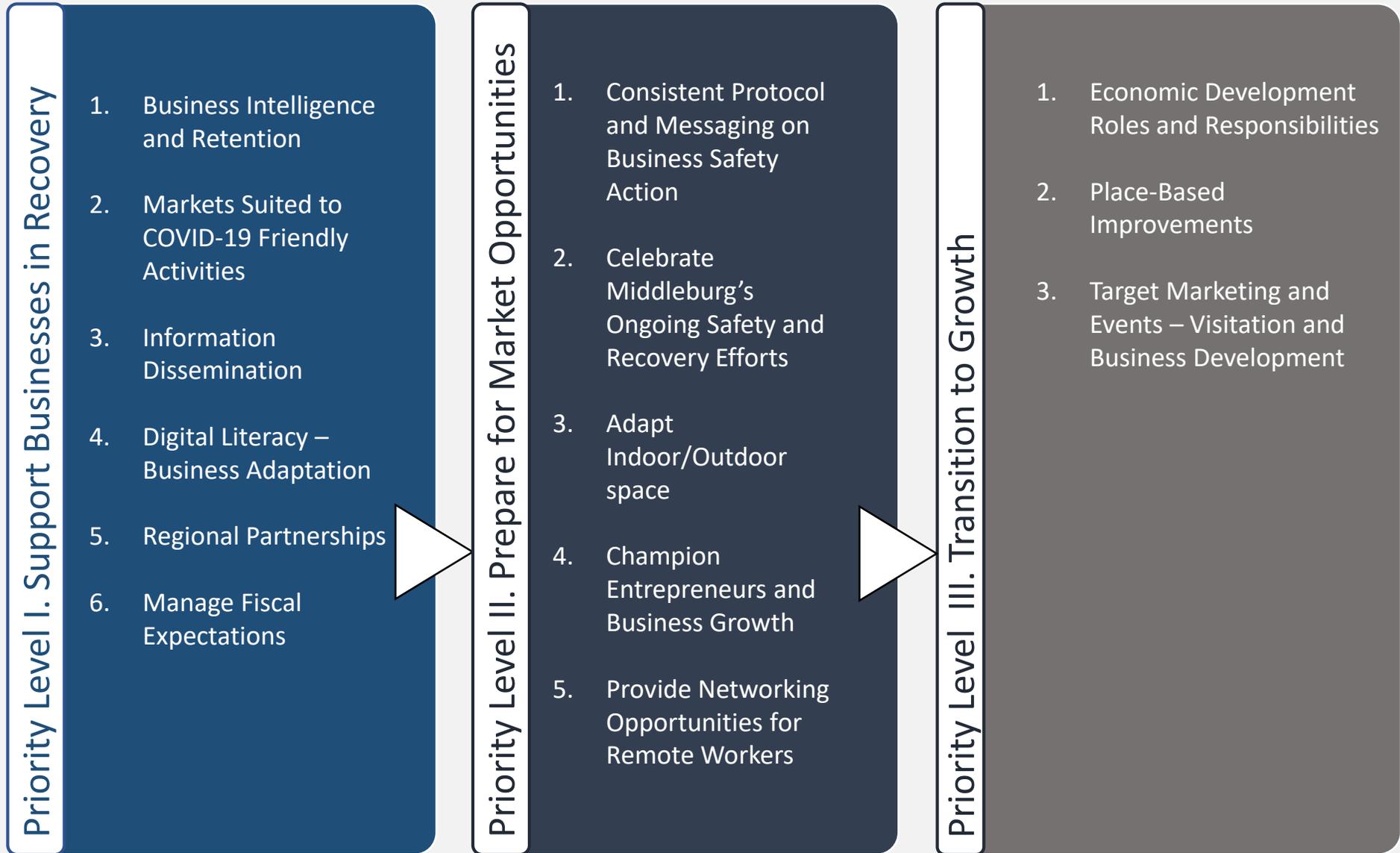
# COVID-19 Response Strategy

The following COVID-19 Response Strategy for the Town of Middleburg is divided up into three priority levels.

- I. Support Businesses in Recovery
- II. Prepare for Market Opportunities
- III. Transition to Growth

These levels are meant to be utilized based on economic and market conditions that will be dependent on the fluid and volatile nature of the economy as the pandemic progresses. This allows for the town to remain agile, build-upon, and leverage these priorities and strategies regardless of the timeline for full recovery from the pandemic.

While stability and recovery efforts must be prioritized today in order to deal with this unprecedented public health crisis, the priority levels in this strategy also aim to build capacity to advance initiatives that take advantage of emerging market opportunities, create and maintain partnerships for initiative execution, and use strategic data to inform decision making.



# Phase I. Support Businesses in Recovery

Strategy Topic	Actions
<p><b>Business Intelligence and Retention</b>  <i>The information collected during this time can be used to better understand existing operating conditions for businesses while informing future policy development.</i></p>	<ul style="list-style-type: none"> <li>• Conduct a survey or visit businesses to gain a better understanding of how they are faring financially and operationally. This will help the town gain a better understanding of those that may be the most in need of additional support, which may be especially relevant in the coming months.               <ul style="list-style-type: none"> <li>• Start with a basic questionnaire (see next slide for examples).</li> <li>• Record status of businesses and record with an assessment of business: “high risk, moderate risk, low risk”</li> <li>• Track responses and data so progress can be measured and communicated.</li> </ul> </li> </ul>
<p><b>Markets Suited to COVID-19 Friendly Activities</b>  <i>Focusing efforts on promoting activities that allow for social distancing and other COVID-19 related safety protocols will allow Middleburg to remain attractive to visitors and consumers.</i></p>	<ul style="list-style-type: none"> <li>• Promote the advantages of doing business in Middleburg during the pandemic, including its close-knit business community, proximity to the Salamander Resort, outdoor shopping, moderate temperatures into the fall, walkability.</li> <li>• Continue to market and leverage the Salamander resort. Think through events or other co-campaigns that highlight local amenities offered within a short distance of one another.</li> <li>• Focus on Agritourism (i.e. equine outdoor events, or small agricultural tours) and partner with downtown businesses where possible.</li> <li>• Promote outdoor activities and regional amenities that can be utilized by visitors in conjunction with Middleburg’s accommodations and retail assets.</li> </ul>
<p><b>Information Dissemination</b>  <i>Reaching the right businesses with the right message will be key to adapting to changing business circumstances. The volume, channel, and information all play a role in keeping business operators informed.</i></p>	<ul style="list-style-type: none"> <li>• Continue to partner with <u><a href="#">Visit Middleburg</a></u> to update information on the status of businesses being opened, promotional offers, etc.</li> <li>• Continue to leverage social media platforms that have high viewership.</li> <li>• Keep a pulse on any vacancies for potential business matches.</li> <li>• Form a board of business owners who can share hardships and strategies via regularly scheduled online video conferences, or in-person meetings where appropriate.</li> <li>• Aggregate business resources like Loudoun County’s Business Interruption Fund.</li> </ul>

# SAMPLE COVID -19 BUSINESS RETENTION AND EXPANSION QUESTIONNAIRE

- **Current Operating Status:** What is your current operating status?
- **Temporary/Permanent Employment Reductions?**
  - **Employee Count Pre-COVID:** How many employees did you have on February 1st?
  - **Employee County Today:** How employees did you currently have? (Include full and part-time.)
- **Customer Disruption:** Has your customer base changed significantly?
- **Supply Chain Disruption:** Have you had supply chain disruptions?
- **Customer Disruption Detail:** Tell us more about your customer base.
- **Online Sales Presence:** Do you have an online sales presence?
- **Financial Assistance:** Have you sought out and/or received financial assistance? If so from who? Have you received any?
- **Other Assistance:** Tell us about any other type of business assistance?
- **Business Opportunities:** What's needed moving forward?

- **Operational Challenges:** For your business, how big of a challenge to your operations are the following (scale – 1-5):
  - Supply chain disruption
  - Cashflow disruption severity
  - Rent payments due
  - Employee culture challenges
  - Interpreting health and safety requirements
  - Implementing health and safety protocol
  - Help hiring new employees
  - Daycare/child care/education opening and remaining open
  - Finding new markets and customers
- **Success Stories:** Do you have any success stories to share that might be helpful for other businesses to hear?

# Priority Level 1. Support Businesses in Recovery

Strategy Topic	Actions
<p><b>Digital Literacy – Business Adaptations</b> <i>With the pandemic limiting in-person activities, it is essential for brick and mortar stores to have an online presence, including an e-commerce site and social media to promote their brand.</i></p>	<ul style="list-style-type: none"><li>• Popular trainings offered by experts or existing business owners may include:<ul style="list-style-type: none"><li>• How to utilize social media for marketing.</li><li>• How restaurants can use apps to make takeout and delivery more efficient.</li><li>• How to keep customers through this period even if they are not able to shop in-store .</li><li>• Using precision marketing to target customers.</li></ul></li></ul>
<p><b>Regional Partnerships</b> <i>Collaborative efforts with public and private regional partners will remain crucial throughout recovery and will be able to be leveraged in the future as Middleburg transitions to growth.</i></p>	<ul style="list-style-type: none"><li>• Continue to work with <u>VisitLoudon</u> for marketing campaigns.</li><li>• Continue to work with the Salamander resort for programs that encourage local travel outside of the major urban area (DC) but are in easy driving distance.</li><li>• Reach out to local businesses to form promotional partnerships to encourage an immersive experience for consumers and visitors.</li></ul>
<p><b>Manage Fiscal Expectations</b> <i>With revenue uncertainty looming over the coming months, it's crucial that Middleburg maintains adequate reserves and has general plans in place that can be referenced in a worst-case scenario.</i></p>	<ul style="list-style-type: none"><li>• Focus on ways to anchor and drive variable revenue sources that are critical to the town's fiscal health, including occupancy and meal taxes.</li><li>• Review the town's existing budget to identify funds that may be utilized to support critical services in the future if revenues reduce dramatically (i.e funds that are going towards non-essential services).</li><li>• Develop a strategy or process that could be implemented if budget reductions are needed in the future.</li></ul>

# Priority Level 2. Prepare for Market Opportunities

Strategy Topic	Actions
<p><b>Consistent Protocol and Messaging on Business Safety Action</b> <i>Uniting on a consistent message and protocol for how safety measures will be implemented across businesses will create a welcoming environment for visitors. Customer service for businesses and visitors will be a key role of the town to ensure people feel safe and invited back to the community.</i></p>	<ul style="list-style-type: none"><li>• Partner with MBPA to ensure businesses have the latest safety standards and protocols in place.</li><li>• Prepare consistent messages for businesses that indicate what is open, at what times, and other upcoming activities that could draw visitors back.</li><li>• Explore designating “ambassadors” that represent the Town to answer questions from visitors and shoppers.</li></ul>
<p><b>Celebrate Middleburg’s Ongoing Safety and Recovery Efforts</b> <i>While in-person events may be canceled this year it is still important to take this as an opportunity to market to past, current, and existing visitors who are then spreading the message of Middleburg’s offerings. Focusing these efforts within Loudoun County is likely to have a great payoff as people stay regional for recreation and vacation.</i></p>	<ul style="list-style-type: none"><li>• Examples of marketing Middleburg in conjunction with safety protocols: Use a new town logo on masks and give out to visitors.</li><li>• Focus efforts on in-state residents or nearby state residents within a day’s drive.</li></ul>
<p><b>Adapt Indoor and Outdoor Spaces</b> <i>Focus on and work with existing property owners to identify easily implementable and low-cost investments in the adaptive reuse of existing spaces will help support local businesses.</i></p>	<p>Examples include:</p> <ul style="list-style-type: none"><li>• The buildout of small business incubators in existing vacant retail space for entrepreneurs and/or food pop-ups.</li><li>• The buildout of small office spaces for individuals to rent and utilize.</li><li>• Closing off roads adjacent to restaurants to allow for more space for patrons to eat outside, or for heated tents in the winter months.</li><li>• Using adjacent empty storefronts as dining spaces for restaurants.</li></ul>

# Priority Level 2. Prepare for Market Opportunities

Strategy Topic	Actions
<p><b>Champion Entrepreneurship and Business Growth</b>  <i>While anchoring and retaining existing businesses will be a key focus throughout the pandemic, it will also be crucial to continue to foster entrepreneurship and identify individuals and businesses that are poised for growth and will help grow and diversify Middleburg’s economy in the future.</i></p>	<p>While many businesses have been negatively impacted due to COVID-19, some have fared better than others and there remain opportunities for entrepreneurship and growth. Examples of businesses and/or stakeholders include:</p> <ul style="list-style-type: none"> <li>• <b>Regional Entrepreneurs</b> – Business-minded individuals who may see opportunities for a market gap that was created or exacerbated through COVID-19.</li> <li>• <b>Established Home-Based Businesses</b> – Entrepreneurs that are working at home may be better positioned to expand and adapt existing operations</li> <li>• <b>Retirees</b> –With years of expertise in various other fields, retired individuals may have different motivations for getting into business than someone in their 20s or 30s (and less risk on the line). Leveraging the collective knowledge of these individuals to support community prosperity is a win-win.</li> <li>• <b>Regionally Growing Businesses</b> – Businesses that fit within the sectors that have seen higher demand in the last six months may be able to capitalize on their increased revenue and capture additional market share. The market is shifting so quickly, businesses may need to step back and consider whether expansion is the right choice, but could be an opportunity for the town to attract additional businesses.</li> </ul>
<p><b>Provide Networking Opportunities for Remote Workers</b>  <i>While work lifestyles shift, the town can get in front of remote workers as their numbers grow.</i></p>	<ul style="list-style-type: none"> <li>• Hold virtual meet-ups in partnership with regional EDOs, MBPA, or other technology-based economic development organizations that showcase strengths and assets of Middleburg’s location and lifestyle.</li> </ul>

# Priority Level 3. Transition to Growth

*These topics reflect the draft strategy from March 2020. While the majority of these short- and long-term initiatives remain relevant to Middleburg’s economic prosperity, actions will need to be revisited to adjust to social and public health expectations associated with COVID-19. A summary of adaptations to each strategy topic are below.*

Strategy Topic	Actions
<b>Economic Development Roles and Responsibilities</b>	<ul style="list-style-type: none"> <li>• The most critical role of economic development in the immediate future is ensuring a business environment where business owners/workers and patrons feel as comfortable and safe as possible. In conjunction with this is, monitoring market shifts and assessing Middleburg’s need to adapt or ability to seize new opportunities.</li> <li>• Focus all business intelligence collection on COVID-19 recovery.</li> <li>• Use intelligence to inform decision making about how the Town Council can support the business community.</li> <li>• Instead of developing a new signature event, focus on adapting established events to reach a large audience on virtual platforms, or socially distanced using Middleburg’s institutions as partners.</li> </ul>
<b>Place-Based Improvements</b>	<ul style="list-style-type: none"> <li>• Place-based improvements as they relate to making events and visitors as safe as possible will be a priority. Using parking spaces or the street to allow for more room for businesses to operate safely may need to occur on an ad-hoc basis to align with current public health protocols. Flexibility and a willingness to use the public realm creatively will support businesses and the visitors they rely on to thrive.</li> </ul>
<b>Target Marketing Events – Visitation and Business Development</b>	<ul style="list-style-type: none"> <li>• The recent and ongoing marketing work that focuses on the safety and business environment related to COVID-19 is critical to ensuring the town remains a desirable and notable location for visitors.</li> </ul>

# STAFF TIME ALLOCATION

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Based on economic needs and Middleburg’s unique business mix, it is recommended that the Town prioritizes the time/resources allocated to each Priority. Below, the proposed breakdown will allow staff to address the most pressing issues facing businesses, while also considering future opportunities when the time is right.

## Priority 1

### Support Businesses in Recovery (BR&E) - 50%

- Gather Business Intelligence
- Help Businesses with Diversification
- Help Businesses Adjust to New Supply Chains
- Help Businesses with Customer Outreach and Marketing
- Prioritize Digital
- Build Workforce-related Resources

## Priority Level 2

### Developing Market Opportunities (Attraction/Marketing) – 40%

- Messaging Around Safety
- Fill Empty Storefronts
- Enable Outdoor Dining for Restaurants during the Winter
- Attract Visitors to Town – the Middleburg Experience
- Develop and Share “Good News Stories”
- Christmas In Middleburg/ Holiday Experience

## Priority Level 3

### Transitioning to Growth – 10%

- Place-Based Improvements
- Initiate and Improve Regional Partnerships



Leading action to  
grow your economy

Saratoga Springs, NY  
Richmond, VA  
Portland, ME  
Boston, MA  
Brattleboro, VT



## Introduction – Economic Context

The following outline is a culmination of quantitative data analysis, interviews, a business survey and community engagement with the businesses and residents of Middleburg. In this document, we distill our data findings into challenges and opportunities facing Middleburg – and provide a business-oriented value proposition. The second half of the document, the Action Plan, presents three priorities for Middleburg’s economic development department, further broken out into objectives and actions to advance each priority. This document is presented as a draft for consideration by the town staff and refinement is anticipated prior to transmitting to EDAC.

### Middleburg’s Context: Past and Present

Revered as the nation’s horse and hunt capital, Middleburg’s community identity is intertwined with equestrian activities and complementary industries. With origins dating back to the 19<sup>th</sup> century, historic buildings dot Middleburg’s commercial district. The rural areas surrounding the town became known for bucolic horse farms and agricultural production, which today now includes a booming wine industry. Middleburg has attracted some of the nation’s most prominent families for recreation and schooling, including the Kennedys and Mellons. Private educational institutions like Foxcroft and the Hill School operate diverse programs that draw students from across the country and around the globe.

Today, the town still supports equestrian sports and educational institutions, but has also developed into an economy supported by daily visits and tourism. The current business mix demonstrates an appreciation for traditional local industries paired with the offerings of today’s latest boutiques. Luxury lodging options offer visitors a reprieve from the fast pace of everyday life and amenities that showcase local products, food and recreation options.

Middleburg conjures a mystique that attracts visitors to explore the town’s legacy and step into an era that no longer exists across much of the state. Visitors are likely not coming for one purpose but instead end up visiting to take in all of the sights, sounds, and activities that they can in their one or multi-day stay. Made up primarily of independently owned retailers and restaurants, the town presents an individuality that is unparalleled among the sprawling growth that continues to occur within the Washington D.C. MSA and throughout Loudoun County.

Middleburg sits at the center of a region that is drastically changing economically and demographically. Loudoun County added over 45,000 jobs in the last decade, increasing total jobs in the county by nearly a third. This employment growth was led by the expansion of data centers and technology related industries. Attracted by job opportunities, Loudoun County’s population experienced significant growth – increasing its population by 25% between 2010-2019. Ranked as the county with the highest median household income in the nation for the 10th year in a row,<sup>1</sup> employment growth has spurred a new generation of wealth in Northern Virginia. According to the county’s recent Comprehensive Plan, 41.5% of households earn above \$150,000 with a median age of just 35.8.

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<sup>1</sup> As of 2017.

While technology-led development has typically fueled economic growth across the region, Middleburg’s primary economic activity is still a result of the equine industry and visitation. The development of The Salamander Resort in 2013 reinforced the town’s significance as a luxury and boutique destination. Drawing inspiration from elements of the town’s equestrian history, the resort is a five-star experience that welcomes visitors to enjoy all that Middleburg has to offer. The resort has been a close partner with the town in not only drawing in visitors but also opening its doors to the community, local businesses and getting involved in annual events.

Special events for holidays or other celebrations have invited thousands into Middleburg over the last decade. While classic events like Christmas in Middleburg showcase the town’s culture, newer events like the Middleburg Film Fest or Oktoberfest highlight the tastes of shifting population. The town has also adapted their business recruitment efforts to fill in market gaps that capitalize on the spending power of the relatively young professional population. The town actively recruited Old Ox Brewery to the former site of the Middleburg Health Center, a mixed-use property that was primarily vacant and had catalytic potential to improve the dynamics of Madison Street.

## Challenges

*What economic and market pressures is Middleburg facing?*

### Economic Pressures

While e-commerce has certainly upended shopping habits across the income spectrum, brick and mortar shopping remains an integral part of economies in towns and cities across the country. How businesses and entire communities adapt to changing expectations for brick and mortar can influence overall economic stability. The Census Bureau of the Department of Commerce, which releases quarterly updates on e-commerce spending as a percentage of total retail sales, notes that e-commerce sales in the fourth quarter 2019 accounted for 11.4% of all sales.<sup>2</sup> This is up 0.2% from the third quarter 2019 and an increase of 16.7% from the fourth quarter of 2018. With a vast majority of retail spending still completed in stores, the opportunity to capture spending dollars in person still exists, but the entire calculation behind how consumers prioritize where, when and why they shop needs to drive the retail environment.

Recent positive consumer sentiment aligns with economic indicators that forecast optimistic implications for the retail sector, but communities and businesses must still be armed with latest market demands and sound business practices in order to attract valuable spending dollars. The town reports that over 65% of revenues are directly tied to luxury tourism – signaling the potential for severe fiscal ramifications when the economy faces a cyclical downturn. While Middleburg weathered the Great Recession, preparing for the next cyclic downturn with lessons learned from the last decade can help the town prepare its business to take on recessionary pressures. Afterall, Middleburg’s clientele is not immune from economic pressures and spending patterns can be expected to generally correlate with market shifts. In the business survey conducted as part of this strategic review, establishments indicated a lack of succession planning, that their profit margins were squeezed by real estate costs and challenges in attracting workforce. These

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<sup>2</sup> [https://www.census.gov/retail/mrts/www/data/pdf/ec\\_current.pdf](https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf)

issues will only be exacerbated during challenging economic times and setting in motion business programs that support knowledge exchange and expertise can help mitigate potential issues in the future.

## Shifting Demographics

Middleburg's population is an anomaly to the rest of Loudoun County's. Nearly half of Middleburg's population is over the age of 55. This age distribution is reflected in Middleburg's median age, which is 53 years old. This is over fifteen years older than the rest of the surrounding population in Loudoun County, whose median age is about 36 years old. Additionally, Middleburg's population is less racially and ethnically diverse than Loudoun County and the Washington D.C. MSA. On a diversity index scale, Middleburg's population scores 43.9, while Loudoun County ranks 68.4 and the Washington D.C. MSA ranks 75.2. Demographic analysis projects that these changes will continue to progress in the coming decades. The growth in cultural diversity in Loudoun County has implications for retailers, restaurants, and festivals trying to garner the attention, and spending dollars, of Loudoun County residents. Middleburg's aging population will have needs that may not align with the products and services offered by local businesses. Yet another implication of an aging population in the immediate area is the potential for a large turnover of business ownership at once.

## Land Use Pressures

With development pressures spreading from the massive growth experienced across Loudoun County, the increased traffic on Route 50 stands to draw in additional visitors and generate economic activity in Middleburg, but also add stress to the quaint, serene environment in town. Traffic calming measures were implemented in 2016 and continue to be a priority for county-town collaboration. Another trade off with increased traffic comes pressures on parking availability. Parking challenges were noted through interviews and the business survey. Yet, the recently completed Middleburg Comprehensive Plan notes that in 2018, a parking study identified that the highest parking occupancy exists on Fridays with approximately 86% occupancy. Weekdays averaged 73% occupancy, and the weekend was similar, at 76% occupancy. While occupancy rates demonstrate that the total amount of parking is adequate, the study did recommend that there could be improvements such as a 30-minute limit in high turnover spaces or exploring a shared parking agreement with Middleburg Community Center or the National Sporting Library. However, even a perceived parking issue can detract visitation, therefore, increased signage and directional communication concerning where parking is available at what times can help visitors or residents make informed decisions about where they park.

Pedestrian circulation from Washington to the side streets is key to building a successful retail atmosphere where patrons are encouraged to stroll not just on the primary street, but crisscross through the side streets. Part of increasing pedestrian circulation is an awareness of what lays down the street, and also accessibility into storefronts, at crosswalks and in key parking locations. Adjustments like ramps or other accessibility measures, especially based on the size and scale of the historic properties in Middleburg, are necessary to encourage a spectrum of age and abilities to enjoy Middleburg.

## Workforce Recruitment

Middleburg is a net importer of labor. In other words, about 90% of employable adults leave Middleburg for employment. And about a third of respondents to the business survey noted that workforce

recruitment and training was “difficult or very difficult.” At the same time, a quarter of businesses anticipated hiring in the future. If businesses stake their growth plans on additional hires but cannot find the right individuals, growth potential will be stifled. This issue can have lasting implications for a business’s ability to operate up to the standard that they want to achieve.

With Middleburg’s limited housing supply, recruitment from outside of the immediate area is a reality. While housing prices in Middleburg are more modest than compared to the rest of Loudoun County, a typical employee in the hospitality industry would find it challenging to find housing to match their income. The housing mix in Middleburg is likely to remain on the higher end of the spectrum, so supporting hospitality workers in other ways, like competitive wages, will increase Middleburg’s competitiveness in attracting skilled labor.

This is an issue pertinent to Middleburg, Loudoun County and the entire state of Virginia. Broaching collective solutions at a regional level, and formalizing partnerships already underway to address the issues will help solidify resources and reach potential employees. In addition, tapping into the populations that may not be the traditional hospitality or retail worker could also be critical to filling positions.

## Market Opportunities and Vision for the Future

*Where can Middleburg capitalize on its existing assets and market growth? What is Middleburg’s value proposition?*

**Middleburg’s value proposition is the sum of all its parts – an unmatched experience that provides an escape from the everyday and an intimate customer/business relationship that is hard to come by in today’s fast-paced world. There is no online shop or cookie-cutter big box luxury retailer that can provide the same kind of gratification. Middleburg’s offerings play into the realm of personal pleasure, self-care and high-end retail. Middleburg’s primary market segment finds in-person shopping still desirable. Leveraging this, along with other retail trends like consumer engagement and outdoor recreation will continue to grow and support Middleburg’s reputation.**

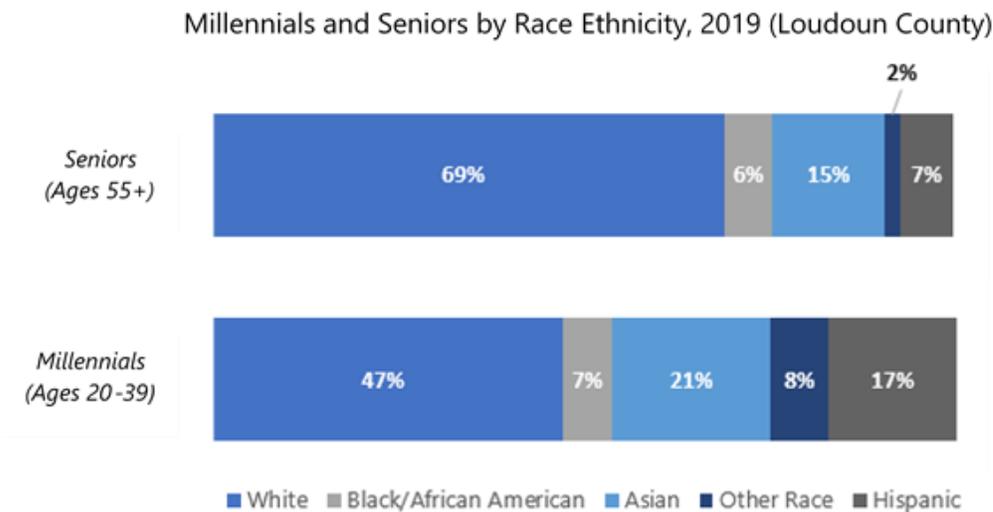
**Middleburg has carved this advantageous niche into the market and, based on current and projected economic and social indicators, this will continue to support the operations of the town’s businesses into the future. However, to remain competitive and relevant in today’s market, the services, products, and messaging that the town promotes must adapt to the shifting demographic market and retail trends, and Town officials will need to align its regulatory environment with best practices in economic development and planning.**

### New Sources of Discretionary Income

The Salamander Resort brings the prominence and notoriety of a five-star resort that is the envy of many other locales. Leveraging the Salamander’s distinction in the hospitality sector can propel Middleburg’s businesses in front of audiences that otherwise would be challenging to reach. While the resort is already involved in the town’s event and cultural planning, continuing to closely build the relationship between the town and resort will help to increase Middleburg’s audience and bring in spending dollars to the town’s small businesses. This includes physical connections, like the walking trails and signage between Washington Street, which can encourage the hotel guests to make the trip into town and vice versa.

