

REPORT OF THE AGRIBUSINESS COMMUNITY WORK GROUP
TO THE
KENT COUNTY BOARD OF COMMISSIONERS



GRAND RAPIDS, MICHIGAN

NOVEMBER 16, 2015

The mission of Kent County government is to be an effective and efficient steward in delivering quality services for our diverse community. Our priority is to provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all our citizens within the constraints of sound fiscal policy.

EXECUTIVE SUMMARY

The Agribusiness Community Work Group (ACWG) was appointed on May 8, 2014 by the Kent County Board of Commissioners. Members of the Work Group include representatives from the Kent County Board of Commissioners, the Grand Rapids Area Chamber of Commerce, townships, cities, the Right Place, Inc. (RPI), the non-profit sector, and experts in agriculture and economics.

The Work Group was given the following charge:

“To consider what steps can be taken to help support, expand, and attract agribusiness (including both agricultural production and processing) in Kent County. This charge should include consideration of (i) what tools can be reasonably applied to ensure efficient, suitable land for plant and animal-based production, (ii) what efforts can be used to encourage local market outlets and processors to be located close to the product point, (iii) what steps can be taken to further promote Kent County for its agribusiness on a regional and national scale. Recommendations should be mindful of the limited resources local governments have to fund non-core/discretionary matter, and should address the likely means for funding recommended actions now and going forward.”

The Agribusiness Community Work Group met 11 times between June 2014 and May 2015. Additionally, the Work Group met in October and November 2015 to review and finalize this report. The Work Group sought input from practitioners and experts in the various segments of agribusiness and individuals familiar with the needs and best practices associated with a successful agricultural economy.

Findings

During the course of the meetings held by the Work Group, presentations and discussion revealed certain elements as common themes. The themes and a summary of each theme’s findings are as follows:

- **New Products and Markets** - Several opportunities exist for Kent County agribusiness to enter into new markets, market existing products, and produce policies that encourage market development for small farms, farmers markets, and in support of local and fresh food enterprises.
- **Transportation and Logistics** – The quality and accessibility of logistical networks are directly related to the cost, freshness, and availability of farm products sold for both the consumer marketplace and processing operations. Regionalized planning for plentiful

multimodal transportation networks, throughout rural and urban areas alike, will help keep Kent County agribusiness competitive while also ensuring cooperation among local farmers, producers, and processors.

- **Land and Water** - The unique soils and microclimates of Kent County provide a strong foundation for the agribusiness sector as a whole. Plant-and animal-based producers require sufficient and suitable land while production facilities require utility capacity and environmental systems for success. Measures such as reasonable and informed environmental policies, zoning, tax valuation, as well as land and water planning initiatives are required in order protect these interests. At the same time, careful balancing of these mechanisms is required in order to protect and not burden the interests of agribusiness.
- **Labor, Talent, and Work Force Development** - Career prospects and job openings within the agribusiness industry continue to grow while available and educated workers continue to decline. Several factors, such as an aging farmer population, cumbersome immigration laws, low enrollment in agricultural education programs, and a lack of awareness of the opportunities within the agribusiness industry are contributing to this shortage. Multiple workforce development tools are available in addition to immigration reform in order to provide assistance to employers, employees, and educational institutions.
- **Processing and Technology** - In order to increase cost and production efficiencies, agribusiness is becoming more technologically reliant on and open to new ideas of finding ways to integrate technology into daily operations. To continue the trend of agribusiness innovation, incubators can provide valuable support in cultivating the ideas of entrepreneurs while bringing innovative ideas and technology to the agribusiness marketplace.

The Work Group's efforts revealed that much is already being done within the County and the region to support agriculture, but that additional focus or emphasis in a few key areas would be beneficial.

Recommendations

Based on its investigation, review of local agribusiness initiatives and presentations by guest speakers, together with Work Group's own discussions and other efforts over the past year, the Work Group offers the following general observations:

- Agribusiness is very important to Kent County and should be a key focus of our business leaders, political leaders, and citizens. Education and awareness are key to keeping agribusiness in the forefront of all stakeholders.

- All segments and components of the agribusiness industry are equally important and needed to establish and maintain a successful agribusiness industry in Kent County. No one area should be a singular – or even primary – focus.
- Government at all levels should actively seek to engage agribusiness leaders and industry representatives in forming, evaluating and developing public policy.
- Government at all levels should help in areas identified in this report where it currently has control (e.g., land use and tax policy, fostering collaboration, etc.). At the same time, government should also be mindful to “get out of the way” in areas where it might be a hindrance to agribusiness, (e.g., over regulation, burdensome permitting and reporting requirements, road restrictions and weight limits, and uncoordinated or inconsistent land use and development policies).

In addition, the Work Group offers several specific recommendations based on the Common Themes and Findings in each topic area noted. Where possible, effort was made to align recommendations with existing structures and activities in order to honor the Work Group’s charge to be mindful of the limited resources of local governments.

The Work Group’s efforts revealed that much is already being done within the County and the region to support agriculture, but that additional focus or emphasis in a few key areas would be beneficial. Existing organizations, such as the GVMC (which have connections to local units of government) and RPI (which conducts economic development on behalf of the entire region), should be utilized to raise awareness of the importance of agribusiness to the region, and the opportunities – including those highlighted in this report - to further support it as an industry. Information regarding the impact of agriculture should be made available in a format that can be shared via local government and stakeholder websites.

Finally, while the recommendations below are presented distinctly, all are interwoven and interdependent. Policies and programs to enhance any one segment have to be monitored for unintended negative consequences as it relates to all component parts

- Kent County agribusiness has many special markets, producers, and processors already in existence. Several agencies and programs are available to assist with the exploration of new market opportunities, including niche and emerging markets, and access to expanding global markets via export. However, there is no single or easy point of information, referral and access to these programs. The County, RPI and MSU Extension should work together to identify an entity or infrastructure to improve awareness of and access to information sharing about these programs.
- Often presented as the number one issue in agribusiness, logistical networks assist in developing market opportunities, ensuring freshness of product, and are directly related to the fluctuation of profit margins in agribusinesses. Establishing and maintaining regional and global competitiveness depends greatly on a strong, well-maintained multi-modal transportation system that supports the fast and efficient movement of products in and

around rural communities. To help agribusiness, careful planning is required in order to preserve truck weights at competitive levels, find sources to improve the quality and access to roads, ports, and rail services, especially from and within rural areas. Care must also be taken to make sure that existing infrastructure – especially rail – are properly maintained and preserved. The Kent County Road Commission and local government participants within the GVMC and its transportation planning committees should ensure that these issues are raised and addressed during the GVMC transportation planning process.

- Ensuring that there is sufficient and suitable land and water for plant- and animal-based production, as well as for processing, is an important component of a successful agricultural economy. For any successful land use or water quality program, region-wide, consistent and comprehensive planning and zoning approach is required. The Work Group is not recommending that all governmental entities have common zoning regulations, appreciating that local entities are unique and different when it comes to the image of a community and the land use goals of each entity. However, the Work Group believes that local governments need to come together to find a way to develop common terminology and standards for planning and zoning as a first step in that process. This recommendation is very similar to one issued in 2013 by the Community Collaboration Work Group. The GVMC has recently proposed the development of a consolidated planning and zoning map for the jurisdictions within the county which will identify opportunities for standardization. The Work Group supports this project and recommends that the GVMC's member communities, including Kent County, cooperate in this process. Additionally, local units should also look to the GVMC, specifically LGROW, for guidance and opportunities to develop and maintain water quality programming and policies.
- Despite strong local and regional job growth projections, agribusiness is struggling to fill high-quality jobs. An intentional effort to increase awareness of agribusiness employment opportunities and needs is going to be the key to maintaining and growing the local agribusiness economy. Kent County, through its participation in Michigan Works! and RPI, can support these organizations' efforts in promoting cross-industry training and workflow, as well as the work with local educational institutions to establish curriculum and programs that generate agricultural interest and strategy to ensure growth.
- Agribusiness is currently discovering new ways to utilize technological advancements to improve crop yields, resiliency, and new products. However, development in these areas will cease to exist without external sources to assist with development and coordination. Incubators can play a role in encouraging local entrepreneurs to bring new ideas to the region. Once these ideas become viable to consumers, there is potential for significant boosts in economic activity. Specifically, one opportunity to enhance technology use and development locally may arise through participation in Ottawa County's Ag-Tech Incubator. Through the incubator, local and regional agricultural entrepreneurs are provided with start-up assistance including overcoming business hurdles such as funding, networking, mentorship, marketing, prototype development, obtaining patents, final

production, and distribution. Partnership with the Incubator may be made possible through local philanthropic or grant funding.

Finally, two themes resonated through the course of the Work Group's meetings, and are an integral part of the Recommendations. The County and local governments should work together with the various stakeholder groups - including the Farm Bureau, the Michigan Agri-Business Association, RPI, Michigan State University Extension, and others - to determine how to best promote these two key issues:

- Building Awareness and Providing Education

Underlying each of the recommendations in this report is the need for increased awareness of the importance of agribusiness in our community and the contributions it makes to our quality of life. The success of any public policy or government initiative relies on a strong base of citizens and policy makers well-versed in its benefits. Providing information and education to the general public and policy makers on the connection between governmental policies and programs related to land use, zoning, preservation, workforce development and transportation to a robust and sustainable agricultural economy is essential.

- Facilitating Collaboration and Cooperation

While various sectors and segments of agribusinesses across the region have joined forces to work on specific markets, product processing or logistical issues, the industry as a whole does not have a common identity with a critical mass and collective strategy. As a result, it is less able than other local industries and organizations to access resources and influence the public policies that impact its success. County and local governments have multiple opportunities to engage agribusiness leaders and industry representatives, and to facilitate collaboration with them and among them. Such collaboration would serve many purposes from supporting agribusiness-friendly regulatory environments to developing transportation and land use plans that recognize and promote the unique needs of agribusiness.

I. INTRODUCTION

The Agribusiness Community Work Group stems from discussions originally held in the Board of Commissioners Subcommittee on Urban Sprawl. Following the recommendation of the Subcommittee, the County adopted a Purchase of Development Rights Program (PDR) as a mechanism to control urban sprawl. Since then, the County's PDR Program has been a catalyst in raising awareness of the importance of agriculture to the quality of life of the County. At the same time, the PDR Program has become an almost singular focus of some citizens and groups interested in preserving the County's agricultural sector, and a topic of controversy for the Board of Commissioners as significant time is often spent on the topic of funding the PDR program when approving the overall County budget. After considerable public comment and discussion on the program, the Board's Executive Committee discussed the potential to expand the dialogue to include additional tools to promote the County's agricultural economy by exploring the entire spectrum of the agribusiness industry: production, processing, and distribution, and the proper role of the County as it relates to the larger topic of Kent County agribusiness.

