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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2167 Session of  
2021

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INTRODUCED BY RABB, BURGOS, PARKER, FREEMAN, N. NELSON, KINSEY,  
KENYATTA, HILL-EVANS, DRISCOLL, T. DAVIS, SCHLOSSBERG,  
SANCHEZ, HOWARD AND SIMS, DECEMBER 15, 2021

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REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,  
DECEMBER 15, 2021

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AN ACT

1 Amending Title 3 (Agriculture) of the Pennsylvania Consolidated  
2 Statutes, providing for the establishment of Urban  
3 Agricultural Incentive Zones.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Title 3 of the Pennsylvania Consolidated Statutes  
7 is amended by adding a chapter to read:

8 CHAPTER 108

9 URBAN AGRICULTURAL INCENTIVE ZONES

10 Sec.

11 10801. Short title and declaration of purpose.

12 10802. Definitions.

13 10803. Urban Agricultural Independent Contract Program.

14 10804. Application for Urban Agricultural Zone.

15 10805. Urban Agricultural Zone Committee.

16 10806. Utilities and taxes.

17 10807. Limitations.

1 § 10801. Short title and declaration of purpose.

2 This chapter shall be known and may be cited as the Urban  
3 Agricultural Incentive Zones Act. The General Assembly finds and  
4 declares that it is in the public interest to promote  
5 sustainable urban farm enterprise sectors in urban centers. The  
6 General Assembly further finds and declares the small-scale,  
7 active production of marketable crops and animal husbandry,  
8 including, but not limited to, foods, flowers and seedlings, in  
9 urban centers is consistent with and furthers the purposes of  
10 this chapter.

11 § 10802. Definitions.

12 The following words and phrases when used in this chapter  
13 shall have the meanings given to them in this section unless the  
14 context clearly indicates otherwise:

15 "Agricultural product." An agricultural, horticultural,  
16 viticultural, aquacultural or vegetable product, either in its  
17 natural or processed state, that has been produced, processed or  
18 otherwise had value added to it in this Commonwealth. The term  
19 includes bees, honey, fish or other aquacultural products,  
20 planting seeds, livestock or livestock products, forestry  
21 products, poultry or poultry products and the growing of grapes  
22 that will be processed into wine.

23 "Agricultural use." Uses of land that produce crops, such as  
24 fruits and vegetables or animal by-products.

25 "Committee." The Urban Agricultural Zone Committee  
26 established under section 10805 (relating to Urban Agricultural  
27 Zone Committee).

28 "Department." The Department of Agriculture of the  
29 Commonwealth.

30 "Qualified farmer." An individual or entity that meets at

1 least one of the following:

2 (1) is a small family farm whose annual gross cash farm  
3 income is less than \$350,000;

4 (2) is a midsize family farm whose annual gross cash  
5 farm income is greater than \$350,000 but less than  
6 \$1,000,000;

7 (3) is a beginning farmer who has not operated a farm or  
8 ranch or who has operated a farm or ranch for 10 years or  
9 less;

10 (4) is a limited resource farmer with direct or indirect  
11 gross farm sales not more than the current indexed value in  
12 each of the previous two years and who has a total household  
13 income at or below the national poverty level for a family of  
14 four or less than 50% of the country median household income  
15 in each of the previous two years; or

16 (5) is a socially disadvantaged farmer that has been  
17 subjected to racial or ethnic prejudice due to the  
18 individual's identity as a member of the following groups,  
19 without regard to individual qualities:

20 (i) American Indians.

21 (ii) Alaskan Natives.

22 (iii) Asians.

23 (iv) African Americans.

24 (v) Native Hawaiians or other Pacific Islanders.

25 (vi) Hispanics.

26 "Urban agricultural zone." An area of land defined by a  
27 municipality and entirely within that municipality's boundaries  
28 within which one or more qualifying farmers are processing,  
29 growing, raising or otherwise producing locally grown  
30 agricultural products.

1 § 10803. Urban Agricultural Independent Contract Program.

