

FIELDS DISTRICT REPORT

**An agricultural economic development initiative
for the City of Meridian**



2014

Presented by

**Pegasus Planning and Development
and Point A Consulting**

Acknowledgements

CLIENT

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Executive Summary

Meridian has rapidly grown to become the 3rd largest city in Idaho, and is projected to continue to be one of the nation's fastest growing cities. Meridian is also home to some of the richest farmland in the country – much of which has been lost over the last 10 years to residential subdivisions. These subdivisions have attracted many families and some single professionals to live in Meridian, thereby helping spur the City's development as a retail center serving the entire region. The healthcare sector and office development have also grown at correspondingly rapid rates within Meridian during this time. Yet, low-density residential growth coupled only with commercial development is an unbalanced model that is not sustainable for the long term. City leaders therefore recognize that they must plot a new path to more aggressively promote diversification of Meridian's economy.

Meridian is thus at a crossroads in its growth trajectory. One path continues to grow residential, retail, health-care and office development and also continues the loss of agricultural lands to the North and West of current city limits. The other path is one that fosters a purposeful growth that is more financially and environmentally sustainable. This second path is the road less travelled by most cities in the United States, but it is a path that Meridian must take in its effort to grow sustainably and diversify its economy.

Crisis, change and opportunity bring about a call for action. Meridian's call for action is driven by the following issues identified and validated through this project:

- Lack of economic diversification
- Weak business-education-workforce collaboration
- Small share of 25-35 year olds (relative to Boise and Meridian's regional and national competition)
- Weak entrepreneurship culture and lack of business innovation infrastructure
- Loss of agricultural lands, and
- Lack of housing choice/diversity

The recommendations found in this report are strongly aligned with those of the City's formal Economic Development Strategy. Within the framework of this overarching Strategy and its focus on various target industries, **continued strengthening and development of Meridian's agricultural cluster is viewed as the City's premier economic development opportunity.** To drive this forward, three separate but highly complementary signature initiatives are proposed -- designed to solidify and promote Meridian's competitive advantage for agricultural economic development:

- 1. Ag-Innovation Campus** – An agricultural-focused "Talent and Industry Partnership Initiative" tied to a physical location that is designed to promote collaboration between agribusinesses, farming and K-20 educational institutions. The campus will help build a pipeline for the next generation of agricultural workforce and serve as a proving ground for ag-innovation and ag-entrepreneurs.
- 2. Agri-Tourism** – A set of initiatives to create new agriculturally-focused tourism assets and to market and position Meridian as an Agr-Tourism destination
- 3. Ag-based real estate development** – An innovative model based on the concept of clustering residential development around a working farm.

These initiatives are immediately implementable and can be pursued in a phased and coordinated fashion -- based on a detailed implementation roadmap that is yet to be developed. Projects building on each of these scenarios have been successful in communities across the US, as demonstrated by case studies with this report. As concepts, they have been well received by the many stakeholders involved in this study process over the last year. Outside resources will be required to implement several of these initiatives; however there is support regionally and within the State of Idaho for Meridian to pursue these new pathways to economic competitiveness and prosperity.



Background

In September 2013, The City of Meridian hired the team of Pegasus Planning and Development in collaboration with Point A Consulting, to answer the question, “Can Meridian diversify its economy while building upon its agricultural heritage?” As a point of departure, the consultant team was asked to vet a set of opportunities and assets identified in an existing White Paper that had been internally developed by the City, and that proposed a range of potential agriculturally-focused economic development strategies for Meridian. After examining this question from the perspectives of data analysis, diverse stakeholder input, and professional knowledge of national best practices and trends, the consultant’s answer to this question was a definitive “YES”, and possible preliminary directions were identified. At issue then, for further exploration, was “How?”

Phase I involved extensive interviews with key stakeholders identified by the City, including education and community leaders, agri-businesses and farmers. It also involved in-depth analysis of city and regional socio-economic data, and a careful review of previous reports and plans (transportation, land use, downtown and others). Phase I of the study effort was designed to conclude

with a “Go/No-Go” decision-point was set as its objective. The consultants determined from our analysis of data and from initial stakeholder support that a second Phase of study was warranted in order to define more specific strategies and tactics for development of the “Fields District” – the geographic area in northwest Meridian and Ada County targeted for this study.

Phase II began in February of 2014 and built on findings and the preliminary directions identified in Phase I, with a goal of defining an overarching Strategy for the Fields District. This report represents a culmination of both the Phase I and II study efforts. All of the quantifiable and qualitative analysis is incorporated into this Draft Final Report and its recommended strategies.

In parallel the City of Meridian engaged the consultant team to perform an Economic Audit and to recommend an Economic Development Strategy for Meridian. The Fields District strategy and initiatives found herein have therefore been folded into this overall Economic Development Strategy for the City of Meridian.

Findings

Consultant’s Approach in Brief

Beginning with the preliminary recommendations developed during the Fields District Phase I study, the consultants conducted further qualitative and quantitative analysis to refine and articulate the potential for major agricultural-related economic development initiatives in Meridian. Positioning Meridian at the forefront of advanced agribusiness development was a guiding theme in this research. Stakeholders across the spectrum of agribusiness, academia, land development, and government contributed their perspectives and feedback to the process. This rich collection of experience and expertise was combined with an investigation of industry employment and growth data. This quantitative research provided a more rigorous test of feasibility, ensuring that a

range of specific local industries could be drawn into and benefit from the Fields’ recommendations.

Qualitative Analysis Overview

The consultant findings drew heavily on qualitative analysis to understand the area’s strengths and opportunities in agricultural production, agricultural education and academic research, and within the agribusiness sector generally. Many assets or competitive advantages identified through our investigation are geographically dispersed across the state and some even are located in surrounding states. To understand the opportunities for leveraging assets locally, extensive interviews were conducted; stakeholders who were engaged throughout the study effectively formed an informal type of advisory group for the process.



o **Interviews** were conducted with key stakeholders and leaders across a range of sectors, including the following:

- City Officials: Mayor's office, Community Development (Economic Development, Planning & Zoning, Urban Design), City Finance, Public Works
- Economic Development Organizations: Meridian Chamber of Commerce, Meridian Development Corporation (MDC), Boise Valley Economic Partnership (BVEP), The CORE
- Academia/School District: University of Idaho College of Agriculture and Life Sciences; Boise State University, Division of Research and Economic Development; Idaho State University, Meridian Health Science Center; College of Western Idaho; Meridian Joint School District No. 2
- Business Community: Approximately 20 personal interviews with businesses in Meridian and regional employers in Health Care, Agribusiness, Finance & Insurance, Agricultural Production, Land Development, and Manufacturing.

o **Focus Groups** were held, during which preliminary findings were presented. Stakeholders then had an opportunity to provide further input regarding their level of interest in future collaboration, and gave feedback and refinement on recommendations from the following sectors. Focus Groups conducted included the following main groupings:

- Agribusiness
- Academia/Workforce Development
- Advisory Group/Ready Team (three meetings)
- Meridian Chamber of Commerce (Executive Board, Legislative Committee)
- Meridian Development Corporation

o **Site Visits** were conducted by the consultants to view major regional economic development assets and facilities and to learn about their capabilities. Among these were:

- College of Western Idaho - Micron Center for Professional Technical Education
- Meridian / Idaho State University Health Science Center

- Meridian High School, Professional and Technical Center
- University of Idaho Caine Veterinary Teaching Center
- Idaho National Laboratory

Qualitative Analysis Overview

The quantitative analysis performed in Phase I was comprised of intensive community and economic data analysis and preliminary industry analysis. Due largely to the qualitative findings, the data analysis shifted during Phase II focused on labor analysis and the determination of industry targets (see Appendix).

Target Industries were studied at a high level of specificity (4-digit NAICS codes) to determine those industries that both A) showed core strengths in the Treasure Valley and B) perform favorably in the national market as a whole, based on employment growth and Bureau of Labor Statistics projections. The Treasure Valley as a whole was chosen for analysis as well as Ada County because industry strengths in the whole region represent opportunities for development in Meridian.