The Agribusiness Community Work Group was formally appointed on May 8, 2014 and included County Commissioners, Township Officials, and representatives of economic development, individuals with agribusiness, economic development, philanthropic and academic economic backgrounds, as well as several interested citizens.

The Agribusiness Community Work Group

The following is a listing of members of the Agribusiness Community Work Group (ACWG):

Members of the Kent County Board of Commissioners

- Jim Saalfeld (Chair)
- Diane Jones
- Stan Ponstein

Kent County Township Representatives

- Steve Grimm – Cannon Township Supervisor
- Bryan Harrison – Caledonia Charter Township Supervisor

Greater Grand Rapids Area Chamber of Commerce Representative

- Rick Baker – Grand Rapids Area Chamber of Commerce

Economic Expert

- Dr. Paul Isely – Professor of Economics, Grand Valley State University

Foundation Representative

- Steve Wilson – President, Frey Foundation

Conservation Interest

- Patty Birkholz – League of Conservation Voters

Citizen Interest

- Bert Bleke – Interested Citizen

Agribusiness Owner Interest

- Ed Robinette – Local Agribusiness Owner and Grand Rapids Charter Township Clerk
- Bryan Posthumus – Local Agribusiness Owner

Local Economic Development Interest

- Rick Chapla – The Right Place, Inc.
- Mimi Fritz – Downtown Market

Background

Agribusiness is an industry sector of the global economy that involves growing, processing, packaging, and logistics. Not only does agribusiness fuse agriculture and business principles together, several support industries also play a critical role in the industry, including feed and seed supply, agrichemicals, farm machinery, wholesale distribution of products, technology, marketing, and sales.

Agribusiness is one of the largest driving forces in our national economy. At \$789 billion, agriculture and agriculture-related industries contributed roughly 5 percent to the 2013 gross domestic product (GDP) of the United States annually.¹ A total of 16.9 million full- and part-time jobs exist that are related to agriculture—about 9.2 percent of the total U.S. workforce.² In addition to this, there are several indirectly associated industries all of which shape the way our food is produced, packaged, delivered, and enjoyed.

Kent County is a major contributor to the national agribusiness economy and is recognized as a driving force throughout the West Michigan region as well as the State of Michigan. West Michigan's agribusiness sector produces one-third of Michigan's total agricultural sales, contributing \$1.5 billion to the regional economy, and is one of the most productive and agriculturally diverse areas in the State.³ West Michigan agribusiness also provides more than 26,000 jobs and \$579 million in labor income, comprises more than 9,000 farms and nearly 1.5 million acres of land.⁴ In 2012, Kent County contributed just shy of \$232 million of the total market value of agricultural products sold.⁵

The Charge of Work Group Members

“To consider what steps can be taken to help support, expand, and attract agribusiness (including both agricultural production and processing) in Kent County. This charge should include consideration of (1) what tools can be reasonably applied to ensure sufficient, suitable land for plant and animal-based production, (2) what efforts can be used to encourage local market outlets and processors to be located close to the product point, (3) what steps can be taken to further promote Kent County for its agribusiness on a regional and national scale. Recommendations should be mindful of the limited resources local governments have to fund non-core/discretionary matters, and should address the likely means for funding recommended actions now and going forward.”

Meetings of the Work Group

The Agribusiness Community Work Group met 11 times between June 2014 and May 2015. Additionally, the Work Group met in October 2015 to review and finalize this report. The Work Group established a process by which to solicit input from guest speakers, including practitioners and experts in the various segments of agribusiness and individuals familiar with the needs and best practices associated with a successful agricultural economy. Efforts were made to ensure representation from a wide range of perspectives (e.g. products, business size, disciplines, etc.).

Guest speakers were invited to address the Work Group and were requested to come prepared to offer ideas within his or her area of expertise in response to the following questions:

1. What tools or methods would you see as valuable in ensuring sufficient and suitable land for agricultural production?
2. What efforts should be used to encourage/support local market outlets? Are some outlets superior to others in the context of promoting agriculture?
3. What can be done locally to support production and to encourage producers to be located close to production to enhance efficiency?
4. Is there anything government is currently doing that hinders the growth of agribusiness in Kent County? What do you believe local government can do to support Kent County’s agribusinesses and agricultural economy on a regional and national scale?

The Work Group is grateful to the following individuals who lent their time and expertise to this project:

- Birgit Klohs; President and CEO of the Right Place, Inc.
- Dr. Adam Kantrovich; Educator, Michigan State University Extension, Institute of Agriculture and Agribusiness
- Dan Lennon; CEO, West Michigan Turkey Producers
- Jim Byrum; President, Michigan Agri-Business Association
- Mark Knudsen; Director of Planning and Performance Improvement, Ottawa County
- Mike DiBernardo; Michigan Department of Agriculture
- Joni Gruner; Michigan Department of Agriculture
- Matt Woolford; Director of Equalization, Kent County
- Mark Younquist; Michigan Apple Commission
- Steve Thome; Fruit Grower and Member of the Tree Fruit Commission
- Rob Steffens; Fruit Grower, Sparta Township Trustee
- Collin McLean; Certified Workforce Development Professional, MiWorks!
- Amy Lebednick; Certified Workforce Development Professional, MiWorks!
- Steve Cooper; COO / General Manager, Continental Dairy Facilities, LLC
- Russ Slater; Retired IT Business Consultant, Member, Kent County Agricultural Preservation Board; Environmental Advocate
- Stacy Byers; Consultant, Kent County Agricultural Preservation Board Coordinator, Ingham County Farmland and Open Spaces Program

Additional biographical information on each presenter is located on Exhibit A.

During the presentations, speakers highlighted what they believed to be key areas for the Work Group to consider in developing recommendations for promoting agribusiness. The following section provides additional information on several of the statistics and topics touched on to provide for greater understanding and context of the discussions.

II. KENT COUNTY AGRICULTURE AND AGRIBUSINESS – AT A GLANCE SELECTED STATISTICS, TRENDS AND INITIATIVES

A. Crops and Farm Products

Kent County enjoys more than 200 microclimates, allowing for a wide diversity of agricultural outputs. West Michigan and Kent County microclimates host several niche products such as asparagus, apples, potatoes, butter, chestnuts, blueberries, beans, cherries, and floriculture products. Additionally, the region has seen a boom in artisan spirits, craft beer, and wine-making, which has also brought with it support industries from barrel making to hops growing.

The Michigan Fruit Ridge is one of the primary producers of fruit within the state. The Fruit Ridge is approximately eight miles wide and 20 miles long. Roughly 66 percent of the Fruit Ridge lies within Kent County and hosts some of the prime apple and peach growing area in the country.

Here are some statistical highlights of particular industry crop and farm product outputs statewide, regionally, and locally:

- The peach industry in Michigan currently ranks third in the nation for production, producing roughly 43 million pounds of peaches annually. There are currently more than 130 acres of orchards devoted to peach production within Kent County, accounting for roughly six percent of West Michigan’s peach production.
- The apple industry in Michigan has an estimated economic impact of \$800 million annually, with more than 7.5 million apple trees in commercial production, covering 39,000 acres on 900 family farms statewide. Michigan’s Fruit Ridge supplies nearly 60 percent of Michigan’s apples. In Kent County, 9,235 acres are devoted to apple orchards.⁶
- Michigan leads the nation in growing blueberries, producing more than one-third of all the blueberries in the Eastern United States. Michigan blueberries are grown, harvested, and processed by over 600 family farms, contributing nearly \$118.7 million to the state’s economy. West Michigan is the State’s primary blueberry growing region.
- The Michigan raspberry and blackberry markets are relatively small. However, the berries can be found fresh and in preserved form at local farmers markets. Michigan grows about 43,000 tons of fresh strawberries annually. Of the strawberries produced, roughly 3,000 tons are processed into preserves and other products. Most of the strawberries throughout the State reach the consumer through “you-pick” venues.
- While fruit production may be some of Michigan’s most productive national level crops, many other crops are produced within the State, satisfying the needs of local restaurants, markets, and industries.

- Michigan is the second highest state in the nation when it comes to carrot production. The majority of the carrot production that takes place in the State can be found in the northern region of West Michigan. Recent reports show Michigan produced 6.8 million pounds of carrots worth \$7.6 million.⁷
- Michigan ranks third in the nation for asparagus production, producing up to 25 million pounds annually. Roughly 11,000 acres of asparagus are farmed annually throughout the State.
- Michigan's floriculture production is also at the top of the nation, behind only California and Florida in producing \$402.7 million in sales annually. While Michigan might not lead the nation in total floriculture sales, the State does lead the nation in the production of annual bedding and garden plants, producing \$204 million in wholesale sales annually.⁸
- Michigan produces 5.1 million pounds of honey annually, ranking seventh in the nation for honey production. Across the state honey accounts for \$8.3 million in annual sales. The State also ranks seventh in the nation for the production of maple syrup, with an annual production of 123,000 gallons.
- Generating \$162 million in sales annually, Michigan potatoes are the State's leading produce commodity. Annually more than 850 tons of potatoes are produced in the State, with the largest producer residing just north of Kent County.

Small farms and farm-to-table offer a niche market that caters to growing trends in consumer taste and preference for organic food. According to the U.S. Department of Agriculture, organic food sales in the United States have increased from approximately \$11 billion in 2004 to an estimated \$27 billion in 2012.⁹ Organic food products are still gaining ground in conventional supermarkets as well as natural foods markets with total sales accounting for more than 3.5 percent of the total U.S. food sales in 2012.

The craft beer market has brought with it another emerging specialty crop: hops, a flavoring and stability agent in beer. According to Hop Growers of America, Michigan was not harvesting any hops in 2013. In 2014, the group reported that over 300 acres of hops were being harvest throughout the state. It is estimated that these numbers will continue to grow and become big business as production and crop values have grown by nearly 50 percent in the last 10 years. Currently, the global demand for hops exceeds the supply, providing an excellent opportunity for farmers looking for a new venture.¹⁰

Field Crop Production

Kent County has seen a 10 percent reduction in the amount of land dedicated to field crop production between 2007 and 2012. However, despite this reduction in land available for cultivation, crop yields continue to grow due to technological advances (e.g., machinery and seed

biometrics). While higher yields are a good thing, they can also result in lower prices, since prices are significantly impacted by supply and demand. Ultimately, prices paid to farmers will ebb and flow based on market conditions and yield. Activity in the wheat and corn markets provide two different examples of this.

