2009-2010 Development Code Docket
A-9: Amend Development Code to create an Agri-tourism Overlay District and Permit Wineries and Breweries in Specified Areas of Rural Thurston County (Title 20).

Date: October 26, 2011
Public Hearing Date: Tentative Date: November 2, 2011
Prepared by: Scott Longanecker, Associate Planner
Preponent/Applicant: Thurston County
Action Requested: Amend Development Code to create an Agritourism Overlay District which includes small scale wineries and breweries. (Title 20).

The Planning Commission has held four previous briefings regarding the Agritourism, Wineries & Breweries Ordinance amending Title 20 between June 1, 2011 and September 21, 2011. Several issues were raised by Planning Commission members at these meetings and staff has attempted to answer and address these issues and concerns.

Public Hearing: After the Planning Commission (PC) work session / briefing on September 21, 2011, staff requested that a public hearing be set for A-9 on Weds, November 2, 2011. The PC voted unanimously to set the hearing for the requested date. There will be time prior to the hearing for at least one additional work session if there are outstanding issues needing to be addressed prior to the hearing. Also, if necessary, an additional work session could be held immediately following the public hearing, where findings can be discussed.

New Alternatives to discuss:

- Page 2 discusses potential changes to the definition of “agritourism”. Further discussed on pages 17 and 18.
- Page 19 – Alternatives re: allowance of small lounges in country inns.
- Page 22 – AOD boundary alternatives.
BoCC briefing: Staff also met with the Board of County Commissioners (BoCC) and County Administrator on July 22, 2011 to brief them on the status of the amendments and provide staff with additional direction. The BoCC generally supports the proposed amendments and wishes to move the project forward towards the two required public hearings prior to adoption.

Rental Cabins: There have been a number of concerns regarding the allowance of rental cabins within the AOD. One of the main concerns was related to Growth Management Act (GMA) compliance and the possibility of exceeding allowed residential density. For example, if a ten acre lot, zoned one unit per five acres were permitted to build 4 - 8 small rental cabins, and if those cabins were considered dwelling units, then the number of housing units would exceed the residential density limit. Under this scenario, there is the possibility of a GMA conflict and potential appeal. Other factors include allowing kitchens and challenges with enforcing the 30 day rental limits and the potential addition of unpermitted kitchens after final building inspections. After a good deal of discussion among staff, it was determined that the solution to these issues was to base the number of possible rental cabins / units on the allowed residential density. This would have the effect of eliminating the GMA residential density problem, and would allow the units to contain full kitchens, the latter of which was the preference of the BoCC.

Definition of Agritourism and relationship to agriculture: Members of the Planning Commission discussed making changes to the proposed definition of agritourism. Some members suggested removing the reference to farms and agriculture from agritourism in order to open up opportunities for other rural residents who are not farmers. However, this change is not necessary because the ordinance contains multiple land uses including country inns, wineries & breweries and a laundry list of exempt uses which are not required to be on a farm. In addition, language in the general standards section further points out that tourist activities that fall under other categories like nature tourism, culinary tourism are also allowed and do not need to be located on a farm as long as they meet the other general standards.

One of the goals of the AOD is to help farmers be more economically viable and create alternatives to residential conversion of farm land. Weakening the link between agriculture and agritourism does not help to achieve this goal. The Growth Management Act supports the concept of farmers trying agritourism as an accessory or subordinate land use, not as a primary use. Removing or weakening the link between agritourism and agriculture could result in agritourism uses becoming the primary use rather than an accessory use on otherwise rural residential properties. Alternative language and staff recommendations are provided for further discussion.

Definitions of different tourism types: There is a natural connection between all of
these forms of tourism and many operators include elements of all of them. A tourist can also experience all of these forms of tourism in one place. For example, a tourist can visit an active farm, which may also have unique habitats or species not directly related to agriculture (i.e. a Blue heron rookery, an Osprey nest, native prairie or wetlands). The farm could also have a small bakery, featuring local ingredients, which would fall into the category of culinary tourism. It is difficult to talk about just one as there is so much cross-over between them. The main reason for discussing these various forms of tourism is to understand the connections between them and not exclude beneficial forms of tourism, which may not fit the narrow definition of agritourism.

**Agritourism:** A visit to a working farm or any agricultural, horticultural, or agribusiness operation in order to enjoy, be educated by, or become actively involved in the activities of the farm or operation. May include food service to guests, overnight accommodations, recreational activities, classes, farm festivals & social events. 2

**Nature tourism or Ecotourism:** These two terms are interchangeable and are defined as responsible travel to fragile, pristine, and usually protected areas that strive to be low impact and (often) small scale (as an alternative to mass tourism). Its purpose is to educate the traveler; provide funds for ecological conservation; directly benefit the economic development and political empowerment of local communities; and foster respect for nature, different cultures and human rights.

**Geotourism:** Best practice tourism that sustains or enhances the geographical character of a place, culture, environment, heritage and well-being of its residents (term coined in 2002). Often includes many elements of nature tourism / ecotourism. Since tourists need to eat, culinary tourism is also a likely element of geotourism.

**Culinary tourism:** Experiencing the food of the country, region or area (cuisine as an expression of culture). Experiencing what is unique and memorable and not necessarily pretentious and exclusive. Wine and beer tourism are regarded as subsets of culinary tourism. Culinary tourism is often an element of agritourism, geotourism and rural tourism. Culinary tourism and agritourism are inextricably linked, as the seeds of cuisine can be found in agriculture (literally). 3

**New Section of Staff Report:**

**Economic Forecast (pg. 14):** The current economic forecast and conditions that farmers and others face are discussed, including a significantly weakened outlook for the state economy since the last Washington State Economic and Revenue forecast in June 2011. 4

**New attachments:**

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2 Agritourism is the primary focus of this project. However it will naturally include elements of other forms of tourism (i.e. culinary and geotourism).

3 Now considered a vital component of the tourism industry. Dining out is common among tourists and food is believed to rank alongside climate, accommodation, and scenery in importance to tourists (Wikipedia 06/27/11).

Attachment B - This attachment is a table that compares existing vs. proposed regulations for certain uses proposed within the Agritourism Overlay District.

Attachment C - This attachment is a table showing the proposed review processes for new land uses within the AOD.

Attachment D – This is an article originally printed in the New York Times on 06/25/11 which discusses some of the financial benefits of agritourism for farmers and some of the various agritourism activities available like corn mazes, B&Bs, rope courses, zip lines and many more activities which become seasonal amusements for the general public.

Attachments E and F – These are some of the important Growth Management Act (GMA) rules that apply to this amendment. RCW 36.70A.177 states that counties may adopt rules allowing agritourism or “agricultural experiences” as accessory uses to agriculture. WAC 365-196-815, explains that counties may also use “innovative zoning techniques” that promote, support and sustain agriculture.

Attachment G - This attachment is an article written by James A. Maetzold, who is the leader of National Alternative Enterprises and Agritourism with the USDA / NRCS in Washington DC. The article goes into detail regarding farm marketing, what alternative enterprises on farms and agritourism are and the types of activities they can include, as well as the economic forces behind them and ideas for starting a new agritourism operation.

Attachment H - This attachment contains letters of support recently received from the Tenino Chamber of Commerce, the Mayor of Rainier, Randy Schleis, the Tenino Farmers Market and a farmer in Grays Harbor who supports what Thurston County is doing to assist local farmers.

Attachment I - A visual comparison of building size and scale. Aerial photos of the West Side and Tumwater Safeway buildings, which are well known landmarks. The aerials delineate a 20 thousand square foot portion of these commercial buildings, which range in size from 50K – 61K square feet.

Country inns: Concerns have been expressed about potential negative impacts of permitting country inns within the AOD. It is important to first understand that country inns are already permitted in rural Thurston County through a Special Use Permit, so we are not adding a new use that didn’t previously exist in many rural zones. Currently they are permitted in the following zones:

- R 1/20 - Rural one dwelling per 20 acres
- R 1/10 – Rural one dwelling per 10 acres
- RRR 1/5 – Rural Residential / Resource one dwelling per 5 acres
- RR 1/5 – Rural Residential one dwelling per 5 acres
- RL 1/2 – Res. LAMIRD 1/2
- RL 1/1 – Res. LAMIRD 1/1

To put the proposal in perspective, these zones cover a significant portion of the proposed AOD (roughly 80 – 90 percent), so the change is not as great as it may appear. Under the proposal, country inns could also be allowed in the Long-term Ag. District, RL 2/1 district and Urban
Reserve 1/5 district. The major change is that country inns in the AOD would be reviewed administratively unless over 8 thousand square feet, then a Special Use Permit (Hearing Examiner) process would be required. The Special Use Permit by Hearing Examiner is the same process currently required for all country inns regardless of size.

In discussions with the Board of County Commissioners a size limit of approximately 10 – 12K square feet was suggested as a starting point for a max. size.

**Pacific Northwest defined:**

The Board of County Commissioners and several others have requested a definition for the term “Pacific Northwest”. Staff reviewed dozens of Pacific Northwest maps created by government agencies, academic institutions and others. Finding only general similarity between them and lacking an official definition the following definition is suggested as it is clear and easy to use.

“98.5 Pacific Northwest. For the purposes of this Title, “Pacific Northwest” is defined as the US states of Washington, Oregon and Idaho.”

**Cider mills:**

The County Agritourism Committee met recently and discussed other types of locally produced beverages, specifically Lattin’s Cider Mill in southeast Olympia. It was recommended by the committee that cider mills and other small scale beverage production be included as permitted uses within the AOD.

**Temporary / Short term uses:**

Carnivals, circuses and other temporary public events up to 30 days per year are currently permitted within all rural residential zones and the Long Term Ag. district through a Special Use Permit. The proposal does not add any new uses that would not otherwise be permitted within the AOD. Rather the proposal would simplify and streamline the permit process for these events. They would still need to meet all applicable food safety, traffic and noise regulations. The primary change is easing the zoning / land use review process, by processing these events administratively in some cases rather than requiring Hearing Examiner approval which is more expensive and a longer review process. It is suggested that public notice be required so that neighbors are informed of these types of land uses. Public notice is not normally done for administrative projects, so this would be something specific to the AOD, and meant to raise awareness of possible agritourism land uses.

**AOD boundary (proposed):**

Per request of Planning Commission members, staff gathered additional information regarding the background of the proposed AOD boundary as shown in Attachment A. The original map on which Attachment A is based is a product of the County Agri-tourism Committee. The Agri-tourism Committee, which is still active, is made up of 30 – 40 community members including winery operators, farmers, city mayors, local tourism and economic development representatives, farmers market managers, business owners, citizens and County staff.

One of the inspirations behind the AOD project is the annual Tenino wine festival, and so the initial boundary discussed by the Committee was focused on a limited area around Tenino. Based on discussion by the committee, the boundary was expanded to include the area around
the city of Rainier as well. Other alternatives were offered including all of the rural county or the majority of south Thurston County. Of the alternatives, the Committee selected the last, which is the majority of South County, with the Yelm UGA and the Fort Lewis military reservation serving as the north eastern boundary of the AOD. One reason for selecting the South County was the distance from the urban areas and markets of Olympia, Tumwater, Lacey and the I-5 corridor. This was seen as an economic disadvantage that could be partially balanced by allowing some new tourism related land uses in the South County area. The AOD boundary is not written in stone and could be modified through a future Development Code Amendment. Once the AOD has been in place for a period of time it is possible to take another look at the boundary and make changes based upon what has been learned to that point.

**Nisqually Agriculture District:**
After additional review and discussion it was determined that the Nisqually Agriculture (NA) district in the northeast corner of the County should be added to the Agritourism Overlay District, although it is geographically separate from the rest of the AOD. Farmers and other residents in the Nisqually Valley area encouraged the Agritourism Committee to include this area. There is at least one winery within the NA zoning district currently as well as Christmas tree growing and numerous other agricultural activities. One of the reasons for the NA district not being included originally relates to the distance from the larger AOD to the south. The NA district is separated from the larger AOD by the city of Yelm, Fort Lewis and the Nisqually Indian reservation. The NA district may have been included prior if not for this separation. Other than this issue, adding the Nisqually Agricultural district is consistent with the goals of this project, which include supporting economic development sustainably through tourism.

**ISSUE:**
Local farms provide numerous benefits to the citizens of Thurston County. The continued viability of the local agricultural industry is important to the local economy, environmental sustainability, food security and maintaining the areas rural heritage.

Thurston County is considering several regulatory changes to help make local farms more economically viable. These changes include preserving farm land by reducing regulatory barriers, creating economic incentives through a purchase of development rights (PDR) program and creating specific exemptions for small scale farm stands that sell local and regional produce.

This staff report relates to a 2010 Development Code Docket item to allow small scale wineries and breweries in some rural zoning districts (Docket item no. A-9). The focus of this amendment has expanded to include allowing a broader range of land uses that are related to agriculture and more specifically to what is commonly referred to as agritourism. Agritourism, short for “agricultural tourism” can include farm stands or farm bakeries, U-pick produce, overnight farm stays, tours, on-farm classes, fairs, harvest festivals, pumpkin patches, hay rides, Christmas tree farms, winery weddings, orchard dinners, youth camps, barn dances, hunting, fishing, guest ranches, and more. Many of these activities already occur in the rural county. The focus of the proposed development code amendments is to enable and encourage similar types of activities in southern Thurston County.

The concept of “agritourism” is relatively new, although many of the activities that fall under the definition of agritourism have been in practice for decades. For most people, agricultural
tourism refers to a visit to a working farm or any agricultural, horticultural, or agribusiness operation in order to enjoy, be educated by, or become actively involved in the activities of the farm or operation – in other words, getting a true farm experience. For urbanites, simply visiting a working farm is a rare experience that can help them better understand rural life and the benefits that agriculture brings to a community. Agritourism can help to sustainably conserve open space while providing additional income to local farmers. It can also help to offset market fluctuations, build a stronger customer base, and help to educate consumers.

It has been estimated that as much as one-third or more of the value of farm land is directly related to passive tourist related activities\(^5\) including nature and wildlife watching. These activities would fall under the categories of nature tourism and geotourism. Farmers and other land owners can charge an entry fee to their property for various recreational activities which could include camping, photography, hunting, fishing, bird watching etc.

According to the World Tourism Organization, nature tourism is the fastest growing segment of the travel industry, averaging a 30 percent increase each year since 1987. According to the U. S. Fish and Wildlife Service (http://www.fws.gov/r9extaff/pr9833.html), “if wildlife-watching were a Fortune 500 company, it would have ranked 23\(^9\) in 1996.” Bird-watching is the fastest growing segment of the nature-tourism business.