Middleburg’s proximity and relatively easy commute to Dulles International Airport and the Washington D.C. metro presents opportunities to attract visitation from the many conferences and conventions held in the metro area. While the drive is not far, the public transportation options for visitors without a car are limited and put up a barrier for potential visitors. Coordinating on regional investment in transportation options that could support fewer individual cars on the road, increase visitation, and potentially offer an alternative for commuters could play a multifunctional role between nodes in Northern Virginia. Loudoun County’s 2019 Countywide Transportation Plan acknowledges that “enhancing connectivity to regional amenities, such as entertainment centers, [and] Dulles Airport...” is a community interest and outlines appropriate planning mechanisms for working with towns and Joint Land Management Areas.

Another market with growth potential in Middleburg includes families. Through survey responses and a community meeting, it was clear that Middleburg businesses felt that families can have the greatest collective positive economic impact. Using demographic data to understand the characteristics of families in Loudoun County helps illuminate where there might be market gaps in Middleburg’s offerings. Today’s families are likely part of the Millennial Generation, who are more diverse and multi-cultural than any generation prior to them. In Loudoun County, the cohort aged 55 and up is 69% white, while the Millennial generation is 47% white. Another 21% of Millennials are Asian and another 17% are Hispanic. Experiences, stores, and events that celebrate this diversity will capture the attention of consumers. Middleburg can adapt its messaging to target audiences and remain authentic to its roots.



## Retail Engagement and Environment

The growth in personal income surrounding Middleburg is an opportunity to capture the additional spending potential of the regional population. Yet, with the shift in where people are willing to spend their disposable income, the messaging surrounding Middleburg’s offerings needs to be adapted. Today’s successful retail includes elements like:

- *Allowing the consumer to experience the product:* Brick and mortar can still be desirable for customers by adding an experience that cannot be replicated online. Tasting rooms for wines, olive oils, and cheeses provide a unique experience and support the local food movement and

local producers in the surrounding area. Visitors need to be able to taste, touch, and feel products in-store<sup>3</sup>.

- *Encouraging and demonstrating sustainability* – Environmental sustainability is a topic that has manifested itself across all sectors, including retail, which hasn't always been known as a particularly environmentally friendly industry. The rise of products that showcase their reuse of plastic, use of local products or otherwise repurposed goods often have a price premium that fit the spending power of Middleburg visitors.
- *Implementing technology where appropriate* – This means including mobile pay options, maintaining a presence on social media, and keeping customers informed of new products, among always emerging technological tools. While a slower pace and historic legacy are part of Middleburg's defining features, consumers still expect the conveniences of the 21st century.
- *Wayfinding and wandering*: In addition to having distance to nearby amenities and stores marked on wayfinding signs, adding walk times can help put distance in perspective for people. Often consumers are willing to walk longer distances in parking lots than in a condensed downtown environment simply because they are in unfamiliar territory or aren't aware of what other shops they can find along the way.

## Health, Wellness, and Recreation Trends

Consumer demands for locally sourced production and high-quality ingredients remains a strong hold in the food and beverage market. Convenience is also top of mind for consumers who are eating up meal delivery services, food delivery apps, or ready-made meals in their local health food stores or conventional supermarket.

The Food and Beverage sector tends to lend itself to activities or services that engage a visitors' senses for a memorable, meaningful experience that can imprint their visit and encourage them to talk about it with their networks. While a signature retail or department store once acted as the anchor store in a commercial district, a noteworthy restaurant can now act as the downtown anchor and drive traffic to other retail businesses.

Agritourism is widely defined as farm activities for public enjoyment – from wineries to harvest festivals to other cultural events. With Loudoun's established reputation in the food and agricultural production sector, there is a natural tie into the retail side of food and beverage. Additionally, wine is a growing market in Virginia as consumers expand their taste for American wine from dominant west-coast locations. Capitalizing on the nearby availability of renowned products to capture market demand and generate additional economic activity is a win for local producers and for nearby businesses who could benefit from additional consumers.

### Food and Beverage Trends

- Health-conscious: gluten-free, vegan, vegetarian
- Fusion concepts
- Environmentally conscious
- Food trucks
- Fast casual, prepared meals

<sup>3</sup> [https://nrf.com/blog/10-ideas-worth-stealing-2020?utm\\_medium=Homepage%20Hero&utm\\_source=Website&utm\\_campaign=Blog&utm\\_content=Ideas%20to%20Steal](https://nrf.com/blog/10-ideas-worth-stealing-2020?utm_medium=Homepage%20Hero&utm_source=Website&utm_campaign=Blog&utm_content=Ideas%20to%20Steal)

Building on the health and wellness sector, outdoor recreation like biking, horseback riding or hiking trails are all-natural links to Middleburg’s surrounding rural landscape and are great activities for individuals, couples or families. These activities also contribute to the idea of escaping the everyday hustle and bustle and getting back to nature – all within Loudoun County’s backyard.

### Adapting Housing Market for Changing Tastes

Just as the retail market is adapting to consumer’s shifting preferences, the housing market is faced with similar realities. About 80% of Middleburg’s housing options include single family homes, detached (60%) and attached (20%). However, housing preferences, especially among the growing demographic cohorts in Loudoun County, have shifted based on economic realities and lifestyles preferences. Both Millennial and Baby Boomers generations are seeking a range of housing options that include townhomes, condominiums, or apartment rentals. Seniors, the population most prevalent in Middleburg, are split, with some seeking alternatives to the single-family home and others deciding to continue living independently for longer periods of time. Multifamily units allow the independence seniors desire without the added maintenance efforts that a single-family house requires. They are also more likely to offer a modern single-story living space which is ideal for aging individuals who may have mobility limitations. Middleburg stands to lose a generation of knowledge, culture, and expertise if the housing is unable to accommodate the aging population.

Additionally, the town stands to miss attracting a new generation of business owners, residents and families if housing options are not diversified. Middleburg’s percentage of young adults is well below the county and state average, which is driven in part by the lack of housing options, both rental and for-sale units. Young adults who grew up or attended school in Middleburg may wish to remain or return to the town but are forced to seek housing and start families elsewhere. Additional housing options could also attract entrepreneurs who would work from home or seek to start a business in Middleburg.

Federal Street has already been identified by the town’s Comprehensive Plan as a future redevelopment opportunity that could include new housing options. More preliminary vision and design work is needed to fully build out the concept for Federal Street and the Economic Development Strategic Plan, along with the Comprehensive Plan, can help determine what uses will help capture market potential, maintain the town’s indisputable place in the county and state’s identify, and diversify tax revenue to solidify the town’s fiscal stability. Additional housing is proposed on the Salamander Resort property, which will add modernized single-family housing to the market and further increase property tax revenue. Original plans for the Salamander Resort also included some mixed-use development, which is an attractive option for young professionals, single adults, and empty nesters wishing to downsize.

## Action Plan

The following priorities, objectives and subsequent actions provide a road map for how Middleburg can retain its market niche and adapt to anticipate market demand. The following outline is a first draft of an Action Plan, which will be subsequently built out to include partners, resources, timelines, outcomes and level of priority. This Action Plan is the implementation tool that EDAC and the Economic Development Director will continue using over the next five years to advance implementation and measure progress. Once the outline of strategies has been discussed by EDAC, further discussion about anticipated outcomes, and how to achieve those outcomes will facilitate the transition from planning to implementation.

The following five actions are those with the greatest immediate-term importance. Additional detail for next steps will be provided for these actions.

1. Conduct survey or leverage existing data through businesses to develop visitor profile. Disseminate information to businesses and use for target marketing purposes.
2. Leverage the town's existing revenues from business operations for reinvestment in community spaces like sidewalks, landscaping, and infrastructure.
3. Provide regulatory support and remain open to mixed-used development that fits within the context of Middleburg as opportunities arise.
4. Identify high growth businesses in the region that successfully target young families and begin conversations about relocation or additional location in Middleburg.
5. Initiate a meet up of home-based businesses and/or remote workers. Gather and record feedback from these entrepreneurs to grow support systems.

The Action Plan includes objectives and proposed initiatives that involve active participation of small businesses, retailers, nonprofit organizations, institutions, County and Town officials. Public support is generally proposed as specific tasks to be carried out by economic development and planning officials or as targeted public investments to improve the infrastructure of the Town of Middleburg rather than as-right incentive offerings to groups of investors or individual businesses.

### **PRIORITY 1: Economic Development Roles and Responsibilities**

Objective I. Continue working with regional partners on tourism product development and marketing.

- a) Conduct survey or leverage existing data through businesses to develop visitor profile. Disseminate information to businesses and use for target marketing purposes.
- b) Work with Visit Loudoun on target marketing campaigns for growing audiences: culturally diverse families, single females.
- c) Utilize data collected by partners to inform decisions about target markets over time.

Objective II. Solidify role as an economic development “convener.”

- a) Launch new and grow existing signature events that build on Middleburg's competitive qualities.
- b) Coordinate and engage with institutions like the Salamander Resort, National Sporting Library and Museum, Foxcroft and the Hill School (among others) on all aspects of event planning – including parking, marketing, programming etc.

Objective III. Refresh Business Retention and Expansion, Attraction efforts.

- a) Use business survey bi-annually to collect real-time information on business satisfaction and performance in Middleburg.
- b) Conduct business services programs that responds to challenges identified in the 2020 Business Survey: *Workforce, digitalization of retail, succession planning*
- c) Promote ongoing business opportunities through existing communication channels (e.g. *Mondays are a profitable day for some, but many restaurants are closed.*)

Objective IV. Coordinate regulatory policies with economic objectives.

- a) Enact policies that recognize Middleburg’s historic businesses (see appendix with more information).
- b) Explore if landowners are willing to rent out second story vacant space to non-profit and philanthropic organizations.
- c) Target long-term vacant properties through regulatory actions available under town jurisdiction.
- d) Partner with major employers and workforce resources to hold a forum to design collective solutions to workforce challenges in the retail, service, and visitation industry.

Objective V. Develop relationships with brokerage community.

- a) Identify local and regional real estate brokers and provide them with content they can use to promote Middleburg in target categories.
- b) Maintain community profile that aligns with site selection indicators to act as marketing tool for business attraction. Make available to current businesses.

**PRIORITY 2: Place-Based Improvements**

Objective VI. Grow pedestrian circulation on streets off Washington Street.

- a) Periodically locate events or activities on side streets to draw attention to businesses.
- b) Develop wayfinding signs with new branding to direct people down the side streets and inform them what businesses they can find (in progress).

Objective VII. Prioritize physical improvements that create a welcoming, safe and friendly shopping experience.

- a) Leverage existing revenues from business operations for reinvestment in community spaces like sidewalks, landscaping and infrastructure. Determine percentage to reinvest in the community.
- b) Prioritize sidewalk improvements based on pipeline and vision of future development plans.
- c) Seek funding through the Department of Transportation for sidewalk improvements.
- d) Ensure commercial district is well-lit year-round.
- e) Investigate connections to Middleburg businesses from regional bike or recreational trails.

<b>Retailer/Business Site Selection Indicators</b>	
Median income	Average household size
Major employers	Pedestrian Traffic
Educational Attainment	Home sales value (regional/local)
Co-tenants preferred	Daytime Population
Tapestry Segmentation (regional/local)	Ethnic Composition

Objective VIII. Seek opportunities for site assembly to advance economic priorities.

- a) Provide regulatory support and remain open to mixed-used development that fit within the context of Middleburg as opportunities arise.
- b) Continue to develop vision for the redevelopment of Federal Street based on responses to Comprehensive Plan.

- c) Inventory publicly owned vs. privately owned parcels to monitor opportunities for site assembly.
- d) Adapt land use regulations to support Federal Street vision if necessary.

Objective IV. Monitor and seek parking solutions.

- a) Utilize new wayfinding monuments to improve parking signage.
- b) Leverage the space of community institutions and business owners willing to support the Town's parking needs for special events (schools, museum etc.).
- c) Identify high turnover locations and pursue short-term parking regulations if perceived problem persists.

Objective X. Develop a plan for community space.

- a) Identify approximate size and scale of space needed for the proposed activities and goals in an indoor community meeting space.
- b) Identify parcels of land within town boundaries that could be redeveloped into indoor community meeting space and for outdoor public recreation and assembly.
- c) Prepare developer RFP with desired specs to gauge developer interest and magnitude of costs for such project(s).

### **PRIORITY 3: Target Marketing and Events – Visitation and Business Development**

Objective XI. Grow indoor and outdoor family friendly offerings across town and region.

- a) Identify high growth businesses in the region that successfully target young families and begin conversations about relocation or additional location in Middleburg.
- b) Meet with National Sporting Library and Museum on the role that library or exhibits could play in attracting families through events and/or exhibits.
- c) Use marketing materials to showcase family friendly activities in Middleburg.
- d) Connect with Virginia Tech's Agriculture Center on agritourism expansion opportunities.

Objective XII. Target visitor materials to markets with untapped or growth potential:

- a) Business audiences from Washington D.C. MSA
- b) Loudoun County families
- c) Outdoor recreation enthusiasts
- d) Health and wellness
- e) Agritourism
- f) Arts, Culture and events

Objective XIII. Grow support services for business startup and entrepreneurship.

- a) Initiate a meet up of home-based businesses and/or remote workers. Gather and record feedback from these entrepreneurs to grow support systems.
- b) Continue discussions surrounding the viability of a coworking space or other shared workspace that would act as a hub for remote workers or home-based business.
- c) Connect with local schools to grow local youth entrepreneurship. Proposed action: Hold a Shark-Tank style competition where local students pitch their best business idea for Middleburg.

## Appendix: Retail policies

### Objective IV. a) Recognize Historic Businesses as Historic Assets

In 2015, faced with sky-rocketing commercial lease rates causing otherwise healthy businesses to shut down or relocate, the City of San Francisco decided to create a [historic registry](#) for their 30+ year old businesses and subsequently established the Legacy Business Historic Preservation Fund ([legacybusinesssf.com](#)) to offer financial support:

- For Legacy Businesses, annual grant of \$500 per employee, with a cap of 100 employees.
- For Property owners who extend ten-year or longer leases to Legacy Businesses, annual grant of \$4.50 per square foot, with a cap of 5,000 square feet.

[The program](#) is open to 300 businesses and non-profits annually.

*If this policy is pursued, begin by:*

- Creating a registry for Middleburg’s long-established small retail businesses. This information will be used to customize the following recommendations and strategies specifically to the needs of Middleburg businesses.
- As part of the registry, the Town will collect information about:
  - Type of businesses (goods sold or services offered)
  - Age of business, brief history
  - Ownership structure and any succession plans
  - Size and type of space the business occupies
  - Lease rates and ownership status of space business occupies
- The Town will use information collected when creating the registry to design a financial assistance program, including grants and tax credits, that will address real estate pressures. The program will support small retail businesses and/or property owners to offset rising rents and enable the businesses to remain in-place.

PREPARED FOR:

Town of Middleburg, VA

# ECONOMIC BASE ANALYSIS

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TOWN OF MIDDLEBURG, VA

JANUARY 2020

PREPARED BY:



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# ABOUT CAMOIN 310

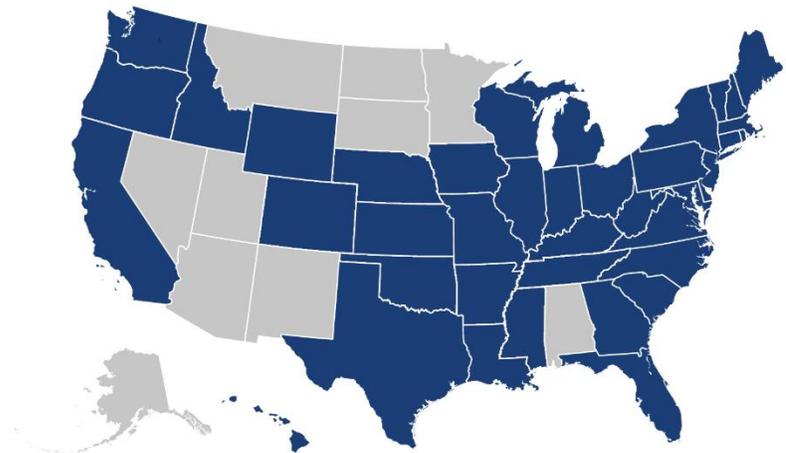
Camoin 310 has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin 310 has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 32 states and garnered attention from national media outlets including Marketplace (NPR), Forbes magazine, The New York Times and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Portland, ME; Boston, MA; Richmond, VA and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at [www.camoinassociates.com](http://www.camoinassociates.com). You can also find us on Twitter [@camoin310](https://twitter.com/camoin310) and on [Facebook](#).

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# EXECUTIVE SUMMARY

In many ways, the Town of Middleburg is an outlier in Loudoun County and the Washington D.C. Metropolitan Statistical Area (MSA). While Loudoun County is recognized as a young, technology driven economy that has experienced significant population growth in the last decade, Middleburg's economy is driven by private educational institutions, tourism-related businesses and a steadily growing agricultural economy within close proximity. With a median age more than fifteen years older than that of Loudoun County, the stability of Middleburg's long-term economic prospects relies on the current generation successfully exiting or handing off existing businesses to a new generation and introduction of new products and services into the local economy.

The data presented in this report are intended to act as a foundation to the Economic Development Strategic Planning process currently underway in the Town of Middleburg. The report elaborates on historic and projected changes in demographics, industry, and occupations trends. Note that the projections in this report are based on historic trends and do not take into account transformative events, policies, or actions that could disrupt these trends. In other words, the projections are a glimpse into the future if the town continues along the status quo.

The findings from this report will be verified with on-the-ground interviews with stakeholders, businesses, and community leaders and town officials. The following text highlights key findings, which are followed by an in-depth economic data analysis.

## Socioeconomic Analysis

- ◆ Census data demonstrate that since 2010, Middleburg's population has increased by 14%, from 673 to 786 residents. Population growth is projected to continue through 2024. Population growth was rampant in the broader economic region, where Loudoun County grew by 25%, and the Washington D.C. Metropolitan Statistical Area (MSA) grew by 10%.<sup>1</sup>
- ◆ Nearly half of Middleburg's population is over the age of 55. This age distribution is reflected in Middleburg's median age, which is 53 years old. This is over fifteen years older than the rest of the surrounding population in Loudoun County, whose median age is 36 years old.
- ◆ Middleburg's median household income (MHI) was \$68,205 in 2019, which is lower than Loudoun County's MHI of \$138,839. The Washington D.C MSA MHI fell between that of the town and county at \$102,025. Most notably, Middleburg has proportionally fewer households that earn between \$75,000-\$150,000 compared to Loudoun County and the Washington D.C. MSA.
- ◆ With a majority of the town's population at or near retirement age, they may not receive a typical annual salaried income. Therefore, net worth is another indicator of economic status that can be considered in addition to annual income. Middleburg's median net worth is \$172,084. Wealth is concentrated in households 75 and older, where median net worth rises to \$638,370, while the next closest cohort, households 55-64 reaches \$288,165. Loudoun County's median household net worth is \$635,285 and is more evenly distributed among age cohorts.
- ◆ About 71% of households in Middleburg receive income from earnings from employment. Just over a third of residents claim income from Social Security, about 14% indicate they receive retirement income, with smaller percentages of the population also declaring they receive cash public assistance and Food Stamps.<sup>2</sup>

<sup>1</sup> Note that Middleburg's relatively small size makes increases or decreases in population present more dramatically in terms of percentage gain and lost.

<sup>2</sup> Note that these percentages do not total 100% as households can indicate that they receive income from more than one source.

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- ◆ About 60% of Middleburg’s population has obtained an Associate’s degree or above. This compares similarly to the Washington D.C. MSA, where 58% of the population has an Associate’s degree or above, while in Loudoun County, 68% of residents have an Associate’s degree or higher. A greater proportion of the county’s population has achieved a Bachelor’s degree and Graduate/Professional degrees than in Middleburg or the D.C. MSA.
- ◆ Middleburg’s population is less racially and ethnically diverse than Loudoun County and the Washington D.C. MSA. About three quarters of the population is white, another 14% are African American, while another 7% are Hispanic. The remaining population falls into other races. On a diversity index scale, Middleburg’s population scores 43.9, while Loudoun County ranks 68.4 and the Washington D.C. MSA ranks 75.2.
- ◆ As the Town looks to create economic strategies that take advantage of the market characteristics in Middleburg and the surrounding region, understanding the characteristics of its households is critical to the town’s ability to remain competitive among other locations that people may choose to visit. Within the town itself, market segmentation analysis shows that the majority of households include independent, active seniors who are likely empty nesters or living alone. This group is typically retired or semi-retired, and otherwise enjoys leisure activities like travel sports, dining out, museums, and music performances.
- ◆ Market segmentation analysis in the Washington D.C. MSA shows that this population tends to frequently change jobs and therefore prefers rental options as opposed to homeownership, are tech savvy, may have young families, and enjoy recreational activities like fitness, gardening and cultural events.
- ◆ Middleburg is a net importer of labor. In other words, more people come to work in Middleburg than leave for employment. While a nominal percentage of people live and work in the town, those that commute out for work travel within Loudoun County, to Fairfax County, or Washington D.C. Typical occupations for the town population to commute out to are management positions in business, science or arts at private companies.
- ◆ The average commute time in the Washington D.C. MSA is 36 minutes. Loudoun County has a shorter-than-average commute time of 34 minutes and has the sixth highest percentage of its resident worker population who work remotely among counties in the D.C. MSA.

## Housing Analysis

- ◆ Over 50% of Middleburg’s housing stock was built in 1970 or earlier. The expansion around Middleburg in the surrounding region is apparent, as nearly three quarters of housing in Loudoun County occurred in 1990 or after. Middleburg has remained insulated from that growth, as the housing stock in Middleburg grew nominally, by 5 units, or 1%, between 2013-2017.
- ◆ 85% of the town’s 422 housing units are occupied. When comparing occupancy data to other geographic regions, the most noticeable finding is the relatively high percentage of vacant housing units – 15% in Middleburg, compared to 4% within Loudoun county, and 6% in the Washington DC MSA. However, a vacant unit does not necessarily mean a unit is abandoned. Vacancy can also demonstrate seasonal homes, units on the market, or other units that are simply unoccupied. About 17% of Middleburg’s total vacant units are considered seasonal homes.
- ◆ When compared to Loudoun County and the Washington D.C. MSA, Middleburg demonstrates the highest proportion of moderately priced homes in the \$150,000-\$199,999 range, which aligns with the findings in the Economic Base analysis, that Middleburg’s median household income is significantly lower than the surrounding region.

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## Retail Analysis

- ◆ Middleburg’s retail landscape is a critical component to the town’s identity, sense of place and economic prosperity.
- ◆ The retail leakage analysis shows that while there is not one category that shows enough unmet demand to warrant the opening of a new business, when retail demand is combined across sectors, 4,819 additional square feet of retail space can be supported. While this demand may seem nominal, Middleburg’s relatively small storefronts could lend themselves to smaller specialty stores that do not want more than 1,000-2,000 square feet. Filling current vacancies still requires the buy-in and flexibility of landlords, but retail prospects do exist in Middleburg.
- ◆ All stratifications of retail have felt the ramifications of shifting consumer preferences. While retail remains a challenging sector to thrive in, the brands with close relationships with their consumers, which typically occurs through digital communication, can adapt their goods and services to better reflect their clients’ needs. Although Middleburg’s small-town feel allows businesses to have personal relationships with their customers, the shifting dynamic of retail today demands a multi-channel approach to bolster business for economic shifts.

## Industry Analysis

- ◆ ZIP Code 20117, which includes Middleburg,<sup>3</sup> was home to approximately 2,169 jobs in 2019. Historically, the geography gained about 560 jobs, or an increase of 35%, from 2009 to 2019. These gains were primarily in Accommodation and Food Services (186 jobs); Professional, Scientific, and Technical Services (52 jobs); Educational Services (48 jobs); and Retail Trade (46 Jobs).
- ◆ Nearly 40% of the employment in the area is concentrated in two sectors. Accommodation and Food Services comprises 604 jobs or 28% of all jobs, while Agriculture, Forestry, Fishing and Hunting makes up 231 jobs, or 11% of all employment. While highly concentrated industries can present opportunities to build on existing resources, it also demonstrates dependence on select sectors and indicates that a downturn in one or more of these sectors would have significant consequences for area and specifically for the town’s economy.
- ◆ The Accommodation and Food Services industry has the highest forecasted growth over the next decade, adding a projected 79 jobs (a growth rate of 13%) to the area that includes the Town of Middleburg. Manufacturing is anticipated to grow by 53 jobs (35%), while Retail Trade is forecasted to grow by 40 jobs (22%). Note that the Manufacturing jobs that are expected to be gained all fall within the sub-industry Beverage Manufacturing – specifically Wineries.
- ◆ The unemployment rate is relatively higher in the town of Middleburg than in the surrounding areas, at 4.2%. Loudoun County and Fauquier County showed unemployment rates of 2.4%, while the D.C. MSA has an unemployment rate of 4.1%.
- ◆ Average earnings for jobs located in the Middleburg zip code area (including wages and supplements) reach about \$53,000. Sectors with the highest average earnings included Finance and Insurance (\$128,179); Professional, Scientific, and Technical Services (\$92,810); and Government (\$91,449). Sectors with the lowest average earnings include Manufacturing (\$24,948); Retail Trade (\$31,347); and Arts, Entertainment, and Recreation (\$32,386). The only industry with a higher than average earnings per job in the Middleburg area

<sup>3</sup> Data from our proprietary data source, Economic Modeling Specialists International (EMSI), are unavailable at the town level for industry and occupations. We therefore, use Zip Code-level data for the industry and occupations analysis to define the area closest to Middleburg’s town boundaries. Note that a small portion of this zip code spills over into Fauquier County.

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compared to Loudoun County and the Washington D.C. MSA was Accommodation and Food Services (\$34,437).

- ◆ The Middleburg area also has significant concentrations of employment within the Insurance and Employee Benefit Funds industry, and Support Activities for Animal Production. Other notable industry concentrations are found in Restaurants and Other Eating Places, Grantmaking and Giving Services, and Traveler Accommodations.
- ◆ While the Finance and Insurance industry accounts for just 5.7% of jobs in the Middleburg area, it comprises 21% of the town's 2018 total economic output, the largest proportion of any sector. This second largest contributor was Government (17%), and the third largest contributor was Accommodation and Food Services (15%).
- ◆ Nearly 70% of Middleburg's businesses employ 9 people or less.

### Occupations Analysis

- ◆ Top occupations by number of jobs located in the Middleburg area in 2019 include Food and Beverage Serving Workers; Other Management Occupations; Building Cleaning and Pest Control; and Retail Sales Workers. These occupations differ from Loudoun County's occupation profile which features Computer Occupations, Retail Sales Workers, and Business Operations Specialists as the top occupations by employment.
- ◆ Reflecting the agricultural nature of the properties surrounding and the growth in tourism industry, the town and surrounding area demonstrates notable occupation concentrations in Farming, Fishing, and Forestry; Building and Grounds Cleaning and Maintenance; Management; and Food Preparation and Serving Related Occupations.

### Tourism Analysis

- ◆ As Middleburg contemplates its future as a desirable destination for nearby visitors, understanding the economic potential and market share of the tourism and visitation industry is critical to marketing efforts and destination development. In 2018, the Virginia tourism industry is estimated to have generated \$25.8 billion in domestic travel spending across Virginia communities. State-wide, the industry supported 235,000 work opportunities; generated \$6.1 billion in personal income and salaries; and generated \$1.8 billion in state and local taxes for the commonwealth.
- ◆ In Loudoun County, estimated expenditures related to tourism have grown by 4.4% since 2014, growing from \$1.59 billion in 2014 to \$1.84 billion in 2018.
- ◆ Each geography is projected to experience overall job growth in tourism related industries, with the Town of Middleburg area forecasted to grow by 16%, Loudoun County forecasted to grow by 18%, and Fauquier County forecasted to grow by 7% over the next ten years.
- ◆ The top 2 industries by employment in 2019 related to tourism in the Middleburg area, Loudoun County, and Fauquier County include Hotels/Motels followed by Wineries. Wineries are forecasted to grow the most in regard to jobs over the next ten years. Middleburg is in a central location to many wineries, cideries, and breweries across the region.
- ◆ As wineries demonstrate industry growth potential, and cideries and a brewery have recently opened their doors in Middleburg, we analyzed trips related to libations in Virginia.
  - The average travel-party spending was \$1,065 per trip. A majority (30%) of travel parties spent more than \$1,000 per trip, followed by 24% of travel parties spending between \$250 to \$500 per trip.

