
Appendix E – In-depth Interviews with Economic Development Stakeholders

Crystal Valley Co-op Meeting Notes

Greater Mankato Growth & GreenSeam Meeting Notes

Minnesota Pork Producers Meeting Notes



Economic Development Meeting – Crystal Valley Co-op

Roger Kienholz – General Manager

March 30, 2018

****Notes****

- Crystal Valley is an Agricultural business with four separate divisions – Agronomy, Energy, Feed, and Grain
- Approximately 20 locations across Minnesota
- When selecting a new site, they do not want to be within city limits
 - They need area for future expansion, increases safety to the community, and enough area to accommodate truck traffic
 - Depending on the function of the new site, access to rail may be important
 - Always need access to a good north-south highway, and an east-west highway
 - Feed mills must be on 10-ton roads to accommodate the weight of their trucks
- No onsite laboratories or inside research
 - Mostly field trials for Agronomy, side-by-side comparisons to show members how a product may react to local conditions
- The Ag Supply market is saturated, this forces existing businesses to identify inefficiencies and other places they can reduce their operating costs
- Membership in Co-op's is decreasing because the number of farmer's is decreasing
- In the past 20 years:
 - There was a greater number of farmers
 - A larger portion of the population had worked in the ag industry or had a family member in the ag industry, this meant more support from those not directly involved
 - Farmer's did not need as much land as they do today to support their families
 - There was a greater number of student pursuing Ag related majors in college
- In the next 20 years:
 - Industry will need to shift to attract more people
 - Water scarcity will be an issue in other places
 - Access to irrigation may be critical to continue some areas of the country
 - Technology may lead to areas being farmed that are currently unable to be farmed

- Future threats to the industry:
 - Anything that takes acres out of production, decreases the number of sales for a co-op (WMA's, Solar, etc.)
 - Government subsidies encourage farmers to over saturate a specific area of the market, leaves other areas lacking
 - Locating and attracting qualified labor to the area

- The need to increase efficiencies has led to the construction of some new facilities
 - Can do the work of several smaller facilities
 - Must re-purpose some of the labor from the old sites
 - Many of the tasks done by the co-op cannot be replaced by Artificial Intelligence
 - As older staff retires, a need to attract qualified staff to fill those vacant positions may be difficult

- In the future, the County can better support the Ag Industry by:
 - Planning its roads to accommodate the heavier traffic
 - Provide protection against residential pressures for Ag businesses in the Ag district
 - Limit the number of acres being taken out of production
 - Be mindful of the true impacts when including conditions of future Ag businesses in the Ag district

Economic Development Meeting – Greater Mankato Growth & GreenSeam

John Considine – Director of Regional Business Intelligence, GMG

Sam Ziegler – Director, GreenSeam

March 22, 2018

****Notes****

- Most parties who are interested in bringing a business to the area are looking for a “Planned Site”, which already has connections to utilities, access points, etc.
 - Not a real demand for a bare, unplanned site
- The Bio-chemical sector of the Ag market is under served in Blue Earth County
 - These type of uses generally do not fit in an urban area
 - The County may want to look at its available zoning districts to see where this type of use would fit
- Current trend in the City of Mankato is focused on redevelopment of large vacant buildings, and increasing density
- Growing Agri-tourism is a hot topic in rural economic development
- To better support agricultural, the County needs to start thinking about how roads are designed
 - Yield is starting to increase in certain areas
 - Increase in yield means either heavier trucks on the road or an increase in the number of trucks on the road
- Currently, there are not many new companies locating in the Mankato/Blue Earth County area
 - A better plan of action would be to come up with ideas that benefit existing businesses
 - Attracting new business is great for the area but not as beneficial as supporting the existing business community

Economic Development Meeting – Minnesota Pork Producers

Dave Preisler – Executive Director

March 19, 2018

****Notes****

- State Ag Statistics has good information on State/County statistics. May provide additional information to the Ag Census.
- Swine industry is working to reduce antibiotic usage.
- Need to try and keep the housing developments in town. The addition of more housing into the county eliminates space for agricultural uses.
 - One house per forty acres is too much – will run out of room
 - Keeping non-farm dwellings out of the country will help protect farms from nuisance suits.
- Should put right to farm language in land use plan or ordinance
 - Minn. Stat. 561.01
 - Protect farms from private nuisance suits if in compliance with local and state regulations
- Labor industry is challenging and becoming more difficult to find available labor. Demographics are limiting the pool of people to pick from.
 - This is not just a problem in the ag industry
 - Automation will not take over the industry. Labor will always be needed
- Blue Earth County Area is a great place to raise pigs and other livestock because:
 - Plenty of farmland to apply manure
 - Young farmers seek hog barn construction to generate cash flow and gain equity.
 - Several integrators in the area that are willing to contract feed.
 - Value of hog barns over the years has been great. 20-year-old barns are being sold for more than they were built for.
 - Engineered concrete pits are being constructed to last 100 years. Upper half of the barn will be replaced on top of existing pits.
 - Pig processing capacity in the region has expanded over the past few years with the construction of some new packing plants and the updating of others.
 - Corn and soybean mills in the area that provide feed
 - Plenty of crop Production
 - Presence of soybean processing plants
- Feedlot fees are too high when compared to other counties
- The industry is adapting to:

- Environmental challenges
- Animal welfare challenges