

Focus Group Report

Agriculture

October 24, 2002

The Horizon Project

Focus for this group

- Agriculture: How to keep and enhance farming as a significant part of the Elkhart County economy. How much farmland do we want to preserve and in what parts of the county? Are there new crops or new industries to develop?

Composition

- This group included three farmers and two agricultural extension agents.

Vision for the future

- **Environmental preservation:** We need clean growth and clean agriculture.
- **Occupational diversification:** neighbor becoming a nurse; a lot of farm wives going back to work. Some farmers sell seed on the side or do equipment repair. For a lot of people farming is a part-time job; less than half are full-time.
- **No vision for a future in agriculture:** “I want you to tell me [about a vision for the future]. . . Tell me what to do. . . I am getting worried. Our farm has been in the family since 1870. My aunts and uncles want it to stay in the family, but it is tempting to subdivide the farm for residential development. I have a nine-year-old son who loves to farm. I am losing rented land all the time when land is sold for development. Not too many farmers are expanding.”
- **Total development of the county:** we are going to develop all of Elkhart County. Will it look like Marion County and all the stoplights of Kokomo? Eight farming neighbors recently moved to Minnesota for dairy farming.

Improvement strategies for the agriculture industry

- **Product differentiation:** the quality of food is on people’s minds. There is a black market for raw milk in our area.
- **Innovation:** We need to transport an ag business and people here to demonstrate new possibilities.
- **Organic market:** Some talk about the organic market. Beth Neff has an organic growers group. There is a fantastic market for farmers who can make it through the transition. An elevator in Illinois reported a 30% growth in the organic grain market. He can’t find enough growers. It takes three years with no chemicals to qualify as an organic producer. Then it is a risky crop. They cannot meet the demand for organic products in the Chicago area.
- **Tourism factor:** Pasteurize milk on the farm as a tourist attraction. Sell it and deliver the old fashioned way.

- **Crop diversification:** Auto parts manufacturer is using Kenaf paper products. Kenaf may need a warmer climate than what we have in northern Indiana.
- **Vegetables:** Old-order Mennonites are raising vegetables and produce – Clear Spring Action Group and a Wakarusa group. Clear Spring is very people-oriented. The Wakarusa group focused on making money. Grocery stores will buy from Clear Spring in Emma because of their consistent high quality.
- **Vertical integration:** farmers could buy the Burger Dairy plant and have an expanded role in adding value to basic products.
- **Forward integration into retail:** examples like Bullard Farms – meet the customers. Not all farmers have the skills and personality to do that.
- **New markets:** we need more exports and a government that supports us.
- **Keep farming or sell for housing:** economic efficiency and being able to make an income are the critical factors when farmers decide whether to keep farming or sell their land for development.
- **Reduce cost of inputs:** Illinois and Iowa farms are forming coops where they can buy agricultural inputs cheaper.
- **Farming moratorium:** farmers throughout the country could refuse to grow grain for a year to demonstrate how dependant the country is on farmers. Right now we are at the mercy of what will be given to us in terms of prices for farm products.

Improvement strategies for land-use planning

- **Agricultural zones:** Some agricultural zones have been expanded. This offers some protection from the litigators. Farming districts and TIF districts have been started. A number of things have worked out. The Farm Bureau took on implementation responsibilities.
- **Financial incentives:** We have a future in farming if the community want us here. They will have incent us, like they incent other businesses. How important is agriculture to our quality of life? Muncie, Lafayette, Ft. Wayne, Evansville are doing better with attracting white-collar jobs. They are probably using some economic incentive tools. Agricultural protective zoning could be used. Use TIF districts to fund agriculture. Use economic development money to buy out development rights. TIF districts could funnel economic development dollars to farmers – in small amounts.
- **Land use issues:** we are still in dialogue about the three-acre rule for residential development.
- **Development standards:** If land is zoned A-1 for agricultural use, then residential development would have to go in using a Planned Unit Development (PUD) structure. Another approach would be to establish minimum lot size in relation to septic needs.
- **Farmland preservation:** The community has said that it wants to preserve farmland, but the county commissioners say we do not want to stop growth. If we protect the ag community, development will suffer.
- **Public policies:** we have a progressive developer who sits on the state land-use board. He says, “I have to vote for those whom I represent: the home builders.” Elected officials need to take the risk and the rest of us need to compromise on land-use policies.