In the case of wheat, there were a total of 12 fewer farms producing wheat in 2012 throughout Kent County compared to the total farms producing wheat in 2007.¹¹ During this time, the total countywide acreage of land used for wheat farming was reduced by 276 acres (4.6 percent). Additionally, the total bushels of wheat harvested increased by 67,256 (17 percent). Despite the reduction in land used for wheat production between 2007 and 2012, the yield of wheat produced per-acre increased by 15 bushels per acre (21 percent).¹²

In addition to the increase in yield, wheat farmers saw an increase in the prices received per bushel, the prices paid per acre, and the total production value of wheat between 2007 and 2012.¹³ The average price paid to farmers for wheat per bushel was \$5.76 in 2007 and \$7.60 in 2012.¹⁴ The average price paid to farmers for wheat per acre was \$316.88 in 2007 and \$529.49 in 2012.¹⁵ Kent County's total production value of wheat produced was \$1,875,594 in 2007 and \$2,987,940.00 in 2012.¹⁶ Though these figures represent a five-year increase of 37 percent in total revenue generated from the sale of wheat, they do not take expenses into consideration. As a result, these figures do not necessarily represent an increase in profit.

Like wheat, the production of corn saw a reduction in total farms and total acreage dedicated to corn farming between 2007 and 2012. Twenty-six fewer farms (9.5 percent) were producing corn in 2012 compared to 2007.¹⁷ The total acreage of land dedicated to the production of corn was also down by 3,974 acres (9.2 percent) in 2012, compared to 2007.¹⁸ However, unlike wheat, which realized an increased yield despite overall land reductions, corn yields decreased by 122,318 bushels (2.4 percent) between 2007 and 2012.¹⁹

The average price paid to farmers per bushel of corn was \$3.39 in 2007, and \$6.67 in 2012—almost double. When aggregating price per bushel with annual yield, the price farmers received per acre of corn produced was \$402.01 in 2007 and \$850.08 in 2012. Kent County's total production value of corn produced was \$17,429,990 in 2007 and \$33,478,544 in 2012.²⁰ Again, like the prices paid to wheat farmers, these increases do not take expenses into account. As a result, the figures do not necessarily represent an increase in profits.

Dairy Products and Processing

The dairy industry in Michigan accounts for a \$14.7 billion impact on Michigan's economy.²¹ Ranking sixth nationally in the production of milk²² and producing approximately 865,000,000 pounds of milk in 2014, Michigan's dairy industry represents 20 percent of its total agricultural economy within the state.²³ It is estimated that the industry currently employs about 40,000 people statewide. In addition to milk, the Michigan dairy industry's 1700 Grade A dairy

farms supply local processors raw product for making yogurt, cheese, ice cream, and butter. Processing also adds value by turning dairy products into shelf-stable goods by creating condensed and powdered milk products.

Dairy is one of the fastest growing statewide products produced as a result of changing market conditions and favorable climate, among other factors. Consistent growth in dairy cow numbers and an influx of out-of-state producers from places like California, who have relocated in Michigan after facing drought and increasing land prices in their initial state of operation, are contributing to the development of Michigan's dairy industry. Locally, many new Dutch immigrants are coming to West Michigan to become dairy farmers due to the availability of land and established Dutch connections. Total head of dairy cattle statewide has increased from 344,233 to 376,255 (8.5 percent) between 2007 and 2012. According to the MSU Extension, West Michigan has roughly 73,000 dairy cattle,²⁴ on 403 dairy farms, producing close to \$300 million in revenue annually.²⁵

Even while many producers have expanded their herds, greater rates of milk production are also being made possible through technological and processing developments. The average cow in Michigan currently produces 24,116 pounds of milk annually, equaling roughly 7.7 gallons per day. At this rate, Michigan cows have the third highest production rate in the nation.

B. Food Processing

The total economic impact of food processing within Michigan is equal to \$24.97 billion annually and it is growing at a rate of 3.7 percent per year. Across the state, the processing industry supports 134,000 employees and continues to grow.²⁶ Overall, Michigan ranks 19th in the nation in food processing with roughly 1600 licensed food processing operations, producing over 200 commodities statewide. Throughout West Michigan, there are a total of 241 wholesale food processing plants, 155 food warehouses, and 15 dairy processing plants.²⁷

Food processors tend to be more prevalent and more successful when they are in close proximity to farms and producers. The reasoning behind this is simple logistics: the farmer/producer relationship with processors is highly cyclical in that farmers/producers want to be near processing plants and processing plants desire to locate near farmers/producers to cut down on transportation and storage costs. Ensuring proximate regionalization of agribusiness-ready land thus allows for more opportunities for processors and producers to locate near one-another and add value to products for less cost. The more processors that in are in the region means that more farmers and producers are likely to be nearby as well; and, when all parties are together, value is added to the products produced and the agribusiness economic activity is enhanced.

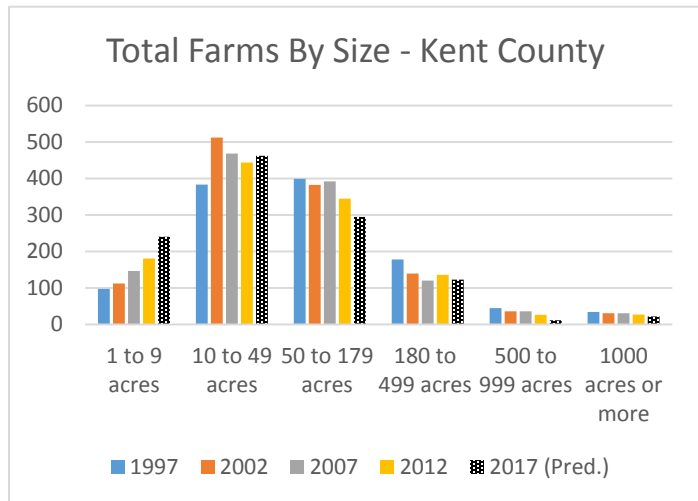
Among the many West Michigan businesses which depend on agriculture are Gerber Products, Mead Johnson Nutritionals, Kellogg Company, King Milling Co., Butterball Farms, Cole’s Quality Foods, Country Fresh, Nestle, ConAgra, and Michigan Turkey Producers.

C. Land

According to the US Department of Agriculture (USDA), 1,044 (two percent) of the total 52,200 farms located in the State of Michigan lie in Kent County. Between 1997 and 2002, there was a two percent increase in the total farms located in Kent County. However, since 2002, Kent County has realized a four percent decline, losing 53 total farms.²⁸

The total farm acreage and size of farms within Kent County is also declining. At the time of the 2012 Agricultural Census, 157,493 of the 558,080 total acres within the County were reported as farmland.²⁹ This figure represents an 18 percent reduction in the total acreage of the 186,453 total acres in the County since 2007. Also since 2007, the average size of farms within the County has been reduced by 28 acres and currently sits at 136 acres.³⁰

Additional observations can be made about farm size in Kent County by splitting the total acreage of farm property into total farms by size. Since 1997, larger farms of 50-plus acres have been declining, while smaller farms consisting of 49 acres and under have been increasing in large numbers.



Despite shrinking county-wide farm numbers, total acreage, and farm size, the total value of agricultural product sold has been increasing.

Between 1997 and 2012, total Kent County agricultural product sold has increased by 48 percent from \$121,041,000 to \$231,861,000. Along with this, the average value of agricultural products sold per farm has increased from \$106,550 to \$200,053 between 1997 and 2012.³¹

Additionally, the market value of agricultural property within Kent County has been increasing, although at a more gradual rate. In 2014, the average price paid per acre of agricultural property county-wide was \$4,423, compared to \$3,765 at the time of the PDR ordinance’s adoption in 2002, and \$3,944 during the recession in 2008.³² The current growth of agricultural property market value represents a 15 percent increase since 2002, and an 11 percent increase since 2008. Increases in property values are influenced by factors such as location, development pressure, geographical features, and crop potential. The \$4,423 county-wide average can be further broken down by ranges from \$3,000 to \$5,200 in some of the more rural townships such

as Solon and Bowne, to as much as \$5,800 per acre in more rapidly developing townships such as Alpine.³³

Planning/Zoning

Under State law, the authority for planning and zoning rests with cities, townships and villages. Though it has only been 10 years since the passage of revised zoning and planning statutes which allow for interjurisdictional cooperation, the potential for zoning compatibility and consistency enabled by the revised laws have been stressed by many planning professionals, the RPI, and business leaders as a key component for economic development. In 2013, the Community Collaboration Work Group (CCWG) recommended that several opportunities exist for the purposes of coordinated land planning and zoning throughout the County.³⁴

In particular, the CCWG stressed the following: (1) communities that are adjacent to one another should be encouraged to develop identical zoning provisions, especially for areas which present the greatest economic opportunity; (2) villages and townships should work with surrounding jurisdictions to develop identical provisions, especially regarding lands along their common boundaries; and (3) all units of government should consider adopting the same zoning classifications and designations.³⁵ Through these efforts, residents and business owners within local jurisdictions will be able to enjoy a broader application of land use plans for more regionalized growth and stability.

Land Valuation and Proposal A

Several speakers and Work Group members questioned the technical aspects of the County's land valuation system and the jurisdictional roles of the County and the local cities and townships as they relate to land valuation.

Michigan is a "highest and best use" state. By law, classification of properties is tied to local zoning (determined by the local city or township), highest best use, and the highest return on the property for local assessment. Classification of property is not necessarily tied into existing use for assessment and Equalization purposes.

Assessing throughout the County is done at the city and township level, while Equalization is done at the County level. Township assessors determine the assessed value (which is 50 percent of true cash value) annually. The County Equalization Department reviews assessed values and recommends the State Equalized Value (SEV), which is then adopted by the State Tax Commission. Through Equalization, property values are "equalized" or adjusted to establish tax fairness and equity across individual jurisdictions.

There is a difference in the roles of an assessor and the Equalization Department in valuing property. The assessor is responsible for studying the market and valuing every property each

year. Equalization studies the market and provides the assessor with detailed market studies indicating whether or not the property values, by class, are too high or too low. Equalization reviews all sales that occur, analyzes residual land value, and determines the current market rate for sales transactions.

