

## The Profitability and Viability of the Agricultural Sector

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1. Promote Agricultural Trends from the 1964 Wedges and Corridor Plan to Present,
  - **Goals:** To support economic viability of the agricultural sector through land use decisions. The viability can be shown through the historic land use changes in the County leading to the creating of the Agricultural Reserve. A critical mass of land must be maintained for the agricultural sector to remain viable. The history of agricultural land use in the County can be found in the 1980 AROS Master Plan and the 2007 Ad Hoc Ag Policy Working Group document. Local Government support of the agricultural community is essential to assist farmers in the County. The increased pressure from regulation and development will make it considerably more difficult to operate profitably as food and fiber producers. Many farmers wish to diversify by adding AG Tourism into their business plans. But the pressure from over regulation and development could deter them from making the capital investment needed to do so. Farmers are attempting to increase the local food and fiber production needed throughout the County for the future food security.
  - **Policies:** The agricultural sector must be able to respond to market demands to remain viable. Policies and regulations must complement the agricultural economy. Montgomery County has a history of revisiting regulations and policies affecting agriculture: The 1980 AROS Master Plan, the 2007 Ad Hoc Ag Policy Working Group, the 2014 Comprehensive Zoning Rewrite, Agritourism Study Advisory Committee. Any proposed land use change must be done with consultation from the agricultural groups of the County – the Agricultural Advisory Committee, Agricultural Preservation Advisory Board, Soil Conservation District, and Montgomery County Farm Bureau.
  - **Actions:** The County must continue to revisit land use policies to ensure the agricultural sector can remain economically viable. Use up to date information to determine the best courses of actions for the agricultural sector by utilizing information from the USDA Census of Agriculture, while consulting with the County’s agricultural groups. Maintain and improve local government support for the agricultural sector. Types of support the agricultural community will rely upon are a dedicated County department, consistent cost-share funding to increase food production, consistent funding for agricultural land preservation.

2. Expansion of high-speed internet into the Agricultural Reserve, more suitable roads for larger farm equipment, and create incentives for commodity farming to migrate to local food production,

- **Goals:** Increase the availability of high-speed internet into the Agricultural Reserve, new farming technology relies on internet connectivity to implement precision agriculture. Precision agriculture allows farmers to apply the right nutrient source at the right rate at the right time and the right location. This type of farming has reduced the amount of inputs needed for farmers to grow a crop and has helped improve the water quality of the Chesapeake Bay. During COVID-19, on-farm business also rely on internet connectivity to take orders, fill them, and process payments. With agritourism venues increasing and a new demand for local food, the reliance for internet connections will be critically important and must be addressed.

The roads of the Agricultural Reserve are used for farmers and other residents. These roads serve as the network that all County residents use. These roads also pose a logistical challenge for farmers due to their narrow size and natural setting. The Rural and Rustic Roads are a treasured asset but must be maintained in a manner that allows the safe passage for all types of transportation – farm equipment included.

The most significant type of agriculture in the County is commodity farming. To ensure the local food supply chain is not disrupted, incentives could be created to promote increased production of table food. Farmers respond to market demands and if the County creates this demand, farmers will respond by growing more food to help feed the County residents.

- **Policies:** The County must find ways to increase the presence of high-speed internet in the Agricultural Reserve. There has been success with the Sugarland Broadband Pilot – look for ways to continue and expand this program. With high-speed internet in place, the agricultural sector will be able to contribute more to the local economy and provide more jobs for County residents.

Rural and Rustic Roads will need to be maintained and cared for in a way the meets the intention of the Rustic Roads Functional Master plan and the safe passage of all types of transportation including farm equipment. The care of the roads should be done in consultation with the Rustic Roads Advisory Committee and the County’s agricultural groups.

The COVID-19 pandemic shed new light on how fragile the food supply chain is locally, regionally, and nationally. To better protect the citizens of the County, incentives for increased table food production are necessary. Farmers will be able to meet a larger portion of the food demand if costs associated with production are covered.

- **Actions:** Implement a robust plan to increase the amount of high-speed internet available to residents of the Agricultural Reserve.

Maintain a safe network of roadways by improving the upkeep of rural and rustic roads while maintaining their natural character. The safety of all County residents must be upheld.

Incentivize the increased production of table food by County farmers. The County could provide starter capital for farmers to plant more acreage of food to sell to the public. The County could further protect the food supply chain by providing a food aggregating facility and meat processing facility. These two facilities could protect the food insecure population during normal living conditions and future pandemic situations.

3. Create Increased Demand for both TDR and BLT Receiving Capacity so that these programs function as intended to compensate agricultural landowners for the 1980 downzoning and to reduce rooftops in the Agricultural Reserve.

- **Goals:** Modify development standards to address the weakened markets for TDRs and BLTs that have resulted from diminished capacity in receiving areas. The average TDR utilization rate is only 58% of the total TDR capacity in receiving areas because of competing development interests such as MPDUs, and other optional methods of development. In addition, the requirements of overlay zones take precedent, which allow TDRs and BLTs to be excluded from development requirements even when they are required in underlying zones.
- **Policies:** Create sufficient demand for TDRs that this almost-40-year-old program can be closed by 2030. Thirty-nine years after the Agricultural Reserve and TDR program were established, we must diligently work toward correcting the imbalance between TDR sending and receiving areas to demonstrate to the agricultural community that the County is committed to keeping the promise made for equitable compensation from the down-zoning of the Agricultural Reserve.

TDRs and BLTs should be weighed more favorably compared to competing interests and options, such that a sunset date on the TDR program can be identified and BLTs can more effectively be used.

