A Community Vision
for Sustainable Agriculture in Snohomish County

A Study Commissioned by the Snohomish Agriculture Economic Development Action Team (SAEDAT) for the Snohomish County Agricultural Sustainability Project

July 2009

Prepared by:
Nyhus Communications, LLC
Maker Architecture+Urban Design
Community Attributes
In 2004, Snohomish County Executive Aaron Reardon’s first and highest priority after taking office was to stop the loss of our agricultural economy in Snohomish County. In November 2004, he held the first of what has become the annual Focus on Farming Conference. About 350 farmers and citizens participated in the daylong conference where farmers had the opportunity to voice their concerns regarding the viability of agriculture in Snohomish County. Two overall concerns arose during that conference. First was the significant loss of farmland in the county. Second was a realization that even if farmland was preserved, the number of people willing to sacrifice themselves to the hard work it takes to farm was diminishing. All of the information gathered was compiled, and Executive Reardon issued the Snohomish County Agricultural Action Plan in March 2005.

In response to the Action Plan, Executive Reardon convened the Snohomish County Agricultural Economic Development Action Team (SAEDAT). This team was charged with taking the information in the Ag Action Plan and recommending feasible implementation strategies for economic development. The report that was issued in February 2007 contained the following sub-committees:

- Land Base – to develop recommendations that modify and clarify the land-use regulations to protect the agricultural land base;
- Infrastructure – to provide recommendations for Snohomish County support for needed infrastructure and financing options for area farmers;
- Marketing – to recommend policies, projects and programs that enhance the economic viability of agriculture.

The Snohomish SAEDAT report identified key strategies for economic recovery and expansion of Snohomish County's Agriculture Industry. Strategy #3 under Infrastructure is the Agriculture Sustainability Project (ASP). The goal of this strategy is to create a vision of how the farming community and the general public want local agriculture to look and function 100 years from now. The ASP Report contains findings that are far reaching and have the ability to impact every sector of the agricultural economy.

The ASP looked at many issues affecting the agricultural economy and the opportunities that exist for Snohomish County farmers. These opportunities were documented and feasibility studies completed on some of the findings as part of the ASP Report. These opportunities include land-use policy, economic development projects and community involvement. An example of this work includes a full feasibility study for a full-time farmers market located in Snohomish County. Recommendations for each of these sectors can be found in the Executive Summary with an in-depth study in the body of the report.
An important part of the ASP was a collaborative mapping project with the agricultural community. The objective of this was to determine how much acreage was truly being farmed in Snohomish County and what farm products were being raised. This “snapshot” in time through agricultural land mapping provides us with a base of information that can be used for economic development activities and efforts as well as to further identify critical farmlands that should be targeted for preservation programs. This same information could be used in conjunction with salmon habitat restoration plans to find lands not able to be farmed due to their soils, hydrology, location or other site constraints and to provide the landowner a financial return if the land is purchased for habitat restoration. This allows for valuable habitat projects and for the landowner to profit from otherwise unused land. These same areas used for restoration could be used to complement adjacent farm operations by improving drainage or other impacts.

Additional recommendations and findings included in the report include new land-use concepts, the need for additional advocacy and support for the agricultural economy and a thorough review of Snohomish County’s Agricultural Profile.

In the Infrastructure element of the report, it is noted that the support for farming -- such as processing plants, slaughter houses, commercial kitchens and distribution -- had also been equally impacted by the recent decline in farming. New farmers were struggling to get started due to the lack of infrastructure to support their new ideas and crops.

Under the Marketing element, the lack of a support agency to support and promote local agriculture through one voice was documented. The demand for local products continues to rise; the opportunity to promote high-quality products through direct marketing and wholesale markets, as well as agritourism, is needed.

The comprehensive findings of the ASP Report, coupled with the ongoing efforts and focus of Snohomish County to support and enhance agriculture, can be found in the following table of programs and projects. These are based on Executive Reardon’s priority to keep agriculture alive and growing.

<table>
<thead>
<tr>
<th>Farmland Preservation</th>
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</thead>
<tbody>
<tr>
<td><strong>Program</strong></td>
</tr>
<tr>
<td>Transfer of Development Rights</td>
</tr>
<tr>
<td>Purchase of Development Rights</td>
</tr>
<tr>
<td>“No Net Loss” approach</td>
</tr>
<tr>
<td>Rural Element</td>
</tr>
<tr>
<td>---------------</td>
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<tr>
<td>Critical Area Regulations &amp; Shoreline Master Plan</td>
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<tr>
<td>Open Space Taxation</td>
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<tr>
<td>Drainage Assistance Grant Program</td>
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<tr>
<td>Flood Fencing</td>
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<tr>
<td>Farmland &amp; Habitat Working Group</td>
</tr>
</tbody>
</table>

**Develop New Markets & Products**

<table>
<thead>
<tr>
<th>Program</th>
<th>Action</th>
<th>Lead Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cathcart Biofuel Facility</td>
<td>Continue to work with ag community to find new crops that can be used in the grain dryer and/or crusher.</td>
<td>Public Works &amp; Economic Development Division</td>
</tr>
<tr>
<td>Cathcart Biofuel Facility</td>
<td>Monitor and develop biofuel crop opportunities as the market allows.</td>
<td>Public Works &amp; Economic Development Division</td>
</tr>
<tr>
<td>Biofuel Growers Cooperative</td>
<td>Partner with WSU Cooperative Extension and Northwest Cooperative Development Center to coordinate with farmers in their pursuit of biofuels crops.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td><strong>Stimulate Innovation in AgriTourism</strong></td>
<td>Work with farmers to develop summer and fall farm festivals and educational opportunities at Focus on Farming Conference.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td>--------------------------------------</td>
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</tr>
<tr>
<td><strong>Small Business Development Assistance</strong></td>
<td>Coordinate with other agencies and groups to offer assistance and education to small agricultural businesses. Key partners include WSU Cooperative Extension &amp; Northwest Agriculture Business Center. Focus on Farming Conference is a prime example.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td><strong>Focus on Farming Conference</strong></td>
<td>Provide a forum for farmers from Snohomish County and throughout the Puget Sound region to learn about new methods, markets and products that can add value to their ag business.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td><strong>Focus on Farming Web site</strong></td>
<td>Provide a high amount of relevant information for ag community. This website will be redeveloped in 2009 so that it can be updated and be designed for better access.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td><strong>Northwest Wine Competition</strong></td>
<td>2009 is the first year for this competition, which highlights the successes that growers and winemakers are experiencing using Western Washington grapes to make top-quality wine.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td><strong>Farmers’ Market</strong></td>
<td>Using the feasibility study in the ASP Report, seek strategic partnerships to help coordinate, develop and plan for a year-round farmers’ market.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td><strong>Snohomish County Growers Alliance</strong></td>
<td>Utilize grant funding to assist in the development of a dedicated agricultural business group. This group would be able to take advantage of a new farmers’ market.</td>
<td>Economic Development Division</td>
</tr>
</tbody>
</table>
### Permitting

<table>
<thead>
<tr>
<th>Program</th>
<th>Action</th>
<th>Lead Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Permit Coordinator</td>
<td>Provide a dedicated staff person to assist with ag-related permits. This staff person is knowledgeable of all flood and development regulations.</td>
<td>Planning and Development Services</td>
</tr>
<tr>
<td>Traffic Study Exemption</td>
<td>Farm stands, farm product processing and other similar uses on farmland are exempt from needing a traffic impact study. This step is taken to assist in the success of these farmland operations.</td>
<td>Planning and Development Services &amp; Public Works</td>
</tr>
<tr>
<td>“No Net Loss” approach</td>
<td>Review all non-farm projects that take place on farmland for their potential negative impact on the farmland and on the farming community. Work with Agricultural Advisory Board.</td>
<td>Planning and Development Services, Public Works &amp; Economic Development Division</td>
</tr>
</tbody>
</table>

### Outreach, Education & Ombudsman

<table>
<thead>
<tr>
<th>Program</th>
<th>Action</th>
<th>Lead Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture Coordinator</td>
<td>Staff support to issues that farmers are experiencing with Snohomish County or other agencies.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td>Evergreen State Fair</td>
<td>Highlight farmers and the crops they produce in Snohomish County. Fun educational events and recognition of our Centennial Farms.</td>
<td>Economic Development Division</td>
</tr>
<tr>
<td>Workshops &amp; other partnerships</td>
<td>Team up with local partners to offer new information and opportunities for our local farmers.</td>
<td>Economic Development Division</td>
</tr>
</tbody>
</table>

The recommendations included in the ASP Report require a collaborative approach with the farming community, local agencies, concerned citizens and nonprofits in order to be successful. Renewed interest in local food and consumer awareness helps keep soil cultivated and the potential for new processing facilities fuels new ideas and aspirations. The opportunities that exist for local agriculture are immense. Snohomish County is and will continue to be a leader in the promotion of its agricultural industry, which leads to a stronger market, a better food chain and supply as well as an increased quality of life for its residents.
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EXECUTIVE SUMMARY

BACKGROUND AND PURPOSE

In October 2007, Snohomish County initiated a project to create a vision of how the farming community and Snohomish County citizens want local agriculture to look and function 100 years from now. From that work, a practical business plan would be developed serving as a roadmap for implementing an agriculture action plan that ideally would be a permanent part of a comprehensive county-wide program to sustain agriculture.

The initial work of the project included three components: 1) economic opportunity assessment; 2) inventory mapping and land-use analysis; and 3) community outreach to identify community attitudes and values to be used as a benchmark for future use. The project had a Community Oversight Steering Committee (COSC) which consisted of the Snohomish County Agriculture Advisory Board and three outside community members. The product of this collaborative effort would be used as the basis for an agricultural business plan that will help guide both policymakers and planners.

Three vendors were selected through an RFP process to complete the work. Nyhus Communications, LLC served as the lead contractor of the project and led the community engagement piece of the project, Community Attributes conducted the economic opportunity assessment and MAKERS Architecture and Urban Design conducted a land use surveys well as land use recommendations.

METHODS

The three components of the project ran concurrently and used a mix of quantitative and qualitative methods to gather the information needed to complete the project. Overviews of the methods used by project elements are as follows:

ECONOMIC OPPORTUNITY ASSESSMENT METHODS

- Interviews of farmers, agriculture businesses, industry leaders, public officials and other stakeholders;
- Analysis of secondary data, agricultural activity, economic and market conditions and demographics;
- Original analysis designed to illuminate economic opportunities;
- Collaborative conversations with the Snohomish County Agricultural Advisory Board and project team;
- Participation at the Focus on Farming conference;
- Support and participation at community involvement events.
LAND USE STUDY METHODS

- Land use inventory was built on previous County agricultural land use analysis for designated farmlands by inventorying non-designated farmlands that are currently in production or have the potential for cultivation; and
- Review of land use policies, trends.

COMMUNITY ENGAGEMENT METHODS

- Community Workshops – Six targeted community outreach workshops were held in Edmonds, Lynnwood, Mukilteo, Everett, Snohomish and Arlington;
- Community Outreach Meetings – In addition to the workshops, an additional eight community groups across the County were engaged to gather input and feedback; and
- Stakeholder Interviews – More than 25 key stakeholders that were carefully selected to represent the broad cross-section of Snohomish County’s economic and cultural fabric were interviewed one-on-one.

KEY FINDINGS

Agricultural opportunities are ripe as political, social, environmental, and economic conditions shift at a rapid pace in 2008. World food prices are rising dramatically, as is the demand for food and biofuels. Consumers place increasing emphasis on locally grown food products, with market demand in the Puget Sound region likely exceeding existing available supply. New state laws ensure a lasting market for locally grown food for schools and institutions.

The biggest challenges ahead lie in determining which opportunities to pursue. Snohomish County has many opportunities to assist farmers in agricultural activities, and farmers have new, emerging opportunities to capture consumer dollars unlike any other time in recent history.

More than 200 new farms started between 1997 and 2002. However, large farms comprise most of the economic output and therefore are an essential component of the future of Snohomish County agriculture; 58 of the 1,600 farms in Snohomish County accounted for 62% of county-wide farm sales in 2002.

There are roughly 34,500 acres of designated farmlands in production and approximately 19,700 acres of non-designated farmlands in production. And while most of this non-designated land is located on small and scattered sites, the agricultural activities supported by the non-designated lands are important to the County’s agricultural economic sector. They provide products (for example, hay) to larger farming activities and they in turn increase the market for agricultural support services such as farming equipment and processing facilities needed by farmers on designated farmlands.

Although agriculture is an important part of the Snohomish County economy, our engagement efforts revealed that those citizens who had an existing understanding of agriculture’s personal and public benefits also have a greater appreciation of the need to keep farmland in production. The challenge is with the urban...
and suburban Snohomish County citizens. With no direct relationship to agriculture, these citizens see no connection between the success of agriculture and their lives.

Even though the connection to farming by urban and suburban citizens was low, there was a general feeling that farm land is being threatened by development pressure, regulatory restrictions and taxes. And finally, it was identified that public education about farms, farmland and local food is essential if farmland is to be preserved.

RECOMMENDATIONS

ECONOMIC OPPORTUNITY ASSESSMENT

Community Attributes performed an economic analysis of the current agricultural industry and, based on input from county, community and agricultural stakeholders, unique research, and key findings from previous studies, recommends the County develop a business plan based on the Agriculture Sustainability Project. The business plan would be based on the identified opportunities listed below:

- Year-Round Public Market: Draw a consistent consumer base to help farmers capture a higher proportion of potential sales;
- Processing Unit: Allow farmers to increase farm gate value of products;
- Agritourism: Promotional signage to brand Snohomish County and participating farmers;
- Biofuels: Innovative technology drives food and fuel usage from canola crops;
- Distribution Hub: Infrastructure is required to help connect farmers with purchasers;
- Hire a Food Systems Planner: Ensure food and agriculture policy plans are implemented in Snohomish County;
- Include Food Policy Goals in County Comprehensive Plan: Plan for growing interconnectedness between agricultural lands and urban needs;
- Coordinate with other Snohomish County Action Committees: Avoid duplicate efforts and maximize resources;
- Develop an Interactive, User-friendly, Web-based Database: Connect producers and purchasers with interactive, user-friendly Web 2.0 technology;
- Promote Local Agriculture: Marketing and signage to create brand awareness of Snohomish County agriculture and individual farms;
- Work with Washington State on Farm-to-School Initiative: Snohomish County can facilitate the process by sharing information and networks;
● Develop Snohomish County Agricultural Sustainability Business Plan: Leverage the recommendations found during the Snohomish County Agricultural Sustainability Project to develop a comprehensive plan.

