

DELAWARE VALLEY REGIONAL PLANNING COMMISSION REGIONAL COMMUNITY AND ECONOMIC DEVELOPMENT FORUM HIGHLIGHTS

Challenges and Opportunities in the Local Food Economy April 30, 2018

A meeting of DVRPC's Regional Community and Economic Development Forum (RCEDF) was held on Monday, April 30, 2018, beginning at 10:00 a.m. Karin Morris, Associate Director of Livable Communities at DVRPC, welcomed the speakers and participants, discussed the meeting's agenda, and introduced the forum's major topic and DVRPC's related food economy work.

Amy Verbofsky, Senior Environmental Planner at DVRPC, was the first speaker and discussed the recently published local food promotion strategy for Montgomery County, *Eat Local Montco*. The project was initiated by the Montgomery County Planning Commission as a response to the loss of farms in the county. Stakeholder interviews, a citizen survey, and a deep dive into the USDA Census of Agriculture confirmed that the county's farms are not only shrinking in number and size, but also in profits. On the positive side, Montco's top agricultural commodities are nursery, greenhouse, and floriculture products, benefiting from proximity to customers and relatively high sales prices. Agritourism has also shown promising potential with an increase of over 1,000% in income generated between 2007 and 2012. Local food promotion programs such as PA Preferred and Crave Montco have also proven helpful to the agricultural industry. The challenges faced by Montgomery County include a lack of identity as an agricultural community, restrictive regulations, costly land, and few distribution networks and processing facilities. Opportunities include an increasing consumer demand for local food and convenient location near a large metropolitan customer base. Ms. Verbofsky shared examples from the recommendations in *Eat Local Montco*, which focus on five areas: (1) local food procurement, (2) coordinated supply chain efforts, (3) craft beer and spirits, (4) local food promotion, and (5) a supportive municipal policy structure.

Dean Severson, Director for Community Planning at the Lancaster County Planning Commission, was the next speaker. Mr. Severson referenced the county's prevailing image among tourists as the center of Pennsylvania Dutch or Amish culture, as well as a destination for outlet shopping. But the Lancaster County Planning Commission has made an effort to expand upon these traditions through agricultural heritage as early as 2005, when their master plan's *Strategic Tourism Development Element* was developed in partnership with the local tourism bureau. The element calls for an authentic, distinctive, and sustainable tourism sector, with agritourism efforts that enhance the economic viability of farms, boost farm employment and income, education and build awareness among the public, and develop a niche consumer market. In 2009, the commission published more detailed *Agritourism Guidelines* for any tourism experience in the county's rural and agricultural areas, including farms and orchards, farm stands and markets, B&Bs, corn mazes, event venues, wineries, hayrides, and haunted barns. The document brings clarity to the definition of agritourism and the incidental and supportive relationship these activities should have with the primary agricultural uses on the working farms that host them. The guidelines also suggest best practices for visitor management and services and on-site transportation and parking, and highlight the applicable building code specifications.

Next to present was Jack Griffin, owner of Metropolis Farms and founder of the National Urban Farmers Association. Located in Philadelphia, Metropolis Farms is the world's first solar powered indoor farm. Mr. Griffin explained the indoor farm concept, which allows for any size and type of crop to be grown in a vertical "bunk bed" layout with specialized lighting and water systems. He also touched upon the many benefits of indoor vertical farming. Unlike traditional outdoor farms, indoor farms face no weather risks, can grow 15–20 different kinds of crops per year, and require far less space because of their dense

operations. Indoor farming can also reduce public health risks such as the current E.coli outbreak that has been traced to the concentrated supply of lettuce growers in Arizona. The spread of urban farms can eliminate or lessen this risk by diversifying where produce is grown. The massive national food waste problem can also be reined in by increasing the role of “just-in-time” agriculture.

Indoor farms still face many challenges, which led Mr. Griffin to form the National Urban Farm Association to lobby policymakers. First, the process is very capital-intensive; but loan funding has become more accessible since the barriers to entry for urban farms were ruled to be in violation of the Civil Rights Act. Another issue is the cost of labor, which is the largest ongoing expense for an indoor farm. Since produce cannot be picked by machine, many traditional farmers see relocating jobs to cheaper foreign markets as a path to more profit. Mr. Griffin argued that moving food production out of the country is a threat to national security. By locating closer to consumer markets, indoor farms reduce supply chain costs, translating to local profits, better pay for the “green-collar” jobs they generate, and ongoing domestic control of the food supply. Mr. Griffin also voiced his concern about the lack of proper legislation to deal with maintenance and cleanliness standards for vertical farms, as well as the expected drop in the long-haul trucking and logistics industries that would come as a result of growth in urban agriculture. Nonetheless, he pointed to the shifting preferences of the millennial generation, the desire for more urban jobs, and improvements to technology as signs that indoor farms represent the future of food.

The final panelist was Mark Brault, owner and chief maltster at Deer Creek Malthouse in Chester County. Mr. Brault emphasized the tangible opportunity that exists in the brewing industry, with the new and growing needs of craft beer makers being unmet by the commoditized and centralized malt supply chain. Despite the evolving market for craft beer, spirits, and culinary applications of malt, there has been poor innovation and customization, and specifically in Pennsylvania, the agriculture, brewing, and tourism sectors remain disconnected. Deer Creek Malthouse views its Pennsylvania Craft Malt as a high quality, flavorful, and authentic local solution to this dilemma. Mr. Brault explained how malt is essential to make beer and showed how a single ingredient—barley—can be produced into several different malt varieties. He also touched upon the resourceful, persistent approach and extensive research needed to develop the malthouse, Pennsylvania’s first since the Prohibition-era. Efforts to advocate for the industry and educate the public about its value have followed. Deer Creek is poised for further success by virtue of the commonwealth’s ranking first in annual craft beer production, despite the U.S. being far outranked by Europe and Australia in the production of malting barley. Mr. Brault shared some proof of the traction of their Pennsylvania Craft Malt, with every batch produced since 2014 sold, strong wholesale response and growth, and notable local and national customers utilizing it to make chocolate, bread, beer, and liquor. Deer Creek Malthouse is now facing the challenge of being at their productive capacity, but shines as a model of success in the local food economy. Mr. Brault left the audience with his broad unanswered questions and specific obstacles, ranging from the competitiveness of Pennsylvania’s agricultural products to incentive programs, legislation, licensing, and workforce limitations.

After a brief question and answer period, the meeting was adjourned at 12:00 p.m. Copies of the Power Points slides presented by Ms. Verbofsky, Mr. Severson, Mr. Griffin, and Mr. Brault can be viewed on DVRPC’s web site at <http://www.dvrpc.org/Committees/RCEDF/>.