For the Fields analysis, major attention was given to the agriculture "supercluster." Based on literature review this included an array of industries related to farming, farm machinery, food manufacturing and wholesaling, and advanced research and devices relevant to 21st century agriculture. Additional analysis focused on regional target industries. Initial projections were made regarding occupational profiles of agricultural and other target industries, but these should be refined with further qualitative and quantitative analysis [see Next Steps].

Photo Source: CWI.edu



College of Western Idaho, Micron Center - home to AgCo Training facility



Photo Source: CWI.edu

College of Western Idaho's AgCo training facility currently in Nampa. This facility is used extensively by students and industry to train workforce in the repair and use of high-tech machinery.

Factors of analysis included the following data:

- o Regional industry employment and employment growth over a recent five-year study period.
- o Local competitive advantage revealed by location quotient and shift-share analysis, established techniques for community economic planning.
- o National industry growth projections.
- o Relationship of industries to broad sectoral targets determined by the State of Idaho, Boise Valley Economic Partnership (BVEP), and project scope.
- o Average industry salaries compared to state averages.

Summary of Stakeholder Viewpoints Phase I & II

Phase I concluded by identifying a list of potential scenarios to promote agricultural economic development of Meridian and the surrounding region. This list was narrowed to three (3) that have been more fully developed through the Phase II process, and that form the basis for the recommendations contained in this report. Through focus groups and one-on-one interviews with key stakeholders, extensive feedback was collected on the relevance and potential for success of these three initiatives within the Meridian, Treasure Valley and Idaho environments.

A high level summary of Stakeholder viewpoint is presented below, organized by industry or interest group, which points the way toward the recommended Strategy and its supporting initiatives. This is supplemented by a business survey found in the Economic Audit & Strategy.

Agribusiness

Agribusiness stakeholders reported a significant need for a stronger workforce pipeline covering the entire spectrum of skill levels, from entry-level to advanced scientific positions. They would also like to see more robust capabilities for professional development of existing employees.

Stakeholders in this sector value the work ethic that graduates from the region's Ag technical programs and FFA students possess, but call attention to the fact that information technology skills are increasingly critical. One interviewee identified the ideal worker as "a kid that grew up his whole life on a farm, and he can rebuild a tractor engine, but who also knows computer science and can write code just as easily." In the course of introducing agribusiness representatives to these proposed initiatives, all were interested and excited about creating stronger workforce development capabilities in the region.

Agri-tourism also was seen as an opportunity to cultivate a renewed interest in the area's agricultural heritage and to attract future worker to the industry.

Academia

While all of the Meridian and Idaho academic institutions whom we interviewed (high school, community college and university) have some form of relationships with individual agribusinesses, these do not appear to have been focused at the level of defining industry-wide needs. Nor are they structured with the level of institutionalization required for a well-functioning talent-business collaborative to satisfy workforce demand (at all talent levels). And the opportunity to create a stronger foundation for commercializing university-developed research and technology inventions was an exciting prospect to all stakeholders interviewed.

Through the focus group discussions, questions arose regarding implementation, e.g. the nature and quality of "workforce demand" at the level of specific occupational categories. While this study included a preliminary analysis of occupational categories, it was limited in scope as this is an implementation issue that should be addressed in depth through further study directly with the industry and academic stakeholders, working in tandem. (See Next Steps).



Farmers

Active farmland in the Meridian area is highly coveted for real estate development as subdivisions and shopping centers. Regrettably, much of it is already under contract with developers and/or zoned for residential development -- therefore limiting the scope of public policy intervention that is possible from a "farmland preservation" standpoint. This suggests that developers are the key actors for partnerships to cultivate the types of recommendations and catalyst projects advised for the types of recommendations advised for the Fields.

There was notable pessimism about prospects for integrating active farmland with future urban developments. This pessimism appears rooted in the realities of the last twenty years of Greenfield development and urban expansion into the western parts of the Boise Valley. The historic pattern of expansion has been rapid and scattershot, often creating conflicts between farmers and residents who are new to the area. Many agricultural production activities are viewed by newcomers as nuisances despite the decades of ownership and active farming in these areas.

Ag-based Real Estate Development models that are being pioneered across the country use innovative urban design concepts to balance active agricultural uses with mixed-use development (both residential and commercial, and possibly including institutional uses such as schools, etc.). Effective design can mitigate conflicts between rural and urban uses, and encourage a mix of farmland preservation, small-scale farming for local foods, and commercial farming tailored to Meridian's unique climactic assets.

Meridian community

Focus groups and feedback sessions conducted during the study revealed a strong interest and support for the proposed Strategy and its three key initiatives from residents, local business owners, and city officials. Many acknowledged a need for more diverse entertainment options and a balanced approach to integrating the old with the new. The City appears poised to push for more inclusive, sustainable land use and development policies that would help secure Meridian's future quality of life and attractiveness as a place to live, work and play. The level of interest expressed by diverse community leaders with whom we met demonstrates a high level of willing-

ness to support and participate in future implementation efforts.

Some Meridian residents who participated in feedback sessions echoed the concerns expressed by farmers about the challenge of integrating active farm uses with residential development. Education about way in which these initiatives differ from traditional real estate developments will be an important element for the City to carry forward, as part of its coalition building to implement these initiatives.

Target Industry Analysis Findings

Additionally, two sets of analysis were undertaken to identify industry strengths in the Meridian region. First, industries associated with the agriculture "supercluster" were identified from literature review. A ratings system was developed that took into account major characteristics of each industry locally and nationally, including national growth projection rates. Agriculture industries with the highest performance for Ada County and Treasure Valley were found. These industries are prime targets for incorporation into workforce, entrepreneurship, and business development strategies in the context of the Fields initiative. The results of the first level of analysis are as follows:

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Regional Agricultural Supercluster Industries

Treasure Valley			Ada County	
Industry Cluster	NAICS Code	Description	NAICS Code	Description
Food Services	311	Food manufacturing	311	Food manufacturing
	312	Beverage & tobacco product manufacturing	424	Merchant wholesalers, nondurable goods
	424	Merchant wholesalers, nondurable goods	327	Nonmetallic mineral product manufacturing
	327	Nonmetallic mineral product manufacturing		
Agricultural Services	115	Agriculture and forestry support activities		
Agricultural Machinery	221	Utilities	221	Utilities
	325	Chemical manufacturing	325	Chemical manufacturing
	332	Fabricated metal products and manufacturing	332	Fabricated metal products and manufacturing
	423	Merchant wholesalers, durable goods	423	Merchant wholesalers, durable goods
Agricultural Research & Instruments	334	Computer and electronic product manufacturing	334	Computer and electronic product manufacturing
	518	Data processing, hosting and related services	518	Data processing, hosting and related services
	541	Professional and technical services	541	Professional and technical services
	561	Administrative and support services	561	Administrative and support services
Primary Agriculture	111	Crop Production	111	Crop Production
	112	Animal Production and aquaculture	112	Animal Production and aquaculture
Food Service	3111	Animal food manufacturing	3114	Fruit and vegetable preserving and specialty
	3114	Fruit and vegetable preserving and specialty	3113	Sugar and confectionery product manufacturing
	3121	Beverage Manufacturing	3116	Animal slaughtering and processing

Source: Pegasus Planning and Development; BEA.gov



Regional Agricultural Supercluster Industries				
Treasure Valley			Ada County	
Industry Cluster	Industry Code	Description	Industry Code	Description
Food Services	3116	Animal slaughtering and processing		
	4245	Farm product raw material merchandise, wholesale		
Agricultural Services	1151	Support activities for crop production		
Agricultural Machinery	2213	Water, sewage, and other systems	3329	Other fabricated metal product manufacturing
	3253	Agricultural chemical manufacturing	3332	Industrial machinery manufacturing
	3329	Other fabricated metal product manufacturing	4238	Machinery and supply merchant wholesalers
	3332	Industrial machinery manufacturing	4249	Misc. nonburable goods merchant wholesalers
	4238	Machinery and supply merchant wholesalers		
	4249	Misc. nonburable goods merchant wholesalers		
Agricultural Research and Instruments	518	Data processing and other systems	518	Data processing and other systems
	5417	Scientific research and development services	5417	Scientific research and development services
	5413	Architectural and engineering services	5413	Architectural and engineering services
	5416	Management and technical consulting services	5416	Management and technical consulting services
	5619	Other support services	5619	Other support services
Primary Agriculture	1112	Vegetable and melon farming	1119	Other crop farming
	1113	Fruit and tree nut farming	1121	Cattle ranching and farming
	1121	Cattle ranching and farming	1153	Support activities and forestry
	1119	Other crop farming		
	1129	Other animal production		
	1153	Support activities for forestry		