**LAND USE STUDY**

The following are land use and environmental regulatory measures recommendations:

- Tighten boundary adjustment criteria to further discourage the development of existing non-conforming lots;
- Add a Comprehensive Plan policy and implementing regulations to ensure a “No Net Loss” of farmland;
- Consider adding a requirement that the loss of viable non-designated farmland be mitigated;
- Track the changes in agricultural uses through subdivision and land use permits;
- Consider revising the rural cluster subdivision standards to better accommodate farming activities;
- Encourage the implementation of the County’s Transfer of Development Rights (TDR) program as proposed by the Planning and Development Services Department;
- Require that TDR credits be purchased for all residential units built in rural areas above the base zoning;
- Work with other jurisdictions to develop a regional receiving area strategy;
- Augment the TDR program with a Purchase of Development Rights (PDR) program.

**COMMUNITY ENGAGEMENT**

And finally, the following are the community engagement recommendations:

- Develop a final vision statement and project goals;
- Conduct qualitative and quantitative public opinion research to test preliminary ideas and priorities generated from the broad-based community outreach process;
- Conduct qualitative and quantitative research to test and gather feedback on the 1) key messages, 2) business plan concepts, and 3) proposed public actions / ideas to sustain agriculture into the future;
- Develop and implement a strategic communications plan that creates and maintains community interest, awareness and excitement of the County’s newly adopted Agricultural Sustainability Action Plan.
ORGANIZATION OF THIS DOCUMENT

The following sections in this document include the detailed findings of the three components of the Agriculture Sustainability Project. Each section consists of a project overview, detailed findings, and conclusions, which are followed by recommended next steps and related appendices.
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Economic Opportunity Assessment
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PROJECT OVERVIEW

BACKGROUND AND PURPOSE

The Agriculture Sustainability Project, launched in October 2007 as part of the County’s Focus on Farming initiative, is designed to identify methods to strengthen the County’s agricultural economy and preserve local farmlands. This Economic Opportunity Assessment Report, as one piece of the overall project, assembles data analysis along with input from Key County, community, and agricultural stakeholders to assess identified and emerging agricultural opportunities for Snohomish County farmers.

The efforts of the Agricultural Sustainability Project are timely, given increasing public awareness of local food supplies with regard to health, safety and concern for the environment. County’s current policy initiatives include programs designed to preserve agricultural lands, including the purchase and transfer of development rights from agricultural areas. Present concern about a world food crisis drives up the prices of agricultural products, from which farmers can benefit. Climate change concerns, along with efforts to reduce reliance on imported oil products, and dramatically escalating oil prices have led to a heightened interest in biofuel technology and created new markets for agricultural products. All of these global and local concerns converge to create a climate ripe for agricultural opportunities and growth.

METHODS

The Opportunity Assessment relies on a combination of extensive research tailored and conducted exclusively for the Agricultural Sustainability Project. The analysis includes a mix of quantitative and qualitative methods, including the following:

- Interviews of farmers, agriculture businesses, industry leaders, public officials and other stakeholders;
- Analysis of secondary data agricultural activity, economic and market conditions and demographics;
- Original analysis designed to illuminate economic opportunities;
- Collaborative conversations with the Snohomish County Agricultural Board and project team;
- Participation at the Focus on Farming conference; and
- Support and participation at community involvement events.

KEY FINDINGS

Agricultural opportunities are ripe as political, social, environmental, and economic conditions shift at a remarkable pace in 2008. World food prices are rising dramatically, as is the demand for food and biofuels. Consumers place increasing emphasis on locally grown food products, with market demand in the Puget Sound region likely exceeding existing available supply. New state laws ensure a lasting market for locally grown food for schools and institutions.
Population growth in Snohomish County will continue to burden available land with need for housing. Current Snohomish County population is estimated at 700,800. Forecasted population growth of an additional 383,000 means Snohomish County will grow to more than 1 million residents by 2040.

Housing prices have risen dramatically during the last decade, though slowing growth in home prices may help alleviate some of the speculative development pressures on existing farmland in the immediate future. Median home price grew to $345,400 in 2006.

Small farms dominate Snohomish County, where the average farm size is 18 acres. Small-scale, niche farming is important to Snohomish County’s agricultural community. More than 200 new farms started between 1997 and 2002. However, large farms comprise most of the economic output and therefore are an essential component of the future of Snohomish County agriculture; 58 of the 1,600 farms in Snohomish County accounted for 62% of county-wide farm sales in 2002 (the most recent year for which data are available).

The mild climate and rich soil composition in Snohomish County create favorable conditions for diverse agricultural activities. Other geographic benefits include:

- Close proximity to growing, large urban markets; and
- Close proximity to shipping networks for international markets.

The biggest challenges ahead lie in determining which opportunities to pursue. Snohomish County has many opportunities to assist farmers in agricultural activities, and farmers have new, emerging opportunities to capture consumer dollars unlike any other time in recent history. Other challenges include:

- Labor shortages;
- Cost of labor;
- Transportation and energy costs;
- Cost of oil-based inputs such as fertilizer; and
- Distribution networks.

**RECOMMENDED OPPORTUNITIES TO PURSUE**

Investment in infrastructure is key to developing a long-term, sustainable and profitable agricultural community in Snohomish County. Direct sales channels such as developing a year-round public market or promoting agritourism help connect farmers and consumers. Distribution hubs and processing facilities provide smaller farmers with the resources to meet growing demand by restaurants and institutions who need large quantities of products. Food planners and policy guidelines will help ensure an ongoing, comprehensive approach to agricultural sustainability in Snohomish County.

Community Attributes performed an economic analysis of the current agricultural industry and, based on input from county, community and agricultural stakeholders, unique research, and key findings from previous studies, recommends the County continue with the next phase of the Agriculture Sustainability Project, by developing a business plan based on the identified viable opportunities listed below.
- **Year-Round Public Market**: Draw a consistent consumer base to help farmers’ capture a higher proportion of potential sales.

- **Processing Unit**: Allow farmers to increase farm gate value of products.

- **Agritourism**: Create promotional signage to brand Snohomish County and participating farmers.

- **Biofuels**: Innovative technology drives food and fuel usage from canola crops.

- **Distribution Hub**: Infrastructure is required to help connect farmers with purchasers.

- **Hire a Food Systems Planner**: Ensure food and agriculture policy plans are implemented in Snohomish County.

- **Include Food Policy Goals in County Comprehensive Plan**: Plan for growing interconnectedness between agricultural lands and urban needs.

- **Coordinate with other Snohomish County Action Committees**: Avoid duplicate efforts and maximize resources.

- **Develop an Interactive, User-friendly, Web-based Database**: Connect producers and purchasers with interactive, user-friendly Web 2.0 technology.

- **Promote Local Agriculture**: Develop marketing and signage to create brand awareness of Snohomish County agriculture and individual farms.

- **Work with Washington State on Farm-to-School Initiative**: Snohomish County can facilitate the process by sharing information and networks.

- **Develop Snohomish County Agricultural Sustainability Business Plan**: Leverage the recommendations found during the initial work of the Snohomish County Agricultural Sustainability Project to develop a comprehensive Agriculture Sustainability Business Plan.
INTRODUCTION

BACKGROUND AND CONTEXT

Farmers in Snohomish County and the Snohomish County Government have been working actively together in recent years to preserve and enhance the agricultural economy in Snohomish County. In 2005, farmers and agricultural stakeholders created the “Snohomish County Agricultural Action Plan”, which led to the Snohomish County Agriculture Economic Development Action Team (SAEDAT). SAEDAT’s ensuing work culminated with “Strategies for Economic Recovery and Expansion of Snohomish County’s Agriculture Industry”, released in February 2007.

In 2007, the County embarked on a vision process to “provide a road map for how agriculture will look in the future...identify valuable agricultural lands for retention and provide the infrastructure to maintain this viable asset to Snohomish County.” A goal of the project is to “determine the community’s level of commitment and prioritization of issues that will drive the County’s efforts to:

- Sustain and enhance the agriculture economy and its critical land base
- Sustain the character and quality of life of rural communities
- Sustain the environmental health of the rural land resources”

This need for a vision drove the creation of the Snohomish County Agriculture Economic Development Action Team. The vision resulted in the Agriculture Advisory Board (the Ag Board), creating the Snohomish County Agricultural Sustainability Project, supported by this report: the Economic Opportunity Assessment.

A key component of the Sustainability Project includes establishing a baseline of information on existing conditions, including identification of key issues, problems and long-range goals. This analytical component requires establishing a common understanding of agriculture data in Snohomish County, analysis of the data and documentation for reference in developing the vision and supporting strategies.

This Economic Opportunity Assessment provides data and analysis to contribute to the baseline of information required for visioning. Specifically, this report assesses economic opportunities for Snohomish County Agriculture based on economics, demographics, land use and market conditions in the County and region.

METHODS AND APPROACH

The Economic Opportunity Assessment is designed to be viewed along with several companion reports developed by Nyhus Communications (consultant team lead) and MAKERS Architecture + urban design. Nyhus and MAKERS provide strategic communications and land use planning considerations, including a detailed inventory assessment of Snohomish County Agricultural lands.

In addition to providing a common understanding of economic conditions and market opportunities, the Economic Opportunity Assessment provides an overview of specific policies and projects that the Ag Board has ranked high for consideration (transfer of development rights, a year-round public market, and cooperative
This report advances the Ag Board’s and the County’s understanding of the feasibility of these opportunities, to help facilitate a dialogue about these opportunities.

**METHODS**

The Opportunity Assessment relies on a combination of extensive research tailored and conducted exclusively for the Agricultural Sustainability Project. The analysis includes a mix of quantitative and qualitative methods, including the following:

- **Stakeholder interviews.** Stakeholder interviews reached several dozen farmers and agricultural leaders in multiple formats, including formal interactions (telephone interviews, field visits, committee meetings, draft product reviews) and informal conservations (Focus on Farming interactions, field visits).

- **Data analysis.** Data analyzed for the report consisted of published data relevant to analyses. Sparse data on the agricultural industry limits economic analysis. Standard data reports available for other industries do not exist in as much detail nor are they conducted as frequently for agriculture.

- **Community meetings attendance and participation.** In addition to the stakeholder meetings, community involvement events and public interactions informed perspectives and local residents’ understanding of County agriculture concerns.

**ORGANIZATION OF THIS REPORT SECTION**

The remainder of the Economic Opportunity Assessment is organized as follows:

**County Profile and Policy Context.** An overview of demographic and broad economic trends in Snohomish County, including a synthesis of findings from prior studies. This section also includes an overview of County policies affecting agriculture economics in the County, including a more detailed examination of land use policies designed to encourage market actions that preserve agricultural lands.

**Agricultural Industry Profile.** This section provides an outline of the Snohomish County Agricultural Industry, including data on leading and emerging agricultural sectors.

**Food Systems.** This section provides a snapshot of the local food system value chain, including information on the emerging local food economy in the Puget Sound region.

**Key Industry Issues.** Stakeholder interviews yielded a range of key concerns and trends affecting the future of County agriculture, summarized in this section, supplemented with key findings drawn from data analysis.

**Assessment of Agricultural Sustainability Opportunities.** This section aligns the County profile and trends with concerns and opportunities. The section includes more detailed examination of a year-round public market, agritourism, and cooperative processing plants in the form of case studies.

**Conclusion and Recommendations.** Major findings and conclusions draw from the analysis to facilitate the County’s dialogue for future decision-making.
COUNTY PROFILE & POLICY CONTEXT

This section provides an overview of the demographic and economic trends in Snohomish County to inform the agricultural economic opportunities analysis. Population growth, changes in employment, and demographic changes provide the context for understanding changes in local agriculture and future opportunities.

DEMOGRAPHIC AND ECONOMIC TRENDS

The County’s agricultural industry is heavily impacted by county and regional population growth. Population growth drives housing demand increasing single-family home values and demand for lower cost single-family housing.

Housing developers respond by buying land for housing development. Residential housing developers are able to pay higher prices for land than farmers, which drives up land values.

A growing population and household base also presents greater opportunities in the local market for Snohomish County farmers. This section provides the population and demographic backdrop for these complex economic issues, which are developed further in subsequent sections, referring back to this backdrop of rapid population growth.

POPULATION, HOUSEHOLD INCOME & HOUSING PRICES

Snohomish County is the third most populated county in the state, following King and Pierce counties. Snohomish County’s economy and public policies are closely tied to the central Puget Sound region, including Snohomish, King, Pierce and Kitsap counties. Approximate 35% of Snohomish County’s residents commute to jobs in King County.

Exhibit 1 presents the annual change in population from 1960 to 2008 and projected average annual change from 2008 to 2040. Since 1960, Snohomish County has grown at an average annual rate of 2.5%, faster than King, Whatcom and Skagit counties, though King County’s greater population base means a greater increase in the number of people per year, as shown on Exhibit 2. More recently, since 2000, Snohomish County has grown at a rate of 1.8%, similar to Whatcom County (1.8%) and higher than King County (1.0%) and Skagit County (1.7%).
Exhibit 1
Average Annual Change in Population, Snohomish County and the Central Puget Sound Region, 1960 - 2040

Exhibit 2
Population Growth, Snohomish County and the Central Puget Sound Region, 1960 - 2040

Snohomish County’s population is estimated to be 700,800 residents in 2008, representing 19% of the 3.6 million estimated Central Puget Sound region’s total population. Population forecasts indicate that Snohomish County will grow at an average annual rate of 1.5% per year through 2040, gaining an additional 383,000 residents to reach more than one million total County residents. Based on the average persons per household in 2000, this would amount to an additional 145,000 households.

Comparatively, while Skagit and Whatcom Counties have higher growth percentages forecasted, 1.8% and 1.6% respectively, the actual population increase (123,100 and 95,100) is moderate compared to Snohomish County. King County is expected to grow by more than 514,000 by 2040 to reach 2.4 million residents.