While these tourism trends continue there is great potential for local farmers to tap into these markets. One of the great positives of agritourism and nature tourism is that while the overall economy is flat, this particular sector continues to grow much more quickly. One reason for this growth relates to ‘baby boomers’ getting older and becoming more interested in passive recreational activities\(^6\). Popularity and interest in locally and organically grown produce is an additional factor. Visitors to Washington State spent an estimated $15.2 billion in 2010, according to a Travel Impacts Report released by the Dept. of Commerce. This annual study showed that visitor spending increased 7.4 percent over 2009, making 2010 the second best year on record for visitor spending in the state.\(^7\) Ignoring the potential of nature tourism and geotourism as components of an agritourism ordinance is to pass up an opportunity to help farmers and the local economy, while encouraging preservation of open spaces.

Agritourism basics:

**Agritourism is the fastest-growing tourism industry segment in the United States according to Purdue University**\(^8\). This is a unique sector of the economy because, while the overall economy is stagnant, tourism and agritourism continue to grow. Agritourism shares many similarities with other more familiar forms of tourism. In order for tourism to work and produce benefits, tourists are required and tourists have several needs. Tourists need at the very least 1) something to see and/or do, 2) something to eat / drink and 3) a place to stay and sleep. Without all of these basic elements in play, tourism will not provide the maximum benefit in terms of generating income. Tourists need to be able to stay in an area for a day or more to give

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\(^5\) Mississippi State University.

\(^6\) WA Dept. of Fish and Wildlife (WDFW) - http://wdfw.wa.gov/viewing/tourism/ 04-14-11.

\(^7\) The News Tribune, 01/19/11

\(^8\) http://www.hobbyfarms.com/farm-marketing-and-management/agritourism-three-ways.aspx
them a chance to relax, enjoy and very importantly, spend money. This is one of the main reasons that the draft agritourism ordinance has a strong focus on overnight accommodations. Farmers markets, farm stores and fruit stands are wonderful attractions, but they will not support a strong tourism economy alone without meeting tourists other basic needs.

There are several existing agritourism operations here in Thurston County. One of the better known businesses is Lattin’s Country Cider Mill located in southeast Olympia. This business, locally known simply as “Lattin’s” was built from the ground up by the Lattin family, and contributes significantly to the local culture and economy. According to the owners, Lattin’s employs 20 full time employees with a payroll of $40,000 per week, while providing a fun, safe environment for families and children to experience a working farm. This is an example of a local working farm that is also a successful agritourism operation.

The proposed amendment would allow increased direct retail sales of agricultural products raised on and off-site and allow other secondary uses to agriculture. The allowances would include ancillary products and services, such as local art, crafts and value added products and more diverse tourism activities, all with goal of improving the local agricultural economy and creating options to conversion of farmland to other uses.

**BACKGROUND:**

Agriculture has been an important part of the Thurston County culture and economy since the area was settled in the 1800’s. Local farms provide many benefits to the County and its residents. Area farms provide goods and services including fresh produce, eggs and dairy products. In addition, farms preserve open space, create employment, reduce urban sprawl and maintain an agricultural land base, all of which contribute to the health, wellbeing and sustainability of the local economy and county residents.

The County has also gone through a long and sustained period of growth over the past several decades, which has led to farm land conversion and forms of development which conflict with normal agricultural practices. The total acreage of available prime farmland has decreased as development and economic pressures have caused farmland to be sold and converted to its “highest and best uses” including residential use.

**Threats to agriculture:**

- Conversion of Agriculture Land to Other Uses
- Speculative Buying, Taking Land Out of Production
- Fragmentation of Agricultural Land Base
- Increasing energy costs

The threats listed above are related in their impacts to the agricultural land base, so they are discussed together. The threats from conversion are obvious – once converted to other uses, including single-family and industrial uses, the land is no longer farmed or available to be farmed. Lands that are designated agriculture under the GMA are not as easily converted to other uses as they were prior to their designation. However, counties are sometimes asked to

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9 Term borrowed from the real estate industry referring to the most profitable use of a given property.
change agricultural land use and zoning to other land uses. Smaller agriculture parcels are sometimes converted to residential estates and no longer used for agriculture activities. Speculative buying, in hope of influencing land use and zoning changes, can result in land being taken out of active production as the new owner attempts to increase their property value. Both conversion and speculative buying can result in fragmentation of the agricultural land base, causing larger agricultural parcels to be interspersed with smaller residential lots. An impact of fragmentation is the difficulty it poses for farmers wanting to expand their operations by acquiring additional farmland. Adjacent land being used for speculative purposes or that has been converted to residential use is unlikely to be available for farming in the future.

The continued viability of the Thurston Counties agricultural industry, including small farms, is important to the local economy, environmental sustainability and maintaining rural heritage. As the population of Thurston County increases, so do the pressures on local forest and agricultural lands. It is estimated that 2,000 acres of farmland are converted to other uses every year in Thurston County based on studies done by Thurston Regional Planning Council.\textsuperscript{10} While farm land has been steadily declining, growth of agritourism and recreation income in Thurston County has grown substantially from approximately $7,000 in 2002 to $98,000 in 2007 (14 farms reporting).\textsuperscript{11}

Energy costs continue to take an increasing portion of potential farm profits that could be used for other farm improvements and equipment. Increased direct marketing and local marketing have the potential to reduce some energy costs associated with getting goods to market. These are just a few of the local and global issues at work affecting the economic viability of local farms.

Food security is a concern for governments and communities world-wide, and refers to food accessibility and cost. Another important factor relates to confidence in the worlds food systems and fear of starvation. These factors, in addition to increasing energy costs, global political instability and environmental concerns have helped to renew and invigorate community discussion and action with regard to food security. These issues have also helped to highlight the importance of local farms and their ability to feed the local population in a changing and uncertain world. An important element of food security is the capacity of local farms to act as a backup in the event that large scale food production and delivery systems fail. Maintaining and preserving local farm land is not only beneficial to the Counties economy, but also provides for long-term food security and sustainability.

The Washington State Department of Agriculture recently issued a long-range strategic plan as part of the Future of Farming Project funded by the State Legislature. The document, titled Washington Agriculture, Strategic Plan, 2020 and Beyond identified five categorized areas of recommendation:

1) Make agriculture a priority.
2) Eliminate regulatory barriers.
3) Protect resources.
4) Strengthen support services.

\textsuperscript{10} Fisher J. et.al, Thurston County Farmland Inventory, 2009. \textit{[Note: Interestingly, this study points out that the number of local farms has increased slightly in recent years, however they are generally much smaller operations.]} \textsuperscript{11} WA State Conservation Commission, March 4, 2011
5) **Harness emerging opportunities.**

The Agritourism Overlay Project responds to these recommendations by focusing on and encouraging local agriculture, reducing regulatory barriers and uncertainty, protecting farm land through economic diversification and recognizing tourism as an emerging and growing economic opportunity for local farmers. Direct sales to tourists and local residents can help increase farm revenues and reduce transportation costs if agricultural products can be sold on site rather than being shipped to distant markets. Expanding the customer base and educating consumers about local agriculture are some of the many potential benefits agritourism can bring.

Finding a balance between economic development, including tourism, vs. preservation of rural character is a challenge. However, an agritourism ordinance tailored to a particular region can be an effective way to manage this growing and evolving trend. The main component in preserving rural character is that tourism activities in general should be subordinate to farming operations. There are some notable exceptions including country inns, wineries and breweries, which are not necessarily linked to a local farm, but which could help local farms by drawing tourists to the rural county and providing food, activities and lodging (the three main components of a successful tourism economy). As previously stated, in order for tourism to work in a particular area you need something for tourists to see and do, something to eat and somewhere to sleep. Increased tourism in rural Thurston County can bring paying customers and dollars that would be spent elsewhere if not for the kinds of activities that draw tourists.

**Growth Management Act. RCW 36.70A.**

Several jurisdictions in Washington State have passed agritourism related ordinances in the past five - seven years and there has been a recent push by the State Department of Commerce to encourage local jurisdictions to look at this as a way of stimulating Washington's rural economies. Snohomish County and Spokane County have passed ordinances allowing additional land uses as accessory uses to agriculture. In both of these cases, the jurisdictions used a Washington State law (RCW 36.70A.177)\(^\text{12}\) as the basis for the ordinance, then built onto this existing language to address specific local issues. This RCW (36.70A.177), titled Agricultural lands — Innovative zoning techniques — Accessory uses, states that “a county or a city may use a variety of innovative zoning techniques in areas designated as agricultural lands of long-term commercial significance under RCW 36.70A.170. The innovative zoning techniques should be designed to conserve agricultural lands and encourage the agricultural economy.” These are the same purposes and goals of the proposed Thurston County Agritourism Overlay District (AOD). While this RCW was amended in 2006 to allow some new uses, it still stresses protection of agricultural soils and contains the following language: (Portions highlighted / bolded for emphasis).

**RCW 36.70A.177**

_Agricultural lands — Innovative zoning techniques — Accessory uses._

\(^{(1)}\) A county or a city may use a variety of innovative zoning techniques in areas designated as agricultural lands of long-term commercial significance under RCW 36.70A.170. The innovative zoning techniques

\(^{12}\) RCW 36.70A.170 was amended in 2006 by Senate Bill 6237. The amendment was intended to allow local jurisdictions greater flexibility to allow more non-agricultural accessory uses in agriculturally zoned areas with the goal of conserving agricultural lands by encouraging the agricultural economy.
should be designed to conserve agricultural lands and encourage the agricultural economy. Except as provided in subsection (3) of this section, a county or city should encourage nonagricultural uses to be limited to lands with poor soils or otherwise not suitable for agricultural purposes.

(See Attachment D for full citation.)

RCW 36.70A.011

Findings — Rural lands.

The legislature finds that this chapter is intended to recognize the importance of rural lands and rural character to Washington’s economy, its people, and its environment, while respecting regional differences. Rural lands and rural-based economies enhance the economic desirability of the state, help to preserve traditional economic activities, and contribute to the state's overall quality of life.

The legislature finds that to retain and enhance the job base in rural areas, rural counties must have flexibility to create opportunities for business development. Further, the legislature finds that rural counties must have the flexibility to retain existing businesses and allow them to expand. The legislature recognizes that not all business developments in rural counties require an urban level of services; and that many businesses in rural areas fit within the definition of rural character identified by the local planning unit.

Finally, the legislature finds that in defining its rural element under RCW 36.70A.070(5), a county should foster land use patterns and develop a local vision of rural character that will: Help preserve rural-based economies and traditional rural lifestyles; encourage the economic prosperity of rural residents; foster opportunities for small-scale, rural-based employment and self-employment; permit the operation of rural-based agricultural, commercial, recreational, and tourist businesses that are consistent with existing and planned land use patterns; be compatible with the use of the land by wildlife and for fish and wildlife habitat; foster the private stewardship of the land and preservation of open space; and enhance the rural sense of community and quality of life.

The above sections of the GMA speak to the need for flexibility and economic development in rural areas including commercial, rural-based agricultural and tourist businesses which “encourage the economic prosperity of rural residents” and “foster opportunities for small-scale, rural-based employment and self-employment.” Discussions of the GMA often emphasize conservation and protection of rural areas and critical habitats, whereas GMA elements focused on the importance of rural economic development are often disregarded or minimized. The sections of the GMA quoted above need to be considered and given their due weight in terms of GMA compliance.

Rural Character:

Rural character is a term usually associated with rural land use planning. The Growth Management Act (GMA) defines “rural character” in the following way.

(15) “Rural character” refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;
(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

The types and scale of uses proposed for the Agritourism Overlay District (AOD) do not conflict with the GMA definition of rural character. The AOD ordinance emphasizes rural character and provides some economic alternatives to residential conversion of farm land. Specific to section 15(b) of this definition, the provisions of the AOD ordinance will foster and encourage traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas without increasing residential density.

Liability Insurance:

One of the biggest issues for farmers interested in pursuing some form of agritourism is liability insurance to cover accidents or injuries to customers while at an agritourism venue. Many farmers have indicated that this is the primary reason they choose not to attempt branching out into agritourism activities such as corn mazes and pumpkin patches. The Washington State Farmers Market Association offers group liability insurance to its members. However, this does require joining the association and complying with all of its bylaws and standards. Some of the standards include ensuring customer safety, eliminating tripping / falling hazards and providing safe vehicular access and parking.

It is important to recognize that the proposals contained in this report in some cases relax existing zoning / land use regulations. However, there are still many issues and limitations that agritourism proponents will need to address and overcome. The other factors and potential limitations include, but are not limited to:

- Drinking water and on-site septic system standards (State and local)
- WA State Dept. of Health transient accommodations licensing
- Other local and state licensing requirements
- Water rights and capacity
- Building and Fire Codes
- Development costs
- Liability insurance
- Traffic and road improvements

When zoning codes are relaxed there are often concerns about unintended consequences, impacts to neighbors and the surrounding environment, traffic and many other issues. In this case, the fact that zoning may be relaxed is counteracted to some extent by other physical, economic and regulatory issues which will realistically limit development and prevent overdevelopment of
rural areas within the AOD. While the proposal reduces some regulatory barriers there are others that remain (see the partial list above).

Regional produce vs. grown on-site:

During recent discussions with the Thurston County Planning Commission regarding a separate, but related Development Code item (Item A-7, Farm Stands), the subject of regionally grown produce, vs. grown on-site was debated. One argument is that goods and produce sold at farm stands or farm stores should be limited strictly to those grown and/or produced on-site. This argument is supported by a strong desire to encourage “local” agriculture, reduce competition with cheaper imported produce, reduce the need to transport produce long distances, conserve energy and keep more money in the local economy. These beliefs generally fall in line with the overall “eat locally” movement which has steadily grown in recent years.

There are other arguments for allowing imported produce to be sold at local farm stands and other direct marketing venues. Due to local climate conditions, it is not feasible to grow many commercial crops in the Puget Sound area. Crops such as peaches, cherries, apples, pears and many others are typically shipped from warmer and dryer regions including Yakima and Grant counties. The Puget Sound area also has a shorter growing season than many other growing regions which limits when local crops are available. In order for farm stands and other venues to succeed, it may be necessary to supplement local seasonal produce with produce grown elsewhere in the state or Pacific Northwest region. Some flexibility is needed when crops fail or other unforeseen events occur. Without the ability to import and sell off-site products, some local farmers would find it challenging to make it through difficult seasons due to weather or market and price fluxuations. These ideas were discussed with the Planning Commission earlier in relation to Development Code item A-7 – Farm Stands. The Planning Commission came to the conclusion that crops “grown in the Pacific Northwest” should be permitted to be sold at farm stands, rather than limiting it only to those grown or produced on-site. Staff believes that it is natural for this same rationale to be applied to agritourism, which would include farm stands and many other related uses. Another practical issue is enforceability. It would be next to impossible for the County to regulate the source of produce sold at small farm stands. Adopting unenforceable standards is not good policy in general.