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- Spending for trips related to libations exceeded the average spending for other general tourism day trips or overnight trips in Virginia.
- About 50% of travel parties originated in either Washington, D.C. (30%), Richmond Petersburg (12%), New York (8%), or Norfolk-Portsmouth-Newport News (5%).

# INTRODUCTION

As part of the initial research for the Middleburg, VA Economic Analysis and Strategy, Camoin 310 gathered and analyzed demographic, industry, and economic data to fully understand the existing conditions in Middleburg, VA and the broader region. This information sets a solid baseline of understanding focused on historic, current, and future forecasted demographic and industry trends, providing a launching pad for future action plans dedicated towards addressing the economic needs of the Town of Middleburg.

## DATA SOURCES

Much of the data in this report was acquired from EMSI, which uses data compiled from several sources, including the US Census Bureau and US Departments of Health and Labor. Using specialized proprietary processes and models, it provides estimates on current statistics and predicts future trends. Visit [www.economicmodeling.com](http://www.economicmodeling.com) for additional information. The data used are from EMSI's Complete Employment data set, which includes both jobs covered and uncovered by unemployment insurance. In other words, it includes both traditional employment and non-traditional employment such as the self-employed. As traditional jobs have been replaced or augmented by freelance work, consulting, and self-employment, these non-covered jobs have become much more important to the economic, and EMSI provides researchers with a way to track the trends over time.

Data in this report was also acquired from ESRI Business Analyst Online and Economic Modeling Specialists International (EMSI). ESRI uses the 2000 and 2010 Census as its base data. It uses proprietary statistical models and data from the US Census Bureau, the US Postal Service, and other sources to project current statistics and future trends. ESRI data are often used for economic development, marketing, site selection, and strategic decision making. For more information, visit [www.esri.com](http://www.esri.com).

Additional data was acquired from the Virginia Tourism Corporation. Each year the Virginia Tourism Corporation releases profiles targeted at giving readers a better understanding of various consumer and demographic trends when it comes to specific travel or tourism parties in the Commonwealth of Virginia. In this case, profiles are based upon data collected monthly by TNSTravelTrakAmerica (formerly known as TNS, TravelsAmerica) surveys. TNS-TravelTrakAmerica uses a nationally representative sample from the TNSTravelTrakAmerica 6th dimension USA Panel, described by TNS-TravelTrakAmerica as America's highest quality, most expertly managed online access panel. For more information visit <https://www.vatc.org/>.

### Study Regions

This analysis was conducted to identify demographic, socioeconomic, and industry trends in the Middleburg, VA economy in comparison to broader county and regional economies.

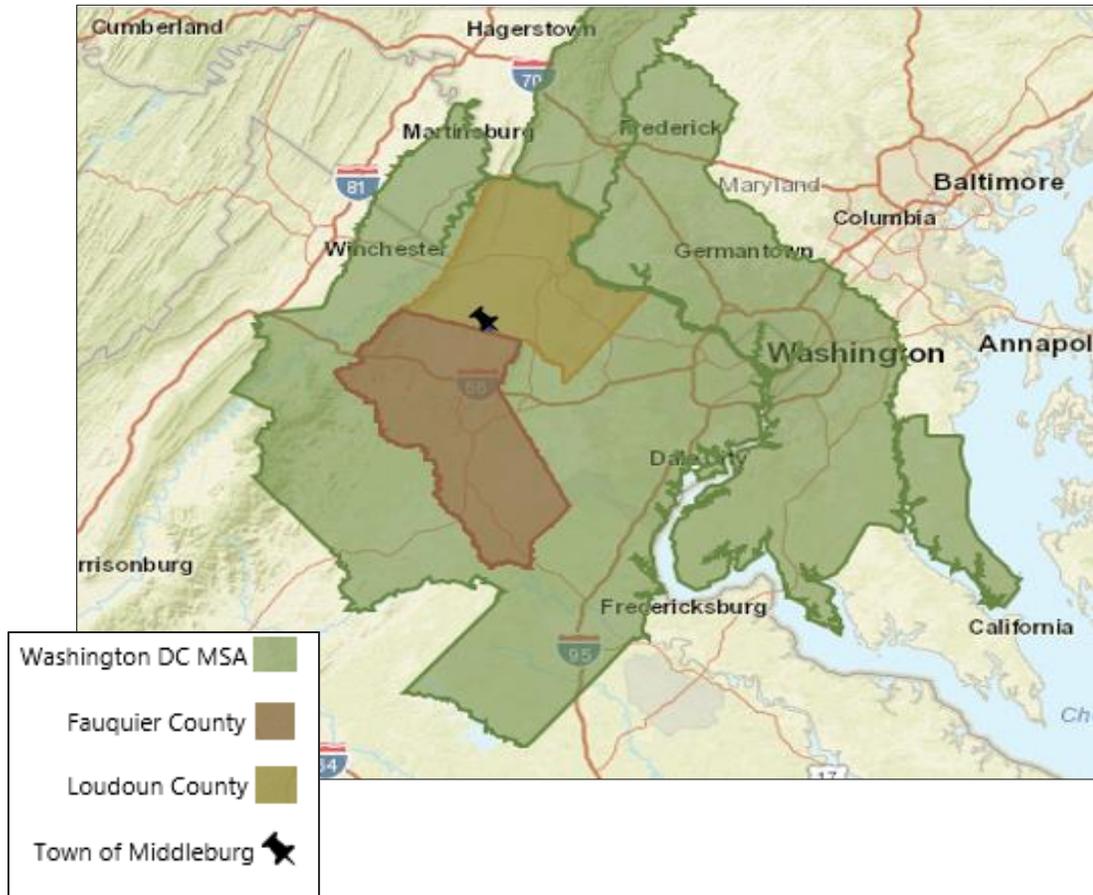
Data was collected for the following geographies:

- ◆ The Town of Middleburg;
- ◆ Loudon County, VA;
- ◆ Fauquier County, VA; and
- ◆ The Washington D.C. Metro Statistical Area (MSA)<sup>4</sup>.

<sup>4</sup> The Town of Middleburg, Loudon County, and Fauquier County are all within the boundaries of the Washington D.C. MSA.

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Data for each geography was reported as appropriate within each section. All geographies may not be presented in each section. Because of Middleburg’s unique position on the border of Fauquier County and Loudoun County, it was important to consider the economic trends in both counties.



# SOCIOECONOMIC ANALYSIS

## POPULATION

As of 2019, 786 people live within the Town of Middleburg. Since 2010, Middleburg’s population has increased by 14%. Loudoun County, Fauquier County, and the Washington D.C. MSA all also saw their respective populations increase during this time period, with the highest percent increase realized in Loudoun County (25%).

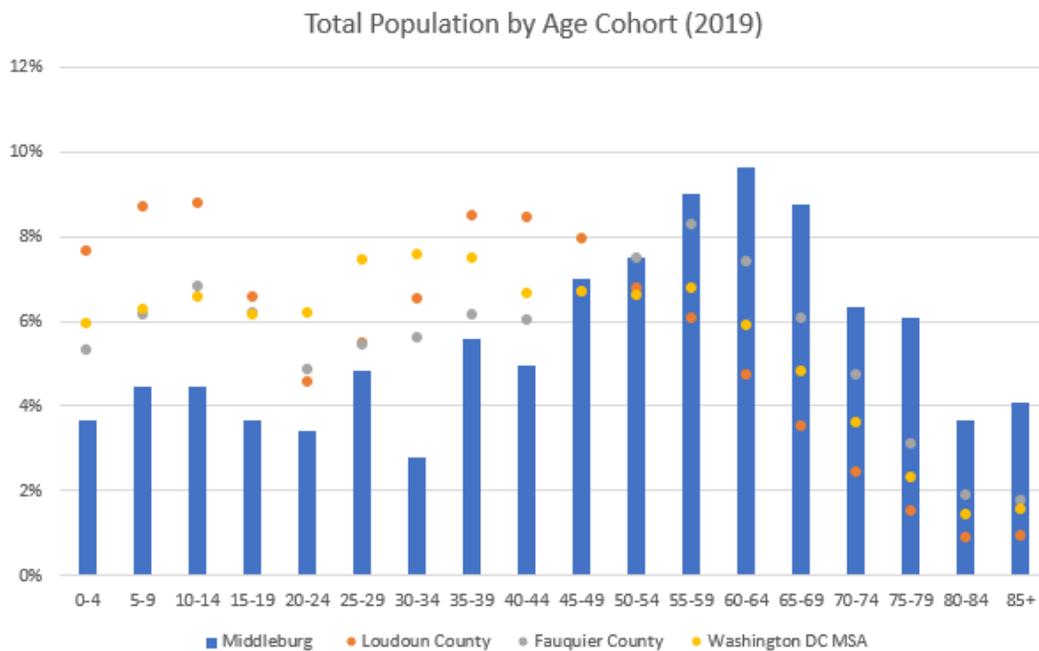
Table 1: Total Population (2010-2024)

Total Population (2010 - 2024)					
	2010	2019	2024	% Change 2010-2019	% Change 2019-2024
Middleburg	673	786	903	14%	13%
Loudoun County	312,311	414,981	480,595	25%	14%
Fauquier County	65,203	71,749	75,292	9%	5%
Washington DC MSA	5,636,232	6,249,043	6,597,430	10%	5%

Source: ESRI

Nearly half of Middleburg’s population is over the age of 55. The figure below demonstrates that Middleburg has a lower proportion of 0-44 years old compared to Loudoun and Fauquier Counties, as well as the Washington D.C. MSA.

Figure 1: Total Population by Age Cohort (2019)



Source: ESRI

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This age disparity is further reflected in Middleburg’s median age, which is 53 years old. This is over fifteen years older than the rest of the surrounding population in Loudoun County, whose median age is 36 years old.

Table 2: Median Age (2019-2024)

Median Age (2019-2024)		
	2019	2024
Middleburg	53.4	55.1
Loudoun County	36.0	36.1
Fauquier County	42.9	43.3
Washington DC MSA	37.6	38.3

Source: ESRI

Table 3 shows how Middleburg’s population is expected to change from 2019 to 2024 based on 5-year age cohorts. Middleburg is projected to see a total population increase of 13% in the next five years, with the largest increases being seen in the 70+ age cohorts. This age profile has ramifications for local market demand as well as for the ability of businesses to find local employees who can work in businesses. While there has been a national movement to continue working or volunteering past the age of retirement, this population often prefers flexible work hours to allow time to travel, visit with family and enjoy activities outside of a typical 9am-5pm job.

Table 3: Population by Age Cohort – Town of Middleburg (2019-2024)

Middleburg Population by Age Cohort (2019-2024)				
Age Range	2019	2024	Change 2019-2024	% Change 2019-2024
0-4	29	31	2	6%
5-9	35	37	2	5%
10-14	35	39	4	10%
15-19	29	31	2	6%
20-24	27	28	1	4%
25-29	38	40	2	5%
30-34	22	26	4	15%
35-39	44	50	6	12%
40-44	39	47	8	17%
45-49	55	58	3	5%
50-54	59	64	5	8%
55-59	71	71	0	0%
60-64	76	85	9	11%
65-69	69	84	15	18%
70-74	50	65	15	23%
75-79	48	70	22	31%
80-84	29	40	11	28%
85+	32	39	7	18%
<b>Total</b>	<b>787</b>	<b>905</b>	<b>118</b>	<b>13%</b>

Source: ESRI

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## HOUSEHOLDS & INCOME

The total number of households in Middleburg increased from 2010 to 2019 by 15%, with the number of households also increasing in Loudoun County, Fauquier County, and the Washington D.C. MSA. Household growth is projected to slow but remain on an upward trajectory through 2024.

Table 4: Households (2010-2024)

Total Households (2010-2024)					
	2010	2019	2024	% Change 2010-2019	% Change 2019-2024
Middleburg	350	413	472	15%	13%
Loudoun County	104,583	137,228	157,736	24%	13%
Fauquier County	23,658	26,068	27,369	9%	5%
Washington DC MSA	2,094,033	2,307,945	2,431,142	9%	5%

Source: ESRI

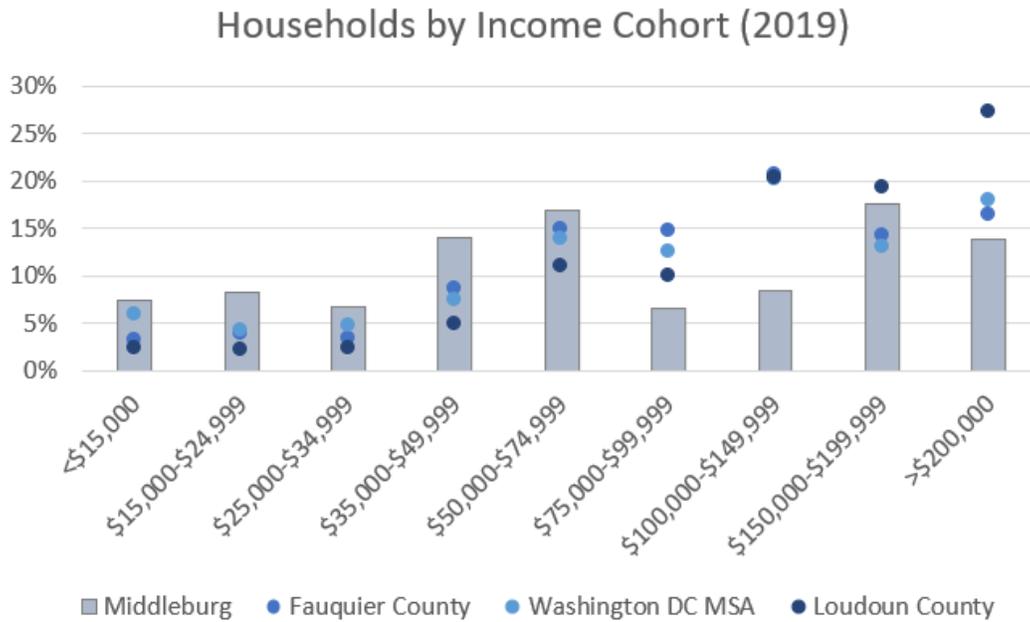
As of 2019, the median household income in Middleburg was \$68,205, which is lower than Loudoun County, Fauquier County, and the Washington D.C. MSA. Median household income however is expected to increase in Middleburg at almost double the rate of the other geographies over the next five years, increasing by 18% between 2019 and 2024.

Table 5: Median Household Income (2019-2024)

Median Household Income (2019-2024)				
	2019	2024	Change 2019-2024	% Change 2019-2024
Middleburg	\$68,205	\$83,656	\$15,451	18%
Loudoun County	\$138,839	\$151,288	\$12,449	8%
Fauquier County	\$102,168	\$110,446	\$8,278	7%
Washington DC MSA	\$102,025	\$110,163	\$8,138	7%

Source: ESRI

Figure 2: Households by Income Cohort (2019)



Source: ESRI

Figure 3 demonstrates where Middleburg residents derive their income. Note that residents can indicate more than one source of income. About 71% of households assert that they receive income from earnings, with mean earnings of about \$84,215. Just over a third of residents claim income from Social Security, about 14% indicate they receive retirement income, with smaller percentages of the population also declaring they receive cash public assistance and Food Stamps.<sup>5</sup>

Figure 3: Income Sources Reported by Town of Middleburg Households

Income Sources Reported by Town of Middleburg Households		
Income Sources:	#	%
Earnings	254	71.1%
Mean earnings	\$84,215	
Social Security	127	35.6%
Mean Social Security income	\$19,977	
Retirement income	49	13.7%
Mean retirement income	\$33,061	
Supplemental Security	3	0.8%
Mean Supp. Security Income	N/A	
Cash public assistance	15	4.2%
Mean cash public assistance income	N/A	
With Food Stamp/SNAP benefits in the past 12 mons.	35	9.8%

Source: 2013-2017 American Community Survey DP03

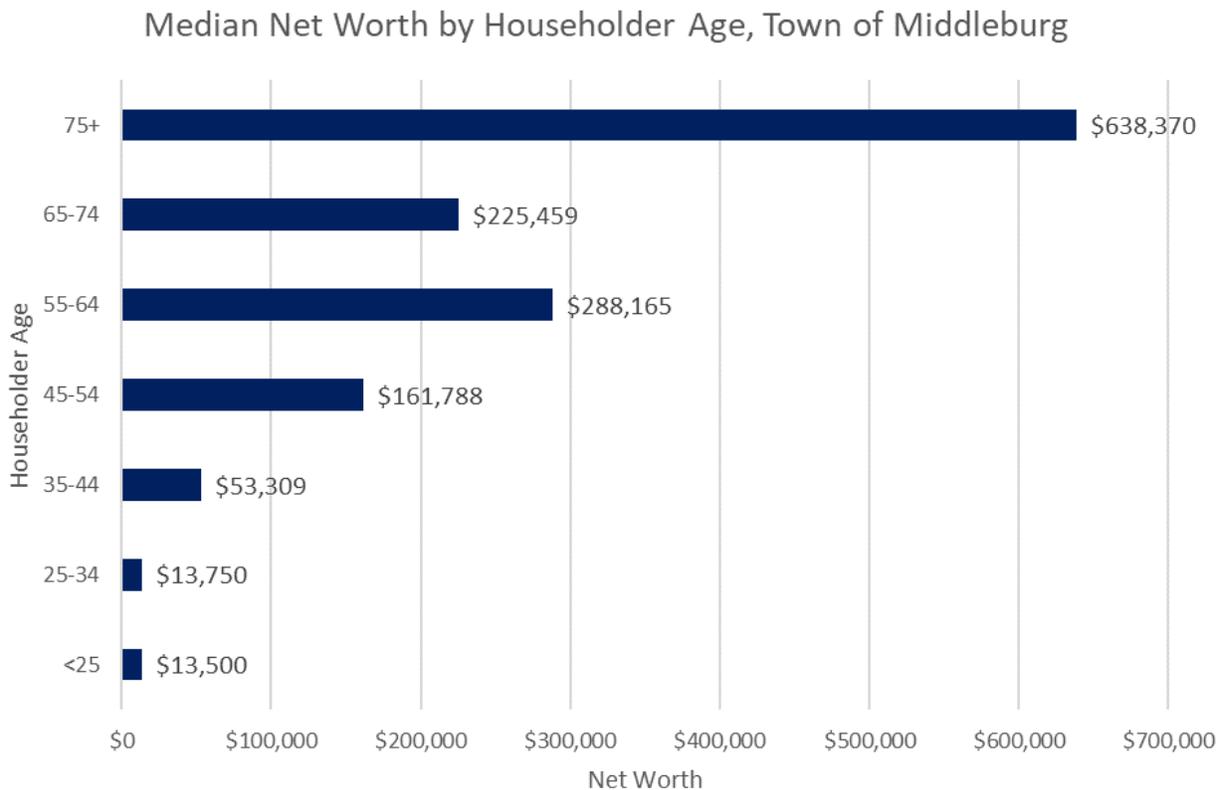
<sup>5</sup> Earnings includes wage or salary income before deductions for personal income taxes, Social Security, Medicare deductions etc.

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With a majority of the town's population at or near retirement age, net worth is another indicator of economic status that should be considered in addition to annual income. Here, net worth is defined as total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs, interest-earning assets, and mutual fund shared, stocks, etc.

Middleburg's median net worth is \$172,084. Households that are led by individuals 75+ surpass all other household cohorts, reaching \$638,370.

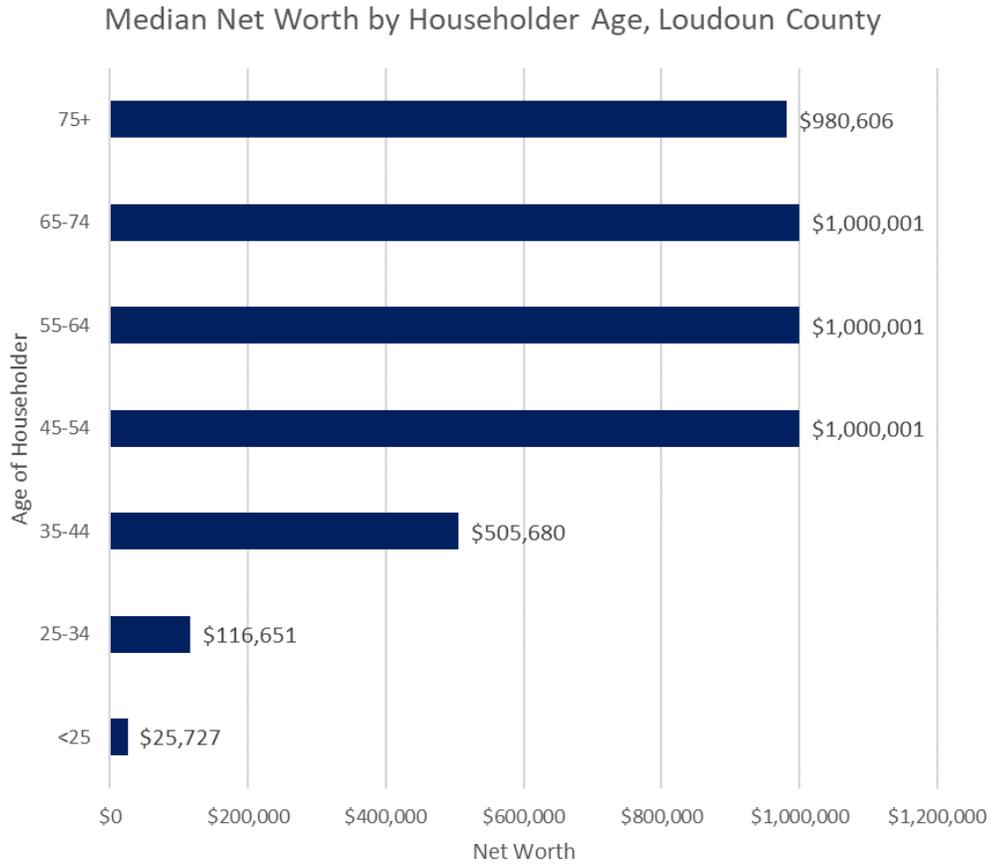
Figure 4: Median Net Worth by Householder Age, Town of Middleburg (2019)



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For comparison, Loudoun County’s median net worth is \$635,285. Households that span 45-74 years old maintain the highest net worth across the county, reaching just over \$1 million.

Figure 5: Median Net Worth by Householder Age, Loudoun County (2019)

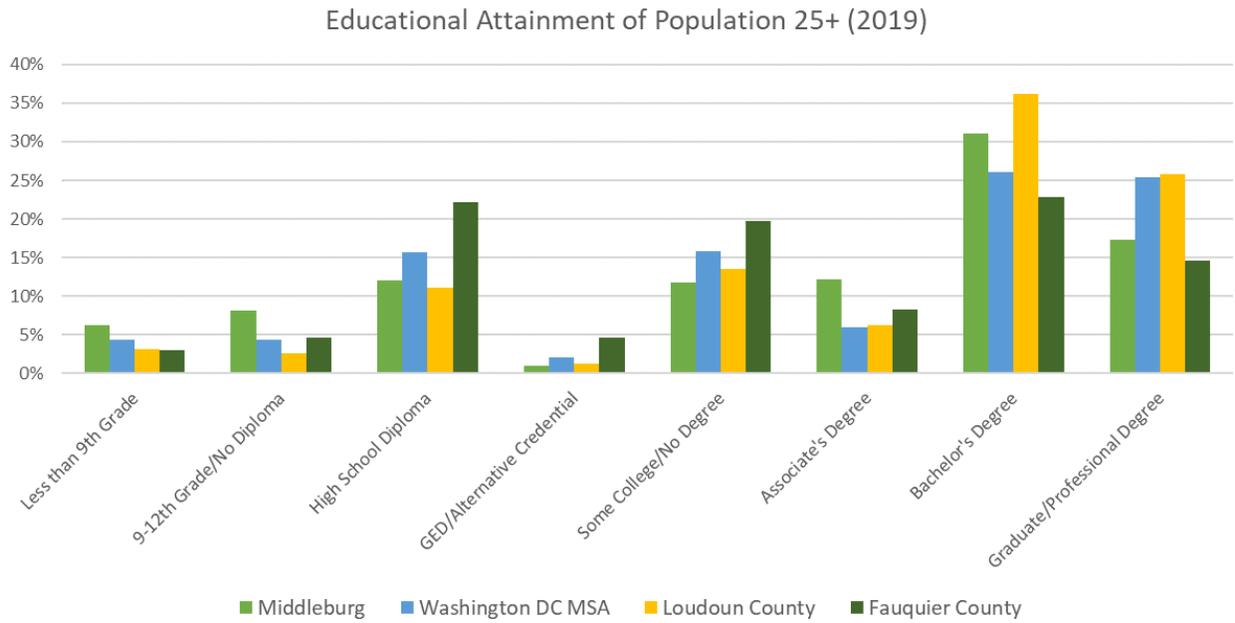


CAMOIN 310

## EDUCATION ATTAINMENT

About 60% of Middleburg’s population has obtained at least Associate’s degree. This compares similarly to the Washington D.C. MSA, where 58% of the population has an Associate’s degree or higher, while in Loudoun County 68% of residents have an Associate’s degree or higher. A greater proportion of the county’s population has achieved Bachelor’s degree and Graduate/Professional degrees than in Middleburg or the D.C. metro area. Additionally, a larger proportion of Middleburg’s residents (15%) have not completed high school compared to the other geographies.

Figure 6: Educational Attainment of Population Ages 25+, 2019



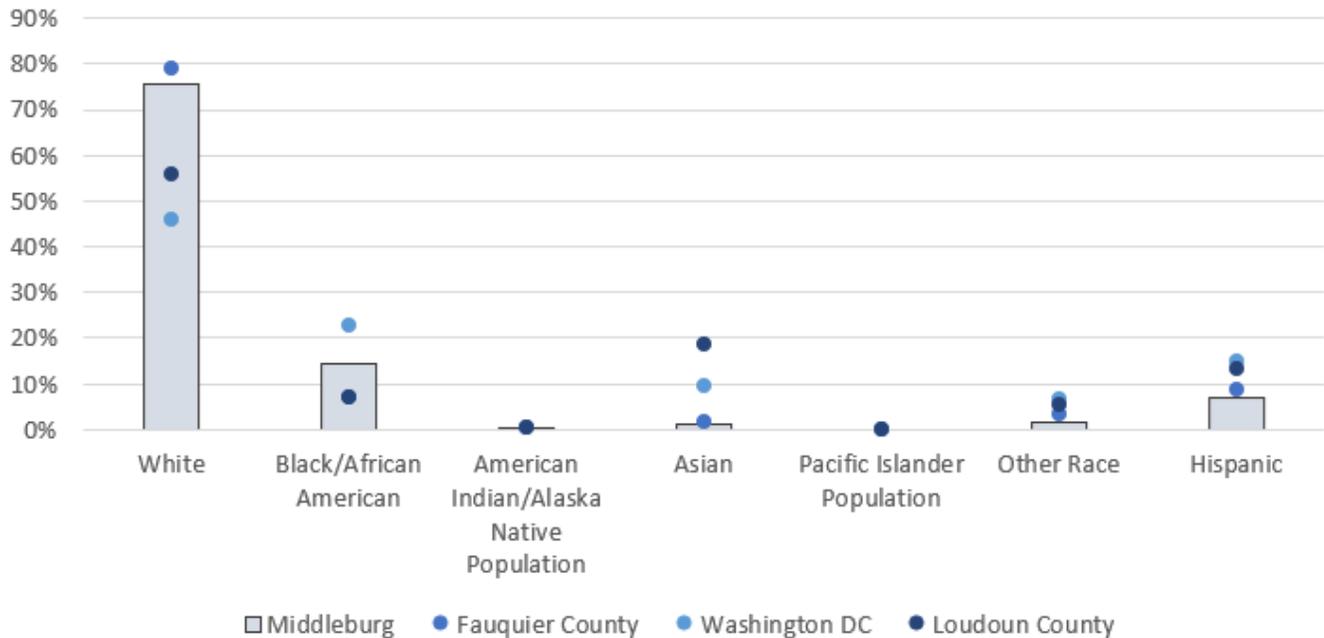
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## RACE/ETHNICITY

Non-white residents make up about 25% of Middleburg's population, compared to 44% in Loudoun County, 21% in Fauquier County, and 44% in the Washington D.C. MSA.