- **Public policy agenda:** Farmland preservation is not a real issue to commissioners Phil Stiver and Phil Neff. There needs to be more talk about open space and green space. We need to preserve the agribusiness base of the community.
- **Development economics:** there are lower infrastructure costs when residential development is concentrated rather than spread out.
- **Alliance with tourism:** Tourism and ag could be allies on some issues. Do the tourism people want green-space along the roads?

Perceptions of Elkhart County

Strengths

- **Amish:** They are adapting to changing economic conditions; they purchase farms and divide them; they need to have a barn for horses; they have an independent lifestyle; there are Amish subdivisions; one Amish milks 150 cows; others are up to 70 cows.
- **Manufacturing tradition:** we are great at building stuff in Elkhart County.
- **We have quality of life with the natural environment.**
- **We have a swine producers coop here.**
- **1991 strategic planning for the county:** Elected officials get along much better now than they did then. They meet several times a year to talk about common needs. Chambers did not get along at that time; they started a data bank of land for development; there is some talk about having one chamber. The one-stop human services approach did not get started.

Weaknesses

- **State regulations:** Indiana is not friendly to on-farm processing. Pennsylvania is much more open to that. Regulation needs to be farmer-friendly.
- **Independent thinking:** each farm is an individual business; all farmers will never come to one way of thinking; farmers can be really stubborn.
- **Leadership in county government:** one county commissioner admitted that he is not a visionary person – he solves the day-to-day problems. The county commissioners are not a visionary group. Everyone is worried about the next election. We are closer today to doing something than 10 years ago, but no one hurts enough to push to make a decision. The homebuilders are getting worried; they do not want to see any restrictions.

Opportunities

- **See section on strategies**

Threats

- **No opportunities in farming:** “We have two grandsons out in the field right now. They love farming. I encourage my sons to get four-year degrees at Purdue to give them options in addition to farming. We will lose young people who really want to farm if they don’t have an opportunity. We might not have farming options when our children are ready to make career decisions.”
- **Career patterns:** we will never convince people to go to college and come back.

- **Capital investment:** farm expansion involves large expenditures and a lot of debt, especially in dairy farming.
- **Land for residential development:** housing development – sell the land. Many farmers cash-rent most of their land. Older landlords will give the land to their kids and the kids will want to sell to developers.
- **Farm economics:** When you think about the economics, the total investment is mind-boggling. Our fertilizers all come from the oil supply. We do not have control of the price of the inputs. Fertilizer suppliers want payments now rather than in December, to lock in purchases.
- **Development pressures and road development:** when C.R. 17 gets to U.S. 6, we will see changes. We need to decide if we want to have green spaces.
- **Problems with over-supply:** some farmers have gone into organic and niche markets, such as Chinese vegetables. The prices were good when there were only three farms were supplying the Chicago area. The prices are very sensitive to supply. When more people start producing, the prices go down.
- **Markets:** very difficult hog market today.

Areas for Action Planning Teams

- **Value chain development:** bring in agricultural businesses to add value to our products, such as dairy products.
- **Economic incentives:** to keep farmers on the land, such as TIF districts.
- **Land-use:** We have five or six years before all the agricultural areas will be chopped up by residential development. We have been kicking reforms around for a long time. We need to make developers work in subdivisions. The County Commissioners ultimately make the decisions, but they are known to say: “I don’t get very many calls about [farm land preservation].”

Compiled
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