Source: Pegasus Planning and Development; BEA.gov

After integrating both the first and second levels of analysis, the **industry sectors** recommended for targeting by Meridian are as follows:

1. **Ag Tech:** Composite category including research, development, production, and sales of agricultural machinery, measuring devices, and medical foods.
2. **Scientific Research and Development:** Original investigation or application of research for the creation of new products.
3. **Management, Scientific and Technical Consulting Services:** Firms that influence how business, governments, and institutions make decisions by delivering services in the form of knowledge, experience, special skills, or creativity.
4. **Boiler, Tank, and Shipping Container Manufacturing:** Service Ag Supply chain and transportation needs.
5. **Grocery and related product Wholesalers:** Non-durable goods wholesalers; in this case, includes distributors of foods and specialized agricultural products.
6. **Medical & Diagnostic Laboratories:** Providing analytic or diagnostic services to the medical profession.
7. **Outpatient Care Centers:** Mental Health & Substance Abuse; Family Planning.
8. **Other Hospitals:** Specialty hospitals; treatment to inpatients with a specific type of condition.

These industries represent clear examples of the region's core strengths in agriculture, professional services, and healthcare. They reinforce the basic thrust of the strategies proposed for the Fields District coupled with those recommended by the Economic Development Audit & Strategy.

Core Themes

These Core Themes are high-level statements that help form the base for the Fields Strategies and have been generated by the quantitative and qualitative analysis described above:

- The **tradition of Agriculture** in Meridian and South western Idaho differentiates this area within its State, Regional and U.S. context. Agriculture-oriented activities will continue to serve as a strong base for the Meridian economy for the foreseeable future.
- The **ability to attract and retain qualified workers** is of equal importance as the ability to recruit new companies.
- By building on the foundation of a strong initiative for Education / Business Partnerships, there is an **opportunity to integrate R & D** from the State's **universities** and its leading **companies**, and to **promote commercialization of new technologies**. This will allow Meridian and the Treasure Valley region to evolve from a reliance on its **traditional industries** and to develop new business opportunities based on **emerging technologies**.
- Strengthening Meridian's **entrepreneurial ecosystem** and providing strong support to rapidly growing small businesses is key to **developing an innovation economy** across the entire region
- **Local leaders must strongly commit** to economic development, both in policy making and resource allocation, to reach the long-term goals and opportunities identified by this study.

These Core Themes form a basis for the recommendations found in the following pages.



Fields District Strategy

Diversify Meridian's economy by cultivating talent, developing an innovation ecosystem, and continuing to improve quality of place to keep and attract talent -- all while building upon its agricultural heritage.

Meridian has been described as being located “at the intersection of agriculture and technology.” The City of Meridian has a strong economic and cultural heritage in agriculture. Development pressures and structural shifts in the agriculture industry have led to significant declines in agriculture usage in Ada County. At the same time, the Treasure Valley region has become a burgeoning center of technology—from its industry growth to talent development programs. Research on Meridian's assets and opportunities was combined with in-depth analysis of this “Ag-Tech” intersection.

Agriculture, like most American industries, faces a new frontier where integrating new technology is fundamental to remaining competitive and profitable. Advanced manufacturing and biomedical development are salient examples, but agriculture too has arrived at a nexus merging traditional skills and markets with advanced production and distribution technologies. Robotics, GPS, drones, remote sensors, and modified seeds and crop varieties will be necessary to meet the global demands and adapt to a more chaotic climate.

According a recent study by Idaho Business for Education (IBE)...

- Idaho has the lowest rate of graduates immediately matriculating after graduation in the country.
- Currently only 41% of Idaho workers between 25-34 years old have a work-ready certificate or higher (only 26% hold at least a Bachelor's degree or higher)
- By 2020, 61% of workers will need a certificate or higher at 43% of those worker will need at least a Bachelor's degree

The implications for development of the future agricultural workforce are tremendous. Today, a work-ready certificate is a bare minimum for high quality employment, and demands for degree-holding workers in the Science, Technology, Engineering, and (advanced) Manufacturing fields are high and growing. This is why the first of our primary recommendations is focused on **strengthening partnerships between business and educational institutions (K-20) to meet industry needs today and to drive innovation further tomorrow.**

TOP 5 Degree Areas Emerging in the Next 5 Years for Southwest Idaho

1. Computer Science and Technology
2. Business and Economics
3. Engineering
4. Health Science
5. Communications

(IBE, 2014)

Core Initiative

As agriculture continues to embrace and become more integrated with technology, increased opportunities for new services and products are emerging. Two brick-and-mortar initiatives are recommended to meet this demand.

- Create an **Ag and Technology focused workforce development program** that partners education providers and industry. The program's campus will serve as an anchor to the overall innovation ecosystem. It will directly link high school students to work-ready certificates and associates degrees. Links to higher education will be incorporated, so this campus can usher in the next generation of



talent to meet industry's needs and provide competitive jobs for the short and longer term.

- Simultaneously, establish "Venture Meridian" as an entrepreneurial incubator that will provide capacity to rapidly conceptualize and launch new business ventures to meet emerging opportunities and demands for agricultural services and products.

Designed in tandem, these initiatives are first steps that will lay the foundation for higher level research and development that must be present before resource intensive research facilities and programs can be established. They will establish strong partnerships expediting the steps toward R&D, technology transfer, and commercialization of innovations.

A city's investment in an education and innovation infrastructure is critical for economic development, but it does not guarantee the retention of a skilled workforce, entrepreneurs, and large businesses necessary for long-term growth. Keeping and attracting talent requires holistic planning that augments Meridian's high quality of life with strong "quality of place." This goes beyond investments in downtown or particular projects, referring to the uniqueness, attractiveness, inclusiveness, and connectedness of the built environment. These characteristics are crucial to attracting the next generation of creative talent, as well as residents and workers across the demographic spectrum.

One can easily see how innovation as a principle goes hand in hand with thinking about how we use space and the concept of quality of place. Innovation is driven by two unique forces interacting and building something new, better, and different. Quality of place means providing a space for that and the sense that this change is good and welcome!

Supporting Initiatives

Two additional initiatives are recommended to further diversify the economy, create jobs, and promote desirable and sustainable land uses. These also serve to improve quality of place by adding amenities, making the area more attractive to existing residents, newcomers and visitors:

- A hub for agritourism -- a Meridian Ag Experience Center
- An Ag-based real estate development strategy

Nationally, Agri-tourism is a rapidly growing industry segment. It is tightly linked to learning about local food culture and developing an understanding of local culture and heritage. Regionally, agricultural and rural tourism amenities abound and Meridian has a great opportunity to position itself as a central hub or take-off point for exploring these cultural assets by creating an Ag-Experiential Tourism Destination.

The last initiative is the Ag-based real estate development model: an approximately 500 acre development planned after the same design principles of a golf-course community, with active food production and local-food focused amenities as the central feature among a clustered residential and mixed-use development.

Together these initiatives can strongly enhance the Quality of Place in Meridian. They will make major contributions to economic fundamentals in terms of workforce and entrepreneurial infrastructure. They will also add considerable value to existing real estate and generate attractive amenities for existing and prospective city residents. They will help cultivate, retain, and attract the young, creative, technically-sophisticated workforce of tomorrow while serving Meridian's residents today.

A "Next Steps" section follows these Catalysts and Strategies. It is important to remember that economic development is not a sprint, it is a marathon. Leaders must keep a long-range perspective in mind: adopting this Strategy is only the first step in a long-term economic development program for the City of Meridian that will involve every department of the City.

