

~ 2005 ~

Blue Ribbon Commission for Agriculture in Lancaster County Report



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Keep Lancaster County Farming



Keep Lancaster County Farming

Keep Lancaster County Farming for Generations to Come

It is with great enthusiasm that we invite you to study and use the recommendations contained in this report. The Lancaster County Board of Commissioners created the Blue Ribbon Commission for Lancaster County Agriculture to find creative and innovative ideas to “Keep Lancaster County Farming.”

Agriculture has been a solid part of Lancaster County’s heritage since the first European settlers decided to build their future in this area. They came seeking freedom from persecution, and stayed because of the suitable climate, the rich soils, the ideal location, and, originally, the similarities to the countries from which they were emigrating.

Our forefathers had a tremendous work ethic which has been passed down through generations. This willingness to work hard, combined with the hospitable natural resources found in abundance in this area, created an agricultural economy which provided the foundation for a prosperous, diverse economy. It is this mix of business, industry and agriculture which makes Lancaster County a thriving place in which to do business. Unfortunately, sometimes this mix makes it very challenging for agriculture to prosper and for the County to preserve its rich agricultural traditions.

In an effort to ensure that agriculture has a strong future and remains economically viable for future generations, the Blue Ribbon Commission sought input from the entire Lancaster County community to identify the challenges and suggest solutions. There were 18 public “listening sessions,” and the public was invited to submit thoughts and suggestions by phone, email and in writing. From the thousands of thoughtful ideas, the Blue Ribbon Commission members worked to distill those concepts which offered the most definitive ways in which agriculture in Lancaster County can prosper.

Through the public input process, it was made abundantly clear that there is broad support for retaining a way of life that is threatened as development occurs.

It is our hope that this report offers background to support the recommendations, and offers information which will serve as a blueprint for those who are in a position to implement the recommendations.

The process through which the recommendations came forward was of short duration, but was focused and intense. It was a privilege to serve as leaders for this group of dedicated individuals - both voting and ad hoc members - who took their roles and responsibilities seriously.

These recommendations range from short-term to far-reaching suggestions - and offer hope to sustain an agricultural economy which is truly viable, and which will “Keep Lancaster County Farming” for generations to come.

Luke Brubaker

Don Robinson

Marilyn Ware

On this page, to come:

Mission Statement and art

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Lancaster County Farm Facts

(from 2002 Census of Agriculture)

Number of Farms	5,293
Average Farm Size.....	78 acres
Total Acres of Farmland	411,848
Total Acres of Preserved Farmland	62,000
Percent of Land in Farmland	69
Value of Farmland Per Acre	\$7,955
Sales Per Acre of Farmland	\$1,938
Cash Receipts of Crops.....	\$156 Million
Cash Receipts of Livestock.....	\$758 Million
Total Cash Receipts	\$914 Million
Total Employment Value to County	\$1 Billion



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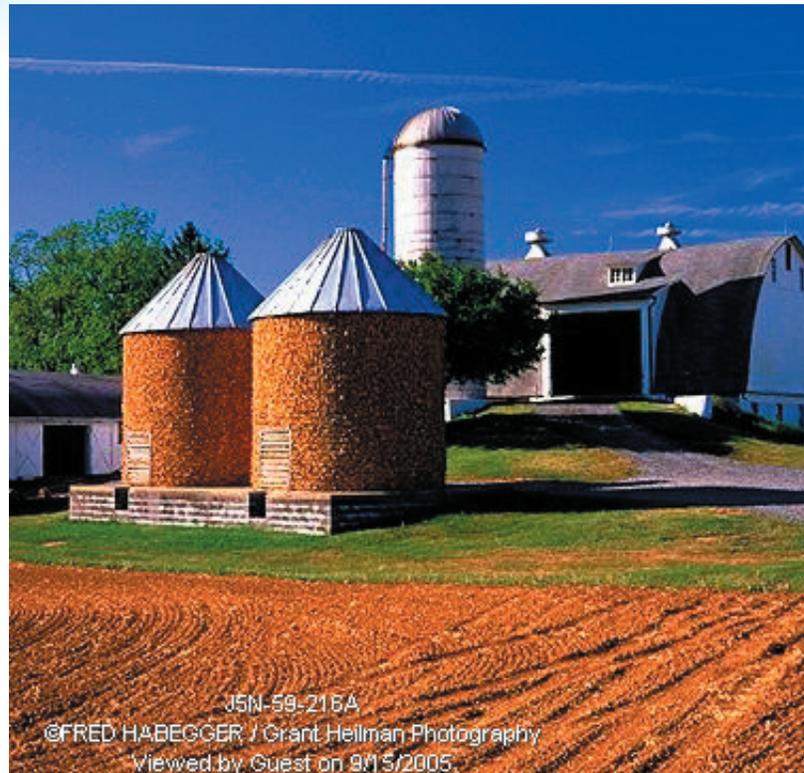
The Blue Ribbon Commission – Why?

