



Rural Baltimore County Agricultural Profitability Study and Action Plan

Prepared by ACDS, LLC March 2009

Prepared for
North County Preservation, Inc.

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North County Preservation is a not-for-profit organization dedicated to supporting rural life in Northern Baltimore County.

We focus on gathering and distributing fact-based information to encourage responsible development and preservation; providing education on the history, and unique resources of the area; performing studies on land use trends, and recommending solutions to conserve natural, agricultural, and scenic resources; and promoting long-term solutions to increase agricultural sustainability and to protect open space.

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N.B. The recommendations of this study were produced by the project's core team with the support of the project's executive committee and with the input of a variety of constituents. They are not necessarily endorsed by NCP's Board of Directors.

Cover photograph, George Makris, Greenspring Valley, 2007.

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Background and Purpose

Project Phasing

I. Assess Current State

Industry Analysis

Interviews with Farmers and Food Professionals

II. Identify Opportunities for Improvement

Market Analysis

Priority Areas for Improvements

Review of Counties with Successful Initiatives

III. Define List of Recommendations

Creation of Working Subgroups

List of Actions

Scope

Leadership

Top Initiatives

IV. Implement Top Initiatives

Purpose

The purpose of this project is to provide a road map of priority initiatives that can improve the profitability of agricultural operations in Baltimore County and allow farming to reestablish itself as a viable career choice. The outcome of the project is an actionable plan that will support policy and funding decisions by the County and investment decisions by farm-related organizations, private organizations, and the general public.

Background

Baltimore County is an important source of agricultural products in the Mid-Atlantic with key assets in place. It has one of the oldest and one of the strictest agricultural zoning ordinances in the country. The density allowance (new houses per acre) for agricultural land (RC2) is one residential unit per 50 acres. It has an urban services boundary that prevents the drift of sprawl to the rural areas. As of August 2007, over 53,000 acres have been permanently preserved, with a goal of 80,000 acres preserved by 2020. Funding has been approved for an agricultural resource center for the County, which will coordinate support to the farming community and education to county residents about local agriculture. Leaders in the agricultural community provide valuable input about how to increase the profitability of agriculture in the County, identifying which barriers must be overcome. At the State level, a 2006 project produced new recommendations to improve the outlook of Maryland agriculture.

At the same time, the number of farms in the County has been steadily decreasing (from 889 farms in 1997 to 751 farms in 2007) as well as the land in farms (78,282 acres down from 83,232). The proximity to the Washington-Baltimore metropolitan area has increased the value of land and puts constant pressure for new residential development, making farming, as a career, a more difficult financial choice for the future.

Benefits

A primary tenet of this project is that profitability in agriculture is a key support feature for the future preservation of agriculture. A profitable local agricultural industry can significantly impact Baltimore County by:

- Increasing the income of local farm owners,
- Increasing the attractiveness of farming as a career and creating job opportunities,
- Enabling farm owners to keep prime and productive agricultural land undeveloped for present and future production,
- Decreasing the tax burden on all residents (working and open land has been proven in many counties to be a net tax benefit to counties in comparison to residential property),
- Creating local wealth, and empowering the local community network,
- Providing an ability to better control food security,
- Promoting public health through access to fresh, locally produced food (with high nutritional value),
- Limiting the environmental impact of transportation and packaging waste and associated costs,
- Increasing the quality of life of all residents, and
- Conserving water for 1.8 million municipal water users.

Project Organization

The project relied heavily on the commitment from growers, producers, community groups, agricultural industry support organizations, government entities, and many others with a direct or peripheral interest in the success of agriculture in Baltimore County. Key among the project's objectives was to maintain a regular dialogue with the agricultural industry through the formation of project teams. The responsibility of the teams was to oversee the project's implementation, review data, and validate the observations of the consultant and farmer interviews. Three teams were utilized to perform these functions and included:

- **An Executive Team** (leaders and coordinators of the project) consisting of Baltimore County Agricultural Land Preservation Advisory Board Chairman David Greene, University of Maryland Cooperative Extension Baltimore County Director David Martin, Baltimore County Agricultural Land Preservation Program Director Wallace Lippincott, County Economic Development Agricultural Liaison Chris McCollum, MidAtlantic Farm Credit and Farm Bureau Representative Keith Wills and Farm Bureau Representative Mike Turley, University of Maryland Extension Economist and Associate Professor Jim Hanson, NCP Vice-President Alice Chalmers, and NCP Board Member and finance and marketing professional Cathy Tipper.
- **A Multi-Disciplined Team** of individuals that were either interviewed or participated in meetings to provide feedback and direction to the project, consisting of:
 - Tom and Karen Albright, (produce, retail),
 - Wayne Armacost (ex-dairy farmer),
 - Kevin Atticks, Maryland Wine Association,
 - Ned Atwater, Atwaters' (retail),
 - Zack Baillet TSU intern,
 - Jim Baird, AFT,
 - Henry Baker (retired banker),
 - Greg Bartlomiejczuk, intern,
 - Amanda Behrens, Johns Hopkins CLF,
 - Lee Bishop, NCP,
 - Dean Bryant, Roseda Beef,
 - Ken Bullen, Graul's (retail),
 - Eva Delp-Cole, FSA,
 - Gaylord Clark, Two Oceans Seafood,
 - Trevor Clatterbuck, FreshForkMarket,
 - Charlie Conklin, Baltimore Co. Soil Conserv.,
 - Amy Crohn, MDA,
 - Rob and Julie Deford, Boordy Vineyards,
 - Jack Dillon, BCARC,
 - Todd Erling, HVADC,
 - Colby Ferguson, Frederick Co Econ. Dev.,
 - Tony Geraci, Baltimore City Schools,
 - Cricket Goodall, MD Horse Breeding Asso.,
 - David Hayden, Dark Hollow Farm (equine),
 - Janna Howley (farmers' markets),
 - Jack and Becky Gurley, Calvert's Gift, (organic),
 - George Mayo, MAEF,
 - Mike and Wayne McGinnis (grain),
 - Steve McHenry, MARBIDCO,
 - Louis Mitchell, Md. Hospitals for a Healthy Envir.,
 - Teresa Moore, VPC,
 - Marion Gaines Mullen, Mullen Landscaping (nursery),
 - Ginger Myers (Extension/marketing),
 - Joan and Drew Norman, One Straw Farm (organic),
 - Bonnie North, Baltimore Eats,
 - Ann Palmer, Johns Hopkins CLF,
 - Pat Patterson, Manor View Farm (horticulture),
 - Bob Prigel, Bellevalle Farm (dairy),
 - Les Richardson, Richardson Farm (produce, poultry),
 - Steve Piper (Corn & Soy),
 - Patrick Rogers, North Run Farm (Ag Tourism),
 - Ted Rouse, Chesapeake Sustainable Business Alliance,
 - Paul Saval, Saval Foodservice (food distribution),
 - Roy Skeen, City Farmer,
 - David Smith, Springfield Farm (poultry),
 - Dierdre Smith, Doug Carroll (Beef, Horses),
 - Mike Spencer, BCARC,
 - Nathan Stambaugh, Roseda Farm, (beef),
 - Jane Stores, MDA,
 - Greg Strella, Farmer City Schools,
 - Hank Suchting, MD Angus Association,
 - John Sullivan III, Dep. Chief for Ag., Harford County,
 - Gene Swackhamer, BCARC,
 - Cheryl Wade, Mill Valley (retail),
 - Steve Weber, Weber' Farm (produce, poultry),
 - Jane Wofson, TSU.
- **A Core Team** in charge of the day-to-day work, made up of Alice Chalmers and Cathy Tipper from NCP and Philip Gottwals of ACDS, LLC, the paid consultant.

Industry Analysis and Farmer Interviews

Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis is a tool used by strategic planners and marketers to assess the competitive environment of a region, industry, business, or product. It is a very simple technique that focuses on identifying the strengths, weakness, opportunities, and threats facing Baltimore County agriculture today.

To provide an initial framework for the Rural Baltimore County Agriculture Profitability Study , the strengths, weakness, opportunities, and threats were assessed for the agricultural industry overall to include production agriculture as well as agricultural support industries and consumer markets. The SWOT criteria identified are drawn directly from the project team's interviews with the agricultural industry in Baltimore County. As such, this analysis should be considered an industry self-assessment.

Strengths

Baltimore County is a diverse agricultural economy represented by both traditional and non-traditional agricultural industry sectors, as diverse as wine grape production and livestock farming. Baltimore County is home to the State's largest equine cluster representing 2,100 equine operations with a livestock value in excess of \$121 million. Baltimore County also has the second largest wine grape acreage in the State, the fourth largest sheep industry, sixth largest vegetable production sector, and seventh largest forage and beef cattle sectors.

These industry clusters are supported by strong private sector interests, such as the Maryland Jockey Club, as well as robust public sector support. Baltimore County was one of the nation's first to implement a farmland preservation program along with protective agricultural zoning. Baltimore County's good soils, consumer market access, and good infrastructure access enhance these industries.

Among the above listed strengths, the large and robust consumer market in the region continues to provide a strong base for agricultural sales. The Baltimore-Washington market area provides a 9.1 million person marketplace with median household income of nearly \$71,000 (national median is \$53,000), and the highest level of educational attainment in the nation with 56.8 percent of the adult population having completed some college and 30.6 percent holding a Bachelor's degree or higher. These statistics are important in a retail food market that demanded \$17.6 billion in retail food and drink in 2007, because they highlight the potential of a "Local Food" marketplace, which is driven by consumer characteristics such as high household income and high educational attainment.

As markets expand and locally produced foods become more important in the supply chain, farmers expect to leverage their proximity to and understanding of this market to develop new classes of products and services. The diversity of Baltimore County agriculture and the inherent entrepreneurship of farmers indicates the potential development of new operations in value-added products, educational ventures, and agritourism. County support for such a transition has historically been high from both the land use and economic development communities and is expected to continue in support of this new brand of transition. Recent lending activity by the Baltimore County Department of Economic Development to support the expansion and transition of agricultural operations, highlights this trend.

Weaknesses

Despite these strengths, all sectors of agriculture have been challenged over the last several decades by land fragmentation, declining land base, and poor commodity economics. These trends are highlighted by losses in both the number of farms and farm acreage. Between 1997 and 2007, these losses included 138 farm operations and nearly 2,000 acres of farmland, although the loss of farmland has slowed somewhat in the past five years. This land conversion is coupled with a trend toward aging farm operators with the average age of a Baltimore County farm operator increasing from 56.2 years of age to 58.8 years of age over the same period.