STRATEGY AT-A-GLANCE

To drive the Fields District strategy forward, the consultant team recommends that the City pursue three separate, but related and mutually reinforcing catalytic initiatives detailed below in the recommendations section. Implementation should be staged / phased and coordinated among the three:

1. Ag Innovation Campus

where regional educational institutions will partner with business community to create a specialized campus to strengthen the K-20 pipeline to satisfy current and future employment demand in key occupations and skill sets.



Richland Community College & Agribusiness Corridor

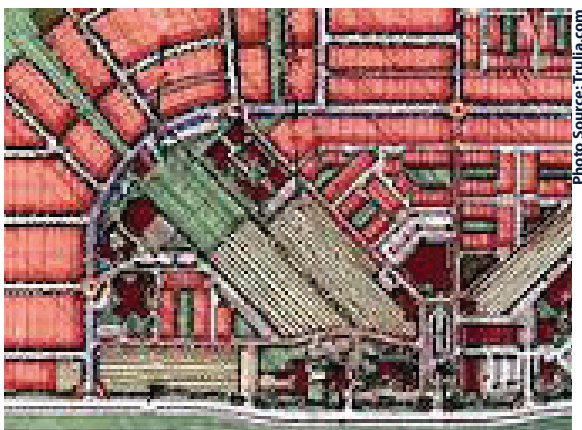


2. Agritourism Development

that will position Meridian as a jumping off point for exploring regional ag-heritage & cultural tourism amenities by the creation of an Ag-Experience Center.



The Barn, Agricultural Education & Heritage Center, Indianapolis, ID
Photo Source: TLF Engineers



Agritopia, Gilbert, AZ

3. Ag-Based Real Estate Development

for which the City partners with developers to create a **diversified mixed-use neighborhood** built around an organic, community-supported farm. Using premier urban design elements will create a **harmonious environment at the rural-urban interface.**



Recommendation 1: ESTABLISH AN AGRICULTURAL-FOCUSED TALENT DEVELOPMENT AND INDUSTRY PARTNERSHIP INITIATIVE

Context:

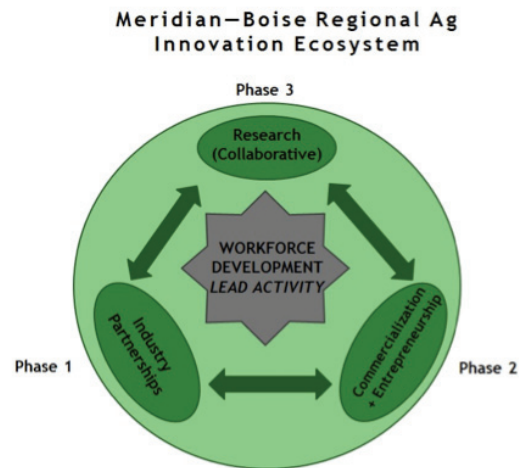
An innovative community builds institutions and cultivates a culture open to and supportive of experimentation, education and skills development, and new concepts and techniques. This type of high-growth climate cannot be developed ad hoc; rather, it depends on a long process of investing in human capital and relationships. An economically vibrant community depends on an ecosystem of agents and organizations, working towards incremental improvement of the local business climate.

The first “rung” on the ladder of resilient local growth is the cultivation and retention of high-skill, talented workers in a range of technical and managerial fields. The talent development sphere is the “engine” for deepening skills specialization and industry advancement. As the skilled workforce and entrepreneurial communities grow, with constant cooperation with established companies, local investment will increase. This provides the base necessary for industry growth, research and development, and technology commercialization that yields major growth in high-quality jobs.

The first step on this path to substantial industry development is the cultivation of a pool of workers matching the skill sets demanded by regional industry, and tying that pool to entrepreneurial programs industry targeting initiatives.

Recommendation 1A. Engage Industry with Educational Institutions to Define Concrete Talent Development Goals, Tactics, Outcomes and Metrics

- Utilize Target Industry and Target Occupations Analysis to guide the creation of a Talent Development Initiative
- Review the Assumptions and Implications of the Target Industries
- Show how the signature cluster development strategy for Agriculture – with its three catalytic initiatives -- fits within Meridian’s overall



Graphic Source: Pegasus

economic development strategy.

- Initial focus of Talent Development programs should be more narrowly focused than merely “all of Agriculture”; build Talent Development capabilities based on:
 - o priority needs articulated by industry
 - o priorities resulting from Target Industry Occupational Analysis
 - o priority areas identified by Meridian School District No. 2, CWI, and universities
- Consider focusing the Initial Talent Development, Collaborative Research and Commercialization efforts on “Ag Tech” – Multidisciplinary and emerging application of Information Technology to:
 - o innovative agricultural equipment
 - o cutting-edge ag-production processes (including Unmanned Aerial Vehicle, precision agriculture, environmental assessment, etc.)
 - o bioenergy, biomaterials
 - o water, energy, environmental sciences
- Establish specific, measurable goals, e.g. number of graduates in specific degree or certificate programs or fields; goals for internships or experiential education, etc.

Recommendation 1B. Establish an “Agricultural Talent Development, Commercialization & Research Campus” at a strategic location within Meridian. [Alternative name: Meridian Ag Innovation Campus -- A Center for Talent Development, Research and Commercialization]

- The Campus would serve as a nucleus around which various related agricultural initiatives may be developed and would revolve.
- The campus should build on Meridian’s agricultural heritage and direct agricultural assets, while leveraging the significant agricultural education and research assets that exist within the Treasure Valley.

Recommendation 1C. Create a Business Plan for the Ag-focused Talent Development Initiative + Ag Innovation Campus

- Potential Elements
 - o Virtual (to start) versus Place-based
 - Rationale – how to evolve from initial virtual to eventual Place-based
 - o Preliminary Site parameters (size, locational criteria)
 - o Preliminary Building parameters (size, function)
 - o Preliminary programming
 - o Preliminary identification of funding sources / options / techniques



**Walla Walla Community College,
Agriculture Center of Excellence,
FFA Ag-Technology and Mechanical Systems Careers Contest
Spring 2013**

Top 10 Technologies for the future of Agriculture

- 1. Wearable Computers:** such as Google Glass.
- 2. Next-Wave ISOBUS:** communications protocol for farm equipment to ensure all brands of electronics will speak the same language.
- 3. Electric Motors:** swapping manual operations systems for electric drives with high-speed seed metering, variable-rate seeding, and switching between hybrids in the same row.
- 4. High Voltage Tractors:** new forms of power generation, increasing precision, easing connections with implements, providing power to electric motors.
- 5. Sensors:** precision and safety in measuring soil moisture and nutrient detection.
- 6. Predictive down pressure:** combines active down force of implements with anticipatory sensors.
- 7. Drones/Unmanned aerial systems:** providing aerial imagery to identify stressors that may account for variances. Improving zoom and infrared technologies.
- 8. Robots/Autonomous systems:** Some can drive tractors, follow a combine, scout for pests, or plant crops.
- 9. 3-D Printing:** can be used to replicate materials for production such as hood ornaments or tools, several have been used to make drones.
- 10. Cloud technologies:** whether open-sourced or for individuals, cloud storage will be a useful technology to store “Big Data.”

Source: FarmlandIndustryNews.com

- Consider possible synergies by co-locating the proposed “Agricultural Talent Development, Commercialization & Research Campus” with Recommendation #2 Agritourism and Recommendation #3 for Ag-focused land development (E.g. related to costs of land assembly and infrastructure, marketing / visibility, critical mass, etc.)