Lancaster County's strong agricultural heritage is being threatened. For nearly 300 years the stewards of this land have increased its natural fertility, nurturing, conserving and improving the outstanding Class I, II and III soils, some of the most productive in the nation. These soils, combined with a temperate climate and a rolling topography perfectly suited for farming, have contributed to Lancaster County's national reputation as "The Garden Spot." Unfortunately, the combination of factors which makes it the most productive non-irrigated county in the United States also makes it the perfect place for residential, commercial and industrial growth, bringing a proud tradition under siege.

The economic contribution to the County cannot be overstated. With agriculture responsible for creating one in five jobs, and the value of products leaving the farms bringing in more than \$4 billion per year, it is not difficult to recognize that the demise of agriculture and the support system which makes it so productive would have severe economic ramifications for all of Lancaster County and beyond. One need only look at other areas of Pennsylvania where important industries have died out to see the consequences: the demise of anthracite coal mining in the middle of the twentieth century left many small communities without an economic base for survival; the loss of steel mills in the late 1980's made an impact on Pennsylvania which is felt today.

But the contribution of agriculture here extends beyond the products it offers the marketplace, the economic contribution to local communities, and the quality of life the residents of Lancaster County enjoy. It is a vital part of keeping the planet healthy.

The County's approximate 600,000 acre land mass is part of the Chesapeake Bay watershed, and many of its ten sub-watersheds comprise a large portion of the sensitive watershed for the Susquehanna River, which provides half of the Bay's fresh water. Farmland plays an important part in the capacity to recharge the groundwater supply - vital to keeping the environment healthy and the planet more livable. Paving over farmland and destroying woodlands diminishes the ecologic dynamic which has kept the region healthy and flourishing for generations.



"With the richest soils in the United States, this is truly the garden spot of the nation..."

—Amish Farmer

It is clear: Lancaster County's economic health and well-being are intricately linked to a successful, productive, sustainable agriculture. Agricultural producers and the businesses which support them know they must continually seek creative market approaches while instituting sound business practices. The reverence for the land, the conservation ethic which has protected the land for centuries and an unparalleled capacity for hard work will remain the backbone of the agricultural industry.

Working together, those who influence public policy can ensure a vital agriculture. The Blue Ribbon Commission for Agriculture in Lancaster County is an important step in engaging a discussion to Keep Lancaster County Farming.

A Prosperous History....A Promising Future

The Pioneers

When the first Europeans arrived in the Conestoga and Pequea Valleys, Native Americans had already discovered how well the land was suited for growing food. Indigenous plants like squash and sunflower were cultivated along with varieties of maize and beans that originated in Central America.

In 1711, Swiss Mennonites settled in Willow Street and were soon surrounded by German, Scotch-Irish, Quakers and others seeking to avoid religious, political and economic troubles. As in most of the New World frontier, over 90 percent of the immigrants became farmers.

For the Germans, the largest group in Southeast Pennsylvania, farms were their legacy and they cared for them with that in mind. Each early farmstead was self-sufficient, providing all the family needs except items like salt, iron, glass and spices. Livestock was raised for home use, not for selling. Wheat was the one cash crop. Other grains included buckwheat, rye, barley, oats, spelt, clover, corn, hay, flax, hemp and grass. Some flax and hemp were marketed, but they were used primarily for clothing the family.

