Title 15 MARYLAND DEPARTMENT OF AGRICULTURE

Subtitle 01 OFFICE OF THE SECRETARY

Chapter 21 Urban Agriculture Grant Program

Authority: Agriculture Article, §§2-2001 et seq., Annotated Code of Maryland

01. General.

A. This chapter establishes the Urban Agriculture Grant Program. The purpose of the Program is to:

(1) Increase the viability of urban farming; and

(2) Improve access to urban-grown foods.

02. Definitions.

A. In this chapter, the following terms have the meaning indicated.

B. Terms Defined.

(1) “Department” means Maryland Department of Agriculture.

(2) "Eligible Cost" means a cost:

(a) To secure real property, limited to 20 percent of the grant amount;

(b) To make capital improvements;

(c) For operating expenses, limited to 15 percent of the amount of the grant; or

(d) That maintains safe, environmentally sustainable, and socially responsible practices.

(3) “Farm Product” means:

(a) Any agricultural, horticultural, vegetable, or fruit product of the soil, whether raw or canned, frozen, dried, pickled, or otherwise processed;

(b) Livestock, meats, marine food products, poultry, eggs, or dairy products;

(c) Wool, hides, feathers, nuts, or honey; and

(d) Every product of farm, forest, orchard, garden, or water.

(4) “Program” means the Urban Agriculture Grant Program.

(5) "Qualified nonprofit organization" means a nonprofit organization that is organized and operated exclusively for exempt purposes under §501(c)(3) of the United States Code and operates a farm or community garden in an urban area.

(6) “Steward” means the owner of the land or a person who has control and possession of the land through a written lease.

(7)(a) “Socially disadvantaged urban farmer” means an urban agricultural producer belonging to a group that historically has been:

(i) Underserved by federal or state agricultural programs; or

(ii) subject to racial or ethnic prejudice.

(b) Socially disadvantaged urban farmer includes urban agricultural producers who are:

(i) African American ;

(ii) American Indian, Native American, or Alaska Native;

(iii) Hispanic;

(iv) Asian or Pacific Islander; and

(v) Women, regardless of race or ethnicity.

(8) “Underserved Community” means a census tract in which, according to the most recent U.S. Census Bureau survey, at least:

(a) 25 percent of the residents qualify as low-income;

(b) 50 percent of the residents identify as nonwhite; or

(c) 15 percent of the residents have limited English proficiency.

(9) “Urban Area” means an area of the State that is:

(a) Delineated as an urban area by the U.S. Census Bureau; or

(b) Within the boundaries of a municipal corporation.

(10) “Urban Agricultural Producer” means any person that annually sells, or normally would have sold, $1,000 or more of farm products in an urban area.

03. Eligibility.

A. An urban agricultural producer is eligible to apply for financial assistance under the program provided the person:

(1) Is in compliance with the State’s Nutrient Management Law under Agriculture Article, §§ 8-801 et seq., Annotated Code of Maryland; and

(2) Agrees to complete a new farming training course, provides documentation of having completed a new farming training course, or participates in Department-approved continuing education programs.

B. A nonprofit organization or an institute of higher education is qualified to receive a grant if the Department determines that:

(1) With respect to a nonprofit organization, the nonprofit organization is incorporated in or maintains its principal place of business in an urban area;

(2) The entity will provide urban agricultural producers who receive grants under this Program direct training and ongoing technical assistance in accordance with a program certified by the U.S. Department of Agriculture or the Department; and

(3) The entity works to increase the viability of urban farming and improve access to urban-grown foods.

04. Application Procedures.

A. A qualified applicant that applies for grant funds under the program shall submit to the Department the following:

(1) If the applicant is an urban agricultural producer:

(a) An application on a Department-produced form which shall include a budget estimate of the overall eligible costs;

(b) A map identifying the location of the operation including its street address and the parcel boundaries of the land on which the operation is situated;

(c) Documentation showing that the person annually sells, or would normally have sold, in an urban area at least $1,000 of farm products from the person’s farming operation;

(d) Except for an individual applying on the individual’s own behalf, documentation proving the applicant’s authority to sign on behalf of the organization on all matters related to the program;

(e) A completed Current Nutrient Management Plan Certification form or Nutrient Management Plan Waiver, as applicable; and

(f) A completed IRS Tax Form W-9.

(2) If the applicant is a non-profit organization or institution of higher education:

(a) An application based on a Department-approved form which shall include a budget estimate of the overall eligible costs; and

(b) For qualified nonprofit organizations:

(i) A current IRS Determination Letter indicating its §501(c)3 status under Title 26 of the United States Code; and

(ii) Evidence of good standing with the State of Maryland;

B. Use of Grant Funds.

(1) Limitations. A grant recipient may use a grant under this program to:

(a) Secure real property:

(i)That has established the necessary infrastructure to grow food;

(ii) For which the grantee is the steward of the real property; and

(ii) For which no more than 20 percent of the grant money will be used to secure property;

(b) Maintain safe, environmentally sustainable, and socially responsible practices; and

(c) Make capital improvements to support viable urban agriculture enterprises.

