

WABASH COUNTY PLAN COMMISSION

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WABASH COUNTY PLAN COMMISSION **BOARD MEETING MINUTES**

MARCH 5, 2020

**Wabash County Plan Commission Board
Wabash County Court House
Wabash IN 46992**

**Board Members: Randy Curless, Jeff Dawes, Patty Godfroy, Doug Rice, Christian Rosen, Geoff Schortgen, Cheri Slee, Joe Vogel
Attorney Larry Thrush, Plan Director Mike Howard, Secretary Libby Cook**

Those present: Randy Curless, Jeff Dawes, Patty Godfroy, Doug Rice, Geoff Schortgen, Cheri Slee, Joe Vogel, Larry Thrush, Mike Howard, Libby Cook, Victoria Herring and Connie Neininger, David Wamsley

Board Chairman, Randy Curless called the March 5th meeting of the Wabash County Plan Commission Board to order at 7:00 pm. Mr. Curless asked if there were any additions or corrections to the minutes of the February 6th meeting, there being none he asked for a motion on the minutes. Doug Rice made the motion to approve the minutes as written, this was seconded by Jeff Dawes. The minutes will stand approved as written.

Mr. Curless: The next item on the agenda is a presentation by the Indiana State Department of Agriculture. Representatives here from ISDA tonight presenting are Victoria Herring, Business Development Director with the ISDA and Connie Neininger of CN Consulting, LLC (formerly the Business Development Director with ISDA).

Ms. Herring: I will be talking to you tonight about the Guide for Community Planning and Agriculture for Local Governments. This guide is a collaborative project between the IN Land Resource Council and Purdue Extension, it has materials from Purdue Extension and the Indiana State Dept. of Agriculture. The goal is to support counties and local governments with comprehensive planning updates and give them guidance for strategic planning for economic development. Within it there are policy tools for land use planning, topics on built environment and natural resources, food and agriculture which includes urban agriculture, livestock production, and confined feeding operations, aquaculture, local food systems, a section on the Indiana Site Certified Program which is through the office of Community and Rural Affairs,

some site considerations for rural economic development and some land use tools for preserving farm land. There is also a section on planning for agritourism which there is some of here in Wabash County as well as Forestry and Natural Resources and water resource management for flood policy. This guide is available on line at puextension/landuseguide.

Ms. Neining: Thanked the Board for inviting ISDA to speak tonight. She stated that she has retired from ISDA and now has her own consulting business in Community and Economic Development and Renewable Energy. She presented information from the IN Rural Economic Development Model. What we have realized is that rural communities are challenged with economic development, they are all sitting there waiting for the next Honda plant to drop in their lap, and we all have to acknowledge it's probably not going to happen. What we have determined is that we need to focus on our greatest assets within the community and within the region for economic development so we need to change our strategy somewhat. We formed a partnership, we have a group of agencies that have come together to help us talk through this process: Indiana St. Dept. of Agriculture, Purdue Center for Regional Development, Purdue Extension, IN Economic Development Association, IN Office of Community and Rural Affairs, IN Economic Development Corporation, IN Corn Marketing Council, IN Soybean Alliance, and IN Farm Bureau. All of these agencies have given us input on how we can help shore up rural communities throughout IN. In discussions we talked about what if we take all of the assets that are within all of our counties within IN and instead of thinking about automotive manufacturing all the time what if we would start focusing on dairy manufacturing, grain manufacturing, meat manufacturing, vegetable manufacturing, instead of just thinking of automotive or mechanical manufacturing all the time. Take a look at the raw materials, the things that we grow and raise well here in IN and what can we do to add more value to those items. Most crops and livestock are raised as a commodity crop, they are expected to be shipped out of the country, out of the state in bulk. We grow 30 different fruits and vegetables here in IN, we are not just all commodity crops. We were hearing from the dairy industry and we decided that we needed to do something for the dairy industry because it was going to be more challenged even more than it has already been. We did a study in the dairy industry, we mapped the farms – we needed to know where our assets were located, we mapped the milk flow – what was flowing out of IN as far as raw material and what was coming back in as far as finished product, what were the consumer demands – what were the trends within the industry. We found out that there were 4 million pounds of raw milk leaving IN every day to be processed outside of IN. From an economic development standpoint that is leaving money on the table. The more value you can add to any product that starts in your county, so then you are shipping out finished product, the more money stays in the pockets of your businesses and that is what is important the value added supply chain of agriculture. Through that process we worked to grow our existing dairy processors, DFA Goshen did a major expansion, Nestle in Anderson did a major expansion, Prairie Farms in Ft. Wayne, Ice Cream Specialties in Lafayette, plus because of all the local expansions that were happening within the state we drew the attention of Wal-Mart. They were looking to build their first dairy processing plant. So in about 3 years' time we went from exporting about 4 million pounds of milk outside of Indiana to a net importer of 3 million pounds of raw milk into Indiana. We used up that whole supply chain and need more and that is what we want to do with other commodities or assets that we grow here in the state.