Exhibit 3 presents the median household income for King, Skagit, Snohomish and Whatcom counties from 1999 to 2007. Between 1999 and 2007 Snohomish County’s median household income has risen on average 2.5% a year, comparable to the national inflation rate of 2.5% over the same time period. Median household incomes in both King and Skagit Counties have slightly outpaced inflation with average annual increases of 3.0% and 3.6%, respectively.

Exhibit 4 presents the 2000 median household income for parts of King, Snohomish, and Skagit counties by census block group, the smallest geography for which income data are tracked. Presenting income in this way demonstrates how incomes vary from area to area. Darker green represents areas with higher median household incomes, such as along the Puget Sound in Everett, Mukilteo, and Edmonds. Areas along Highway 99 have lower median incomes.
In 2000, 74% of households in Snohomish County occupied single family housing. Exhibit 5 presents median single family housing prices from 1996 to 2006. Median single family housing prices in Snohomish County have been consistently lower than King County and higher than Skagit County from 1996 through 2006. In 2006, the median price for a single family house in Snohomish County was $345,400, representing a 16% increase from the preceding year. From 1996 – 2006 the average annual increase in housing prices has been 8.5% in Snohomish County, less than the 9.3% in King County, though greater than the 6.9% seen in Skagit County.

Exhibit 5
Median Single Family Housing Prices, 1996 - 2006


In conclusion, continued population growth along with increasing household income combines to generate higher demand for housing, as well as higher housing prices. The increase in housing prices, especially since 2004, reflects growing demand. The increased market for housing translates into increased development pressure throughout Snohomish County.

JOB GROWTH

In 2006, Snohomish County reported a total of 228,518 covered employees, which are employees covered by the Washington Unemployment Insurance Act, as shown in Exhibit 6. This excludes self-employed workers, proprietors, and other non-insured workers.

Since 1995 Snohomish County has added 46,772 covered jobs and grown at an average annual rate of 2.1%. The Services sector added the highest number of jobs, nearly 20,000, since 1995. The most rapid growth rate, in percentage terms, occurred in Construction and Resources jobs, growing at an average annual rate of 4.3% from 1995 - 2006.
### Exhibit 6
#### Snohomish County Covered Employment by Sector, 1995 – 2006

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Const/Res</td>
<td>12,684</td>
<td>16,659</td>
<td>18,192</td>
<td>20,151</td>
</tr>
<tr>
<td>FIRE</td>
<td>7,127</td>
<td>9,088</td>
<td>12,518</td>
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<tr>
<td>Manufacturing</td>
<td>49,526</td>
<td>53,454</td>
<td>43,478</td>
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<tr>
<td>Retail</td>
<td>22,952</td>
<td>27,020</td>
<td>26,644</td>
<td>28,377</td>
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<td>Services</td>
<td>53,917</td>
<td>62,102</td>
<td>69,822</td>
<td>73,801</td>
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<tr>
<td>WTU</td>
<td>7,801</td>
<td>7,862</td>
<td>9,600</td>
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<tr>
<td>Education</td>
<td>14,475</td>
<td>15,622</td>
<td>16,680</td>
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<td>Government</td>
<td>13,264</td>
<td>15,957</td>
<td>19,877</td>
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<td>Total</td>
<td>181,746</td>
<td>207,764</td>
<td>216,811</td>
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### Change in Jobs

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<th>Period</th>
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<th>Retail</th>
<th>Services</th>
<th>WTU</th>
<th>Education</th>
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<th>Total</th>
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</thead>
<tbody>
<tr>
<td>1995 - 2000</td>
<td>3,975</td>
<td>1,961</td>
<td>3,928</td>
<td>4,068</td>
<td>8,185</td>
<td>61</td>
<td>1,147</td>
<td>2,693</td>
<td>26,018</td>
</tr>
<tr>
<td>2000 - 2005</td>
<td>1,533</td>
<td>3,430</td>
<td>(9,976)</td>
<td>(376)</td>
<td>7,720</td>
<td>1,738</td>
<td>1,058</td>
<td>3,920</td>
<td>9,047</td>
</tr>
<tr>
<td>1995 - 2006</td>
<td>7,467</td>
<td>5,512</td>
<td>(2,734)</td>
<td>5,425</td>
<td>19,884</td>
<td>2,079</td>
<td>2,526</td>
<td>6,613</td>
<td>46,772</td>
</tr>
</tbody>
</table>

### CAGR 1995 - 2006

<table>
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<tr>
<th>Period</th>
<th>Const/Res</th>
<th>FIRE</th>
<th>Manufacturing</th>
<th>Retail</th>
<th>Services</th>
<th>WTU</th>
<th>Education</th>
<th>Government</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>1995 - 2000</td>
<td>4.3%</td>
<td>5.3%</td>
<td>-0.5%</td>
<td>1.9%</td>
<td>2.9%</td>
<td>2.2%</td>
<td>1.5%</td>
<td>3.7%</td>
<td>2.1%</td>
</tr>
<tr>
<td>2000 - 2005</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>1995 - 2006</td>
<td>27%</td>
<td>26%</td>
<td>20%</td>
<td>20%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>9%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: Puget Sound Regional Council, 2007

### Exhibit 7

Exhibit 7 presents the distribution of jobs across eight industrial categories, or sectors. The largest proportion of employment is in the Services sector, which has grown slightly in proportion since 1995. The largest decrease in percentage terms has been in the Manufacturing sector, which has shown a loss of 2,734 jobs since 1995.

### Exhibit 7

#### Distribution of Snohomish County Covered Employment by Sector, 1995 – 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Const/Res</th>
<th>FIRE</th>
<th>Manufacturing</th>
<th>Retail</th>
<th>Services</th>
<th>WTU</th>
<th>Education</th>
<th>Government</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>7%</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>4%</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>4%</td>
<td>4%</td>
<td>32%</td>
<td>4%</td>
<td>32%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>12%</td>
<td>13%</td>
<td>13%</td>
<td>12%</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Puget Sound Regional Council, 2007
Exhibit 8 presents employment forecasts from 2006 to 2040 for five industrial categories. The industrial group of Financial, Insurance, Real Estate, and Services is expected to add the greatest number of jobs—more than 90,000 over the next 30 years. Large job growth in this industry is associated with an increasingly urbanized economy. Manufacturing is projected to have the least amount of growth, with the addition of 4,391 jobs through 2040.

Exhibit 8
Snohomish County Employment Forecasts, 2006 – 2040

IMPLICATIONS FOR SNOHOMISH COUNTY AGRICULTURE

Population growth in Snohomish County creates both opportunities and challenges for Snohomish County farmers. Increased population density leads to increased demand for housing. The preferred housing style in Snohomish County has been single-family, detached housing, which has been historically built away from urban centers on land recently converted to residential uses, thus encroaching onto agricultural land. Development pressures on agricultural land include rising land values for potential housing as well as introducing land-uses and lifestyles incompatible with agriculture.

Higher population growth in Snohomish County yields increasing pressures that other farming counties, such as Whatcom and Skagit, will not face as greatly. This amounts to an increasing challenge to preserve agricultural lands in Snohomish County. This economic pressure on farmers in Snohomish County could make less expensive land in Whatcom and Skagit counties look relatively more attractive for farming.

However, Snohomish County’s close proximity to the regional urban centers also means that it has greater access to a significantly growing population, both within the county itself and in the Greater Seattle area. This presents a growing market for Snohomish County farmers. As the population growth continues one would expect to see increased market pressures (and therefore regulatory pressures) to increase housing densities across all lands. These pressures will require smaller farms to penetrate the local market to maximize profits to keep up with the economic pressures on their land.
COUNTY LAND AND DEVELOPMENT POLICIES

The County’s land and development policies generally consist of three major categories: (1) land use planning related to the Growth Management Act, including designated agricultural lands, (2) programs designed to address countywide economic trends and allow market-based decisions to preserve agriculture lands, and (3) economic development planning and actions (including the SAEDAT committee, the impetus for this report). This section provides an assessment of land use planning polices and the market-based land programs, focusing on transfer of development rights (TDR) and purchase of development rights (PDR) considerations. The following section outlines efforts to date related to economic development planning.

The County’s land use laws contribute to determining how farmers use agricultural lands in Snohomish County. The State’s Growth Management Act and the County’s Comprehensive Plan provide the policy framework that affect market forces, compatibility with surrounding areas and allowed uses on ag lands. In addition, County programs such as TDR/PDRs affect ag land value and farmers’ decisions on how to use the land.

GROWTH MANAGEMENT ACT PLANNING AND THE COUNTY COMPREHENSIVE PLAN: AGRICULTURAL PRESERVE LANDS

The County’s land use planning provide two important functions: (1) define allowed agricultural uses on and near farmland, and (2) concentrate higher density housing and economic activity away from farming activities, thereby allowing farming activities to occur without impact concerns, as well as limiting non-farm activities that could potentially challenge farmers for use of the land.

Agricultural activity occurs primarily on land designated A-10 (agricultural, 1 du/10 acres allowed) or R-5 (rural, 1 du/5 acres allowed). The small farms operating outside designated agriculture land are especially susceptible to development pressures, especially those in R-5 areas. Lands located within designated agriculture land areas are eligible for farmland preservation efforts such as purchase of development rights.

The Office of Farmland Preservation, established by legislation in 2007, is tasked with developing a program and tools for continuing agricultural viability throughout Washington State. As of April 2008, 8 grants of $25,000 each were awarded to 8 counties to conduct preservation studies. Snohomish County was not included in the study, but should track the progress of the study with the Office of Farmland Preservation.

MARKET-BASED COUNTY PROGRAMS: PDRS AND TDRS

Snohomish County policies include two major market-based programs that affect land use for farmers: purchase of development rights (PDRs) and transfer of development rights (TDRs). Both programs are designed to compensate owners of agricultural land for giving up the opportunity to develop housing on their land at the allowed density of zoning for their land.
**Snohomish County Purchase of Development Rights Program**

The County’s PDR program designates agricultural lands as areas in which land owners can sell to the County the right to develop their property at the allowed density. The County established the pilot program in February 2006 with the stated goal to permanently preserve rural farmland. The pilot program concentrated on the Tualco Valley, focusing on contiguous farmland areas to help minimize conflicting land-uses. The program allows farm land owners to benefit economically while permanently removing the right to develop the land at the underlying density.

**► Benefits**

- Limits development on the land in perpetuity. After the County compensates the land owner for the development right, the land itself remains the property of the land owner. A conservation easement is placed on the property area to which the development rights were sold, thereby preventing development not related to agricultural uses.

- Freedom to choose by the land owner. The land owner can choose whether to limit the development or maintain the right to develop. This empowers the owner to weigh selling opportunities in the future against program participation.

**► Challenges**

- Sources of funds. The program is not funded through market based incentives, but rather funded solely by government allocations of government money. Half of the funding has come from a Farm and Ranchlands Protection Program grant from the USDA Natural Resources Conservation Service (NRCS); the other half comes from the Snohomish County Conservation Futures Fund.

  Government money always has been and always will be closely scrutinized by elected officials and their voting public. Money to fund this program depends on alignment of public support with the associated sources of government funding. Acquiring funding requires writing grant proposals which requires funding and staff time, and still may not yield money for additional purchases.

  The limited funding creates a competitive application environment. Staff administration appears burdensome for program management. County staff administers the program, contacting farmers through mailing or calls to gauge interest in participation.

  Applications are scored and ranked by criteria evaluating the agricultural value of a property and the risk of a property being converted to non-agricultural uses.

- **Price negotiations.** Successful outcomes of transactions require agreement on a fair price between the seller and the government. The County initiates an appraisal process, looking for comparable property transactions, and then discounting for investments required to develop the property (street lights, sewer, others).
Additional PDR Program Considerations

- **Risk to seller.** The seller bears a timing risk (as in TDRs). When the owner goes to sell the property, the land will be valued in the market according to the allowed uses, which will no longer include the right to develop the land at the underlying density.

- **Contiguous land preservation.** The Snohomish County program currently focuses on the Tualco Valley. This strategy is designed to preserve as much contiguous land as possible through the program, this counters fragmented ag land patterns, interrupted by industrial or other uses (as is the case in the Kent Valley in King County). The fragmentation of the farmland makes farming less viable overall and can lead to individual farms being less valuable for agricultural purposes.

Success to Date

One transaction has been completed and others are underway in various stages. Chet Hoberg sold the development rights to six 5-acre lots (30 acres total) to the County for $542,850 ($18,095 per acre). Shortly thereafter, the area was re-zoned as designated agricultural land and the farmland value became about $4,500/acre. Hoberg recently sold the land for $14,000/acre. This sales price has raised some concern among farmers challenging the notion that a PDR keeps land affordable for future farmers.

Transfer of Development Rights

Snohomish County is proposing a TDR program that will allow increased densities in receiving areas only if the developer buys the right to build higher or at greater density. The money from the purchase would go to the owner of land in the sending areas where under existing policy the sending area could be developed more densely that currently developed. The owner of the sending area land in turn sells his or her right to develop the land as densely as policy would otherwise allow.

The program is in design stages with key components are under consideration. Among the most important components still under consideration is the process for determining how the County TDR program will equate a right to develop in a receiving area to the right to develop in a sending area.

In many such programs, the market to buy the right to build an additional dwelling unit in the sending area is not enough to purchase the right to develop an additional dwelling unit in the sending area. As a result, conversion ratios are established. For example, the buyer can build four units in the receiving area for every one unit purchased from the sending areas.

Changing the unit of development rights from the number of dwelling units to square feet of development allowed can help adjust for disparities created by varying parcel sizes. The amount of building square footage allowed relative to the land area of the parcel is referred to as the floor-to-area ratio, or FAR. Thus, FAR can become the commodity exchanged through TDRs, as is common in practice.

For a TDR program to be successful, the sending area economic considerations are typically straightforward, but the receiving area conditions are more complex. From the sending area seller’s
perspective, the sales price of the development right is simply compared against the sales price of the property outright in the real estate market, taking in consideration of their own use of the property.

In the receiving areas, however, several fundamentals must exist, including the following.

- **Purchase price of the development right must be low enough for developer to absorb into development costs and still achieve desired return.**

- **The TDR must be the least expensive means, or the only means for a purchaser to achieve the increased allowed density.**

- **Sales prices of additional units in receiving area must cover the cost to the developer for having paid for the right to develop the units.**

- **Receiving areas must have land capacity, including regulation considerations, to absorb the purchased rights.**

In addition, several program administrative guidelines affect success.