The trend in the aging of farm operators highlights a weakness identified across all industry sectors, thereby creating the lack of a ready next generation. Many factors contribute to this condition such as the high land values assigned to both protected and unprotected agricultural lands, the low operational returns to commodity agriculture such as grain and livestock, and the general unavailability of large blocks of high value soils due to parcelization. Interviews with farmers also indicate that young farmers have concerns over the possible consequences of poor neighbor relations given the sometimes incompatible nature of farming and residential living. Without additional protections from nuisance suits, these young farmers would rather farm in communities that are more agrarian in nature and understand the needs of the industry.

Closely related to the above are the myriad of regulatory issues highlighted by farmers as possible impediments to agricultural and farm development. Regulatory impediments range from federal to local and include limits to on-farm processing and sales, inconsistent application of state level transportation regulations, varied wildlife management standards, water quality standards, and difficulty in maintaining localized worker housing. In addition to these current issues, many farmers expect that future changes in the farming industry, such as a move to more intensive types of agriculture, might be restricted by current agricultural zoning which was drafted with nearly 40-year old production practices as its backdrop.

A final, but important weakness of Baltimore County agriculture is the statistical silence of the equine industry. Baltimore County is known to be the home to Maryland's largest and highest valued equine inventory, yet little else is known about the industry or its impact on agriculture and land use. Without a clear picture of this industry, it is impossible to fully understand the agricultural industry as a whole.

Opportunities

Due to Baltimore County's proximity to the Baltimore-Washington market, farmers have the opportunity to benefit from the increasing demand for locally-grown agricultural products. Niche markets and opportunities within segments of traditional agricultural sectors offer additional opportunities for growth. Consumer patterns highlight growth in organically produced produce, livestock, and poultry, as also reflected by the presence of retailers such as Wegmans and Whole Foods that have a history of purchasing locally produced fresh and processed goods. Interest among restaurants and institutions such

SWOT Analysis Matrix

Internal Factors

Strengths

Diverse economy
Strong private sector interests
Large and robust consumer markets
Good government support
Good soils and climate resources

Weaknesses

Aging farm population
High land values
Parcel fragmentation
High risk for nuisance suits
Regulatory impediments

External Factors

Opportunities

Growth in "Local"
Rise of niche markets
Interest from institutional buyers
Food safety
Biofuels

Threats

High volatility in commodity markets
Supply chain consolidation
Globalization
Input costs
Labor laws

as area hospitals and schools is opening greater opportunities in the broader market region to facilitate transactions between farmers and food buyers in a manner that is convenient and efficient for businesses of all scales.

Biofuel production and consumption offers another opportunity. Biofuels produced from feedstocks offer an opportunity for farmers to make use of waste or primary products as well as reduce consumption of traditional fuels and their attendant higher costs. Forest products offer solid biofuel leveraging for Baltimore County and may increase the value of an existing, but underutilized, farm resource.

Threats

One of the biggest threats to agriculture is the volatility of commodity markets. These drastic swings in pricing increasingly impact short and long-term investment patterns and business planning efforts. Tied to this trend is the movement towards increased globalization of the agricultural supply chain. Globalization forces many local farmers to compete on reduced profit margins. The higher input costs faced by local farmers relative to their competitors in other parts of the country further challenge full time operations in the County. This is another factor necessitating the move towards direct marketing of agricultural products in local markets.

Agriculture is a very labor intensive industry and labor availability is an increasing threat. The agricultural industry in Baltimore County is highly dependent on the use of foreign workers like in much of the Country's agricultural sector. Clarification of their legal right to work is a federal issue which, if not resolved, threatens the survival of agricultural sectors such as horticulture, produce, and equine in Baltimore County.

Finally, the high average age of owner-operators in the County is an indication that younger generations of farmers have not yet taken over in sufficient numbers to sustain current farming activity. This could threaten the relevance of the local agricultural industry for the future.

Agricultural Economy

Agriculture in Baltimore County is a developed and productive industry consisting of 751 farm enterprises on over 78,282 acres of farmland. The current state reflects a decline from 889 farms and 83,232 acres in 2002.

The local farming economy continues to suffer from similar economic woes as the U.S. farm economy. Chronically low commodity prices and rising farm costs have been a common trend both nationally and locally for traditional farm commodities, such as grain production – a primary product of Baltimore County agriculture.

While lower farm prices and higher costs are indeed national phenomena for agriculture, Baltimore County farmers find their problems exacerbated by local conditions. The development growth within the Washington-Baltimore metropolitan area has put pressures on local land and has presented alternatives to farming that discourage production agriculture.

As is evidenced in the table below, Baltimore County still retains strong resources in the forestry, greenhouse, vegetable, grain, and nursery sectors. The challenge the County faces right now is to harness its strong agricultural base and continue to grow in the face of continuing changes and to transition these opportunities for future growth.

Output (Sales in Million \$)	Baltimore	Frederick	Howard	Montgomery
Forest nurseries- forest products- and timber	95.32	0.92	0.00	0.00
Greenhouse and nursery production	69.26	9.26	21.76	50.22
Agricultural and forestry support activities	8.57	9.86	2.74	9.47
Vegetable and melon farming	8.23	1.72	2.82	5.17
Animal production- except cattle and poultry	7.78	10.00	3.83	6.19
Cattle ranching and farming	7.67	73.08	3.63	6.42
All other crop farming	3.94	19.66	2.07	4.30
Grain farming	3.75	7.47	2.25	3.92
Oilseed farming	2.02	4.96	1.02	3.23
Fishing	1.84	0.00	0.00	0.00
Logging	1.18	0.17	0.62	2.00
Fruit farming	0.69	1.97	0.69	2.43
Poultry and egg production	0.25	15.49	0.00	0.00
Hunting and trapping	0.00	3.50	12.49	8.82

Source: Minnesota IMPLAN 2006

Dealing with the financial health of farm operators is a key starting point in this process and one that begins with supporting growth sectors such as nursery/greenhouse production, wine grapes, and vegetables, which constitute much of the growth in farm income over the last several decades. Baltimore County's gross farm sales have been moved upwards over the last 35 years due to sustained crop production growth. Of note, these industries are large contributors to crop related farm income (87% according to REIS),

but represent less than 6% of the County's total crop land. Livestock income has been flat during the same 35 year period due largely to the loss of dairy income, which has been partially offset by income from beef and small ruminant herds.

While farm income has been rising, so have the costs of operations. These rapid increases in costs are contributing to dwindling farm margins and flat farm proprietors' income. The main contributor to this condition has been the rising cost of production inputs such as energy, production chemicals, agronomic services, repairs, taxes, and depreciation. These rapid increases in part reflect the more capital intensive nature of agriculture practiced in Baltimore County. Historically important components of cost, such as feed and livestock expenses, have remained low while farm labor expenses have increased which is consistent with the traditional nature and small size of the remaining businesses.

As with most agricultural communities, the share of farm income to total income has steadily dropped between 1970 and 2005. The result is that farm income now represents less than one-quarter of a percent of total personal income in the County. In the local context, this trend reflects the expanding growth in the Washington-Baltimore metropolitan area rather than the performance of local farms.

A final note on economic performance: Baltimore County's output multipliers are highest in most agriculture sectors when compared to the other Maryland counties. In other words, Baltimore County farms recirculate more of their income in the local economy, which generates greater economic impact on the community as a whole.

Output Multipliers (for every \$ spent, increase in output in other sectors)	Baltimore	Frederick	Howard	Montgomery
Oilseed farming	1.37	1.31	1.29	1.31
Grain farming	1.33	1.30	1.26	1.27
Vegetable and melon farming	1.38	1.38	1.30	1.30
Fruit farming	1.35	1.37	1.26	1.26
Greenhouse and nursery production	1.37	1.44	1.29	1.27
All other crop farming	1.32	1.32	1.26	1.26
Cattle ranching and farming	1.36	1.68	1.32	1.29
Poultry and egg production	1.29	1.32	0	0
Animal production- except cattle and poultry	1.36	1.51	1.32	1.27
Logging	1.45	1.29	1.44	1.40
Forest nurseries- forest products- and timber	1.19	1.47	0	0
Fishing	1.90	0	0	0
Hunting and trapping	0	1.54	1.31	1.24
Agricultural and forestry support activities	1.72	1.60	1.54	1.57

Source: Minnesota IMPLAN

Agricultural Industries

EQUINE INDUSTRY

Baltimore County's equine industry is valued at \$121 million, *by far the largest in the State*. Statewide, the industry is valued at over \$680 million with an overall economic impact valued at \$1.6 billion according to the American Horse Farm Council Foundation. Baltimore County ranks first in equine facilities, with 31,200 acres. Statewide, 206,000 acres are dedicated to the industry. The County has nearly 2,000 more horses than Montgomery County, which ranks second, with 10,630 and 8,870 horses respectively.

Although the industry is struggling due to larger racing purses and breeding incentives from the neighboring states of Delaware, Pennsylvania and West Virginia, the industry persists. A better picture of where the industry is headed is apparent based on the passage of the slots referendum in the November 2008 election. Successful implementation should result in larger purses and the attendant benefit at all levels of the racing and breeding industry.

While the passage of the slots referendum will have a significant impact on the survivability of the equine industry in Maryland, there are still actions that can and should be taken by the County and State to mitigate the decline of the equine industry- regardless of the slots referendum. The State could enact the legislation that was passed by the Maryland General Assembly but failed in the Senate that supported the thoroughbred and standard-bred purses with lottery funds. Kentucky approved a measure that created a fund supported by taxation of in-state breeding that goes to support the various horse breeds in the State and racing purses.



FIELD CROPS AND FORAGE

The field crop and forage sector is a support sector, driven largely by regional feed demand generated by the equine, livestock, and poultry industries. Field crops and forage represent the largest single agricultural land use in the County because of the large animal agricultural sector and its attendant feed demand. It totals over 68,000 acres or 88% of the land in agriculture, an increase in both acreage and percentage of land-use in the past five years, according to the 2007 Census of Agriculture.

Despite the strong correlation to other agricultural industries, the field crop and forage sector is not insulated from outside influences. For instance, when the Archer Daniels Midland Company elevator at the Port of Baltimore shut down, the farmers were concerned that the drop in competition would come with a commensurate drop in their prices and allow a single buyer to dominate the market. Over the last several years, the market has suffered through extreme price volatility as grain markets have see-sawed through excessive demand and supply conditions exacerbated by a rush of speculative cash in the futures markets.

