

## **VI. ECONOMIC DEVELOPMENT**

### ***A. Requirements for a Rural Economy***

Business within the South County Planning Area is based on a rural economy, which is defined as traditional and non-traditional agricultural, horticultural, forestry and maritime pursuits and compatible home-based businesses. Small businesses that meet the local needs of its residents are an important part of our economic vitality. It is expected that with technological advances, more commuters will choose to tele-commute from South County, relying more heavily on local business.

Historically, South County's primary business has been agriculture. Farming, which provided the area with its beautiful landscape, has been faced with challenges in recent years. Tobacco farming has decreased partly due to labor shortages and to State efforts to diminish its production. Some landowners within South County have sought alternatives to traditional farming such as sod farming, dog and horse breeding and aquiculture. Identifying creative means to continue the agrarian lifestyle will be a key to preserving the South County landscape.

The goal of this chapter is to recommend policies and programs that enable the rural economy to thrive financially and promote future economic prosperity.

#### ***Guiding Principles:***

- C Rural economy issues and land use are inseparable because open spaces must be preserved to maintain the area's economic base of agriculture.
- C Agriculture must remain viable if the County is to maintain substantial quantities of open space and low density development. The farms and open spaces in South County are important to Anne Arundel's character. Agriculture has the dual role of providing a direct economic benefit to the area and preserves the rural environment and its surrounding quality of life.
- C Agriculture is a major component of the County's economic base. According to 1994 figures of the Maryland Department of Agriculture, the total value of agricultural production in the County, except horses, exceeded \$13 million. Traditionally, the County has had smaller farms than other counties due to topography and development pressures generated by its central location between Baltimore and Washington.
- C There are less capital requirements for a rural economy, as compared to more intensive development such as residential housing, and consequently proportionately larger net revenue generation for the County.
- C In order to realize the greatest financial savings of keeping South County rural, savings from not having to invest in infrastructure, the County will need to invest

- some resources in programs that ensure the viability of agriculture.
- C Incentives must be provided to property owners, farmers and land stewards, who care for and maintain agricultural land and open space as part of their lifestyle.
  - C National policies have perpetuated a structural bias towards greater concentration of assets in larger farms and larger agribusiness firms. Small farms are struggling under these policies.
  - C Economic growth should be supported through encouragement of alternative types of agriculture, assistance in identifying innovative agriculture-related economic initiatives and specialty markets, encouraging diversity of production, and facilitating entrance into emerging markets.
  - C The equine industry is a fundamental component of the rural economy and its expansion should be promoted.
  - C Home-based businesses are a critical component of South County's rural economy.

***B. Recommendations for Maintaining the Rural Economy***

1. Fund the County's Agricultural Preservation program to ensure preserving a total of 20,000 acres by 2007, with an ultimate goal of 40,000 acres. The County shall actively promote the county and state forest and agricultural land preservation programs, assuring that farmers and landowners are made aware of benefits and requirements of the various programs.
2. Consider amending the Agricultural Preservation Program to reduce the eligible farm size from 50 acres to any size parcel that permits more than one residential dwelling unit. This action would allow many successful small scale farms now left open for possible residential or other development to participate in the Agricultural Preservation program.

It should be noted in these types of situations that the County does not purchase Development Rights on parcels where development is already limited. Most of the land in South County is zoned RA and the allotted density for a 20-acre parcel is already limited to one dwelling. The County is committed to directing its funding and preservation efforts to parcels of land where the development density is greater than one. Additionally, the County does not purchase rights for development that may be granted through Family Conveyance.

It should be noted that the intent of the recommendation can be achieved if two adjoining 25 acre parcels join together to form a district which would allow participation in the county program.

3. The County should appoint an Agricultural Commission or expand the authority of the Agricultural Board to assist with all aspects of relevant agricultural programs, including preservation, marketing and promotion. Such a commission should include a member of the maritime industry.
4. The County should consider establishing a rural economic development function within county government either through the existing Anne Arundel Economic Development Corporation or by creating a new Rural Economic Development Corporation, as a key component of its overall county economic development program and actively promoting it. This effort should include:
  - a. Implementing an agricultural lending program with local financial institutions, making agricultural lending a mandatory criterion for the placement of County funds in a financial institution;
  - b. Providing incentives and encouraging financial institutions to offer low interest rate loans to farmers as part of its rural economy program;
  - c. Structuring financing to promote investment in new crops and methods, particularly where market development or production may not occur more than one year in the future;
  - d. Offering grants through the county to encourage alternate types of agriculture;
  - e. Acting as a clearinghouse for information for farmers to locate sources of grant money and to assist farmers in preparing grant applications;
  - f. Educate and encourage enrollment in programs that offer compensation for the adoption of environmental and other methods that reduce crop yields below optimum economic levels;
  - g. Create program(s) in addition to the purchase of development rights that provide income generation for farmers recognizing that these programs cost the county less than the infrastructure costs that accompany development;
  - h. Provide assistance in conducting market research to determine high value products with sufficient consumer demand and enterprise profitability to justify production entry;
  - i. Assist farmers in finding new and better markets for the products produced in Anne Arundel County;
  - j. Organize a Land Lease Data Bank where owners of farmland can list land available for lease to other farmers;
  - k. Represent agricultural interests before state agencies to educate them on agricultural concerns and potential impact of proposed legislation and rules;
  - l. Provide a program to assist tobacco growers to transition to more diversified crops.
5. Encourage and support the establishment of an Anne Arundel County Farmland Trust along the lines of the Calvert Farmland Trust either through the Rural