- **Ratios.** As mentioned above, ratios can set an equilibrium between a seller’s willingness to sell and a buyer’s willingness to pay.

- **Market-wide considerations.** If the opportunity exists to build at same density and sell units for the same revenue outside of the receiving area, without incurring costs equivalent to purchasing TDRs, then developers will choose to develop outside of the receiving area.

- **Logistics.** Programs with a centralized bank have proven more successful than programs where buyers and sellers must find each other. With a bank, the County, or often a third-party administrator, sets the market price for buying and selling development rights. Buyers can pay into the bank prior to sending area sellers’ participation, funding future transactions with sellers. Or, depending on the funding available, sellers can sell to the bank for buyers to draw from in the future.

    In addition to process benefits to buyers and sellers, the bank can help the program through fluctuating market conditions, during times when buyer and seller incentives are not aligned.

- **Multiple receiving areas.** Countywide and regionwide programs are particularly challenged by varying economic conditions among multiple receiving areas. Developers may not value the rights evenly among receiving areas. Pricing and ratios become particularly significant in such cases.
SYNTHESIS OF PRIOR STUDIES

Snohomish County has been engaged in strategic actions towards sustaining agriculture for many years. Previous efforts of Snohomish County, Snohomish County Agricultural Economic Development Action Team (SAEDAT), Good Food Strategies and other stakeholders inform the present inquiry into economic opportunities for agriculture. The following timeline lists some of the key events and efforts towards developing a comprehensive strategy to sustain agriculture in Snohomish County.

Timeline of Key Snohomish County Agriculture Strategy Reports and Efforts

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>November '04</td>
<td>First Focus on Farming Conference, 350 people attend.</td>
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<tr>
<td>March '05</td>
<td>Aaron Reardon, along with a team of 11 farmers, created the Snohomish County Agriculture Action Plan</td>
</tr>
<tr>
<td>October '05</td>
<td>The Snohomish County Agricultural Economic Development Action Team (SAEDAT) was formed with the objective of reviewing the Snohomish County Agricultural Action Plan and to recommend feasible implementation strategies for Economic Development</td>
</tr>
<tr>
<td>February '07</td>
<td>Final SEADAT presentation to County Executive.</td>
</tr>
<tr>
<td>April '06</td>
<td>Meeting of Northwest Elected Officials at the Northwest Agricultural Summit</td>
</tr>
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</table>

Key documents informing this study include the following, as well as numerous other reports and publications.


- *Agriculture in Snohomish County: A strategic approach to communications and messaging*. Research and report by Good Food Strategies, LLC. June, 2007

The combined efforts listed above have identified numerous strategies for preserving agriculture in Snohomish County. This report furthers the efforts already underway by Snohomish County and its stakeholders by reviewing the current agricultural activity in Section 3, and assessing the economic and financial feasibility of key strategies recommended by COSC in Section 6. A summary of these key strategies is presented in Appendix B. These include, but were not limited to, the strategies listed
A Community Vision for Sustainable Agriculture in Snohomish County
Economic Opportunity Assessment
Section A-21

- Agricultural Lands Funds
- Transfer of Development Rights Program
- Purchase of Development Rights Program
- Agricultural Zoning or Agricultural Production Overlay
- Critical Areas Ordinance (CAO)
- CAO Outreach and Education
- Aligning Habitat Restoration with Agricultural Preservation
- Farmer Tax Incentives
- Simplify Permit/Regulatory Processes.
- Farmer Advocacy
- Signage
- Permanent Public Farmers Market
- Direct Marketing Agritourism
- Identifying Financial Resources for Farmers
- Equine-related Enterprises
- Expanding Markets
- Snohomish-Grown Identity
- Media Outreach
- Agricultural Processing Facilities
- Create An Agriculture Vision for Snohomish County
- Create an Agricultural Business Plan
- Flood and Drainage Management
- Farmland Preservation Coordinator
- Economic Development Program
- Diversifying farm enterprises
- Direct Marketing
- Specialty Markets and Products
- Value-added products
- New Crops
- Nursery Operations
- County Agricultural Industry Profile
AGRICULTURAL ACTIVITY PROFILE

PRODUCTION INPUTS

LAND AND ENVIRONMENT

Two major indicators for the land and environment drive the possibility of farming in Snohomish County: the amount of land accessible and the environmental conditions that affect production choices, particularly the weather climate and soil conditions.

Climate and Soils

The mild and typically humid climate of the Puget Sound region is characterized by wintertime clouds and rain, with an average annual precipitation of approximately 40 inches and average temperature of 50 degrees Fahrenheit.

The fertile soil conditions in the County, composed largely of very deep Puget silty clay loam, along with the relatively mild, but shorter growing season, provide excellent conditions for many market crops such as berries, potatoes and sweet corn.

Native vegetation is mainly hardwoods and many nursery crops grow well in this climate and soil.

Amount of Land

The amount of land available is constrained and has been shrinking in past decades due to market forces that include population and housing growth. Developers can often afford to pay more for land to develop housing than other farmers can afford to pay for the purpose of keeping the land in agricultural production.

The map shown in Exhibit 9 was created by MAKERS Architecture + Urban Design as a comprehensive land-use inventory. The map shows designated agricultural areas and other agricultural land areas. The map is discussed in more detail by MAKERS in other sections of this report, and is shown here as a reference to the amount of land in agricultural production within Snohomish County.
**Size of farms**

The US Agriculture Census tracks farms where more than $1000 or more of agricultural products were produced and sold, or normally would have been sold, during the reference year. According to the Agriculture Census of 2002, the most recent year for which farm size data are available, there were 1,574 farms in Snohomish County, as shown on Exhibit 10. Approximately 4% of farms in Washington State are located in Snohomish County. Snohomish County has nearly the same number of farms as King County, though a greater number than Island, San Juan, Skagit and Whatcom Counties.

**Exhibit 10**

*Farms by Size, Washington State and Selected Counties, 2002*

<table>
<thead>
<tr>
<th>Size Category</th>
<th>Washington State</th>
<th>Snohomish County</th>
<th>Island County</th>
<th>King County</th>
<th>San Juan County</th>
<th>Skagit County</th>
<th>Whatcom County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 9 acres</td>
<td>7,482</td>
<td>534</td>
<td>97</td>
<td>660</td>
<td>32</td>
<td>164</td>
<td>287</td>
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<tr>
<td>10 to 49 acres</td>
<td>13,187</td>
<td>738</td>
<td>172</td>
<td>705</td>
<td>119</td>
<td>357</td>
<td>636</td>
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<td>50 to 179 acres</td>
<td>7,223</td>
<td>225</td>
<td>65</td>
<td>146</td>
<td>52</td>
<td>222</td>
<td>374</td>
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<td>180 to 499 acres</td>
<td>3,439</td>
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<td>12</td>
<td>33</td>
<td>18</td>
<td>86</td>
<td>152</td>
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<td>500 to 999 acres</td>
<td>1,635</td>
<td>20</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>21</td>
<td>25</td>
</tr>
<tr>
<td>1,000 acres or more</td>
<td>2,973</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>2</td>
<td>22</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35,939</strong></td>
<td><strong>1,574</strong></td>
<td><strong>348</strong></td>
<td><strong>1,548</strong></td>
<td><strong>225</strong></td>
<td><strong>872</strong></td>
<td><strong>1,485</strong></td>
</tr>
</tbody>
</table>

**Median size of farm (in acres)**

<table>
<thead>
<tr>
<th>County</th>
<th>Median Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State</td>
<td>48</td>
</tr>
<tr>
<td>Snohomish County</td>
<td>18</td>
</tr>
<tr>
<td>Island County</td>
<td>20</td>
</tr>
<tr>
<td>King County</td>
<td>10</td>
</tr>
<tr>
<td>San Juan County</td>
<td>38</td>
</tr>
<tr>
<td>Skagit County</td>
<td>43</td>
</tr>
<tr>
<td>Whatcom County</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: US Agriculture Census, 2002

Snohomish County is dominated by small farms. More than three-quarters of the farms in Snohomish County are less than 48 acres in size. Snohomish County has a median farm size of 18 acres, fewer than all the counties exhibited, except for King County. Exhibit 11 presents the percentage of farms by size category for 2002.

**Exhibit 11**

*Percent of Farms by Size, Washington State and Selected Counties, 2002*

Source: US Agriculture Census, 2002

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A Community Vision for Sustainable Agriculture in Snohomish County
Economic Opportunity Assessment
Section A-25
**Exhibit 12** presents the number of farms by size segment for 1987, 1992, 1997, and 2002 in Snohomish County. From 1987 to 2002 Snohomish County experienced a decline in mid-size farms 50 to 499 acres. However, the county experienced an increase in smaller farms. Farms sized 1 to 9 acres increased by 113 over the 15 year period. Farms sized 10 to 49 acres increased by 74 over the 15 year period. The increase in smaller farms suggests that Snohomish County offers some advantages for small farms.

**Exhibit 12**

Change in Number of Farms by Size, Snohomish County, 1987 – 2002

Farms by Revenues

Snohomish County farmers sold more than $154 million in agricultural products. This amounts to approximately 3% of all farm sales made in Washington State in 2002. More than 20% of all farm sales in Snohomish County were made by farms with less than $50,000 in sales. While there are only 58 farms in Snohomish County that made more than $500,000 in sales, related sales amounted to more than $95 million or 62% of all the farm sales in the county.

**Exhibit 13** presents the number of farms by value of sales for Washington State, Snohomish County and other selected counties for 2002. Most of the farms in Washington had less than $50,000 in sales in 2002. Snohomish County follows this pattern with 1,373 or 87% of all farms having less than $50,000 in sales. This is a greater number of farms earning less than $50,000 than the other western Washington counties that are exhibited, demonstrating Snohomish County’s concentration in small farms.

Source: US Agriculture Census, 2002
Exhibit 13
Number of Farms by Value of Sales, 2002

<table>
<thead>
<tr>
<th>Value of Sales</th>
<th>Washington State</th>
<th>Island County</th>
<th>King County</th>
<th>San Juan County</th>
<th>Skagit County</th>
<th>Snohomish County</th>
<th>Whatcom County</th>
<th>Six County Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farms per segment</td>
<td>27,187</td>
<td>326</td>
<td>1,372</td>
<td>218</td>
<td>633</td>
<td>1,373</td>
<td>1,061</td>
<td>4,983</td>
</tr>
<tr>
<td>Less than $50,000</td>
<td>2,157</td>
<td>6</td>
<td>46</td>
<td>3</td>
<td>55</td>
<td>66</td>
<td>57</td>
<td>233</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>3,893</td>
<td>9</td>
<td>48</td>
<td>3</td>
<td>52</td>
<td>44</td>
<td>116</td>
<td>272</td>
</tr>
<tr>
<td>$100,000 to $249,000</td>
<td>1,741</td>
<td>1</td>
<td>17</td>
<td>-</td>
<td>36</td>
<td>33</td>
<td>102</td>
<td>189</td>
</tr>
<tr>
<td>$250,000 to $499,000</td>
<td>1,961</td>
<td>6</td>
<td>65</td>
<td>1</td>
<td>96</td>
<td>58</td>
<td>149</td>
<td>375</td>
</tr>
<tr>
<td>$500,000 or more</td>
<td>35,939</td>
<td>348</td>
<td>1,548</td>
<td>225</td>
<td>872</td>
<td>1,574</td>
<td>1,485</td>
<td>6,052</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Percentage by segment

<table>
<thead>
<tr>
<th>Value of Sales</th>
<th>76%</th>
<th>94%</th>
<th>89%</th>
<th>97%</th>
<th>73%</th>
<th>87%</th>
<th>71%</th>
<th>82%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $50,000</td>
<td>6%</td>
<td>2%</td>
<td>3%</td>
<td>1%</td>
<td>6%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>8%</td>
<td>3%</td>
<td>3%</td>
<td>1%</td>
<td>6%</td>
<td>3%</td>
<td>8%</td>
<td>4%</td>
</tr>
<tr>
<td>$100,000 to $249,000</td>
<td>5%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>4%</td>
<td>2%</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>$250,000 to $499,000</td>
<td>5%</td>
<td>2%</td>
<td>4%</td>
<td>0%</td>
<td>11%</td>
<td>4%</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>$500,000 or more</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total Sales by segment ($1,000)

<table>
<thead>
<tr>
<th>Value of Sales</th>
<th>679,675</th>
<th>8,150</th>
<th>$34,300</th>
<th>5,450</th>
<th>$15,825</th>
<th>$34,325</th>
<th>$26,525</th>
<th>$124,575</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $50,000</td>
<td>161,775</td>
<td>450</td>
<td>$3,450</td>
<td>$225</td>
<td>$4,125</td>
<td>$4,950</td>
<td>$4,275</td>
<td>$17,475</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>506,275</td>
<td>4,575</td>
<td>$8,400</td>
<td>$525</td>
<td>$9,100</td>
<td>$7,700</td>
<td>$20,300</td>
<td>$47,600</td>
</tr>
<tr>
<td>$100,000 to $249,000</td>
<td>506,275</td>
<td>4,575</td>
<td>$8,400</td>
<td>$525</td>
<td>$9,100</td>
<td>$7,700</td>
<td>$20,300</td>
<td>$47,600</td>
</tr>
<tr>
<td>$250,000 to $499,000</td>
<td>3,918,533</td>
<td>5,966</td>
<td>$96,576</td>
<td>$189,142</td>
<td>$95,670</td>
<td>$219,930</td>
<td>$607,284</td>
<td></td>
</tr>
<tr>
<td>$500,000 or more</td>
<td>5,872,697</td>
<td>16,141</td>
<td>$148,686</td>
<td>$6,200</td>
<td>$229,906</td>
<td>$154,864</td>
<td>$308,124</td>
<td>$863,921</td>
</tr>
</tbody>
</table>

Source: US Agriculture Census, 2002

Direct Marketing and Certified Organic

Many of the strategies for increasing the viability of agriculture in Snohomish County are based on increasing markets and developing value-added or niche products. Direct marketing holds significant potential for increasing the market opportunity for Snohomish County farms. Exhibit 14 presents the number of farms that sold more than $1,000 in agricultural products that reported selling directly to individuals for 1997 and 2002. Out of the six western Washington counties presented, Snohomish County has the greatest number of farms that sell direct to individuals. In 2002, 284 or 18% of all farms reported selling direct to individuals either through roadside stands, farmers’ markets, pick-your-own sites, or other means. This was an increase of 8 farms since 1997. Since 2002, the number of farms selling directly is believed to have increased further, especially in more recent years.