2 (a) Contract.--A city, county, or a city and county,  
3 landowner may enter into a contract to restrict the use of  
4 vacant, unimproved or otherwise blighted lands for small-scale  
5 production of agricultural crops and animal husbandry for a term  
6 of no less than five years on property that is at least 0.10  
7 acres in size.

8 (b) Assessment.--If a contract is entered into under  
9 subsection (a), the county assessor shall value the property  
10 that is restricted by a contract under subsection (a) at the  
11 rate based on the average per-acre value of irrigated cropland  
12 in this Commonwealth, adjusted proportionally to reflect the  
13 acreage of the property under contract, as most recently  
14 published by the National Agricultural Statistics Service of the  
15 United States Department of Agriculture. The Pennsylvania Tax  
16 Equalization Division shall post the per-acre land value as  
17 published by the National Agricultural Statistics Service of the  
18 United States Department of Agriculture on its publicly  
19 accessible Internet website within 30 days of publication and  
20 provide the rate to county assessors no later than January 1 of  
21 each assessment year.

22 (c) Ordinance.--A county or city may, after public hearing,  
23 establish an ordinance for an urban agricultural zone within its  
24 boundaries for the purpose of entering into enforceable  
25 contracts with landowners for the use of vacant, unimproved or  
26 blighted lands for small-scale agricultural use.

27 (d) Contract requirements.--Following the adoption of the  
28 ordinance under subsection (c), a city, county, or a city and  
29 county, may enter into a contract with a landowner to restrict  
30 the use of the land subject to the contract to uses consistent

1 with urban agriculture. Any contract entered into under this  
2 chapter shall include:

3 (1) An initial term of not less than five years.

4 (2) A restriction on property that is at least 0.10  
5 acres and not more than three acres.

6 (3) A requirement that the entire property subject to  
7 the contract shall be dedicated toward commercial or  
8 noncommercial agricultural use.

9 (4) A prohibition against any dwellings on the property  
10 while under contract.

11 (5) A notification that, if a landowner cancels a  
12 contract, a city, county, or a city and county, shall be  
13 required to assess a cancellation fee under this chapter.

14 (6) A provision stating no provision of the contract may  
15 prohibit the use of structures that support agricultural  
16 activity, including a toolshed, greenhouse, produce stand or  
17 instructional space.

18 (7) A provision stating that the use of pesticides or  
19 fertilizers on properties under contract shall be permitted  
20 to the extent that those pesticides or fertilizers are  
21 allowed by the United States Department of Agriculture's  
22 National Organic Program.

23 (8) A limitation stating that a city, county, or a city  
24 and county, shall not enter into a new contract or renew an  
25 existing contract under this chapter after January 1, 2022.  
26 Any contract entered into under this chapter on or before  
27 January 1, 2022, shall be valid and enforceable for the  
28 duration of the contract.

29 (e) Specific limitation.--A city, county, or a city and  
30 county, shall not establish an urban agricultural zone within

1 any portion of the spheres of influence of a city or county  
2 unless the legislative body of the city has consented to the  
3 establishment of the urban agricultural zone through an  
4 ordinance.

5 § 10804. Application for urban agricultural zone.

6 (a) Application.--A qualified farmer or partner organization  
7 may submit to the municipal clerk an application to establish an  
8 urban agricultural zone. The application shall demonstrate or  
9 identify:

10 (1) that the applicant is a qualified farmer;

11 (2) the number of jobs to be created, maintained or  
12 supported within the proposed urban agricultural zone;

13 (3) the types of products to be produced; and

14 (4) the geographic description of the area that will be  
15 included in the urban agricultural zone.

16 (b) Committee review.--The committee shall review and modify  
17 the application as necessary before the municipality either  
18 approves or denies the request to establish an urban  
19 agricultural zone.

20 (c) Review of approval.--Approval of the urban agricultural  
21 zone by a municipality shall be reviewed every five years after  
22 the development of the urban agricultural zone. After 25 years,  
23 the urban agricultural zone shall dissolve. If the municipality  
24 finds during its review under this section that the urban  
25 agricultural zone is not meeting the requirements set out under  
26 this chapter, the municipality may dissolve the urban  
27 agricultural zone by ordinance or resolution prior to the  
28 expiration of the 25-year dissolution period.