The most notable effect on grain price and availability in the United States over the last three years has been the rapid build-up of biofuels production capability in the Midwestern United States, as ethanol is now the favored replacement for the fuel additive MTBE. The attendant rise in corn (grain) demand caused a national shift in production patterns, driving up prices. The positive support provided to the grain industry by these trends, however, was quickly offset by rapid increases in input costs led by fuel and fertilizer which erased much of the gain and thereby increased market and supply risks.



Due to the above factors, and a decline in animal agriculture regionally, the future of this industry sector is somewhat uncertain. While a base of production is guaranteed through the dairy and poultry industry, it will take additional, regional growth in biofuels, organic animal agriculture, or identity preserved production to provide the necessary incentives for growth. Even with such incentives, control of input costs will be crucial to success.

HORTICULTURE



As of the 2007 Census of Agriculture, Maryland's horticultural industry had sales of over \$208 million on more than 12,000 acres of production and sales area, including 11.7 million square feet of greenhouses. Central Maryland, including Baltimore County, accounted for 60% of all of the State's horticultural industry activities.

Compared to other Central Maryland jurisdictions, Baltimore County's horticultural industry is smaller. As of the last Agricultural Census, 76 horticultural operations were located in the County, down from 100 in 2002, producing \$34 million in sales output.

Growth in the industry is spread across sectors such as sod, field/container production of nursery stock, and greenhouse production of bedding plants, flowers, and vegetables. Open acreage production dominates the industry with only 81.6 acres under glass, out of a total 491 acres. According to those in the industry, development of greenhouse production (particularly high intensity uses) in the County is hampered by unfavorable zoning regulations which restrict the type of greenhouse development. Growth in small operations and field production is expected to shrink given the current economic climate, but a strong recovery is expected in the long term.

PRODUCE INDUSTRY



Fruit and vegetable production in Maryland is limited to just over \$75.6 million in annual sales which makes it one of the State's smallest production sectors. However, produce production is one of the closest to Maryland consumers and accounts for the bulk of the State's over \$21 million dollars in direct market sales, up 62% from 2002.

Like at the State level, Baltimore County's fruit and vegetable sector is small at \$7.04 million and closely related to the \$1.4 million in County direct market sales. Produce operations in the County are of moderate size, averaging \$56,000 per farm. The area is, however, home to several large direct market (retail and wholesale) oriented produce businesses, such as Webers and Albrights, that serve as production and marketing facilities as well as tourist destinations.

The recent increase in consumer demand for locally produced foods is having a significant impact on this industry given its already close direct market relationships. Because of this, industry expansion is expected over the next five years at both the wholesale and retail levels.

Challenges to this growth will arise in developing methods to ensure source verified (traceable) production in a manner that meets industry standards, but is affordable at the small scale of local producers. As well, recent changes in health code enforcement in the region are restricting product sampling, handling, and in some cases display, and may have a deleterious effect on the development of new farmers' markets and roadside stands.

The winery and wine grape industry is also affiliated with the fruit sector and deserves a mention given the rise in importance of the industry and recent investments made in wine grape vineyards. As of the 2006 Maryland Wine Growers Association survey, Baltimore County supported nearly 65 acres of grape production. The product of these grapes is being processed in Baltimore County as well as being shipped to other areas for wine production. As these vineyards grow and mature and new acreage is being added, this industry is expected to expand significantly creating additional opportunities for leveraging tourist activities, as is the case with existing direct market farms.

LIVESTOCK AND POULTRY INDUSTRY

Livestock and poultry production represent the largest production segment in Maryland agriculture. Sales are driven by the poultry industry, which accounts for 92% of nondairy related livestock and poultry sales are 77% of the entire livestock and poultry sector's sales.

Unlike Maryland, Baltimore County's agricultural industry does not have a heavy reliance on livestock production as a primary driver of farm income.

The County's 341 livestock farms, while constituting a large block of farms and farmland, produce only \$12.1 million in sales revenue.

Reflecting a change in livestock composition, Baltimore County ranks fourth in the State in sheep inventories, as the industry transitions from a dairy related cattle base.

Because of the above noted transition, commercial livestock production is in decline. Much of this is due to the consolidation of meat packers and the loss of local markets (processing and auction) to support sales.

Recent increases in commodity prices make Baltimore County an expensive place to raise animals on feed. This, and other factors, have given rise to a greater number of pasture based meat operators who, like produce growers, are seeking greater direct market retail access. Similarly, local retailers and restaurants are demanding greater access to pasture raised "local" livestock products. Given the efficiencies in developing scale appropriate processing plants, Baltimore County producers are having a difficult time meeting this market demand locally.

Baltimore County's poultry industry is similarly small and direct market oriented and has too been in decline. Local grain farmers remain linked to the poultry industry as a source of feed and supply, but this market is driven by large Eastern Shore integrators, not local producers. There has been some recent growth in turkey production, especially to support direct marketing activities.

DAIRY INDUSTRY

Maryland's dairy industry is the second largest livestock sector statewide accounting for over \$193 million in farm income in 2007 which is supported by approximately 676 farms statewide. Baltimore County ranks 7th in the state in the number of dairy cows, with an estimated 2,000 dairy cows and 36,000 thousand pounds of milk produced.

Baltimore County's dairy industry, like the rest of the State, has been in steady decline due to a number of factors including high land pressure, high operating costs, and volatility of milk pricing over the last decade. In response,





farms have typically gotten larger to take advantage of lower marginal costs of production or smaller, to reduce non-family labor overhead.

After decades of commoditization in the dairy products industry, emerging markets for fluid dairy products have arisen to service the needs of discrete, underserved market segments. These segments are primarily identified by demographic and psychographic characteristics that are pervasive to the food shopping habits across multiple commodity sectors.

Key among these trends is a renewed focus on locally produced dairy products, insistence on higher quality milk products (as measured by lower recall rates), demand for rBST free milk products, and a rise in ethnic demand for authentic fresh products. Within the larger context of the dairy supply chain, these forces are providing opportunity for organic creamery businesses such as Bellevale Farm.

Demographics and Consumer Purchasing Patterns

Consumers Drive the Local Food Market

Baltimore County has a population of just under 800,000 people in over 300,000 households. The greater region¹ has a population of over 9 million. Baltimore County and Central Maryland provide a large consolidated food and green products market, predominantly through direct marketing, and retailers such as Whole Foods and Wegmans. The food market from New York City to Washington, DC, which includes both Baltimore County and the Baltimore and Washington DMAs, is the largest and most diverse in the nation.

The median household income of Baltimore County suggests a solidly middle class population. The substantial difference between Median and Average Household Income suggests a large disparity between the highest income

Consumer Data	Baltimore County	Baltimore/ Washington DMAs	US
Population	797,364	9,136,237	306,348,230
Households	316,565	3,457,014	115,337,039
Average Household Size	2.52	2.64	2.66
Household Income			
Median Household Income	\$61,891	\$70,395	\$53,154
Average Household Income	\$81,626	\$95,253	\$73,126
Per Capita Income	\$32,807	\$36,394	\$27,916

Source: All data pages 18-21, ESRI, 2007. All dollars unadjusted, 2007.

earners and majority of income earners. Most households earn close to the median income, while a few earn so much as to increase the average by over \$20,000. When compared to the regional DMAs, Baltimore County's household income suggests a population more middle class and in line with the nation, than the region.

Household size is slightly lower in Baltimore County than for the region and is slightly lower than the national average. This, coupled with a higher than average median age (39.9) suggests a tendency of the Baltimore County population to be characterized by older couples without children, or empty nesters.

While household income is an important factor in making "local" food purchases, educational attainment is the primary determinant and urbanization is a secondary determinant. Highly educated consumers who associate themselves with an urban lifestyle have the highest propensity for purchasing local foods, despite their income level. Urbanization in Baltimore County is analyzed on the following page using Tapestry Segmentations. The chart on the following page shows educational attainment levels for Baltimore County and the regional DMAs, along with the breakdown of household income. While Baltimore County is slightly below the DMAs in the number of residents over the age of 25 who have college or postgraduate degrees, the levels for both the region and the County are well over the national averages.

The rate of growth in the marketplace, along with generally high income levels

¹ The combined Baltimore Designated Market Area (DMA)[™] and the Washington DC DMA[™] are trademarked by Neilson Media Research[™] to include all counties which form an exclusive geographic area.

suggests strong opportunities for expansion in direct market sales, horticulture (especially in landscaping services and nursery items), and pleasure equine. Expansion opportunities in local agritourism may arise as economic uncertainty causes many residents to travel close to home.

	Baltimore County	Baltimore /Washington DMAs
25+ Educational Attainment		
No High School Diploma	15.70%	15.60%
High School Graduate	27.60%	24.30%
Some College, No Degree	20.60%	19.40%
Associates Degree	5.60%	5.10%
Bachelor's Degree	18.10%	20.10%
Master's/Prof/Doctorate Degree	12.50%	15.50%
Households by Income		
< \$15,000	7.30%	8.00%
\$15,000 - \$24,999	8.00%	6.30%
\$25,000 - \$34,999	9.00%	7.50%
\$35,000 - \$49,999	14.80%	12.20%
\$50,000 - \$74,999	21.20%	18.90%
\$75,000 - \$99,999	15.20%	14.70%
\$100,000 - \$149,999	15.10%	17.90%
\$150,000 - \$199,999	4.60%	7.40%
\$200,000+	5.00%	7.20%

Consumer urbanization is determined using a proprietary measure developed by ESRI called Tapestry Segmentation. The Tapestry model provides a means by which communities of people can be typed by self-recognized characteristics. Understanding how communities view themselves relates significantly to group lifestyle and purchasing habits. For example, self described “urban” groups are those that display grouped characteristics such as walking to work, shopping at boutique stores, and renting housing, despite whether they live in an urban area or not. For this project, Tapestries are important because these same urban consumers tend to shop more regularly, are more likely to buy perishable and whole products, especially local products, and prefer specialized retailers such as farmers’ markets.