2002 was the first year for which data on the number of farms that are certified organic was tabulated by the US Agriculture Census. The number of farms reporting to be certified organic is presented in Exhibit 14. In 2002, 25 farms, or 2% of Snohomish County farms, reported being certified organic. The proportion of farms that are certified organic across the six western Washington counties is similar, ranging from two to five percent.
Exhibit 14
Direct Marketing and Certified Organic Farms, Snohomish and Selected Counties, 1997-2002

<table>
<thead>
<tr>
<th></th>
<th>Snohomish County</th>
<th>Island County</th>
<th>King County</th>
<th>San Juan County</th>
<th>Skagit County</th>
<th>Whatcom County</th>
</tr>
</thead>
<tbody>
<tr>
<td>All farms (2002)</td>
<td>1,574</td>
<td>348</td>
<td>1,548</td>
<td>225</td>
<td>872</td>
<td>1,485</td>
</tr>
<tr>
<td>Total farms that sell direct to individuals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>276</td>
<td>85</td>
<td>236</td>
<td>70</td>
<td>158</td>
<td>196</td>
</tr>
<tr>
<td>2002</td>
<td>284</td>
<td>96</td>
<td>237</td>
<td>62</td>
<td>165</td>
<td>190</td>
</tr>
<tr>
<td>Change</td>
<td>8</td>
<td>11</td>
<td>1</td>
<td>(8)</td>
<td>7</td>
<td>(6)</td>
</tr>
<tr>
<td>Percent of all farms</td>
<td>18%</td>
<td>28%</td>
<td>15%</td>
<td>28%</td>
<td>19%</td>
<td>13%</td>
</tr>
<tr>
<td>Total farms that are certified organic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2002 Farms</td>
<td>25</td>
<td>12</td>
<td>41</td>
<td>11</td>
<td>28</td>
<td>25</td>
</tr>
<tr>
<td>Percent of all farms</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td>5%</td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: US Census of Agriculture

AGRICULTURE JOBS AND LABOR

The two sources that provide information on agriculture employment in Snohomish County are the US Agriculture Census and the Washington State Employment Security Department. The US Agriculture Census collects self-reported information on the number of people employed on farms, including migrant and temporary workers. **Exhibit 15** presents the total number and total annual payroll for hired farm workers in Washington State and selected counties. Hired farm workers compose about 70% of the agriculture labor force for the nation, with the remaining 30% being paid and unpaid family members.

In 2002 Snohomish County had 3,193 hired farm workers, less than Skagit and Whatcom counties, but more than Island and San Juan counties. King County reported a similar number of hired farm workers for 2002 at 3,059. The number of hired farm workers in Snohomish County remained relatively constant since 1992, increasing on average only 0.6% per year.

In 2002, total payroll for hired farm workers in Snohomish County amounted to almost $31 million dollars. The total payroll for hired workers increased more quickly than the number of hired farm workers in Snohomish County between 1992 to 2002, perhaps indicating that the farm worker’s pay rate is rising.
Exhibit 15
Total Number of Hired Farm Workers and Total Annual Payroll for Washington State and Selected Counties, 1992 – 2002

<table>
<thead>
<tr>
<th>Hired farm labor</th>
<th>1992</th>
<th>1997</th>
<th>2002</th>
<th>Average Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Island</td>
<td>483</td>
<td>646</td>
<td>405</td>
<td>-1.75%</td>
</tr>
<tr>
<td>King</td>
<td>2,464</td>
<td>2,645</td>
<td>3,059</td>
<td>2.19%</td>
</tr>
<tr>
<td>San Juan</td>
<td>165</td>
<td>134</td>
<td>190</td>
<td>1.42%</td>
</tr>
<tr>
<td>Skagit</td>
<td>7,633</td>
<td>6,140</td>
<td>9,048</td>
<td>1.72%</td>
</tr>
<tr>
<td>Snohomish</td>
<td>3,020</td>
<td>3,290</td>
<td>3,193</td>
<td>0.56%</td>
</tr>
<tr>
<td>Whatcom</td>
<td>7,772</td>
<td>7,110</td>
<td>8,329</td>
<td>0.69%</td>
</tr>
<tr>
<td>Washington</td>
<td>250,934</td>
<td>251,395</td>
<td>262,528</td>
<td>0.45%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Payroll for hired workers ($1,000)</th>
<th>1992</th>
<th>1997</th>
<th>2002</th>
<th>Average Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Island</td>
<td>$1,435</td>
<td>$1,978</td>
<td>$1,239</td>
<td>-1.46%</td>
</tr>
<tr>
<td>King</td>
<td>$14,359</td>
<td>$18,450</td>
<td>$28,398</td>
<td>7.06%</td>
</tr>
<tr>
<td>San Juan</td>
<td>$62</td>
<td>$179</td>
<td>$718</td>
<td>27.75%</td>
</tr>
<tr>
<td>Skagit</td>
<td>$30,071</td>
<td>$27,309</td>
<td>$53,921</td>
<td>6.01%</td>
</tr>
<tr>
<td>Snohomish</td>
<td>$14,802</td>
<td>$22,632</td>
<td>$30,900</td>
<td>7.64%</td>
</tr>
<tr>
<td>Whatcom</td>
<td>$24,951</td>
<td>$26,844</td>
<td>$39,161</td>
<td>4.61%</td>
</tr>
<tr>
<td>Washington</td>
<td>$601,614</td>
<td>$771,003</td>
<td>$987,399</td>
<td>5.08%</td>
</tr>
</tbody>
</table>

Source: US Agriculture Census

Exhibit 16
Average Total Agricultural Employment, 1999 – 2006

<table>
<thead>
<tr>
<th>Total workers</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State</td>
<td>59,760</td>
<td>61,020</td>
<td>89,750</td>
<td>87,150</td>
<td>91,960</td>
<td>97,150</td>
<td>93,190</td>
<td>93,580</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Change</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seattle-Bellevue-Everett</td>
<td>-6.05%</td>
<td>17.80%</td>
<td>-3.24%</td>
<td>-0.82%</td>
<td>6.14%</td>
<td>-2.62%</td>
<td>-2.97%</td>
<td></td>
</tr>
<tr>
<td>Washington State</td>
<td>2.06%</td>
<td>32.01%</td>
<td>-2.98%</td>
<td>5.23%</td>
<td>5.34%</td>
<td>-4.25%</td>
<td>0.42%</td>
<td></td>
</tr>
</tbody>
</table>


The Washington State Employment Security Department (ESD) also provides data on agricultural laborers in Snohomish County. The ESD conducts a monthly survey of agricultural labor and publishes the data annually. Due to a small sampling size, the ESD does not report agricultural employment for Snohomish County on its own. Rather, Snohomish and King Counties are combined in the reporting.
Exhibit 16 presents the average total agricultural employment for 1999 through 2006. Whereas the US Agriculture Census data in Exhibit 15 counts the total number of farm workers for the whole year, the ESD data in Exhibit 16 averages the number over the 12 month period. In addition, the figures do not account for individuals holding more than one agriculture job; thus the numbers can be interpreted as number of “workers” rather than number of “jobs”. The Seattle-Bellevue-Everett Metropolitan District, which consists of King and Snohomish Counties, had 3,700 agricultural workers in 2006 (average total).

Over the seven-year period total agricultural employment peaked in 2004 for both the Seattle-Bellevue-Everett Metropolitan District and Washington State, which was followed by a decline in 2005.

AGRICULTURE PRODUCTIVITY

The composition of agriculture activity tells a great deal about the local agricultural economy and the associated demands for labor, land and other farming inputs. In addition, the current composition of agricultural activity presents the best indication of the strengths and assets of Snohomish County agriculture relative to other areas. This section examines the agriculture activity in Snohomish County through an assessment of the value of agricultural production, followed by an assessment of the acres of land devoted to particular commodities or groups of commodities.

VALUE OF AGRICULTURE PRODUCTION

Washington State has been experiencing an increase in the total value of agricultural production since 2001. The Employment Security Department estimates that the total value of agricultural production has increased 30.2 percent from 2001 to 2005. Exhibit 17 demonstrates an increase in the total sales of agricultural products for Snohomish, Island, King, San Juan, Skagit, and Whatcom counties from 1997 to 2002. Only Island County had a decrease in the market value of agriculture products sold over the same period.


The average total sales per farm in Snohomish County was $80,653 in 2002. This was a greater average sales per farm than Island, King, and San Juan Counties. Both Skagit and Whatcom counties had significantly higher average total sales per farm at $249,294 and $193,845, respectively. The higher average total sale per farm in Skagit and Whatcom County demonstrate the larger concentration of large commodity farms in those counties.

Snohomish County had $1.9 million dollars in sales direct to individuals. This is greater than all of the other counties listed except Skagit County, which does a robust business in direct-to-consumer sales in the flower and bulb industry.
### Exhibit 17
**Market Value of Agricultural Products Sold Including Direct and Organic, 2002 and 1997**

<table>
<thead>
<tr>
<th></th>
<th>Snohomish County</th>
<th>Island County</th>
<th>King County</th>
<th>San Juan County</th>
<th>Skagit County</th>
<th>Whatcom County</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Sales of Agricultural Products ($1,000)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>117,076</td>
<td>11,557</td>
<td>98,982</td>
<td>2,823</td>
<td>175,784</td>
<td>250,748</td>
</tr>
<tr>
<td>2002</td>
<td>126,947</td>
<td>9,801</td>
<td>120,055</td>
<td>3,114</td>
<td>217,384</td>
<td>287,860</td>
</tr>
<tr>
<td>Change 1997 - 2002</td>
<td>9,871</td>
<td>(1,756)</td>
<td>21,073</td>
<td>291</td>
<td>41,600</td>
<td>37,112</td>
</tr>
<tr>
<td><strong>Average Total Sales per farm ($1,000)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>64,363</td>
<td>29,709</td>
<td>54,475</td>
<td>12,167</td>
<td>175,960</td>
<td>149,343</td>
</tr>
<tr>
<td>2002</td>
<td>80,653</td>
<td>28,165</td>
<td>77,555</td>
<td>13,838</td>
<td>249,294</td>
<td>193,845</td>
</tr>
<tr>
<td>Change 1997 - 2002</td>
<td>16,290</td>
<td>(1,544)</td>
<td>23,080</td>
<td>1,671</td>
<td>73,334</td>
<td>44,502</td>
</tr>
<tr>
<td><strong>Total Sales Direct to Individuals ($1,000)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>1,015</td>
<td>221</td>
<td>1,289</td>
<td>174</td>
<td>1,183</td>
<td>1,102</td>
</tr>
<tr>
<td>2002</td>
<td>1,901</td>
<td>469</td>
<td>1,885</td>
<td>418</td>
<td>3,695</td>
<td>1,785</td>
</tr>
<tr>
<td>Change</td>
<td>886</td>
<td>248</td>
<td>596</td>
<td>244</td>
<td>2,512</td>
<td>683</td>
</tr>
<tr>
<td><strong>Total Sales of Organically Produced ($1,000)</strong></td>
<td>244</td>
<td>22</td>
<td>239</td>
<td>115</td>
<td>825</td>
<td>303</td>
</tr>
</tbody>
</table>

Source: US Census of Agriculture
Exhibit 18 presents statistics on the market value of agricultural products sold in Snohomish County based on the 2002 US Agriculture Census. These data represent all farms that had at least $1,000 in sales over the 12 month period. However, other studies and estimates of agriculture production have noted that underreporting of income is common, especially among smaller farms. Thus, the statistics presented here likely underestimate total farm production.

### Exhibit 18

**Snohomish County Value of Agricultural Sales by Commodity or Commodity Group, 2002**

<table>
<thead>
<tr>
<th>Commodity or Commodity Group</th>
<th>Snohomish County</th>
<th>Island County</th>
<th>King County</th>
<th>San Juan County</th>
<th>Skagit County</th>
<th>Whatcom County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crops, including nursery and greenhouse ($1,000)</td>
<td>57,961</td>
<td>2,165</td>
<td>72,602</td>
<td>1,146</td>
<td>152,452</td>
<td>75,998</td>
</tr>
<tr>
<td>Cut Christmas trees and short-rotation woody crops</td>
<td>851</td>
<td>-</td>
<td>-</td>
<td>4</td>
<td>95</td>
<td>1,892</td>
</tr>
<tr>
<td>Fruits, tree nuts, and berries</td>
<td>1,839</td>
<td>329</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>38,818</td>
</tr>
<tr>
<td>Grains, oilseeds, dry beans, dry peas</td>
<td>499</td>
<td>-</td>
<td>102</td>
<td>-</td>
<td>-</td>
<td>2,346</td>
</tr>
<tr>
<td>Nursery, greenhouse, floriculture, and sod</td>
<td>50,973</td>
<td>988</td>
<td>57,897</td>
<td>303</td>
<td>60,075</td>
<td>24,467</td>
</tr>
<tr>
<td>Other crops and hay</td>
<td>1,030</td>
<td>438</td>
<td>328</td>
<td>249</td>
<td>1,416</td>
<td>1,888</td>
</tr>
<tr>
<td>Vegetables, melons, potatoes, and sweet potatoes</td>
<td>2,769</td>
<td>211</td>
<td>12,141</td>
<td>58</td>
<td>77,295</td>
<td>6,587</td>
</tr>
<tr>
<td>Livestock, poultry, and their products ($1,000)</td>
<td>68,987</td>
<td>7,636</td>
<td>47,453</td>
<td>1,968</td>
<td>64,932</td>
<td>211,862</td>
</tr>
<tr>
<td>Aquaculture</td>
<td>6,487</td>
<td>-</td>
<td>5,879</td>
<td>-</td>
<td>-</td>
<td>5,412</td>
</tr>
<tr>
<td>Cattle and Calves</td>
<td>10,145</td>
<td>999</td>
<td>-</td>
<td>587</td>
<td>8,874</td>
<td>32,860</td>
</tr>
<tr>
<td>Hogs and Pigs</td>
<td>102</td>
<td>9</td>
<td>70</td>
<td>-</td>
<td>38</td>
<td>77</td>
</tr>
<tr>
<td>Horses, ponies, mules, burros, and donkeys</td>
<td>913</td>
<td>-</td>
<td>-</td>
<td>45</td>
<td>227</td>
<td>463</td>
</tr>
<tr>
<td>Milk and dairy products from cows</td>
<td>42,439</td>
<td>2,988</td>
<td>29,009</td>
<td>31</td>
<td>43,431</td>
<td>159,868</td>
</tr>
<tr>
<td>Other animals and other animal products</td>
<td>2,107</td>
<td>1,495</td>
<td>645</td>
<td>476</td>
<td>86</td>
<td>2,671</td>
</tr>
<tr>
<td>Poultry and eggs</td>
<td>6,605</td>
<td>-</td>
<td>-</td>
<td>11</td>
<td>-</td>
<td>10,467</td>
</tr>
<tr>
<td>Sheep, goats, and their products</td>
<td>188</td>
<td>22</td>
<td>124</td>
<td>170</td>
<td>54</td>
<td>45</td>
</tr>
<tr>
<td>Total Crops and Livestock ($1,000)</td>
<td>126,948</td>
<td>9,801</td>
<td>120,055</td>
<td>3,114</td>
<td>217,384</td>
<td>287,860</td>
</tr>
</tbody>
</table>

Source: US Census of Agriculture

Snohomish County farmers reported almost $127 million in crop and livestock sales in 2002. This was comparable to King County, which reported $120 million in sales. Both Skagit and Whatcom Counties had greater farm sales than Snohomish County.