The first thing we have to note is what do we have within our area that can be a source of raw material for further processing. We asked Purdue Center for Regional Development (PCRD) to do a cluster analysis – they analyzed 22 different NAICS codes (North American Industry Classification System) every company, manufacturer, every business out there has a NAICS

code attached to it that basically says what they do. Because we were focusing on agriculture and forest, forestry and hardwoods are considered part of agriculture, if we look at those 2 sectors that is over 200,000 jobs within IN just in agriculture, food processing, and forest and hardwoods. That is no small change when it talks about the work force. We asked PCRD to do a cluster analysis of all of those sectors and show us where our strengths are, every company likes to be located next to like companies, especially international companies. You will see that we have clusters of international companies from Germany, from Spain; they like to cluster together and use each other's strengths. Okay, they must be doing something right. We used this quadrant chart and depending where the bubble is going to land, that will tell us where we need to focus our time and attention we need to focus on that sector. Transforming clusters are those that are dropping in concentration and are losing jobs, these are the companies that are probably going to be out of business before much longer, there may be some opportunities that you can help them but it is going to take a lot of work. The mature quadrant, they are more concentrated there are more of them, but they are still losing jobs, they need to diversify or innovate to be able to stay in business. The emerging clusters, those are the ones that don't have a lot of concentration yet, but they keep adding jobs, there is something there. The Star, those are the ones that are high concentration in an area and that are increasing in jobs. We analyze a Location Quotient (LQ). Location Quotient compares the number of workforce within that sector in a particular region and compares it with the nation. It tells us how concentrated we are compared to the rest of the nation. If we have a 1 LQ that tells us we are just as equal as everywhere else, for example pet food processing in the nation, we are equal to every other state in the nation, not any more, not any less. When it starts to get above a 1.2% that means that they are starting to produce enough product that they can start to export which is an area that we need to focus on. Forest and wood products has a LQ of 1.5 more concentrated than anywhere else in the country. We are the number one producer of wood office furniture in the country, most people don't realize that. Hardwoods is very strong, our RV industry makes it even stronger because they use a lot of hardwoods in their manufacturing. It is not just who is growing the product, it is who is using the product. Every region has different synergies, you might have a lot in common with Miami County for one thing but maybe it is in Fulton County for something else. It depends on what you are working on how your region should be drawn. We used an example of Cass County, we went to Christy Housholder, Economic Development Director and said if you were going to do an Ag Cluster for Cass County what counties would you include. She told us to give her Cass Co. and all of the counties that touch Cass Co. that sounds like a good region, note that that is not the economic growth region, it's not the economic development region, it is not any region it is her own region. What happens if we pull the data for those 7 counties? Agribusiness and food processing cluster ended up being an LQ of 3.4 for that region, almost 3 1/2 times more concentrated than anywhere else in the country. That really makes a difference. The other thing that happened is it also had manufacturing in here, Howard County, Kokomo was included in this region. We asked what happens if we take Howard Co. out, what happens to the data? That LQ of 3.4% for agribusiness and food processing jumped to 5.4% without Howard Co. What that tells us and the data analysts is that it makes a difference which counties you partner with and for what purpose. You have different strengths in different areas. The manufacturing corridors for those 7 counties, transportation equipment manufacturing was actually a 12 1/2 LQ with Kokomo, Howard Co. in there. We took Howard Co. out and that transportation equipment manufacturing LQ dropped to 3.5%. If members of the Economic Development Group were looking at this information that includes Howard Co. you would tell your LEDO (Local Economic Development Officer) that you need to be focusing on transportation equipment manufacturing, you need to get us a Cummins, a Honda, a Toyota