Top 5 Tapestry Segments (percent of total households)	Baltimore County	Baltimore/ Washington DMAs	US
Cozy and Comfortable	11.00%	2.60%	2.80%
Main Street, USA	9.20%	3.80%	2.60%
In Style	7.30%	4.70%	2.50%
Rustbelt Retirees	6.00%	1.10%	2.10%
Prosperous Empty Nesters	5.50%	1.30%	1.80%
Total	39.00%	13.50%	11.80%
Diversity Index	49.2	61.4	54.6

There are 66 Tapestry Segments, divided into Lifestyle and Urbanization classifications. Eleven percent of Baltimore County population falls into the Tapestry Segment classified as Cozy and Comfortable. These residents are middle-aged, married couples, living in single-family homes in older neighborhoods. They tend to be older, but not retired and work in professional, managerial, or service jobs, and have considerable debt in their homes. They tend to eat out in family restaurants, and grocery shop at stores such as Shop 'N Save, where they spend \$100-\$150 per week. The top five Tapestry Segments in Baltimore County represent 39% of the population and are all urban-based. The dominant characteristic associated with these groups is their affiliation with an urbanite lifestyle and consumer pattern.

Baltimore County has a moderate diversity index, slightly lower than the national average, and lower than the regional average, suggesting a moderately diverse population which is similar to the diversity shown by the Tapestry Segments. Diversity in the region and in the County is expected to increase with overall population growth, which has been driven mostly by the growth of the Hispanic population in the region.

Hispanic Market

Another large market for fresh produce and niche dairy is the rapidly growing Hispanic Market. The Hispanic market is the largest and fastest growing segment in the United States (14% of U.S. population as of July 1, 2004). Hispanic purchasing power is increasing dramatically (160% from 1990 to 2001). Hispanic populations tend to purchase more raw products and prepare more meals at home. Sixty-seven percent prepare meals from scratch and only use 9% convenience foods in preparing meals. Shoppers in this segment shop for fresh foods more frequently than other ethnic segments, averaging 4.7 shopping trips per week. Overall, US shoppers average 2.2 shopping trips per week.

Hispanic buyers tend to shop at specialty food stores more than other segments and tend to be highly price sensitive and very aware of product quality. Shoppers highly value Spanish language services and selections of ethnic specialty produce. Hispanic shoppers spend \$117 per week on grocery expenditures versus the US average of \$87 per week.

Baltimore County had a population of Hispanic Origin of 20,810 in 2007. The Baltimore/Washington DMAs had a Hispanic population of 733,582 in 2007.

Purchasing Potential

Spending Potential and Market Potential are two measures used to determine the market for certain products. Spending Potential represents the amount spent on products versus the national average (of 100). A spending potential of 90 suggest spending 10% below the national average, suggesting either a saturation of the market, a lowering of prices, or the fact that consumers' income restraints keep prices low.

Market Potential is a measure of the likelihood that a population engages in a certain activity versus the national average (of 100). When coupled with Spending Potential, clearer assumption on market patterns can be made.

Baltimore County has a spending potential index of 110 for food purchases.

Main Street, USA

Characterized by a traditional lifestyle, this tapestry group lives on the outer edge of urban areas and is relatively young, with families. It is the identity with family that most defines this sector, including places they eat and activities they pursue.

In Style

This segment lives in the suburbs but prefer the city lifestyle. While their neighborhoods are more suburban than urban, they nevertheless embrace the urbane lifestyle. They are married with and without children, and are particularly health and diet conscious.

This is significantly lower than the regional average of 129, however, Baltimore County residents have a higher propensity to have purchased most food products in the last 6 months, suggesting that lower prices may lead to more overall consumption. Of significant note is the higher than average likelihood that a Baltimore County resident has visited a restaurant more than 2 times in past month.

Spending Potential	Baltimore County	Baltimore/ Washington DMAs	US
Food	110	129	100
Food at Home	109	128	100
Food Away from Home	112	131	100
Market Potential			
Bought Beef (fresh/frozen) in last 6 months	102	99	100
Bought Bread in last 6 months	100	100	100
Bought Chicken/turkey (fresh or frozen) in last 6 months	101	101	100
Bought Fish/seafood (fresh or frozen) in last 6 months	102	102	100
Bought Fresh fruit/vegetables in last 6 months	101	100	100
Bought Fresh milk in last 6 months	101	100	100
Visited a Family restaurant/steak house last mo: <2 times	102	102	100
Visited a Family restaurant/steak house last mo: 2-3 times	108	104	100
Visited a Family restaurant/steak house last mo: 4+ times	110	105	100

The final measure is that of Retail Gap which measures demand minus supply. A negative Retail Gap suggests that consumers come from outside the project area to make purchases, and a positive Retail Gap suggests that consumers must leave the area to make purchases. Negative retail gap signifies both saturation of the immediate market, and retail hub activity, while positive Retail Gaps suggest potential for new business growth.

The data suggests that there is significant room for growth in Baltimore County in Full Service Restaurants, and some room for expansion in Food and Beverage Stores and Grocery Stores.

Retail Gap (Demand - Supply)	Baltimore County
Food and Beverage Stores	\$60,765,654
Grocery Stores	\$48,839,389
Specialty Food Stores	\$13,168,535
Food Service and Drinking Places	\$46,235,605
Full Service Restaurants	\$139,639,375
Limited-Service Eating Places	(\$104,179,643)
Special Foods Services	(\$22,481,053)

Case Studies

This section describes two regions that have successfully created an agriculture-friendly environment through regulations, community outreach, and agriculture-focused business development. Also included is an example of cross-county cooperation in developing the Hudson Valley AgriBusiness Development Corporation.

Southeastern Pennsylvania

Background

Pennsylvania has a robust agricultural industry, with nearly 60,000 farms, and \$4.3 billion dollars in sales. Nearly 70% of the farms in Pennsylvania make under \$25,000 per year in sales indicating that the presence of small farms supports Pennsylvania's agricultural identity. Half of Pennsylvania's farms produce livestock, and three quarters have active cropland. The Commonwealth is 5th in the nation in dairy production, and 12th in the nation in vegetable production.



Integration with Consumer Markets

Pennsylvania's horticulture and produce auctions play an important role in the disposition of the regions's horticultural products and are estimated to account for 25% of the Commonwealth's total horticultural and produce sales. Auction producer commitment to volume, quality, and diversity of products results in reliable buyer commitment from the Mid Atlantic and Northeast. In return, the auctions provide market access and liquidity to a producer corps that tends to be made up of very small farmers. Anabaptist auction producers practice protected marketing, which preserves the rights of growers to supply unique products to the market without fear of losing market maker status.

The auction market's primary buyers are small retail buyers, like roadside stands, that buy both fresh produce and value added products from the market. This close relationship between producers and the end consumer leads to higher overall returns at the farm level.

Policy Support for Agribusiness

Pennsylvania has a long history of supporting agribusiness as a crucial element of its economy. The central tenants of these policies are underpinned by an explicit understanding that agriculture is an industry and farms are businesses. This understanding is reflected at all levels of policy from local land use codes, to state health codes, and economic development policy.

Nowhere is this support more evident than in the State's First Industries Fund. The First Industries Fund is a grant and loan program aimed at strengthening Pennsylvania's agricultural and tourism industries. The program, which consists of loans, grants, and loan guarantees, is part of PA Grows, the Pennsylvania Department of Agriculture's initiative designed to assist agricultural producers in gaining access to capital. It is administered by the Commonwealth Financing Authority and the Department of Community and Economic Development.

Agriculture and related projects eligible under the program include production initiatives; agribusinesses (e.g., food processing); commodities wholesaling; commodities retailing (by rural and urban supermarkets in underserved areas); farmers' markets; energy-related activities impacting agriculture; and best practices implementation of waste, by-products, and



fertilizer treatment. Recent notable successes were the development of a cooperative marketing infrastructure such as the Butler Onion Network, a new sweet onion marketing initiative in Western Pennsylvania.

The State Land Preservation program also recognizes the need for farms to be economically self-sufficient. The Pennsylvania Bureau of Farmland Preservation operates an easement purchase program. This program has no restrictions against greenhouses or retail sales as long as more than 50 percent of such processed or merchandised products are produced by the farm operator. Pennsylvania also allows customary part-time or off-season minor or rural enterprises and activities, as long as those activities are approved by the county. Mining is also permitted.

State health policy also enhances the unique nature of agriculture and its relationship to consumer. Sales of raw milk are permitted from dairies that are certified to be tuberculosis and brucellosis free and maintain sanitary conditions. Also implied by this rule is that farmers have the right to control their own marketing systems and the full benefit of the income derived there from.

Integration with Tourism

Lancaster County and the surrounding counties in Southeastern Pennsylvania have a vibrant agricultural industry in addition to one of the most successful agritourism industries in the nation. With more than 8.3 million visitors each year to Lancaster County, this industry is second only to agriculture.

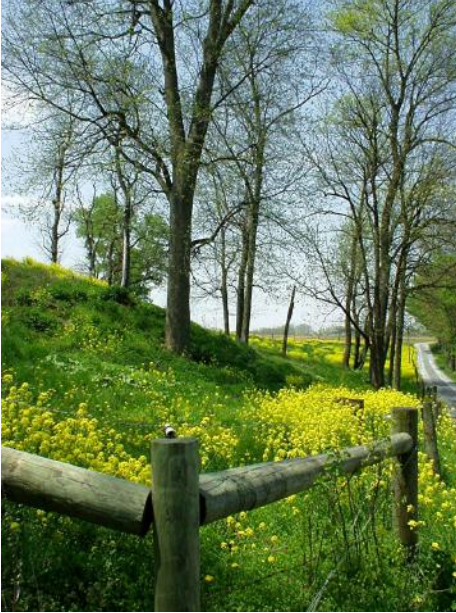
Lancaster Tourism, run by the Pennsylvania Dutch Convention & Visitors Bureau, maintains a website connecting visitors with many local tourist attractions, agriculturally related and not (Padutchcountry.com). While the largest attractions in Lancaster County, especially Hershey Park, are not agriculturally related activities, the Lancaster Tourism website clearly pushes the agricultural and rural character of the region, through tag lines such as “Get lost in our rolling hills and Amish farmland.”

Larger tourist destinations, such as Cherry Crest Adventure Farm in Ronks, Pennsylvania further this “agri-tainment” angle. Cherry Crest is a private family farm that boasts 750,000 visitors annually. Admission passes are purchased similarly to a theme park, with activities such as corn mazes, farm education centers, peddle cart tracks, and the farm animal center.

The clearest symbol for Lancaster County Farms is the prevalence of the Anabaptist Plain Sects, especially the Amish. Their image as liaisons to rural agrarian life in Lancaster County provides an invaluable asset to the region. Many tourist destinations revolve around the Anabaptist community, including buggy rides, farm tours, and shops selling “Amish goods.”