Figure 7: Share of Population by Race and Hispanic Origin (2019)

### Share of Population by Race/Ethnicity (2019)



Source: ESRI

## MARKET SEGMENTATION ANALYSIS

### TOWN OF MIDDLEBURG

As the Town of Middleburg looks to create economic strategies, understanding the characteristics of its consumers is vital to the town's overall success. Esri's Tapestry Segmentation System classifies U.S. neighborhoods based on socioeconomic and demographic composition. A market segmentation analysis provides insight into the likely preferences and behaviors of a community's residents, based on their general demographic and economic characteristics. Market segmentation is based on the concept that people with similar demographic characteristics, purchasing habits, and media preferences naturally gravitate into the same neighborhoods – like a tapestry. Businesses utilize market or "tapestry" segmentation to understand their customers' lifestyle choices, purchasing preferences, and how they spend their free time.

For the Town of Middleburg, this analysis is used to understand what types of activities, shopping, dining, and experiences its residents are likely to enjoy. The Town of Middleburg had one tapestry segment in 2019 (Golden Years).

Table 6: Middleburg Tapestry Segments

Middleburg Tapestry Segments		
Rank	Tapestry Segment	% of 2019 Households
1	Golden Years	100%

Source: ESRI

- ◆ **“Golden Years”** residents are independent, active seniors nearing the end of their careers or already in retirement. This market is primarily singles living alone or empty nesters. Those still active in the labor force are employed in professional occupations; however, these consumers are actively pursuing a variety of leisure interests—travel, sports, dining out, museums, and concerts. They are involved, focused on physical fitness, and enjoying their lives. This market is smaller, but growing, and financially secure.

Zooming out from the town’s boundary, a 30-minute drive time demonstrates the diversity of tapestry segmentations surrounding the town. Most of the population in the 30-minute drive time classifies as “Boomburbs.” This group has a young median age, 34, an average household size of 3.25, and likely owns a single-family home built after 2000. Families have sacrificed homeownership for commute time, adding distance and time in their travels and likely crossing county lines. Unemployment is low among this cohort and both partners are in the workforce. “Golden Years,” the cohort that makes up 100% of Middleburg’s tapestry only makes up 1.4% of the tapestry segmentation within the 30-minute drive, demonstrating that Middleburg’s socioeconomic profile is unique to the region in the immediate vicinity.

Table 7: Middleburg, 30-Minute Drive Time Tapestry Segment

Middleburg, 30-Minute Drive Time Tapestry		
Rank	Tapestry Segment	% of 2019 Households
1	Boomburbs	47%
2	Professional Pride	14%
3	Enterprising Professionals	10%
4	Savvy Suburbanities	6%
5	Silver & gold	4%

Source: ESRI

## WASHINGTON D.C. MSA

In addition to the analysis focused on the Town of Middleburg, performing a market segmentation analysis on the households in the Washington D.C. MSA population provides context on broader regional consumer trends which could be utilized in any future tourism or industry attraction initiatives by the Town of Middleburg. Market segmentation analysis in the Washington D.C. MSA shows that this population tends to frequently change jobs and therefore prefers rental options as opposed to homeownership, are tech savvy, may have young families, and enjoy recreational activities like fitness, gardening and cultural events.

Table 8: Washington D.C. MSA Top 5 Tapestry Segments

Washington DC MSA Top 5 Tapestry Segments		
Rank	Tapestry Segment	% of 2019 Households
1	Enterprising Professionals	12%
2	Top Tier	8%
3	Pleasantville	7%
4	Metro Renters	7%
5	Savvy Suburbanites	7%

Source: ESRI

- ◆ **“Enterprising Professionals”** residents are well educated and climbing the ladder in STEM (science, technology, engineering, and mathematics) occupations. They change jobs often and therefore choose to live in condos, town homes, or apartments; many still rent their homes. The market is fast-growing, located in lower density neighborhoods of large metro areas. Enterprising Professionals residents are diverse, with Asians making up over one-fifth of the population. This young market makes over one and a half times more income than the US median, supplementing their income with high-risk investments. At home, they enjoy the Internet and TV on high-speed connections with premier channels and services.
- ◆ **“Top Tier”** residents are the wealthiest tapestry market. They earn more than three times the US household income. They have the purchasing power to indulge any choice. Aside from the obvious expense for the upkeep of their lavish homes, consumers select upscale salons, spas, and fitness centers for their personal well-being and shop at high-end retailers for their personal effects. Whether short or long, domestic or foreign, their frequent vacations spare no expense. Residents fill their weekends and evenings with opera, classical music concerts, charity dinners, and shopping. These highly educated professionals have reached their corporate career goals. With an accumulated average net worth of over 3 million dollars and income from a strong investment portfolio, many of these older residents have moved into consulting roles or operate their own businesses.
- ◆ **“Pleasantville”** residents are situated principally in older housing in suburban areas in the Northeast (especially in New York and New Jersey) and secondarily in the West (especially in California), these slightly older couples move less than any other market. Many couples have already transitioned to empty nesters; many are still home to adult children. Families own older, single-family homes and maintain their standard of living with dual incomes. These consumers have higher incomes and home values and much higher net worth (Index 364). Older homes require upkeep; home improvement and remodeling projects are a priority—preferably done by contractors. Residents spend their spare time participating in a variety of sports or watching movies. They shop online and in a variety of stores, from upscale to discount, and use the internet largely for financial purposes.
- ◆ **“Metro Renters”** residents in this highly mobile and educated market live alone or with a roommate in older apartment buildings and condos located in the urban core of the city. This is one of the fastest growing segments; the popularity of urban life continues to increase for consumers in their late twenties and thirties. Metro Renters resident’s income is above the US average, but they spend a large portion of their wages on rent, clothes, and the latest technology. Computers and cell phones are an integral part of everyday life and are used interchangeably for news, entertainment, shopping, and social media. Metro Renters residents live close to their jobs and usually walk or take a taxi to get around the city.
- ◆ **“Savvy Suburbanites”** residents are well educated, well read, and well capitalized. Families include empty nesters and empty nester wannabes, who still have adult children at home. Located in older neighborhoods

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outside the urban core, their suburban lifestyle includes home remodeling and gardening plus the active pursuit of sports and exercise. They enjoy good food and wine, plus the amenities of the city's cultural events.

## LABOR FORCE STATISTICS

The Labor Force Participation Rate is an indicator of economic health that measures the percentage of the population between the ages of 16+ who are currently employed or looking for work. Middleburg's Labor Force participation rate is 63.4%. This is calculated by dividing the number of individuals in the labor force (359) by the total population 16 years and older (566). The town's participation rate is comparable to the Commonwealth's, which is 66%, but lags the county's, which is 76.1%.

Table 9: Employment Status

Current Employment Status, Town of Middleburg Population	
Population 16 years and over	566
In Labor force	359
Civilian Labor Force	359
Employed	330
Unemployed	26
Armed Forces	3
Not in labor force	207

Source: 2013-2017 American Community Survey,

The unemployment rate measures the percentage within the labor force that is currently without a job. The year-to-date 2019 unemployment rate in Middleburg, 4.2%, is relatively high compared to Loudoun and Fauquier Counties. Loudoun County and Fauquier County experienced unemployment rates of 2.4%, while the D.C. MSA has an employment rate of 4.1%. Even at 4%, these unemployment rates reflect a tight labor market where it is increasingly difficult for employers to find appropriately skilled employees to help their businesses succeed and grow.

Table 10: Unemployment Rates (2019)

Unemployment Rate (2019)	
Middleburg	4.2%
Loudoun County	2.4%
Fauquier County	2.4%
Washington DC MSA	4.1%

Source: ESRI

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## COMMUTE PATTERNS & REMOTE WORKERS

Middleburg is a net importer of labor. About 90% of employable adults leave Middleburg for employment.

274 Middleburg residents leave the town every day for employment, another 21 residents live and work within town boundaries, while another 1,312 workers commute into Middleburg to employment.

The table below categorizes the types of occupations that the residents of Middleburg work in (whether they work in town or commute elsewhere). A majority of residents work in Management, business, science, and arts occupations, while another 40% are split between Service occupations and Sales and Office occupations. The location of these occupations is detailed on the following page.

Occupation Category	# Total	% Total
Management, business, science, and arts occupations	173	52.4%
Service occupations	71	21.5%
Sales and office occupations	72	21.8%
Natural resources, construction, and maintenance occupations	6	1.8%
Production, transportation, and material moving occupations	8	2.4%
Population 16+ and employed	330	
Total Population 16+	566	

Source: 2013-2017 American Community Survey, 5 year Estimates

Figure 8: Inflow-Outflow of Workers

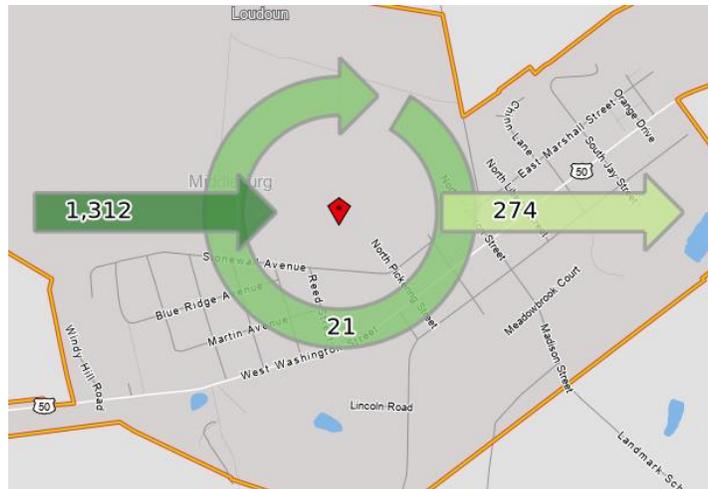


Figure 9: Occupation Category by Class of Worker, Town of Middleburg Population

Note that total civilian employed population that is 16 and over, which totals, 330 in the table below, represents those individuals that are currently in the workforce. The remainder of the population includes retired individuals, children and anyone under the age of 16 and those that are unemployed.<sup>6</sup>

<sup>6</sup> Note that the total number of workers in Middleburg (21+274=295) is comparable to the Population 16+ and employed in Figure 9 (330). These figures vary as they are captured from slightly different time periods.

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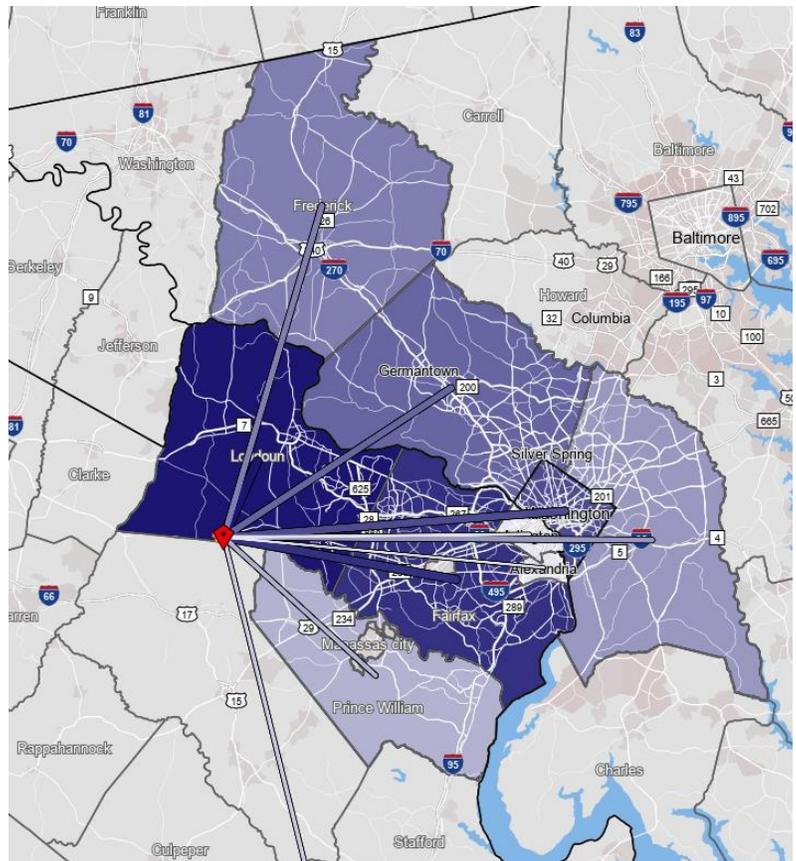
About 30% of employed Middleburg residents commute within Loudoun County, another 23% work in Fairfax County and a smaller proportion, 6% work in Washington D.C. The remainder of the working population in Middleburg are dispersed primarily north and east of the town, although there is some commuting towards the Richmond, VA area. The darker colors in Figure 11 indicate where the greatest concentration of commuters are traveling.

Figure 10: Job Count by Places Where Middleburg Residents Work

Counties Where Middleburg Residents Work		
Community	Count	Share
Loudoun County, VA	86	29.2%
Fairfax County, VA	67	22.7%
District of Columbia, DC	17	5.8%
Montgomery County, MD	14	4.7%
Frederick County, MD	13	4.4%
Prince George's County, MD	10	3.4%
Prince William County, VA	9	3.1%
Henrico County, VA	8	2.7%
Arlington County, VA	7	2.4%
Alexandria city, VA	7	2.4%
All Other Locations	57	19.3%

Source: On the Map

Figure 11: Map of Where Middleburg Residents Work



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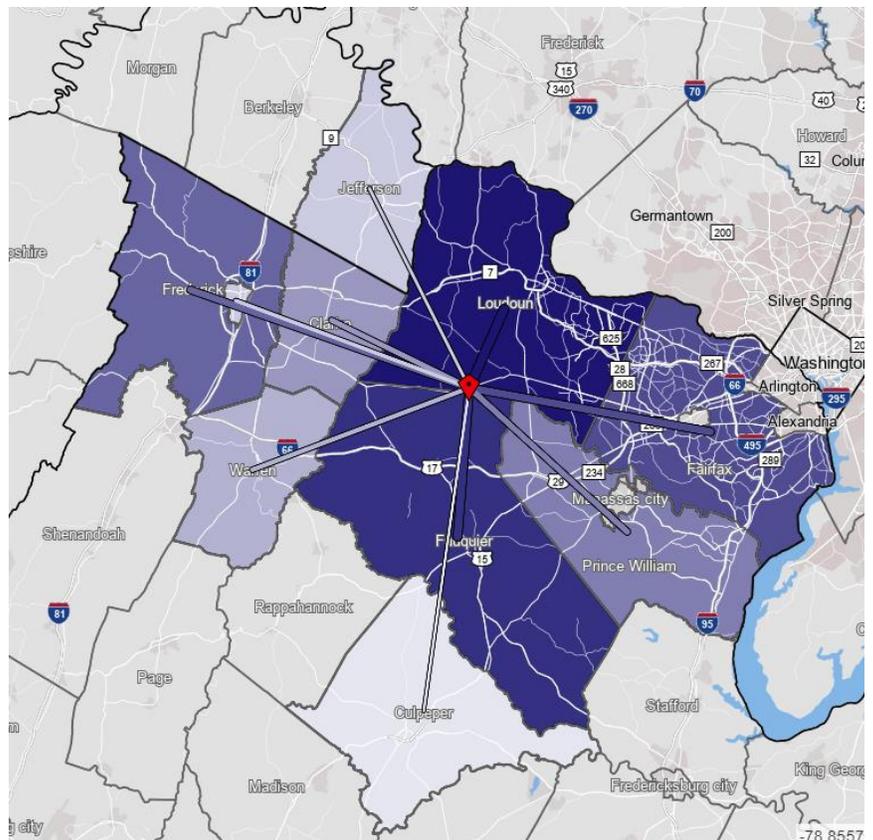
The commutation data also helps to understand where those who work within the town boundaries commute from. About a third of people who work in Middleburg commute from within Loudoun County, 15% come in from Fauquier County, and another 10% come from Fairfax County. The table below demonstrates where other workers are disbursed across the region. In the map on Figure 13, the darker colors show where the highest concentration of Middleburg workers reside.

Figure 12: Job Count by Places Where Middleburg Workers Live

Counties Where Middleburg Employees Live		
Community	Count	Share
Loudoun County, VA	412	30.9%
Fauquier County, VA	205	15.4%
Fairfax County, VA	129	9.7%
Frederick County, VA	109	8.2%
Prince William County, VA	95	7.1%
Clarke County, VA	39	2.9%
Warren County, VA	38	2.9%
Winchester city, VA	30	2.3%
Jefferson County, WV	30	2.3%
Culpeper County, VA	27	2.0%
All Other Locations	219	16.4%

Source: On the Map

Figure 13: Map of Where Middleburg Workers Commute From



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Of the 25 counties in the Washington D.C. MSA, Loudoun County has the 17<sup>th</sup> longest mean commute time of 34 minutes. The average mean commute time in the Washington D.C. MSA is 36 minutes. As a percentage of the overall resident worker population in the Washington D.C. MSA, Loudoun County has the sixth highest percentage of its resident worker population who work remotely.

Figure 14: Mean Commute Time - Washington D.C. MSA

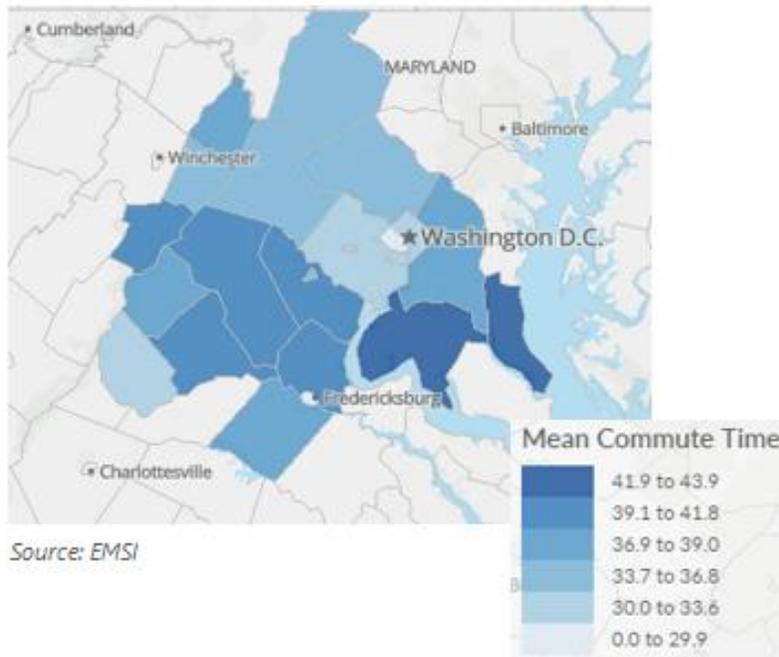


Figure 15: Percent of Remote Workers - Washington D.C. MSA

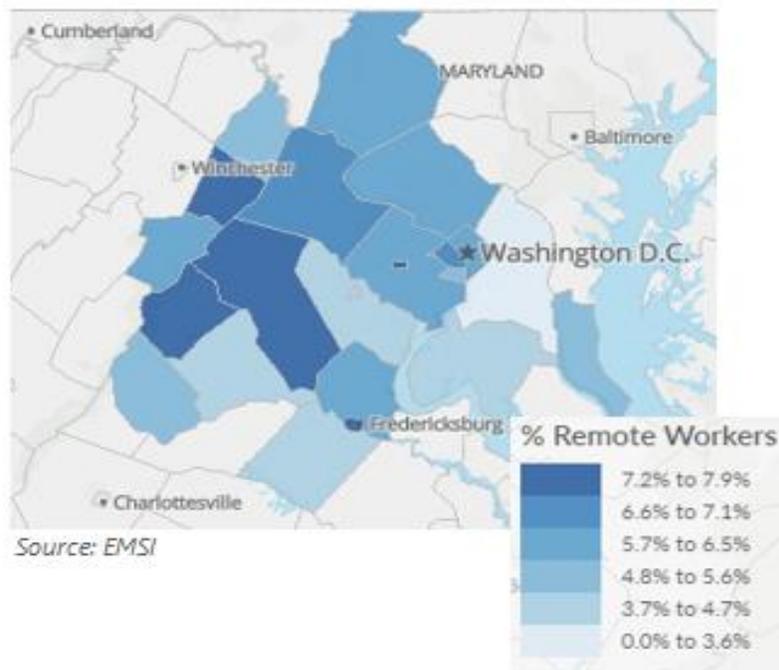


Table 11: Mean Commute Times by County - Washington D.C. MSA

Top Ten Mean Commute Times by County (Washington DC MSA)	
County Name	Mean Commute Time
Charles County, MD	44
Calvert County, MD	42
Stafford County, VA	41
Warren County, VA	41
Fauquier County, VA	40
Culpeper County, VA	40
Prince William County, VA	39
Spotsylvania County, VA	38
Rappahannock County, VA	38
Jefferson County, WV	37

Source: EMSI

Table 12: Percentage of Remote Workers by County - Washington D.C. MSA

Top Ten Percentage of Remote Workers by County (Washington DC MSA)		
County Name	Remote Workers	% Remote Workers
Rappahannock County, VA	276	7.9%
Fredericksburg City County, VA	1,101	7.6%
Clarke County, VA	502	7.4%
Fauquier County, VA	2,487	7.3%
Fairfax City County, VA	900	7.2%
Loudoun County, VA	13,984	7.0%
Falls Church City County, VA	500	6.7%
Arlington County, VA	9,510	6.6%
Fairfax County, VA	38,152	6.3%
Warren County, VA	1,132	6.2%

Source: EMSI

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In addition to daily commuter data, the migration of individuals into and out of Loudoun County shows patterns in movement across the region. Based on the most recent data available, a net total of 6,080 individuals migrated from Fairfax County to Loudoun County in 2016. Smaller proportions of migration came from Prince William County, VA, Montgomery County, MD and Arlington County, VA. Total net migration in Loudoun County reached nearly 6,000 people. While the town's historical population figures do not demonstrate large growth, the net positive migration in Loudoun County leads to consideration of development pressures surrounding Middleburg and economic implications for businesses.

Table 13: Migration Data - Loudoun County, VA

Migration Data - Loudoun County, VA (2016)			
County	Inbound Migrations	Outbound Migrations	Net Migrations
Fairfax County, VA	10,116	4,036	6,080
Prince William County, VA	1,267	1,127	140
Montgomery County, MD	849	432	417
Arlington County, VA	798	539	259
Alexandria City County, VA	441	261	180
Prince George's County, MD	414	241	173
District of Columbia County, DC	360	318	42
Frederick County, MD	252	155	97
Howard County, MD	203	116	87
Frederick County, VA	181	430	(249)

Data Source: EMSI

# HOUSING ANALYSIS

Housing is important to the economic vitality of communities. A diversity of housing stock can support the regional workforce. Shorter commutes allow workers to spend more time with their families, while the community benefits from having employees such as schoolteachers, nurses, and business owners living locally and engaged in the community. A healthy mix of housing options—including market-rate and affordable, owner-occupied and rental, single-family and multifamily—targeted to households across the age spectrum, ensure opportunities for all individuals to improve their economic situation and contribute to their communities. Data are provided by the latest American Community Survey available.

## HOUSING STOCK

The Town of Middleburg has approximately 422 total housing units, as of the latest available US Census data in 2017. Since 2013, the total housing units in the town has grown nominally, by 1%, or five units.

Table 14 – Total Housing Units by Geography (2013-2017)

Total Housing Units (2013 - 2017)				
	2013	2017	Change 2013- 2017	%Change 2013- 2017
Middleburg	417	422	5	1%
Loudoun County	112,504	126,162	13,658	12%
Washington DC MSA	2,249,459	2,316,341	66,882	3%

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

Of the total 422 housing units in the Town of Middleburg, 85% are occupied. When comparing occupancy data to other geographic regions in Table 15, the most noticeable finding is the relatively high percentage of vacant housing units – 15% in Middleburg, compared to 4% within Loudoun county, and 6% in the Washington DC MSA.

Table 15 - Occupancy/Vacancy Status of Housing Units by Geography (2017)

Total Housing Units by Status (2017)					
	Occupied		Vacant		Total
	#	%	#	%	#
Middleburg	357	85%	65	15%	422
Loudoun County	121,299	96%	4,863	4%	126,162
Washington DC MSA	2,170,034	94%	146,307	6%	2,316,341

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

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The occupied housing units in the Town of Middleburg (Table 16) are split almost evenly between owner-occupied units (48%) and renter-occupied units (52%).

Table 16 – Occupancy Status of Housing Units by Geography (2017)

Occupancy Status (2017)					
	Owner-Occupied		Renter-Occupied		Total
	#	%	#	%	#
Middleburg	171	48%	186	52%	357
Loudoun County	94,437	78%	26,862	22%	121,299
Washington DC MSA	1,376,684	63%	793,350	37%	2,170,034

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

There are multiple classifications for a vacant housing unit – from seasonal homes, to units on the market, to units that are simply unoccupied. These classifications for Middleburg are outlined in Table 17. About 20% of vacant units are categorized for seasonal or recreational use. Rented-Not Occupied units grew the most between 2013 and 2017, followed by Other Vacant units. Rented-Not Occupied units consist of year-round vacant units which have been rented but the new renters or owners had not moved in as of the data that the data was collected. Other Vacant units are year-round units which were vacant for reasons other than those mentioned above, for example, held for settlement of an estate, held for personal reasons, or held for repairs.

Table 17 – Vacancy Status of Housing Units, Town of Middleburg (2013-2017)

Vacancy Status - Town of Middleburg (2013-2017)				
	2013	2017	Change 2013- 2017	%Change 2013-2017
For Rent	8	0	-8	-100%
Rented - Not Occupied	6	13	7	117%
For Sale Only	33	15	-18	-55%
For Seasonal, Recreation, or Occasional Use	12	14	2	17%
Other Vacant	16	23	7	44%
Total	75	65	-10	-13%

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

The majority of units within the Town of Middleburg are single family detached homes, at 60%. This is higher than any other geographic comparison region. Loudoun County has 53% single family detached units, and the Washington DC MSA has 46%.

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Table 18 – Housing Unit Type by Structure and Geography (2017)

Housing Unit Type (2017)						
Units in Structure	Middleburg		Loudoun County		Washington DC MSA	
	#	%	#	%	#	%
1-unit, detached	251	60%	67,342	53%	1,073,856	46%
1-unit, attached	84	20%	36,716	29%	456,963	20%
2 units	11	3%	499	0%	21,752	1%
3 or 4 units	12	3%	1,233	1%	52,055	2%
5 to 9 units	16	4%	4,452	4%	115,407	5%
10 to 19 units	18	4%	8,841	7%	218,017	9%
20 or more units	28	7%	6,344	5%	361,856	16%
Mobile home	2	1%	623	1%	15,798	1%
Boat, RV, van, etc.	0	0%	112	0%	637	0%
Total	422		126,162		2,316,341	

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

Table 19 illustrates the year structures were built in each comparison geography. Over 50% of Middleburg's housing stock was built in 1970 or earlier. The expansion around Middleburg in the surrounding region is apparent, as nearly three quarters of housing in Loudoun County occurred in 1990 or after.