When Lancaster farms helped feed Washington's troops at Valley Forge, he praised the subsistence farming which dominated Pennsylvania agriculture at the time. "Her husbandry, though not perfect, is much better and her crops proportionately greater" than elsewhere. He called the Germans superior farmers and referred specifically to the appearance of farms in Lancaster and York Counties. (Leo Bressler)

Agriculture Becomes a Business

As American cities increased in size and number, farmers began to adapt their production to provide for the growing non-farm population. Crops and livestock, raised primarily for sale, began to take over the farmland, and Conestoga wagons were developed to be the ships of inland commerce.

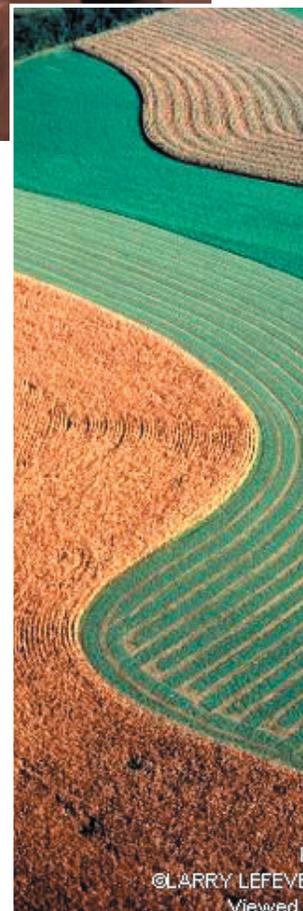
A feeder beef industry grew from 1810 to 1840. Cattle were driven to Lancaster on hoof from as far west as the Mississippi—twelve miles a day—sometimes 70 days per trip. The cattle were fattened here and driven to markets in the Philadelphia area. As railroads improved transportation, Lancaster's



importance as a cattle center grew. The Union Stockyard founded in 1868, moved near the railroad tracks in 1895 and became the center for Eastern U.S. livestock for years to come. As late as 1922, 7,293 rail cars of cattle were sold at the Lancaster Stockyard along with 361 cars of hogs and 22 cars of sheep. To illustrate the importance of this to Lancaster agriculture, 10,000 head of cattle were driven to the yards from Lancaster farms that year. At the same time, 5,200 tons of hay and 6,500 bushels of corn, nearly all grown on Lancaster farmland, went to the stockyard to feed those animals. (Lancaster County Pennsylvania: A History. H.M.J. Klein, PhD 1924)

Over the last half century, the fat cattle industry moved west and waned in Lancaster County. One of the two remaining livestock auctions in the County, the New Holland Sales Stable, is still one of the largest horse and dairy auctions in the Eastern U.S.

As it has done throughout history, war became a catalyst for change in the agricultural industry. An early example of this was around 1810, when sheep farming reached a high point in Lancaster County. The embargo of 1808 and the War of 1812 cut off



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Viewed

trade with England which had supplied most of the wool to the American market.

Tobacco had been cultivated in Lancaster since the early nineteenth century, when some Ephrata farmers rolled up Conestoga cigars and sold their “stogies” at five for a dollar. But it was the Civil War that made it a major cash crop. Tobacco shortages in the northern states inflated prices and Lancaster farmers increased production to meet the need. Tobacco soon became Lancaster’s leading cash crop and remained that way for the next 100 years. Amish and Mennonite farmers found labor-intensive tobacco production suited to their family operations and a good source of income on a cost per acre basis. Over the last thirty years, the dangers of smoking have become widely known, consumption has dropped, and fields of tobacco

are not as common across our landscape as they once were.

A labor shortage caused by the Civil War hastened a switch to farm mechanization. First, an explosion of animal-powered grain drills, cultivators and threshers changed how fields were farmed and crops harvested. Steam power soon followed and opened new lands out west to agriculture. By the time Henry Ford’s mass-produced gasoline tractors appeared in the 1920’s, America’s agricultural needs were being met by farms across the nation of varying sizes, diverse climates and undreamed of crop varieties. Lancaster farmers had to adapt, and they did.

In 1830, dairying was a home enterprise and most of the product was used

on the farm. But the next fifty years saw Borden’s vacuum condenser, pasteurization, improved transportation and the replacement of native-bred cows with more productive breed stock. By 1890,

the dairy industry became an organized commercial enterprise and Lancaster County had become one of the nation’s leaders in market milk, butter and cheese, where it remains today.