Nursery, greenhouse, floriculture, and sod drew the greatest amount of sales for Snohomish County at close to $51 million. Both Skagit and King Counties had a greater amount of sales in the nursery commodity group than Snohomish County. The commodity group in Snohomish County with the second largest sales figure for 2002 was the dairy industry with $42 million in sales reported. This was similar to the amount of dairy sales reported by Skagit County. Whatcom reported almost $160 million in sales in the dairy industry, demonstrating its comparative advantage for dairy.

### Activity by Sub-sector

#### Berries

In 2002 Washington State had 17,089 acres in berry production, of which 277 or about 2% are located in Snohomish County. Exhibit 19 presents the number of acres harvested by type of berry in Snohomish County for 2002 and 1997. There was growth in Blackberries, Blueberries, and Raspberries between 1997 and 2007. The dominate berry is the raspberry with 160 acres harvested in 2002.
Exhibit 19
Snohomish County Acres of Berries Harvested

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>1997</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harvested Acres, all Berries</td>
<td>277</td>
<td>(D)</td>
</tr>
<tr>
<td>Acres by type of berry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blackberries</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td>Blueberries, Tame</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>Raspberries, all</td>
<td>160</td>
<td>105</td>
</tr>
<tr>
<td>Strawberries</td>
<td>52</td>
<td>81</td>
</tr>
<tr>
<td>Other berries</td>
<td>1</td>
<td>(NA)</td>
</tr>
</tbody>
</table>

Source: US Census of Agriculture

(D) Withheld to avoid disclosing data for individual farms.
(NA) Not available or not published. Some historic data are not published because they are not comparable, electronic files are unavailable, or re-summarizing could compromise respondent confidentiality.

Berries are a strong direct-market product. Most local berry crops have a very short season. In order to maximize returns it is important to have many established points of market during picking time. Many have found success in direct marketing at public markets. Some feel there are further opportunities to expand direct marketing for berries.

Berries can have higher returns per square foot than other crops. Some farmers felt that berries were one of the few crops that can make a smaller farm financially viable.

In 2006 blueberries were the second highest value per harvested acre in Washington State at an average of $8,865 per acre. The value of the blueberry crop surged to $30 million in 2006 compared with $19 million in 2005.

Lead times for berry plants to produce varies. Raspberries take two to three years to produce enough to make harvest financially viable. Blueberries take much longer, up to 10 years.

Labor costs and labor supply limit profitability of some berry operations. Raspberries are labor intensive. Raspberries require hand picking, which one farmer estimates takes 30-35 percent of profits. Additionally, finding enough pickers at the right time was also mentioned as a challenge. If enough pickers are not available some of the crop does not leave the field, thus resulting in wasted fruit and unrealized profits.

Blueberries are more durable than raspberries or strawberries. Blueberries are a tougher berry so they can be machine harvested thus reducing the dependency of picking labor. Blueberries are also more flood-tolerant that some other berries.

Demand for berries is high. Raspberries are the most popular and there is strong demand from both consumers and wholesalers.
**Field Crops**

For Washington State, the total value of field crop production has been decreasing while the total value of fruits and nuts production has been increasing. **Exhibit 20** presents the number of acres harvested in 2002 for all the field crops present in Snohomish County that the Agriculture Census tracks. Green peas are the dominant field crop, with 1,711 acres harvested in 2002. However, green peas saw a significant decline since 1997, when 3,523 acres were produced. The decline in pea manufacturing may be an indicator of reduced ability to market the product due to a lack of processing facilities.

Between 1997 and 2002 acres of land in pumpkins, squash, snap beans, carrots, and beets have increased. Other field crops may have increased as well, but data are not available or have been suppressed to protect confidentiality of the farmers.

**Exhibit 20**

<table>
<thead>
<tr>
<th>Crop</th>
<th>2002 Harvested</th>
<th>1997 Harvested</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Peas (excluding southern peas)</td>
<td>1,711</td>
<td>3,523</td>
<td>-1,812</td>
</tr>
<tr>
<td>pumpkins</td>
<td>127</td>
<td>75</td>
<td>52</td>
</tr>
<tr>
<td>squash</td>
<td>23</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>fresh cut herbs</td>
<td>18</td>
<td>(NA)</td>
<td>(NA)</td>
</tr>
<tr>
<td>lettuce, all</td>
<td>18</td>
<td>(D)</td>
<td>(D)</td>
</tr>
<tr>
<td>dry onions</td>
<td>16</td>
<td>(NA)</td>
<td>(NA)</td>
</tr>
<tr>
<td>cucumbers and pickles</td>
<td>14</td>
<td>(D)</td>
<td>(D)</td>
</tr>
<tr>
<td>snap beans</td>
<td>13</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>carrots</td>
<td>10</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>garlic</td>
<td>9</td>
<td>(NA)</td>
<td>(NA)</td>
</tr>
<tr>
<td>beets</td>
<td>7</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Chinese peas (sugar and snow)</td>
<td>7</td>
<td>(NA)</td>
<td>(NA)</td>
</tr>
<tr>
<td>head cabbage</td>
<td>5</td>
<td>(D)</td>
<td>(D)</td>
</tr>
<tr>
<td>cauliflower</td>
<td>5</td>
<td>(D)</td>
<td>(D)</td>
</tr>
<tr>
<td>tomatoes</td>
<td>1</td>
<td>(NA)</td>
<td>(NA)</td>
</tr>
<tr>
<td>sweet corn</td>
<td>(D)</td>
<td>271</td>
<td>271</td>
</tr>
<tr>
<td>Total vegetables harvested</td>
<td>2,307</td>
<td>4,109</td>
<td>-1,802</td>
</tr>
</tbody>
</table>

Source: 2002 Agriculture Census

(D) Withheld to avoid disclosing data for individual farms.

(NA) Not available or not published. Some historic data are not published because they are not comparable, electronic files are unavailable, or re-summarizing could compromise respondent confidentiality.
Seed

As of 2002 there were 4 farms that produced field and grass seed in Snohomish County. This amounted to 535 acres of seed production, as shown on Exhibit 21.

Exhibit 21
Snohomish County Seed Production

<table>
<thead>
<tr>
<th>Field and grass seed</th>
<th>2002</th>
<th>1997</th>
</tr>
</thead>
<tbody>
<tr>
<td>acres</td>
<td>535</td>
<td>(D)</td>
</tr>
<tr>
<td>farms</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: 2002 Agriculture Census

(D) Withheld to avoid disclosing data for individual farms.

Forage/Hay/Haylage/Greenchop

In 2002 Snohomish County produced more than 55,000 dry tons of forage on 13,929 acres according to the Agriculture Census, as presented on Exhibit 22. Farms that produced hay and forage for their own consumption may not be accounted for in this figure, thus it underestimates the amount of hay and forage produced in the county.

Exhibit 22
Snohomish County Forage, Hay, and Silage Activity, 1997 and 2002

<table>
<thead>
<tr>
<th>2002</th>
<th>1997</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres Harvested</td>
<td>Dry Tons</td>
</tr>
<tr>
<td>All Forage</td>
<td>13,929</td>
</tr>
<tr>
<td>Hay</td>
<td></td>
</tr>
<tr>
<td>Tame hay</td>
<td>8,429</td>
</tr>
<tr>
<td>Wild hay</td>
<td>5,840</td>
</tr>
<tr>
<td>Alfalfa hay</td>
<td>1,800</td>
</tr>
<tr>
<td>Small grain hay</td>
<td>580</td>
</tr>
<tr>
<td>Haylage</td>
<td></td>
</tr>
<tr>
<td>Haylage or greenchop from alfalfa or alfalfa mixtures</td>
<td>7,161</td>
</tr>
<tr>
<td>Other haylage, rass silage and greenchop (green)</td>
<td>1,651</td>
</tr>
<tr>
<td>Corn for silage or greenchop</td>
<td>5,510</td>
</tr>
<tr>
<td>Corn for silage or greenchop</td>
<td>5,119</td>
</tr>
</tbody>
</table>

Source: US Agriculture Census

(D) Withheld to avoid disclosing data for individual farms.

(NA) Not available or not published. Some historic data are not published because they are not comparable, electronic files are unavailable, or re-summarizing could electronic files are unavailable, or re-summarizing

(X) Not applicable.
Nursery & Floriculture

The nursery industry comprises two general sectors. The first is composed of nursery crops including outdoor landscaping plants (trees, shrubs, ground cover), unfinished plants (seedlings, cuttings, young plants), bulbs, sod, and nursery stock, all of which are largely grown outside and typically live several years. The second is floriculture crops which include ornamental and decorative plants that generally survive just one season: cut flowers, cut cultivated greens, potted flowering and foliage plants, garden plants. These are primarily grown indoors or under cover.

In Snohomish County 105 farms grew nursery, flowers, and vegetable or seed crops, totaling 1,248 acres in 2002, as presented in Exhibit 23. In addition, 74 farms grew floriculture crops under glass or other cover, totaling nearly 3.1 million square feet under cover.

Exhibit 23

<table>
<thead>
<tr>
<th></th>
<th>2002 Farms</th>
<th>2002 Acres in the open</th>
<th>1997 Farms</th>
<th>1997 Acres in the open</th>
<th>2002 Sq. ft. under glass or other</th>
<th>1997 Sq. ft. under glass or other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>190 (NA)</td>
<td>1,820 (NA)</td>
<td>3,515,980</td>
<td>(NA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total grown in the open and irrigated</td>
<td>105 85</td>
<td>1,248 966</td>
<td>(X) (X)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total floricultural crops</td>
<td>74 (NA)</td>
<td>151 116</td>
<td>3,097,734 3,852,170</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flower Seeds</td>
<td>3 (NA)</td>
<td>(D) (NA)</td>
<td>(D) (NA)</td>
<td>(D) (NA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetable seeds</td>
<td>6 (NA)</td>
<td>(D) (NA)</td>
<td>(D) (NA)</td>
<td>(D) (NA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sod harvested</td>
<td>4 (NA)</td>
<td>480 (NA)</td>
<td>(X) (NA)</td>
<td>(X) (NA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nursery stock</td>
<td>95 (NA)</td>
<td>1,004 442</td>
<td>189,436</td>
<td>339,520</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bedding/garden plants</td>
<td>57 (NA)</td>
<td>80 70</td>
<td>2,612,316 2,626,868</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cut flowers and cut florist greens</td>
<td>15 (NA)</td>
<td>66 (D)</td>
<td>-</td>
<td>16,000 (D)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foliage plants</td>
<td>5 (NA)</td>
<td>(D) (D)</td>
<td>(D) (D)</td>
<td>(D) (D)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potted flowering plants</td>
<td>21 (NA)</td>
<td>(D)</td>
<td>469,418</td>
<td>942,122</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulbs, corms, rhizomes, and tubers (dry)</td>
<td>3 (NA)</td>
<td>(D)</td>
<td>(D)</td>
<td>(D)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse Vegetables</td>
<td>13 9 (X)</td>
<td>(X)</td>
<td>58,700</td>
<td>11,972</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mushrooms</td>
<td>6 (NA)</td>
<td>- (NA)</td>
<td>11,840</td>
<td>(NA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other nursery and greenhouse crops</td>
<td>9 (NA)</td>
<td>99 (NA)</td>
<td>156,320</td>
<td>(NA)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: US Agriculture Census

The following footnotes, headnotes, abbreviations and symbols are used throughout this table:
(D) Withheld to avoid disclosing data for individual farms.
(NA) Not available or not published.
[X] Not applicable.

Nursery, greenhouse, floriculture, and sod comprised 88% ($51 million) of crop sales in Snohomish County in 2002 (see Exhibit 3.10). Snohomish County has a range of growers with large ones supplying national chains while smaller ones supply smaller, local retailers or market directly to consumers.

Large producers are growing faster due to access to mass markets. Larger producers (those over $2 M/year) are experiencing faster growth, averaging 2% annually, than smaller growers, who are experiencing flat sales. Growth of larger producers is related to sales to mass market chain stores, in turn driven by new housing construction and remodeling in recent years.
The focus on the mass retailers has also opened niche opportunities for smaller, specialized producers to sell to independent retailers, re-wholesalers, and garden centers.

**Transportation costs impact access to markets.** Large shares of northwest products are shipped to the Midwest and east coast for sale. Transportation costs have a significant impact on growers’ ability to serve this market. Additionally, smaller enterprises will be more greatly impacted by increases in transportation costs.