- Economic Development entity, a joint agricultural/forestry board project or some other form of public/private land trust. Such an entity would focus on keeping rural land from being developed by providing an alternative for landowners not wishing to sell their land for development. When a farm comes on the market, it could be purchased by a 'conservation entity' that would extinguish the development rights through available programs. The trust could then resell the permanently restricted land at an affordable price to a farmer.
6. The County should provide assistance in promoting the *profitability* of the agricultural industry through:
    - a. Supporting the conversion to more profitable multi-year crops by such means as tax abatement or tax deferral;
    - b. Lobbying for a change in the state's tobacco buyout program so that all tobacco producers receive compensation;
    - c. Establish a farm cooperative providing technical production and marketing assistance to promote growth in existing agricultural enterprises. This cooperative should coordinate with neighboring counties to exchange information in support of regional cooperative marketing and other issues of importance to the regional rural economy;
    - d. Allow as a permitted use the growing of specialty crops in containers and temporary greenhouses for wholesale/resale;
  7. The County should provide assistance in promoting the *viability* of the agricultural industry through:
    - a. Facilitating the establishment of a central farm product distribution hub where farmers can deliver products for pickup by consumers and wholesalers. A possible location for the agriculture input/marketing infrastructure is Wayson's Corner or the Smith Lumber Yard site in Churchton.
    - b. If feasible, promoting farmers offering locally grown and processed foods by establishing a small cooperative processing operation that meets new health standards, possibly located in Wayson's Corner;
    - c. Foster the expansion of farmers' markets in multiple locations in the County including the southern portion of the county, including the renewal and expansion of the Riva Market (with additional parking) and exploring the feasibility of accommodating a farmers'/fishermans' market.
  8. Permit publicly owned lands to be used for agricultural production where appropriate including the possibility of renting County owned land to farmers. Such land should be existing fields that do not need to be deforested.
  9. Encourage the Agricultural Extension Service to locate a highly qualified county extension agent in South County to assist farmers with production issues and marketing and implement ways to improve service by the area specialists located

- at the University of Maryland;
10. Recognize the need for farmers to build ponds in wetland areas fed from streams providing irrigation for the conversions to profitable specialty crops, as long as wetland disturbance is not too severe and the farmer agrees to maintain a significant buffer of at least 100 feet along the stream and floodplain; where appropriate, bring this issue to the attention of state and federal officials and encourage necessary changes;
  11. Encourage the County delegation to work for some of the tobacco settlement money to be set aside in a low or no interest revolving fund that would finance many of the above activities.
  12. Educate Anne Arundel County residents on the importance of the agriculture industry to the County's economic vitality and diversity. The County should offer a variety of innovative educational experiences, to promote the agricultural community, such as:
    - a. Encourage the use of existing farms and or the creation of demonstration farms to showcase new crops and new production methods so that farmers can readily assess the production potential of new crops and consumers can sample the product (Such as wine grapes, nursery stock, small fruit, tree fruit, greenhouse or field-grown specialty produce).
    - b. Offer farm tours such as 'visit a farm for the day' to show the public what farming is about, possibly sponsored by the County Extension and Soil Conservation Service;
    - c. Encourage young citizens to enter the agricultural field through its rural economic development function and in cooperation with Anne Arundel County Schools;
    - d. Organize a program of activities that educates the general population about agriculture and encourages respect for farm property, including:
      - Place signs along farm fields indicating fields are planted and in compliance with good farming practices and environmental regulations;
      - Establish a speakers bureau which promotes information exchange through farmers speaking at clubs, functions, and schools about agriculture today in the County;
      - Establish one or more historic farms to portray the history of agriculture in the County and its relevance to today;
      - Implement, within the County school system, a state-of-the-art vocational agricultural program for Southern and South River High Schools that meets all criteria and standards set forth by the State Board of Education.

- e. Assistance should be provided by the county to minimize noxious odors emanating from some types of farming operations, while recognizing and supporting the right to farm.

***C. Recommendations for Encouraging Compatible (non-agricultural) Businesses***

**Goal:** Commercial development and home-based businesses should be compatible in scale, location and design for the rural and historic character of South County. Therefore:

1. Utilize and revitalize existing commercial and industrial zoned land rather than create new commercial and industrial parcels.
2. Encourage home-based businesses with required County permits, provided they are in keeping with the rural atmosphere of the area and sensitive to surrounding residents and historic structures (i.e. through appropriate screening and setbacks).
3. As it is impossible to strictly include or exclude many home-based businesses from the code, and because the size and impact on the surrounding environment is dependent on the location of the business, the County Code should be revised to include a standard set of performance criteria would be used to determine the businesses' suitability. Examples of this criteria include noise, traffic, parking, odor, pollution and visibility to adjoining property owners.
4. The definition of permitted "home-based" businesses must be updated to recognize current needs and technology;
5. Recognize that strip malls, national franchises and up-zoning are inconsistent with the rural character of South County;
6. Put in place mechanisms that limit the size of structures to those consistent with the rural character of South County by limiting impervious surfaces, height, bulk and providing appropriate screening from roadways and neighboring properties;
7. Encourage the maritime industry in South County and ensure that the necessary infrastructure and services (i.e. affordable and ample dockage) for watermen remain intact;
8. Ensure that Wayson's Corner remains a commercial area with a rural character that meets the needs of the surrounding rural/agricultural and residential communities by limiting future development to existing commercially zoned property;
9. Develop and implement a regional approach to tourism, heritage and recreation that promotes and markets Southern Maryland and the Annapolis area as interesting and worthwhile places to visit and in which to vacation;

10. Develop a clear marketing plan within this rural setting to attract appropriate new business and enable existing businesses to grow.