In the early 1900’s, America discovered the nutritional benefits of vitamins. Fresh fruit and vegetables became a more important part of the American diet, and an important new market for Lancaster county farmers. Its proximity to population centers put Lancaster in a good position to capitalize on the fresh foods business, and orchards and vegetables sprang up around the county. But soon, new packaging advances in canning and freezing, and large farm productivity in other parts of the country kept Lancaster from remaining a major supplier.

Lancaster Agriculture Industry Today

Today, most of Lancaster County’s field crops provide feed for livestock. The dairy and poultry sectors are the largest producers. Combined, these two products accounted for sales of just over \$524 million, or two-thirds of Lancaster County’s total agricultural sales in 2002.

Lancaster County ranks sixth in the nation for poultry and egg production and ninth in dairy. Hogs and cattle remain major commodities here, representing approximately 22% of the County’s total sales.

The value of all Lancaster livestock, poultry and their products was over \$700 million in the 2002 census, fifth among all counties in the nation.

Roadside stands, supported by local consumers and a bustling tourist trade, along with new programs urging urbanites to eat fresh, locally-grown foods, combine to provide Lancaster farms with an important and growing source of income. Following only some large California counties, Lancaster today ranks seventh in the nation for direct farm sales for human consumption. Lancaster’s proximity to major East Coast population centers offers county producers unlimited potential that cannot be ignored as they look for new markets for their farm products.

The success of Lancaster agriculture helps sustain farming across the region, too. Support industries like equipment dealers, fertilizer suppliers, seed companies, feed companies and distribution networks are disappearing across



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“This is a community filled with blessings...a special place....”

—Student

the Mid-Atlantic States but thrive in Lancaster County. Many have expanded to deliver services to neighboring agricultural communities while providing jobs and income to the local economy.

Lancaster County Strives to Compete

Nearly 80% of U.S. farm production comes from only 15% of the nation's two million farms. These farms average more than 1,700 acres, compared to Lancaster farms which average only 78 acres, and are managed by a new generation of farmer, often with a degree in business management, economics or marketing. Although the average age of the American farmer has steadily crept up to 55 years, eight years older than the average Lancaster County farmer, studies have shown U.S. farms with more than \$1-million in gross receipts (and there are nearly 30,000 of them) are being managed by farmers in their mid-thirties.

Larger farms enjoy economies of scale that make it harder for small farms, like the typical Lancaster County farm, to compete. Larger purchases of inputs bring larger discounts and better service. Bigger equipment covers more ground in less time and cuts labor costs dramatically. Small process improvements that return \$10 per acre become large when you grow 2,000 or 4,000 acres. To keep U.S. farm size in perspective: in 2002, small farms (under 100 acres), accounted for about 43 percent of the land in farms; mid-sized farms (between 100 and 499 acres) accounted for 44 percent; and, the largest farms (500 acres or more) accounted for only 13 percent of the total agricultural acreage.

It would seem the trend toward larger farms puts Lancaster County at a disadvantage in the marketplace since small farms represent the majority of Lancaster County's agricultural land. But Lancaster County farm sales are significantly higher per acre than the national average, offsetting their smaller size. The average sales per farm in Pennsylvania grew to \$73,263 in 2002, and nationally to \$94,245. Lancaster County's average sales are \$150,000 - with an average farm size of 78 acres compared to Pennsylvania's average of 133 acres.

Even more astonishing is the average sales per acre in the county: \$1,938. In comparison, the average per acre sales for all farms in Pennsylvania was only \$550 while the national average was \$214 in the same year. And the average per farm net cash return for Lancaster County at \$33,441 is more than double Pennsylvania's average of \$14,853, and far

exceeds the national average of \$19,032. Clearly Lancaster County is outpacing both the state and the nation in productivity per acre!

Dairy Industry Faces Change

Lancaster is known for its dairy farms: it is the leading dairy county in Pennsylvania, producing 15 percent of the state's milk supply, and is the ninth most productive dairy county in the nation. Nevertheless, the County's future competitiveness is tied to changes in U.S. milk production.