Summary

Pennsylvania agriculture is successful for many reasons including its proximate access to large East Coast markets, strong industry clusters, and a policy culture that supports farming activities, including the First Industries Fund. What differentiates Pennsylvania from its neighbors, and contributes to the success of its agricultural industries, is a long standing commitment to supporting production agriculture at all levels of government and industry. Farmers and communities participate in integrating agriculture in all policy discussions on a regular basis, which ensures that agriculture has a future.



Suffolk County, New York

Suffolk County, New York has some of the most productive agricultural lands in the United States, and some of the most comprehensive Right-to-Farm laws in the nation. The active preservation of the culture of farming has allowed farming to remain profitable in Suffolk County for well over 300 years. Colonial-era farmers grew and sold wheat, and eventually evolved into producing fruits, vegetables and potatoes, making Long Island's farms a multimillion dollar business by the middle of the 19th Century. Today, while playing a smaller role in Long Island's total economic picture, Suffolk County's farms are more diversified than ever, even as they have dramatically shrunk in number as well as acreage (since 1959, Suffolk County has lost 55,000 acres or 61% of land in farms).

The disappearance of farmland can be seen in Ag Census and similar data. In 1982, there were 49,000 acres of farms and approximately 800 farmers in Suffolk County; a decade later, there were 35,000 acres and 587 farmers.

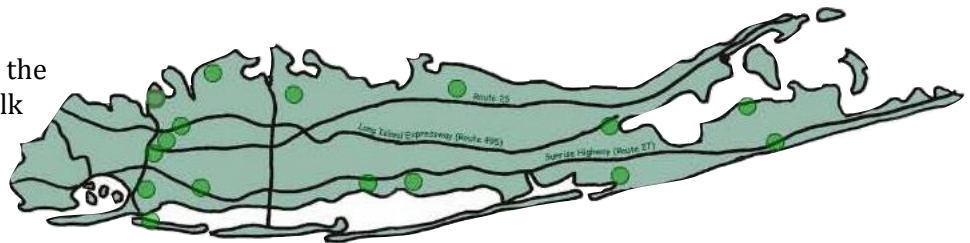
Still, the farms that remain are the most productive in New York State, and add about \$150 million a year to the regional economy, the bulk of that from flowers and ornamental shrubs. Six Community Supported Agriculture operations exist in Suffolk County, along with 10 seasonal farmers' markets. Supporting these agribusinesses are some of the most comprehensive Right-to-Farm laws in the nation.

Although municipal home rule does apply in Suffolk County, the County's policy is that farming and the preservation of open space provides the most benefit to the County, and is in accordance with the State of New York's policy "to conserve and protect and to encourage the improvement of agricultural lands, both for the production of food and the preservation of such lands as valued natural and ecological resources" § 8-1.

Without specific amendments, the policy of Suffolk County states that "it is expressly found that whatever nuisance may be caused to others by such uses and activities so conducted is more than offset by the benefits from farming to the neighborhood and community and to society in general by the preservation of open space, the beauty of the countryside and clean air and by the preservation and continuance of farming operation in Suffolk County" § 206-1. This ordinance and others makes agricultural land use the preferred land use in most areas of the County and is highly permissive of high intensity agriculture.

By unilaterally supporting the growth of agribusinesses in Suffolk County, especially wineries and vineyards, the County has created opportunities for both agritourism and commercial agriculture. The

well known, high quality wines bring tourists year round, when other main attractions, such as beaches, may not be open. Ancillary businesses such as restaurants and hotels benefit directly, as does the entire County from the branding as an upscale, rural, wine and agricultural destination. By contrast, commercial agriculture is dedicated to high intensity development uses in commercial horticulture and vegetable production.



Specifically, Suffolk has established Agricultural Districts throughout the County in order to facilitate this county wide right to farm within the various municipalities. Agricultural districts in the State of New York are a loose conglomeration of areas within a local taxing jurisdiction consisting predominantly of viable agricultural land. Within these districts, property owners voluntarily agree to farm their lands for an eight-year period. In return, agriculture is deemed the priority land use and afforded benefits and protections to promote the continuation of farming and the preservation of agricultural lands, including reduced assessed value, exemption from special district levies based on frontage, and protection via Right-to-Farm laws.



Additional organizations which support agribusinesses in Suffolk County are the Long Island Farm Bureau, and Cornell Cooperative Extension of Suffolk County which operates the Suffolk County Farm and Education Center. This model farm education facility is also a real working farm, open to visitors year round. Visitors are able to see a century old working farm which still holds a tie to the past through the historic hay barn, while showcasing present-day agriculture. Youth education programs are available for children pre-K to 12th grade and for those with special needs. Education programs attract over 150,000 visitors annually.

The Long Island Farm Bureau maintains strong education programs alongside their lobbying efforts. The Young Farmer & Rancher Program for people 18 to 35 years of age provides leadership, education and empowerment to the next generation of farmers so that they may continue a 300 year old legacy on Long Island. Ag in the Classroom programs include a history of New York agriculture using the book, “Sowing the Seeds of Understanding” which acts as a companion to the New York history books used in the classroom; an education video teaching the economics of agriculture to High School students; an adopt a calf program; an agricultural video library; and the Be Aware of New York Agriculture Contest which exposes students to agriculture and the food system by helping students learn about agriculture while producing ag-related art projects, poems, and essays.

Hudson Valley AgriBusiness Development Corporation, New York

Mission

The purpose of the HVADC is the development, promotion, enhancement and retention of the agricultural industry and its associated economic and environmental benefits within New York’s Hudson Valley. HVADC promotes the Hudson Valley as an attractive, viable region for agriculture through a creative program of technical assistance, business development services and the coordination of financial and other resources.

HVADC differentiates itself from other economic development entities in the region by focusing its programming on a narrow set of industry clusters:

- Production Agriculture,
- Value-added food processing,
- Agriculturally related marketing and distribution,
- Agriculturally related alternative energy production,



- Agri/culinary tourism, and
- Agricultural biotechnology and related research

Columbia, Dutchess, Orange and Ulster Counties have joined to form the Hudson Valley AgriBusiness Development Corporation, and each County's Economic Development Office has committed financial resources. In addition the Dyson Foundation, Hudson River Bank & Trust Foundation, USDA Rural Development and NYS DOS Quality Communities and several NYS Legislative Line Items have awarded grants to encourage the development of the HVADC and support its project.

In general, HVADC strives to enhance the bottom line of farm businesses and strengthen the agricultural industry as a whole. The range of possible projects includes processing facilities and value-added initiatives, analysis and start up assistance for new ventures and enterprises, marketing assistance, market expansion and improvement of distribution networks for the region's agricultural businesses.

Projects and Programs

- Hudson Valley Regional Agribusiness Development Strategic Plan
- HVADC Agribusiness Incubator Without Walls
- Hudson Valley Biofuels Feasibility and Biodiesel Refinery Analysis
- Columbia/Orange/Dutchess County Bounty- Farm to Chef Programs
- Hudson Valley Dairy Forum

Hudson Valley Agricultural Viability Program

The Agricultural Viability Program provides technical assistance and a low interest revolving loan fund to farmers and agribusinesses in the Hudson Valley. This program provides the following components:

- Comprehensive Business Assistance Program: For ag related business startups and expansions
- Value Added Services Package: Adding value to production and/or processing functions to enhance revenues
- Financing Services: Packaging products for traditional lending sources and providing gap financing to qualified borrowers
- Client Networking: Industry peer groups, management teams, nationally based resources

All four of these major elements are critical for the long-term success of agribusiness startups.

On a region wide basis, this program has helped to retain and create as many as 230 jobs and leverage as much as \$75 million in private investment capital. In addition, the community impact from assisting in open space preservation and maintaining the rural character of the Hudson Valley region is significant. These ancillary benefits can be achieved through nurturing the economic viability of local agribusinesses, farms, vineyards, orchards and nurseries. The Hudson Valley Agricultural Viability Program sees itself as a catalyst for significant agricultural growth.

Active projects which benefit from HVADC's funds include a farmer-owned vegetable packing and processing facility, a biodiesel production facility, a producer-owned dairy processor, and a regional food distribution system.

Courtesy of HVADC



Recommendations

The following recommendations are offered to improve the integration of Baltimore County Agriculture into the Baltimore-Washington marketplace while creating a more favorable regulatory and economic development environment. Many of the recommendations highlight the need to support small and transitional farms whose survival depends on high intensity, urban fringe production.

The ten recommendations incorporated in this document fall within three broad categories or focus areas. The focus areas are largely independent with some level of interactivity. The focus areas are briefly described below.

Targeted Impact on Farm Profitability

Focus I: Ag Development and Marketing

Top-line (revenue) growth.
Greater financing alternatives.
Investment opportunities to reduce recurring operating expenses.

Focus II: Training and Education

Increased labor efficiency (return on human investment).
Increased labor availability, and
Improved labor qualifications.

Focus Area III: Public Policy and Regulation

Reduction of costs due to regulatory procedures.
Increased revenue potential from value-added production or retail sales.

I. **Agriculture Development and Marketing** – This focus area targets improvements in access to local and regional markets at both the wholesale and retail levels. Market development activities look to expand the capability of individual farms to integrate retailing and agritourism activities while developing a positive brand image for Baltimore County's agricultural products.

This focus area also concentrates on improving the capability of individual operations to effectuate strategic and operational changes on the farm. Business development support includes counseling, concept development, land access, and financing support with the intent to support growth and transition in the agricultural economy. Beyond individual farm businesses, additional programming is recommended to enhance the agribusiness policy climate and encourage infrastructure development to support industry sector growth. In this regard, economic development projects generally have the largest fiscal participation from government and Non-Governmental Organizations.

II. **Training and Education** – This focus area distinguishes itself from Agriculture Development and Marketing by focusing on developing the future human capital needs of agriculture beginning with creating a base of well qualified farm leaders and a source of new and renewing farm operators. Recommendations under this focus area also highlight the need to create a reliable source of skilled and unskilled labor which can meet the needs of modern agricultural practices for the range of industries already present in the County.

III. **Public Policy and Regulation** – Activities in this focus area are dedicated to land use, environmental, health, and transportation policy support needs that are intended to bring local conditions in line with regional competitors. By example, this may include modifying or extending nuisance suit protections to farmers who operate under good management practices or expanding the allowed distribution and value-added uses on a farm so that Baltimore County producers can compete directly with farmers across the line in Pennsylvania.