Wineries and breweries:

In grape growing and wine making regions of California, it is not uncommon to see a requirement that at least 50% of the grapes to be used in wine making are grown within the local jurisdiction. This limitation would not work for Puget Sound area wineries. Generally speaking, local Puget Sound area wineries and breweries must import most of their raw materials, (i.e. grapes, hops, etc.) due to availability and local growing conditions. For these industries in particular, limiting the source of the raw materials would be infeasible.

Country Inns:

Country inns are currently permitted with a Special Use Permit in the following zones:

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13 These two counties combined account for over $1.5 billion of Washington States’ agricultural production value WSDA, AGR PUB 126 (R/12/06).
• Rural one dwelling unit per twenty acres (R 1/20)
• Rural one dwelling unit per ten acres (R 1/10)
• Rural Residential Resource (RRR 1/5)
• Rural Residential (RR 1/5)
• Residential LAMIRD one dwelling unit per two acres (RL 1/2)
• Residential LAMIRD one dwelling unit per acre (RL 1/1)

Under the proposed amendment, country inns would also be permitted in the Agritourism Overlay District. Country Inns are consistent with and are already permitted in most rural commercial zoning districts, including Rural Commercial Center District (RCC), Highway Commercial (HC), Arterial Commercial (AC) and Neighborhood Convenience (NC) zones. Allowing country inns in primarily residential zones is also consistent with existing rural zoning regulations. Regarding the Long Term Agricultural (LTA) zoning district, additional care should be taken to ensure that potential land use conflicts are mitigated through appropriate layout, design, scale and setbacks. It may be advisable to require larger development setbacks in the LTA zone than in other zones. The goal of the LTA zone is to maintain this zone in agriculture. In order to accomplish this goal, agriculture must remain economically viable. Allowing other revenue generating land uses can help achieve this goal, so long as these additional uses are designed to complement the primary agricultural uses and minimize conflicts with agricultural operations. The same concerns generally apply to the Long-term Forestry (LTF) zoning district. The Planning Commission has recently suggested that the maximum size of country inns within the LTF and LTA zones should be 8,000 square feet in order to limit impacts on working lands.

**ECONOMIC FORECAST:**

There are economic realities which are important to consider, within the context of the local, state and global economies. Overall US farm production expenses for 2011, including fuel costs are estimated to increase 11.4 percent over expenses in 2010. Farmers are also facing the possibility of fewer subsidies. Government payments to US farmers are forecast to be 17.7 percent less than 2010 according to the USDA\textsuperscript{14}. According to the Environmental Working Group,\textsuperscript{15} smaller farms are receiving fewer federal subsidies, while the largest ten percent of America’s farms collect nearly seventy-five percent of federal farm subsidies. Many of these subsidies\textsuperscript{16} are paid to corporate offices in urban areas with populations over 100,000, rather than to actual farmers in the field. These and other global economic factors have direct and indirect impacts on local farmers in terms of production, pricing and expenses.

There is a significantly weakened outlook for the state economy since the last Washington State Economic and Revenue forecast in June 2011. The recovery from the Great Recession has been much slower than expected and the chances of a double-dip recession have increased according to a September 2011 report from the Washington State Economic & Revenue Forecast Council\textsuperscript{17}.

\textsuperscript{14} http://www.ers.usda.gov/Briefing/FarmIncome/nationalestimates.htm
\textsuperscript{15} http://www.ewg.org/farmsubsidies
Federal Reserve Chairman, Ben Bernanke has recently stated that although there has been some improvement since 2008, the US economic recovery is “close to faltering”\(^\text{18}\).

Given the current and likely long-term economic circumstances, it is more important than ever to create opportunities for new income generating activities in rural Thurston County. Creating an Agritourism Overlay District will allow new agricultural and tourist related businesses in the rural county, and offer a much more sustainable alternative to residential development and conversion of farmland. Conversion of farmland often results in a one-time and short-term financial benefit, whereas tourism is a growing and long-term income generator which can provide jobs and income for years if not indefinitely. Tourism is one of the few sectors of the local and world economy that continues to grow\(^\text{19}\).

**DEPARTMENT ANALYSIS:**

Conserving agricultural land and maintaining and enhancing the agricultural industry comprise one of the planning goals of the Washington’s Growth Management Act (GMA). These are also some of the main goals of this proposed Agritourism Overlay District. The GMA requires counties and cities to designate “agricultural lands that are not already characterized by urban growth and that have long-term significance for the commercial production of food or other agricultural products” (RCW 36.70A.170). Staff reviewed the proposed amendments for compliance with GMA rules and found the amendments to be consistent with the following:

- RCW 36.70A – GMA
- WAC 365-196-425 – Rural element (LAMIRDS)
- RCW 43.63A.215 – Accessory apartments

Amending the Thurston County Code as described herein would provide standards for the review and approval of agritourism operations, wineries, breweries and distilleries in rural Thurston County. The proposed regulations would help to guide future agritourism operators and help to minimize potential traffic, safety, zoning and health issues that may arise from these uses.

Agritourism can help to sustainably conserve open space while providing additional income to local farmers. It can also help to offset market fluctuations, build a stronger customer base, help to educate consumers and strengthen the local economy. This ordinance should be amended because allowing farmers to diversify and pursue alternative income generating activities such as agritourism may make a difference in whether or not to sell or convert the family farm for uses other than agriculture. Agritourism and direct farm sales provide many benefits including promoting local small-scale and organic farms, as well as emphasizing rural character and supporting the local economy. As long as reasonable standards are followed, safe vehicular access and parking is provided and impacts to neighbors are mitigated, there should be few negative impacts associated with additional agritourism operations in the community. The proposed amendment is consistent with both the Thurston County Comprehensive Plan and TCC Title 20 (rural zoning code). Chapter three of the County Comprehensive plan states the following:

**I. AGRICULTURE RESOURCES**


\(^\text{19}\) See footnotes 5 & 6.
Community vision: The residents of Thurston County envision a diverse and thriving agricultural industry that is able to respond quickly to changing market conditions. They recognize the essential role of land conservation and local food production in maintaining the quality of life and long-term sustainability of the community. In addition, they recognize the multiple benefits provided by farmland, including wildlife habitat and flood control. The community also recognizes that maintaining viable agricultural resources requires a partnership with the farming community.

The community as a whole takes responsibility for conserving prime farm lands, promoting local markets, minimizing incompatible land uses, and providing other community support. This includes support for regulatory processes that are sensitive to the needs of farmers and that recognize the need to protect the environment. Farmers take responsibility for preserving soil fertility and ground and surface water quality, and for promoting a land stewardship ethic for existing and future generations.

Additionally, the Counties rural zoning Code (Title 20) provides the following guidance:

20.02.010 - Purpose and intent.

Based on the policy expressed in the Thurston County Comprehensive Plan, it is in the best interest of the county to provide for the orderly planned use of land resources. The purpose of the ordinance codified in this title is to maintain, enhance and perpetuate environmental quality and to promote the public health, safety and general welfare by guiding development according to the goals, objectives and policies set forth in the Thurston County Comprehensive Plan and in adopted subarea plans. It is further intended to provide regulations and standards which will lessen congestion on the streets; encourage high standards of development; prevent the overcrowding of land; provide adequate light and air; and facilitate adequate provisions for transportation, utilities, schools, parks, recreation needs, drainage, open space and other necessary public needs.

Reviewing these purposes and goals, it is clear that agriculture is a highly valued element of the local economy and environment. It is also important to balance rural development between the needs of farmers, rural residents and the environment. The proposed regulatory language attempts to find this balance point between development and preservation in a way that enables local farmers to try new things and diversify their businesses while mitigating potential land use conflicts and preserving farm land for generations to come. As with many new ventures, it is likely that these rules will be revised in the future, once adopted and put into practice for a period of time. This is a starting point of what could become an increasingly important element of the rural and overall economy of Thurston County.

ALTERNATIVES:

Option 1) Amend Title 20, including Chapter 20.54 - Table 1 and adding new section 20.08G to create an Agritourism Overlay District (AOD) and allow for more diverse agritourism related land uses in south Thurston County. These changes would include allowing small scale wineries, breweries, distilleries, country inns and accessory retail uses in some rural areas through both administrative and quasi-judicial review processes (i.e. Special Use Permits).

Option 2) Make no change to Title 20 TCC with regard to agri-tourism.

SEPA:
A SEPA determination has not been made at this time.
NOTIFICATION:
Written notice of the public hearing will be published in The Nisqually Valley News at least twenty (20) days prior to the public hearing.

DEPARTMENT RECOMMENDATIONS:

Amending TCC 20.54 - Table 1 and adding new section 20.08G as suggested would be consistent with other Thurston County Development Codes, including Title 21 (Lacey UGA), Title 22 (Tumwater UGA), and Title 23 (Olympia UGA) and the Thurston County Comprehensive Plan.

The Resource Stewardship Department recommends the Planning Commission forward Development Code Docket item A-9, Amend Development Code to create an Agritourism Overlay District and permit wineries, breweries and distilleries in some rural zones (Title 20 TCC) with a recommendation of approval to the Board of County Commissioners as follows:

Title 20 Zoning would be amended as follows:

Deleted Text: Strikethrough  Proposed Changes: Underlined
Staff Comments: Italics  Unaffected Omitted Text: (…)
Deleted Draft Text: Strikethrough / Underlined

TCC Title 20
Section 20.03.040 Definitions:

2.8 “Agricultural homestay” means a farm or farm house that has eight (8) or fewer guestrooms and is restricted to a maximum of fifteen (15) overnight guests. The agricultural homestay must be located on and be a part of a farm that produces agricultural products as its primary source of income. The lodging and meals are incidental to, and not the primary function of, the agricultural homestay. The agricultural homestay may serve meals and light foods or snacks to its registered guests at any time.

3. “Agricultural land” means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees, timber and forest products, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.²⁰

3.1 “Agriculture” means the use of a tract of land for (a) the tilling of the soil; (b) the raising, harvesting and processing of crops or plant growth of any kind, including forest practices; (c) pasturage; (d) horticulture including wholesale greenhouses; (e) dairying; (f) raising of poultry and livestock; (g) shellfish or fish farming, including finfish in upland hatcheries; or (h) raising, harvesting and processing of clams, oysters and mussels.

²⁰ Pursuant to RCW 36.70A.030 Definitions.
3.2 “Agritourism” means an enterprise located at a working farm, ranch, or other agricultural operation or facility, which is conducted for the enjoyment and education of visitors, guests or clients, and that generates income for the owner / operator. Agritourism is also the act of visiting a working farm / ranch or any agricultural or horticultural operation for the purposes of enjoyment, education or active involvement in the activities of the farm / ranch or agricultural operation that also adds to the economic viability of the agricultural operation. Agriculture or agricultural production must be the primary use of the land, pursuant to the standards and criteria established by Section 20.08G – Agri-tourism Overlay District (AOD). Permitted uses and activities which are not directly related to local agriculture, such as country inns and wineries must be designed and operated so as to enhance the economic viability of farming and maintain the rural character of the AOD.

Examples of agritourism uses and activities include, but are not limited to agricultural home stays, farm kitchens and bakeries, educational and interpretive seminars, you pick operations (x-mas trees, pumpkin patches, berry picking etc.), day tours, cooking and food preservation classes, petting zoos, horseback riding, zip lines (aerial rope slide courses), photography, nature watching, temporary gatherings (weddings, festivals etc.), rental cabins, country inns, boutique wineries, craft distilleries and micro-breweries.

Notes regarding alternative definition of Agritourism: By separating agriculture from agritourism, the result is a generic tourism district rather than an agriculturally focused tourist area. The original concept of the agritourism district is that it revolves around the agricultural elements of the rural environment.
14.8 “Cabin” means a small house of cottage, usually of simple design and construction for the temporary occupancy by guests. Cabins for temporary occupancy are permitted within the Agritourism Overlay District (AOD) and may contain a full kitchen and bath. Cabins within the AOD are not for permanent occupancy and may only be rented for 30 days or less per stay.

19.5 “Cider mill” means a small scale apple or other fruit cider production facility using fruit grown in the Pacific Northwest.

31.5 “Country inn” means a restaurant and/or temporary overnight accommodations with a maximum of six (6) guest rooms to be located in a R 1/20, R 1/10, RR-1/5, RRR 1/5, RL 1/2, RL 2/1, or RL 1/1 zone or Agritourism Overlay District and which may include a lounge not to exceed twenty-five percent of restaurant area and facilities for banquets, conferences, weddings, and similar parties and activities.

**ALTERNATIVE 1:** Maintain the previous language allowing a lounge not to exceed 25% of the restaurant area.

*Note: At an October 17, 2011 meeting of the Agritourism Committee, there was a recommendation that the language regarding lounges be removed out of concern for local safety. The Planning Commission may wish to consider this and provide their own recommendation regarding the allowance of small lounges in country inns.*

31.7 “Craft distillery” means a small scale facility which manufactures distilled alcohol for human consumption, limited to a maximum of twenty thousand (20,000) square feet in size.

31.8 “Culinary tourism” means experiencing the food of the country, region or area (cuisine as an expression of culture). Experiencing what is unique and memorable and not necessarily pretentious and exclusive. Wine and beer tourism are regarded as subsets of culinary tourism. Culinary tourism is often an element of agritourism, geotourism and rural tourism.

44.5 “Ecotourism” means environmentally responsible travel to fragile, pristine, and usually protected areas that strive to be low impact and often small scale as opposed to mass tourism. Its purpose is to educate the traveler; provide funds for ecological conservation; directly benefit the economic development and political empowerment of local communities; and foster respect for nature, different cultures and human rights.

46.2.5 “Farm”: A farm is defined as a tract of land cultivated for the purpose of agricultural production devoted to the raising of crops and/or domestic animals and where the farmer or farm family participates in the day-to-day labor and management of the farm, and owns or leases its productive assets.
46.2.7 “Farmers market”: A farmers market consists of individual vendors, primarily farmers, who set up booths, table or other displays outdoors or indoors, selling primarily local produce, meat products, fruits, vegetables, value-added agricultural products and possibly prepared foods and beverages directly to the public.

…

57.2 “Geo-tourism” means best practice tourism that sustains or enhances the geographical character of a place, culture, environment, heritage and well-being of its residents (term coined in 2002). Often includes many elements of nature tourism / ecotourism.

…

84.4 Microbrewery: means a small scale brewery, including craft breweries and nanobreweries limited to twenty thousand (20,000) square feet in size.

…

86.8 “Nature tourism” (see “ecotourism”).

…

97.5 Overnight lodging: means a facility or place offering temporary, overnight lodging units to travelers and guests for periods of 30 days or less per visit, and may include food service operations in accordance with Washington State and local health standards. Overnight accommodations may include rental cabins, country inns, bed and breakfast or agricultural home stays.

…

98.5 Pacific Northwest. For the purposes of this Title, “Pacific Northwest” is defined as the US states of Washington, Oregon and Idaho.

…

145.5. “Wholesale sales” means the sale of goods, merchandise and commodities in gross, primarily for the purpose of resale.