because that is what the chart says we should be. But when you take Howard Co. out of there and you are spinning your wheels because nothing happened and you are seeing that none of those second or third tier suppliers of those industries want to move into those counties even though they are a neighbor to Howard Co, they are going to be selective. Why are we spending all of our time and energy on something that may not happen? Wouldn't it be time well spent if we were focusing on things that we knew had greater opportunities and greater strength? We are not here to come in and say you need to do this, we are here to make sure you know all of your options when you go to develop a strategy for your community. We want you to look at all of the information not just a portion of it. We then took the Ag Census, what about the ag assets, what if we took all of that data from the USDA and put it into user friendly maps that anyone can use. PCRD developed Ag Stats for the state of IN, these are available on the Rural IN Stats website. This will show you the number of livestock, how many acres of a particular crop were planted and harvested we are talking peppermint, cucumbers, any crop that we grow in IN. Not only does it help the existing food processor to find raw material but it helps you see what raw material you have that can attract new processors. The stats also include housing, fiscal, and social economic data. Mr. Howard noted that you can pull up individual counties and search the data for that particular county and compare it with others.

Ms. Neining: You are not an island sitting out there by yourself, your workforce does not only live and work in Wabash County, it crosses lines. We cannot be an island for economic development purposes. We have to work in regions for economic development purposes, we have strengths there together. If we support ourselves and others it helps everyone, including the whole state. Through this whole process we walk communities through the data analysis, then we go in and say now that we know areas that you should be focusing on if you so choose, let's take a look at what sites and infrastructure you have available that fit into those target sectors. As we go through this working with OCRA on their site certified program we realize that the site certified program is great, it really helps site selectors identify what you have available, if you have a project site there you are ready to start construction sooner. One thing we found out especially if you are focusing on food processing the site certified program doesn't have anything differentiating it from automotive manufacturing to food processing. Food processing, if you are doing a grain milling operation, or a dairy, a cheese processor, or a bakery all of their needs are going to be different than if it is an automotive manufacturer. Their infrastructure needs are all different. What sites do you have that fit those needs, knowing what you want to attract first helps to know that you aren't going to cut your own throat and put something in there that could prohibit further development in that sector. We have to talk to you about your policies, your zoning, the infrastructure that you have in place. I was working with a community in Southern IN, that actually had a food processor interested, we were showing the corporate executives around the community. That community was going through a challenge at that point in time because there were some farmers that wanted to expand their hog operations. They ended up putting a moratorium on confined feeding operations, as soon as the company execs saw the signs out there with the circle and the x through it they held up their hands and said stop right here, if they don't want my type of raw material they don't want me, and we lost that project. Those are the questions we want you to ask yourselves before you get that hot prospect standing at the door. What type of business do you want, what type of raw materials does it need, and what do you need to do to make sure it is going to be open to the discussion? If you are looking at meat processing, or dairy processing, you are going to need pigs, or cows, or chickens, does your zoning allow for expansion in those areas in certain areas, that comes into the land use planning. Think about those questions before you end up with a group opposing