(2) To receive a grant under this program, the applicant shall demonstrate that the funds the person receives will provide a measurable community benefit; and

(3) A grant recipient may not use more than 15 percent of the amount of the grant for operating expenses.

05. Application Review and Approval.

A. The Department to Approve or Disapprove an Application.

(1) If the Department approves a project, it shall base the amount of State grant funds on:

(a) The eligibility of the applicant;

(b) Whether, and the degree to which, the project provides a benefit to socially disadvantaged urban farmers;

(c) Whether, and the degree to which, the project increases the viability of urban farming;

(d) Whether, and the degree to which, the project improves access to urban-grown foods; and

(e) Whether, and the degree to which, the project provides urban grown foods to areas designated as an underserved community.

(2) The Department shall disapprove an application for any of the following reasons:

(a) The application is incomplete or does not comply with these

regulations;

(b) The applicant’s land is not used for agricultural purposes;

(c) The application is for a project which is already under construction; or

(d) The Department has no available funds.

B. Within 30 days from receipt of an application, the Department shall notify the applicant whether the application has been approved and the amount of the grant funds awarded.

06. Grant Agreement.

A. Urban Agricultural Producer.

(1) The Department and the applicant shall execute an agreement that, among other things, obligates the applicant to:

(a) Institute or install the project and to maintain it for the life of the project, that being, 5 years from the date of purchase or installation;

(b) Use, follow, or maintain items acquired under the grant as recommended by the manufacturer to promote safe, environmentally sustainable, and socially responsible practices;

(c) Maintain capital improvements as constructed or installed under the grant based on manufacturer’s recommendations for the life of the project as specified within this Agreement;

(d) Demonstrate that the project provides a measurable benefit to the community; and

(e) If necessary, provide additional funds on balances to institute or install the project beyond the awarded funding.

(2) Before the Department executes a grant agreement with a farm tenant, the farm tenant shall obtain the landowner’s consent to proceed with the project as specified under the terms and conditions of the grant agreement.

B. Non-Profit Organization and Institutes of Higher Education:

(1) The Department and the applicant shall execute an agreement, that among other things, requires the entity to:

(a) Outline the curriculum for each course being offered;

(b) Outline each course being administered in-person, virtually, or combination of both; and

(c) Indicate the number of attendees that have received the Program’s assistance.

(d) Provide a final report to the Department within 90 days after the end of the grant cycle.

07. Project Establishment.

A. After all parties execute a grant agreement, an applicant shall begin the approved project.

B. The applicant shall be responsible for all steps in completing the project, including, but not limited to, obtaining any necessary:

(1) Permits;

(2) The services of contractors to install or complete the project; or

(3) Materials or equipment to install or complete the project.

08. Distribution of Grant Funds.

A. The applicant who executes a grant agreement shall be paid in accordance with the following payment schedule:

(1) Upon receipt of the approval letter, the person may request up to 50 percent of the award as outlined in the grant agreement;

(2) Upon submitting a Progress Report on a Departmental form as set forth in §B(1) of this regulation, the person may request up to 40 percent of the award as outlined in the grant agreement;

(3) Upon completion of the Final Progress Report on a Departmental form as set forth in §B(2) of this regulation, the remaining 10 percent of the award as outlined in the grant agreement can be requested for payment.

B. Reports.

(1) Progress Report. The Progress Report shall contain the following at a minimum:

(a) A narrative describing the work that has been completed thus far;

(b) A plan for remaining work to be completed;

(c) A summary of the project budget and schedule;

(d) A list of action items; and

(e) A narrative identifying any issues and risks, and what is being done to rectify them.

(2) Final Report. The Final Report shall contain the following at a minimum:

(a) A project summary narrative;

(b) A summary of how the project budget was utilized;

(c) Project Outputs (training events, outreach, sales of farm products and location of sales, etc.);

(d) Project Impacts (# people benefitted/trained); and

(e) Any additional information requested by the Department.

C. The applicant shall document all eligible costs on an itemized statement. Each itemized cost shall be supported by payment receipts or unpaid invoices from vendors. Each receipt shall be signed by the person who executes a cost share agreement and certified that each cost is true and correct to the best of that person's knowledge. Each payment receipt or unpaid invoice shall show the following:

(1) Vendor, or vendors names and addresses;

(2) Type of material, labor, equipment, or item purchased; and

(3) The unit cost for the item, the total amount per item, and any payments made to the vendor.

D. The applicant shall complete and submit to the Department, utilizing a departmental claim for payment form, each scheduled payment outlined in §A of this regulation.

09. Project Monitoring – Violations of Agreement.

A. After the Department has distributed grant funds, the Department shall monitor that purchases are utilized and maintained in accordance with the agreement. Any violations shall be documented on a departmental form, a copy of which shall be provided to the applicant.

B. If the applicant fails to comply with any portion of the agreement executed with the Department, that applicant shall be liable for the full amount of State grant funds paid. However, the applicant is not liable for inadequate maintenance or destruction of the items purchased if caused by an act of nature that could not be reasonably anticipated.

10. Administrative Reporting.

A. The Department shall submit a report to the Governor, the Senate Budget and Taxation committee, and the House Appropriations Committee on the effectiveness of the funding provided for this Program by December 30 of each year.