146. “Winery, small scale or boutique winery” means a small scale winery limited to twenty thousand (20,000) square feet in size.

…

146.7 Working lands: means lands used for farm and forestry management, that raise food, grow trees, support jobs and the local economy. Also see “Agricultural land”.

…

20.54.070 – Use-Specific standards.
1.5. Agritourism. Refer to chapter 20.08G TCC for use specific standards within the Agritourism Overlay District (AOD).

New Section.

20.08G – Agri-tourism Overlay District (AOD).

20.08G.010. Purpose statement. The purpose of the Agri-tourism Overlay District (AOD) is:

1. To preserve working lands and support the agricultural industry of Thurston County as a viable economic activity in order to preserve remaining working lands and discourage conversion to other incompatible uses.

2. To provide clear legislative authority for agricultural land-owners to launch agritourism activities in specific rural areas of Thurston County as a way to supplement their income, educate visitors about their way of life, and share their agricultural heritage with others.

3. To protect and promote agriculture as an important component of Thurston County’s economy.

4. To implement the goals and objectives of the Thurston County Comprehensive Plan, which recognizes the economic, environmental, and cultural benefits of our agricultural and working lands.

5. To empower farmers and other rural land owners to start new, entrepreneurial endeavors that augment, and highlight the importance of local agriculture.

6. To entice visitors to rural Thurston County and to see and experience the value of local agricultural lands to our culture, economy, landscape and local food supply.

7. To boost agricultural commerce in rural Thurston County by establishing a broad overlay district that reduces barriers and inconsistencies among the base zoning districts.

8. This section of code places no new restrictions or limitations on legal, existing or allowed uses within the AOD. The intent of this section is only to add new allowed uses and to ease some land use restrictions which pose regulatory barriers to a healthy and sustainable agricultural economy. Additionally, this section is meant to promote and build on the inherent strengths of Thurston County with a particular focus on rural, southern Thurston County.

20.08G.015 Conflicts with other regulations. If a specific AOD standard or regulation conflicts with other specific development standards in the Thurston County Zoning Ordinance (Title 20 TCC), the least restrictive standard or regulation shall
apply as determined by the director. Additionally, if any section, subsection, sentence, clause, phrase or other portion of this ordinance or its application to any person is, for any reason declared invalid, illegal or unconstitutional in whole or in part by any court or agency of competent jurisdiction, said decision shall not affect the validity of the remaining portions hereof.

Note: Regarding 20.08G.015 above – One of the central concepts of the AOD is to enable new uses and to relax some land use regulations and permitting processes with the goal of enabling and encouraging agritourism.

Alternatives: The Planning Commission requested that staff include an alternative to permit the attached agritourism uses in all of rural Thurston County rather than establishing a specific Agritourism Overlay District (AOD) in the southern part of the County as shown in Attachment A. Staff recommends establishing the AOD as shown in Attachment A, which is consistent with recommendations of the Board of County Commissioners and Agritourism Committee. See Alternatives A & B below:

ALTERNATIVE A

Establish the Agritourism Overlay District as shown in Attachment A.

ALTERNATIVE B

Allow the agritourism activities contained in this new section to occur in all portions of rural Thurston County.

Note: Staff recommends Alternative A, which provides for a relative advantage to southern Thurston County. The South County area, particularly the southeastern portion is generally further from urban markets and the I-5 corridor than the North County. The North County is dominated by the urban growth areas of Olympia, Tumwater and Lacey, all of which are bisected by Interstate 5. Expanding the Agritourism Overlay zone to all of rural Thurston County would eliminate any relative advantage given to the south County area under Alternative A (above) and Attachment A of this staff report.

20.08G.020. General standards. General standards for agritourism uses within the AOD shall be as follows:

Note: Based on comments from the Planning Commission, the earlier proposed ‘Development Standards’ have been significantly shortened, simplified and renamed to “general standards”. They have also been moved from the end of the chapter towards the front for ease of use.

1. Agritourism uses within the AOD shall incorporate a rural theme in terms of building style and design. This means that new agritourism uses involving new
structures shall complement or enhance, rather than detract from the rural
environment.

Note: The above standard is a recommendation from the county
Agritourism Committee in order to address concerns regarding possible
designs that may conflict with the rural environment.

2. New agritourism uses shall be located, designed and operated so as not to
interfere with normal agricultural practices on and off site, or to convert
agricultural lands to a non-agricultural use. Any non-agricultural uses allowed
should be limited to lands with poor soils or lands otherwise not suitable for
agricultural purposes.21

3. Impervious surface limits, signage and parking standards are the same as the
underlying zoning district for agritourism related uses.

(Note: the above was added for clarification)

4. Agritourism activities shall comply with all applicable Thurston County Health,
Resource Stewardship and Public Works Department requirements and standards.

(Note: the above added at request of TC
Health Dept.)

5. Safe vehicular access and customer parking shall be provided on site, such that
vehicles are not required to back onto public roads. Structures and parking shall
be located outside of public right-of-ways. Also refer to parking and loading
standards, Title 20, Chapter 20.44.

6. Any exterior lighting installed related to an agritourism use or activity shall be
appropriately shielded and directed generally downwards to minimize light
pollution.

7. Agritourism events allowed pursuant to this section shall not involve motorized
off-road vehicle (ORV) racing or similar motor vehicle activities unless otherwise
allowed by this Title.

Note: This was added in response to Planning Commission
comments regarding similar unpermitted activities occurring
recently in rural Thurston County.

8. The following additional standards apply only to resource lands designated as
Long-term Agriculture (LTA) and Long-term Forestry (LTF).

21 Growth Management Act, WAC 365-196-815 (3)
a. Nonagricultural accessory uses and activities are permitted as long as they are consistent with the size, scale, and intensity of the existing agricultural or resource use of the property and the existing buildings on the site. Nonagricultural accessory uses and activities, including new buildings, parking, or supportive uses, shall not be located outside the general area already developed for buildings and residential uses and shall not otherwise convert more than one acre of agricultural or resource land to nonagricultural or non-resource uses.22

Note: The above section (8.a.) was added to address specific requirements of the Growth Management Act with regards to working / resource lands. Also, Long-term forestry was added as it is another type of designated resource land inadvertently left out of earlier versions.

9. Parcel size standards. Unless otherwise specified, the minimum parcel size for agritourism uses within the AOD is ten (10) acres.

10. Maximum structure size. The maximum size for structures related to an agritourism use within the AOD is twenty thousand (20,000) square feet. Existing buildings may be used for agritourism uses regardless of size.

11. Non-agritourism uses and activities better defined as nature tourism, geo-tourism, culinary tourism or eco-tourism are also permitted within the AOD subject to these general standards and are not required to be sited on a farm. Other uses permitted on non-agricultural lots include boutique wineries, microbreweries, cider mills, craft distilleries, other craft beverage production facilities and country inns as provided for in this chapter. Permitted uses and activities which are not directly related to local agriculture must be designed and operated so as to enhance the economic viability of farming and maintain the rural character of the AOD.

Note: Provision 11. (above) was added after a Sept. 21, 2011 meeting to address concerns by the Planning Commission that it was not previously clear whether other forms of tourism would be permitted on non-agricultural lands.

20.08G.030 Exempt uses. The following uses are permitted as a matter of right, i.e. no land use permit is required. However the requirements and standards of the Thurston County Health and Public Works Departments may still apply:

1. Exempt uses in this Chapter are not subject to the minimum lot size requirements of section 20.08G.XXX (9) TCC, titled General standards.

Note: What the above standard (1.) does is to allow smaller farms (under 10 acres) to participate in these low-impact, exempt uses. Based on recent studies, the average size of farms in Thurston

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22 Pursuant to the Growth Management Act (GMA) WAC 365-196-815 (3)(B).
County is now just five acres and the number of such small farms is growing, as the number of larger farms decrease.  

2. Exempt uses include, but are not limited to the following: manned and unmanned you-pick operations such as berry picking, Christmas tree sales, hay rides, pumpkin patches located on active farms, roadside farm stands operated in accordance with the requirements contained in TCC 20.54.070(11.7), Cottage food operations as defined by RCW 69…, direct sale of agricultural products grown and/or produced on-site, farm tours and agricultural clinics, seminars or classes with no overnight accommodations, nature watching, star gazing and other agricultural activities specifically exempted from local review by state law.  

3. Farmers markets operating under the guidelines of the Washington State Farmers Market Association as amended, where no permanent structures are involved, and where a minimum one hundred (100) foot side and rear yard setback is maintained for related parking and temporary structures.  

Note regarding the above stricken language.  Stricken per recommendation of the Agritourism Committee. It was felt that such setbacks could significantly limit options for new farmers markets and that impacts should be minimal given the temporary nature of most farmers markets.  Condition No. 6. Added below to address parking.  

4. Agritourism activities and agriculturally related experiences where no new structure is involved, i.e. corn / crop mazes, hay bale sculptures and similar crop art installations, animal feeding, petting zoos, archery ranges, fee fishing and similar low intensity activities in conformance with all standards contained in this chapter and other applicable Thurston County Codes.  

5. The director shall determine if an unlisted use is exempt, permitted or prohibited based on similarity to a listed use and likely impacts of such unlisted use.  

6. Exempt uses shall meet applicable vehicular access, signage, lighting and parking standards.  

Note: The above section on exempt uses was added after the June 15th PC meeting in order to clarify which uses are not proposed to require a land use permit within the AOD. It was found that some listed uses did not specify the associated review process.  

20.08G.040 Permitted uses and exclusions. This section places no new restrictions or limitations on legal, existing uses allowed in the underlying zoning districts within the AOD. The following uses are permitted within the AOD subject to the development

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23 Thurston County Farmland Inventory, South of the Sound Community Farm Land Trust, 03/30/09.  
24 Washington State Senate Bill 5748 – Title 69 RCW. This bill passed, but has not yet been codified, but will likely be prior to adoption of this amendment. The correct citation will be inserted here once the RCW is codified.
standards contained in section 20.08G.030. The provisions of this chapter do not apply to lands zoned as Public Parks, Trails and Preserves (PP) or Rural Resource Industrial (RRI).

1. Farmers markets operating under the guidelines of the Washington State Farmers Market Association as amended, where one or more permanent structures are involved is permitted through an Administrative Site Plan Review, subject to the following standards.

a. Farmers markets pursuant to this section are not subject to the minimum lot size requirements of section 20.08G.020 (9) TCC, titled General standards.

b. All applicable environmental health, site access, lighting and parking standards shall be met.

c. Temporary and permanent structures and parking areas shall be located where impacts to adjacent residential uses will be minimized.

Note: Earlier versions called for a minimum 100-foot setback for structures and parking. The above language in 1.b. was added to address potential impacts while also being flexible. It was pointed out by some farmers market managers that it would be difficult for farmers markets on smaller lots to meet a 100-foot setback and provide adequate parking.

2. Accessory commercial or retail sales in conformance with standards contained in this chapter and other applicable Thurston County Codes are permitted within the AOD subject to the following standards. Accessory agritourism activities and agriculturally related experiences involving a new building or structure are also subject to these standards.

a. The accessory commercial use is located on an active farm, and agriculture is the primary use of the property.

Alternative 1. a. The accessory commercial use is located on an active farm, and agriculture is the primary use of the property.

Alternative 2. a. The accessory commercial use is located on an active farm, and agriculture is the primary use of the property.

Note: Staff recommends Alternative 1. Alternative 2 (above) was suggested by the Planning Commission in order to create more opportunities for non-farmers. This particular section was specifically written for farmers and to ensure compliance with the Growth Management Act (see Attachment E.). As this section makes clear, these are meant to be “accessory commercial or retail sales…” (emphasis on “accessory”). If these activities are not accessory to agriculture, then the question is what are they accessory to? A residential use?

Alternative 2, further separates and dilutes the ordinance from its intended focus, which is “agriculture”. Agriculture is the nexus which
helps to ensure GMA compliance for new commercial uses and helps to define development that is consistent with the rural character of Thurston County.

b. The accessory commercial or retail use shall offer for sale products or services produced on-site, but which may also be supplemented by goods and services produced in the Pacific Northwest.

c. Agricultural accessory uses and activities, including but not limited to the production, storage, distribution, and marketing of regional agricultural products, including value-added products from one or more producers, agriculturally related experiences and support services that facilitate these activities.  

d. Nonagricultural accessory uses and activities are permitted as long as they are consistent with the size, scale, and intensity of the existing agricultural use of the property and the existing buildings on the site. Nonagricultural accessory uses and activities, including new buildings, parking, or supportive uses, shall not be located outside the general area already developed for buildings and residential uses and shall not otherwise convert more than one acre of agricultural land to nonagricultural uses.  

e. An accessory commercial or retail use involving seven hundred (700) or less square feet of floor area is allowed by right (no land use permit required), but is subject to all other applicable local, state and federal requirements related to public health, building / construction standards, safety, health and welfare. Such exempt accessory commercial or retail uses are not subject to the lot size requirements of section 20.08G.020 (9) TCC, titled General standards.

f. An accessory commercial or retail use involving from seven hundred and one (701) to six thousand (6,000) square feet of floor area is permitted with an Administrative Site Plan Review and shall follow the public notice standards of 18.10.030.B(4)-B(5) TCC.

g. An accessory commercial or retail use involving more than six thousand (6,000) square feet of floor area is permitted with a Special Use Permit for a Home Based Industry.

3. Small scale boutique wineries, microbreweries, cider mills, craft distilleries and similar, small scale, craft beverage producers with associated tasting room and retail space are permitted in accordance with the following:

Note: The intent of adding the above language “and similar, small scale beverage producers” was to allow production of local juices, specialty sodas

25 Pursuant to RCW 36.70A.177
26 Pursuant to RCW 36.70A.177
and other soft drink production in addition to alcoholic beverages.

a. Boutique wineries, microbreweries, cider mills, craft distilleries and other craft beverage production facilities equal to or less than 6,000 square feet shall be permitted through an Administrative Site Plan Review and shall follow the public notice standards of 18.10.030.B(4)-B(5) TCC.

b. Boutique wineries, microbreweries, cider mills, and craft distilleries and other craft beverage production facilities greater than 6,000 square feet and up to a maximum of 20,000 square feet shall be permitted through a Special Use Permit.

Note: 20,000 square feet is a suggestion, which should allow room for future expansion, while maintaining a scale consistent with other rural structures, i.e. private and public horse riding arenas and other agricultural structures. Such a structure over 8,000 square feet in a rural area would also require additional environmental review through the State Environmental Policy Act (SEPA) process, which also requires public notice to nearby property owners and public and private agencies.

c. Structures and mechanical appurtenances necessary for the production and storage of boutique wine, microbrews, cider, distilled spirits and other craft beverages shall be exempt from maximum height limits pursuant to section 20.07.080 TCC – Structures excluded from maximum height regulations.