what you are doing. If you need to change zoning talk about it early not later. It really helps the site selectors because they look at those things and they see what is going on in the community, they read the newspapers sometimes before they even come into a community and sometimes they won't even come into a community if they see there has been opposition in those areas. Agriculture is a business, when I go into a community and say how many businesses do you have here in Wabash County 60 maybe 100, what about every one of those farms operations out there. We are talking hundreds, that can triple or even quadruple that number that most economic developers think about, they are thinking about the store fronts. Every farm is an operating business that brings income into your community. We need to make sure that our public policies and standards are not hindering their growth, they are feeding us and those are things we need to take into consideration. We can all thrive together, maybe we need to say that we will have this area for ag and this area we are going to have for residential or industrial development, work through those plans early on. Farms are not land waiting to be developed, they are already in use. If you have an acre of farm land that is just an empty acre bare of all crops, how much are you bringing in per acre in property taxes, maybe \$30 or \$40 maybe \$45 per acre? If you would put a hog barn on there you would take that tax base up to \$12, 000 to \$15,000 per year for that acre. That is adding economic development to rural communities; it is something we have not really thought about in economic development industry in the past. Farms are our sources of raw material so they are things that we need to look at a little bit differently. Something I ask Economic Development Boards, how many have farmers sitting on their Economic Development Boards? There are not too many out there unfortunately, but we are changing that. We go into a community and they say we need to focus on rural economic development how can you help us? We have the resources. We are not going to come in here and say you have to do this we are just making sure you have the information to make informed decisions. Our resource is for our whole team to help walk these communities through this. Our whole team is available. We do not do the work for you, we will give you all the information. The community needs to step up to the plate and help drive the process because then you will own it.

Mr. Howard asked, we have talked about livestock production, what other areas of agriculture maybe on the manufacturing or processing side are growing?

Ms. Neininger: Equipment is definitely a need we see growing, in Jay County that had the German equipment manufacturing that moved in a couple of years ago, they are more for the smaller plots, the test plots. One thing that is up and growing now is hemp. One of the challenges with hemp is last year we had permits for about 5,000 acres to grow hemp in IN and we ended up with about 3,000 – 3,200 acres in the ground because of the weather. There is a window of time to plant hemp because it can grow hot quickly, it usually has to be planted by the summer equinox, that is the target date for hemp. The processing side of hemp, there are so many different varieties of hemp and different products that can be made from the hemp. You do have the seeds that can produce the oils, those can be consumable oils. Hoosier Healthy Oil, Mark Boyer in Miami County has been growing hemp for a couple of years under the Purdue license to test the heat factor of it as a consumable oil. There is the fiber side of it which we see as a huge opportunity for IN. The fiber is where you are using the stock in the herb and just like it says you are processing the fiber and it can be used in countertops, insulation, coffee mugs, t-shirts, socks, they are looking at plastics, they are building a house out of hemp in Florida. When they make the fiber and compress it into bricks it is moisture, pest, and mildew resistant. Carpets can be made out of the fibers. We have one major fiber manufacturer in IN and that is

up in Elkhart, Flex Form they are making the door panels out of hemp. They have been making door panels for automobiles out of hemp for quite some time, all of your international vehicles have hemp door panels and most of your domestic models are now going to have hemp door panels. The consoles in your cars are going to be made out of hemp, it is lighter weight and higher tensile weight strength than thin rolled steel, there is a lot of opportunity there. The hemp processing side of it is huge and we need to build up the processing side of it. CBD oil is more the consumable side of things, they make face creams with it. The CBD Oil has been a hot topic because a lot of people are trying to get into it because it has been so lucrative right now, I would caution people getting into it just because of the money, as more and more people grow hemp and flood the market the price is going to come down. That is going to hurt those individuals that get into the game late and think they are going to make all their money in CBD Oil. Growing in greenhouses is a huge opportunity, CBD you have to plant either from your clones or your seedlings you can't plant the seeds outside direct. Only female plants can be harvested for CBD Oil. Right now growing hemp is labor intense there are no pesticides or weed killers that can be used on it, so you are walking your fields pulling those weeds, weeding those plants by hand.

Mr. Schortgen asked if there are plans for manufacturing plants, as far as I know there are limits on the licensing, but the amount that IN has, I know some people took a hit on a crop because they did not have a processing plant to send it to, it's been a very sort of cradle to grave sort of thing. Is there anything close that is getting ready to process those raw materials? Ms. Herring replied that for fiber there is one company in Grant County, and there is a commercial CBD processor in Grant County as well. There are several around the state, in Flora, Whitestown, Michigan City has a hemp oil producer that is a large facility they were actually producing other oils and have converted to just hemp. You have to have a buyer for your product this year before you can get the license, they are doing that a little bit different.

