



MARBIDCO
growing rural ventures™

MARYLAND AGRICULTURAL AND RESOURCE-BASED
INDUSTRY DEVELOPMENT CORPORATION
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Mary Shank Creek, *Chair* / Stephen R. McHenry, *Executive Director*

TESTIMONY STATEMENT

BILL: House Bill 1216 (Department of Agriculture – Urban Agriculture Grant Fund)

COMMITTEE: Senate Education, Health and Environmental Affairs

DATE: March 30, 2022

POSITION: Favorable

The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) supports House Bill 1216 which expands the existing Urban Agriculture Grant Fund Program from only being available in Baltimore City into a statewide program and makes appropriate programmatic changes. The bill also proposes the grant program be funded at \$250,000 annually in FY 2024 through FY 2028. In addition, Supplemental Budget No. 4 provides \$500,000 for the Fund in FY 2023 contingent upon the enactment of this bill.

MARBIDCO has been co-leading in recent months efforts to develop supportive urban agriculture policy recommendations and has helped to facilitate 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, Chesapeake Bay Foundation, MidAtlantic Farm Credit, and county soil conservation districts.

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 1216 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.

While the program will be administered by the Maryland Department of Agriculture, the bill creates a review board to review applications that includes: the Secretary of Agriculture (or designee), MARBIDCO, and various other representatives.

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 product in the local community. Urban farms also may provide community benefits such as education and job training opportunities. And they can 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, 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 equity capital needed to qualify for the 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 urban farmers). Upcoming this summer MARBIDCO will be providing grants of up to \$1,000 for cold storage equipment purchases – with 30% of the available funding set aside specifically for 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 1216, 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.

As such, MARBIDCO respectfully requests a Favorable Report for HB 1216.

MARBIDCO Contact: Steve McHenry, 410.267.6807

MARBIDCO was established by the Maryland General Assembly 15 years ago to help enhance the sustainability and profitability of the State's agricultural and resource-based industries 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 which has a mission to serve exclusively the commercial farming, forestry, and seafood industries of Maryland. Assisting young and beginning farmers are a special focus for MARBIDCO, as is farm operation diversification (through value added processing activities). Commercial urban farming has also become a focus of MARBIDCO's efforts.

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 1067 financings totaling nearly \$81.5 million for food and fiber business projects located in of all Maryland's counties (including Baltimore City) – and in the process has leveraged more than \$170 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.