Recommendation #1D: Create a structure for the Ag-focused Talent Development - Initiative

- As part of longer-term implementation of the Initiatives and Business Plan outlined above, create an umbrella leadership structure, whose purpose and potential benefits include:

- o engage key stakeholders
- o cement public-private partnership
- o provide strategic planning direction on an ongoing basis
- o help establish regional foundations
- o support fundraising efforts
- o raise visibility and create a brand



Recommendation 2: CREATE A COMPREHENSIVE AGRI-TOURISM STRATEGY CENTERED ON MERIDIAN AS THE “AG-DESTINATION HUB OF THE TREASURE

Context:

Though farmland loss is occurring nation-wide, the magnitude of this trend in Ada County cannot be overstated. In the last five years Ada County has seen a loss of farmland greater than that of the previous 15 years! It is a critical time, when more political will must be harnessed to change or mitigate the rolling tide into the Greenfield. Agri-Tourism will not only work to improve Quality of Place; it will increase awareness and stimulate an interest in agriculture for the next generation.

The first “rung” on the ladder of resilient local growth is the cultivation and retention of high-skill, talented workers in a range of technical and managerial fields. The talent development sphere is the “engine” for deepening skills specialization and industry advancement. As the skilled workforce and entrepreneurial communities grow, with constant cooperation with established companies, local investment will increase. This provides the base necessary for industry growth, research and development, and technology commercial-

tural recreation. It is inherently regional and it relies entirely on local authenticity—linked to an area’s local food culture.

Agri-Tourism as a form of recreation can be traced back to the 1800s when the city gentry would visit pastoral landscapes to escape the summer swelter of urban areas. More recently it has become commercialized, with some parts of the world almost totally reliant on this for economic vitality. Treasure Valley has the soil quality to support nearly 200 different types of agricultural products. This kind of diversity can be featured and build a greater appreciation of local residents for the rareness and fragility of this landscape.

The multiple elements of the overall Agri-Tourism strategy should fit within the framework of Meridian’s Economic Development Strategic Plan, and should be mutually reinforcing with other economic development and Fields District recommendations. Agriculture and Agri-Tourism should be included as key elements in the city’s future economic development and comprehensive planning efforts. This recommendation includes a signature initiative but its success is very much linked to an understanding of the region’s cultural heritage. It is a jumping off point to experiencing the unique agriculture heritage of the Treasure Valley. It is the “first tier” attraction to a wide array of cultural assets

Loss of Farmland in Acres					
County	1992	2007	% Change (92-07)	2012	% Change (07-12)
Ada	232,879	191,477	-21.6%	144,049	-25%
Canyon	391,050	260,247	-50.3%	303,836	+17%
Gem	197,176	190,757	-3.4%	178,984	-6%
Elmore	353,528	346,550	-2.0%	344,820	0%

Source: US Agriculture Census

ization that yields major growth in high-quality jobs. Agri-Tourism can be thought of as “experiential tourism” – that is, tourism that is less passive and focused on interacting with the local way of life or environment. While once considered a niche market, it is becoming a major industry segment and is the fastest growing form of tourism in the world. Agri-Tourism is focused on learning about and experiencing farming and agricul-



Photo Source: TravelandLisure.com

and experiences.

Tourism is often seasonal and can be cyclical, but its limitations do not mean it should be ignored. Tourism can generate sales tax, seasonal employment and amenities for locals, and visibility to attract new residents and talent. This initiative will create a deeper sense of place, will have local and regional benefits, and will build additional support for Meridian's other initiatives in the ED Audit/Action Plan, including highway expansion. It will be important for planning groups to adequately represent the interests of all stakeholders in Agri-Tourism development.

Agri-Tourism Details

Sub classifications: ecotourism, garden tourism, guest ranches, wine tourism, dairy tourism, and rural tourism (related to experiencing the lifestyle of living in the country, its culture, religion, and building an ethnographic understanding of rural human activity)

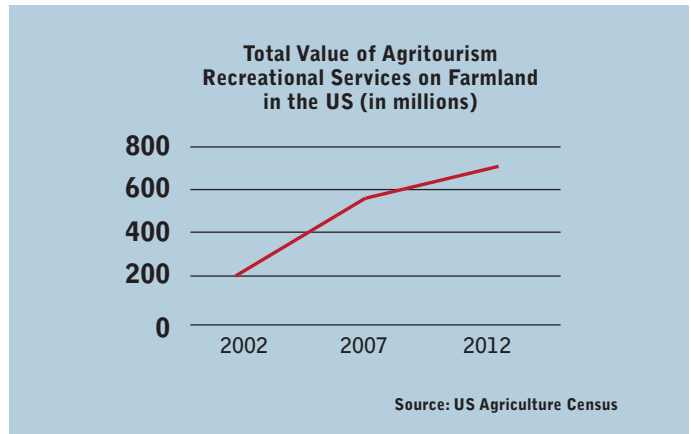
Market: The largest market segment for Agri-Tourism is Baby Boomers followed by Millennials, though these types of activities are typically friendly to all age groups. The PLACE is the product, and all the related experiences native to the place. By 2020, US/Canadian Baby Boomers (between ages 55 to 74) will number over 84 million. They are the most affluent and educated generation of retirees in the history of either country. They are

Left and Below:

Kiyokawa Family Orchard, Parkdale, OR
Apple picking and Slow Food Feast



Photo Source: Condennatraveler.com



sophisticated travelers interested in more than conventional attractions. They seek an experience and a sense of place.

Recommendation 2A. Convene local stakeholders as a Meridian Agri-Tourism Steering Committee to carry out strategic planning and guide implementation efforts

- Before major initiatives are pursued, strategic planning must provide the staging ground.
- Because Agri-Tourism is naturally a regional initiative, Meridian needs to organize locally to ensure that products and outcomes of developing regional tourism can be directly linked to local efforts.
- The City should lead an effort to convene interested developers, land owners, the Chamber of Commerce (the lead organization for Tourism marketing), and a cross-section of the community in strategic planning. The Committee will create a strategy plan and bylaws for the purpose of placing Meridian as a hub (not an all-inclusive environment or stand-alone attraction) for exploring Agri-Tourism and cultural heritage in the region. The region's Agri-Tourism development thereby becomes a mutually enforcing effort: the more that the region's agriculture base is improved, preserved, and made amenable to tourists and locals, Meridian's centrality and prominence will rise.

Recommendation 2B. Convene regional Agri-Tourism stakeholders to form a Treasure Valley Regional Agri-Tourism entity (Note: these recommendations are well-supported by the University of Idaho College of Law report on Agri-Tourism at the Rural-Urban Interface)



- Comprised of: County officials, Rural Development administrators, City representatives, land/farm owners, dairy owners, producer groups, Chambers of commerce, tourism marketing entities, and local residents
- Entity can serve to:
 - o Provide a regional basis of support for developing local strategies to promote ag-heritage oriented tourism or Agri-Tourism
 - o Conduct a cultural heritage asset mapping that can inform the local Agri-Tourism steering committee of additional resources and experiences (see Appendix)
 - o Design themed routes for cultural tourism cohorts (ex: Ag Architecture, Historic Barn Tour, Wine Tourism, Small farmstead trail)
 - o Create an Agri-Tourism marketing fund
 - o Lobby for creation of “agriculture promotion districts” for conservation and preservation of ag uses
 - o Advocate for changes to State policies related to state highway signage for marketing
- Meridian should support and integrate existing regional tourism plans and initiatives as “spokes” with Meridian’s new initiatives placing the city at the center (promoting connectivity)
 - o Treasure Valley Scenic Byways initiative
 - o The Sunny Slope Wine Trail
 - o Meridian’s Wine Coop on Main Street
- Relocation of the Garden City Fairgrounds—which is immanent though a longer-range proposition that depends on building consensus among regional stakeholders—could be integrated with the local Agri-Tourism strategic plan. Meridian could position itself as the ideal location for the fairground’s relocation the potential to be come a “Southwest Idaho” State Fair.

Recommendation #2C: Create a high profile, Ag-focused “destination attraction” in Meridian that provides a unique and complementary amenity for the Boise and Treasure Valley region.

- Provide a visitor experience that appeals both to existing residents as a weekend, seasonal or occasional activity; with sufficient



Photo Source: Pegasus

**National Wine Tourism Site, Bitner Vineyards,
Part of the Sunny Slope Wine Trail**

scale and critical mass to provide a draw for visitors from beyond the region, or those who are “passing through” but seeking an expanded range of tourist offerings.