Note: Regarding item c. (above); similar structures are already exempt from height limits i.e. barns, silos, towers and mechanical appurtenances. This section was added to address these new agritourism related uses. In the past, some permitted wineries had substantial difficulty meeting the standard 35-foot height limit. Storage tanks are often quite tall to conserve floor space.27

d. Annual production of wine, beer and distilled spirits is limited to the following.

i. Wineries within the AOD are limited to ten (10) thousand standard cases per year;

ii. Breweries within the AOD are limited to ten (10) thousand US beer barrels per year, and;

27Doug McCrea, owner of McCrea Winery. Personal communication 03/11/11.
iii. Distilleries within the AOD are limited to ten (10) thousand US gallons per year.

Note: Initially, the volume limits suggested for wineries, breweries and distilleries were meant to maintain a scale in tune with the rural environment. Since there is a maximum size limit of 20,000 square feet for these uses, it was determined that a production volume limit was unnecessary to limit scale.

A good model of an agri-tourism operation in Thurston County is Lattin’s Cider Mill which is sited on 20 acres in the rural county. According to information from Lattin’s, they produce over 4,000 gallons of cider per week in a structure less than 20k square feet. This information caused staff to reconsider the previously suggest limits on volume for similar uses, such as wineries and breweries which would be far too restrictive for an operation such as Lattin’s.

The suggested size limit of 20,000 s.f. would limit scale, but also allow room for future growth if businesses are successful. 20,000 square feet may sound large, but it is not out of character with other rural structures such as barns, private horse riding arenas and similar agricultural structures. These types of agricultural structures can and have been built in many rural areas of the county.

e. Boutique wineries, microbreweries, cider mills, craft distilleries and other small-scale, craft beverage producers within the AOD may also include the following accessory uses:

i. Product tasting facilities.

ii. Retail sales of wine, beer and spirits produced on-site and limited sale of other regionally produced goods and services, (i.e. locally produced wines, cheeses, preserves etc.).

iii. On-site bed and breakfast services, with guest rooms for temporary occupancy (up to 30 days maximum per stay) are permitted in accordance with the following:

A. Boutique wineries, microbreweries, cider mills and craft distilleries of six thousand (6,000) square feet or less pursuant to section 20.08G.020(3)(a) may also include bed and breakfast accommodations of up to three (3) guest rooms.

B. Boutique wineries, microbreweries, cider mills and craft distilleries between six thousand and one (6,001) and twenty thousand (20,000) square feet or less pursuant to section 20.08G.020(3)(b) may also include bed and breakfast accommodations of up to eight (8) guest rooms.
iv. Tours, seminars, parties, weddings and all other temporary uses allowed under item 10 of this section titled “short-term events” are permitted at wineries, microbreweries, cider mills, craft distilleries and other craft beverage production facilities within the AOD.

4. Bed and breakfasts with up to eight (8) rooms available for rent by temporary guests:

   a. Bed and breakfasts of three (3) guest rooms or less are permitted through an administrative site plan review.

   b. Bed and breakfasts of four (4) to a maximum of eight (8) guest rooms are permitted in the AOD through a Special Use Permit for a Home Based Industry.

   Note: This section was deleted b/c this is already permitted under Chapter 20.54 TCC. Don’t need to add it again for the AOD.

5. Country inns with or without a restaurant / lounge and meeting or convention space are permitted in the AOD and are exempt from the design standards of Thurston County Code 20.54.070 (9.5), and replaced with the following. Within the AOD, country inns are permitted subject to the following standards:

   Note: Lounge stricken per recommendation of the Agritourism Committee. The Planning Commission may make a separate recommendation.

   Alternative 1: a. Minimum lot size for country inns within the AOD. The minimum lot size is one (1) acre for lots zoned residential LAMIRD, RL 1/2, RL 1/1 and RL 2/1. The minimum lot size is five (5) acres for lots zoned RR 1/5, RRR 1/5. The minimum lot size is ten (10) acres for lots zoned R 1/10, R 1/20 and LTA.

   Note: Under current zoning, the minimum lot size for a country inn is 10 acres.

   Alternative 1 (above) creates a sliding scale related to zoning density.

   Alternative 2 (below) maintains current lot size for country inns, but adds flexibility for existing structures, for example, the historic Offutt Lake Resort or farm structures & barns which could be remodeled for use as a country inn. Staff recommends Alternative 2 because of its clarity and simplicity, while accomplishing a similar outcome.
Alternative 3 (below) is the recommendation of the Thurston County Agriculture Committee. The Committee recommended this because of the trend towards smaller farms, with the average being roughly five acres according to recent studies.\(^{28}\)

**Staff recommendation:** Staff recommends Alternative 2, which would set the minimum size at 10 acres, but add flexibility for existing structures (i.e. the Offut Lake Lodge etc.). If Alternative 3 is selected by the Planning Commission, staff would recommend that provision (a.)(i). (below) be included for the sake of flexibility.

**Alternative 2:**

- Minimum lot size for country inns within the AOD is ten (10) acres, subject to the following provision:
  - When a proposed country inn within an existing, nonconforming structure does not meet the minimum lot size or setback requirements of this section, the Resource Stewardship Department may permit the development subject to the applicant demonstrating compatibility with the rural environment and existing development. For this section, existing lots are defined as lots existing at the time of adoption of this Chapter.

**Alternative 3:**

- Minimum lot size for country inns within the AOD is five (5) acres, subject to the following provision:
- **Building height:**
  - The maximum building height is thirty five (35) feet (excluding existing structures).

  **Note:** Under current zoning the max. height is 30 feet. It is not clear why this requirement exists given that the maximum building height for residences is 35 feet.

- **Parking standards for country inns.** The following minimum number and design of parking spaces shall be provided:
  - One space per employee, one space for each guest room and one space per two table settings if a restaurant and/or lounge is included.

\(^{28}\) Thurston County Farmland Inventory, South of the Sound Community Farm Land Trust, 03/30/09.
ii. Parking areas shall be setback a minimum of 50-feet from external property lines and shall be landscaped to soften the visual appearance of parking and loading areas. Parking and loading areas should be located within the side or rear yard to reduce visual impacts. (all other requirements for parking area are located in Section 20.44.030).

Note: Locating parking in the side or rear yard would provide additional visual screening and would allow for more landscaping in the front yard.

d. Lounge / bar area is limited to 25% floor area of the restaurant, or 10% of total square footage if no restaurant.

e. Hours of operation—7 am—10pm Sunday through Thursday and 7 am—11pm Friday and Saturday (except for New Year’s Eve).

Note: Current code states the following with regard to country inns: “Hours of operation—nine a.m. to ten p.m. (except for New Year’s Eve).” The language in “e.” above was proposed by staff, adding more flexibility than existing standards. Some members of the PC did not think it is appropriate to get into this micro level of regulating businesses given that the County does have existing noise standards.

e. Minimum distance of one county inn from another shall be one (1) air mile. Separation of country inns from a neighborhood convenience use shall be one (1) air mile. 29

Note: The GMA requires separation of more intensive rural development. The current standard is three air miles which can be reduced income cases to one mile. Staff suggests reducing to one mile. The GMA does not specify any minimum distance to achieve “separation”.

f. Minimum building setback is one hundred (100) feet from all property lines, subject to the following provision:

i. When a proposed country inn for an existing structure cannot meet the required setbacks, the director may adjust setbacks to the lesser standards of TCC Section 20.07.030.1.(a.), subject to the applicant demonstrating compatibility with the rural environment and existing development. For this section, existing structures are defined as structures existing at the time of adoption of this Chapter.

29 WAC 365-196-425.5(b)(iv)
g. Country inns equal to or less than eight thousand (8,000) square feet require;
   i. An Administrative Special Use Permit, and;
   ii. Shall follow the public notice standards of 18.10.030.B(4)-B(5) TCC.

Note: See additional alternatives below. The Planning Commission agreed upon a maximum size of 8,000 square feet to be reviewed administrively (without a public hearing). There was also general agreement that the maximum size should be 8,000 square feet within the Long-term Agriculture (LTA) district. Staff suggests the following additional provisions.

h. Country inns over eight (8) thousand square feet require a Special Use Permit by Hearing Examiner subject to the following;
   i. With the exception of existing buildings, country inns within the Long-term Agriculture (LTA) and Long-term Forestry (LTF) districts shall not exceed eight (8) thousand square feet.
   ii. The maximum size of country inns within the Agritourism Overlay District (AOD) shall be twelve (12) thousand square feet.

Note: Staff recommends Alternative 3, which is consistent with the existing building size limit in all of the rural county.

Alternative 1
*add provision for larger country inns through a Special Use Permit, with a max. size of 12K sq. ft. However, max. size in LTF and LTA is 8K sq. ft.

Alternative 2
*set a max. size of 15k square feet through a Special Use Permit (SUP).

Alternative 3
*set a max. size of 20k square feet through a (SUP).

Alternative 4
*set a max. size of 20k square feet through a (SUP).

Country inn maximum size – eight thousand (8,000) square feet in the entire AOD.

Country inn maximum size – fifteen thousand (15,000) square feet through a Special Use Permit.

Country inn maximum size – twenty thousand (20,000) square feet through a Special Use Permit. (Maximum size for any structure in rural Thurston County).

Notes: If there is a maximum size limit, there may be no need to restrict number of rooms. The point is to ensure they fit into the rural environment and don’t detract from it.
*Should country inns be permitted within the LTA zone, and if so, should different size or setback standards be required? One of the development standards is that no more than one acre of farmland can be converted for agritourism uses in the LTA zone, which may be sufficient in terms of minimizing impacts to agricultural land.

i. Landscaping standards. Landscaping will be required to screen, buffer, and enhance the residential character of the neighborhood. The applicant will be required to provide a landscape plan showing how these requirements will be met.

j. Access. New country inns shall be located on a paved road and within one-half mile from a County arterial or collector road at minimum.

k. Design. The outward appearance and design of country inns shall be consistent with the rural character of Thurston County.

8. Agricultural home stay establishments shall be located on an active farm that produces agricultural products as its primary source of income. All applicable local and state permits and licenses shall be obtained prior to establishing an agricultural homestay, including required Washington State Department of Health licenses. Agricultural home stays shall be subject to the following:

a. Minimum parcel size is ten (10) acres.

b. Up to four (4) guest units shall be permitted through a Minor Administrative Action permit process.

c. Between five (5) to a maximum of eight guest units shall be permitted through an Administrative Site Plan Review permit process.

d. The maximum size of individual guest units is six-hundred (600) square feet of floor area and may not contain a kitchen.

e. Farming shall be the primary use of the subject parcel.

f. Maximum length of stay is 30 days per visit.

Note: Initially the suggested review process was Admin. Site Plan Review for up to 4 units and a Special Use Permit for up to 8 units. In order to ease the application requirements and assist farmers, this was scaled back to a minor administrative action for up to 4 units and admin. site plan review for up to 8 units which significantly reduces cost and time for permitting.
9. Rental cabins and other short-term, overnight lodging units in which temporary overnight accommodations are provided in dwelling units or accessory structures to guests for compensation. Such short-term rental housing may contain a kitchen and are subject to the following standards:

a. Rental cabins and other short-term, overnight lodging pursuant to this section shall be reviewed through an Administrative Site Plan Review permit process. Multiple rental units may be reviewed under one Administrative Site Plan Review application.

b. Minimum parcel size – ten (10) acres.

c. Farming shall be the primary use of the property.

Note: The Planning Commission requested that provision 9.c. (above) be removed to open up opportunities for more rural land owners. This would be consistent with the concept of including culinary tourism, geo-tourism and nature tourism under the umbrella of the agritourism overlay district.

d. The number of short-term rental units permitted on an individual parcel is determined by parcel size and the permitted residential density of the underlying zoning district. To determine the number of short-term rental units per parcel, divide the total parcel acreage by the minimum lot size allowed in the particular zoning district, then subtract any existing residential units on the subject parcel.

i. Example: To determine the allowed number of rental units on a twenty (20) acre parcel, zoned one unit per five acres and with one existing residence use the following formula; twenty (20) acres divided by five (5) equals four (4). Then subtract the one (1) existing residence for a total of three (3) allowed rental units.

Note: Section c.i. above may not be necessary. The Planning Commission can decide whether or not to keep.

ii. The potential to subdivide a parcel may be limited by the number of rental units and other residential structures in existence on the parcel.

e. Short-term rental units are limited to a maximum of six (6) hundred square feet of floor area.

f. Rental units are for temporary use by guests up to a maximum of 30 days per stay and are not to be used for permanent occupancy. Rental cabins may not contain a cook stove or other cooking appliance, with the exception of a microwave oven.
Note: BoCC requested eliminating the struck out language above. If the number of rental units is based on available residential density, this eliminates most concerns with allowing kitchens. Also, legal counsel suggested considering a limit of 10 days rather than 30, in order to stress that these are for temporary use only. This is another option to consider. Wa State transient accommodations law administered by the State Department of Health allows stays of up to 30 days per visit. Staff recommends consistency with existing state laws (30 days).

The minimum building setback is fifty (50) feet from property lines.

10. Short-term events. Food and wine festivals, art shows, weddings and similar temporary gatherings are permitted in accordance with the following:

a. The primary use of the property shall be agriculture, with the exception of sites with an approved winery, brewery, distillery or country inn.

Note: The PC recommended eliminating this requirement in order to open this provision up to non-agricultural lands.

Option 1: b. Short-term events up to twenty-one (21) days per year are allowed as a matter of right.

or

Option 2: b. Short-term events up to ten (10) days per year are allowed as a matter of right. Temporary uses in excess of ten (10) days per year may be permitted pursuant to the following.

i. Short-term events up to twenty-one (21) days per year may be permitted through an Administrative Site Plan Review and shall follow the public notice requirements of 18.10.030.B(4) TCC.

ii. Short-term events exceeding twenty-one (21) days per year may be permitted through a Special Use Permit.

Some members of the Agritourism Committee suggested allowing up to 30 days with no land use permit required. This could be a third option to consider. Staff recommends Option no. 2.

Option 3: No change to temporary use standards for the AOD.

Note: Options 1 – 3 are all more relaxed than existing standards for temporary uses.
c. Short term events shall be limited to three (3) consecutive days unless otherwise allowed through a Special Use Permit.

d. On-site parking shall be provided in accordance with Chapter 20.44 TCC (Parking and Loading).

e. All local public health, noise, food handling, building and other applicable regulations shall be followed.

   Note: The County Environmental Health Dept. specifically requested that the note regarding public health and noise be included in the text. The other language could be removed as it applies whether stated or not.

f. For exempt temporary events lasting two (2) or more days and with an expected daily attendance exceeding one hundred (100) individuals, the on-site manager or owner shall notify all adjacent neighbors bordering the subject property in writing of the date, time, duration and description of the event. Notification shall occur at least five (5) business days prior to the beginning of the event.

g. For events that generate noise detectable off-site, the general hours of operation of such temporary events are limited to 7 AM to 7 PM Monday through Thursday and 10 AM to midnight Friday through Saturday and 10 AM to 6 PM on Sunday.

h. Short-term uses within the AOD are subject to the standards contained in 20.54.070(41.5)(d). (Note: See attachment D)

i. Short-term events not meeting the criteria contained in this section may are allowed subject to the provisions of Chapter 20.54.070(41.5).