Successful implementation of these recommendations will involve a multidisciplinary effort supported by private industry and agricultural operations, state and local agencies, and local community organizations. The partnerships necessary will be driven by the specific implementation needs of each recommendation. Funding support for each respective recommendation must also be built independently on the merits of the recommendation and evidenced needs.

Recommendations are presented and described on the following pages.

FOCUS AREA I: AG DEVELOPMENT AND MARKETING

These solutions are based on current economic needs and opportunities and seek outcomes that have a direct benefit to the community through such effects as industry stabilization, job creation, enhanced tax base, and improved quality of life.

RECOMMENDATION 1

Improve Regional Market Access at Wholesale and Retail Levels

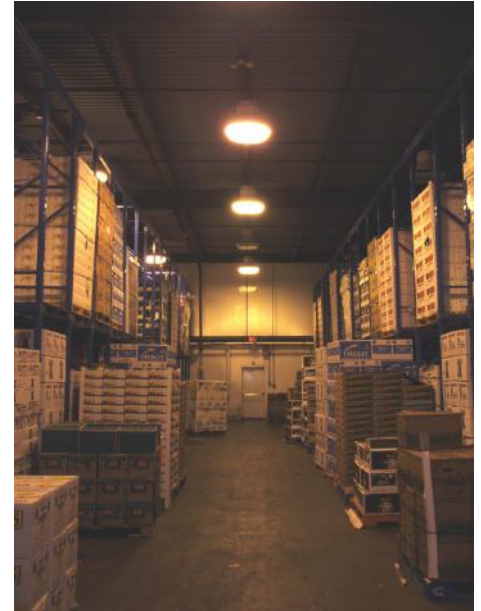
Baltimore County sits at the center of one of the largest consolidated food markets in the United States, yet farmers indicate that accessing markets is a challenge at all levels of the food system. At the same time, increased demand for local production is not being met. Improving market access is therefore critical to agricultural development efforts.

ACTIONS

- Develop a brand image that can be leveraged by regional producers such as the Hudson Valley, NY County Bounty Program or the national Buy Fresh/Buy Local program.
- Ensure that the program is regionally adaptable.
 - Ensure that the program is non-duplicative of other initiatives.
- Create a virtual market interface to facilitate brand development.
 - Develop a pilot project to test electronic brokerage of agricultural commodities in cooperation with local farmers and retailers.
 - Provide a consumer interface to link farmers with direct market/agri-tourism consumers.
 - Create an internet based advertising program leveraging low cost consumer outreach methods such as Google Ads.
- Improve food safety and farm product traceability.
 - Link to virtual marketing program.
 - Explore development of a local, returnable packing material program.
 - Support winter marketing meetings at the Baltimore County Agricultural Resource Center with production sectors to focus on record keeping for full product traceability, packing, grading, and food safety standards.
- Enhance marketing infrastructure through cold storage facility and distribution system development.
 - Develop the business case for transportation and cold storage facilities.
 - Conduct winter market development trip to similar facilities.
- Assess the accessibility of producers to processing facilities.

IMPLEMENTATION RESPONSIBILITY: Baltimore Economic Development, Farm Bureau, Maryland Cooperative Extension, agricultural industry groups, and others as necessary.

BUDGET CONSIDERATIONS: Action items within this recommendation will require significant staff allocation.



ISSUE PRIORITY: The project team feels that this is a top priority issue that should be implemented immediately.

FUNDING RESOURCES: County funding should be used to leverage grant opportunities through USDA, foundations, MARBIDCO, and the Economic Development Administration (EDA).

RECOMMENDATION 2

Facilitate Integration of Agriculture within Financial Markets



Access to capital, and the attendant technical and professional networks that accompany it, are essential to the growth and development of an entrepreneurial community. The agricultural industry is no exception. Despite the active entrepreneurship evident in the agricultural industry and the presence of wealthy individuals, little risk or patient capital seems to be available.

ACTIONS

- Collaborate with County and State efforts to develop new sources of capital dedicated to agriculture.
- Work with the Baltimore County Agricultural Resource Center to develop financial literacy training for young and upstart farmers.
- Assist farmers with match requirements for agribusiness development, value-added, and innovation oriented grants.
- Review existing successful models to expand finance opportunities targeting cost reduction and environmental technologies such as:
 - Biomass combined cycle power generation,
 - Manure digestion, and
 - New production technologies.
- Expand land-use financing alternatives by exploring development of long-term leases modeled after winery leaseholds.
 - Develop a model long term lease specific to pilot industries.
 - Examine inclusion of environmental management and other non-agricultural factors.
- Encourage greater estate planning.
- Conduct estate planning workshops.
 - Cost share estate planning for critical farms.
 - Integrate this recommendation with Business Development Recommendations.
- Seek private donations and private market funding to augment the public funding of easement programs.
- Explore the creation of a program that includes a right of first refusal option in order to give farmers the first option to purchase certain eased farmland.

IMPLEMENTATION RESPONSIBILITY: Baltimore County Economic Development, Baltimore County Agricultural Resources Center, MARBIDCO, and other agencies as necessary.

BUDGET CONSIDERATIONS: Action items run a wide gamut of budget needs ranging from staff participation in regional planning efforts and network development to financing program development and operations.

ISSUE PRIORITY: The project team identifies this is a moderate priority issue that should be implemented within 24 months.

FUNDING RESOURCES: Funding should be sought from MARBIDCO, the State Pension Fund, tax shelter motivated investors, USDA Rural Development, and others.

RECOMMENDATION 3

Create a Dedicated Economic and Business Development Gatekeeper to Support Agribusiness

Farmer and retailer interviews indicate the need for dedicated economic and business development programming. Such services may be made available through existing economic development programs or may require the dedicated services of an independent development corporation focused specifically on agricultural and food industries. The necessary infrastructure for the delivery of these services might require the partnership of Baltimore County with neighboring counties with similar needs.



ACTIONS

- Form an exploratory committee to examine agricultural development models, such as;
 - Certified Development Corporation (Hudson Valley Agribusiness Development Corporation, NY).
 - Dedication or Expansion of County Based Programs (Montgomery County, MD).
- Evaluate a work plan to meet the needs expressed during interviews.
 - Support private and private-public development initiatives such as;
 - Edible oil processing, such as bio-fuels processors
 - Improved farmer access to retail through
 - Local food brokerage system, and
 - Cold storage and commissary facilities.
 - Develop and manage a labor housing program.
 - Create agriculturally focused finance programs such as;
 - Grant pass through and administration,
 - Investment banking “type” services,
 - Loan packaging, and
 - Purchase-leaseback program.
 - Work with farmers to improve non-farm income sources such as hunting leases and woodlot management;
 - Conduct primary research such as;
 - Equine market research, and
 - Marketing systems research.
 - Develop a farm and agribusiness recruitment program.
 - Create a new farms/ products incubator services package.
- Examine effectiveness of existing programs at County and State levels to meet above program needs.
- Create Agribusiness Retention, Expansion, and Attraction Plan

(BREA) within broader economic development initiatives.

- Assess existing incentives, economic development programs, and real-estate suitability for sectors outlined for recruitment and development.
- Identify key marketing partners and conduct outreach with generators of agribusiness opportunities:
 - Site location consultants and real estate brokers,
 - Business park developers,
 - DBED/MARBIDCO,
 - MD Department of Agriculture,
 - Trade associations, and
 - Agricultural industry.
- Prepare marketing collateral and disseminate critical decision making information through direct mail, industry “ambassador” programs, brokers’ tours, etc.
- Develop a pilot program for streamlining and/or fast-tracking agribusiness development projects with towns within the key transportation corridors or key environmental assets.

IMPLEMENTATION RESPONSIBILITY: NCP Project Team, Baltimore County Economic Development, Baltimore County Agricultural Resource Center, Farm Bureau, others as appropriate.

BUDGET CONSIDERATIONS: Development of the aforementioned programs will require significant development capital over three to four years. Given the experience of other programs, operations, whether private or public, will require approximately \$150,000 annually. Specific project implementation will require additional support at a level to be determined as the business plan is developed.

ISSUE PRIORITY: The project team considers this recommendation to be of top priority.

FUNDING RESOURCES: Funding for this recommendation will require grant support from various federal and state programs such as USDA’s Federal State Market Improvement Program, MARBIDCO, TEDCO, the Economic Development Administration (EDA), and USDA Rural Development. Initial support from philanthropic organizations through challenge grants is recommended.

FOCUS AREA II: TRAINING AND EDUCATION

The following recommendations address a need for a pool of next generation farmers. They also address the need for sustained leadership within the agricultural industry and the accessibility to skilled and unskilled labor in this sector.

RECOMMENDATION 1

Expand Education and Training Programs

Baltimore County's labor force has undergone a long transition to professional services, manufacturing, and banking leaving a shallow labor market for farmers. This is exacerbated by the declining number of farmers and a low retention of next generation farmers. The resulting labor shortage may restrict future development of the industry.



ACTIONS

- Support development of a multi-year pilot program, to be started in 2009, in conjunction with the Baltimore County Agricultural Center, MD Cooperative Extension, and interested local farmers that creates individualized new/young farmer training programs:
 - Identification of feeder sources for interns and participant screening criteria.
 - Creation of a program of work tailored to individual farm and intern needs.
 - Development of a formal mentor program targeting;
 - Newly graduating interns, and
 - Other pre-qualified new/beginning farmers.
 - Evening farm start-up and management classes modeled after Frederick County's beginning farmer classes.
 - Assessment of the need for an agricultural academy modeled after the Central Carolina Community College as a long term objective.
- Work with educational institutions at the post-secondary and continuing education level to develop flexible training modules for use by agricultural operations;
 - Spanish language training for managers and workers,
 - Advanced farm management training, and
 - Other issue based training as necessary.
- Develop incentives to encourage participation of local teachers in accredited agriculturally based continuing education training as offered through the Maryland Agriculture Education Foundation (MAEF).
- Develop internship program in cooperation with Baltimore County Agricultural Resource Center focused on farmer retraining, new/beginning farmer training, and labor retention.

IMPLEMENTATION RESPONSIBILITY: Action items require significant interagency cooperation with a range of potential task leaders. It is expected that overall leadership will be provided by the Baltimore County Agricultural Resource Center with support provided by Maryland Cooperative Extension, Farm Bureau, MAEF, agricultural industry associations, Baltimore County

Community College, University of Maryland, as well as other agencies.

BUDGET CONSIDERATIONS: Much of the workload encompassed within this recommendation will require dedicated staff time with a limited annual program budget of \$3,000 to \$5,000 to facilitate specific task/program development. On-going programs and events should be conducted on a cost recovery basis. Development of specific curriculum at the college and continuing education level must be evaluated with specific service providers.