Table 19 - Housing Units by Year of Structure Build and Geography (2017)

Year Structure Built (2017)						
	Middleburg		Loudoun County		Washington DC MSA	
	#	%	#	%	#	%
Built 2014 or later	5	1%	3,779	3%	26,595	1%
Built 2010 to 2013	20	5%	10,480	8%	68,834	3%
Built 2000 to 2009	24	6%	44,217	35%	349,750	15%
Built 1990 to 1999	34	8%	32,550	26%	337,334	15%
Built 1980 to 1989	110	26%	14,182	11%	373,757	16%
Built 1970 to 1979	42	10%	8,785	7%	338,545	15%
Built 1960 to 1969	33	8%	4,540	4%	282,718	12%
Built 1950 to 1959	37	9%	3,071	2%	223,309	10%
Built 1940 to 1949	17	4%	925	1%	118,021	5%
Built 1939 or earlier	100	24%	3,633	3%	197,478	9%

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

## HOME VALUES

Table 20 shows the median home value from 2013 to 2017. Home values in Middleburg grew by 30% over that period, while values increased by 9% in Loudoun County, and 7% in the Washington D.C. MSA. While it appears that Middleburg experienced substantial growth in home values between 2013-2017, we note that the values reported in 2013 (\$342,100) were an anomaly compared to the 2012 (\$425,000) and 2014 (\$414,000). Therefore, a value of 30% perhaps overstates the actual growth in home values but does demonstrate the fluctuations in the market over that time period.

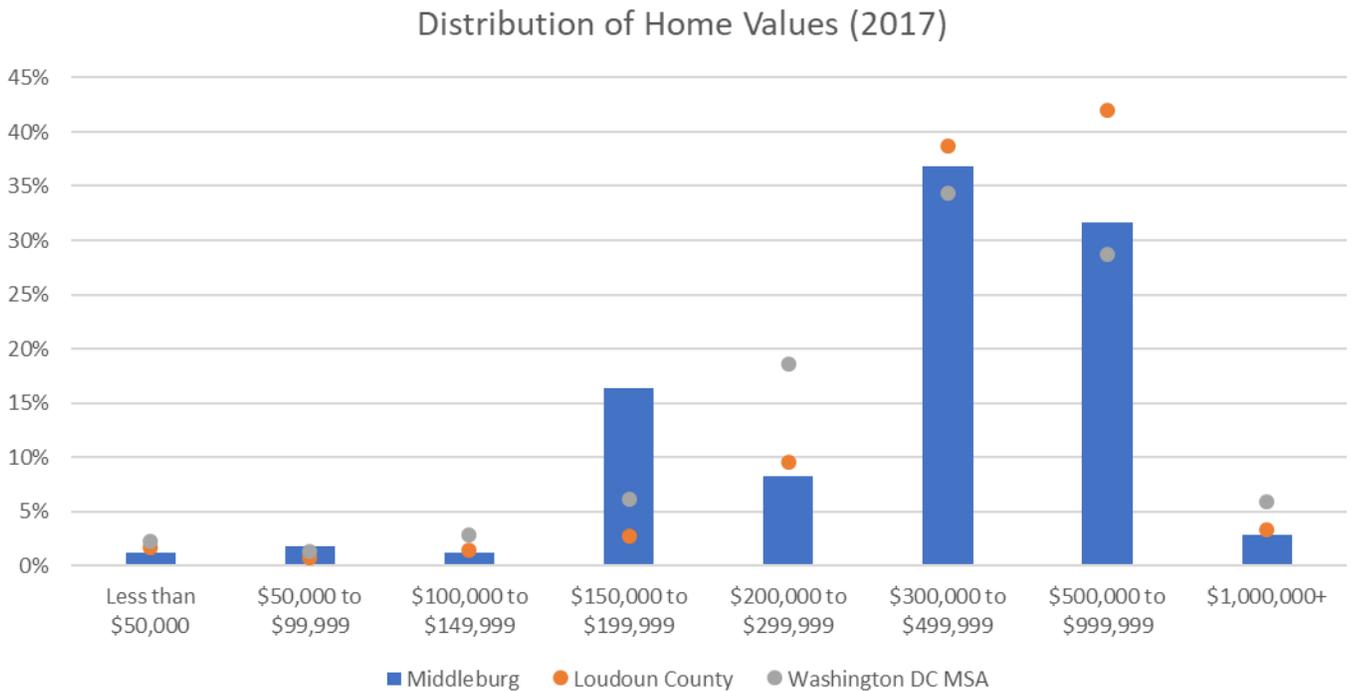
Table 20 – Median Home Value by Geography (2013-2017)

Median Home Value (2013 - 2017)				
	2013	2017	Change 2013-2017	%Change 2013-2017
Middleburg	342,100	445,900	103,800	30%
Loudoun County	437,700	475,500	37,800	9%
Washington DC MSA	373,100	397,900	24,800	7%

Source: US Census Bureau, 2013-2017 American Community Survey 5-Yr Estimates

Figure 16 shows the distribution of home values among the comparison regions. Middleburg demonstrates the highest proportion of moderately priced homes in the \$150,000-\$199,999 range, which aligns with the findings in the socioeconomic analysis, that Middleburg’s median household income is significantly lower than the surrounding region.

Figure 16 – Distribution of Home Values by Geography (2017)



# RETAIL ANALYSIS

## RETAIL DEMAND

Middleburg's retail landscape is a critical component to the town's identity, sense of place and economic prosperity. The unique style and mix of stores evoke a sense of charm and exclusivity. In addition to the stores that are targeted to visitors, there are a cluster of stores that support the everyday needs of the local equine industry. This diversity of stores makes for an interesting mix of practical and indulgent offerings. Yet, anecdotal evidence from on-site work in Middleburg found that while specialty stores were abundant, there was a relative lack of stores that offered everyday basics for the local consumers. As the retail sector continues to transition and consumer preferences evolve with digital technology, the importance of continuing to develop a sense of place that increases foot traffic across the retail core of the town is critical to supporting all retail businesses.

For vacant commercial properties, or in anticipation of turnover at existing properties, a retail gap analysis identifies potential retail subsectors that could thrive in Middleburg based on existing market demand. Table 21 on the following page displays each retail category's supply and demand. When resident spending exceeds retail sales, then resident spending is 'leaking' out of the trade area, indicated by green text. However, when retail sales exceed resident spending, businesses are selling more than residents are buying, or there is a retail surplus, indicated in red.<sup>7</sup> As indicated below, there are a number of retail categories experiencing leakage indicating the downtown area may be underserved.<sup>8</sup>

The largest proportion of stores in Middleburg are classified as Miscellaneous Store Retailers (20), while another 10 are classified as Clothing Stores, and 9 are noted as Food Services and Drinking Place. Retail sectors that show leakage represent opportunities for new or expanding businesses. However, not all retail categories that exhibit sales leakage within a particular trade area are a good fit for the region. For example, Automobile Dealers is experiencing the largest sales leakage at nearly \$3.5 million however, this is not the type of establishment that would be appropriate to Middleburg's existing retail mix or scale of businesses. Finding the right retail mix and density is essential for a community that seeks to create a sense of place that can provide services to residents and offer interesting amenities

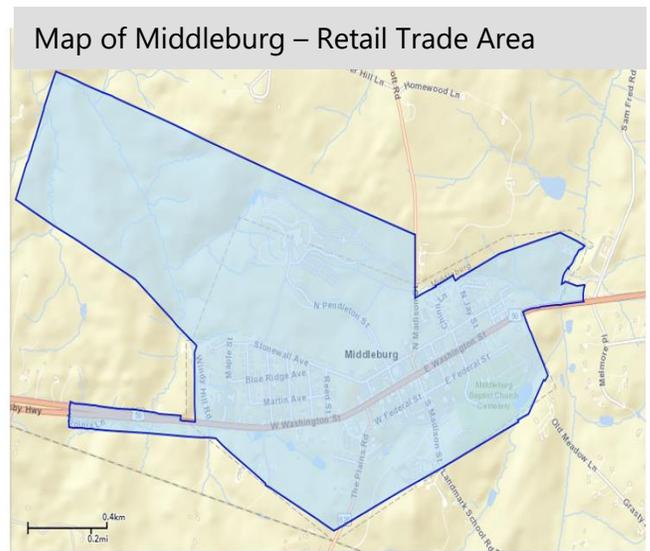
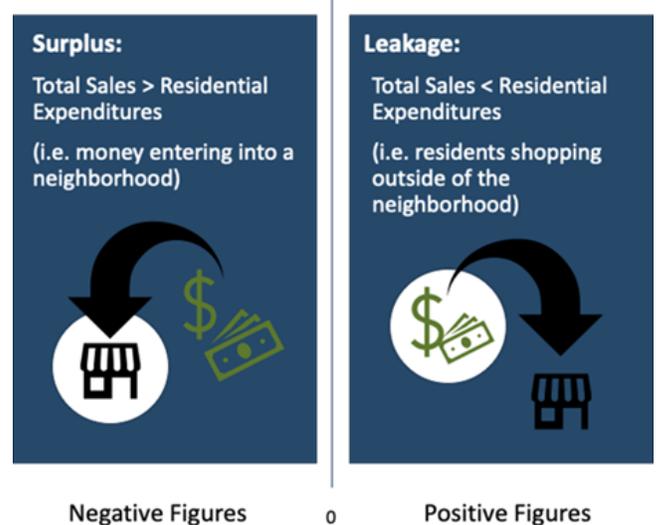


Figure 17: Retail Leakage Graphic



<sup>7</sup> Retail Leakage graphic sourced from Streetsense

<sup>8</sup> Note that the leakage analysis only captures resident spending.

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and shopping experiences that attract visitors. Other categories experiencing high sales leakage include Department Stores, Furniture Stores, Home Furnishing Stores, General Merchandising Stores, and Jewelry, Luggage & Leather Goods Stores.

Table 21

Retail Gap, Town of Middleburg					
NAICS	Description	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Number of Businesses
441	Motor Vehicle & Parts Dealers	\$4,351,322.00	\$ 127,625.00	\$ 4,223,697.00	1
4411	Automobile Dealers	\$3,554,082.00	\$ -	\$ 3,554,082.00	0
4412	Other Motor Vehicle Dealers	\$ 429,967.00	\$ -	\$ 429,967.00	0
4413	Auto Parts, Accessories & Tire Stores	\$ 367,273.00	\$ 127,625.00	\$ 239,648.00	1
442	Furniture & Home Furnishings Stores	\$ 808,795.00	\$ -	\$ 808,795.00	0
4421	Furniture Stores	\$ 451,452.00	\$ -	\$ 451,452.00	0
4422	Home Furnishings Stores	\$ 357,343.00	\$ -	\$ 357,343.00	0
443	Electronics & Appliance Stores	\$ 699,187.00	\$ 1,498,433.00	\$ (799,246.00)	1
444	Bldg Materials, Garden Equip. & Supply Stores	\$1,404,892.00	\$ 2,264,583.00	\$ (859,691.00)	1
4441	Bldg Material & Supplies Dealers	\$1,299,241.00	\$ 2,264,583.00	\$ (965,342.00)	1
4442	Lawn & Garden Equip & Supply Stores	\$ 105,651.00	\$ -	\$ 105,651.00	0
445	Food & Beverage Stores	\$3,863,611.00	\$11,046,095.00	\$ (7,182,484.00)	4
4451	Grocery Stores	\$3,569,415.00	\$10,013,977.00	\$ (6,444,562.00)	3
4452	Specialty Food Stores	\$ 112,438.00	\$ -	\$ 112,438.00	0
4453	Beer, Wine & Liquor Stores	\$ 181,758.00	\$ 1,032,118.00	\$ (850,360.00)	1
4,464,461	Health & Personal Care Stores	\$1,345,280.00	\$ 1,355,616.00	\$ (10,336.00)	2
4,474,471	Gasoline Stations	\$2,039,517.00	\$ 6,392,470.00	\$ (4,352,953.00)	1
448	Clothing & Clothing Accessories Stores	\$1,107,760.00	\$ 6,179,713.00	\$ (5,071,953.00)	10
4481	Clothing Stores	\$ 738,026.00	\$ 5,559,068.00	\$ (4,821,042.00)	9
4482	Shoe Stores	\$ 151,149.00	\$ 620,645.00	\$ (469,496.00)	1
4483	Jewelry, Luggage & Leather Goods Stores	\$ 218,585.00	\$ -	\$ 218,585.00	0
451	Sporting Goods, Hobby, Book & Music Stores	\$ 578,797.00	\$ 4,338,950.00	\$ (3,760,153.00)	4
4511	Sporting Goods/Hobby/Musical Instr Stores	\$ 488,672.00	\$ 3,379,041.00	\$ (2,890,369.00)	3
4512	Book, Periodical & Music Stores	\$ 90,125.00	\$ 959,909.00	\$ (869,784.00)	1
452	General Merchandise Stores	\$3,867,433.00	\$ 857,257.00	\$ 3,010,176.00	2
4521	Department Stores Excluding Leased Depts.	\$2,685,554.00	\$ -	\$ 2,685,554.00	0
4529	Other General Merchandise Stores	\$1,181,879.00	\$ 857,257.00	\$ 324,622.00	2
453	Miscellaneous Store Retailers	\$ 786,837.00	\$ 6,317,180.00	\$ (5,530,343.00)	20
4531	Florists	\$ 41,804.00	\$ 1,098,549.00	\$ (1,056,745.00)	2
4532	Office Supplies, Stationery & Gift Stores	\$ 203,375.00	\$ 1,055,864.00	\$ (852,489.00)	4
4533	Used Merchandise Stores	\$ 95,279.00	\$ 1,309,268.00	\$ (1,213,989.00)	6
4539	Other Miscellaneous Store Retailers	\$ 446,379.00	\$ 2,853,499.00	\$ (2,407,120.00)	8
454	Nonstore Retailers	\$ 425,771.00	\$ 616,136.00	\$ (190,365.00)	1
4541	Electronic Shopping & Mail-Order Houses	\$ 262,076.00	\$ 616,136.00	\$ (354,060.00)	1
4542	Vending Machine Operators	\$ 19,209.00	\$ -	\$ 19,209.00	0
4543	Direct Selling Establishments	\$ 144,486.00	\$ -	\$ 144,486.00	0
722	Food Services & Drinking Places	\$2,333,803.00	\$ 3,724,591.00	\$ (1,390,788.00)	9
7223	Special Food Services	\$ 31,432.00	\$ 300,352.00	\$ (268,920.00)	1
7224	Drinking Places - Alcoholic Beverages	\$ 30,399.00	\$ -	\$ 30,399.00	0
7225	Restaurants/Other Eating Places	\$2,271,972.00	\$ 3,424,239.00	\$ (1,152,267.00)	8

Source: ESRI

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**SUPPORTABLE RETAIL**

A sales surplus might exist for several reasons. The region might be a popular shopping destination for tourists and other out-of-town visitors, or a cluster of competing businesses offering a similar product or service may be located within the town, creating a specialty cluster. Alternatively, a sales surplus could be an indication of market saturation. The Retail Gap Analysis indicates that the highest sales surplus exists in categories such as Grocery Stores, Clothing Stores, Sporting Goods/Hobby/Musical Instrument Stores, Other Miscellaneous Store Retailers, Used Merchandise Stores, and Restaurants/Other Eating Places.

Table 22 shows the supportable retail within the Town of Middleburg. Based on typical store size of the categories listed below, there is not one category that shows enough unmet demand to warrant the opening of a new business. However, when retail demand is combined across sectors, 4,819 additional square feet of retail space can be supported. While this demand may seem nominal, Middleburg's relatively small storefronts could lend themselves to smaller specialty stores that do not want more than 1,000-2,000 SF. Filling current vacancies still requires the buy-in and flexibility of landlords, but retail prospects do exist in Middleburg.

- ◆ **Column A:** NAICS (North American Industry Classification System) is the industry standard coding system when explaining industries. Every business is coded under this system to help streamline data so it can be used in analyses such as this.
- ◆ **Column B:** The retail category associated with that particular NAICS code.
- ◆ **Column C:** The retail gap is how much residents are spending outside of the downtown trade area within each retail category.
- ◆ **Column D:** This is the amount we assume the area can recapture through expanding and creating businesses. We assumed 15% in this scenario. This is purposefully low to not inflate the potential business opportunity in the town.
- ◆ **Column E:** Average sales per business is taken as an average of all businesses classified under that NAICS code in the Loudoun County.
- ◆ **Column F:** By dividing the amount of sales the area can recapture by the average sales per business, we get a sense of how many businesses the area can support.
- ◆ **Column G:** Industry standards of average sales amount per square foot for each retail category.
- ◆ **Column H:** The amount of additional square footage that could be supported by retail category within the area.

Table 22

Supportable Retail							
A	B	C	D	E	F	G	H
NAICS	Retail Category	Retail Gap	15% Leakage Recapture	Average Sales per Business	Supportable Businesses (D / E)	Average Sales per SF	Supportable SF (D / G)
4411	Automobile Dealers	\$3,554,082.00	\$ 533,112	\$ 8,801,002	0.00	\$ 250	2,132
4412	Other Motor Vehicle Dealers	\$ 429,967.00	\$ 64,495	\$ 1,588,482	0.00	\$ 250	258
4413	Auto Parts, Accessories & Tire Stores	\$ 239,648	\$ 35,947	\$ 588,440	0.06	\$ 300	120
4421	Furniture Stores	\$ 451,452	\$ 67,718	\$ 2,534,042	0.03	\$ 300	226
4422	Home Furnishings Stores	\$ 357,343	\$ 53,601	\$ 974,463	0.06	\$ 300	179
4442	Lawn & Garden Equip & Supply Stores	\$ 105,651	\$ 15,848	\$ 1,957,994	0.01	\$ 250	63
4452	Specialty Food Stores	\$ 112,438	\$ 16,866	\$ 496,761	0.03	\$ 350	48
4483	Jewelry, Luggage & Leather Goods Stores	\$ 218,585	\$ 32,788	\$ 598,094	0.05	\$ 500	66
4521	Department Stores	\$ 2,685,554	\$ 402,833	\$26,022,133	0.02	\$ 250	1,611
4529	Other General Merchandise Stores	\$ 324,622	\$ 48,693	\$13,373,968	0.00	\$ 500	97
7224	Drinking Places - Alcoholic Beverages	\$ 30,399	\$ 4,560	\$ 995,613	0.00	\$ 250	18
<b>Total:</b>							<b>4,819</b>

Source: Esri, Camoin Associates

## CAMOIN 310

**EXISTING RETAIL MIX**

Based on the spending patterns of Middleburg's residents, which is the basis of the retail market analysis, there is not one retail category that appears viable for expansion in the town. With a population of about 750 people, retailers can obviously not just depend on a local audience. Based on on-site work and discussions with businesses, we know that Middleburg's retail market is highly dependent on visitor spending.

The town's current retail mix is an assortment of high-end boutiques, various restaurants, arts and antiques, and legacy stores that have been in Middleburg for decades that reflect the needs of the local population, like products for the equine industry and hardware. Middleburg's retail character is so renowned that it makes various "top retail towns" lists, including Country Living's *8 Best Year-Round Christmas Stores Across the Country*, which highlights The Christmas Sleigh. Recent additions to the town include a brewery and a cidery, mixing current food and beverage trends within the historic fabric of Middleburg's retail corridor. Any additions or modifications to the retail fabric in Middleburg must continue to reflect the charm and quality of stores within town, while responding to consumer preferences.

Interviews on-site in Middleburg revealed that traffic on the side streets like South Madison and South Pendleton did not see the same level of foot traffic as Route 50. Signage, guides or otherwise notifying patrons of what exists just a couple steps of the main road is critical to support this extension of the retail network. We understand that efforts to improve signage are underway in coordination with the rebranding and marketing effort, which will reach its conclusion in 2020. Vacant store fronts are concentrated on these side streets, which may also detract people from further exploring off Route 50. In a small area like Middleburg's commercial district, even one or two storefront vacancies can have negative implications on the perception of business viability and economic health of the town.

Interviews also revealed that a more moderately priced restaurant that was welcoming to children was in demand. This type of restaurant could satisfy two demographics, visitors who are looking for a reasonably priced meal and the local population, who have more moderate incomes than the surrounding region.

**What Does Successful Retail Look Like in 2020?**

**Retail must be a sensory experience:** Brick and mortar can still be desirable for customers by adding an experience that cannot be replicated online. Tasting rooms for wines, olive oils, and cheeses provide a unique experience and support the local food movement and local producers in the surrounding area. Visitors need to be able to taste, touch, and feel products in-store.

**The need to embrace technology is inevitable:** This means that including mobile pay options, maintaining a presence on social media, and keeping customers informed of new products and sales is essential. While a slower pace and historic legacy are part of Middleburg's defining features, consumers still expect the conveniences of the 21<sup>st</sup> century.

**Explore the sharing economy:** New and small businesses can get a leg up with the creation of shared kitchens, co-working spaces, tool libraries, and pop-up retail space. Each of these provide low-cost ways to share otherwise costly resources among small businesses.

**Match the neighborhood's scale:** Middleburg's physical scale and target customer requires a boutique-style retail that goes beyond fulfilling a to-do list and instead offers a distinct experience that reflects the historic legacy of Middleburg.

## CAMOIN 310

**RETAIL TRENDS AND IMPLICATIONS ON MIDDLEBURG**

All stratifications of retail have felt the ramifications of shifting consumer preferences. While moderately priced department stores like Sears and JCPenney continue to make announcements about closing locations, the elite retailer Barneys of New York also announced it was headed for bankruptcy in late 2019. Michael Kors noted it would be closing stores, as well as New York's iconic Henri Bendel.

The typical 20<sup>th</sup> century store lost the ability to quickly check in with consumers, determine if they were carrying the right styles in stock and cultivate the sort of experience that would better attract consumers' spending. While retail remains a challenging sector to thrive in, the brands with close relationships with their consumers, which typically occurs through digital communication, can adapt their goods and services to better reflect their clients' needs. While Middleburg's small-town feel allows some businesses to have personal relationships with their customers, the shifting dynamic of retail today demands a multi-channel approach to bolster business for economic shifts.

Special events, like the newly inaugurated Oktoberfest or Christmas in Middleburg are great opportunities to introduce thousands of people to the everyday businesses of Middleburg. Making sure that visitors are left with a takeaway or draw to come back to visit can generate additional buzz. Perhaps a discount code to shop in participating stores if you come back the following month. Or a ticket to the National Sporting Library & museum with the receipt from a local restaurant.

The retail experience becomes more than individual stores selling goods and more about the business mix, places to dine in between stores, activities for spouses or kids to engage in before or after shopping, and other draws that make for a "sticky experience." In other words, people are drawn to stay there for an extended period of time, increasing visitor spending potential in the town. Local guides, signage, other establishments or online tools can curate these experiences. Consumers are more likely to stay and visit multiple locations if they are explicitly shown where they can take a break in the middle of the day for good beer, or where they can find a unique gift for their friends and family. The website VisitMiddleburg.com begins to show visitors not only where they can eat, drink, and stay but what other activities and historic sites exist to explore.

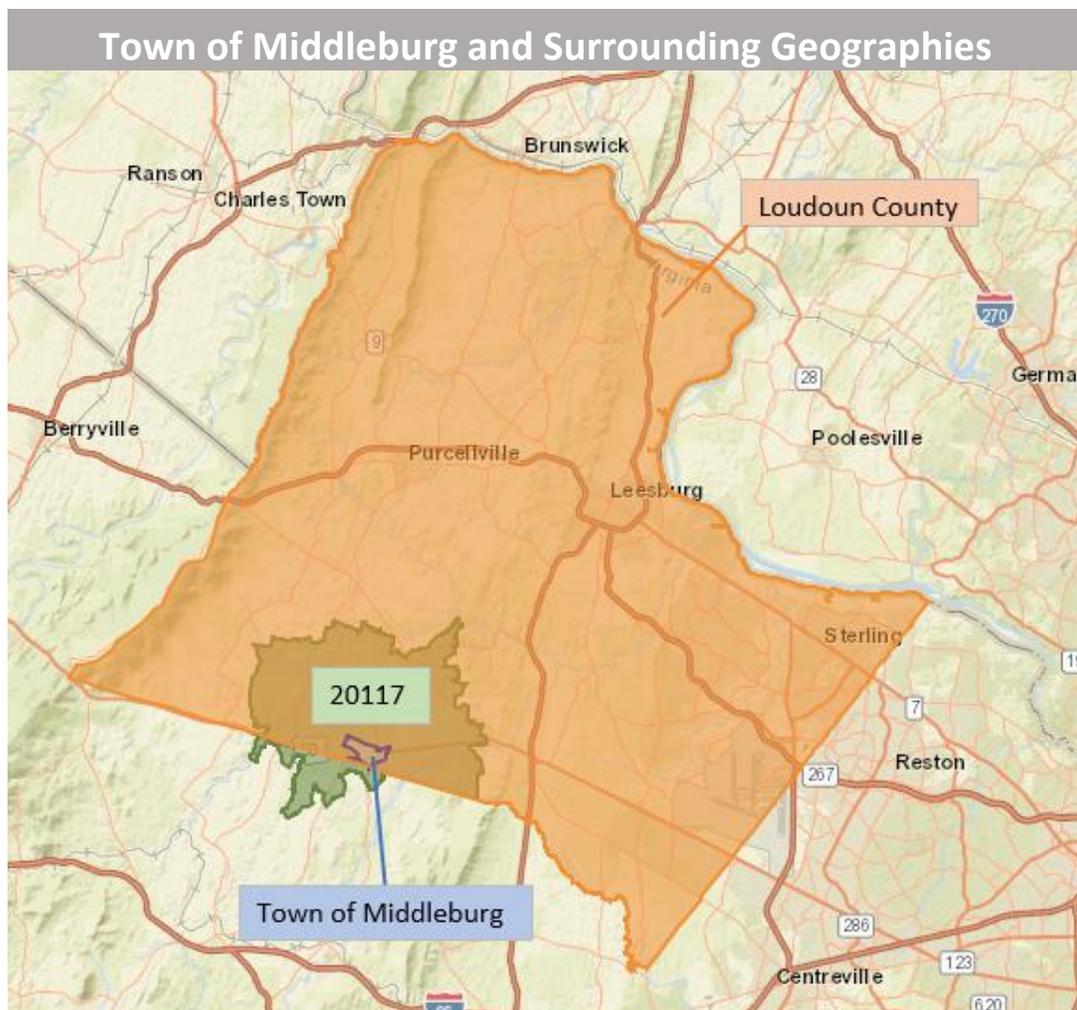
**RETAIL AND EVENT POP-UPS**

While finding a long-term tenant for a property is an ideal situation for any landlord, the startup and lifecycle of retail businesses today is not always conducive to 5, 10, or 20-year lease. Retail pop-up shops, once a novelty in the sector are now mainstream for first time brands to well-established brands looking to launch a new product line or create a feeling of exclusivity with a limited release of a product. Pop-ups allow retailers to go to their target market, as opposed to hoping consumers will find them. While the pop-up sells a good or service, the secondary emphasis is on marketing. The retailer may advertise another upcoming event, a class, or a coupon code for another location. The pop-up becomes another way to engage their customers and the experience is key. What can you do, eat, drink, see when you attend the event? Anything that is "Instagram-worthy," with high quality and visually appealing experiences tends to gain attention. Finally, pop-ups focus on exclusivity and play off our natural FOMO (Fear of Missing Out) response. By creating a limited, time-bound experience it creates scarcity, which in turn triggers a perception of increased value.

# INDUSTRY ANALYSIS

This section provides an analysis of economic trends and industry performance for the Town of Middleburg zip code area and two comparison geographies: Loudoun County and the Washington D.C. MSA. Data from our proprietary data source, Economic Modeling Specialists International (EMSI), is unavailable at the town level. We therefore, use Zip Code-level data for the industry analysis to define the area closest to Middleburg's town boundaries. The map below outlines the 20117 Zip Code in relationship to town boundaries and Loudoun County. While the industry data captures data outside municipal town boundaries, it helps define local industry trends within the broader economic context. We will use the term "Middleburg Area" in reference to the 20117 geography in this section. All other references to Town of Middleburg in tables or charts also refers to the Zip code 20117 in this portion of the report.

This analysis will look at economic activity by industry cluster, as classified in the North American Industry Classification System (NAICS). NAICS are divided into different levels, 2-digit to 6-digit. 2-digit codes are broader industry classifications like Manufacturing or Health Care and Social Assistance, while 6-digit codes are more detailed sectors like Wineries (with Manufacturing) or Medical Laboratories (within Health Care and Social Assistance). The sociodemographic data, combined with this industry data, will provide a more complete picture of Middleburg's economic outlook in the context of the larger region.