   Note: 1) The number of days / attendees etc. are only suggestions. The Planning Commission may want to discuss and provide additional recommendations. 2) Hours of operation are only suggestions as well. The goal is to minimize impacts to neighbors.

…

Table 1

Special Uses—Distribution in County Zoning Districts

Uses listed below are prohibited unless specifically identified as allowable through special use review, or unless listed as a permitted or primary use within an individual zoning district chapter.
Conclusions:

There are many benefits from expanding agri-tourism opportunities in Thurston County, and they include:

**Benefits of Agri-tourism:**

- Preservation of farm culture
- Farm and open space conservation
- Local economic development
- Economic diversification
- Local food security
- Public education
- Provides on-site employment opportunities for farming families and rural residents (keeping kids on the farm)

Amending Thurston County Code in order to create an Agri-tourism Overlay District (AOD) in South Thurston County and allowing a wider range of tourism and direct sales opportunities for local farmers and rural residents would be beneficial to the local economy and help local farms be more successful. If local farmers and rural residents are able to sustainably manage their land and generate additional income, the temptation to develop and convert farm land to residential and other uses may be diminished.

Staff recommends moving the proposed amendments on to a public hearing before the Thurston County Planning Commission.
ATTACHMENT A:

Draft Agri-tourism Overlay District Map
### Attachment B:

#### September 9, 2011


Scott Longanecker, MES, Assoc. Planner

**Comparison of proposed vs. current regulations (Cross-walk)**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Current Regs</th>
<th>Proposed Regs under AOD</th>
<th>Notes:</th>
</tr>
</thead>
</table>
| Country Inns   | • Currently reviewed through Special Use Permit (SUP)  
• Min. lot size (10 acres)  
• Min. setback (100 ft.)  
• Max. bldg. height (30 ft)  
• Min. distance to other country inn (3 air miles)  
• Max. size - No defined maximum size  
• Max no. rooms – N/A  
• Access (direct from arterial or collector)  
• Hours (9am – 10pm, except New Years)  
• Zoning / allowed in:  
  - R 1/20  
  - R 1/10  
  - RRR 1/5  
  - RR 1/5  
  - RL 1/2  
  - RL 1/1 | • Admin. Site Plan Review for under 8K and an SUP for up to 20K sq. ft.  
• Min. lot size (1 - 10 acres, depending on zoning:  
  - 1 acre for LAMIRDS  
  - 5 acres for all others (RR 1/5, 1/10, 1/20)  
  - 10 acres for LTA  
• Min. setback (50 ft.)  
• Max. bldg. height (35 ft)  
• Min. distance to other county inn (one air mile)  
• Max. size - 20K s.f. w/ a Special Use Permit and up to 8K s.f. w/ Admin. Special Use. (allowed in more zones, so adding limits to maintain rural feel and scale.)  
• Access (on paved road and within ½ mile of arterial or collector)  
• Hours (7am – 10pm Sun – Thurs & 7am – 11pm Fri. & Sat. (except New Years)  
• Zoning / allowed in:  
  - LTA  
  - LTF |
<table>
<thead>
<tr>
<th>Agritourism Activities</th>
<th>Current Regulations</th>
<th>Proposed Regulations</th>
</tr>
</thead>
</table>
| Bed and Breakfast | • Admin. Special Use Permit for up to six guests max.  
  • Special Use Permit (hearing) for over six guests.  
  *Issue: Unenforceable. No way to regulate # of guests.* | • No changes needed. |
| Rental Cabins – temporary vacation rentals | No current provisions for this use. However, if permitted would likely require a Special Use Permit. | • Admin. site plan review  
  • Would allow up to three (600 sq. ft.) cabins with min. parcel size of 10 acres.  
  • 50 ft. setback |
| Wineries, Breweries and Distilleries | No current provisions for these uses. Have been permitted as a Special Use in the past. | Up to 6K sq. ft. permitted in AOD with Admin. Site Plan Review. Over 6K sq. ft. – Permitted with Special Use Permit. |
| Agricultural Home Stays | No current provisions for this use. | • Min. parcel = 10 ac.  
  • Up to 3 units permitted administratively  
  • 4 – 8 units = SUP (hearing)  
  • Farming is main use of prop. |
| Farm Stands | Same as AOD | Same as rest of rural county. |
| Temp. / Short term uses | • See Attachment B-1:  
  • Zoning relaxed  
  • 10 – 21 days w/out zoning permit or minor admin. review (decision point for PC).  
  • Events 2 or more days and more than 100 people requires notice to adjacent land owners.  
  • All state and local health and bldg. requirements must still be met.  
  • Events creating off-site noise limited to 7am – 7pm Mon.- Thurs. and 8am – 8 pm Fri. - Sun. |
Create an Agritourism Overlay District in southern Thurston County.

### Agritourism Overlay District Land Use Matrix (DRAFT)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Accessory Commercial or Retail Sales</td>
<td>Up to 700 square feet floor area (same as farm stands)</td>
<td>701 – 6,000 square feet</td>
<td></td>
<td>&gt; 6,000 square feet *</td>
</tr>
<tr>
<td>Country Inns</td>
<td></td>
<td></td>
<td></td>
<td>Up to 8,000 square feet *</td>
</tr>
<tr>
<td>Farmers Markets operated under WSFMA[^31] guidelines</td>
<td>If not permanent structures</td>
<td>If permanent structures involved. *</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Cabins Temp. vac. rentals</td>
<td>Based on available residential density of a parcel.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[^30]: This means exempt from a land use or zoning permit. Projects would still need to meet all applicable County Health or Public Works Department permitting requirements and standards.

[^31]: Washington State Farmers Market Association (WSFMA)
<table>
<thead>
<tr>
<th><strong>Wineries, Breweries and Distilleries</strong></th>
<th><strong>Up to 6,000 sq. ft.</strong></th>
<th><strong>Over 6,000 sq. ft.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agricultural Home Stays</strong></td>
<td>Up to four guest units = <em>minor admin. action process (some basic review rather than strictly exempt)</em></td>
<td>Up to eight guest units *</td>
</tr>
<tr>
<td><strong>Farm Stands</strong> (Same as rest of rural county)</td>
<td>Up to 700 sq. ft.</td>
<td>Up to 2000 square feet *</td>
</tr>
<tr>
<td><strong>You-Pick, Pumpkin Patches and similar seasonal operations</strong></td>
<td>Exempt if seasonal and directly related to crop harvest</td>
<td></td>
</tr>
<tr>
<td><strong>Temp. / Short term uses</strong> (Option 2: of staff report)</td>
<td>Up to 10 days per year</td>
<td>Up to 30 days per year *</td>
</tr>
</tbody>
</table>

*Requires Public Notice pursuant to 18.10.030.B(4)&B(5) TCC.*
'Agritourism' becomes a growing portion of many farms' profits

By William Neuman

The New York Times; June 25, 2011

For all the talk about sustainable agriculture these days, most small farms are not self-sustaining in a very basic sense: They can't make ends meet financially without relying on income from jobs off the farm.

But increasingly farmers are eking more money out of the land in ways beyond the traditional route of planting crops and raising livestock. Some have opened bed-and-breakfasts, often known as farm stays that draw guests eager to get a taste of rural living. Others operate corn mazes that often turn into seasonal amusements, with rope courses and zip lines. Ranchers open their land to hunters or bring in guests to ride horses, dude-ranch style.

Known as agritourism, such activities are becoming an important economic boost for many farmers.

Early each morning, Jim Maguire milks the sheep and goats and feeds the pigs on his small dairy farm in Santa Margarita, Calif., before heading off to his day job as a public defender in San Luis Obispo County. His wife, Christine, makes cheese and tends the animals.

But in recent years, Christine Maguire has added some new chores: changing linens and serving food to the guests who stay at Rinconada Dairy's two bed-and-breakfast units, one in a private wing of the farmhouse and the other in a remodeled corner of a barn. Money from the paying guests is now enough to pay for the animals' feed, one of the farm's biggest expenditures.

"The whole idea is to get the farm in a productive state so that it carries itself, so that it pays its own way," Jim Maguire said early on a recent morning as he watched sheep file onto the raised stainless-steel platform of an automatic milking machine. "The farm stay is an important economic portion of that."

The U.S. Department of Agriculture predicts that this year the average farm household will get only about 13 percent of its income from farm sources. Agritourism is appealing because it increases the family's income from the farm, potentially reducing the need for off-farm jobs.

The USDA's census of agriculture, which is conducted every five years, estimated that 23,000 farms offered agritourism activities in 2007, bringing in an average of $24,300 each in additional income. The number of farms taking part fell from the previous census, in 2002, but at that time the average agritourism income per farm was just $7,200.

California, the nation's largest farm state, was among the leaders in agritourism, according to the census, with nearly 700 farms averaging more than $50,000 in agritourism income.

Financial hurdles

Still, there are hurdles. For example, many farmers complained about insurance costs, which rise with the number of farm visitors.
For years, Christine Cole has charged for tours of her farm, in Sebastopol, Calif., where she keeps horses, raises vegetables and chickens and has three farm-stay units.

At the end of April, her insurance carrier dropped her, although she said she had made no major claims. She began looking for new insurance, she said, but was repeatedly turned down. She said insurers seemed unwilling to cover the broad range of activities on her farm. Finally, she found a policy that cost her almost $9,000 a year, about triple the cost of her previous coverage.

"That is more than 10 percent of my income," Cole said. "I broke down and cried."

Some states have acted to make it easier for farmers. Next month, a new law will go into effect in Indiana to limit the liability of farmers when someone is injured on their property while participating in agritourism activities.

Although many farmers said they enjoyed the city-country interaction at the heart of agritourism, it takes a particular type to pull it off.

"If you're not a people person, forget it," said Vince Gizdich, who runs Gizdich Ranch, in Watsonville, Calif., which includes a "Pik-Yor-Self" operation with berries and apples. The ranch also has a farm stand and a pie shop.

**Cutting farm work**

For seven years, Kim Rogers and her husband ran a farm and orchard in Templeton, Calif., along with a busy bed-and-breakfast.

Finally she had an epiphany: Farming was exhausting work and the bed-and-breakfast was providing an increasing portion of their income. So last year she and her husband pulled up their 700 fruit trees and became full-time innkeepers, with a cottage and a bungalow that rent for $150 to $285 a night.

They still have a few sheep, hens and a large vegetable garden — enough to maintain the farm feel.

"A lot of people just want that rural-farm experience," she said.

**Washington state farm stays**

Farm Stay U.S. lists more than 20 farm stays across Washington state, with accommodations ranging from a Victorian-themed farmhouse bedrooms to country-style cabins and deluxe platform tents. You also can search for farm stays in Oregon and throughout the United States. [www.farmstayus.com](http://www.farmstayus.com)
ATTACHMENT E:

RCW 36.70A.177
Agricultural lands — Innovative zoning techniques — Accessory uses.

(1) A county or a city may use a variety of innovative zoning techniques in areas designated as agricultural lands of long-term commercial significance under RCW 36.70A.170. The innovative zoning techniques should be designed to conserve agricultural lands and encourage the agricultural economy. Except as provided in subsection (3) of this section, a county or city should encourage nonagricultural uses to be limited to lands with poor soils or otherwise not suitable for agricultural purposes.

(2) Innovative zoning techniques a county or city may consider include, but are not limited to:

(a) Agricultural zoning, which limits the density of development and restricts or prohibits nonfarm uses of agricultural land and may allow accessory uses, including nonagricultural accessory uses and activities, that support, promote, or sustain agricultural operations and production, as provided in subsection (3) of this section;

(b) Cluster zoning, which allows new development on one portion of the land, leaving the remainder in agricultural or open space uses;

(c) Large lot zoning, which establishes as a minimum lot size the amount of land necessary to achieve a successful farming practice;

(d) Quarter/quarter zoning, which permits one residential dwelling on a one-acre minimum lot for each one-sixteenth of a section of land; and

(e) Sliding scale zoning, which allows the number of lots for single-family residential purposes with a minimum lot size of one acre to increase inversely as the size of the total acreage increases.

(3) Accessory uses allowed under subsection (2)(a) of this section shall comply with the following:

(a) Accessory uses shall be located, designed, and operated so as to not interfere with, and to support the continuation of, the overall agricultural use of the property and neighboring properties, and shall comply with the requirements of this chapter;

(b) Accessory uses may include:

(i) Agricultural accessory uses and activities, including but not limited to the storage, distribution, and marketing of regional agricultural products from one or more producers, agriculturally related experiences, or the production, marketing, and distribution of value-added agricultural products, including support services that facilitate these activities; and

(ii) Nonagricultural accessory uses and activities as long as they are consistent with the size, scale, and intensity of the existing agricultural use of the property and the existing buildings on the site. Nonagricultural accessory uses and activities, including new buildings, parking, or supportive uses, shall not be located outside the general area already developed for buildings and residential uses and shall not otherwise convert more than one acre of agricultural land to nonagricultural uses; and

(c) Counties and cities have the authority to limit or exclude accessory uses otherwise authorized in this subsection (3) in areas designated as agricultural lands of long-term commercial significance.

(4) This section shall not be interpreted to limit agricultural production on designated agricultural lands.

[2006 c 147 § 1; 2004 c 207 § 1; 1997 c 429 § 23.]
WAC 365-196-815

Conservation of natural resource lands.

(1) Requirements.

(a) Counties and cities planning under RCW 36.70A.040 must adopt development regulations that assure the conservation of designated agricultural, forest, and mineral lands of long-term commercial significance. If counties and cities designate agricultural or forest resource lands within any urban growth area, they must also establish a program for the purchase or transfer of development rights.

(b) "Conservation" means measures designed to assure that the natural resource lands will remain available to be used for commercial production of the natural resources designated. Counties and cities should address two components to conservation:

(i) Development regulations must prevent conversion to a use that removes land from resource production. Development regulations must not allow a primary use of agricultural resource lands that would convert those lands to nonresource purposes. Accessory uses may be allowed, consistent with subsection (3)(b) of this section.

(ii) Development regulations must assure that the use of lands adjacent to designated natural resource lands does not interfere with the continued use, in the accustomed manner and in accordance with the best management practices, of these designated lands for the production of food, agricultural products, or timber, or for the extraction of minerals.

(c) Classification, designation and designation amendment. The department adopted minimum guidelines in chapter 365-190 WAC, detailing the process involved in establishing a natural resource lands conservation program. Included are criteria to be considered before any designation change should be approved.