- Purpose: tourism amenities for the city, educating the region about the unique assets of the valley and the need to preserve them, develop an interest in ag and local food culture
- Build on precedents / models for such a “destination attraction” from other states such as Oregon, Indiana, Kentucky and Texas
- The City of Meridian should not lead the planning process but should be a part of the strategic planning entity and assist in implementation by way of partnerships and fast-track permitting.

CORE ELEMENTS SHOULD INCLUDE:

1. The Ag Heritage Center (Sustainable building)
 - Exhibit Hall with opportunities to observe and learn about Idaho's agricultural history, present and future
 - ILLUSTRATIVE Programming
 - o Permanent Idaho Agriculture Museum, including interactive exhibits and revolving changing exhibits
 - o Learning Center to help advance Idaho agriculture through education
 - o Agriculture Library and Media Center with latest high-tech equipment linking to universities and other sites
 - o Agriculture Hall of Fame – recognizing past and current families and individuals as well as major corporate leaders
 - o Virtual Farm Experiences within the museum, including operating large farm machinery, live animals
 - o Seed, Soil, Sun: from seed to table
 - o An "Idaho Preferred" Center for Farms and Food – Education about importance of land to table movement
 - o Food Science-plants, animal, and value-added products
 - o Horsepower -- how farming has changed from plow to state-of-the-art
 - o Potatoes and Key Crops -- history and usage
 - o Agricultural antiques
 - Energy Pavilion
 - o Center and campus could be designed to produce 100 percent of energy required through combined use of wind, solar and geothermal power.
 - o Harvest Skies-power of solar, wind, biomass, weather –
 - o Sustainable / Alternative Energy technologies
 - o Water as a Resource
 - Meeting/Trade Show/Assembly Area
 - o Multi-media 250-seat Theater, plus up to 1000-seat auditorium
 - o Communications Center/Learning Lab
 - o Meeting space for agricultural and non-agricultural groups

Interim Concept name: "Treasure Valley Ag Experience Center"

- 50 acre site (minimum recommended), with "working farm" exhibits
- Estimated investment for Phase I: approximately \$20 million
- Example Activities
 - o Farm Tours
 - o Farmers Market
 - o Seasonal Experiences: Pumpkin Patch Fun; Corn Mazes; Christmas tree cutting
 - o Restaurants and retail
 - o Local Craft and Holiday Store
 - o Petting Zoo
 - o Movie Nights
 - o Summer farm camps, chef camps for kids

Precedents

From these, demonstrate "Order of Magnitude" data for Sites, Buildings and Funding

- Kentucky Ag Heritage Center (in planning)
- Huber Orchard, Winery and Vineyards
<http://www.huberwinery.com>
- Fair Oaks Farms
<http://www.fofarms.com>
- Chaney's Dairy Barn
- Bob Bullock Texas State History Museum, Austin, TX
- Connor Prairie, Fishers, IN
- Texas Agricultural Education and Heritage Center, Seguin, TX
- The Barn: Center for Agricultural Science and Heritage, Indianapolis, IN
- The Sage Center
<http://www.visitsage.com>

- Info Desk for Agri-Tourism -- advice for other things to see and do in the region (including recreational Tourism)
- Show Barn (12,000 sq. ft)
- Farm Store
- Restaurant/Dining + Commercial Kitchen



2. Variation / Additional Elements A: Wine

Region Visitor Experience / Center

- May be included as display, information center within the Ag Heritage Center facility

3. Variation / Additional Elements B: Working Dairy Farm – A “Visitor Experience”

- Includes production area for cheese and ice cream making, and visitor participation activities

4. Variation / Additional Elements C: U-Pick-Em Fruits and Vegetables (working fruit and vegetable farm section)

Recommendation 2C.1 Site Selection Recommendations

- Priority Site Selection criteria: located off - Highway 16 for connection to Scenic By ways and Sunny Slope Wine Trail
- Evaluate publicly-owned land that could be used
- Near major East-West corridor:
- Shorter term ideal alternative: Ten Mile Interchange
 - o Already has necessary infrastructure
 - o Highly visible from I-84
 - o Closer to Meridian’s remaining ag production area (south of I-84)
 - o Nearer to Downtown Meridian
- Longer term, secondary option: Fields District Area
 - o Challenge: will require connecting wastewater; much of the land is already spoken for by many developers; connectivity to the rest of the city is a longer-range proposition (Highway 16 +20/26 improvements)
 - o Opportunities:
 - Depending on location of innovation campus and Ag-focused real estate community, could have more land options to co-locate
 - Could encourage the creation of a “community activity node” in the Northwest corridor and encourage denser development practices for long-range planning



Photo Source: FOFarms.com



Photo Source: NWTimes.com

**Fair Oak Farms, dairy farm experience center
Fair Oaks, Indiana**

- Proximity to Can-Ada border may help leverage regional support for relocating the Garden City Fair grounds to this region and make the case for a Southwest Idaho Fair

Recommendation 2C.2 Strategic and Business Plan Recommendation

- Business Plan elements / Supporting Issues will need to be addressed
 - o ORGANIZATIONAL Recommendations: ensure representation by land owners; Agri-Tourism operators; agribusinesses; producer groups; potential philanthropic organizations; developers; local, regional, and state entities
 - o NEED for Champion[s]; / Partnerships and Buy-in
 - o Role of State Government will need to be defined
 - o Sources and Uses of Funds
- State, philanthropy, local (could come in \ non-fiduciary terms), or even a grassroots membership base

Recommendation 3: CREATE AN AG-BASED REAL ESTATE DEVELOPMENT INCORPORATING A MIX OF RESIDENTIAL, COMMERCIAL, AGRICULTURAL, AND CIVIC USES. VALLEY”

Context

Ada County lost 25% of its farmland from 2007 to 2012. Canyon County lost 50% of its farmland from 1992 to 2007. Much of the land in Meridian city limits that used to be farmland has been converted to subdivisions which have provided needed housing in the region.

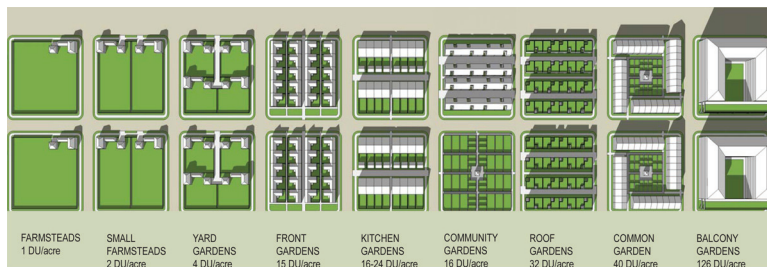
The price of land in Meridian has increased substantially as these “greenfield” sites for new subdivisions become scarce amidst the incredible population growth in the region. Stakeholder interviews revealed that prices of farmland were \$5,000/acre in 1990 and are now well above \$100,000/acre.

As farmers in the Ada/Canyon County area age, and the next generation is not interested in taking on the farms, the offers from developers that farmers are receiving are appealing. By most accounts, a majority of the land in Ada County (some of which will become part of the City of Meridian through annexation) has already been “spoken for” by developers who have rights-to-purchase contracts for these lands.

Very little water or sewer exists in the Fields District; urban development would require significant infrastructure investment. This area and the Ten-Mile vicinity to the south, can benefit from the wastewater reclamation project of the City of Meridian, and receive reclaimed water at reduced or free prices.

As a result of the need that developers will have for infrastructure in the Fields area, and with the interest the City has in preserving agricultural heritage, the City should embrace a program to foster a new type of subdivision called we term as an Ag-based land development. This is not a new concept. This type of hamlet development is an Old World development pattern brought from Europe where homes are clustered, agricultural land is preserved and commercial services are walkable to residents.