## EMPLOYMENT BY SECTOR (2-DIGIT NAICS)

### EMPLOYMENT SNAPSHOT

The Town of Middleburg area (referred to here as the geography covered by ZIP code 20117) is home to approximately 2,169 jobs in 2019. The town gained about 560 jobs (a 35% increase), over the last ten years from 2009 to 2019. The number of total jobs in Middleburg is expected to grow at about half the rate realized from 2009 to 2019 over the next decade, growing by a forecasted 16% over the next ten years. Accommodation and Food Services is the largest industry sector in regard to total employment, with approximately 600 jobs in 2019.

### CURRENT EMPLOYMENT BY SECTOR

The tables below show the distribution of employment by 2-digit employment sectors in the Town of Middleburg area in 2019.

The top five sectors by total employment in 2019 include:

- ◆ Accommodation and Food Services (604 jobs or 28% of all jobs)
- ◆ Agriculture, Forestry, Fishing and Hunting (231 jobs or 11% of all jobs)<sup>9</sup>
- ◆ Educational Services (192 jobs or 9% of all jobs)
- ◆ Retail Trade (186 jobs or 9% of all jobs)
- ◆ Professional, Scientific, and Technical Services (161 jobs or 7% of all jobs)

Table 23: Employment by Sector, 2-NAICS – Town of Middleburg (2019)

Employment by Sector - Town of Middleburg (2019)			
NAICS	Description	2019 Jobs	% of Total Jobs
72	Accommodation and Food Services	604	28%
11	Agriculture, Forestry, Fishing and Hunting	231	11%
61	Educational Services	192	9%
44	Retail Trade	186	9%
54	Professional, Scientific, and Technical Services	161	7%
31	Manufacturing	151	7%
90	Government	145	7%
52	Finance and Insurance	124	6%
81	Other Services (except Public Administration)	91	4%
56	Administrative and Support and Waste Management and Remediation Services	87	4%
62	Health Care and Social Assistance	68	3%
53	Real Estate and Rental and Leasing	49	2%
23	Construction	33	2%
71	Arts, Entertainment, and Recreation	28	1%
42	Wholesale Trade	< 10	< 1%
48	Transportation and Warehousing	< 10	< 1%
51	Information	< 10	< 1%
55	Management of Companies and Enterprises	< 10	< 1%
21	Mining, Quarrying, and Oil and Gas Extraction	-	0%
22	Utilities	-	0%
<b>Total</b>		<b>2,169</b>	

Data Source: EMSI

<sup>9</sup> Note that jobs associated with the equine industry fall within this sector.

## CAMOIN 310

**HISTORIC GROWTH IN MIDDLEBURG AREA**

Between 2009 and 2019 employment grew by 35% or 560 jobs. The Accommodation and Food Services (186 jobs); Professional, Scientific, and Technical Services (52 jobs); Educational Services (48 jobs), and Retail Trade (46 jobs) industries added the most jobs to the Town of Middleburg.

**PROJECTED GROWTH IN MIDDLEBURG AREA**

Forecasts indicate that between 2019 and 2029, there will be a 16% (346 jobs) growth in employment realized in Middleburg. The Accommodation and Food Services has the highest forecasted growth over the next five years, adding a projected 79 jobs (a growth rate of 13%) to the Town of Middleburg. This is followed by the Manufacturing industry which is anticipated to grow by 53 jobs (35%), and the Retail Trade industry which is forecasted to grow by 40 jobs (22%) over the next five years. Note that jobs in Manufacturing are all classified under Beverage Manufacturing, specifically in Wineries.

**EARNINGS IN MIDDLEBURG AREA**

Average earnings per job (including wages and supplements) in the Town of Middleburg were approximately \$53,000 in 2019. Sectors with the highest average earnings included Finance and Insurance (\$128,179); Professional, Scientific, and Technical Services (\$92,810), and Government (\$91,449). Manufacturing (\$24,948); Retail Trade (\$31,347); and Arts, Entertainment, and Recreation (\$32,386) were at the lower end of the earnings spectrum. Average earnings per job is the total pre-tax industry earnings for a region divided by number of jobs. Earnings include wages, salaries, supplements (additional employee benefits), and proprietor income.

Table 24: Historical Employment by Sector, 2-NAICS – Town of Middleburg (2009-2019)

Historical Employment by Sector - Town of Middleburg (2009-2019)					
NAICS	Description	2009 Jobs	2019 Jobs	2009-2019 Change	2009-2019 %Change
72	Accommodation and Food Services	418	604	186	44%
54	Professional, Scientific, and Technical Services	109	161	52	48%
61	Educational Services	144	192	48	33%
44	Retail Trade	140	186	46	33%
81	Other Services (except Public Administration)	48	91	43	90%
52	Finance and Insurance	85	124	39	46%
90	Government	123	145	22	18%
62	Health Care and Social Assistance	47	68	21	45%
71	Arts, Entertainment, and Recreation	11	28	17	155%
53	Real Estate and Rental and Leasing	44	49	5	11%
11	Agriculture, Forestry, Fishing and Hunting	231	231	-	0%
21	Mining, Quarrying, and Oil and Gas Extraction	-	-	-	0%
22	Utilities	-	-	-	0%
23	Construction	34	33	(1)	-3%
56	Administrative and Support and Waste Management and Remediation Services	140	87	(53)	-38%
31	Manufacturing	<10	151	Insf. Data	Insf. Data
42	Wholesale Trade	<10	<10	Insf. Data	Insf. Data
48	Transportation and Warehousing	<10	<10	Insf. Data	Insf. Data
51	Information	17	<10	Insf. Data	Insf. Data
55	Management of Companies and Enterprises	<10	<10	Insf. Data	Insf. Data
<b>Total</b>		<b>1,610</b>	<b>2,169</b>	<b>559</b>	<b>35%</b>

Data Source: EMSI

Table 25: Forecasted Employment by Sector, 2-NAICS – Town of Middleburg (2019-2029)

Forecasted Employment by Sector - Town of Middleburg (2009-2019)					
NAICS	Description	2019 Jobs	2029 Jobs	2019-2029 Change	2019-2029 % Change
72	Accommodation and Food Services	604	683	79	13%
31	Manufacturing	151	204	53	35%
44	Retail Trade	186	226	40	22%
90	Government	145	176	31	21%
54	Professional, Scientific, and Technical Services	161	190	29	18%
81	Other Services (except Public Administration)	91	120	29	32%
52	Finance and Insurance	124	152	28	23%
62	Health Care and Social Assistance	68	90	22	32%
61	Educational Services	192	208	16	8%
56	Administrative and Support and Waste Management and Remediation Services	87	94	7	8%
71	Arts, Entertainment, and Recreation	28	35	7	25%
11	Agriculture, Forestry, Fishing and Hunting	231	237	6	3%
53	Real Estate and Rental and Leasing	49	54	5	10%
23	Construction	33	30	(3)	-9%
42	Wholesale Trade	<10	<10	Insf. Data	Insf. Data
48	Transportation and Warehousing	<10	<10	Insf. Data	Insf. Data
51	Information	<10	<10	Insf. Data	Insf. Data
55	Management of Companies and Enterprises	<10	<10	Insf. Data	Insf. Data
21	Mining, Quarrying, and Oil and Gas Extraction	-	-	-	0%
22	Utilities	-	-	-	0%
<b>Total</b>		<b>2,169</b>	<b>2,515</b>	<b>346</b>	<b>16%</b>

Data Source: EMSI

Table 26: Average Earnings per Job by Sector, 2-NAICs – Town of Middleburg (2018)

Industries by Average Earnings per Job - Town of Middleburg (2018)		
NAICS	Description	Average Earnings
52	Finance and Insurance	\$128,179
54	Professional, Scientific, and Technical Services	\$92,810
90	Government	\$91,449
23	Construction	\$76,342
62	Health Care and Social Assistance	\$72,039
53	Real Estate and Rental and Leasing	\$67,375
56	Administrative and Support and Waste Management and Remediation Services	\$59,812
81	Other Services (except Public Administration)	\$50,693
61	Educational Services	\$42,078
11	Agriculture, Forestry, Fishing and Hunting	\$38,644
72	Accommodation and Food Services	\$34,437
71	Arts, Entertainment, and Recreation	\$32,386
44	Retail Trade	\$31,347
31	Manufacturing	\$24,948
21	Mining, Quarrying, and Oil and Gas Extraction	\$0
22	Utilities	\$0
42	Wholesale Trade	Insf. Data
48	Transportation and Warehousing	Insf. Data
51	Information	Insf. Data
55	Management of Companies and Enterprises	Insf. Data
<b>Total Average</b>		<b>\$52,881</b>

Data Source: EMSI

## TOP INDUSTRIES (4-DIGIT NAICS)

Table 17, on the following page, shows the top 25 industries by employment in the Town of Middleburg in 2019. Four industries are in the Finance and Insurance sector; three are in the Agriculture, Forestry, Fishing and Hunting sector; and three are in the Professional, Scientific, and Technical Services sector. The Accommodation and Food Services sector represents the most jobs in Middleburg, with over 580 jobs in 2019. All industries saw positive employment growth over the last decade with the exception of the Animal Production; Business Support Services; Support Activities for Animal Production; and Depository Credit Intermediation industries.

### Location Quotient

Location quotient (LQ) is a measure of industry concentration, indicating how concentrated a certain sector is in a given area of study, relative to the nation. It can reveal what makes a particular region “unique” in comparison with the national average. An LQ greater than 1 indicates that sector employment in the study area is more concentrated than it is at the national level.

The location quotients demonstrated by the Middleburg’s top industries illustrate the town’s unique economy. Insurance and Employee Benefit Funds has a location quotient of over 332, while Support Activities for Animal Production is over 67. Other notable concentrations are found in Restaurants and Other Eating Places, Grantmaking and Giving Services, and Traveler Accommodations. Considering the town’s relatively small size, these LQs demonstrate how the economy differs from the rest of Loudoun County and the Washington D.C. MSA.

The industries that have seen growth of 25% or more in the last decade and have an LQ of above 1.5 include the following:

- ◆ Traveler Accommodation
- ◆ Elementary and Secondary Schools
- ◆ Beverage Manufacturing
- ◆ Crop Production
- ◆ Home Furnishings Stores
- ◆ Accounting, Tax Preparation, Bookkeeping, and Payroll Services
- ◆ Grantmaking and Giving Services
- ◆ Offices of Other Health Practitioners
- ◆ Other Financial Investment Activities
- ◆ Other Personal Services
- ◆ Insurance and Employee Benefit Funds

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Table 27: Top 25 Employment by Sectors, 4-Digit NAICS – Town of Middleburg (2019)

Top 25 Employment by Sector - Town of Middleburg (2019)						
NAICS	Description	2019 Jobs	2009-2019 Change	2009-2019 % Change	Avg. Earnings Per Job	Location Quotient
7211	Traveler Accommodation	438	119	37%	\$38,023	16.9
6111	Elementary and Secondary Schools	192	48	33%	\$42,078	12.4
3121	Beverage Manufacturing	151	Insf. Data	Insf. Data	\$24,875	42.1
7225	Restaurants and Other Eating Places	146	54	59%	\$24,137	1.0
1110	Crop Production	128	27	27%	\$28,094	12.1
9039	Local Government, Excluding Education and Hospitals	100	18	22%	\$79,788	1.3
4422	Home Furnishings Stores	75	20	36%	\$28,081	21.0
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	61	17	39%	\$75,234	3.9
1120	Animal Production	56	(20)	-26%	\$54,534	9.9
5614	Business Support Services	53	(57)	-52%	\$42,211	4.2
5242	Agencies, Brokerages, and Other Insurance Related Activities	41	5	14%	\$130,557	1.9
1152	Support Activities for Animal Production	39	(2)	-5%	\$51,679	67.6
8132	Grantmaking and Giving Services	38	18	90%	\$71,435	19.5
4451	Grocery Stores	38	7	23%	\$34,986	1.0
6213	Offices of Other Health Practitioners	37	12	48%	\$58,118	2.6
5413	Architectural, Engineering, and Related Services	37	7	23%	\$88,751	1.8
5311	Lessors of Real Estate	34	-	0%	\$67,112	3.1
9011	Federal Government, Civilian	33	2	6%	\$140,325	0.9
5416	Management, Scientific, and Technical Consulting Services	30	16	114%	\$110,034	1.2
5239	Other Financial Investment Activities	29	6	26%	\$215,232	3.9
8129	Other Personal Services	28	17	155%	\$26,455	4.6
5251	Insurance and Employee Benefit Funds	28	28	Insf. Data	\$71,863	332.3
5221	Depository Credit Intermediation	24	(2)	-8%	\$73,698	1.1
7139	Other Amusement and Recreation Industries	22	Insf. Data	Insf. Data	\$21,594	1.1
4523	General Merchandise Stores, including Warehouse Clubs and Supercenters	21	Insf. Data	Insf. Data	\$24,959	0.8

Data Source: EMSI

## CAMOIN 310

## SELF-EMPLOYMENT

About 14% of all employment in the Zip Code 20117 are held by self-employed individuals. Crop Production, Business Support Services and Elementary and Secondary Schools comprise the largest proportion of industries with self-employed workers. Overall, jobs that are held by self-employed individuals increased by 45, or 20% in the Zip Code 20117. While Loudoun County experienced a large increase in the number of self-employed jobs, just over 3,700, or 40%, self-employment only makes up about 6% of all jobs

Table 28: Self-Employed Population, Zip Code 20117

Self-Employed Population, Zip Code 20117						
NAICS	Description	2009 Jobs	2019 Jobs	2009 - 2019 Change	2009 - 2019 % Change	2019 Location Quotient
1110	Crop Production	42	48	6	14%	7.58
5614	Business Support Services	28	43	15	54%	23.42
6111	Elementary and Secondary Schools	<10	32	Insf. Data	Insf. Data	25.11
1120	Animal Production	41	21	(20)	(49%)	5.17
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	<10	14	Insf. Data	Insf. Data	3.22
5311	Lessors of Real Estate	<10	11	Insf. Data	Insf. Data	2.03
1152	Support Activities for Animal Production	<10	10	Insf. Data	Insf. Data	32.71
Total Self-Employment *		224	269	45	20%	
All Employment		1,610	2169	559	35%	
Self -Employed as % of total Jobs		14%	12%	8%		

Data Source: EMSI

\*Represents all industries, including those not represented in table above

Table 29: Self-Employed, Loudoun County

Self-Employed Population, Loudoun County						
NAICS	Description	2009 Jobs	2019 Jobs	2009 - 2019 Change	2009 - 2019 % Change	2019 Location Quotient
5416	Management, Scientific, and Technical Consulting Services	640	1,117	477	75%	2.78
5415	Computer Systems Design and Related Services	422	839	417	99%	4.32
6244	Child Day Care Services	514	595	81	16%	1.47
4853	Taxi and Limousine Service	186	572	386	208%	2.23
5617	Services to Buildings and Dwellings	448	547	99	22%	0.58
6116	Other Schools and Instruction	222	421	199	90%	1.94
8121	Personal Care Services	271	412	141	52%	0.60
2383	Building Finishing Contractors	424	387	(37)	(9%)	0.70
2389	Other Specialty Trade Contractors	293	347	54	18%	0.77
2361	Residential Building Construction	305	343	38	12%	0.65
Total Self-Employment *		9,230	12,961	3,731	40%	
All Employment		142,741	188,270	45,529	32%	
Self -Employed as % of total Jobs		6%	7%	8%		

Data Source: EMSI

## REGIONAL INDUSTRY COMPARISON

The following tables compare industry data in the Town of Middleburg area to those in Loudoun County and the Washington D.C. MSA. By comparing geographic economic regions, we can see which industry trends are more localized, regional, or state and/or nation-wide. The following are highlights of the regional industry comparison:

### LOUDOUN COUNTY

- ◆ Loudoun County has experienced significant employment growth over the last decade, with employment growing by 32% or 45,529 jobs since 2009. Industries that have contributed the most to this growth include the Professional, Scientific, and Technical Services (+8,854 jobs); Government (+5,801 jobs); and Accommodation and Food Services (+5,737 jobs) industries.
- ◆ Employment growth in Loudoun County is forecasted to continue over the next decade, although it will be at half the rate of the last ten years. Specifically, the Healthcare and Social Assistance (+31%); Educational Services (+24%); and Real Estate and Rental/Leasing (+24%) industries are all forecasted to growth the most in regard to forecasted percent change.

### WASHINGTON D.C. MSA

- ◆ The Washington D.C. MSA has largely experienced employment growth over the last decade, with employment growing by 10% or 308,586 jobs since 2009. Industries that have contributed the most to this growth in regard to the addition of total jobs include the Healthcare and Social Assistance (+66,333); Accommodation and Food Services (65,306); and Professional, Scientific, and Technical Services (+49,099) industries.
- ◆ Employment growth in the Washington D.C. MSA is forecasted to remain relatively constant over the next decade, growing by 8% between 2019 and 2029. Specifically, the Accommodation and Food Services (29%); Healthcare and Social Assistance (+19%); Transportation and Warehousing (+13%); and Educational Services (+13%) industries are projected to experience the highest percent change.

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Table 30: Employment by Sector, 2-digit NAICS - Loudoun County (2009-2019)

Employment by Sector - Loudoun County (2009-2019)									
NAICS	Description	2009 Jobs	2019 Jobs	2019 Jobs	2009-2019 Change	2009-2019 % Change	2019-2029 Change	2019-2029 % Change	2019 Average Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	787	816	858	29	4%	42	5%	\$37,574
21	Mining, Quarrying, and Oil and Gas Extraction	182	192	197	10	5%	5	3%	\$165,168
22	Utilities	107	149	166	42	39%	17	11%	\$106,378
23	Construction	14,849	18,480	21,568	3,631	24%	3,088	17%	\$80,986
31	Manufacturing	4,518	7,856	9,382	3,338	74%	1,526	19%	\$125,798
42	Wholesale Trade	3,237	3,484	3,673	247	8%	189	5%	\$90,612
44	Retail Trade	16,347	18,550	20,074	2,203	13%	1,524	8%	\$35,883
48	Transportation and Warehousing	9,690	11,964	12,448	2,274	23%	484	4%	\$57,540
51	Information	7,968	7,266	6,895	(702)	-9%	(371)	-5%	\$178,640
52	Finance and Insurance	3,199	4,150	5,074	951	30%	924	22%	\$157,991
53	Real Estate and Rental and Leasing	2,163	2,946	3,654	783	36%	708	24%	\$75,001
54	Professional, Scientific, and Technical Services	17,432	24,286	29,902	6,854	39%	5,616	23%	\$112,511
55	Management of Companies and Enterprises	1,065	1,447	1,594	382	36%	147	10%	\$184,949
56	Administrative and Support and Waste Management and Remediation Services	7,949	10,635	11,439	2,686	34%	804	8%	\$49,687
61	Educational Services	2,332	3,814	4,727	1,482	64%	913	24%	\$41,587
62	Health Care and Social Assistance	9,714	14,356	18,735	4,642	48%	4,379	31%	\$61,137
71	Arts, Entertainment, and Recreation	2,299	4,118	5,038	1,819	79%	920	22%	\$90,890
72	Accommodation and Food Services	10,915	16,652	19,543	5,737	53%	2,891	17%	\$28,241
81	Other Services (except Public Administration)	6,075	8,819	10,539	2,744	45%	1,720	20%	\$40,733
90	Government	21,914	27,715	33,382	5,801	26%	5,667	20%	\$79,533
<b>Total</b>		<b>142,741</b>	<b>188,270</b>	<b>219,886</b>	<b>45,529</b>	<b>32%</b>	<b>31,616</b>	<b>17%</b>	<b>\$76,582</b>

Data Source: EMSI

## CAMOIN 310

Table 31: Employment by Sector, 2-digit NAICS - Washington D.C. MSA (2009-2029)

Employment by Sector - Washington DC MSA (2009-2029)									
NAICS	Description	2009 Jobs	2019 Jobs	2029 Jobs	2009-2019 Change	2009-2019 % Change	2019-2029 Change	2019-2029 % Change	2019 Average Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	5,938	5,139	4,935	(799)	-13%	(204)	-4%	\$41,007
21	Mining, Quarrying, and Oil and Gas Extraction	1,295	1,000	1,017	(295)	-23%	17	2%	\$101,462
22	Utilities	8,291	8,033	8,486	(258)	-3%	453	6%	\$182,412
23	Construction	179,255	187,745	195,213	8,490	5%	7,468	4%	\$74,939
31	Manufacturing	61,633	58,369	61,610	(3,264)	-5%	3,241	6%	\$101,029
42	Wholesale Trade	58,918	55,389	59,175	(3,529)	-6%	3,786	7%	\$113,123
44	Retail Trade	262,222	280,442	286,176	18,220	7%	5,734	2%	\$40,894
48	Transportation and Warehousing	61,667	78,638	88,879	16,971	28%	10,241	13%	\$60,108
51	Information	85,684	74,620	68,653	(11,064)	-13%	(5,967)	-8%	\$144,037
52	Finance and Insurance	99,430	100,686	109,984	1,256	1%	9,298	9%	\$147,909
53	Real Estate and Rental and Leasing	60,478	64,031	67,968	3,553	6%	3,937	6%	\$87,991
54	Professional, Scientific, and Technical Services	482,666	531,765	578,734	49,099	10%	46,969	9%	\$135,041
55	Management of Companies and Enterprises	38,062	39,117	39,727	1,055	3%	610	2%	\$192,890
56	Administrative and Support and Waste Management and Remediation Services	178,900	203,895	215,882	24,995	14%	11,987	6%	\$59,725
61	Educational Services	97,529	111,954	126,305	14,425	15%	14,351	13%	\$60,595
62	Health Care and Social Assistance	277,426	343,759	410,602	66,333	24%	66,843	19%	\$68,054
71	Arts, Entertainment, and Recreation	45,936	56,236	62,617	10,300	22%	6,381	11%	\$45,591
72	Accommodation and Food Services	224,615	289,921	322,303	65,306	29%	32,382	11%	\$30,376
81	Other Services (except Public Administration)	210,161	232,999	250,341	22,838	11%	17,342	7%	\$66,314
90	Government	764,523	790,893	827,959	26,370	3%	37,066	5%	\$120,298
<b>Total</b>		<b>3,210,090</b>	<b>3,518,676</b>	<b>3,792,554</b>	<b>308,586</b>	<b>10%</b>	<b>273,878</b>	<b>8%</b>	<b>\$90,778</b>

Data Source: EMSI

## CAMOIN 310

**REGIONAL COMPARISON OF EMPLOYMENT SHARE BY SECTOR**

Table 32 summarizes each sector's share of total employment in the Town of Middleburg area, Loudoun County, Fauquier County, and the Washington D.C. MSA.

Notably, the proportion of jobs in the Accommodation and Food Services (28%); Agriculture, Forestry, Fishing and Hunting (11%); and Educational Services (9%) industries are three or more times higher in the Town of Middleburg than in any of the other comparable geographies. Additionally, the proportion of jobs in the Construction and Government industries in Middleburg are significantly less than the other geographies.

Table 32: Employment Share by Sector, 2-digit NAICS - Regional Comparison (2019)

Employment Share by Sector (2019)					
NAICS	Description	Middleburg	Loudoun County	Fauquier County	Washington DC MSA
11	Agriculture, Forestry, Fishing and Hunting	11%	0%	3%	0%
21	Mining, Quarrying, and Oil and Gas Extraction	0%	0%	0%	0%
22	Utilities	0%	0%	0%	0%
23	Construction	2%	10%	12%	5%
31	Manufacturing	7%	4%	4%	2%
42	Wholesale Trade	<0%	2%	2%	2%
44	Retail Trade	9%	10%	12%	8%
48	Transportation and Warehousing	<0%	6%	1%	2%
51	Information	<0%	4%	1%	2%
52	Finance and Insurance	6%	2%	2%	3%
53	Real Estate and Rental and Leasing	2%	2%	2%	2%
54	Professional, Scientific, and Technical Services	7%	13%	8%	15%
55	Management of Companies and Enterprises	<0%	1%	1%	1%
56	Administrative and Support and Waste Management	4%	6%	3%	6%
61	Educational Services	9%	2%	2%	3%
62	Health Care and Social Assistance	3%	8%	10%	10%
71	Arts, Entertainment, and Recreation	1%	2%	2%	2%
72	Accommodation and Food Services	28%	9%	9%	8%
81	Other Services (except Public Administration)	4%	5%	8%	7%
90	Government	7%	15%	18%	22%

Data Source: EMSI

## CAMOIN 310

**HISTORIC EMPLOYMENT GROWTH BY SECTOR**

Overall employment in all geographies grew over the last decade, and the Middleburg area experienced the highest overall percent growth of 35%. Notably, Middleburg's employment in the Arts, Entertainment, and Recreation (+155%); Other Services (except Public Administration) (+90%); and Professional, Scientific, and Technical Services (+48%) industries grew most significantly. The Administrative and Support and Waste Management and Remediation (-38%); and Construction (-3%) industries were the only industries that realized overall decline in employment over the last decade, although the construction industry figure only represents one job.

Table 33: Percent Change in Employment, 2-digit NAICS - Regional Comparison (2009-2019)

Percent Change in Employment by Sector (2009-2019)					
NAICS	Description	Middleburg	Loudoun County	Fauquier County	Washington D.C. MSA
11	Agriculture, Forestry, Fishing and Hunting	0%	4%	-14%	-13%
21	Mining, Quarrying, and Oil and Gas Extraction	0%	5%	15%	-23%
22	Utilities	0%	39%	32%	-3%
23	Construction	-3%	24%	-1%	5%
31	Manufacturing	Insf. Data	74%	18%	-5%
42	Wholesale Trade	Insf. Data	8%	-21%	-6%
44	Retail Trade	33%	13%	12%	7%
48	Transportation and Warehousing	Insf. Data	23%	-8%	28%
51	Information	Insf. Data	-9%	-23%	-13%
52	Finance and Insurance	46%	30%	7%	1%
53	Real Estate and Rental and Leasing	11%	36%	-9%	6%
54	Professional, Scientific, and Technical Services	48%	39%	29%	10%
55	Management of Companies and Enterprises	Insf. Data	36%	-23%	3%
56	Administrative and Support and Waste Management	-38%	34%	26%	14%
61	Educational Services	33%	64%	52%	15%
62	Health Care and Social Assistance	45%	48%	2%	24%
71	Arts, Entertainment, and Recreation	155%	79%	-20%	22%
72	Accommodation and Food Services	44%	53%	23%	29%
81	Other Services (except Public Administration)	90%	45%	13%	11%
90	Government	18%	26%	6%	3%
<b>Total</b>		<b>35%</b>	<b>32%</b>	<b>8%</b>	<b>10%</b>

Data Source: EMSI

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**HIGHLY CONCENTRATED SECTORS: 2-DIGIT NAICS**

Location quotient (LQ) is a measure of industry concentration, indicating how concentrated a certain sector is in a given area of study, relative to the nation. It can reveal what makes a particular region “unique” in comparison with the national average. An LQ greater than 1 indicates that sector employment in the study area is more concentrated than it is at the national level.

In the Town of Middleburg area, the sector with the highest concentration is Agriculture, Forestry, Fishing, and Hunting with an LQ of 9.22, meaning that the share of employment in this sector in the nearby area of the Town of Middleburg is 9.22 times greater than its share nationally.

Other concentrated sectors include Educational Services (3.45), and Accommodation and Food Services (3.24). The Agriculture, Forestry, Fishing, and Hunting; Educational Services; and Accommodation and Food Services industries are all more concentrated in Middleburg than in any of the other geographies.

