



**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 855 (Agriculture - Urban Agriculture Water and Power Infrastructure Grant Program and Fund - Establishment)

**COMMITTEE:** House Environment and Transportation

**DATE:** February 25, 2022

**POSITION:** Support

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The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) supports House Bill 855, which establishes the Urban Agriculture Water and Power Infrastructure Grant Program in the Maryland Department of Agriculture (MDA). The purpose of the grant program is to increase the viability of urban farming and local community food production. House Bill 855 requires that the Governor include an appropriation of \$500,000 for four years (starting in FY 2024) to the Urban Agriculture Water and Power Infrastructure Grant Fund.

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 from across Maryland including the participation of urban farmers and agricultural service providers from State and local government agencies, University of Maryland Extension, Farm Credit, and county soil conservation districts. Creating an Urban Agriculture Water and Power Infrastructure Fund was one of the recommendations that came out of these efforts.

### **Bill Summary**

A significant barrier for urban farms and community gardens is obtaining access to electrical power and water for irrigation and the costs associated with accessing them. To address this issue, HB 855 establishes the Urban Agriculture Water and Power Infrastructure Grant Program and Grant Fund. The purpose in the bill is to increase the viability of urban farming and community gardens and to improve access to urban-grown foods. The Fund may be used to provide matching grants of up to 87.5% to urban agricultural producers and qualified non-profit organizations for the purchase and installation of: water meters, water pipes, irrigation hoses, electric meters, electrical lines or any other equipment associated with water supply and irrigation or electric power access, as determined by MDA. The bill requires a \$500,000 appropriation to MDA in fiscal years 2024, 2025, 2026 and 2027. MDA may retain some of the funding the costs of administering the program.

### **Additional Background Information**

MARBIDCO supports the growth of commercial urban farming in Maryland because it helps to create employment and preserve green space within developed areas, and it can provide access to fresh 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%).<sup>1</sup> Urban farming can provide another access point for healthy fresh food, as urban farmers often sell their products in the local community. Urban farms may also provide other community benefits such as education and job training opportunities. And these farms can sometimes become the community focal point of a neighborhood.

Related to the issue of farm water access in urban areas, MARBIDCO provided a \$10,000 grant last year to Baltimore City (matching grants from MidAtlantic Farm Credit and the Maryland Farm Bureau) to be used in City's "urban agricultural irrigation fund" to facilitate water access for food-producing community gardens and farms in Baltimore City, via the installation of new water meters and water lines.

In addition, MARBIDCO has supported commercial urban farming through some of its existing loan and grant programs. MARBIDCO 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 (this includes urban farmers). This summer MARBIDCO will be providing matching 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) and is currently working on the development of an urban ag land assess program working with local land trusts.

### **In conclusion**

MARBIDCO strongly supports the growth of commercial urban farming in Maryland and is tailoring existing and new programs to help facilitate this. Urban agriculture offers increased access to fresh and culturally appropriate food while also creating job (and sometimes educational) 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 855 supports the growth of urban agriculture by providing grant funds to urban farmers and nonprofit organizations to lower the costs of installing water and power infrastructure needed to operate urban farms and community gardens.

**As such, MARBIDCO respectfully requests a Favorable Report for House Bill 855.**

*MARBIDCO Contact: Steve McHenry, 410.267.6807*

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*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 1056 financings totaling nearly \$80 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](http://www.marbidco.org).*

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