Under the land valuation system described above, agricultural property in Kent County is becoming more valuable. The State Equalized Value (SEV) of Kent County agricultural land was valued at \$340,968,100 in 2015. Kent County's agricultural SEV accounts for roughly 1.5 percent of Kent County's total property SEV of \$23,036,449,123. The total value growth trend of Kent County's agricultural property has seen increases of 1.34 percent, between 2005 – 2015; 1.97 percent, between 2010 – 2015; and 4.1 percent, between 2014 – 2015. For comparison, the growth trend of all real property within Kent County has been a *decrease* of .26 percent for 2005 – 2015, an increase of 1.06 percent from 2010 – 2015, and an increase of 6.64 percent from 2014 – 2015.³⁶

The application of Proposal A has had a significant impact on the tax burden on all property – but particularly agricultural lands. Until 1994, property was valued, for tax purposes, at one-half of its market value. However, in 1994, Michigan voters passed Proposal A, which shifted some of the tax burden off of property and into the state sales tax. As a result, the state sales tax rose from four cents per dollar to six cents per dollar. In addition to this, Proposal A limited the growth of property tax assessments to the lowest value of one of either the current SEV, last year's taxable value times the current year CPI (Consumers Price Index), or 5 percent, whichever is less.

The objective of Proposal A was to keep taxable value from growing as rapidly as property value by limiting the annual assessment increase to the lessor of five percent or the rate of inflation, until the property is sold or transferred.

Agriculturally classed property has had the biggest benefit from the limitation on taxable value from Proposal A, in that its current taxable value (TV) is valued at 61.8 percent of the SEV. In contrast, the TV of commercial, industrial, and residential property is valued at nearly 94 percent of the SEV. Because of Proposal A, agricultural property receives a 33 percent advantage over that of any other property classification. Total agricultural property within Kent County includes 2,559 parcels, representing roughly 1 percent of the County's overall parcel count. The SEV for the agricultural class is \$327.5 million and represents roughly 2 percent of the County total. The TV of agricultural classed property in Kent County totaled \$202.5 million.

Farmland Preservation Programming

In Michigan, farmland preservation is not a new concept, but has evolved over the last 40-plus years. In 1974, the State enacted Public Act 116 to promote farmland preservation by offering tax incentives to agricultural property owners in exchange for a temporary restriction called a "Farmland Agreement." Under this agreement, land owners agree to keep their land in agricultural

use for anywhere from 10 to 90 years. In exchange, they may qualify for a tax credit if their property tax assessment exceeds 3.5 percent of their household income. Landowners participating in the program are also exempt from any special assessments (i.e., light, sewer, water, or drain project).

Under PA 116, participating property owners would be allowed to sell their property, as long as the contract was transferred during the sale. PA 116 Agreements could also be released prior to the expiration date, subject to local government approval and one of the following conditions: (1) the farmland is economically inviable, (2) surrounding land usage restricts farming, (3) natural irreversible change occurs to the land which restricts farms, or (4) public interest is served by the release. Portions of the agreement can also be released due to public interest. Early termination is also allowed in cases of the death or disability of the landowner. In the event of a termination landowners are required to pay back the last seven years of benefits received.

PA 116 also allowed for the Purchase of Permanent Conservation Easements. Unlike a temporary covenant, or contract, these easements are recorded in perpetuity and the State of Michigan was the only entity enabled to hold and administer permanent Conservation Easements. In 2000, Public Act 262 was enacted, giving local units of governments the ability to administer agricultural preservation programs themselves and to place a conservation easement on a property, effectively “purchasing the development rights” to the property. Once purchased the development rights are permanently severed from the property and the property is preserved in perpetuity, although there is no obligation that the land continue to be farmed. In 2002, the Kent County Board of Commissioners adopted a Purchase of Development Right Ordinance, with the intent of enabling the program on a Countywide basis (as opposed to requiring each township to adopt its own ordinance and program) and to place the County in a position to receive private and non-profit dollars, federal funds, and potential future state funding for the purchase of development rights. Records of discussion at work session and Board meetings where the ordinance was reviewed reflect that County General Funds were not part of the funding mechanism proposed for the Ordinance. The Ordinance included the goal of preserving 25,000 acres.

This 25,000 acre goal was based, in part, by national agricultural groups’ estimate that 100,000 acres of agricultural land is necessary to support agricultural industry within a county. In the 2001 Urban Sprawl Subcommittee Report, Kent County/MSU Cooperative Extension Staff reviewed national and state demographic information and recommended that Kent County preserve 50 percent (93,226 acres) of its then current farmland. Of these acres to be preserved, the Subcommittee recommended that half (46,613 acres) be preserved through PDR while the other half (46,613 acres) be preserved through Transfer of Development Rights, (TDR, which is discussed later in this section).³⁷

To date, the PDR program has permanently preserved 31 properties, covering 3,396 acres of Kent County farmland at a cost of approximately \$5.9 million. Funding for the purchases has come primarily (almost \$2.3 million or approximately 45 percent) from a federal grant program

which requires a local cost share local match. Local match has been derived from a variety of sources: \$750,000 from the County, \$500,000 from the State, \$65,000 from local units of government, and the remainder from a variety of private sources including foundations, individuals, fundraisers, and landowners.³⁸

The Kent County PDR Program is administered by a seven-member Agricultural Preservation Board and staffed by a consultant in conjunction with the local MSU Extension Office. Initially the program administration was combined with land use education and the funding of an Extension position shared between the County and MSU. In 2012, MSU changed their business model, resulting in the elimination of the MSU cost-shared portion of the job: land use education and agricultural community outreach and coordination. While the County has continued to fund a portion of the consultant's time to administer the federal grant program, funding for administration has also been solicited as part of the required match for preservation.

Since the passage of PA 262, a total of 24 communities in Michigan have adopted PDR Ordinances. Ingham and Washtenaw Counties have a dedicated funding source through millages; Antrim, and the Ann Arbor Greenbelt Program (the City of Ann Arbor and five surrounding townships) also have publically-funded programs. Programs are administered through a variety of arrangements – contractual, in-house (e.g., planners or economic development staff) or shared with another agency.

In addition to PDR, there are several other tools which can be used for farmland preservation. Agricultural zoning can be used to create a land use framework favorable to agricultural property. When combined with agricultural tax incentives that align with the current use of the property, instead of the highest best use of the property, a premium is placed on agricultural land and agribusiness would be less inclined to sell out to development. Another program which was part of the original Urban Sprawl Subcommittee recommendation was the Transfer of Development Rights (TDR) programs. Through TDR, landowners have the ability to transfer certain development rights in land to other parcels. In the context of farmland preservation, TDRs have the ability to shift development from agricultural areas into designated growth zones. With a TDR program, land owners and developers trade development rights, through a private marketplace, within a government land use framework. Currently, TDR has not been enable by the State of Michigan.

While the federal grant program has functioned as a key component of the PDR Program, changes to federal administrative procedures promulgated by the USDA's National Resources Conservation Service (NRCS) and Agricultural Conservation Easement Program (ACEP) have made the program more competitive, more bureaucratic to navigate for the farmer, and more challenging and expensive to administer for the County. These changes in administrative procedures, combined with a reduction in the time spent on land use education and specifically the various tools available for preservation, have resulted in a reduced number of PDR applications throughout the County. Still, the annual application cycle produces enough interest for the PDR

program to preserve one or two farms annually, keeping the value of land preservation and the agricultural economy in front of the community and policy makers.

D. Water

In several states to the west of Michigan, competition among agriculture, industry, and cities for limited water supplies is impacting development efforts and hindering agribusiness. Kent County is fortunate not to have issues such as drought and water accessibility complications constraining its local economy. In fact, Kent County is adjacent to counties that border 390 billion gallons of water that make up Lake Michigan. There are also several watersheds, rivers and streams that help distribute fresh water throughout Kent County.

The interactions between agricultural operations and these water sources, however, is not always positive. According the Michigan Department of Environmental Quality, several portions of Kent County's Grand River Watershed are impaired by E. Coli. While there are other contributing factors involved in the addition of E. Coli to local water resources, the number one cause is identified as non-point-source runoff from manure and other biological farm waste. While large farms and processing operations are required to utilize seepage prevention efforts, smaller farms are generally exempt from such requirements unless flagrant violations are taking place.³⁹ For the most part, water conservation efforts are left to smaller farms on a voluntary basis.

In addition, agribusiness can sometimes produce water quality threats through the use of fertilization and overconcentration of livestock. Within farming operations, while nutrients such as nitrogen, potassium, and phosphorus are essential for growing crops, over application, or application immediately prior to a heavy rain, may create dangerous water quality conditions due to excessive runoff.⁴⁰ The same has been identified as a concern with confined animal feeding operations, which produce high concentrations of biological waste. While excessive waste and nutrients can enter aquatic ecosystems from both point-source and non-point-source locations, one of largest sources of possible contamination comes from their buildup in tiling and drainage systems. High concentrations of waste products in surface waters can eventually limit the recreational use, cause a less habitable environment for aquatic species, and create a foul taste and odor in drinking water.⁴¹

Multiple agencies are involved in the regulation of water runoff in Michigan. At the highest level, the federal government regulates water through the federal Water Pollution Quality Act. The State of Michigan enters the system through PA 451 of 1994, known as the Water Pollution Control Act. Locally these laws are administered through the Michigan Department of Environmental Quality (DEQ). The DEQ is legislatively authorized to create its own administrative policies, for the purposes of promoting the wise management of Michigan's air, land, and water resources, as long as the policies are consistent with both State and federal Acts.

Several years ago, the Grand Valley Metropolitan Council (GVMC) created the Lower Grand River Organization of Watersheds (LGROW) as a regional organization that blends non-government organizations with municipality entities required to have National Pollutant Discharge Elimination System (NPDES) Discharge Permits to ensure water quality, availability, and good stewardship. Specifically, the organization is working to implement strategies to address agricultural runoff, preserving and expanding regional green infrastructure and installing local, site-specific, low-impact development practices. With respect to agriculture, the policies are designed to protect surface waters from the discharge of manure, silage leachate, storm water, and wash waters from farms, which pose a threat to reduce the quality of surface waters to below water quality standards. LGROW continually seeks input and involvement from stakeholders, but has had limited participation from the agricultural community and agribusiness representatives.

Another provider of water management resources locally is the Kent Conservation District (KCD). While KCD is involved in many environmental measures throughout the County, they provide agribusiness-specific support by offering free assistance for producers seeking Michigan Agricultural Environmental Assurance Program (MAEAP) verification. Through the MAEAP program, producers are certified as being compliant with state and federal environmental regulations and as an operation free from environmental risks. Additionally, KCD is active in implementing watershed assessments and hosting public meetings to discuss water testing and quality issues.

Of central concern to agribusiness, and a key factor in attracting agribusiness operations is access to water and wastewater systems. These water systems are important to agribusiness because of the immense amount of water required to perform many different processing procedures. For example, the meat processing industry uses a range of 3.5 to 10 gallons of water to process one chicken, 11 to 23 gallons of water to process one turkey, and 150 to 450 gallons of water to process a single cow.⁴² Depending on the particular crop, fruit and vegetable processing can use anywhere from 300 gallons to 29,000 gallons of water per ton of crop processed.⁴³ Most of this water used is washed into drainage and treatment systems along with a wide variety of plant and animal bi-products which require filtration and treatment.