Ms. Neininger: The USDA is finalizing their rules here so next year we should be a commercial hemp producing. If you were to start a commercial hemp producing plant today it would take you about 18 months to get that facility built so you should be pretty much in line. If you are doing just the hemp processing your licensing will be different that if you are the grower. The Office of the State Chemist website has lots of information on hemp.

Renewable energy is another area for rural communities. White County we were the second county to have wind farms. White and Benton County are both financially stable counties now. Wind turbines are still controversial in some areas. Solar energy is an up and coming thing, especially with the closing of some of our coal fired generating plants. We need to replace that energy, we need to diversify. There is biomass where they are taking manure from cattle lots and running it through digesters and producing energy. The landfills capturing their methane and producing energy. There are renewable energy options for rural communities. Aquaculture, we were working on one in Wabash County a while back, it didn't go through I think there was a water challenge. Aquaculture is another huge opportunity for communities.

Mr. Dawes said that he felt the presentation was very informative and would like for Mr. Gillenwater to have a copy of the information.

Ms. Neininger: We will get information to Mr. Gillenwater with Grow Wabash County. She then thanked the Board for inviting them to speak; it is good to see the Board working through this.

Mr. Vogel stated that the Board went to Benton County to tour the wind farms; there were large tracts of land that were suitable for wind farms. Is White County the same?

Ms. Neining: White County is more densely populated than Benton County, but it is not as low as some other counties, but not as high as some others. White County has about 324,000 acres of land mass and just over 25,000 in population. The wind farms today take up about 80,000 acres. The first four phases took up about 62,000 acres, it wasn't high population in those areas. A lot of it all depends on zoning, how they can place them. Zoning, how they can place the turbines. White Co. asked for linear layout, it goes down the section lines and the access road is one straight line through the field that the farmers can use, they are heavy haul roads that the farmers can haul equipment on. The turbines sit just a little off the access. The strains are just about a mile apart so there is a lot of room for the farmers to use without having to worry about working around the turbines all the time. They also permitted using ditch banks to place the access roads and to get the turbine closer to the ditch bank because those are not good crop areas anyway. Mr. Vogel asked if she thinks down the road will the wind energy be as efficient as the solar. Life of the turbines is 25 to 30 years, the turbine is actually just the component on the top, as they upgrade turbines and blades they can change those components out and still use the tower and become much more efficient. We are starting to see with the wind turbines is that are going higher because the higher you go the higher the class of winds, they can pull more energy out of them as they go higher. The White Co. contracts are 30 year contracts with 10 year renewables; they expect them to be there for life. The challenge right now is with coal because the utility companies have to do such major upgrades to their coal generating plants that cost of electricity is going to skyrocket if those companies have to put that much into it to meet EPA standards. The cost of renewable energy is actually coming in line with or better than coal fired generating right now. If you were to build a brand new coal energy plant right now the cost would be much more than solar or wind farm that you could put in. It is different for every community. We can't go in and say this needs to go here, it has to be up to the community. The community needs to decide if it is going to accept it, the other thing is that's the farmer's land, are they going to get more per acre for that ¼ - ½ acre taken out of production than they are with any legal crop?

Mr. Schortgen: You brought up a very good point of diversifying energy, don't rely too much on one single thing. Renewable is good, use a little bit of coal and diversify because there is never one silver bullet. Something that has been up and coming the last few months is even to say diversify community needs. Just be very careful planning on the front end of those because you can dig yourself into a hole.

Ms. Neining: Most of the agreements that are written for the wind or solar farms if they do decide to close it down they do have a decommission clause that will remove all of those components and it goes back to arable land. Who knows in another 10-20 years there may be another whole new type of energy that we are using.

David Wamsley: When they decommission do you require do you them to post a bond in White County, do they put enough money in the bank that it will be removed and then restored as it was and no questions about it?

Ms. Neining: Yes, they had to issue a bond before they could start construction. For decommissioning they had to hire a contractor to determine what it would cost to remove all the components down to 48 inches below ground, all the lines everything. Then there is an escalator clause that every 7 years that bond has to increase because costs go up.

Mr. Wamsley: How much community pushback did you have from the citizens and the farmers that are getting the check?