(d) Prior uses. Regulations for the conservation of natural resource lands may not prohibit uses legally existing on any parcel prior to their adoption.

(e) Plats and permits. Counties and cities shall require that all plats, short plats, development permits, and building permits issued for development activities on, or within five hundred feet, of designated natural resource lands contain a notice that the subject property is within or near designated agricultural lands, forest lands, or mineral resource lands on which a variety of commercial activities may occur that are not compatible with residential development for certain periods of limited duration.

(2) Relationship to other programs. In designing development regulations and nonregulatory programs to conserve designated natural resource lands, counties and cities should endeavor to make development regulations and programs fit together with regional, state and federal resource management programs applicable to the same lands. Comprehensive plans and policies may in some respects be adequately implemented by adopting the provisions of such other programs as part of the local regulations.

(3) Innovative zoning techniques.

(a) When adopting development regulations to assure the conservation of agricultural lands, counties should consider use of innovative zoning techniques. These techniques should be designed to conserve agricultural lands and encourage the agricultural economy. Any nonagricultural uses allowed should be limited to lands with poor soils or lands otherwise not suitable for agricultural purposes.

(b) Examples of innovative zoning techniques include:

(i) Agricultural zoning, which limits the density of development and restricts or prohibits nonfarm uses of agricultural land and may allow accessory uses, including nonagricultural accessory uses and activities, that support, promote, or sustain agricultural operations and production, as provided in this subsection;

(ii) Cluster zoning, which allows new development on one portion of the land, leaving the remainder in agricultural or open space uses;

(iii) Large lot zoning, which establishes as a minimum lot size the amount of land necessary to achieve a successful farming practice;

(iv) Quarter/quarter zoning, which permits one residential dwelling on a one-acre minimum lot for each one-sixteenth of a section of land;

(v) Sliding scale zoning, which allows the number of lots for single-family residential purposes, with a minimum lot size of
one acre, to increase inversely as the size of the total acreage increases; and

(vi) The transfer or purchase of development rights from agricultural lands, which can be used through cooperative agreements with cities, or counties with nonmunicipal urban growth areas, as receiving areas for the use of these development rights.

(c) Accessory uses on agricultural lands of long-term commercial significance:

(i) Counties may allow certain accessory uses on agricultural lands of long-term commercial significance. Accessory uses can promote the continued use of agricultural lands by allowing accessory uses that add value to agricultural products. Accessory uses can also promote the continued use of agricultural lands by allowing farming operations to generate supplemental income through unrelated uses, provided they are compatible with the continued use of agricultural land of resource production;

(ii) Development regulations must require accessory uses to be located, designed, and operated so as not to interfere with, and to support the continuation of, the overall agricultural use of the property and neighboring properties, and must comply with the requirements of the act;

(iii) Accessory uses may include:

(A) Agricultural accessory uses and activities, including but not limited to the storage, distribution, and marketing of regional agricultural products from one or more producers, agriculturally related experiences, or the production, marketing, and distribution of value-added agricultural products, including support services that facilitate these activities; and

(B) Nonagricultural accessory uses and activities as long as they are consistent with the size, scale, and intensity of the existing agricultural use of the property and the existing buildings on the site. Nonagricultural accessory uses and activities, including new buildings, parking, or supportive uses, shall not be located outside the general area already developed for buildings and residential uses and shall not otherwise convert more than one acre of agricultural land to nonagricultural uses; and

(C) Counties and cities have the authority to limit or exclude accessory uses otherwise authorized in this subsection in areas designated as agricultural lands of long-term commercial significance.

(iv) Any innovative zoning techniques must not limit agricultural production on designated agricultural resource lands.

[Statutory Authority: RCW 36.70A.050 and 36.70A.190, 10-03-085, § 365-196-815, filed 1/19/10, effective 2/19/10.]
ATTACHMENT F:

WA State Laws regarding Local Areas of More Intensive Rural Development (LAMIRDS).

WAC 365-196-425 – Rural element (LAMIRDS)

5(a)

(iii) Type 3 LAMIRDs - Small-scale businesses and cottage industries. Counties may allow isolated small-scale businesses and cottage industries that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents, through the intensification of development on existing lots or on undeveloped sites.

(A) Counties may allow the expansion of small-scale businesses in rural areas as long as those small-scale businesses are consistent with the rural character of the area as defined by the county in the rural element. Counties may also allow new small-scale businesses to use a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area. Any public services and public facilities provided to the cottage industry or small-scale business must be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl.

(B) Counties are not required to designate Type 3 LAMIRDs on the future land use map and may allow them as a conditional use. If using a conditional use process, counties should include in their development regulations conditions that address all the statutory criteria for the location of a Type 3 LAMIRD. Conditions must assure that Type 3 LAMIRDS:

(I) Are isolated, both from urban areas and from each other. Conditions should include spacing criteria to avoid creating a pattern of strip development;

(II) Are small in scale;

(III) Are consistent with rural character;

(IV) Do not include new residential development;

(V) Do not require public services and facilities beyond what is available in the rural area; and

(VI) Are operationally compatible with surrounding resource-based industries.
Nature-Based Tourism & Agritourism Trends: Unlimited Opportunities

James A. Maetzold, National Alternative Enterprises and Agritourism Leader, USDA/NRCS, Washington, DC

If you own and operate an agritourism or alternative enterprise or have visited an agritourism farm or purchased products directly from a farmer, you are supporting your local farmer.

Introduction

Rural tourism has been increasing rapidly over the last two decades. Many factors have contributed to this trend. Briefly, people are taking more and shorter trips, doing more traveling by car, combining business travel with vacations, looking for new experiences, adding diversity to their experiences, traveling as a family, and looking to "get back to their roots." In most cases, one family member has a grandparent who grew up on a farm/ranch or in a rural community. These are the "roots" tourists want to visit.

I have five take-home points I would like you to learn from my presentation: (1) What are alternative enterprises and agritourism? (2) tourism trends and projections, (3) income-producing ideas, (4) available resource material, and (5) tourism ideas for Oklahoma. My goal is to get you to think outside the box about your farm/ranch and rural community. How can you use your natural and human resources differently for income-producing opportunities? Or, as George DeVault of the Rodale Institute says, "Get small and get in."

What are Alternative Enterprises and Agritourism?

1. An "alternative enterprise" is marketing what you produce differently, adding value to the product you produce or adding a new enterprise. It is also using your natural or other resources differently or using the same resource in multiple ways.

2. Agritourism is an alternative enterprise where you invite the public onto your farm or ranch. It can also be defined as "a set of activities that occur when people link travel with the products, services, and experiences of agriculture." The product itself can be an "experience."

3. Agritainment is the fun side of agritourism and includes mazes, petting farms, pumpkin picking, haunted houses, horseback riding, and the like.

4. Agrischool is teaching your visitors about agricultural production, how food and fiber are produced, rural values, and quality of life. It is building support for agriculture through educational experiences.

I have no data to prove this point! But I firmly believe that farmers and ranchers like you teach more people about agriculture than any other form of education in the United States. When they visit your farm, you have children's undivided attention for twenty minutes to an hour to teach them about their food and how farmers and ranchers produce it. At the same time you teach, you also provide an experience about cultural and heritage tourism, two of the fastest-growing tourism niches.

5. Nature-based tourism ranges from hunting and fishing (consumptive tourism) to bird watching, flower/tree/rock identification, hiking, rock climbing, or just being with nature (nonconsumptive tourism), and

6. Agritourism or bird watching is the fastest growing nature-based tourism activity in the nation.

Twenty-First-Century Agriculture–Consumer

About James Maetzold

"I was born and raised on a small grains and livestock farm in North Dakota. I have been a federal employee for over 39 years. I began my career in the US Army followed by two years as county extension agent in North Dakota. Following graduate school in agricultural economics at North Dakota State University and University of California, Davis, I have worked in Washington, D.C., since 1969. I have had the opportunity to work for the Economic Research Service, Farmers Cooperative Service, Farmers Home Administration, Executive Office of the President, and the Natural Resources Conservation Service for the last 22 years. I worked on the Soil and Water Resources Conservation Act for 17 years and as the National Alternative Enterprises and Agritourism Leader for the past 5 years."

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Industry Structure

Today’s agricultural production, marketing, and distribution system can be described as an hourglass. We have more than two million farmers/ranchers producing the nation’s food who sell to a few firms that add value through processing, packaging, and transporting, like the neck of the hourglass, and then sell it to the 200 million domestic and foreign consumers. These firms incur the costs, risks, and management, add value, and store and transport these products before they are sold.

With alternative enterprises, the farmers “add value” to their own products and realize a larger income by performing marketing activities and incurring the risks by processing, packaging, storing, transporting, and selling directly to the consumer. The farmer becomes a competitor with agribusiness firms for a larger share of the consumer’s dollar.

In 1913, farmers received 46 percent of the consumer’s dollar compared to less than 20 percent today. This occurred because many small farmers carried out the marketing at the local level such as delivering milk, manning the butcher and bake shop, and selling “in-season produce,” or consumers visited farms to buy directly from the farmer/rancher. In 1950, farmers received 50 to 80 percent of the consumer’s dollar spent on fruits and vegetables. Today, the figure is less than 30 percent.

A farmer or rancher entrepreneur who diversifies into value-added agriculture or agritourism has several market opportunities. These can be categorized as: food (processing, packaging, branding, specialty markets, farmers’ markets), roots (heritage and culture), agritducation (schools, retreats, conferences), experiences (farm stays, ranch stays, B&Bs pick-your-own), agtainment (petting farm, mazes, hayrides), and nature-based adventure (horseback riding, rock climbing, hunting, fishing). Most entrepreneurs develop several of these activities as alternative enterprises or as their agitourism activity grows. It is a natural fit.

You have a very important and responsible job: You are developing friends for agriculture forever! It is not just for the profit! This fits nicely into the values of rural America.

Income-Producing Opportunities for Your Farm or Ranch and Community

Agritourism or any other alternative enterprise is a different business than farming. Two major changes will occur: First, you are no longer a price-taker but a price-setter. You are not going to the elevator or livestock auction and asking, “What will you give me?” Now, you are telling the consumer how much you want for your product or service. Secondly, you are now in the people business. You are working directly with the consumer in a relationship just as important if not more important than the product you are selling. Someone in your family must enjoy working with people to succeed at agritourism or other alternative enterprises.

You are marketing directly to the consumer. You are producing memories, adventure, experiences, and friendships.

Thinking about the “customer” is probably more important than thinking about “production” in this scenario.

When you think about your customer, you must think about how you operate your business. When are you going to be open? How many people will you hire? What type of facility will you need? How small can you be to start? These are just a few of the questions you will need to answer when developing an agritourism or other alternative enterprise.

These farm or ranch income-producing opportunities may be put into fourteen groups:

1. Farm Markets and Specialty Products—These markets provide an excellent opportunity to sell all types of value-added products from food to crafts, depending upon the rules of the farmers’ market. Specialty product markets exist everywhere. The Internet has made this a more easily accessible market. Also, many farmers are now marketing to restaurants, schools, and nursing homes. Many state government and local communities support this type of activity. If they don’t, help them get started!

2. Product Processing—These products include maple syrup, wood products, dairy products, and wine production, to name a few. They can become an education activity as well as resulting in product sales. The ideas are almost limitless as to what you can do with product processing and packaging. Customers like to shop, so you need to provide them with the opportunity to take something home for themselves or for friends.

3. Fairs, Festivals, and Special Events—Farms hold festivals as well as communities. People just need something to rally around. These festivals range from food and crafts to nature, flowers, art, heritage, and cultural themes. Farmers have found festivals to be a very profitable way to attract customers. Many economic development or chamber of commerce groups will sponsor these events. Plan your activities around these festivals or hold your own.

4. Horses and Other Farm Animals—This can range from petting farms to the training of horses or raising buffalo. These enterprises can be educational, produce food, fiber, and fun, or develop skilled horsemen. Exotic animals often attract many visitors. Many entrepreneurs raise llamas, sheep, and other fiber-producing animals. They market the fiber in both the finished and unfinished form and sell the meat and...
in some cases milk to local customers. Some dairy goat producers deliver milk more than three hundred miles. Others have raised ostrich and emus. The changing diversity of the American population has led to the development of many niche markets for goats, sheep, and other livestock products.

5. Unique Dining Experiences—Opportunities exist for farms and ranches to serve food to the public. You may have a special location and setting with a view, provide plays, or other entertainment, develop a catering service, or have a dining/fun experience on the farm with great country cooking. People are looking for a new experience, and dining on the farm is a “new experience.” Dining is the number-one tourist activity!

6. Wildlife and Fish—This includes fish production, bird watching, hunting, and fishing. You can raise several different species and release the game birds for hunting or mange your land for improved game habitat. You can offer guided or unguided hunts.

7. Nature-based Recreation—Opportunities exist on farms and ranches to market natural resources as nature-based recreation for a fee. These include hiking, biking, walking, snowmobiling, all-terrain vehicles, swimming, canoeing, float trips, boating, picnicking, water-skiing, paintballing, and other outdoor team sports. Water-based activities are a very popular form of outdoor recreation.

8. Floriculture—The raising and marketing of flowers at farmers’ markets, community supported agriculture groups, and other markets have increased rapidly in the past decade. Fresh flowers on the table have a high priority in most of our homes today. In addition, one can raise bedding plants for the wholesale and retail markets as well as wildflowers and herbs. There are many niche markets for floriculture products. It is surprising how much people will pay for fresh cut flowers.

9. Education—Education can become a part of almost every agritourism and alternative enterprise. Education may even be the focus of the enterprise. Either approach provides for many income-producing opportunities on the farm and ranch. Public and private education systems are looking for ways to broaden students’ educational experiences. Most schools are open to an invitation to visit your farm once you explain your education program. Be sure to have different programs for the various age groups, from preschool to senior citizens.

10. Heritage and Culture—This is one of the fastest-growing tourism activities. American and foreign visitors are very interested in the history of the United States. Since most people come from an agricultural ancestry, they want to learn more about what their great grandparents or grandparents did for a living. This is a great opportunity to sell the rural “quality of life.” Agriculture has a tremendous heritage and culture that can also be marketed to tourists by people staying and/or working on the farm or ranch. The more original the better, including the antiques, claim cabins, homesteads, and the like.

11. Arts and Crafts—Tourists’ second-favorite activity is shopping. Local arts and crafts have always been in demand by domestic and foreign tourists. This includes food items and other value-added food products produced on the farm. Quality products are needed to attract and keep tourists coming back. There are several regions in the United States where journeyed craters live and market their products. They have succeeded in establishing high-quality products and experiences for the customer.

12. Farm/Ranch Stays—There are three types of stays: vacation (visitors looking for rest and relaxation), working vacation (visitors participate in the farm/ranch daily chores and work), and dude ranches/farms (visitors are specially treated by staff members, who do all the necessary preparation for the activities during their stay).