The national trend to fewer total cows and fewer farms also holds true for Pennsylvania and for Lancaster County. While Pennsylvania remains fourth in the nation in production, with Lancaster County leading the way, competition from emerging dairy states like Idaho and New Mexico is real. To meet the challenge, Lancaster County producers are sharpening their production and business management skills to increase profit margins. The trend toward larger herds on fewer farms will likely continue, and increased productivity per cow will keep Lancaster County and Pennsylvania competitive. Lancaster's dairy farmers produced 10 percent more milk per cow than the rest of Pennsylvania, keeping them on a par with other high-producing states.

As the continued growth of milk production in the western states puts pressure on producers in traditional dairy states, Lancaster County producers must be poised to profit from new business models, their excellent service and supply infrastructure, and their easy access to the East Coast metropolitan areas.

What of the Future?

The surest path to preserving Lancaster County farms is to keep them profitable. To do that, they will need to continue to adapt to remain competitive and continue to find new markets. Technological advances in machinery, crop genetics, crop protection chemicals, packaging, shipping and massive irrigation projects are rapidly changing the global agricultural scene. What will be the long-term effect on our local producers?



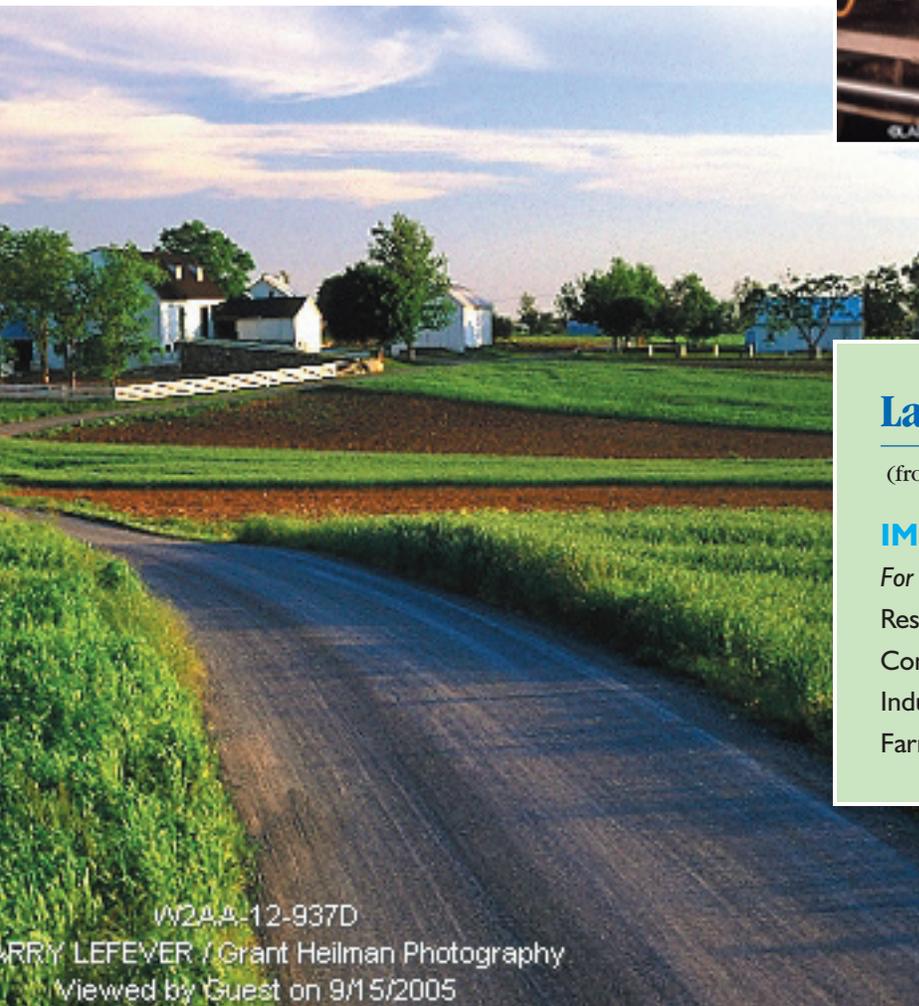
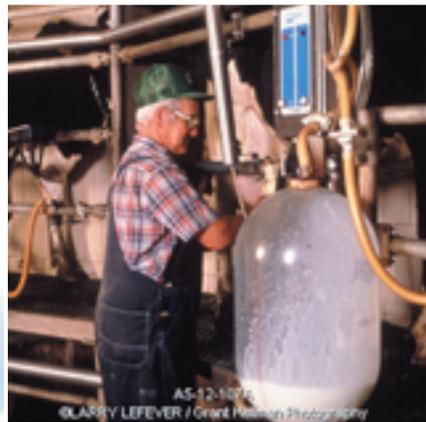
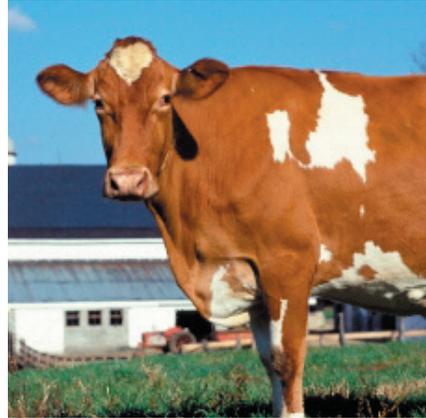
Lancaster Agriculture in the 21st Century