Receiving area capacity for TDRs and BLTs must be increased to accommodate the remaining supply.

- **Actions:** Address loopholes in zoning “Ambiguity Clause” that allow Overlay zones that do not require TDRs or BLTs to take precedent over underlying zones that do require them. OAG suggests amending language in Section 4.9.1.C of the zoning code to read as follows:

Development in an Overlay zone must satisfy the standards and requirements of the underlying zone, except as modified by Division 4.9. If there is an ambiguity as to whether the requirements of the underlying zone or Overlay zone apply, the requirements of the Overlay zone apply except in areas where the underlying zone requires TDR or BLT. Site plan approval is required under Section 7.3.4, except where exempted by the applicable Overlay zone.

Create receiving area capacity for 5,000 additional TDRs in any area of the County where residential redevelopment is being planned. Please note this capacity is recommended due to the previously mentioned diminished capacity in receiving areas where the TDR utilization rate is only 58%.

Create capacity for 1,000 BLTs, approximately equivalent to 50% of the remaining buildable units in the Ag reserve, in accordance with Phase II of OAG's Agricultural Preservation effort. Phase I of this plan was achieved in 2009 when 70,000 acres of the Agricultural Reserve was permanently preserved by a combination of TDR and purchase of development right programs. Phase II entails further reducing development in these areas through elimination of viable rooftops as demonstrated by the BLT program.

4. Reduce Excessive and Expense Regulations – zoning, permitting, environmental (FCE, SWM, E&S), Rustic Roads, subdivision,

**Goals:** If the County truly wants to help farmers and further expand the agricultural economy, tremendous work is needed to address the excessive costs of doing business in the County.

**Policies:** When a farmer wants to expand into agritourism (Farm Alcohol Production, on-site farm market) that may require a commercial building permit-CBP, this triggers other code requirements where each has its own associated fees and costs. A CBP triggers subdivision under Chapter 50. Subdivision triggers Forest Conservation under Chapter 22A. Subdivision triggers (E&S and SWM) Erosion and Sediment Control and Storm Water Management under Chapter 19. Subdivision triggers Fire and Safety under Chapter 22. Subdivision triggers, Road Dedication under Chapter 49. Subdivision triggers Green Building Certification under Chapter 8. Subdivision triggers Development Impact Tax under Chapter 52. The Office of Agriculture has worked with property owners in cases where these associated fees and costs have exceeded \$100,000.

**Action:** The County needs to amend Chapter 50 to waive the requirements of Subdivisions in the Agricultural Reserve when the use of the property will be considered farming as defined under Chapter 59 Zoning.

5. Promote Trends in Agritourism and Farm Alcohol Production to increase economic growth and sustainability of the industry.

- **Goals:** Make Montgomery County a destination for agritourism-related activities that support local economic growth, diversification and viability of farms, and production and of local foods, products, and services.
- **Policies:** The definition of agriculture encompasses a variety of activities including traditional table food production, commodity grain production, and the raising of animals. As agriculture evolves to meet the demands of new markets, this definition will be inclusive of growing agricultural trends such as agritourism and farm alcohol production as well as those activities and practices we have not yet encountered.

Current trends in agritourism, such as farm alcohol production and on-farm events, will be supported and encouraged by local zoning and regulations.

- **Actions:** Encourage the adoption of a new agritourism ZTA that encourages flexibility and inclusiveness in the definition of agriculture as well as in the types of activities allowed on farms. These activities both bolster farm revenue and viability as well as bring people to the Agricultural Reserve to experience and learn about agriculture and where their food comes from.

Increase the size and number of events allowed on farms. These events may include, but not be limited to, weddings, musical events, festivals, and other activities showcasing agriculture, agricultural education, and/or local agricultural products. Farm events are growing in popularity regionally and represent an opportunity to increase local economic activity and viability for the farms in our Agricultural Reserve.

Adopt a local ordinance to apply the state-passed House Bill 805 that allows agritourism activities inside of agricultural buildings when the occupancy is 100 or fewer people and removes the requirement to obtain a building permit. These facilities will continue to be required to obtain other necessary permits such as those for electrical and plumbing facilities, ADA, fire and safety etc.

6. Promote and Expand Agricultural Education-Curriculum for Agricultural and Science Education-CASE in the MCPS high schools and develop an agricultural education curriculum in partnership with Montgomery College and the University of Maryland Shady Grove for planning students,

- **Goals:** The Montgomery County Public Schools-MCPS is working to incorporate agricultural and environmental programs in high schools once again.
- **Policies:** One example is the Curriculum for Agricultural Science Education (CASE) is a program of study within the Environmental, Agricultural, and Natural Resources Career Cluster. The CASE: Natural Resources and Agriculture Pathway prepares students to be successful in numerous careers in the agricultural sciences as well as preparing them to further their education at the postsecondary level. This inquiry-based pathway incorporates classroom learning, FFA leadership and career

development, as well as outside classroom experiences through Supervises Agricultural Experiences (SAE) and other internship opportunities.

- **Action:** We hope this CASE program will be augmented with the existing FFA program at Damascus High School, the Horticultural programs at Sherwood High School and the Global Ecology program at Poolesville High School. Additionally, the MCPS offers the Annual Envirothon in High Schools that includes an academic contest in environment and natural resource skills and knowledge.

Montgomery College offers a Landscape Technology program and they are renaming it to Program for Environmental Horticulture and Sustainable Agribusiness. The OAG is a member of the planning team that will expand opportunities and skills in both Environmental Horticulture and Sustainable Agribusiness. The University of MD-Shady Grove will be part of the planning team to develop courses that are compatible and transferable.