Of the active wastewater treatment plants throughout the county, ample available processing capacity exists to accommodate growth within the agribusiness industry. For example, the City of Sparta has a maximum treatment capacity of 1.5 million gallons of waste water per day but is currently operating at 53 percent of its maximum capacity, leaving 700,000 gallons of additional processing available daily.⁴⁴ The City of Wyoming, which also handles water treatment for the City of Kentwood, and the townships of Byron and Gaines, is currently operating at 54 percent of its maximum capacity, processing 13 million out of its 24 million gallons per day capacity.⁴⁵ The City of Grand Rapids' wastewater treatment plant is closer to reaching its maximum operating capacity at 68 percent of its 61.1 million gallons of water per day, leaving 19 million gallons per day in available processing capacity.⁴⁶

E. Transportation

Kent County and the West Michigan region host a strong transportation infrastructure that includes a deep water port, the state’s second-largest airport, and same-day delivery to Minneapolis, Toronto, Memphis and other major hubs. Throughout Michigan, 67 percent total freight is moved by truck, 19 percent by rail, 14 percent by water, and less than 1 percent by air.⁴⁷

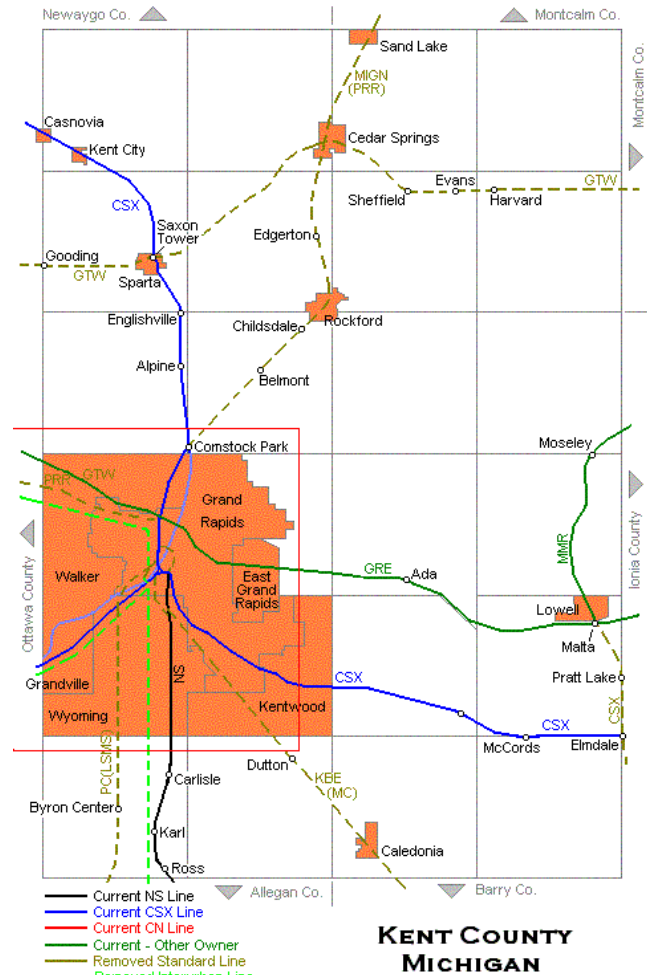
Rail Transportation

Agriculture and railroads have a long and close relationship. Rail lines carry the most ton-miles of total freight in the United States — more than trucks and barges. The rail system is much broader than the borders of Michigan and opens up logistical possibilities on a much larger scale. However, because truck rates are generally lower than rail rates for short hauls, rail moves only about 13-15 percent of all agricultural goods transported.⁴⁸

Michigan has a total of 27 freight railroads that operate across 3,590 miles of track within the state. The railroad industry employs approximately 4,000 people statewide.⁴⁹

There are currently four active rail lines running through Kent County. The NS Line runs north/south connecting downtown Grand Rapids through Carlisle, Karl, and Ross. The CSX Line runs north, east, and west out of Downtown Grand Rapids through Grandville, Comstock Park, Alpine, Sparta, Kent City, Casnovia, and McCords. And the GRE Line, which runs east/west through downtown Grand Rapids, just north of Walker, through Ada, and Lowell. Roughly 15 million tons of freight are transported through the Kent County rail system annually.⁵⁰

While active rail is currently available within Kent County, there has been a general trend in the reduction of rail lines running through County’s rural areas, where the local communities and agribusiness entities would benefit from it. Rail lines tend to follow the logistical needs of concentrated populations. With more than 75 percent of Kent County’s population currently living



Dashes on map signify rail lines which have been removed.

in an urbanized environment, rail lines are more directed toward serving the urban sphere of the County. As a result, rail lines running through rural areas are either being abandoned or turned into rails-to-trails for recreational purposes.

Roads and Highways

Kent County is home to approximately 1,960 miles of roads. Of those roads, 1,636 miles are paved and the remaining 324 miles are gravel. Primary roads are all paved and are considered the main arteries throughout the County. There are 660 miles of primary roads in Kent County. Local roads consist of collector and residential streets and represent a total of 1,297 miles throughout the County.

The Michigan Transportation Fund (MTF) is the primary source of revenue for the Road Commission. The MTF is funded through fuel taxes and vehicle registration fees that are distributed per county by a formula. Additional revenue sources include grants and service contracts with other units of government.

Since 1982, federal law has required all states to allow gross vehicle weights of 80,000 pounds on the state interstate system and other designated highways, and for certain distances off these highways en-route to terminals. These 80,000 pounds are typically spread over five axles, including a three-axle tractor with a tandem-axle semi-trailer (an eighteen wheeler).

Michigan and several other states allow gross vehicle weights greater than 80,000 pounds, when spread over more than five axles. These weight laws are allowable under grandfather clauses in federal law, but if these law are ever repealed, they would not be able to be re-enacted.

Fees collected from axel weights, along with a \$.15/gallon diesel tax and a \$.17/gallon gasoline tax, are collected and pooled into the Michigan Transportation Fund (MTF) with federal funds. These funds are then spent to repair and maintain State and local roads (77.3 percent) bus, marine and rail (6.7 percent), Michigan Department of Transportation Operations (6.5 percent), Airport (5.2 percent), and Michigan Department of Transportation Debt Service (4.3 percent).

Michigan trucks that carry farm produce currently pay greatly reduced fees which are not based on gross vehicle weight, but at a rate of 74 cents per hundred pounds of weight of the tractor or empty truck. This exception to Michigan's axel weight fees produces cost savings to agribusiness; however, it is receiving Legislative scrutiny because it has been estimated as costing the State \$38 million annually.⁵¹

Marine Transportation

Marine transportation is an essential component to Michigan's freight transportation system. The Great Lakes and St. Lawrence Seaway form a maritime transportation system

extending 2,300 miles from the Gulf of St. Lawrence on the Atlantic Ocean to the western edge of Lake Superior. Michigan's 3,200 miles of shoreline, along four of the five Great Lakes, contains 40 active commercial ports that ship and receive cargo. The Great Lakes collectively transport about 150 million tons of cargo each year.⁵²

Though Kent County is not directly attached to any commercial ports, the County has reasonable proximity to three ports on Lake Michigan: Muskegon, Grand Haven, and Holland. The largest and most active of the three ports is located in Grand Haven, importing 75,125 tons from foreign countries and shipping domestically 636,696 tons for a total movement of 711,821 tons annually.⁵³ Agricultural products represent about 40 percent of all shipping cargo loads on the Great Lakes. Grains shipped both by the United States and Canada are primarily for export. Cargoes include wheat, corn, soybeans, barley, oats and flaxseed.⁵⁴

Transportation Planning

The Federal Highway Act of 1973 mandates that transportation planning be done by federally-recognized Metropolitan Planning Organizations (MPO). MPOs provide a comprehensive and continuing transportation planning and decision-making process for all modes of transportation within their designated area.⁵⁵ Each urban area in the United States has a MPO which acts as a liaison between local communities, their citizens, and the state departments of transportation. MPOs are important to the greater transportation plan because they are responsible for directing where and how available state and federal transportation dollars are spent. The Grand Valley Metro Council (GVMC) serves as the MPO for all of Kent County and a portion of Ottawa County.

While the federal Highway Act is very prescriptive regarding the process in which transportation planning takes place through GVMC, many opportunities exist for the solicitation, compilation, and consideration of public input through the "proactive public involvement process." Under federal transportation planning guidelines, GVMC is responsible for creating three primary planning documents in which public participation is welcomed and encouraged: (1) the Public Participation Plan (PPP), (2) the Transportation Improvement Program (TIP), and (3) the Metropolitan Transportation Plan (MTP). The development, adoption, and amendment of the GVMC transportation plans and programs are all subject to the PPP and reviewed prior to the creation of the TIP and MTP. More specifically, public participation in the PPP allows the public to shape the methods in which GVMC engages the public during its transportation planning process, the TIP allows public input on the list of road, transit, and non-motorized projects for implementation over a four-year period, and the MTP provides an opportunity for public input on transportation investment to enhance the movement of people and freight effectively, efficiently, and safely.

All GVMC member entities, including cities, townships, and the County Road Commission are active in the transportation planning process; however, specific industry representatives are

not directly included within the membership of the Council and are not eligible to directly participate in the transportation planning committees established under State and federal guidelines. As a result, industries like agribusiness may seek available channels such as the public involvement process or by working with their township representatives to the Council and the Kent County Road Commission in order to share feedback and facilitate favorable agribusiness-friendly policies and initiatives.

F. Economic Development

Where other counties or municipalities employ their own economic development staff, Kent County has partnered with The Right Place Inc., (RPI) to serve as its economic development agency, since the inception of the organization 30 years ago. In addition to participating in the Board of Directors, the County in 2015 will contribute \$100,000 to support its regional economic development efforts in the West Michigan region. As a part of its 2014 – 2016 Strategic Growth Plan, RPI has identified Agribusiness as one of its five Strategic Growth Areas, making it a key priority for regional economic growth. Through this initiative, RPI is currently promoting West Michigan's \$1.5 billion food industry by providing business support systems, improving infrastructure, collaborating with regional talent development organizations, and supporting efforts to advance quality of life. In particular, RPI has assisted the industry in realizing untapped potential in local sourcing, shared services, best practices, and regional collaboration to promote food products in West Michigan. Since 2009, RPI has worked with the food industry and assisted in growing food processing employment regionally by 23 percent and in generating billions of dollars in resulting regional economic activity.