13. Tours and Touring—These enterprises are generally tied to activities involving a group of farms/ranches or community festivals or events. Tourists travel to see foliage or blossoms or farm harvest activities such as maple syrup, cheese, or ice cream processing or events such as threshing bees or fall harvest activities. Either a group of farmers or a community/county sponsors such events. It is a time to open your enterprise to the public.

14. Pick, Cut, Gather or Grow Your Own—Farmers have been selling the pick-your-own fruits and vegetables events for decades, and some have been renting land to people who want to grow their own. A relatively new enterprise is rent-a-tree, cow, or bush.

Here the farmer still maintains complete control in the production management aspects and the customer pays the farmer for these services. For example, you can rent/lease an apple tree to a customer. You still prune, spray, and perform the functions involved in production. The customer is invited to watch the pruning, see the apple blossom, and watch other production practices. When the apples are ready to pick, the customer can bring friends and pick whatever quantity they want from the tree they rented. The farmer then harvests the remainder for himself.
This type of program allows the farmer to get the customer to visit his farm several times a season, providing opportunities for sales of other value-added items and development of a loyal relationship.

We have just identified several agritourism and alternative enterprises possible on your farm or ranch. I suggest talking these ideas over with neighbors, your local extension agent, or other entrepreneurs. This is a difficult time for most farmers/ranchers; they are concerned their neighbor will do the same thing if they talk to them about their ideas. This should not be a concern because research has proven that the more tourist attractions there are in an area, the more people will come. Customers recognize they have an opportunity to pick and choose. Don’t be afraid of getting your neighbor involved in an alternative enterprise a little bit different than yours. This is where teamwork really pays off.

As you start to develop your business, you will need to consider the type of customer you want to attract or serve. For example, do you want to lease your place to hunters who guide themselves and hunt whatever game is in season for about $1,500 per week, raise and release game, or manage your game so there are more trophy animals available and provide guided hunts for $12,000 per week? These decisions need to be made when you are developing your business and marketing plan.

Some people get very nervous as they think about these new and different enterprises. You need to look at it the same as you do new farm and ranch production practices. Read about them, attend seminars, talk to peers, read research reports, and discuss with technical staff. Finally, try to test your new business by selling your services or products to family, friends, church groups, and other civic groups. Don’t make a big investment immediately. Build and learn.

The NRCS has a put together a publication (see resource list) describing seventeen success stories. The stories tell you how people started and built their business, the mistakes they made, and how they took advantage of things that went right.

Tips for Staying on Track and Getting Started (Recommended for a one to two year period)

1. Assess your resources-
   - Look at the notes you have made in considering alternative enterprises and use them to make a more in-depth assessment of the resources available to you and your family.

2. Get informed-
   - Attend seminars, workshops, trade shows, and schools.
   - Purchase books, videos, newsletters, magazines, and other publications.
   - Go to the library and do some research. Use the Internet to get the most up-to-date information. If you don’t have an Internet connection at home, one should be available to you at the library.
   - Look through the resources listed in the NRCS “Alternative Enterprises and Agritourism: Farming for Profit and Sustainability” tool kit available at your area Resource Conservation & Development Office.

3. Find out what other entrepreneurs are doing--
   - Talk to neighbors, friends, and strangers about their businesses.
   - Visit businesses in your surrounding area and in neighboring counties and see what they are doing.

4. Consult potential customers--
   - Ask your relatives, friends, and neighbors about the product(s) you are thinking of providing through your new enterprise. Are they interested?

5. Research the market for your products.

6. Network--
   - Join organizations or groups for people involved in enterprises similar to the one you are interested in.
   - Join the chamber of commerce, rotary, and other business and planning organizations or committees in your community.
   - See if other local entrepreneurs would like to join you in your business venture or start their own agritourism or alternative enterprise.

7. Get help--
   - Visit resource people in your county, region, or state. County agents, R&D coordinators, state Extension staff, department of Agriculture staff, state tourism directors and staff, small business development center staff, and other specialists should all be willing to answer questions and help you get started.

8. Develop a business and marketing plan--
   - Various books, worksheets, and programs designed to help you develop a successful business and marketing plan are available through - the Internet
   - your local library
   - your local outreach program
   - your local college
   - SCORE
   - SBDC
   - your local R&D office

9. Create a financial plan--
   - Decide how you will finance your business.
   - Find out about financial assistance (grants and loans) available to you.
10. Start small, learn from your experience, and expand the business.

In summary, there are many income-producing opportunities available on your farm and ranch. Search out the ones you are interested in pursuing and that seem of interest to the public. Then gather your information and develop a business plan and a marketing plan. There are many resources and people available to assist you.

WHAT DO RURAL TRAVELERS LIKE TO DO?
(Source: Travel Industry Association of America, 2001
Rural Tourism Travel Poll)

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<tr>
<th>ACTIVITY</th>
<th>PERCENT</th>
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<td>Dining</td>
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<tr>
<td>Shopping</td>
<td>58</td>
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<tr>
<td>Going to Beach/River/Lake</td>
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<td>Visit Historical Sites</td>
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<td>Fishing/Hunting/Boating</td>
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<td>Attend Festival/Fair</td>
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<td>Bike Riding/Hiking</td>
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<td>Attend Religious Service</td>
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<td>Camping</td>
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<td>Attend/Participate in Sport Event</td>
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<td>Visit Winery/Working Farm/Orchard</td>
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<td>Gambling/Gaming</td>
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<td>Visit Native American Community</td>
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NATIONAL SURVEY ON RECREATION AND THE ENVIRONMENT:
AGRICULTURE RECREATION QUESTIONS
(Preliminary, September 2002)

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<td>Pet a Farm Animal</td>
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<td>Source of Information is Family/Friend</td>
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<td>Less Nonfarm Development</td>
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<td>Visit Family or Friends</td>
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<td>Like to See More Grazing Animals, Orchards, Vines, Woodlands</td>
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<td>Learning Where Food Comes From</td>
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<td>Watch/Participate in Farm Activities</td>
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<td>More Pasture, Farmsteads, and Croplands</td>
<td>28-35</td>
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<tr>
<td>Pick Fruit or Produce</td>
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Opportunities for Oklahoma

- **Western theme**—Both domestic and especially foreign tourists enjoy the West, the dress, festivals, rodeos, and culture in general.
- **Heritage and culture**
  - Cowboy and ranching—On-ranch working stays, B&B, dude ranches
  - Oil industry—Most people do not understand the role of oil in Oklahoma.
- American Indians—Both domestic and foreign tourists are interested in Native American history, culture, and handmade products.
- Black history—Most people do not understand the role African-Americans had in developing Oklahoma.
- **Open spaces**—Driving, horseback, camping, bird watching, hunting, and fishing
- **Land and landscape opportunities**—Tourists love to drive, see, and photograph the landscape, especially in the West.
- **Route 66 or Chisholm Trail**—Provides a great variety of activities, and tourists look for this experience and history
- **Hunting and Fishing**—Leases, catch and release, viewing
- **Opportunities lie in the people**—The opportunity lies in you here today and with your friends at home. Just sit back and dream about what you can do. Then, make it a reality.

You have some great resources in Oklahoma. The Resource Conservation and Development Councils (RC&D) of the Natural Resources Conservation Service (NRCS) are very active in developing agrotourism and other alternative enterprises. The Oklahoma Department of Agriculture has some very good programs. The Extension Service also has a good support system available to you. You will need to work closely with the tourism industry to have them promote Oklahoma agrotourism. This is new to most tourism agencies, so a team effort needs to be implemented.

Finally, I want you to continue to THINK OUT OF THE BOX!

NRCS resource material is readily available on the website www.nrcs.usda.gov/technical/RESS/alterenterprise or you may order it by contacting Jim Maetzold at (202) 720-0132 or email jim.maetzold@usda.gov

The following information is available free:

- **Agrotourism and Alternative Enterprises**: Farming for Profit and Sustainability Resource Manual, 2002 update. Also available: A 175 page summary of the 3,000 page resource manual
  - A compact disc version of the manual. Includes websites and lists of people working in the area
  - Brochure: “Alternative Enterprises for Higher Profits and Healthier Land”
  - Information sheet AE-1, “Alternative Enterprises for Higher Profits, Healthier Land—General Introduction to the topic, including a list of 150 ideas for alternative enterprises
Community Supported Agriculture

- Information Sheet AE-3, "Alternative Enterprises—Heritage Tourism"
- Information Sheet AE-4, "Alternative Enterprises—Value-added Agriculture"
- WSSI Technical Note 1: Sustainable Agriculture
- "Taking the First Step: Agritourism and Alternative Enterprise Opportunity Identification Guide (Making the Right Decisions to Sustain Your Farm or Ranch and Natural Resources)—Draft"
- Stories (17) in Agritourism and Nature-Based Tourism and Alternative Enterprises
- Press Release Drafts
- Alternative Enterprises and Agritourism Information—Talking Points, Definitions, Key Points for Speeches, Media, and Workshops.

**Funding Sources and Other Resource Considerations**

1. Resource Manual Chapter 16 has a number of websites for nonprofit groups and farmers
2. Rural Business Services (RBS)—multimillion—value-added grants in the 2002 farm bill
3. RBS loans and grants—B&G Guaranteed Loan Program, Intermediary Relending Program, RBEG, RBOG, VT, IL, CA examples; recreation approval is pending.

4. Farm Service Agency—Beginning Farmers Program
5. Sustainable Agriculture, Research, and Education (SARE) Workshop, AZ
   - Need one-on-one to see how you can make USDA programs work for you and tips on how to use them
   - Grant-writing, proposal review, and competitiveness
7. Small Business Innovation Research Grants (CSREES)
   - Community Food Program
   - Value added
   - Federal and State Market Improvement Program
   - Initiative for future agricultural and food systems
8. Building Better Rural Places—More than fifty programs are discussed. To obtain a copy, go to www.atra.ncat.org or call (800) 346-9140
10. Small Business Development Centers
11. Chamber of Commerce
12. County Extension Educator
13. Convention and Visitor’s Bureau
14. R&D Coordinator
15. State Departments of—Tourism, Agriculture, and Natural Resources/Conservation
September 8, 2011

Thurston County Planning Commission
2000 Lakeridge Drive SW
Olympia, WA 98502

Re: Proposed Thurston County Agritourism Overlay District

Dear Commissioners:

The Tenino Chamber of Commerce strongly supports Thurston County’s Agritourism proposal. Although the most of our commerce is centered in the City of Tenino, we are active throughout the greater Tenino district, encompassing a major portion of the proposed Agritourism Overlay District. Preservation of the small farms that dominate agricultural activities in the south county requires the kind of economic support that tourism can generate, but the scale of development must be modest or the rural character will be lost. The City of Tenino is well positioned to provide the more urban development – hotels, restaurants and retail shops – that will be needed to support tours and overnight stays. The City also has the small town appeal, parks and other amenities needed to complement destination venues in the county.

Sincerely

Paul B. Donohue, Treasurer
Tenino Chamber of Commerce

cc: Scott Longnecker, Associate Planner
Commissioner Sandra Romero
August 18, 2011

Thurston County Planning Commission
2000 Lakeridge Drive SW
Olympia, Wa 98502

Re: Agritourism

Commissioners:

Last night, Commissioner Romero gave a presentation regarding Agritourism in Thurston County.

I am sure that the presentation was informative, as it represents a year of work by those on the committee.

On behalf of the City of Rainier, I encourage the Planning Commission to look favorably on this venture.

Respectfully submitted,

Randy Schleis, Mayor
September 8, 2011

Thurston County Planning Commission
2000 Lakeridge Drive SW
Olympia, WA 98502

Re: Proposed Thurston County Agritourism Overlay District

Dear Commissioners:

The Tenino Farmers Market is an enthusiastic supporter of the Thurston County Agritourism Overlay District proposal. The small farms that participate in our market are excited to know that a program is being developed with the potential for increasing their economic opportunities. The range of agriculture among these farmers is very broad, including not only produce, but fiber (spun into yarn) and soap products from sheep, goat and alpaca herds, grass fed beef production, organic range-free chicken eggs, local honey, growers, and wineries. All of these farms can benefit greatly from increased opportunities for roadside stands, farm stays, and tours that increase their visibility.

The life and soul of a place, and all of our experiences there depend not simply on the physical environment, but on the patterns of events that we experience there... It is the people around us, and the most common ways we have of meeting them, of being with them, it is, in short, the ways of being which exist in the world, that make it possible for us to be alive.
-Christopher Alexander, The Timeless Way

On behalf of the Tenino Farmers, I encourage the Thurston County Planning Commission to support the objectives of the overlay district, allowing more agritourism, economic development, and diversification for local agricultural operations.

Respectfully,

Dawna Kelley-Donohue
President/Market Manager
Tenino Farmers Market

C. Scott Longnecker, Associate Planner
Commissioner Sandra Romero
Dear Scott Longanecker:

This letter is late in being sent but I actually reside in Grays Harbor County and unfortunately for me, the thoughts I have on this subject do not directly affect me.

Thurston County farmers are fortunate to have such forward thinking people on their side. In Grays Harbor County, only a short distance away, farmers such as myself are barely holding onto our farms as the County continues to push for a farm selloff in favor of development. It is clear Grays Harbor wants revenue and the County Commissioners don't give a damn how they get it.

My husband and I have fought very hard for over 16 years to hold onto our 200 acre farm. We are now bordered by a development that took farmland out of production and was endorsed by a previous commissioner with his 4’x8’ campaign sign being placed on it while the so called development was being permitted. When we objected we were chastised and told by the commissioner with the sign, that all the developers were "born and raised in Grays Harbor County".

Five years ago we put 85 acres into the Wetland Reserve Program. The county fought farmers on this too and many lost their farms and/or were forced to pay huge fines. The same county commissioner stated we (WRP owners) were "part of a get rich quick bunch of farmers".

My husband worked for several months on a Right To Farm Bill. We THOUGHT, wrongly, that the Washington State Farm Bureau would support this. To make a long story short, the WSFB is not a supporter of such legislation and the county commissioner we THOUGHT would endorse it, isn't in favor of it either.

I commend the efforts being endorsed by Thurston County.

Thank you for helping other farmers.

Sincerely yours,
Diane DeVaul-Smylie

diane smylie dianemds@yahoo.com
ATTACHMENT I:

Building Size / Scale Comparisons

West Side Safeway, 3215 Harrison Ave. NW  61,000 sq. ft. total

2009 aerial photo of West Olympia at the intersection of Harrison Ave. and Cooper Point Rd. SW. Red outline is the footprint of the West Side Safeway at 3215 Harrison Ave. NW.

This aerial shows a 20,000 square foot portion of the 61K sq. ft. building.
Building Size / Scale Comparisons

Tumwater Safeway - Capital Blvd.  50,000 sq. ft. total

This aerial shows a 20,000 square foot portion of the 50K sq. ft. building.