**Nursery crops appear to generate the highest price per square foot of land of all crops in Snohomish County.** Stakeholders commonly hold this perspective, though an exhaustive analysis was not completed to confirm. Nursery crops do yield high revenues, due to the retail nature of the product.

**Snohomish County has potential to continue growing its nursery industry.** Nursery sales are linked to property values and environmental consciousness, both of which continue to grow in the region. Snohomish County’s combination of fertile agricultural land and proximity to the region’s largest metropolitan area presents increased market opportunity for nursery crops. The region’s relatively strong long-term housing market points to continued demand for landscaping and floriculture products.

**There is an opportunity to further grow demand and expand the market by broadening retail or wholesale operations to include an educational component.** Interviewees report that being able to educate consumers creates a significant advantage for suppliers on both the retail and wholesale levels.

Interviewees reported that suppliers and marketers are differentiated by delivery performance and by education to consumers with respect to how to care for plants, as well as by the quality of their plants/products. These factors hold true at both the retail and wholesale levels.

**Nursery sales have a symbiotic relationship with housing.** Landscaping increases home values, and higher-value homes typically include more landscaping elements.

However, when home values flatten or decline, landscaping improvements are often deferred. Currently the industry is seeing some decline in demand from the slowing development market, especially housing, and from slowing household expenditures in general. This poses the risk of oversupply relative to demand.

**Greenhouse production is more reliable than field crops and allows year-round operation.** The variables associated with outdoor crop production are diminished in the controlled atmosphere of a greenhouse. The extended growing season provides increased profits to the producer.

**The industry is seeing a consolidation of growers as well as retailers.** Larger retailers often purchase from larger growers who can meet their demand, thus reducing market opportunities for smaller growers.
Dairy

Dairy was once a prominent industry in Snohomish County. However, the industry declined for many years, particularly since the late 1970’s and again in the 1990’s, when the number of farms decreased by half, though the head of cattle on each farm nearly doubled. Exhibit 24 presents the estimated number of cattle and milk cows from 2002 through 2007 for Snohomish County. In 2002, there were 15,604 milk cows in Snohomish County. The number of milk cows is estimated to have decreased slightly since 2002, with 15,500 estimated to be in the county in 2007.

Exhibit 24
Estimated Number of Cattle and Milk Cows in Snohomish County, 2002-2007

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of cattle</td>
<td>32,165</td>
<td>32,500</td>
<td>33,500</td>
<td>35,000</td>
<td>37,000</td>
<td>29,000</td>
<td>-3,165</td>
</tr>
<tr>
<td>Milk cows</td>
<td>15,604</td>
<td>15,700</td>
<td>16,000</td>
<td>16,000</td>
<td>16,500</td>
<td>15,500</td>
<td>-104</td>
</tr>
</tbody>
</table>

Source: NASS/USDA Washington Field Office, US Agriculture Census

Exhibit 25 summarizes the dairy activity in Snohomish County for 1997 and 2002. In 2002 there were 84 dairy farms, down from 108 in 1997. In addition, the number of farms selling dairy products also declined over the same period. However, dairy still represents a significant portion of the agricultural sales in Snohomish County at more than $42 million dollars in 2002. Dairy captured the second greatest sales, after the nursery and floriculture industry.

Exhibit 25
Dairy Activity in Snohomish County, 1997 and 2002

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>2002</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of farms with milk cows</td>
<td>108</td>
<td>84</td>
<td>-22%</td>
</tr>
<tr>
<td>Total number of milk cows</td>
<td>21,110</td>
<td>15,604</td>
<td>-26%</td>
</tr>
<tr>
<td>Number of farms selling dairy products</td>
<td>81</td>
<td>71</td>
<td>-12%</td>
</tr>
<tr>
<td>Value of dairy products sold ($1,000)</td>
<td>$51,061</td>
<td>$42,439</td>
<td>-17%</td>
</tr>
<tr>
<td>Average value per farm ($1,000)</td>
<td>$630</td>
<td>$598</td>
<td>-5%</td>
</tr>
</tbody>
</table>

Source: US Agriculture Census
**Opportunities for small batch specialty products.** Cheese processing often takes place near dairy operations due to logistic reasons, and specialty cheeses are in demand locally. Currently the larger cheese processing facilities are in Eastern Washington, thus presenting steep hauling costs to Snohomish farmers.

**Reaching new markets through powdered milk.** There is high demand for powdered milk products abroad, which could be another market opportunity for local dairy farmers.

**Limits to the benefits of farmstead and niche dairy products.** Niche and specialty products can only do so much for local dairies, which produce more milk than can be absorbed by specialty or niche operations.

Some feel that Snohomish County will be out-competed in the dairy industry by Skagit and Whatcom counties which have larger commodity farms. Some feel that Snohomish County will not be able to achieve the same economies of scale because of the local land use patterns.

**Livestock**

Cattle and calves represent the third greatest sales producing commodity in Snohomish County at more than $10 million in 2002. **Exhibit 26** summarizes the cattle and calves activity in Snohomish County in 2002.

<table>
<thead>
<tr>
<th>Total number of farms with cattle</th>
<th>1997</th>
<th>2002</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of cattle</td>
<td>44,255</td>
<td>32,165</td>
<td>-27%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total head of cattle by inventory group</th>
<th>1997</th>
<th>2002</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than 20</td>
<td>4,371</td>
<td>3,139</td>
<td>-28%</td>
</tr>
<tr>
<td>20 to 99</td>
<td>4,874</td>
<td>2,728</td>
<td>-44%</td>
</tr>
<tr>
<td>100 to 199</td>
<td>3,755</td>
<td>3,472</td>
<td>-8%</td>
</tr>
<tr>
<td>200 or more</td>
<td>31,255</td>
<td>22,826</td>
<td>-27%</td>
</tr>
</tbody>
</table>

**Proportion of total**

<table>
<thead>
<tr>
<th>Proportion of total</th>
<th>1997</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than 20</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>20 to 99</td>
<td>11%</td>
<td>8%</td>
</tr>
<tr>
<td>100 to 199</td>
<td>8%</td>
<td>11%</td>
</tr>
<tr>
<td>200 or more</td>
<td>71%</td>
<td>71%</td>
</tr>
</tbody>
</table>

Source: US Agriculture Census
Equine

In 2002 there were a total of 4,907 horses and ponies in Snohomish County, which ranked fifth among Washington State Counties. The horses were located on 617 farms, for an average of approximately 8 horses per farm. The value of horse sales (horses, ponies, mules, burros, and donkeys) was $913,000, which ranked sixth among all Washington State counties for sales.

| Exhibit 27 |
|---|---|
| Snohomish County Number of Horses and Ponies |
| Item | Number |
| Number of farms | 617 |
| Inventory | 4,907 |
| Number sold in 2002 | 440 |

Interviewees report that Snohomish County is home to a variety of breeds of horses. The County’s horse-owners typically live on small farms with 1 or 2 pleasure horses. Many people from King County stable their horses in the few large stables that exist in Snohomish County. While horse ownership is spread throughout the county, there is an equine corridor that stretches from Redmond to Monroe, with another cluster of horse-related activity in and near Arlington.

Snohomish County has potential for a growing equine industry. Horse ownership is on the rise across the country, especially in areas near urban centers. Snohomish County’s proximity to the region’s largest metropolitan area presents increased market opportunity for equine-related services and products.

Horses represent an internal demand for locally grown hay and other forage. Horse-owners are a huge component of the demand for local hay. A typical 1,100 lb pleasure horse needs approximately 1.5 – 3% of its body weight or 22lbs of hay a day for feed.

Equine sports have increased across the nation. While horse-farming was once centered on the racing industry, interest in other equine sports—including show hunting and jumping, field hunting, driving, cutting, roping, dressage, and endurance—have increased across the country. An increased interest in equine sports could represent additional demand for equine-related services and products, as well as potential agritourism enterprises that attract markets from outside of Snohomish County.

Currently Snohomish County’s 4H community offers a variety of horse programming and attracts high rates of participation from students.

Horse boarding takes farm-designated land out of agricultural production. Some farmers expressed concern that horse-ownership and the building of larger stables competes with agricultural production because it shares the same land designation. This is viewed as appropriating productive agriculture lands for the recreation pleasure of wealthy residents. However, the land use is financially productive and can be returned to agricultural activity at any time, unlike land that has been developed for housing or commercial uses.
Biofuels/Oilseed Crops

Biofuels and Oilseed Crops are a new area of agricultural activity for Snohomish County. In the summer of 2006 the Sno/Sky Agriculture Alliance pilot program was established to assess the economic and agriculture feasibility of a biofuels industry in Snohomish County. The 2002 Agriculture Census predates much of the activity and interest in the biofuels industry, thus statistics on the amount of activity and how it has changed over time are limited. Anecdotal reports suggest that 350 acres of canola are being planted for the 2008 season. About 3,000 to 3,350 pounds of seeds per acre are expected.

The pilot program determined that the climate and soils in Snohomish County are a good match for canola and mustard seed crops. In addition, farmers’ costs for production could break even with yields at $320/acre. However, in 2006 crude oil was selling for less than $80/barrel and the markets were not as strong for biofuels. As of May 2008, oil prices reached $120/barrel. The increase in diesel prices increases the demand for biofuels, thus driving up the price farmers can capture for their crop. However, the rising cost of diesel also increases the cost of producing biodiesel crops.

The county has set new policies in support of biofuels. Snohomish County set a goal to reduce local greenhouse-gas emissions to 20% lower than 2000 levels by 2020. To help accomplish this goal, the county’s diesel-powered vehicle fleet is being converted to biodiesel fuels.

Investments have been made in key infrastructure needs. To assist Snohomish County farmers in reaching the climate change adaptation goals, Snohomish County purchased a grain elevator and dryer, which will be fueled by diverted methane from the former Cathcart Landfill. The dryer was purchased with $334,000 in state funds and $540,000 in federal funds.

The County contracted with a private entity to run the dryer and arranged for farmers to pay $5 per ton to dry seeds. Another private entity is building a crusher to separate the canola meal and oil: the meal goes to Wolfkill Feed and the oil is ideally purchased by Whole Energy then sold to Petrocard, which in turn will sell to Snohomish County.

Infrastructure investments for biofuels increase processing opportunities for other crops. The availability of a dryer also opens up commodity crops of wheat, barley and others for Western Washington farmers who would normally not be able to process these crops in the damp Puget Sound climate. Wheat is typically grown in Eastern Washington due to the drier climate. The dryer enables local farmers to take advantage of current high wheat prices of more than $12/bushel (up from $4/bushel just two years ago) and satisfy the growing demand for locally sourced products.
Washington State exports about one third of its agricultural production and had more than $2.2 billion in agricultural exports in 2006. Washington State ranked 8th among all US states for agricultural exports. Exhibit 28 presents the amount of sales for the top eight agriculture commodities for Washington State from 2002 through 2006. Washington State had almost $833 million in Fruits and preparations exports in 2006, with an average annual increase of 11% since 2002. Vegetable and preparations was the second largest export commodity in Washington State for 2006 valued at $413 million. Other top commodity exports include Wheat and products, Live animals and meat, Dairy products, Feed and fodder, Feed grain and products and Nursery, greenhouse, and wine. Washington State ranked second in the nation in the amount of exports in fruits and vegetables.

### Exhibit 28
**Washington State Top Agriculture Exports, 2002 – 2006**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fruits and preparations</th>
<th>Vegetable and preparations</th>
<th>Other (including nursery)</th>
<th>Wheat and products</th>
<th>Dairy products</th>
<th>Feed and fodder</th>
<th>Feed grain and products</th>
<th>Live animals meat excl. poultry</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$266.3</td>
<td>$352.7</td>
<td>$327.7</td>
<td>$367.7</td>
<td>$18.1</td>
<td>$34.1</td>
<td>$32.0</td>
<td>$94.6</td>
</tr>
<tr>
<td>2003</td>
<td>$554.2</td>
<td>$349.8</td>
<td>$356.8</td>
<td>$365.0</td>
<td>$13.9</td>
<td>$33.7</td>
<td>$37.7</td>
<td>$97.3</td>
</tr>
<tr>
<td>2004</td>
<td>$549.4</td>
<td>$325.8</td>
<td>$349.8</td>
<td>$391.9</td>
<td>$19.8</td>
<td>$42.0</td>
<td>$37.7</td>
<td>$55.4</td>
</tr>
<tr>
<td>2005</td>
<td>$737.9</td>
<td>$320.3</td>
<td>$351.9</td>
<td>$345.3</td>
<td>$18.7</td>
<td>$55.4</td>
<td>$29.9</td>
<td>$65.1</td>
</tr>
<tr>
<td>2006</td>
<td>$832.9</td>
<td>$314.2</td>
<td>$391.1</td>
<td>$391.1</td>
<td>$20.1</td>
<td>$55.4</td>
<td>$36.8</td>
<td>$65.1</td>
</tr>
</tbody>
</table>

Source: Economic Research Services, USDA, 2007
Exhibit 29 presents the value of agriculture exports for Washington State in 2006 and further demonstrates the significance of fruit and vegetable exports from the state. Washington State fruits and preparations exports accounted for 18.2 percent and Vegetables and preparations accounted for 10.6 percent of exports for the US in 2006. In total, Washington State only accounted for 3.2 percent of all agriculture exports from the US.

### Exhibit 29
**Washington State Agriculture Exports, 2006**

<table>
<thead>
<tr>
<th></th>
<th>2006 Value (millions)</th>
<th>Annual Change 2002-2004</th>
<th>Percent of US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat and products</td>
<td>$314.2</td>
<td>4%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Feed grain and products</td>
<td>$20.1</td>
<td>2.6%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Fruits and preparations*</td>
<td>$832.9</td>
<td>10.7%</td>
<td>18.2%</td>
</tr>
<tr>
<td>Vegetable and preparations</td>
<td>$413.0</td>
<td>4.1%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Live animals meat (excl. poultry)</td>
<td>$66.1</td>
<td>-8.6%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Poultry</td>
<td>$5.0</td>
<td>6.0%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Dairy products</td>
<td>$54.9</td>
<td>12.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Feeds and fodders</td>
<td>$36.8</td>
<td>11.2%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Other (including nursery)**</td>
<td>$391.1</td>
<td>4.5%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Total</td>
<td>$2,227.2</td>
<td>6.3%</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

Source: Economic Research Services, USDA, 2007

*Apples, apple juice, and apple products, as well as other misc. fruits assumed to equal the previous year; current year production data is not released until July or later.