History has taught us that if there is one enduring tradition in Lancaster farming, it is the ability to adapt to change. Lancaster County agriculture is alive and well. Our mix of rich soil, good weather and industrious people makes us unique and becomes our strength.

Pressures from development, concerns for the environment and global competition may influence the way we farm here in the future, but Lancaster County producers—with the support of the entire Lancaster community—are sure to find ways to prosper into the 21st century.

“But always there has been progress. Thrift and industry have guided this development, and changing conditions have been met and conquered with a conservatism that begets permanency in every innovation embraced.”

(Lancaster County Pennsylvania: A History. H.M.J. Klein, PhD 1924)



Lancaster County Farm Facts

(from 2002 Census of Agriculture)

IMPACT OF LAND USE:

For every \$1 of local taxes paid, on average:

Residential services use	\$1.30
Commercial services use	\$0.15
Industrial services use.....	\$0.10
Farm services use	\$0.07

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The Blue Ribbon Commission – the process...

To ensure that Lancaster County agriculture can be sustainable for years to come, the Board of Lancaster County Commissioners created the Blue Ribbon Commission for Agriculture in Lancaster County on February 22, 2005. Its mission was straightforward: listen to Lancastrians and forwarding thoughtful recommendations to appropriate leaders which, when implemented, will support a viable agricultural economy. The Commissioners appointed a facilitator and a committee of three to select the members who served on the Blue Ribbon Commission.

In addition to press announcements, a website was designed to solicit input from the public for nominations to serve. There was the opportunity both for self-nomination and the nomination of others. In selecting the members, the committee sought a broad mix of agricultural, academic, financial, philanthropic and economic interests. An ad hoc committee was established of public officials and others who served in positions of leadership or who brought specific expertise. The ad hoc committee was invited to participate in any and all sessions, but only official members voted on the final recommendations. Tri-chairs were elected at the first meeting of the full Commission, providing leadership and direction throughout the process.

It was determined that “listening sessions” would be held throughout the county to make it as convenient as possible for the public to have input. Initially nine sessions were scheduled, but the number quickly doubled to accommodate those desiring to participate. A special effort was made to include members of the Plain Sect as well as youth. Additional meetings were held to brief local officials. Postcards listing the listening sessions were widely distributed and the dates were posted on the web and noted in the media.

Thousands of comments were captured and recorded at the listening sessions, through a dedicated phone line and through the website. Following each listening session, notes were published on the website, and distributed to members via email.

Any topic was open for discussion, but several clear themes emerged as the sessions continued. Eventually, all of the comments were assigned to one of five different areas.

An important part of the process was the willingness of individuals and businesses to sponsor

some of the meetings, and contribute in other ways to the success of the project.

A tight timeline was developed to build upon and sustain the initial interest and enthusiasm, and the 18 listening sessions were conducted and concluded over a two-month period. Most of the members of the Blue Ribbon Commission attended multiple listening sessions, and had a real feel for the issues which were of primary interest to those participating. Despite the fact that the listening sessions were held during the heavy spring planting season, producers made a commitment to participate, giving generous blocks of time. All three County Commissioners attended multiple sessions with the public. The Blue Ribbon Commission met a total of three times as a group.