29 § 10805. Urban Agricultural Zone Committee.

30 (a) Committee establishment.--A municipality that seeks to

1 establish an urban agricultural zone shall first establish an  
2 Urban Agricultural Zone Committee consisting of six members  
3 after it receives an application under section 10804 (relating  
4 to application for urban agricultural zone). The following shall  
5 apply:

6 (1) Two members of the committee shall be members of the  
7 governing body of the municipality and shall be appointed by  
8 the board.

9 (2) The remaining four members shall be appointed by the  
10 mayor of the municipality and shall be residents of the  
11 municipality in which the urban agricultural zone is to be  
12 located. At least one of the members under this paragraph  
13 shall have experience in or represent an organization  
14 associated with sustainable agriculture, urban farming,  
15 community gardening or any of the activities or products  
16 authorized under this chapter.

17 (3) The members of the committee shall annually elect a  
18 chair from among the members.

19 (4) Members of the committee shall serve without  
20 compensation but may be reimbursed for actual and necessary  
21 expenses incurred in the performance of their official  
22 duties.

23 (b) Quorum and vote.--A majority of the members shall  
24 constitute a quorum of the committee for the purpose of  
25 conducting business and exercising the powers of the committee  
26 and for all other purposes. Action may be taken by the committee  
27 upon a vote of a majority of the members present.

28 (c) Duties.--The committee shall conduct the activities  
29 necessary to advise the corporate authorities of the  
30 municipality of the designation, modification and termination of

1 an urban agricultural zone and any other advisory duties as  
2 determined by the corporate authorities of the municipality. The  
3 role of the committee after the designation of an urban  
4 agricultural zone shall be review and assessment of an urban  
5 agricultural zone's activities.

6 (d) Report.--The committee shall submit an annual report  
7 of established urban agricultural zones and their findings  
8 regarding zone impacts on food production and sustainability to  
9 the department.

10 § 10806. Utilities and taxes.

11 (a) Rate modification.--Notwithstanding any provision of law  
12 to the contrary, a municipality may authorize an entity  
13 providing water, electricity or other utilities to an urban  
14 agricultural zone to allow qualified farmers and partner  
15 organizations in the urban agricultural zone to:

16 (1) pay wholesale or otherwise reduced rates for service  
17 to property within the urban agricultural zone that is used  
18 for processing, growing, raising or otherwise producing  
19 agricultural products; or

20 (2) pay reduced or waived connection charges for service  
21 to property within the urban agricultural zone that is used  
22 for processing, growing, raising or otherwise producing  
23 agricultural products.

24 (b) Abatement permitted.--If authorized by the ordinance  
25 under this chapter that establishes an urban agricultural zone,  
26 or through independent contract, a municipality may provide for  
27 the abatement of taxes it levies upon real property located  
28 within an urban agricultural zone that is used by a qualifying  
29 farmer for processing, growing, raising or otherwise producing  
30 agricultural products.

1 § 10807. Limitations.

2 (a) Unreasonable restrictions prohibited.--Notwithstanding  
3 any provision of law to the contrary, a municipality may not  
4 exercise any of its powers to enact ordinances within an urban  
5 agricultural zone in a manner that would unreasonably restrict  
6 or regulate farming practices in contravention of the purposes  
7 of this chapter unless the restrictions or regulations bear a  
8 direct relationship to public health or safety.

9 (b) Additional assessments or levies prohibited.--A unit of  
10 local government providing public services, such as sewer,  
11 water, lights or nonfarm drainage, may not impose benefit  
12 assessments or special ad valorem levies on land within an urban  
13 agricultural zone on the basis of frontage, acreage or value  
14 unless the benefit assessments or special ad valorem levies were  
15 imposed prior to the formation of the urban agricultural zone or  
16 unless the service is provided to the landowner on the same  
17 basis as others having the service.

18 (c) General prohibition.--An urban agricultural zone may not  
19 be established where its establishment would result in excessive  
20 land coverage and overcrowding of structures and community  
21 facilities, deleterious land use or layout or uses considered to  
22 be noxious, offensive or unsuitable for the surrounding area.

23 Section 2. This act shall take effect in 60 days.