



MARBIDCO
growing rural ventures™

MARYLAND AGRICULTURAL AND RESOURCE-BASED
INDUSTRY DEVELOPMENT CORPORATION
1410 Forest Drive, Suite 21 ~ Annapolis, MD 21403
Office: 410-267-6807 ~ Fax: 410-267-6809
www.marbidco.org

Mary Shank Creek, *Chair* / Stephen R. McHenry, *Executive Director*

TESTIMONY STATEMENT

BILL: House Bill 152 (Department of Agriculture – Urban Agriculture Grant Fund)

COMMITTEE: House Environment and Transportation

DATE: February 8, 2023

POSITION: Support with Amendments

The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) supports House Bill 152, with amendments, which expands the existing Urban Agriculture Grant Fund Program from only being available in Baltimore City into a statewide program, as well as altering some of the other program requirements. The bill proposes the grant program be funded at \$250,000 for a five-year period beginning in FY 2025.

Beginning in late 2021, and extending well into 2022, MARBIDCO contributed to efforts to help develop supportive State urban agriculture policy recommendations, MARBIDCO was involved in several meetings with a variety of stakeholders around the State including the participation of urban farmers and agricultural service providers from State and local government agencies, University of Maryland Extension, Maryland Farm Bureau, Horizon Farm Credit, and county soil conservation districts. These discussions helped to lead to significant legislation being passed during the 2022 Legislative Session that created a new Urban Agriculture Water and Power Infrastructure Grant Program (at MDA), as well as two new urban agriculture-focused extension educators at the University of Maryland Extension. Funding for both new efforts is included in the FY 2024 State Budget.

Brief Bill Background

During the 2021 session of the General Assembly, House Bill 286 was enacted which created an Urban Agriculture Grant Fund Program for Baltimore City. The program has not yet received any funding. House Bill 152 expands the reach of the Baltimore City grant program to become a statewide program and makes available grants to agricultural producers, non-profits, or institutions of higher education. The purpose of the grant program is to increase the viability of urban farming and improve access to urban-grown foods. Similar legislation (HB 1216) passed the House last session, but died on the Senate floor with time expiring on the last night of the session.

Additional Background Information

MARBIDCO supports the growth of commercial urban farming in Maryland because it helps preserve green space within developed areas and can provide access to healthy food to residents that live in Healthy Food Priority Areas (formally called food deserts).

According to a recent study, 146,000 Baltimore City residents (23.5%) live in Healthy Food Priority Areas. Children and black residents are also disproportionately affected. According to the report, children are the most likely of any age group to live in a Healthy Food Priority Area (28.3%) and black residents are the most likely of any racial or ethnic group to live in a Healthy Food Priority Area (31.5%).

¹ Urban farming can provide another access point for healthy fresh food, as urban farmers often sell their products in the local community. Urban farms also may provide community benefits such as education and job training opportunities, and they can also be the community focal point of a neighborhood.

MARBIDCO has also been supporting commercial urban farming through some of its existing loan and grant programs. MARBDIDCO currently offers the Maryland Urban Agriculture Commercial Lending Incentive Grant Program (partnering with Farm Credit), which provides a grant incentive up to \$10,000 to encourage urban farmers to seek commercial lender financing for the development or expansion of their agricultural enterprises. The grant can provide the needed equity capital (down-payment money) to qualify for a loan through the commercial lender.

MARBIDCO also offers grants of \$1,000 to any small farmer that completes Level 2 or Level 3 of Future Harvest's Beginner Farmer Training Program (including small and urban farmers). MARBIDCO has also financed a farm real estate purchase in Baltimore City (with a secured loan partnering with a commercial lender).

In Conclusion

MARBIDCO very much supports the growth of commercial urban farming in Maryland. Urban agriculture offers increased access to healthy, fresh, culturally appropriate food while also creating job opportunities and helping to support local economies. Urban agriculture also helps to preserve greenspaces in urban areas which is good for the quality of life and reduces the distance food must travel. House Bill 152, if passed, will significantly assist with the growth of urban agriculture across the State by making financial support available to both the urban farmers directly and the nonprofit organizations that provide training and technical assistance to them.

MDA has indicated that amendments will be needed to bring the structure and operation of the new Fund into parallel with how the new Urban Ag Water and Power Infrastructure Program will be administered. **As such, MARBIDCO respectfully requests a Favorable with Amendments Report for HB 152.**

MARBIDCO Contact: Steve McHenry, 410.267.6807

MARBIDCO was established by the Maryland General Assembly fifteen years ago to help enhance the sustainability and profitability of the State's agricultural and resource-based industries in order to help bolster rural economies, support locally produced food and fiber products, and preserve working farm and forest land. MARBIDCO is a nimble, quasi-public financial intermediary organization that has a mission to serve exclusively the commercial farming, forestry, and seafood industries of Maryland. Young and beginning farmers are a special focus for MARBIDCO, as is farm operation diversification. In delivering its financing programs, MARBIDCO works cooperatively with commercial banks and farm credit associations, as well as a host of federal, State, regional, and local government agencies, and universities.

Since 2007, MARBIDCO has approved some 1,184 financings totaling \$94.2 million for food and fiber business projects located in of all Maryland's counties – and in the process has leveraged more than \$204.5 million in commercial lender financing. For more information about MARBIDCO's programs, please visit: www.marbidco.org

¹ [*Report: 'Food Desert' Gets a Name Change in Response to Baltimore Community Feedback*](#), Johns Hopkins Center for a Livable Future, January 17, 2018.