Ms. Neining: About 5 people came in and complained out of the whole county. One was because he wanted more money for his turbines and the company said no. Another one wanted turbines and he couldn't because he had a gas field in his field so he was already receiving payments. A third one was after the turbines were operational and they were getting static on their TV, they had a TV tower and the company came in and gave them a satellite dish solved that problem. Another was a house out there in the middle of the turbines, the turbines weren't on their property and they were complaining they had no trees and no curtains at their windows and they were getting a shadow flicker so the wind farm company came in and planted trees and paid for blinds for them. The fifth one was an elderly woman that said it caused cancer but her son came in and said that she already had cancer. It took about 18 months before the construction company could start anything, The Purdue Extension Educator and myself had to educate the public, holding community meetings, explaining, we took groups over the IL to view, we went out to Denver CO to the National Renewable Energy Lab, just trying to help educating the community on what is a wind farm.

Mr. Wamsley: It really moved the needle on the tax base in that community 30%? Ms. Neining replied it went from \$1.39 per assessed down to about an average of \$.90. It is now up to about a 1.4 billion dollar investment. White Co. is now on phase #7.

Mr. Wamsley asked about wind farm in Windfall IN how does that compare in size? Ms. Neining did not have that information with her.

Mr. Howard: Have you seen requests for large acreage solar farms or anything going in of that size?

Ms. Neining: In White County, they are looking at a 2,000 acre solar farm, potential of two 2,000 acre solar farms. The thing with solar farms is you can farm around wind turbines up to about 16 feet of the turbines. On a solar farm you can graze sheep, livestock around the panels. On a wind farm the farmer can continue to plant and harvest a crop.

The Board thanked Ms. Herring and Ms. Neining for their presentation

Mr. Curless asked if there was any other business to be brought before the Board.

Mr. Howard: Randy Curless forwarded an e-mail to me from Keith Gillenwater, CEO of Grow Wabash County. Mr. Gillenwater is asking for a representative from the Plan Commission Board or Board of Zoning Appeals to join their steering committee as an ex-officio committee member. The group is in the process of developing one Comprehensive Plan for all of Wabash County titled "Imagine One85". We would like to have a representative that could attend the meetings and report back to the PCB what is being worked on. Both Doug Rice and Randy Curless expressed interest however due to meeting schedules they couldn't commit the time to it.

Typically the meetings are held once a month on Monday mornings at 10:00 and move around to different communities in the county. The appointment was discussed between several members, Mr. Wamsley offered to serve as an ambassador on the committee to represent Plan Commission Board. Mr. Howard thanked Mr. Wamsley for the offer, however he and the Board felt it should be a member of the PCB or BZA as requested by Mr. Gillenwater. Mr. Dawes offered to serve on the steering committee. The motion to approve Mr. Dawes as the representative was made by Mr. Vogel, this was seconded by Mr. Rice, the motion carried. The next meeting of the "Imagine One85" steering committee will be on Wednesday, April 1, 10:00 am at the Lagro Town Hall.

Mr. Rice stated his concerns over the rural county and agriculture being represented in the new plan, he asked if the Plan Commission Board would be able to review the plan before it becomes finalized. Mr. Dawes stated that he would relay the concerns of the Board to the "Imagine One85" committee.

Mr. Howard updated the Board on the following:

- Mr. Curless will not be running for County Council in the upcoming election, this means that in 2021 he will no longer serve as the Co. Council representative to the PCB.
- We are working on setting up credit/debit card payments in the Plan Commission Office, accounts have been set up. The fee for using the service is passed on to the customer; there is no cost to the county for this service.
- Possible candidate to fill the vacancy on the PCB.
- Bill in the State Legislation, if an Extension Educator works in the one county but lives in another they would not have voting rights on the Plan Commission Board.
- Complaints: the Barbara Nelson property at Lagro, the county will be having the demolition done.

There being no further business Mr. Curless asked for a motion to adjourn the meeting, the motion was made by Mr. Vogel, seconded by Ms. Godfroy. The meeting adjourned at 8:20 pm.

Libby Cook

Secretary, Wabash County Plan Commission Board
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