ISSUE PRIORITY: Elements of this task represent long-term, on-going efforts that will become more necessary as farm conversion continues. Therefore, the project team feels that this is a high priority issue that should initiate within the first 12 months of plan adoption. An initial pilot program has been started and is described in section 4 of this report, Implementing the Recommendations.

FUNDING RESOURCES: Funding will require modest, but long-term county support. Various private and public grant resources are available to support specific programs such as USDA's SARE program. The Foundation Center should be consulted for specific private funding options. North County Preservation has already organized a fundraiser for this purpose, supported by local producers and restaurants.

RECOMMENDATION 2

Support Regional Agricultural Leadership Development



The long-term success of agriculture within Baltimore County and the region is directly impacted by the quality of the industry's existing and emerging leadership. Specifically, the development of new leadership to set the vision for the future of agriculture is critical to the success of the industry over the long-term.

ACTIONS

- Work with Baltimore County LEAD Maryland graduates to develop an open format leadership training program. Program should focus on broadening producer exposure to all elements of the agricultural industry as well as government, politics, and input/output industries.
- Encourage greater farmer participation in local, regional, and statewide leadership development programs such as the Baltimore County Chamber of Commerce's Young Professionals group.
- Introduce board and leadership training to existing agricultural organizations and agencies.
- Enhance inter-industry communications through formal networking events between farmers and agribusinesses.
- Appoint a representative to join the Mid-Atlantic Agricultural Marketing Group (monthly meeting).

IMPLEMENTATION RESPONSIBILITY: Maryland Cooperative Extension, Baltimore County Chamber of Commerce, Farm Bureau, Baltimore County Agriculture Resource Center, and other agencies as necessary.

BUDGET CONSIDERATIONS: Action items within this recommendation

will require a limited administrative budget and staff allocation. Additional budget will be required to provide funding assistance to LEAD MD candidates in the way of a modest, \$1,000 per year, stipend.

ISSUE PRIORITY: The project team recommends that this is a top priority issue that should be implemented immediately.

FUNDING RESOURCES: County funding should be allocated to cover basic program costs.

RECOMMENDATION 3

Enhance Labor Force Conditions

Farms in Baltimore County require a steady supply of semi-skilled and unskilled labor. This is particularly true of key industry sectors such as horticulture, equine, and produce, all of which have a large component of manual labor requirements that do not generally fit the skills sets resident in much of rural Baltimore County. This labor force, therefore, must often be attracted from outside of the local area or from other industry sectors such as landscaping and construction. This set of conditions causes highly variable labor conditions often characterized by localized shortages and a lack of generalized agricultural skills amongst the available labor force. For agricultural operations to grow, this condition must be solved.



ACTIONS

- Improve labor housing conditions (See Focus Area 1, Rec. 3.)
- Improve accessibility of unskilled labor:
 - Create linkages with urban labor centers that house agriculturally focused labor force.
 - Develop on-site job training programs for laborers and managers.
 - Life skills.
 - Language skills.
 - Explore labor pooling options in collaboration with partners such as the Living Classrooms program, and the Baltimore City Workforce Improvement Board.
 - Electronic work center.
 - Labor screening system.
 - Transportation provision.
- Improve accessibility of skilled labor:
 - Develop a recruitment program focusing on high demand skills.
 - Explore labor management and labor sharing arrangements.

IMPLEMENTATION RESPONSIBILITY: Baltimore County Economic Development Corporation, Baltimore County Workforce Improvement Board, La Raza, Johns Hopkins Center for a Livable Future, Baltimore County Agricultural Resource Center, Farm Bureau, Maryland Cooperative Extension.

BUDGET CONSIDERATIONS: Action items within this recommendation will require significant program and administrative budget and staff allocation. Examination of similar programs should be undertaken before further budget guidance is offered.

ISSUE PRIORITY: The project team identifies this is a moderate priority issue that should be implemented in the next 24 months.

FUNDING RESOURCES: Grant funding through USDA and HUD should be sought to support development opportunities particularly in labor force transition areas. Baltimore area foundations are also likely sources of support, particularly if labor demands can be met through underserved communities.

RECOMMENDATION 4

Support Entrepreneurship and On-Farm Skills Development



The success of any industry is incumbent on the success of the businesses and entrepreneurs that control the assets, take the risks, and make the markets. Agriculture in Baltimore County is no exception and its long-term success will have as much to do with the savvy and skills of its agricultural entrepreneurs and farm managers as it does with market fundamentals. Enhancing the skills and business networks of these and future entrepreneurs has a significant positive impact on the future of agriculture in Baltimore County.

ACTIONS

- Develop a pilot program to package a professional and technical service network made up of private sector expertise and built on the model of a virtual business incubator.
- Implement, in cooperation with regional partners and Maryland Cooperative Extension, the NxLevel agricultural entrepreneurship or similar program.
- Develop a service corps of mentors and counselors with specific professional or technical expertise to provide direct support to agricultural entrepreneurs and to work with the County SBDC and SCORE programs.
- Facilitate the development of formal “masterminding” roundtables of farmers, agribusinesses, and other related industries that may benefit from periodic meetings to discuss business and management issues, market development, and other relevant topics.
- Conduct quarterly brown bag lunches for farmers that focus on networking and the topical discussion of important issues such as farm management, farm transition planning, marketing, timber management, real estate, policy/regulations, and other relevant topics.

IMPLEMENTATION RESPONSIBILITY: NCP Project team, Baltimore County Office of Economic Development; Baltimore County Agricultural Resources Center; Maryland Cooperative Extension with assistance from industry associations, private businesses, higher education institutions, Baltimore County Farm Bureau, and other agencies as necessary.

BUDGET CONSIDERATIONS: Action items within this recommendation, exclusive of the pilot professional/technical service recommendation, will require a limited administrative budget and staff allocation. All events should be held on a cost recovery basis.

Approximately \$25,000 should be allocated for the first program year followed by approximately \$10,000 to \$15,000 thereafter to operate and

maintain the network.

ISSUE PRIORITY: The project team identifies this is a high priority issue that should be implemented in the near term. Development of the service network, however, is likely to take a significant time commitment, which may delay its implementation until sufficient staff time can be devoted to this project.

FUNDING RESOURCES: County funding should be allocated to cover basic program costs. On-going programs, such as networking lunches, should be conducted on a cost recovery basis. Development of the pilot services network may be an attractive project for national or regional foundations.

FOCUS AREA III: PUBLIC POLICY AND REGULATION

The following recommendations address the broad based issues relating to public policy and regulation at the State and local level. They are also intended to bridge the gaps in understanding at both the farm and community levels. As an important note, the need to address the gap in understanding of farm operations by the broader community was a frequent discussion point during the interview and focus group process.

RECOMMENDATION 1

Create an Outreach and Public Relations Program

An informed citizenry that understands and accepts the industrial nature of agriculture will make better neighbors and better consumers. As agriculture becomes a smaller element of both the County's land use and economy, it will become increasingly difficult to keep the interests of agriculture in the forefront of policy. Project team members found that keeping policy makers, agricultural industry leaders, and the general public informed and educated goes a long way toward developing better relations. In addition, the agricultural industry has common needs in workforce development, farm management, finance, and other issues that can be met through public training resources.



ACTIONS

- Work with the Baltimore County Agricultural Resource Center (BCARC) to develop a farmer based group to coordinate outreach and serve as a first line of response in neighbor/industrial conflict.
 - Identify key audiences/stakeholders that impact agriculture.
 - Develop important message statements to deliver to above audiences.
 - Produce collateral material and programming to outreach to various audiences such as;
 - Print material, Media kit, Television and radio programming, Website, and Special events.
 - Hold quarterly meetings with editorial staff of local papers.
 - Create an agricultural speakers' bureau to carry the "message" to important community and civic groups through periodic public speaking engagements.
- Sponsor "Farm-City" tours and dinners.
- Review scope of Baltimore County Agricultural Land Preservation Advisory Board's authority to include a broader range of agricultural issues beyond land preservation.
- Work with the public school system and youth programs such as 4-H and youth equine activities, to integrate the "message" of agriculture within the primary school system and youth training events.
- Produce a periodic editorial from the Baltimore County Agricultural Preservation Advisory Board to be published in local periodicals.
- Develop farm tours to support the "message" of agriculture as well as topical "on-farm" issues.
- Enhance the public relations network and partnerships with other agencies that have an active public outreach program.

IMPLEMENTATION RESPONSIBILITY: Action items require significant interagency cooperation with a range of potential task leaders. It is expected that leadership will be provided by Baltimore County Agricultural Resource

Center with support from Farm Bureau, MDA, MCE, agricultural industry associations, as well as others and in partnership with rural community groups and non-profits such as NCP.

BUDGET CONSIDERATIONS: Much of the workload will require dedicated staff time with a limited annual program budget of \$5,000 to \$10,000 to facilitate specific task/program development. Specific project budgets will vary annually and may qualify for grant funding.

ISSUE PRIORITY: The project identifies that this is a top priority issue that should initiate within 12 months.

FUNDING RESOURCES: County funding should be allocated to cover basic program costs. Additional funding support should be sought from private sector sources such as Farm Credit, industry associations, Farm Bureau, and foundations. Grant funding for specific programs may be available, but program priorities for many funding agencies change from year to year.

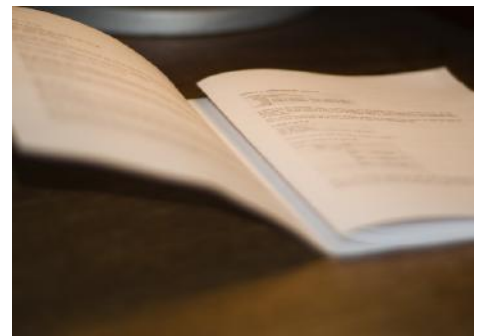
RECOMMENDATION 2

Create a Regulatory Environment that Is Favorable to Agricultural Production

Within Baltimore County's RC zones agriculture is a preferred use. However, this use is often in conflict with residential development as well as environmental regulations designed to protect water quality in the Chesapeake Bay watershed and regional water supplies. Agriculture is often economically marginalized by these regulations, forcing land to transition to other uses such as development. Review and amendment of such policies and regulations will also protect the more than \$100 million in public investment in agricultural land preservation.