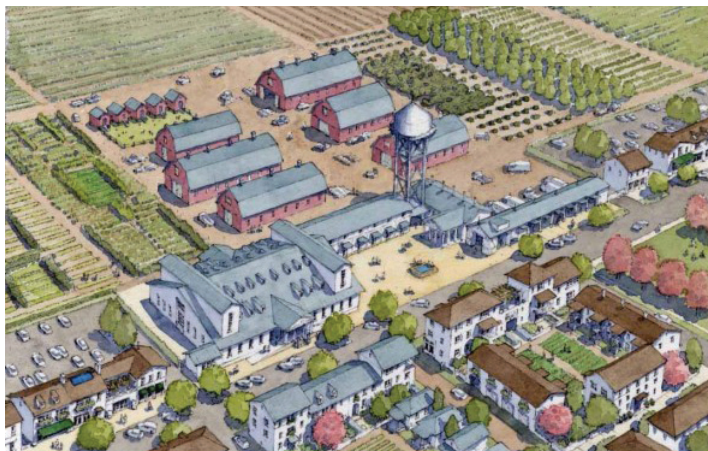
Development scholar at the Urban Land Institute, Ed McMahon stated that as of 2012 there are close to 200 of such developments currently exist in the United States, and many are in planning or under develop-



Illustrative examples of how to gradually integrate urbani and rural uses through a land development code that applies a “transect” model.

2 Left: General Transect Models

Below: Transect-based Land Plan for Southlands, Tsawwassen, BC, Canada



Photos Source: DPZ.com



ment. The concept is simple: cluster homes; substitute a community garden in place of a large recreational amenity such as a golf course; and make the commercial services walkable to most residents. Nearly every US case has been examined for the Fields District Strategy and the three that are most relevant for Meridian are presented on this and the following pages.

The following recommendations are not in a particular order, and in fact several should be done concurrently and are complimentary to each other.

Recommendation 3A. Grow Meridian Sustainably

- Consultants compared the Ag-based Land Development model to a traditional residential subdivision (see pg 30-31), based on the impact both developments would have on the city's budget over ten years. This fiscal impact analysis used per capita and per square foot values for local public expenditures and tax receipts for the different land uses represented in each model.
- The Ag-based Land Development model would contribute a much larger surplus to Meridian over ten years than a traditional development. The net present value of the Ag-based Land Development surplus is \$623,635, compared to \$453,487 for the traditional development, an increase of almost 40%.
- The Ag-based Land Development is a smart investment for the region: it preserves active farm land (30% of the total acreage), promotes housing market diversity, facilitates more walking and biking, and generates more value per acre for both developers and the city.
- The City should establish and use a Fiscal Impact Analysis Model for all developments, as a matter of policy
- Maintaining to the City's 10-year and then Annual CIP will save the City and its taxpayers millions over a 10-year period.
- City should establish and maintain an approval, permit and utility outlay system that maintains to the City's Comprehensive Plan and Capital Improvements Plan
- The City should actively market its green and sustainable initiatives including this Fields Initiative, and also the Water Reclamation project with the city's wastewater treatment facility.



Case Study: Prairie Crossing, IL

This is development located in a community located 40 miles from Chicago, IL. It is considered a "conservation community" where conservation easements were used to preserve a majority of the development's acreage for existing farms, wetlands, and open space. From its inception, Prairie Crossing was envisioned as a place that captured "a sense of place."

Highlights

- o Total Acres: 667
- o 249 single family homes; 36 condos
- o All sold by 2010 at rates of 34% above AMV
- o Currently selling at 100% above AMV
- o Commercial: Station Square is a mixed use commuter rail station directly linking resident to the Chicago MSA
- o 100 acres of farmland
- o Byron Colby Barn used for community gatherings



Photo Source: ruralsociology.org

Recommendation 3B. Convene a stakeholders working group comprised of developers, landowners, planners, bankers brokers and builders.

- The City needs to lead this initiative with support from the County and other associations and appropriate stakeholder support.
- City should hold several in-house/staff only sessions with experts to determine how best Meridian can and should execute this concept.
- Develop a true model for an Ag-based land development that addresses every aspect from the public and private side that can be identified
- Create a presentation that clearly articulates the vision and the benefits

- Create an outreach strategy and “buzz” about this concept, before advertising a discussion or meeting about this concept. This can help developers see the buzz and interest among the community.
- Bring together interested parties to discuss the model that Meridian will be fostering, including: developers, landowners, planners, bankers, brokers, and builders.
- The goal is to educate, create excitement and generate marketing exposure regionally and nationally for what Meridian is trying to do

Recommendation 3C. Create a Land Use mechanism to foster Ag-based Real estate development(s)

- The current Future Land Use Map and Plan and Zoning Map and Plan may accommodate Ag-based development. An internal staff team should determine what changes (if any need to be made)
- If staff determines that current code may not accommodate this innovative development pattern, then the City should examine modifications would be necessary.
- Consideration to a form-based code should be given. If not for the whole City, form-based code could be a good mechanism for the Fields District. The form-based code will provide the predictable environment the community and the development community seek.
- Some of the ag-based development proposals may best be implemented through the use of a public-private finance mechanism called a Community Improvement District (CID), as was done in Boise with the Harris Ranch development.

Recommendation 3D. Work with a developer to create a Model Ag-based real estate development in Meridian

- Through the course of implementing 3A above, some will be more interested than others.
- Meridian should identify 1-2 developers who have the most interest and who have site control to work with to create a model.
- Visit several of these Case Study sites together, visiting with the developers and the public entities involved.
- Work with the developer(s) to create conceptual and then site plans for a model.
- Once implemented perform evaluations and impact analyses to determine the net impacts.



Case Study: Agritopia, Gilbert, AZ

This is development located in a fast growing suburb southeast of Phoenix, Arizona. As suburban sprawl reached the area in the 1990s, developer Joe Johnson decided to opt for an incrementally grown ag-focused village.

Highlights:

- o Total Acres: 160 acres
- o 452 single family homes (selling at 10%+ AMV)
- o 250 luxury apartments under construction
- o 15 acre organic farm
- o Commercial: 60,000 sf including
- o Very focused on community connectivity
- o Small lots, narrow road ways, rear parking allies front porches, and a community center.
- o Homes are customizable
- o Architectural forms are highly customizable and range from craftsman bungalows to Spanish Eclectic and French Revival



Photo Source: agritopia.com



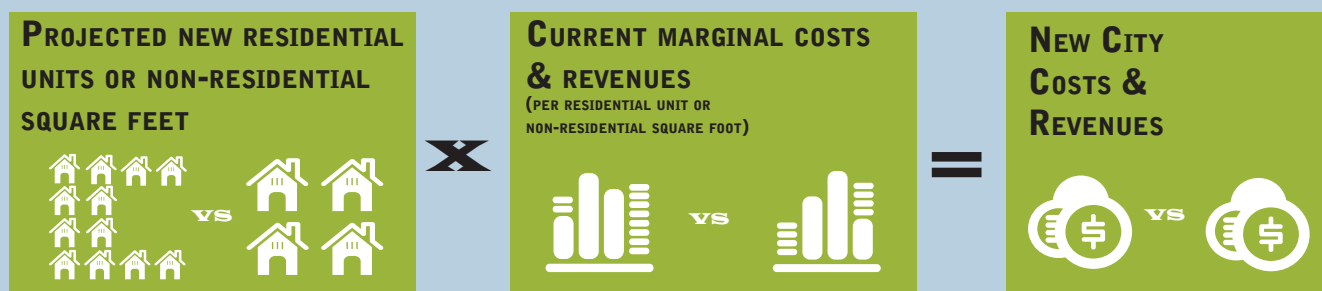
Fiscal Impact Analysis of Development Types

Source: Anne Wescott, Idaho Smart Growth;
Pegasus Planning and Development, June 2014

Methodology

The fiscal impact model **estimates marginal costs and revenues** for the City's General Fund that would change as a result of a proposed development. The model applies them to projected new development on a per unit or per square foot basis, and compares them to estimated net new revenues. To the extent that actual revenues and expenditures vary from the estimates provided within these interviews, the results of the model will vary from reality. The model is designed to illustrate the potential fiscal impact of new development, but it is not anticipated that the impacts estimated in the model will precisely mirror those that actually occur.