Table 34: Location Quotient by Sector, 2-Digit NAICS – Regional Comparison (2019)

Location Quotient by Sector (2019)					
NAICS	Description	Middleburg	Loudoun County	Fauquier County	Washington DC MSA
11	Agriculture, Forestry, Fishing and Hunting	9.22	0.37	2.29	0.13
21	Mining, Quarrying, and Oil and Gas Extraction	-	0.24	0.55	0.07
22	Utilities	-	0.23	1.25	0.67
23	Construction	0.27	1.74	2.08	0.95
31	Manufacturing	0.88	0.53	0.49	0.21
42	Wholesale Trade	0.02	0.50	0.52	0.43
44	Retail Trade	0.86	0.98	1.16	0.80
48	Transportation and Warehousing	0.02	1.72	0.32	0.61
51	Information	0.25	2.12	0.36	1.16
52	Finance and Insurance	1.42	0.55	0.57	0.71
53	Real Estate and Rental and Leasing	1.34	0.93	0.95	1.08
54	Professional, Scientific, and Technical Services	1.13	1.96	1.27	2.30
55	Management of Companies and Enterprises	0.03	0.53	0.43	0.77
56	Administrative and Support and Waste Management and Remediation Services	0.64	0.91	0.55	0.93
61	Educational Services	3.45	0.79	0.92	1.24
62	Health Care and Social Assistance	0.25	0.60	0.82	0.77
71	Arts, Entertainment, and Recreation	0.73	1.26	0.89	0.92
72	Accommodation and Food Services	3.24	1.03	1.08	0.96
81	Other Services (except Public Administration)	0.88	0.99	1.66	1.40
90	Government	0.45	0.98	1.19	1.50

Data Source: EMSI

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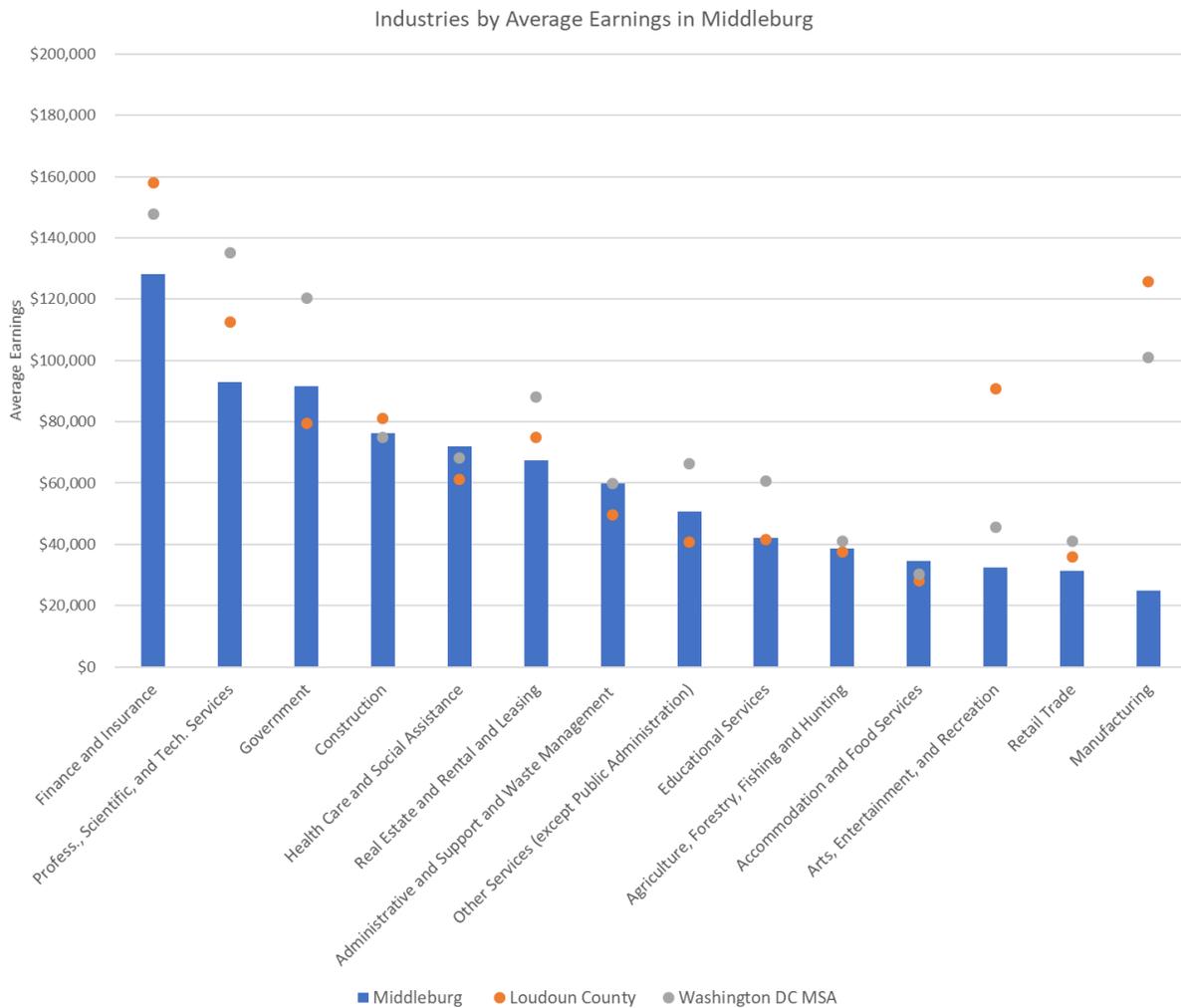
**AVERAGE EARNINGS BY SECTOR**

Average earnings per job in Middleburg (\$52,881) are lower than those in Loudoun County (\$76,582), and the Washington D.C. MSA (\$90,778).

As identified prior, the Town of Middleburg’s top sectors by number of jobs are Finance and Insurance (\$128,179); Professional, Scientific, and Technical Services (\$92,810), and Government (\$91,449). Manufacturing (\$24,948).

Retail Trade (\$31,347); and Arts, Entertainment, and Recreation (\$32,386) were at the low end of the earnings spectrum. The only industries with a higher average earnings per job in Middleburg compared to the other geographies are the Accommodation and Food Services (\$34,437) and Administrative and Support and Waste Management and Remediation Services (\$59,812) industries. Note that the industries not include below<sup>10</sup> do not demonstrate employment, and therefore any wage data in the Middleburg area.

Figure 18: Average Earnings by Sector, 2-NAICS - Regional Comparison (2019)



<sup>10</sup> Mining, Utilities, Wholesale Trade, Transportation and Warehousing, Information and Management of Companies and Enterprises are not included in the figure above.

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## TOTAL SALES BY SECTOR (2-DIGIT NAICS)

Total sales, as provided by EMSI, represent an industry's total annual sales, both to other industries and to consumers. The industries contributing the most to Middleburg's 2018 total sales were the Finance and Insurance (21%), Government (17%), and Accommodation and Food Services (15%) industries. Middleburg's total sales were about \$481.4 million.

As the following table illustrates, the Finance and Insurance (21%) and Accommodation and Food Services (15%) industries represent a much higher proportion of Middleburg's 2018 sales than in any other geography. Government is the highest contributor to the total sales of all other geographies, representing 22% of total sales in Loudoun County, 37% of total sales in Fauquier County, and 58% in the Washington D.C. MSA.

Table 35: Total Sales by Sector, 2-NAICS – Regional Comparison (2018)

Total Sales by Sector, 2-Digit NAICS - Regional Comparison (2018)						
NAICS	Description	Middleburg Total Sales	% of Total Sales (Middleburg)	% of Total Sales (Loudoun County)	% of Total Sales (Fauquier County)	% of Total Sales (Washington DC MSA)
52	Finance and Insurance	\$102,461,960	21%	6%	5%	4%
90	Government	\$81,448,109	17%	22%	37%	58%
72	Accommodation and Food Services	\$72,486,826	15%	3%	3%	2%
11	Agriculture, Forestry, Fishing and Hunting	\$51,724,829	11%	0%	4%	0%
54	Professional, Scientific, and Technical Services	\$38,221,208	8%	12%	8%	10%
53	Real Estate and Rental and Leasing	\$35,790,566	7%	4%	6%	3%
31	Manufacturing	\$17,813,971	4%	7%	4%	2%
44	Retail Trade	\$17,329,826	4%	4%	6%	2%
56	Administrative and Support and Waste Management and Remediation Services	\$17,317,271	4%	3%	2%	2%
81	Other Services (except Public Administration)	\$12,461,170	3%	2%	3%	2%
61	Educational Services	\$9,852,494	2%	1%	1%	1%
62	Health Care and Social Assistance	\$9,193,613	2%	4%	5%	3%
23	Construction	\$6,559,034	1%	8%	9%	3%
51	Information	\$3,547,260	1%	13%	1%	4%
71	Arts, Entertainment, and Recreation	\$2,448,447	1%	2%	1%	1%
42	Wholesale Trade	\$1,682,754	0%	3%	3%	2%
48	Transportation and Warehousing	\$936,991	0%	5%	1%	1%
55	Management of Companies and Enterprises	\$90,943	0%	1%	0%	1%
21	Mining, Quarrying, and Oil and Gas Extraction	\$0	0%	0%	0%	0%
22	Utilities	\$0	0%	0%	2%	1%
<b>Total</b>		<b>\$481,367,273</b>				

Data Source: EMSI

# OCCUPATION ANALYSIS

This section provides an analysis of economic trends related to occupation performance for the Town of Middleburg and two comparison geographies: Loudoun County and the Washington D.C. MSA. Our industry data analysis tool (EMSI) defines the Town of Middleburg as the 20117-zip code, therefore the data and analysis in this section is a composite of occupation data within the boundaries of the 20117-zip code.

This analysis will look at economic activity by occupation cluster, as classified in the Standard Occupational Classification System (SOC). In the case of this analysis, SOCs are divided into different levels, 2-digit to 3-digit. 2-digit codes are broader occupation classifications like Sales and Related Occupations and Legal Occupations, while 3-digit codes are more detailed sectors like Food and Beverage Serving Workers or Agricultural Workers. This occupation data, combined with the industry data, will provide a more complete picture of Middleburg's economic outlook in the context of the larger region.

The following table highlights the top 25 occupations in the Town of Middleburg in 2019. These represent occupations within all industry sectors. Top occupations by number of jobs include Food and Beverage Serving Workers (148); Other Management Occupations (136); Building Cleaning and Pest Control (130), and Retail Sales Workers (128).

The highest concentrated (LQ) occupations in the Town of Middleburg include Agricultural Workers (6.96 LQ); Other Management Occupations (2.59 LQ), Building Cleaning and Pest Control Workers (2.35 LQ), and Other Food Preparation and Serving Related Workers (2.30 LQ).

Occupations with the highest average hourly earnings include Top Executives (\$79/hr.), Health Diagnostic and Treatment Practitioners (\$53/hr.), and Computer Occupations (\$48/hr.); while occupations with the lowest average hourly earnings include Other Food Preparation and Serving Related Workers (\$11/hr.), Food and Beverage Serving Workers (\$11/hr.), and Building Cleaning and Pest Control Workers (\$12/hr.).

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Table 36: Top 25 Occupations by Employment, 3-Digit SOC – Town of Middleburg (2019)

Top 25 Occupations by Employment - Town of Middleburg (2019)							
SOC	Description	2009 Jobs	2019 Jobs	2009 - 2019 Change	2009 - 2019 % Change	2019 Location Quotient	Avg. Hourly Earnings
35-3000	Food and Beverage Serving Workers	94	148	54	57%	1.45	\$11.65
11-9000	Other Management Occupations	137	136	(1)	(1%)	2.59	\$32.22
37-2000	Building Cleaning and Pest Control Workers	98	130	32	33%	2.35	\$12.17
41-2000	Retail Sales Workers	88	128	40	45%	1.09	\$11.72
43-4000	Information and Record Clerks	95	107	12	13%	1.34	\$14.76
45-2000	Agricultural Workers	82	98	16	20%	6.96	\$15.12
13-1000	Business Operations Specialists	49	88	39	80%	1.19	\$43.06
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	65	85	20	31%	1.48	\$32.21
13-2000	Financial Specialists	51	74	23	45%	1.84	\$43.93
35-2000	Cooks and Food Preparation Workers	43	66	23	53%	1.49	\$12.91
41-3000	Sales Representatives, Services	40	55	15	38%	1.55	\$38.73
43-9000	Other Office and Administrative Support Workers	46	49	3	7%	0.83	\$20.05
49-9000	Other Installation, Maintenance, and Repair Occupations	28	49	21	75%	1.10	\$22.70
51-9000	Other Production Occupations	<10	47	Insf. Data	Insf. Data	1.34	\$16.41
35-9000	Other Food Preparation and Serving Related Workers	30	44	14	47%	2.30	\$11.03
43-3000	Financial Clerks	48	39	(9)	(19%)	0.92	\$21.84
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	27	38	11	41%	0.68	\$17.22
15-1100	Computer Occupations	26	34	8	31%	0.56	\$48.73
11-1000	Top Executives	22	34	12	55%	0.95	\$79.30
43-6000	Secretaries and Administrative Assistants	32	33	1	3%	0.64	\$24.45
29-1000	Health Diagnosing and Treating Practitioners	24	31	7	29%	0.41	\$53.06
39-9000	Other Personal Care and Service Workers	18	29	11	61%	0.46	\$14.91
53-3000	Motor Vehicle Operators	16	28	12	75%	0.46	\$19.52
39-2000	Animal Care and Service Workers	19	27	8	42%	6.43	\$14.46
41-9000	Other Sales and Related Workers	29	27	(2)	(7%)	1.88	\$31.43

Data Source: EMSI

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The replacement rate of the Town's top 15 occupations is displayed in the following table. Replacements represent jobs that will need to be filled by new hires due to existing workers leaving the occupation. These are jobs just needed to maintain current employment levels and do not take into account new jobs added to the industry.

Food and Beverage Serving workers have the highest number of annual replacement jobs at 21 jobs, or an annual replacement rate of 0.182. This is followed by Retail Sales Workers with 17 annual replacement jobs, or an annual replacement rate of 0.160; and Building Cleaning and Pest Control Workers with 14 annual replacement jobs, or a rate of 0.130.

Table 37: Top 15 Occupations by Replacement Jobs, 3-Digit SOC – Town of Middleburg (2019)

Top 25 Occupations by Replacement Jobs - Town of Middleburg (2019)				
SOC	Description	2019 Jobs	Annual Replacement Jobs	Annual Replacement Rate
35-3000	Food and Beverage Serving Workers	148	21	0.182
41-2000	Retail Sales Workers	128	17	0.160
37-2000	Building Cleaning and Pest Control Workers	130	14	0.130
45-2000	Agricultural Workers	98	13	0.151
43-4000	Information and Record Clerks	107	13	0.133
11-9000	Other Management Occupations	136	10	0.075
35-2000	Cooks and Food Preparation Workers	66	8	0.147
35-9000	Other Food Preparation and Serving Related Workers	44	6	0.179
13-1000	Business Operations Specialists	88	6	0.091
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	85	6	0.073
43-9000	Other Office and Administrative Support Workers	49	5	0.114
13-2000	Financial Specialists	74	5	0.084
41-3000	Sales Representatives, Services	55	4	0.101
43-3000	Financial Clerks	39	4	0.107
49-9000	Other Installation, Maintenance, and Repair Occupations	49	4	0.097
39-9000	Other Personal Care and Service Workers	29	3	0.153
43-6000	Secretaries and Administrative Assistants	33	3	0.106
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	38	3	0.103
39-2000	Animal Care and Service Workers	27	3	0.133
51-9000	Other Production Occupations	47	3	0.118
41-9000	Other Sales and Related Workers	27	3	0.118
53-3000	Motor Vehicle Operators	28	2	0.111
11-1000	Top Executives	34	2	0.078
15-1100	Computer Occupations	34	2	0.064
29-1000	Health Diagnosing and Treating Practitioners	31	1	0.042

Data Source: EMSI

## EMPLOYMENT CONCENTRATION

Location Quotients for the Town of Middleburg's broad occupation categories demonstrate where the town has competitive advantages relative to other similarly sized geographies, based on national trends. The Town of Middleburg has notable concentrations in Farming, Fishing, and Forestry; Building and Grounds Cleaning and Maintenance; Management; and Food Preparation and Serving Related Occupations.

Table 38: Concentration of Employment, 2-SOC – Town of Middleburg (2019)

Concentration of Employment by Occupation - Town of Middleburg (2019)		
SOC	Description	Location Quotient
45-0000	Farming, Fishing, and Forestry Occupations	6.66
37-0000	Building and Grounds Cleaning and Maintenance Occupations	2.00
11-0000	Management Occupations	1.61
35-0000	Food Preparation and Serving Related Occupations	1.56
13-0000	Business and Financial Operations Occupations	1.42
23-0000	Legal Occupations	1.18
41-0000	Sales and Related Occupations	1.15
25-0000	Education, Training, and Library Occupations	1.06
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	1.00
43-0000	Office and Administrative Support Occupations	0.94
39-0000	Personal Care and Service Occupations	0.92
33-0000	Protective Service Occupations	0.87
17-0000	Architecture and Engineering Occupations	0.72
49-0000	Installation, Maintenance, and Repair Occupations	0.71
19-0000	Life, Physical, and Social Science Occupations	0.62
51-0000	Production Occupations	0.60
15-0000	Computer and Mathematical Occupations	0.59
21-0000	Community and Social Service Occupations	0.58
31-0000	Healthcare Support Occupations	0.48
53-0000	Transportation and Material Moving Occupations	0.42
29-0000	Healthcare Practitioners and Technical Occupations	0.37
47-0000	Construction and Extraction Occupations	0.34
55-0000	Military-only occupations	0.13

## REGIONAL COMPARISON OF TOP OCCUPATIONS

The following tables highlight the top 25 occupations in Loudoun County and the Washington D.C. MSA. By comparing geographic regions, we can see which occupation trends are more localized, regional, or state and/or nationwide. The following are highlights of the comparison analysis:

### LOUDOUN COUNTY

- ◆ Top occupations by number of 2019 jobs include Computer Occupations (13,294); Retail Sales Workers (11,765); Business Operations Specialists (9,021); and Food and Beverage Serving Workers (8,655).
- ◆ Occupations for which Loudoun County showed highest concentrations include Computer Occupations (2.53 LQ); Other Teachers and Instructors (1.88 LQ); and Grounds Maintenance Workers (1.77 LQ)

### WASHINGTON D.C. MSA

- Top occupations by number of 2019 jobs include Business Operations Specialists (247,724); Computer Occupations (219,469); Retail Sales Workers (164,173); and Food and Beverage Serving Workers (142,050).
- Occupations for which Washington D.C. MSA showed highest concentrations include Lawyers, Judges, and Related (2.69 LQ); Computer Occupations (2.24 LQ); and Business Operations Specialists (2.07 LQ).

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Table 39: Top 25 Occupations by Employment, 3-Digit SOC – Loudoun County (2019)

Top 25 Occupations by Employment - Loudoun County (2019)							
SOC	Description	2009 Jobs	2019 Jobs	2009 - 2019 Change	2009 - 2019 % Change	2019 Location Quotient	Avg. Hourly Earnings
15-1100	Computer Occupations	8,911	13,294	4,383	49%	2.53	\$50.65
41-2000	Retail Sales Workers	10,075	11,765	1,690	17%	1.15	\$11.68
13-1000	Business Operations Specialists	6,069	9,021	2,952	49%	1.41	\$45.28
35-3000	Food and Beverage Serving Workers	5,410	8,655	3,245	60%	0.97	\$11.23
47-2000	Construction Trades Workers	7,117	8,602	1,485	21%	1.26	\$22.25
43-4000	Information and Record Clerks	6,199	6,900	701	11%	1.00	\$17.61
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	4,913	5,889	976	20%	1.19	\$33.51
53-3000	Motor Vehicle Operators	3,865	5,414	1,549	40%	1.00	\$19.46
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	4,745	5,068	323	7%	1.04	\$18.31
49-9000	Other Installation, Maintenance, and Repair Occupations	3,817	4,600	783	21%	1.20	\$26.63
37-2000	Building Cleaning and Pest Control Workers	3,584	4,541	957	27%	0.94	\$14.47
39-9000	Other Personal Care and Service Workers	2,796	4,420	1,624	58%	0.81	\$14.04
11-9000	Other Management Occupations	2,939	4,174	1,235	42%	0.92	\$50.17
43-9000	Other Office and Administrative Support Workers	3,348	4,060	712	21%	0.80	\$19.43
35-2000	Cooks and Food Preparation Workers	2,751	3,977	1,226	45%	1.04	\$12.54
29-1000	Health Diagnosing and Treating Practitioners	2,611	3,805	1,194	46%	0.58	\$54.40
41-3000	Sales Representatives, Services	2,372	3,508	1,136	48%	1.13	\$39.69
53-7000	Material Moving Workers	2,641	3,385	744	28%	0.57	\$17.60
11-1000	Top Executives	2,239	3,313	1,074	48%	1.06	\$80.11
13-2000	Financial Specialists	2,259	3,183	924	41%	0.92	\$43.37
25-3000	Other Teachers and Instructors	1,651	3,177	1,526	92%	1.88	\$18.08
37-3000	Grounds Maintenance Workers	2,376	2,868	492	21%	1.77	\$16.51
43-6000	Secretaries and Administrative Assistants	2,667	2,734	67	3%	0.60	\$24.16
17-2000	Engineers	1,894	2,667	773	41%	1.28	\$53.94
43-3000	Financial Clerks	2,481	2,496	15	1%	0.68	\$21.72

Data Source: EMSI

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Table 40: Top 25 Occupations by Employment, 3-Digit SOC – Washington D.C. MSA (2019)

Top 25 Occupations by Employment - Washington DC MSA (2019)							
SOC	Description	2009 Jobs	2019 Jobs	2009 - 2019 Change	2009 - 2019 % Change	2019 Location Quotient	Avg. Hourly Earnings
13-1000	Business Operations Specialists	215,423	247,724	32,301	15%	2.07	\$46.68
15-1100	Computer Occupations	189,706	219,469	29,763	16%	2.24	\$52.05
41-2000	Retail Sales Workers	156,764	164,173	7,409	5%	0.86	\$13.41
35-3000	Food and Beverage Serving Workers	110,998	142,050	31,052	28%	0.86	\$13.59
11-9000	Other Management Occupations	89,950	112,432	22,482	25%	1.32	\$58.16
43-4000	Information and Record Clerks	114,079	110,751	(3,328)	(3%)	0.86	\$19.57
29-1000	Health Diagnosing and Treating Practitioners	87,072	107,392	20,320	23%	0.88	\$56.97
47-2000	Construction Trades Workers	103,571	104,341	770	1%	0.82	\$23.01
37-2000	Building Cleaning and Pest Control Workers	96,447	98,936	2,489	3%	1.10	\$15.17
25-2000	Preschool, Primary, Secondary, and Special Education School Teachers	91,433	92,526	1,093	1%	1.00	\$34.85
13-2000	Financial Specialists	81,610	89,525	7,915	10%	1.38	\$46.54
39-9000	Other Personal Care and Service Workers	64,483	87,313	22,830	35%	0.86	\$15.11
43-6000	Secretaries and Administrative Assistants	96,125	82,567	(13,558)	(14%)	0.98	\$25.37
11-1000	Top Executives	62,055	79,860	17,805	29%	1.37	\$76.60
43-9000	Other Office and Administrative Support Workers	84,205	79,182	(5,023)	(6%)	0.83	\$20.59
53-3000	Motor Vehicle Operators	58,909	75,720	16,811	29%	0.75	\$19.78
35-2000	Cooks and Food Preparation Workers	56,177	66,987	10,810	19%	0.94	\$14.24
43-5000	Material Recording, Scheduling, Dispatching, and Distributing Workers	66,233	65,818	(415)	(1%)	0.73	\$18.36
11-3000	Operations Specialties Managers	47,480	61,187	13,707	29%	1.42	\$77.94
49-9000	Other Installation, Maintenance, and Repair Occupations	57,094	58,643	1,549	3%	0.82	\$25.34
41-3000	Sales Representatives, Services	40,801	56,027	15,226	37%	0.97	\$38.31
29-2000	Health Technologists and Technicians	44,596	52,883	8,287	19%	0.76	\$26.82
23-1000	Lawyers, Judges, and Related Workers	49,651	51,748	2,097	4%	2.69	\$87.49
33-9000	Other Protective Service Workers	45,531	51,662	6,131	13%	1.43	\$21.32
43-3000	Financial Clerks	62,079	50,293	(11,786)	(19%)	0.73	\$23.51

Data Source: EMSI

## JOB POSTINGS

Looking at skills that are frequently listed as required in job postings for the Town of Middleburg, almost 70% of job postings mention a requirement for common skills such as communications, customer service, management, a valid driver's license, or sales. Additionally, hard skills such as visual acuity, restaurant operation, and accounting are mentioned frequently in job postings.

Table 41: In Demand Job Skills

Top 10 In-Demand Skills listed in Middleburg Job Postings	
Skill	Frequency in Job Postings
<b>Common Skills</b>	
Communications	15%
Customer Service	14%
Management	14%
Valid Driver's License	13%
Sales	12%
Writing	7%
Operations	7%
Leadership	7%
Computer Literacy	7%
Presentations	5%
<b>Hard Skills</b>	
Visual Acuity	6%
Restaurant Operation	6%
Accounting	4%
Selling Techniques	3%
Merchandising	3%
Marketing Strategies	3%
Auditing	3%
Marketing Planning	3%
Food Services	2%
Home Care	2%

Source: EMSI

# TOURISM INDUSTRY ANALYSIS



## REGIONAL TOURISM INDUSTRY ANALYSIS

The tables below analyze tourism related industry data pertaining to the Town of Middleburg, Loudoun County, and Fauquier County for 2019 and 2029. Each geography is projected to experience overall job growth in these industries, with the Town of Middleburg forecasted to grow by 16%, Loudoun County forecasted to grow by 18%, and Fauquier County forecasted to grow by 7% over the next ten years.

The following are additional highlights of the comparison analysis:

### Town of Middleburg

- ◆ Top industries by number of 2019 jobs include Hotels (except Casino Hotels) and Motels (382); Wineries (151); and Bed-and-Breakfast Inns (55).
- ◆ Industries that are forecasted to add the highest number of jobs over the next ten years include wineries (53); Hotels (except Casino Hotels) and Motels (35); and Bed and Breakfast Inns (8).

### Loudoun County

- ◆ Top industries by number of 2019 jobs include Hotels (except Casino Hotels) and Motels (1,993); Wineries (669); and Golf Courses and Country Clubs (614).
- ◆ Industries that are forecasted to add the highest number of jobs over the next ten years include wineries (236); Hotels (except Casino Hotels) and Motels (181); and passenger car rental (139).

### Fauquier County

- ◆ Top industries by number of 2019 jobs include Hotels (except Casino Hotels) and Motels (317); Wineries (221); and All Other Miscellaneous Store Retailers (except Tobacco Stores) (41).
- ◆ Industries that are forecasted to add the highest number of jobs over the next ten years include Wineries (39); Distilleries (20); and Amusement and Theme Parks (10).