A member of the Michigan Agribusiness Association, RPI has been instrumental in both the creation and retention of regional food processing and agribusiness expansion and retention. In particular, RPI staff meet with at least ten potential agribusiness expansion leads annually in order to gauge industry requirements and continue to build upon trust-relationships. RPI site selection consultants market the strengths of local agribusiness on an international basis through events such as trade and business exchanges which help ensure agribusiness diversity and generate broad spheres of interest in Kent County. RPI also hosts several local events including an annual Food Processor Summit and monthly Food Processor Council meetings with industry representatives. Additionally, RPI works with existing agribusiness entities to support the development of infrastructural improvements such as water use/discharge, broadband/wireless internet access, and logistical connections.

The initiatives from RPI have helped develop and retain local agribusiness companies such as Gerber Products, Mead Johnson Nutritionals, Kellogg Company, King Milling Co., Butterball Farms, Cole's Quality Foods, Country Fresh, Nestle, ConAgra, and Michigan Turkey Producers. Throughout the duration of their current Strategic Growth Plan, RPI will look to continue to build

upon their accomplishments while measuring their success through the creation of 5,500 new/retained jobs, \$183 million in new payroll, and \$390 million in capital investment.

G. Labor: Talent and Workforce Development

Kent County, in particular Grand Rapids, has attracted significant attention on its leading work force, economic strength, year-over-year growth, and “recession busting attributes.”⁵⁶ In particular, recent Bureau of Labor Statistics data has showcased that the West Michigan region has now recovered over half of the 156,000 jobs that were lost during the economic down-turn starting in 2008. Of the top 10 counties in Michigan with the largest job growth, Kent and Ottawa Counties have added more jobs than the next eight highest-ranked counties combined. Since 2005, the two counties have added approximately 54,000 jobs, 24,000 of which were added within the first three quarters of 2014. Overall, in June 2015, the Kent County jobless rate was hovering at 4.1 percent, just 0.1 percent away from being the lowest in the state.

In agribusiness industries, specifically, the job outlook is changing and expanding. A recent survey of over 100 agribusiness employers revealed that roughly 65 percent of agribusiness had a strong demand for employees.⁵⁷ Fifty three percent of these employers plan on recruiting new college graduates in order to fill their employment needs while others are looking for all levels of education to fill various agribusiness positions. Unfortunately, enrollment in agricultural college programs is currently low, especially compared to other programs where students are less successful in finding work in their chosen field upon graduation. As an example, the current student body at Michigan State University in agricultural programs is roughly six percent of the college’s enrollment.⁵⁸ Contrastingly, the college’s education program consist of roughly 13 percent of the college’s enrollment. At the same time, a recent study determined that agriculture and natural resources graduates with bachelor’s degrees have the third lowest rates of unemployment (seven percent) in the nation. The same study found that rate was even lower for graduates with advanced agricultural degrees (2.4 percent).⁵⁹ On the other hand, education, for example, currently demonstrates an 8.4 percent unemployment rate.⁶⁰

At the time of the 2012 Agricultural Census, there were a total of 24,330⁶¹ full-time farm workers in the State of Michigan (3,179 in Kent County). In the area of processing, there were nearly one million Michigan residents employed in food processing and related businesses. Processing jobs grew at a rate of 3.7 percent from the previous year, while farm jobs decreased at a rate of 15 percent since the previous agricultural census in 2007.⁶² This decrease is not due to a lack of job availability but rather a lack of workforce.

Kent County’s farm worker’s wages appear lower than that of the State and national average because the statistics combine full and part-time employees. Additionally, it is important to note that farm positions are seasonal. In 2012, there were a total of 3,179 farm workers and total farm payroll was \$35,745,000.

Immigration

A recent survey indicated that 71 percent of crop workers were foreign born.⁶³ It is further estimated that anywhere from 50 – 80 percent of the foreign-born agricultural workers currently working in the United States are non-citizens. While there are many immigrant workers looking to find jobs in the United States, and employers seeking to hire them, the current U.S. immigration law is very complex and confusing. It is sometimes seen as deterrent to for both employers and immigrant labor.

The Immigration and Naturalization Act (INA) provides for an annual worldwide limit of 675,000 permanent immigrants, with certain exceptions for close family members. The INA provides various ways for immigrants with valuable skills to come to the United States on either a permanent or a temporary basis, with more than 20 types of visas for temporary, nonimmigrant workers.⁶⁴ Agribusiness employers often prefer immigrant labor as they have become specialized for certain types of required labor (e.g., fruit picking and handling).

The H-2A visa allows U.S. employers to bring foreign nationals to the United States to fill temporary agricultural jobs. In order to qualify for an H-2A visa, the employer must:

- Offer a job that is of a temporary or seasonal nature.
- Demonstrate that there are not sufficient U.S. workers who are able, willing, qualified, and available to do the temporary work.
- Show that the employment of H-2A workers will not adversely affect the wages and working conditions of similarly employed U.S. workers.
- Generally, submit with the H-2A petition, a single valid temporary labor certification from the U.S. Department of Labor.

Upon obtaining immigrant labor through the Visa program, employers are required to comply with multiple reporting and other requirements, including health care and housing.

Work Force Development Programming

Kent County is a direct participant in two organizations that serve local job seekers and employers. For job seekers, Kent County is a member of the Area Community Services Employment and Training Council (ACSET), a community action partnership along with Allegan, Barry, Muskegon, and Ottawa Counties. Through this community action partnership, ACSET offers assessment of skills, information on local service providers, help filing claims, job search and placement assistance, workshops, and veteran services. The services they provide to employers include labor exchange services, recruitment assistance, applicant screening, job postings, and testing services. ACSET also hosts job fairs every other month. ACSET partners with the Kent Intermediate School District annually to introduce approximately 6,000 middle and high school

students to various careers by hosting an event called CareerQuest. CareerQuest does not have an agricultural component but ACSET is working to have one added.

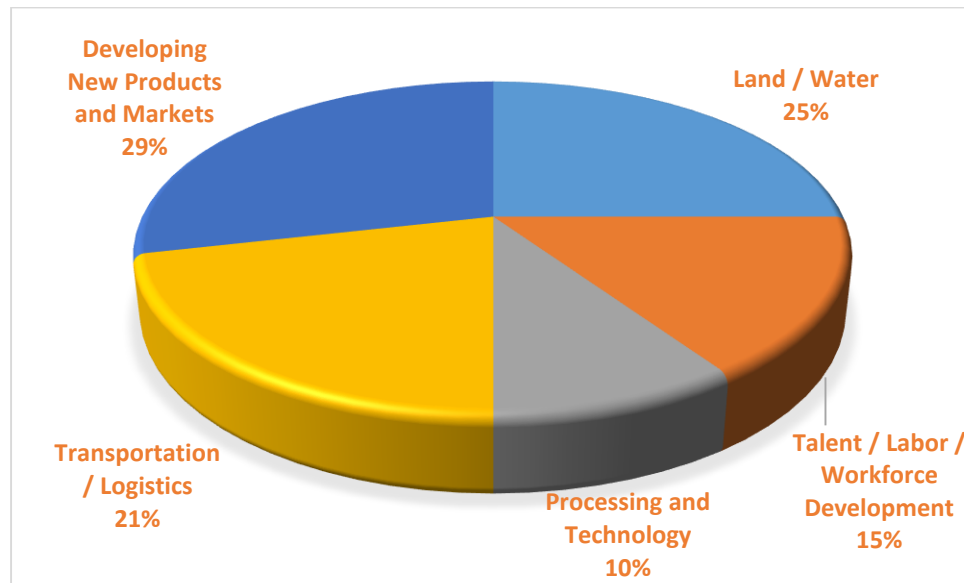
Michigan Works! (MiWorks!) is a quasi-governmental public agency which oversees Workforce Investment Act (WIA) funding and programs for Kent, Allegan, and Barry counties. This program provides education, training, and employment opportunities for adults, dislocated workers, and low-income youth. Services are tailored to meet the specific needs of youth. WIA funded activities encourage the establishment of educational and career goals and facilitate progress toward those goals. Job seekers who meet the criteria to enter the WIA program receive up to \$6,500 for credentials and certificates, along with being assigned a career coach for the purposes of seeking and interviewing for jobs.

MiWorks! business services are employer-focused and demand-driven. They address the wide range of business needs that affect the ability of the business to achieve, maintain, and increase competitiveness including the need for skilled workforce. The top five industries served by MiWorks! are manufacturing, healthcare, information technology, agribusiness, and energy. Many jobs such as breweries and growers for breweries are in high demand, even while wages in the category continue to rise.

Local educational institutions also provide resources for educating the future workforce of agribusiness. For example, Grand Valley State University's "Sustainable Agriculture Project" focusses on curriculum that develops workforce-ready employees to innovate in the agribusiness industry through lessons in environmental problem solving, community, science and applied skills, human interactions, and service learning.⁶⁵ Grand Rapids Community College offers continuing education classes such as its Good Agriculture Practices (GAP) Food Safety Program to prepare small and mid-sized growers for food safety certification,⁶⁶ as well as the Landscape and Lawn Management Certificate or Associate's Degree, in cooperation with the MSU Institute of Agricultural Technology.⁶⁷ The Kent Intermediate School District provides students with information on 16 career pathways - one of which is Natural Resources and Agriscience. Through this program, students learn about agriscience jobs and how to attain them.⁶⁸

III. COMMON THEMES AND FINDINGS

During Work Group meetings, certain elements emerged as common themes. The following chart was prepared by doing a word count analysis of the meeting minutes of the Work Group to validate the topics identified and to provide a focus for the Findings and Recommendations sections.



A. Developing New Products and Markets

During the course of the Work Group it was noted that several opportunities exist for tapping existing markets and developing new ones. Several resources were highlighted, including the USDA’s Agricultural Marketing Service (AMS), the Federal State Marketing Improvement Program, and the Michigan Department of Agriculture and Rural Development. On a local level, RPI has assisted thousands of regional businesses identify and succeed in establishing new markets and business opportunities. Though the organization does not solely focus on the agribusiness sector, they call upon their diverse multi-industry expertise to broaden the nature of the industry to innovate, locate, develop, produce, and coordinate market opportunities. Efforts to make sure that local producers are aware of the resources available, assisting with outreach and helping facilitate connections between these organizations and members of the agribusiness community would be an appropriate role for local government.

Finally in this area, the Work Group briefly discussed the opportunity for local communities to adopt policies in support of small farm markets, including policies that permit local markets,

institutional policies to “buy local” fresh foods, and initiatives that promote the farm to table movement.