Developments that generate ongoing **surpluses** produce City revenues that exceed the costs of the services they require. These excess revenues could be used to offset deficits from other developments, to augment the City's fund balance, or to improve service standards. Developments that produce ongoing **deficits** require service costs in excess of the revenues they generate. These deficits could be offset by surpluses from other developments, they could be mitigated out of fund balance, they could be mitigated by the developer, or they could require the City to decrease service levels.



Assumptions

The calculations in the fiscal model are based on two sets of assumptions:

- Assumptions about the size, type and value of the proposed development to be analyzed by the model; and
- Assumptions about the service delivery patterns of City functions, including the expenditures that are variable in regards to growth and the types of development that cause increases in those expenditures.

Development Assumptions

Two pieces of information are required about a projected development in order to calculate its likely fiscal impact:

- The development schedule for each projected residential unit type or non-residential land-use; and,
- The property value of each unit type or land-use.

The fiscal impact model for the proposed development is designed to assess the four land-use types proposed: residential, office, retail, and farmland development. The Development Land Use Assumptions chart summarizes the assumptions which we have used the fiscal model to analyze. This data can be modified to represent changes in land use assumptions in the proposed development, or land uses in any future development under consideration in the City of Meridian.

Residential*

	New Units	Cost per unit
Single Family		
High Density	450	\$150,000
Moderate Density	250	\$180,000
Low Density	11	\$200,000
Multi-Family		
Townhomes	150	\$150,000
Apartments	150	\$150,000

Commercial*

	Square Feet	Cost per sq ft
Office	80,000	\$220
Retail	70,000	\$220

Farm-related*

	Acres	Cost per acre
Community-Supported (CSA)**	40	\$1,200
Incubator Farm	20	\$1,200
Working Farm	100	\$1,200

* Costs absorbed equally over 10 years

**Producing 1,011 CSA shares per year as well as produce to be sold at an on-property farm stand

Fiscal Impact Analysis of Development Types

Development Assumptions Continued



Photo Source: 24.media.tumblr.com

TRADITIONAL DEVELOPMENT

A traditional residential development is dominated by single-family housing with large lots, low street connectivity, and small amounts of green space. Commercial uses and green space are limited. Transportation is focused on automobiles, and neighborhood design limits the practicality of walking, biking, or using transit services. Large amounts of space are taken up for housing, putting development pressure on adjacent farmland.

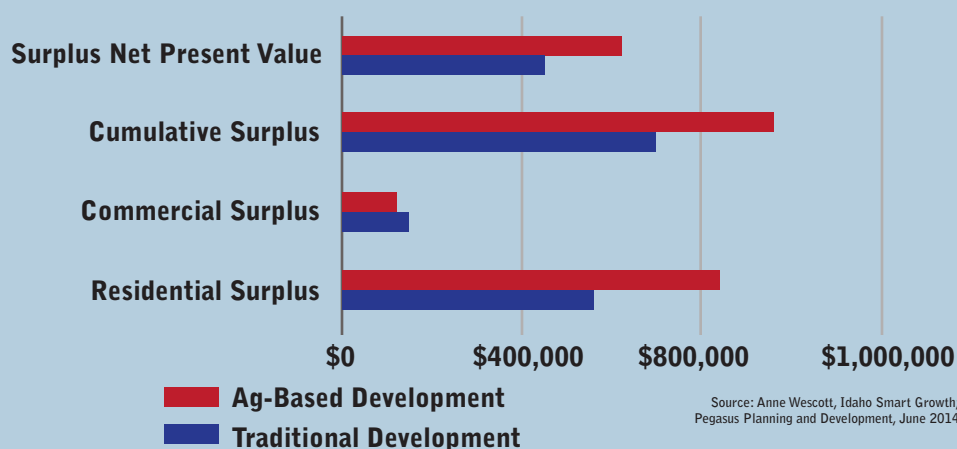


Photo Source: rollins.edu

AG-FOCUSED REAL ESTATE DEVELOPMENT

This type of development features a strong mix of commercial and agricultural uses. There is a greater diversity of housing types, including multiple sizes of single-family home and some apartments and townhomes near the development core. Retail and office space is integrated into urban design and helps create a distinct "center." Urban design makes it practical and enjoyable to walk, bike instead of rely exclusively on automobiles. Substantial farmland and greenspace are preserved, serving both local residents and commercial markets into perpetuity.

Net Fiscal Impact: Traditional vs. Ag-Based Real Estate Development



Results

Two real estate development models were considered in terms of their fiscal impact for the city of Meridian. One model is a conventional residential subdivision, comprised of moderate and low density single family housing. The second model is an ag-focused real estate development, modeled according to best practices and based on case studies of existing communities around the country (in particular, in the West). These models were analyzed in terms of the expenditures they require from Meridian city services, and the revenues they generate in local taxes. This analysis included review of city budgets, determination of fixed and variable costs for city departments, adjustments based on local property markets, and projection of tax value over a ten year period.

The results show a dramatic fiscal benefit to the ag-based real estate development. Despite preserving a third of its land for agriculture and providing a host of amenity and health benefits, the ag-based real estate development generates over \$170,000 more net surplus than the traditional development on the same acreage. This equates to a fiscal of almost 40% for the city of Meridian. This analysis demonstrates that ag-based real estate development is a smart development model for Meridian.





Case Study: Bucking Horse, Fort Collins, CO

This is development located in a highly urbanized area designed with a “modern farmhouse aesthetic.” The project is guided by the principles of ag-heritage, healthy living, and a social connectivity.

From the developer: “We want to return to a time 50 years ago when there was a sense of community.” This idea goes right down to their design principles. While the architectural styles of the homes is very flexible, all homes will sit on smaller lots, have large front porches, and no privacy gates.

Highlights

- o Total Acres: 240
- o 205 single family homes; 78 Townhomes; 300 condos & apartments
- o Anticipating sales at 20-25% above AMV
- o Currently selling at 100% above AMV
- o Commercial: 30,000 sf including 19,000 sf flex production building and 2,500 sf farm-to-table restaurant
- o 3.6 acre organic Community Supported-Agriculture Farm
- o 1,000 sf winery; a distillery and microbrewery are also planned
- o Rehabing dozens of existing structures and using old farm equipment as art installations through out the development.

Right:
Restoration
plans for
farm-to-table
Restaurant



Photo Source: Bellissimoln.com

Next Steps

The Fields District recommendations contained in this report represent an ambitious strategy -- one that once implemented will differentiate Meridian within the Treasure Valley region, within the State of Idaho and across the northwestern United States. It positions Meridian as an innovative City, one led by innovative leaders, that is able to integrate community development, economic development and land planning in a manner that is fiscally sustainable and respects community values and culture.

The Fields District Strategy's three major initiatives – Ag-Innovation Campus for Talent Development and Industry Partnerships, Agri-Tourism, and Ag-based Real Estate Development – build upon the foundation already set in place by Meridian's leaders. All of the catalyst initiatives found within this Fields Strategy have been incorporated into an overall Economic Development Strategy for the City of Meridian, which has more detail in the Next Steps than does this Fields Strategy.

The building blocks for the Talent Development and Innovation initiative have the potential to serve as linkages to the elements of the Ag-tourism initiative. An Ag-based Real Estate Development initiative in Meridian can provide a solution that is market-supported and will allow Meridian to promote itself to the creative class. These initiatives can stand alone on their own merits, but as an integrated strategy will help Meridian diversify its economy and position itself in the region as the "Intersection of Technology and Agriculture".

Next steps that the City of Meridian needs to take to implement the Fields District Strategy include:

- City Council adoption of the Fields District Strategy
- Focus on implementation of these Fields initiatives through the Economic Development Strategy (separate document) and an "implementation roadmap" also found in the Economic Development Strategy
- Communicate with partners and stakeholders on steps Meridian will take to move these initiatives forward. This should entail a sophisticated education and public relations campaign on the Fields Strategy and Economic Development Strategy. Key to this campaign will be identification and buy-in of Meridian-based and regional private sector
- Create Organizational Structures for catalyst projects and develop Business Plans for the Fields Initiatives
- Lead and participate in a more detailed occupational and industry analysis
- City Council adoption of a Resolution which designates the Economic Development Strategy as a policy document for incorporation within the City's business strategy



