

# URBAN AGRICULTURE BUSINESS LICENSE ENHANCEMENT ORDINANCE

*Creating a Clear Pathway for Growers to Increase Food Access in Their Community Through a License That Supports Innovative Business Ideas*

The proposed Urban Agriculture Business License Enhancement Ordinance will reduce barriers that exist for growers to sell their produce. With these proposed changes, community gardens and urban farms would be able to sell whole uncut, unprocessed, produce directly to community residents, restaurants, private food stores, and wholesalers from an on-site permanent produce stand.

## SUPPORTING THE BUSINESS ACTIVITIES OF LOCAL GROWERS

Chicago's urban agriculture or grower community includes entrepreneurs, social enterprises, and community-based projects. The City's current license options for the sale of produce are not tailored to the specific business activities of urban growers. With a clear license, there is increased potential for urban agriculture to build local wealth and support Chicago's local economy.



### Health and Nutrition Impact

1. Urban agriculture is one tool of a multipronged approach to **increase access to healthy, locally produced foods**
2. Urban agriculture sites can be a place for learning and nutrition education, **increasing health literacy in community**



### Social Impact

1. Urban agriculture sites promote **social cohesion**, community engagement and pride
2. Community gardens and farms beautify neighborhoods and **create safe spaces**



### Economic Impact

1. Sites create opportunities for **job creation and skills training**
2. Access to locally produced foods at the neighborhood level can lead to **food cost savings**

## THREE SMALL CHANGES WILL MAKE A LASTING IMPACT

### 1. Modify the produce merchant to allow community gardens and urban farms to sell whole, uncut, unprocessed produce from a produce stand Citywide:

Produce stands located on a community garden or urban farm will be allowed to keep their produce stands up overnight, rather than being removed at the end of each business day. To make the license accessible to growers across the city, the ordinance removes the requirement to conduct at least 33% of operations in areas underserved by grocery stores.

### 2. Exempt urban farms and community gardens with the produce merchant license from the requirements of the wholesaler's license:

When an urban grower is selling directly to other businesses they are not acting as a traditional wholesaler (where product is aggregated from multiple farms/producers and then redistributed to other clients). By including an exemption for growers with the produce merchant from having to acquire a wholesaler's license in order to sell to local businesses, this ordinance will prevent growers from having to meet the strict requirements and expensive fees required for this license. If growers are interested in aggregation and resale, they will have the option to apply for this license as their business grows.

### 3. Update the zoning code to reflect these changes:

Currently, the zoning ordinance only allows for community gardens to engage in incidental sales, meaning that they cannot grow for the intention of selling to community, and it does not have language that includes produce stands. Changes to the zoning code will support the above business license changes:

- Define the size and requirements of a produce stand
- Clarify that community garden sales are limited to incidental sales or pursuant to the issuance of the produce merchant license.
- Include language around produce stands to match the produce merchant license.

*\*Based on a 2018 Chicago Harvest Study, there are over 500 urban agricultural sites in Chicago, comprised of approximately 85 urban and community farms (figure 1) and 450 community gardens (figure 2). Source: Chicago Urban Agriculture Mapping Project*

## ADVANCING CHICAGO'S FOOD EQUITY AGENDA

The Urban Agriculture Business License Enhancement Ordinance advances Chicago's Food Equity Agenda. In February 2022, Mayor Lightfoot signed an executive order codifying Chicago's first-ever Food Equity Council, a private-public partnership dedicated to transforming Chicago's food system into one that is just and equitable. This council and its workgroups are dedicated to near-term priorities that address immediate needs as well as root causes of food inequities. Co-created with the community leaders and city departments, the Urban Agriculture Business License Enhancement Ordinance is the first policy recommendation out of this partnership introduced to city council.

Figure 1: Urban & Community Farms\*

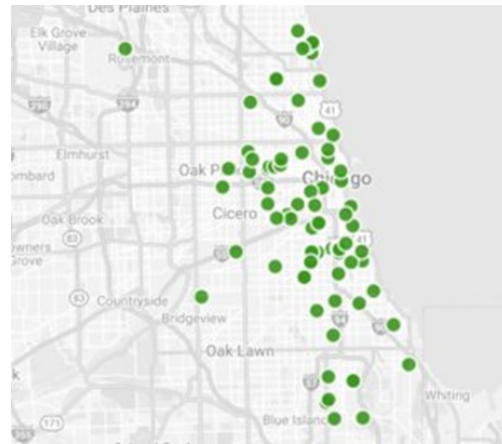


Figure 2: Community Gardens\*