B. Transportation and Logistics

It is not surprising that transportation and logistics emerged as one of the key elements to a successful agribusiness economy due to its direct relationship to cost, product freshness, and quality. Furthermore increased transportation costs reduce profits to producers and processors, and cause higher prices for consumers. Almost every presenter, and particularly individuals engaged in the industry, commented on the need for good transportation. With road conditions deteriorating across the State, speakers discussed road funding initiatives being brought forward by the Michigan State Legislature, and stressed that roads must be funded and maintained in order to ensure that shipping costs and damage to goods are minimized

Work Group discussions highlighted the need to ship local product to emerging markets globally. Ensuring that plentiful multi-modal transportation options are present and well-maintained is a critical component in creating successful partnerships between producers and processors, and markets. There was repeated commentary that transportation planning entities have to be intentional about considering the needs of rural communities, and constructing plans that consist of rail, road, and highway systems that encourage interaction between producers, processors and logistical hubs such as shipping on the Great Lakes for the purposes of exporting goods, establishing broader market potential. Rail transportation was emphasized as an essential tool which helps maintain competitive market access for Kent County agribusiness. However, several concerns were expressed regarding the steady reduction in rail spurs and lines throughout the County.

Over time, it has been demonstrated that rail easements and abandoned trails have several public uses besides rail transportation, such as a pathways for utility lines and recreational trails. The Work Group discussed the need to be cautious when confronted with efforts to repurpose rail right-of-ways and easements for anything other than transportation purposes. It was emphasized that it is relatively easy to convert railways into something else, but significantly more complicated—if not impossible—to revert them back into the transportation grid.

It was further noted during the discussion that the Kent County Road Commission has a very good relationship with the townships, and the local and aggregated Chambers of Commerce in representing business and commercial interests through transportation planning and funding. The unique interests of agribusiness, however, may not be represented and considered, especially proactively in a way that would promote and support agribusiness’ specific and unique needs (e.g., linking rural communities together with each other as well as to logistical hubs).

C. Land / Water

The defining factors of Kent County agribusiness are the County's unique soils, water resources, and climate. Without these valuable resources, the agricultural environment in Kent County would likely be entirely different: (1) products would not be as diverse, (2) quality would suffer, (3) food processors would not be as prevalent, and (4) manufacturers and suppliers of processing equipment and other agricultural innovations would be less likely to locate within the region. Essentially, the net effect of agribusiness in Kent County, without its unique resources, would be an overall reduction in the output, value, and recognition of agricultural products in the broader market.

Almost every guest speaker raised issues associated with land in their responses to the four questions of the Work Group. Better land use policies - including planning and zoning, consistent and agriculture-friendly tax valuation, and reasonable and informed environmental protection regulations that promote preservation of farmland - were each touched on by multiple speakers and Work Group members as ways to preserve and promote the County's agribusiness economy.

The need for careful balancing when it comes to successful land use planning for agribusiness was most often-cited as a way that governments could help. Speakers discussed local examples where property used for agricultural production or processing is being encroached upon by residential development causing complaints and ultimately lawsuits against agribusiness entities. Education and awareness of how zoning and other land use controls impact farmers and agribusinesses is a critical step in crafting policies which have the ability to assist agribusiness. Consistent and compatible planning and zoning approaches and regulations across jurisdictional lines have been called for by multiple groups and study committees over the past several years. ACWG Work Group presenters and members echoed those recommendations.

The need to ensure available sufficient and suitable land for plant- and animal-based production – as well as production facilities which may have demanding utility, environmental or transportation needs – was identified by speakers as a key element in a successful agribusiness economy and an opportunity for local government to have an impact. Possible methods promoted to encourage the preservation of farmland included strong planning and zoning, use of tax incentives and proper valuation, continuation of tax-incentive preservation programs and the Purchase of Development Rights Program, and additional research and study of programs used in other states, including the Transfer of Development Rights Program. Again, education of citizens and policy makers at all levels was noted as critical to gaining and maintaining support for all such initiatives, not only from policy makers, but to the farmers who would participate in them, to the citizens who would need to support them and the policy makers who would enact them.

Of equal, but separate, importance to that of land use planning is the maintenance of water quality. The Work Group discussed maintaining water quality levels for the benefit of both agribusiness and the community as a whole and noted that several organizations are currently

focusing on this issue. Several studies are ongoing to further identify agribusiness water quality impact and to produce best practices for good stewardship and practical, yet effective water management.

Finally on the topic of the importance of land and water resources, the Work Group discussed the need for State and local agencies to work together with the agricultural community to develop and implement research-based and cost-efficient regulations and controls.

D. Labor, Talent and Work Force Development

The current and growing shortage in the workforce required in all sectors of the industry was raised as major issue. The shortage is due to several factors. First, an aging farm worker and owner population, and a younger generation that is not interested in taking over family farm operations due to long hours, hard work, and low pay. Second, vertical integration of producing, processing and distribution, along with increased use of technology and chemicals are requiring a new type of more versatile farmworker. Finally, due to the relatively short growing season, it is challenging for farmers to find competent employees and labor sources to move with the crops for picking and processing.

Although more an issue to be addressed at the federal level, the Work Group heard from several speakers that immigration laws are cumbersome and in need of practical reform in order to benefit agribusiness. It was noted that the current process of obtaining immigrant workers is burdened with legal paperwork and requires farmers to forecast through a myriad of fluctuating factors to determine what labor needs may be required. Furthermore, the positions granted to be filled under the program cater to seasonal or temporary workers only, not to industries such as dairy, which is a year-round operation.

Multiple federal, state and even local opportunities were identified as potential solutions by the various presenters. The Work Group discussed that ACSET and MiWorks! have the potential to have a significant impact in retraining agribusiness workers and facilitating employment relationships for both employees and employers. Additionally, these agencies are finding opportunities to partner with universities, community colleges, and local schools to introduce the future workforce to opportunities within agribusiness. However, the staff representing many of these educational programs reported difficulty with identifying and reaching the employers. A possible solution for the lack of connection between businesses looking to hire and the future workforce could manifest itself in some sort of a clearing house identifying and classifying the various employers in the local agribusiness economy. Not only would this make them easier to reach for purposes of sharing information about programs, soliciting their input into program design, and facilitating networking and training activities, it would also provide a referral source for job seekers and those agencies whose mission includes workforce development and placement.

Multiple presenters commented that there is a largely incorrect perception that agribusiness jobs are undesirable, involving dust, dirt, and long hours. In truth, many jobs within agribusiness are extremely diversified and are becoming increasingly more skilled and specialized. Opportunities within agribusiness are endless and there is a great opportunity to expand the limits of agribusiness by making this known to the public.

E. Processing and Technology

The utilization of technology in agribusiness not only offers farmers and processors extra efficiencies and the ability to increase cost effectiveness while combat rising production costs, but also allows industries to emerge that innovate and create solutions that address issues such as (1) the growing demand for more food, feed, and fuel; (2) environmental sustainability and regulatory compliance; and (3) general operational efficiency.

A major opportunity within the agribusiness educational field is the need for agribusiness to become more “techy.” However, as was discussed earlier as part of the workforce development issues, agribusiness cannot do this without first having the students willing to develop these skills and educational institutions and training programs that are aware of the their application to agribusiness.

Presenters discussed the positive roles incubators can play within the agricultural economy. In particular, Ottawa County’s Great Lakes Ag-Tech Incubator was discussed as an opportunity for agribusiness. Through the incubator, agricultural entrepreneurs can receive consulting, product validation, patent assistance, consumer acquisition support, help with permits and regulations, business plans, supplier connections, and management support. Several members of the Work Group felt strongly that an incubator, like the Great Lakes Ag-Tech Incubator, would generate new product opportunities, and markets to explore.

IV. RECOMMENDATIONS

Based on its investigation, review of local agribusiness initiatives and presentations by guest speakers, together with Work Group’s own discussions and other efforts over the past year, the Work Group offers the following general observations:

- Agribusiness is very important to Kent County and should be a key focus of our business leaders, political leaders, and citizens. Education and awareness are key to keeping agribusiness in the forefront of all stakeholders.
- All segments and components of the agribusiness industry are equally important and needed to establish and maintain a successful agribusiness industry in Kent County. No one area should be a singular – or even primary – focus.

- Government at all levels should actively seek to engage agribusiness leaders and industry representatives in forming, evaluating and developing public policy.
- Government at all levels should help in areas identified in this report where it currently has control (e.g., land use and tax policy, fostering collaboration, etc.). At the same time, government should also be mindful to “get out of the way” in areas where it might be a hindrance to agribusiness, (e.g., over regulation, burdensome permitting and reporting requirements, road restrictions and weight limits, and uncoordinated or inconsistent land use and development policies).

In addition, the Work Group offers several specific recommendations based on the Common Themes and Findings in each topic area noted. Where possible, effort was made to align recommendations with existing structures and activities in order to honor the Work Group’s charge to be mindful of the limited resources of local governments.

The Work Group’s efforts revealed that much is already being done within the County and the region to support agriculture, but that additional focus or emphasis in a few key areas would be beneficial. Existing organizations, such as the GVMC (which have connections to local units of government) and RPI (which conducts economic development on behalf of the entire region), should be utilized to raise awareness of the importance of agribusiness to the region, and the opportunities – including those highlighted in this report - to further support it as an industry. Information regarding the impact of agriculture should be made available in a format that can be shared via local government and stakeholder websites.

Finally, while the recommendations below are presented distinctly, all are interwoven and interdependent. Policies and programs to enhance any one segment have to be monitored for unintended negative consequences as it relates to all component parts

- Kent County agribusiness has many special markets, producers, and processors already in existence. Several agencies and programs are available to assist with the exploration of new market opportunities, including niche and emerging markets, and access to expanding global markets via export. However, there is no single or easy point of information, referral and access to these programs. The County, RPI and MSU Extension should work together to identify an entity or infrastructure to improve awareness of and access to information sharing about these programs.
- Often presented as the number one issue in agribusiness, logistical networks assist in developing market opportunities, ensuring freshness of product, and are directly related to the fluctuation of profit margins in agribusinesses. Establishing and maintaining regional and global competitiveness depends greatly on a strong, well-maintained multi-modal transportation system that supports the fast and efficient movement of products in and around rural communities. To help agribusiness, careful planning is required in order to preserve truck weights at competitive levels, find sources to improve the quality and access to roads, ports, and rail services, especially from and within rural areas. Care must also be taken to make sure that existing infrastructure – especially rail – are properly maintained

and preserved. The Kent County Road Commission and local government participants within the GVMC and its transportation planning committees should ensure that these issues are raised and addressed during the GVMC transportation planning process.