ACTIONS

- Improve Right to Farm protections with the creation of a mediation board to review, as a requirement, agricultural nuisance claims to include representatives from the Maryland Cooperative Extension, the farm community, community at large, planning officials, and others as necessary.
- Appoint a farmer led team to review county land-use regulations and policy with involvement from elected officials and the community
 - Review permitted uses vis-à-vis current industry needs.
 - Agriculturally related processing.
 - Food distribution.
 - Alternative energy.
 - High intensity agriculture.
 - Make recommendations for changes and updates as needed.
 - Develop a regular schedule for review and update.
- Project the impact of eliminating property taxes on agricultural infrastructure on eased properties.
- Streamline process for permitted uses on agricultural easements such as child lots.
- Conduct regularly scheduled workshops with elected officials and the public to apprise them of changing market and regulatory conditions.
 - Prepare an annual 'state of agriculture report.'
 - Develop a response system to manage farmer interests in proposed regulatory changes.



- Develop a virtual agricultural policy book to keep farmers informed of land-use related development requirements.
- Build beneficial relationships with neighboring jurisdictions to improve inter-jurisdictional planning efforts to avoid unintended cross-jurisdictional effects such as development spillover, orphaned water and sewer improvements, etc.

IMPLEMENTATION RESPONSIBILITY: Farm Bureau, NCP, Maryland Cooperative Extension, Baltimore County Planning Board, and County Staff.

BUDGET CONSIDERATIONS: Action items within this recommendation will require a limited administrative budget and staff allocation.

ISSUE PRIORITY: The project team identifies this is a high priority issue.

FUNDING RESOURCES: No additional funding resources are required.

RECOMMENDATION 3

Develop a Regulatory and Policy Action Program

The stated policy of Baltimore County and the State of Maryland is to be supportive of agriculture and attendant industries. Yet, many policies and regulatory enforcement actions have inadvertent negative impacts on the industry. Addressing these issues in a non-confrontational manner, as early in the process as possible, can reduce these impacts.

ACTIONS

- Develop a policy action program to improve agricultural economic viability and public health:
 - Advocate funding of required state food safety training.
 - Advocate changes to food sampling requirements at farmers' markets.
 - Explore amendments to state health code and local zoning ordinances to expand on-farm processing capacity (e.g., Maine, Pennsylvania, Ohio, North Carolina.)
- Develop an on-going ombudsman function to support the regulatory, infrastructure, and program needs of farmers and industry clusters.
- Review transportation policy related to tagging and overweight limits for agricultural and forestry uses.
- Work with Federal, State, and local delegations to ensure fair treatment of both farm owners and agricultural labor at the Federal and State levels.
- Seek inclusion of the equine industry in Agricultural Census by authorizing a pilot equine census as part of the 2012 Census of Agriculture.

IMPLEMENTATION RESPONSIBILITY: Farm Bureau, Baltimore County Office of Economic Development/Ag Development Corporation, Maryland Forests Association, Association of Forest Industries, and other agencies.

BUDGET CONSIDERATIONS: Action items will require a limited administrative budget for local travel as well as a staff allocation.

ISSUE PRIORITY: The project team identifies this is a high priority issue that should be implemented in the near term.

FUNDING RESOURCES: Funding should be requested from Agriculture related organizations such as Farm Bureau.



Implementing the Recommendations

During the process of developing the Rural Baltimore County Agricultural Profitability Project the various working committees with support of the project's executive committee elected to begin work on four initiatives that were deemed of the highest priority during work sessions. It was largely considered that implementation of these initiatives was time sensitive and should proceed contemporaneously with the development of the overall project report.

These projects currently in progress are as follows:

1. Creation of an Agribusiness Development Corporation to serve as a development support agency for agricultural and food related projects in Baltimore County and the surrounding region. Based on expressed needs, the Agribusiness Development Corporation must support new business development (incubation), expansion of agribusiness finance, and targeted project development.
2. Development of an electronic marketing system to support the expansion of local food sales. Based on the expressed needs of growers, retailers, and restaurants, the system must be developed to accommodate a full suite of transaction related options ranging from transaction settlement to logistics and inventory management.
3. Creation of a Baltimore County Farm Internship Program as a means to leverage the transfer of knowledge from existing farmers to a cadre of new and beginning farmers. Based on the needs expressed by both new and experienced farmers, the program must address a full spectrum of topics ranging from agricultural production to marketing and business management.
4. Development of policy support documents to guide land use policy discussions as Baltimore County land use experts embark on a review of its RC-2 zone. Based on farmer input, initial policy guidance and background information is needed to support the development of an arbitration policy for neighbor disputes. Guidance on supporting expanded value-added and distribution efforts on-farm is also requested.

The following highlights the status of these projects as of February 2009.

Creation of an Agribusiness Development Corporation

Current Status: North County Preservation submitted a grant application to the Maryland Agricultural and Resource Based Industry Corporation (MARBIDCO) to fund the start-up activities of the Baltimore Agribusiness Development Corporation in September 2008. The grant application was rejected in part because the service area was deemed too small (Baltimore County only) to be effective. The small committee working on the project has currently formed an initial board of directors and contributed money for incorporation; it will be considering whether to expand the service area to serve a larger agricultural community.

ACDS, LLC is currently updating the business plan developed in September to include a full start-up budget and proposed project list. The initial start-up focus of the business plan will include starting and funding an agribusiness incubator modeled after the Hudson Valley AgriBusiness Incubator (www.hvadc.org) and providing staffing and support for the electronic marketing

system project, and evaluating a local branding program. Articles of incorporation are expected to be filed by the end of March 2009.

Next steps: An organizational committee will submit a planning and development grant request to the U.S. Department of Agriculture Rural Development office. Grant application and business plan will be made available at www.acds-llc.com.

Project Partners: This project is being supported by the project's core team members, leading members of the County's agricultural community, as well as the Baltimore County Farm Bureau, Baltimore County Office of Economic Development, the Baltimore County Agricultural Resource Center, and the Maryland Winery Association.

Project Budget: This project is currently unfunded beyond the individual contributions required to form the not-for-profit corporation. Budget needs for the first three years of operation are currently being estimated at \$500,000. Sources of potential funds include: County and State funds, USDA, and private regional investors.

Develop an Electronic Marketing System

Current Status: The Ag Study project team is working with a core of producers, retailers, restaurants, and distributors to assess the viability of establishing an electronic marketing system to increase local food sales. This core group is currently reviewing existing programs and systems with a focus on a program call FreshFork (www.freshfork.com).

Trevor Clatterbuck of FreshFork presented the model to farmers and retailers on January 9th, 2009. Following the presentation, ACDS, LLC has been working with FreshFork to negotiate a local trial of their software system and develop a financial model for a Baltimore County based system.

Next steps: Conduct a six month trial of the FreshFork model. Develop a grant application to support roll out after successful negotiation of site license.

Project Partners: This project is being supported by individual farmers, retailers, distributors, Baltimore County Farm Bureau, Baltimore County Office of Economic Development, Maryland Cooperative Extension, Maryland Department of Agriculture and others.

Project Budget: This project is currently unfunded and requires an investment of approximately \$30,000 for core system customization, and staff for coordination, processing, and distribution.

Create a Baltimore County New Farmer Intern Program

Current Status: North County Preservation is working with Calvert's Gift Farm to develop a pilot internship program for full roll out in 2010. Interns will be sponsored by Baltimore County Agricultural Resource Center through a grant provided by NCP. Educational programming is currently being planned and will be supported by various agencies including Cooperative Extension and the Department of Agriculture as well as various private sector entities.

Five interns for the pilot project were selected through an application and interview process conducted through December 2008. Interns begin classroom training in February 2009 and on-farm training at Calvert's Gift Farm in April 2009.

A 7-session Small Farm Training series was implemented in February 2009 with completion in April; over 50 participants were enrolled.

Next steps: Working agreements and contracts between various parties involved in the project have been developed and are currently being finalized. These agreements as well as other documents related to this project will be available on NCP's website at www.northcountypreservation.org.

Project Partners: This project is being supported by Calvert's Gift Farm, North County Preservation, Baltimore County Agricultural Resource Center, and Maryland Cooperative Extension.

Project Budget: Intern stipends and educational program development was funded by NCP's fundraiser held in Fall 2008 and the support of local producers and retailers. Total project budget is \$17,500.

Create Land Use Policy White Papers

Current Status: ACDS is currently developing white papers to support informed discussion of key issues such as the integration of on-farm marketing and logistics operations, creation of design standards for on-farm processing facilities, and the implementation of an arbitration system for handle neighbor disputes.

Next steps: The project team will complete current white papers and present them to the sub-committee for discussion in March 2009, and distribute white papers to a farmer led zoning review committee. Once validated by the project team, the white papers will be available for download at www.acds-llc.com and www.northcountypreservation.org.

Project Partners: Rural Baltimore County Agriculture Profitability Project Regulatory Sub-Committee; farmer led zoning review committee.

Project Budget: This project is supported through the Rural Baltimore County Agriculture Profitability Project .

The grand success of the *Meals From the Meadows of Maryland* fundraiser for the new Farmer Intern Program was due to the time, efforts, and monetary gifts from the following:

Farmers: Tom and Karen Albright (Albright Farms), Jack & Becky Gurley (Calvert's Gift), Joan Norman (One Straw Farm), Tom Reynolds (Reynolds Farm), David Smith (Springfield Farms), Nathan Stambaugh (Roseda Black Angus Beef Farm), Steve Webers (Weber's Farm), and other farm donations including: The Burton Family Farm, Briedenough Farms, Edrich Farms, Gunpowder Bison, Hill Forest Fruit Farm, Meristem, Pahl's Farm, and Richardson Farms.

Restaurants: Atwaters, Café Hon, Chesapeake Gardens, The Dogwood Cafe, Innovative Gourmet, Manor Tavern, Panache Fine Caterers, Tark's Grill, and Zia's

Wine Suppliers: Four Corners Wine & Spirits, Boordy, Basignani, Fiore, Liganore, Woodhall Wine Cellars

Premier sponsors for this dinner/mentoring program:

- Baltimore County Farm Bureau
- MidAtlantic Farm Credit
- Baltimore County Economic Development
- Finch Services
- University of Maryland

Other sponsors for the event included:

- Buy Local Buy Fresh Chesapeake Region
- Loane Brothers
- Walmart
- Mars
- Gertrude's
- Greenspring Hunt Club
- Whole Foods
- Trickling Springs Creamery

Finally thanks to those 230+ people in the community that supported the program by purchasing tickets to the event.