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Table 42: Tourism Industries by Employment , 6-Digit NAICS – Town of Middleburg (2019-2029)

Tourism Related Industries - Town of Middleburg (2019-2029)							
NAICS	Description	2019 Jobs	2029 Jobs	2019 - 2029 Change	2019 - 2029 % Change	2018 Total Sales	Avg. Earnings Per Job
721110	Hotels (except Casino Hotels) and Motels	382	417	35	9%	\$50,335,920	\$38,321
312130	Wineries	151	204	53	35%	\$17,368,678	\$24,875
721191	Bed-and-Breakfast Inns	55	63	8	15%	\$8,762,392	\$35,965
114210	Hunting and Trapping	<10	<10	Insf. Data	Insf. Data	\$84,403	Insf. Data
711320	Promoters of Performing Arts, Sports, and Similar Events without Facilities	<10	<10	Insf. Data	Insf. Data	\$1,009,139	Insf. Data
712120	Historical Sites	<10	<10	Insf. Data	Insf. Data	\$86,900	Insf. Data
312120	Breweries	0	0	0	0%	\$0	\$0
312140	Distilleries	0	0	0	0%	\$0	\$0
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores)	0	0	0	0%	\$0	\$0
487110	Scenic and Sightseeing Transportation, Land	0	0	0	0%	\$0	\$0
487210	Scenic and Sightseeing Transportation, Water	0	0	0	0%	\$0	\$0
487990	Scenic and Sightseeing Transportation, Other	0	0	0	0%	\$0	\$0
532111	Passenger Car Rental	0	0	0	0%	\$0	\$0
532112	Passenger Car Leasing	0	0	0	0%	\$0	\$0
532120	Truck, Utility Trailer, and RV (Recreational Vehicle) Rental and Leasing	0	0	0	0%	\$0	\$0
711110	Theater Companies and Dinner Theaters	0	0	0	0%	\$0	\$0
711219	Other Spectator Sports	0	0	0	0%	\$0	\$0
711310	Promoters of Performing Arts, Sports, and Similar Events with Facilities	0	0	0	0%	\$0	\$0
712110	Museums	0	0	0	0%	\$0	\$0
713110	Amusement and Theme Parks	0	0	0	0%	\$0	\$0
713210	Casinos (except Casino Hotels)	0	0	0	0	\$0	0
713910	Golf Courses and Country Clubs	0	0	0	0	\$0	0
721120	Casino Hotels	0	0	0	0%	\$0	\$0
721199	All Other Traveler Accommodation	0	0	0	0%	\$0	\$0
721211	RV (Recreational Vehicle) Parks and Campgrounds	0	0	0	0	\$0	0
	Total	595	690	95	16%	\$77,779,706	\$35,040

Source: EMSI

## CAMOIN 310

Table 43: Tourism Industries by Employment , 6-Digit NAICS – Loudoun County (2019-2029)

Tourism Related Industries - Loudoun County (2019-2029)							
NAICS	Description	2019 Jobs	2029 Jobs	2019 - 2029 Change	2019 - 2029 % Change	2018 Total Sales	Avg. Earnings Per Job
721110	Hotels (except Casino Hotels) and Motels	1,993	2,174	181	9%	\$262,242,299	\$38,324
312130	Wineries	669	905	236	35%	\$77,026,618	\$24,857
713910	Golf Courses and Country Clubs	614	676	62	10%	\$46,913,930	\$32,053
532111	Passenger Car Rental	568	707	139	24%	\$148,489,226	\$51,256
312120	Breweries	224	322	98	44%	\$82,891,016	\$31,437
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores)	125	154	29	23%	\$26,815,710	\$34,131
713110	Amusement and Theme Parks	101	165	64	63%	\$5,936,969	\$21,500
721191	Bed-and-Breakfast Inns	62	71	9	15%	\$9,866,547	\$35,999
711219	Other Spectator Sports	61	55	(6)	(10%)	\$9,087,549	\$24,215
712120	Historical Sites	41	45	4	10%	\$1,784,773	\$35,222
711320	Promoters of Performing Arts, Sports, and Similar Events without Facilities	31	36	5	16%	\$9,815,911	\$107,357
532120	Truck, Utility Trailer, and RV (Recreational Vehicle) Rental and Leasing	17	11	(6)	(35%)	\$6,227,126	\$74,463
312140	Distilleries	11	<10	Insf. Data	Insf. Data	\$7,958,924	\$69,726
711110	Theater Companies and Dinner Theaters	11	14	3	27%	\$1,569,339	\$23,571
114210	Hunting and Trapping	<10	<10	Insf. Data	Insf. Data	\$121,623	Insf. Data
487110	Scenic and Sightseeing Transportation, Land	<10	<10	Insf. Data	Insf. Data	\$364,718	Insf. Data
487210	Scenic and Sightseeing Transportation, Water	<10	<10	Insf. Data	Insf. Data	\$292,245	Insf. Data
711310	Promoters of Performing Arts, Sports, and Similar Events with Facilities	<10	<10	Insf. Data	Insf. Data	\$1,699,964	Insf. Data
712110	Museums	<10	<10	Insf. Data	Insf. Data	\$469,364	Insf. Data
721199	All Other Traveler Accommodation	<10	<10	Insf. Data	Insf. Data	\$530,108	Insf. Data
487990	Scenic and Sightseeing Transportation, Other	0	0	0	0%	\$0	\$0
532112	Passenger Car Leasing	0	0	0	0%	\$0	\$0
713210	Casinos (except Casino Hotels)	0	0	0	0%	\$0	\$0
721120	Casino Hotels	0	0	0	0%	\$0	\$0
721211	RV (Recreational Vehicle) Parks and Campgrounds	0	0	0	0%	\$0	\$0
	Total	4,545	5,353	808	18%	\$700,171,601	\$36,751

Source: EMSI

## CAMOIN 310

Table 44: Tourism Industries by Employment , 6-Digit NAICS – Fauquier County (2019-2029)

Tourism Related Industries - Fauquier County (2019-2029)							
NAICS	Description	2019 Jobs	2029 Jobs	2019 - 2029 Change	2019 - 2029 % Change	2018 Total Sales	Avg. Earnings Per Job
721110	Hotels (except Casino Hotels) and Motels	317	285	(32)	(10%)	\$33,540,653	\$29,017
312130	Wineries	221	260	39	18%	\$31,255,362	\$23,982
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores)	41	50	9	22%	\$8,898,375	\$31,475
711219	Other Spectator Sports	38	28	(10)	(26%)	\$6,031,024	\$35,821
312140	Distilleries	35	55	20	57%	\$10,267,651	\$23,766
312120	Breweries	26	32	6	23%	\$21,912,993	\$46,111
532111	Passenger Car Rental	12	11	(1)	(8%)	\$5,669,923	\$36,178
713110	Amusement and Theme Parks	10	20	10	100%	\$1,653,049	\$68,088
114210	Hunting and Trapping	<10	<10	Insf. Data	Insf. Data	\$380,835	Insf. Data
487210	Scenic and Sightseeing Transportation, Water	<10	<10	Insf. Data	Insf. Data	\$28,323	Insf. Data
532120	Truck, Utility Trailer, and RV (Recreational Vehicle) Rental and Leasing	<10	12	Insf. Data	Insf. Data	\$4,014,779	Insf. Data
711110	Theater Companies and Dinner Theaters	<10	<10	Insf. Data	Insf. Data	\$206,367	Insf. Data
711310	Promoters of Performing Arts, Sports, and Similar Events with Facilities	<10	<10	Insf. Data	Insf. Data	\$803,659	Insf. Data
711320	Promoters of Performing Arts, Sports, and Similar Events without Facilities	<10	<10	Insf. Data	Insf. Data	\$632,607	Insf. Data
712110	Museums	<10	<10	Insf. Data	Insf. Data	\$194,392	Insf. Data
712120	Historical Sites	<10	<10	Insf. Data	Insf. Data	\$254,385	Insf. Data
713910	Golf Courses and Country Clubs	<10	<10	Insf. Data	Insf. Data	\$393,737	Insf. Data
721191	Bed-and-Breakfast Inns	<10	<10	Insf. Data	Insf. Data	\$203,916	Insf. Data
487110	Scenic and Sightseeing Transportation, Land	0	0	0	0%	\$0	\$0
487990	Scenic and Sightseeing Transportation, Other	0	0	0	0%	\$0	\$0
532112	Passenger Car Leasing	0	0	0	0%	\$0	\$0
713210	Casinos (except Casino Hotels)	0	0	0	0%	\$0	\$0
721120	Casino Hotels	0	0	0	0%	\$0	\$0
721199	All Other Traveler Accommodation	0	0	0	0%	\$0	\$0
721211	RV (Recreational Vehicle) Parks and Campgrounds	0	0	0	0%	\$0	\$0
	Total	729	780	51	7%	\$126,342,031	\$29,386

Source: EMSI

## VIRGINIA TOURISM CORPORATION ECONOMIC IMPACT SUMMARY

### Economic Impact of Travel and Tourism

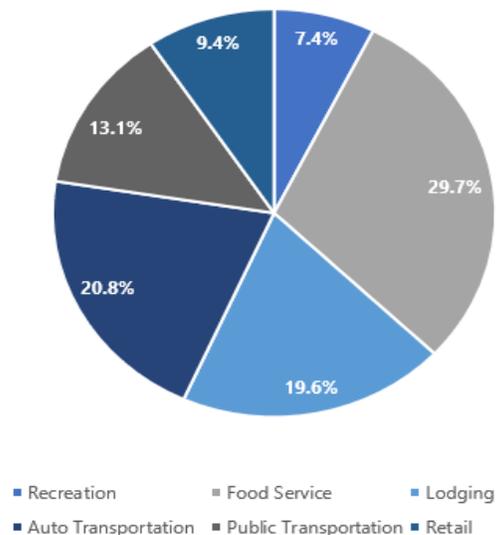
In 2018, the Virginia tourism industry is estimated to have generated \$25.8 billion in domestic travel spending across Virginia communities. Domestic expenditures represent the direct spending by domestic travelers including food, accommodations, auto transportation, public transportation, incidental purchases, entertainment / recreation and travel generated tax receipts. In addition, the industry supported 235,000 work opportunities; generated \$6.1 billion in personal income and salaries; and generated \$1.8 billion in state and local taxes for the commonwealth. Since 2017, domestic travel expenditures have increased by just over 30%, growing from \$17.7 billion in 2009<sup>11</sup> to \$25.8 billion in 2018.

Looking at domestic travelers spending in Loudoun and Fauquier Counties, estimated expenditures related to tourism have grown by 4.4% in Loudoun County since 2014, growing from \$1.59 billion in 2014 to \$1.84 billion in 2018<sup>12</sup>.

Estimated expenditures in Fauquier County have increased by just under 1% since 2014, growing from \$162.3 million in 2014 to \$185 million in 2018<sup>13</sup>.

Figure 19: Virginia Domestic Travel Expenditures by Sector (2018)

2018 Virginia Domestic Travel Expenditures by Sector



Source: Virginia Tourism Corporation

### Virginia Economic Impact of Travel Profiles

Each year the Virginia Tourism Corporation releases profiles targeted at giving readers a better understanding of various consumer and demographic trends when it comes to specific travel or tourism parties in the Commonwealth of Virginia. In this case, profiles are based upon data collected monthly by TNSTravelTrakAmerica (formerly known as TNS, TravelsAmerica) survey beginning from July 2017 to July 2018. TNSTravelTrakAmerica uses a nationally representative sample from the TNSTravelTrakAmerica 6th dimension USA Panel, described by TNS-TravelTrakAmerica as America's highest quality, most expertly managed online access panel. Each month, TNS-TravelTrakAmerica conducts over 10,000 Internet-based interviews among participants who have traveled more than 50 miles from their homes (excluding commuters) in the past 12 months.

From this sample, data from 5,000-6,000 participants that had traveled in the previous month is collected for greater detail at the state level. Annually, this results in approximately 65,000 completed interviews among past month travelers. Participants are able to provide details on up to 3 trips taken in the past month and specific state-level data is collected for up to 3 states visited on each trip. The 2018 TNS-TravelTrakAmerica data was collected on 2,487 household-trips taken to Virginia from July 2017 to July 2018. A household trip is defined as household trips that

<sup>11</sup> Virginia Tourism Corporation

<sup>12</sup> Virginia Tourism Corporation

<sup>13</sup> Virginia Tourism Corporation

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are 50+ miles, one-way, away from home including day trips or with one or more nights to Virginia taken by one or more members of the same household<sup>14</sup>.

The following sections summarize traveler profiles which can be used in future targeted tourism attraction efforts by the Town of Middleburg:

**VIRGINIA DAY TRAVEL PARTY PROFILE**

The average day travel party size was 2.3 people, while the average traveler age was 48 years old.

The top purpose of daytime travel trips included visiting friends/relatives (35%), entertainment/sightseeing (18%), other pleasure/personal trips (12%), and outdoor recreation (9%).

Top activities by travelers included shopping (21%), visiting relatives (17%), rural sightseeing (8%), and visiting friends (8%).

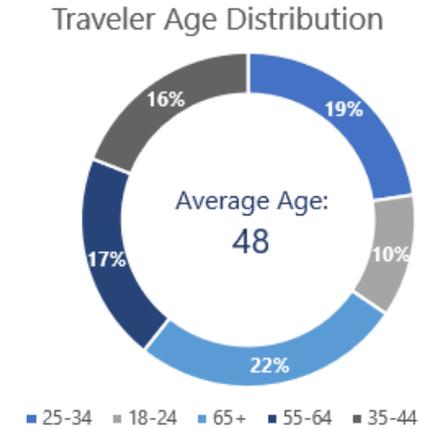
Most travel occurred in the months of March (16%), December (12%), May (10%), November (8%), and April (8%).

Average travel-party spending in Virginia was \$104 per trip. A little over 60% of travel parties spent between \$1 and \$100 dollars per trip, followed by 25% of travel parties spending between \$250 to \$500 per trip.

Looking at travel party origin by state, 90% of travel parties originated in either Virginia (64%); Maryland (10%); North Carolina (9%); or West Virginia (7%).

Looking more granularly at the travel party origin by designated market area, just over 70% of travel parties originated in either Washington, D.C. (30%); Norfolk-Portsmouth-Newport News (16%); Richmond Petersburg (14%); and Roanoke-Lynchburg (12%). Note that a designated market area (DMA), also referred to as a media market, is a region of the United States that is used to define television and radio markets. There are 210 DMAs covering the whole United States and are usually defined based on metropolitan areas, with suburbs often being combined within.

Figure 20: Virginia Day Travel Party Profile - Traveler Age Distribution



Source: Virginia Tourism Corporation

Table 45: Day Travel Party Origin

Day Travel Party Origin by State	
State	Percentage
Virginia	64%
Maryland	10%
North Carolina	9%
West Virginia	7%
Washington DC	3%
Pennsylvania	2%
South Carolina	2%
Georgia	1%
Tennessee	1%
Kentucky	1%

Source: Virginia Tourism Corporation

**VIRGINIA LIBATIONS TRAVEL-PARTY PROFILE**

<sup>14</sup> Virginia Development Corporation

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The Town of Middleburg is located in proximity to a number of different wineries and vineyards and is immediately adjacent to what 'Visit Loudoun' refers to as the Mosby Cluster of vineyards located on the Loudoun County Wine Trail (Loudoun County is considered by some as "Washington D.C.'s Wine Country"). The Town of Middleburg is located within a 45-minute drive of the Loudoun County Wine Trail's 41 wineries and vineyards. Given its proximity to the wine trail, forecasted growth in the wine production industry, and recent openings of new cideries and a brewery in and around Middleburg, there may be ample opportunities for the town to benefit from related jobs and consumer spending.



Looking specifically at the Libations Travel-Party Profile, the average travel party size was 2.5 people, while the average traveler age was 44 years old. The average nights per trip was 3.6.

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When planning trips, a majority of travel parties used either word-of-mouth information from friends and relatives (34%), search engine-based research (30%), corporate travel tools (16%), Facebook (16%), or a traditional travel agency website (15%).

The top purpose of libation specific travel trips included visiting friends/relatives (50%), entertainment/sightseeing (19%), and other pleasure/personal trips (12%).

Top activities by travelers included going to craft breweries (58%), going on a winery tour/wine tasting (55%), shopping (31%), and visiting friends (30%).

Most travel occurred in June (14%), April (13%), October (11%), and November (11%).

Average travel-party spending was \$1,065 per trip. A majority (30%) of travel parties spent more than \$1,000 per trip, followed by 24% of travel parties spending between \$250 to \$500 per trip.

Looking at travel party origin by state, a majority of travel parties originated in either Virginia (30%), New York (8%), North Carolina (7%), or Pennsylvania (6%).

Looking more granularly at the travel party origin by designated market area, a little over 50% of travel parties originated in either Washington, D.C. (30%), Richmond Petersburg (12%), New York (8%), or Norfolk-Portsmouth-Newport News (5%).

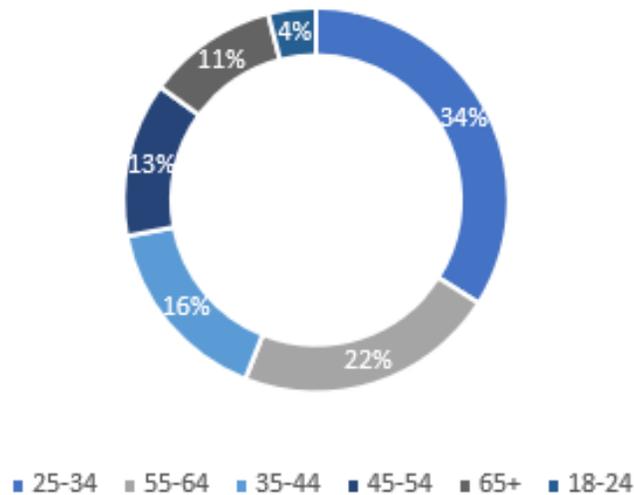
Table 46: Libations Travel Party Origin

Libations Travel Party Origin by State	
State	
Virginia	30%
New York	8%
Maryland	8%
North Carolina	7%
Pennsylvania	6%
Michigan	4%
Texas	4%
New Jersey	4%
Florida	3%
California	3%

Source: Virginia Tourism Corporation

Figure 22: Libations Traveler Age Distribution

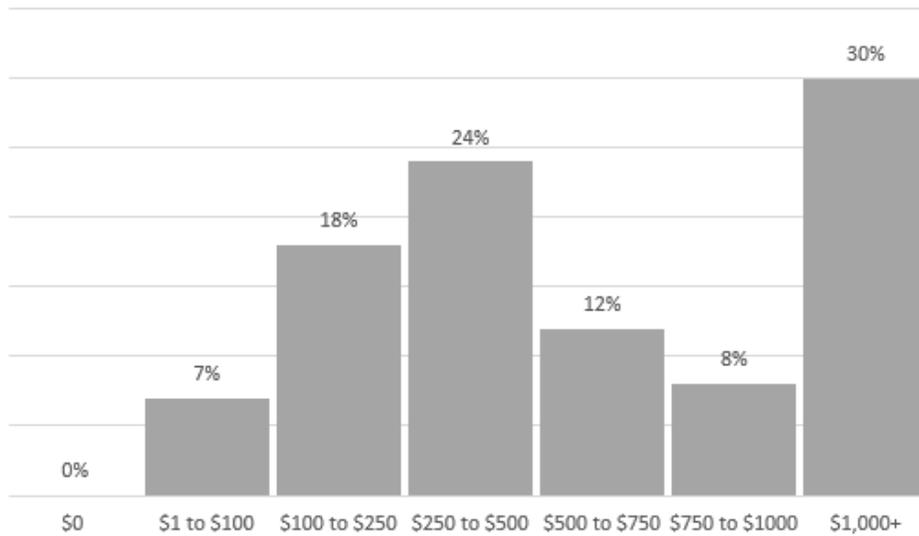
Traveler Age Distribution



Source: Virginia Tourism Corporation

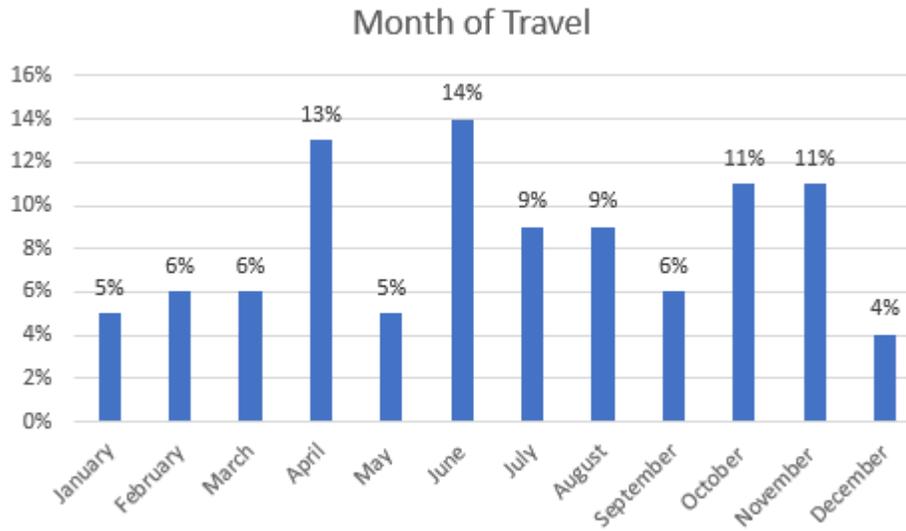
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Figure 23: Libations Travel Party Spending  
Travel Party Spending



Source: Virginia Tourism Corporation

Figure 24: Libations Travel Party Trips by Month  
Month of Travel



Source: Virginia Tourism Corporation

**VIRGINIA OVERNIGHT TRAVEL-PARTY PROFILE**

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Tourism is a notable portion of Middleburg’s economy. Understanding the origin of visitors, their motivations for traveling, and their typical spending habits can help Middleburg develop strategies for bolstering their tourism economy.

On average, overnight travel party sizes consisted of 2.7 people, and the average traveler was 47 years old. The average length of stay was 2.8 nights. The top purpose of trips included visiting friends/relatives (51%), entertainment/sightseeing (15%), other personal/pleasure activities (12%), and business (10%). Top Activities by travel parties included visiting relatives (28%), shopping (22%), visiting friends (15%), fine dining (14%), rural sightseeing (13%), historic site and church sightseeing (13%), and visiting museums (12%).

Most travel occurred in the months of June (13%), July (11%), August (9%), November (9%), and December (9%).

Overnight travel parties spent \$646 per trip, with almost 60% of travel parties spending between \$1 and \$500 per trip, and 18% spending more than \$1,000 per trip.

Looking at travel parties by state of origin, 50% of parties originated in either Virginia (25%), North Carolina (9%), Maryland (8%), or Pennsylvania (8%).

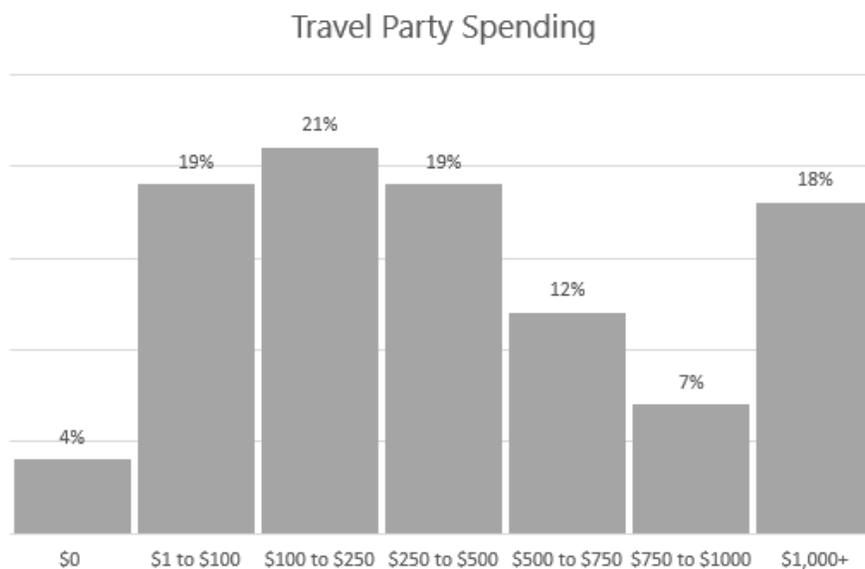
Looking more granularly at travel party origin by designated market area, just under 50% of travel parties originated in either Washington D.C. (14%), New York (6%), Philadelphia (6%), Richmond-Petersburg (6%), Norfolk-Portsmouth-Newport News (5%), or Baltimore (4%).

Table 47: Overnight Travel Party Origin

Overnight Travel Party Origin by State	
State	
Virginia	25%
North Carolina	9%
Maryland	8%
Pennsylvania	8%
New York	6%
Florida	5%
New Jersey	4%
West Virginia	4%
Georgia	3%
Ohio	3%

Source: Virginia Tourism Corporation

Figure 25: Overnight Travel Party Spending Thresholds



Source: Virginia Tourism Corporation

# ATTACHMENT A: COMMUNITY MEETING NOTES

## Notes from February 2020 Community Meeting

- Goal for Town should be revenue stability with certain amount of growth
- Retail voids that would be desirable:
  - o Interactive kids' experiences
  - o Motorcycle accessory shop
  - o Place for social/networking interaction for entrepreneurs and home-based businesses
  - o Pharmacy!
  - o Barbershop
  - o Bob says town needs suds/drugs/studs (for men, car wash and pharmacy). Half-joking??
  - o Joint-venture Wine Bar (this was really popular). Discussion focused on having the 3 wineries come together for a wine bar downtown that helps open up nightly traffic and helps wineries sell their products. Reston Town Center has something similar. Richmond also has a Wine Bar concept with do-it-yourself top-shelf wine pours.
- Promote history, walkability
- Need to "Amazon-proof" our businesses, do that with experience people/place-emersion
- Need to think how to pull nature into the concept of a town that values "sustainability" and products and feel of that
- Have summer food event: with food trucks
- Think farm-to-table (apparently Marshal has this cornered)
- Open restaurants on Mondays. Businesses say it is one of their strongest sales days and yet restaurants are closed. Makes no sense.
- Bikes—should be trails and encourage town as destination for outdoor pedal activity
- Year-round Farmers Market. Use Legion Hall.
- Digital directory on streets—wayfinding

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## "Money" Exercises

Greatest Economic Benefit to Town? Where should focus be?	Group 1	Group 2	Group 3	Group 4	Totals
Families	10	15	13	13	51 34%
Business Travelers	15	13	0	16	44 29%
Day Trippers	15	12	22	6	55 37%
	40	40	35	35	150

Where should public resources be directed?	Group 1	Group 2	Group 3	Group 4	Totals
Marketing	21	18	18	24	81 57%
Workforce Recruitment	13	17	7	4	41 29%
Streetscaping Improvements	3	0	10	7	20 14%
	37	35	35	35	142

What investment would have greatest impact on business?	Group 1	Group 2	Group 3	Group 4	Totals
More parking	10	0	16	21	47 34%
More flexible building signage	5	12	7	0	24 17%
Penalties for empty storefronts	20	23	12	13	68 49%
	35	35	35	34	139

# ATTACHMENT B: DATA SOURCES

## PROPRIETARY DATA SOURCES

### **ECONOMIC MODELING SPECIALISTS INTERNATIONAL (EMSI)**

To analyze the industrial makeup of a study area, industry data organized by the North American Industrial Classification System (NAICS) is assessed. Camoin Associates subscribes to Economic Modeling Specialists Intl. (EMSI), a proprietary data provider that aggregates economic data from approximately 90 sources. EMSI industry data, in our experience, is more complete than most or perhaps all local data sources (for more information on EMSI, please see [www.economicmodeling.com](http://www.economicmodeling.com)). This is because local data sources typically miss significant employment counts by industry because data on sole proprietorships and contractual employment (i.e. 1099 contractor positions) is not included and because certain employment counts are suppressed from BLS/BEA figures for confidentiality reasons when too few establishments exist within a single NAICS code.

### **ESRI BUSINESS ANALYST ONLINE (BAO)**

ESRI is the leading provider of location-driven market insights. It combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. ESRI uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fit their community. For more information, visit [www.esri.com](http://www.esri.com).

## PUBLIC DATA SOURCES

### **AMERICAN COMMUNITY SURVEY (ACS), U.S. CENSUS**

The American Community Survey (ACS) is an ongoing statistical survey by the U.S. Census Bureau that gathers demographic and socioeconomic information on age, sex, race, family and relationships, income and benefits, health insurance, education, veteran status, disabilities, commute patterns, and other topics. The survey is mandatory to fill out, but the survey is only sent to a small sample of the population on a rotating basis. The survey is crucial to major planning decisions, like vital services and infrastructure investments, made by municipalities and cities. The questions on the ACS are different than those asked on the decennial census and provide ongoing demographic updates of the nation down to the block group level. For more information on the ACS, visit <http://www.census.gov/programs-surveys/acs/>

### **ONTHEMAP, U.S. CENSUS**

OnTheMap is a tool developed through the U.S. Census Longitudinal Employer-Household Dynamics (LEHD) program that helps to visualize Local Employment Dynamics (LED) data about where workers are employed and where they live. There are also visual mapping capabilities for data on age, earnings, industry distributions, race, ethnicity, educational attainment, and sex. The OnTheMap tool can be found here, along with links to documentation: <http://onthemap.ces.census.gov/>



# Leading action to grow your economy

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