- Ensuring that there is sufficient and suitable land and water for plant- and animal-based production, as well as for processing, is an important component of a successful agricultural economy. For any successful land use or water quality program, region-wide, consistent and comprehensive planning and zoning approach is required. The Work Group is not recommending that all governmental entities have common zoning regulations, appreciating that local entities are unique and different when it comes to the image of a community and the land use goals of each entity. However, the Work Group believes that local governments need to come together to find a way to develop common terminology and standards for planning and zoning as a first step in that process. This recommendation is very similar to one issued in 2013 by the Community Collaboration Work Group. The GVMC has recently proposed the development of a consolidated planning and zoning map for the jurisdictions within the county which will identify opportunities for standardization. The Work Group supports this project and recommends that the GVMC's member communities, including Kent County, cooperate in this process. Additionally, local units should also look to the GVMC, specifically LGROW, for guidance and opportunities to develop and maintain water quality programming and policies.
- Despite strong local and regional job growth projections, agribusiness is struggling to fill high-quality jobs. An intentional effort to increase awareness of agribusiness employment opportunities and needs is going to be the key to maintaining and growing the local agribusiness economy. Kent County, through its participation in Michigan Works! and RPI, can support these organizations' efforts in promoting cross-industry training and workflow, as well as the work with local educational institutions to establish curriculum and programs that generate agricultural interest and strategy to ensure growth.
- Agribusiness is currently discovering new ways to utilize technological advancements to improve crop yields, resiliency, and new products. However, development in these areas will cease to exist without external sources to assist with development and coordination. Incubators can play a role in encouraging local entrepreneurs to bring new ideas to the region. Once these ideas become viable to consumers, there is potential for significant boosts in economic activity. Specifically, one opportunity to enhance technology use and development locally may arise through participation in Ottawa County's Ag-Tech Incubator. Through the incubator, local and regional agricultural entrepreneurs are provided with start-up assistance including overcoming business hurdles such as funding, networking, mentorship, marketing, prototype development, obtaining patents, final production, and distribution. Partnership with the Incubator may be made possible through local philanthropic or grant funding.

Finally, two themes resonated through the course of the Work Group's meetings, and are an integral part of the Recommendations. The County and local governments should work together with the various stakeholder groups - including the Farm Bureau, the Michigan Agri-Business Association, RPI, Michigan State University Extension, and others - to determine how to best promote these two key issues:

- Building Awareness and Providing Education

Underlying each of the recommendations in this report is the need for increased awareness of the importance of agribusiness in our community and the contributions it makes to our quality of life. The success of any public policy or government initiative relies on a strong base of citizens and policy makers well-versed in its benefits. Providing information and education to the general public and policy makers on the connection between governmental policies and programs related to land use, zoning, preservation, workforce development and transportation to a robust and sustainable agricultural economy is essential.

- Facilitating Collaboration and Cooperation

While various sectors and segments of agribusinesses across the region have joined forces to work on specific markets, product processing or logistical issues, the industry as a whole does not have a common identity with a critical mass and collective strategy. As a result, it is less able than other local industries and organizations to access resources and influence the public policies that impact its success. County and local governments have multiple opportunities to engage agribusiness leaders and industry representatives, and to facilitate collaboration with them and among them. Such collaboration would serve many purposes from supporting agribusiness-friendly regulatory environments to developing transportation and land use plans that recognize and promote the unique needs of agribusiness.

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EXHIBIT A

Speaker Biographies

- **Stacy Byers – Director, Sheridan Land Consulting; Coordinator, Kent County Agricultural Preservation Board.** Ms. Byers works extensively with State, Federal, and local units of government to preserve prime farmland and open greenspaces using a variety of preservation tools such as the purchase of development rights. Through her expertise, Ms. Byers assists in developing and implementing farmland preservation programs and providing technical assistance to create innovative land strategies to meet local needs. In addition to her work with Kent County, Ms. Byers is also the Coordinator/Consultant for the Ingham County Farmland and Open Space Protection Program and the Ottawa County Farmland Preservation Board.
- **James Byrum – President, Michigan Agri-Business Association.** Being raised in a farming family, Mr. Byrum developed his passion for agriculture at an early age. After graduating from Michigan State University with a degree in Public Affairs Management, Mr. Byrum has held positions with Monsanto, the State of Michigan, and the US Department of Agriculture Farm Service Agency. Through his current position with the Michigan Agri-Business Association, Mr. Byrum has been at the forefront of advocacy for agribusiness within the State of Michigan.
- **Steve Cooper – COO/General Manager, Continental Dairy Facilities, LLC.** Mr. Cooper became immersed in agribusiness while growing up in Southern California and hearing about working on dairy farms through friends. In high school, he worked on a dairy farm milking cows and eventually went to study Dairy Industry at California State University - Fresno. Upon graduation, he worked in cheese and milk production facilities, one of which, California Dairies Inc., became the second largest milk marketing cooperatives in the United States. Today, he is an instrumental part of Continental Dairy Facilities business development operation, currently producing nonfat dry milk, condensed milk, and cream for domestic and international markets.
- **Mike DiBernardo – Economic Development Specialist, Michigan Department of Agriculture and Rural Development.** In an effort to enhance and accelerate the growth of Michigan's \$91 billion food and agriculture industry, Mike oversees the development and promotion of agribusiness in Michigan, including new products, emerging technologies, and markets through the establishment of new and existing partnerships.

- **Jodi Gruner – Economic & Community Development Analyst, Michigan Department of Agriculture and Rural Development.** Responsible for promoting and supporting economic development and community expansion in West Michigan, Jodi provides technical assistance and serves as an advocate for business and communities to identify and resolve barriers in expanding new business, products, and value added to agriculture. Jodi is a graduate of the University of Michigan and has previously held positions with the Right Place, Inc. and Grand Rapids Community College.
- **Dr. Adam Kantrovich – Business Management Educator, Michigan State University Extension, Institute of Agriculture and Agribusiness.** Since moving to Michigan in 2007, Dr. Kantrovich has brought years of diversified agricultural experience to the area. Through his career, he has worked and lived in multiple states as a professor, Extension Education, and also within the agricultural commodities market--providing him with a broad perspective of agriculture and agribusiness. In addition to being an educator, Dr. Kantrovich is also the Region 4 point of contact for MSU's agricultural farm financial management, and serves as a statewide contact for tax management, succession planning, and federal agricultural law and policy questions.
- **Birgit Klohs – President & CEO, the Right Place, Inc.** A native of Germany, Ms. Klohs has led a long tradition of economic development since coming to America. As a graduate of the Corporate Finance program at Western Michigan University, her economic development career began in 1977, when she took on the role of Industrial Consultant for the Economic Development Corporation of Berrien County. Following her experience at Berrien County, She joined the Michigan Department of Commerce as an Account Executive for the West Michigan Region. Immediately prior to joining the Right Place, Inc. in 1987, Ms. Klohs served as the Assistant Director for the Office of Economic Expansion at Grand Valley State University. Additionally, Ms. Klohs has lectured in France, Great Brittan, Germany, Sweden, China, Australia, and Israel and is involved in numerous state-wide activities. She serves on numerous local and statewide boards.
- **Mark Knudsen – Director of Planning and Performance Improvement, Ottawa County.** As a Business Administration Graduate of Davenport University and former Chief of Staff within the Michigan Senate, Mr. Knudsen has been with Ottawa County since 1997. Within his role at Ottawa County, Mr. Knudsen sits as the Executive Director of the Great Lakes Ag-Tech Business Incubator, a non-profit corporation which specializes in helping farmers and agricultural entrepreneurs turn their ag-tech machine, equipment, or software ideas and inventions into marketable goods and businesses.
- **Amy Lebednick – Business Services Assistant Manager, CBSP, Michigan Works!.** With nearly a decade of leadership experience in healthcare, most recently as a Manager of the West Michigan Works! Business Solutions Department, Ms. Lebednick has knowledge of many

local, state, and federal resources available for workforce development. Using these resources, Ms. Lebednick focuses on program and industry development to help grow and sustain West Michigan Businesses.

- **Dan Lennon – CEO, West Michigan Turkey Producers.** After receiving his BS from the University of Notre Dame in 1978, Mr. Lennon received his MBA from Michigan State in 1982. Since graduating, he has held positions with General Foods, Sarah Lee, and has now been with West Michigan Turkey Producers, in his current role, for 16 years.
- **Collin McLean – Business Services Representative, Michigan Works.** Using his training as a Business Services Provider, combines his lifelong experience in agriculture to assist primarily employers in the agribusiness sector. After obtaining his Bachelor’s Degree from Alma College, he furthered his education at Northwood University and received his MBA.
- **Russ Slater – IT Business Consultant, Retired.** Currently involved as an advocate for urban environmentalism and agriculture, Mr. Slater serves on area boards and committees including the County Agricultural Preservation Board, the Farmland Preservation Initiative of Kent County Board, the Grand Valley Metropolitan Council - Lower Grand River Organization of Watersheds Board as the Agricultural Representative, the Michigan Department of Environmental Quality - Healthy Waters Working Farms Steering Committee, and Grand Valley State University’s Groundswell Schools Advisory Board. Mr. Slater is also a certified Master Naturalist through the Michigan State University Extension Program.
- **Robert Steffens – Trustee, Sparta Township.** Having a farm located in Sparta and Alpine Township, Mr. Steffens has approximately 280 acres of land dedicated to apple production and rents open ground for the production of corn and beans. His farming operation also produces sweet cherries and pumpkins. Mr. Steffen’s products are marketed through both large scale operations, through local fresh markets, and directly through “you pick” venues.
- **Steve Thome – Member, Michigan Tree Fruit Commission.** As a fifth-generation grower, Mr. Thome uses 110 acres of his 160 acre family farm to produce apples in Alpine Township. Steve was appointed to the Michigan Tree Fruit Commission in 2014 by Governor Rick Snyder and is currently serving a three-year term. Through his role in the Michigan tree Fruit Commission, Mr. Thome assists in heightening the economic position and competitiveness of the Michigan tree Fruit Industry.
- **Mark Youngquist – Vice-Chair, Michigan Apple Committee.** As a fifth-generation grower, Mr. Youngquist produces apples, beans, and corn over 200 acres covering parts of Sparta Township, Tyrone Township, and Ottawa County. Through his role with the Michigan Apple Committee, Mr. Youngquist serves as a key advocate for the Michigan apple industry.

- **Matthew Woolford – Director, Kent County Bureau of Equalization.** Possessing years of diversified experience, Mr. Woolford has worked for the City of East Grand Rapids, both as an Assessor and as an Appraiser, and with Kent the Kent County Bureau of Equalization. Since joining the Kent County Bureau of Equalization, he has served as the Director of Property Description and Mapping, Deputy Director, and has held his current role as Director since 2007. Mr. Woolford attended Albion College and graduated with a BA in Political Science and Government from the University of Toledo, where he also received a Masters of Public Administration.