**Other = Sugar and tropical products, minor oilseeds, essential oils, beverages other than juice, nursery and greenhouse, wine, and misc. vegetable products.
FOOD SYSTEMS

The amount of agriculture production is only one part of the farm to table supply chain. All the components together make up the food system. A food system is the interconnectivity of people, policies, technology, and environment to influence and organize the production, processing, distribution, consumption and disposal of food. Nuanced inputs into our food systems include labor, environmental, education, economic, climate and geographical influences on the food system and subsequent public nutritional and related health. This section examines conventional and local food systems in order to illuminate points in the agriculture value chain that may represent opportunities for Snohomish County and local farmers.

For economic analysis of food systems, the production and consumption of farm and food products are measured. Below Exhibit 29 presents a basic diagram of food systems in general; food “flow up” while dollars “flow down” (Sustainable Seattle, 2008). Each box represents a site in the food system that can present opportunities and challenges for Snohomish County agriculture.

Exhibit 29
Food Value Chain

Source: Sustainable Seattle, 2008
CONVENTIONAL FOOD SYSTEMS

In a conventional food system there are multiple steps between the producer and the consumer, in this case households. Conventional food systems tend to be characterized as utilizing consolidated, large-scale farming operations often owned by global multi-faceted corporations, large centralized distribution centers and national or regional retail food outlets; market efficiency is the key focus.

A conventional value chain example is the large retail chain QFC, where QFC buys the products, processes the food into packaged and marketable items, then uses the QFC distribution network to transfer products from the processing facilities, to warehouse facilities and ultimately into QFC retail stores. In this model, value is added at each step in the process on the way from the producer to the household. Additionally, the price received for the product at the household level is absorbed at each step of the process all the way down to producer.

The simple model presented in Exhibit 29 is independent of geography. When the food value chain stretches outward to encompass entire regions, states or continents, local producers receive an increasingly smaller share of the total value produced. The loss of value from the community in which the farm produced the initial product can be thought of as leakage: the leakage of potential food system profits to outside the local economy.

The steps in the conventional value chain include:

- **Manufacturers and processors.** Processing farm products involves turning an original product into saleable product by cleaning, cutting, treating, slaughtering, canning, or freezing.

  UN’s Food and Agriculture Organization (FAO) estimates that processed food accounts for approximately 80% of all food and beverage sales. Food processing is the second largest manufacturing industry in Washington generating $9 billion in annual revenues with nearly 475 companies and 40,000 workers throughout the state (Sustainable Seattle, 2008). Large-scale processors include Darigold and Penwest Foods (vegetables). Niche processors examples include creameries, wineries and distilleries.

- **Technology plays a role in processing centers and has served to further consolidate the supply-chain, as large processors take advantage of just-in-time ordering and delivery software, as well as technology such as large-scale efficiency-enhancing manufacturing equipment.**

- **However, local and regional processing facilities are key and the lack of infrastructure in this area is a cause of value leakage. If Snohomish County and Washington State want to ensure a safe food supply,**

A Processing Facility for Snohomish County

Snohomish County farmers have noted and the Northwest Agricultural Business Center (NABC) verified through initial research that Puget Sound farmers need a processing facility for the small- to medium-sized farms. NABC is assisting the Cascade Harvest Coalition’s Puget Sound Food Project to assess the viability of a multi-purpose agriculture processing center, which would provide custom co-packing facilities for agriculture producers in the Puget Sound region.

As of April 2008, NABC has mailed surveys to 400 known Washington State processors to identify all available facilities and capabilities of statewide processors. Two unknown processors have been identified during the survey process. NABC has also noted that some processors do not have enough business, suggesting that lack of processing facilities may be a problem, but not knowing the processing facilities already available may also be a problem.

Findings from the NABC study will form the foundation for future decision-making related to details about potential facility size, location, ownership and management. Grassroots Consultants of Snohomish are to design, develop and implement a relational database for the collection and analysis of survey data.
institutional food services, such as school cafeterias and day-care lunches, need the appropriate infrastructure in place, such as processing facilities.

- **Distribution.** Distribution includes wholesaling, warehousing and trucking and exclusive contracts with farmers and retailers are common. The distribution industry is primarily a volume-based business. Distributors tend to specialize in product lines, both in fresh and finished food products.

- According to a recent study by Sustainable Seattle (*Why Local Linkages Matter: findings from the Local Food Economy Study, February 2008*), distribution is a major point of spending leakages. The industry is dominated by large national corporations with significant resources and broad networks. Grocers, restaurants and institutional food service are challenged by the low representation of local products from major distributors and cite that as a reason for not increasing their local purchases.

- While a distributor represents an additional step in the supply chain, the functions performed simplify purchasing, warehousing and delivery processes from the perspectives of the producer and the purchaser.

- **Grocers.** Food retail includes grocery stores that sell food to households. National and regional grocers moved away from locally grown products in the 1970’s in favor of modern-day centralized purchasing, warehousing and distribution standards. Given the smaller acreage of Snohomish County farms, production quantities fall short of local grocer demand, even for smaller co-ops such as the PCC chain or Central Co-op’s Madison Market single location in Seattle. The result is that local food retailers are reliant on larger extra-local distributors and therefore are challenged to prioritize locally produced products.

- **Restaurants, Food Service, and End-use Institutions.** Restaurants and food services are another point of market for consumers. Restaurants face significant challenges with daily deliveries and nightly ordering. Restaurant and food service are limited in their options for sourcing food due to the time required to develop relationships and accept deliveries, with the deliveries posing distribution logistical challenges with regard to freshness and kitchen congestion. Restaurants are also often limited by other time constraints, e.g. such as lunch time and dinner time are too busy to receive deliveries. As a result, most restaurants receive their food from regional distributors.

- Food service and end-use institutions work with larger volumes than restaurants, and as a result are much more price sensitive. Larger scale distributors can often offer the lowest price because they are able to achieve larger economies of scale. In addition, larger scale distributors source from many areas and thus have more standard offerings that are not as affected by seasonal availability, thus limiting the amount of time needed for sourcing food.
LOCAL FOOD SYSTEMS

In contrast to a conventional food system, local food systems rely instead on relationship-based economies that promote a “collaborative effort to build more locally-based, self-reliant food economies – one in which sustainable food production, processing, distribution and consumption is integrated to enhance the economic, environmental and social health of a particular place” (Kloppenberg, 2000). Exhibit 30 presents a simplified diagram of a local food system where farmers are producers and consumers are individuals who receive or purchase their food products at a variety of venues.

Exhibit 30
Local Food Systems – Production through Consumption

![Diagram showing the flow from production to consumption]

Source: Sound Food Report, 2006; Community Attributes, 2008

Examples of efforts to re-localized food systems abound. The Sustainable Seattle report found a vibrant emerging local food system in the Central Puget Sound region. The study examines the economic benefits of local production for local consumption. The key findings in the report are optimistic; local restaurants serving locally grown food report steady growth, organic agriculture is growing at 20 percent each year, and farmers feel optimistic about the future of farming.

In addition, the development and refining of local food systems is also seen as a strategy for limiting food shortages and stabilizing food prices. As of April 2008, the United Nations has called for a worldwide change in agricultural practices. Due in part to increasing populations and demand for food in India and China, the

1 The definition of “local” is widely debated. Rather than emphasizing the boundaries of “local”, the important point to heed is that the local food economy is based on relationships and connections, not merely geographic proximity, and the movement towards local food systems is driven by values associated with benefits to local community, food safety and security, and preventing the leakage of value to outside the local economy.
growing market for biofuels, rising oil prices, and poor harvests, food prices are soaring around the world and some areas are beginning to see food shortages. The price increases and shortages have led the UN to recommend that countries create sustainable agricultural and distribution practices that allow farmers to feed the populations closest to home.

In addition, re-localizing the food system benefits small-scale farms, such as those in Snohomish County, improves social welfare and personal livelihoods, and can enhance the economic impact of local agriculture by reducing the value leakages associated with a conventional food system.

The local focus in the Sustainable Seattle report is the Central Puget Sound Region; many of the economic impact findings for the region will include Snohomish County and demonstrate how Snohomish County producers can leverage the emerging region-wide local food system.

The emerging local food system reflects a significant change in the goals, strategies and practices of local food businesses.

**EFFORTS AT BUILDING A LOCAL FOOD SYSTEM**

**Production**

For Snohomish County farmers, rising agricultural prices can mean the increased viability of farming. The demand for agricultural products is on the rise and Snohomish County farmers have the opportunity to capture local markets as well as reap the benefits of exports.

**Processing**

The efforts underway by the Northwest Agricultural Business Center (NABC) and the Cascade Harvest Coalition’s Puget Sound Food Project to assess the feasibility of a regional processing center in Snohomish County is a positive first step in increasing local processing capacity.

**Distribution**

In a local food system model, the larger regional distribution system is replaced by locally developed relationships and arrangements. The key effort behind local food systems is the relationship network that both producers and purveyors must develop. Relationship building takes time, which is a premium for small-business owners and farmers alike. Additionally, when purchasers must manage several deliveries from several sources throughout the day, this also becomes time consuming and expensive.

Some local distributors, such as Charlie’s Produce, Farmer’s Own and OGC have reported a growing demand for local products, both fresh and finished, with a potential to go from a niche market to mainstream.

In the category of food retail, consumer demand in areas such as Seattle and Bellevue, as well as the popularity of so-called niche grocers such as Whole Foods, is making way for locally-grown sections in area chain grocery stores, such as Safeway or QFC.

A Community Vision for Sustainable Agriculture in Snohomish County
Economic Opportunity Assessment
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Many grocers regionally are dedicating purchaser-staff hours to sourcing locally produced food. However, purchasers report that they don’t know where to look and may not be reaching those farmers that are interested in participating in spite of a lot of time spent on researching and contacting farms.

In the category of food away from home, many local restaurants are positioned in the mid- to moderately-high price brackets and the restaurateur takes a significant interest in the farm(s) that grow the food. Some restaurants address the relationship and time concerns by establishing partnerships with growers. This is beneficial for both farmer and chef, as the farmer works with the chef to grow what is needed and has a guaranteed market for what is produced. Other restaurants, with organizations helping to make farmer-chef connections, such as Balle Seattle, Sustainable Seattle and Seattle Chef’s Collaborative, are exploring the possibility of a purchasing cooperative aimed at limiting the amount of hours spent sourcing locally grown food.

The food away from home category also includes institutions. Washington State signed into law the Local Farms-Healthy Kids bill on March 27, 2008. This new law targets community interests in supporting local agriculture, concerns about climate change, and food security. The bill establishes a Farm to School program, which also affects other public institutions’ procurement of Washington grown food. The WSDA will have two new staffers dedicated to facilitating farmer-school connections. One key piece of the bill eliminates low-cost bidder requirements for public institutions, thus allowing farmers to compete against large-scale corporate farms from out of the area.

Other key elements include educational material about the benefits of consuming locally grown food and authorizing schools to offer education about both organic and conventional growing methods.

However, the opportunity for farmers and institutions also brings new challenges. Small to mid-sized farmers find it challenging to supply produce in the volumes needed by institutions. Modern schools lack the capability to process food; most school kitchens merely reheat pre-packaged food from the large processor/distributors. Therefore, $250,000 has been allocated to determine how farms can collectively process, package and distribute products in large enough quantities to meet the demand.

Bills such as this provide the most benefit to the “farmer in the middle” whose operations are not so small as to support a CSA or derive primary income from farmers’ markets yet, but are struggling to compete against large agriculture when dealing wholesale.

Finally, there are many examples of direct-to-consumer marketing strategies on behalf of farmers such as farmers’ markets and CSAs.

**Consumption**

The most significant trend in consumption for the improvement of a local food system is the increasing demand for local products. Increasingly, consumers care about where their food comes from and are becoming aware of the impact that food choices have on everything from climate change to fuel costs and land development to their child’s health. Snohomish County’s smaller farms are well positioned to take advantage of the Puget Sound region’s growing interest in locally sourced food.
REMAINING CHALLENGES TO BUILDING A LOCAL FOOD SYSTEM

Challenges to achieving a purely local food system do exist. Infrastructure, farm labor and land costs are among the biggest hurdles farmers face. Optimism prevails, however; the challenge farmers’ see is not how to create demand, but, rather how to meet growing demand with limited capacity.

The two biggest constraints on developing a local food system are decreasing acres of farmland and the need for local distribution capacity (Sustainable Seattle, 2008).
KEY INDUSTRY ISSUES

Community Attributes (CA) conducted more than twenty-five formal interviews with industry stakeholders to identify key economic concerns and opportunities for agriculture in Snohomish County. Interview participants represent the breadth of agribusiness activities in the county. CA used these interviews, along with direction from Snohomish County Economic Development Division and the Snohomish County’s Agriculture Advisory Board to perform an initial economic assessment of key issues.

This section presents a summary of the key findings of interviews and other inquiries. Key issues followed several themes. Many stakeholders are concerned about development pressures on agricultural land, land-use compatibility with non-agricultural uses, regulatory constraints on agriculture, needs for commodity farming as well as niche farming, and promoting the benefits of agriculture. However, notably, most of the farmers interviewed are optimistic and have a renewed sense of enthusiasm for agriculture, paralleling the County’s recognition and promotion of agriculture as integral to the local economy.

Key findings are presented below under five headings: Land, Infrastructure, Operating Expenses, Changing Markets, Public Opinion.

LAND

Agricultural productivity is constrained by a number of factors that limit the land available for farming. These include the amount and continuity of available land, development pressures, regulatory constraints and land-use compatibility.

While a significant amount of farmland has been lost to development over the past few decades, some existing farmland is underutilized. Landowners are perceived to be reluctant to sell property or lease it long-term for labor-intensive agricultural production. Of the land that is available for lease, competition is intense, especially for those interested in growing high value crops, which drives up land prices.

Development pressure on prime farmland is high, but it is only one of many concerns about the preservation of farmland and a viable agricultural economy. Finding affordable and contiguous plots that are viable for a level of profitable production is difficult.

At the same time, environmental initiatives and conservation efforts have resulted in some permanent removal of prime farmland from agricultural production. Other rural uses are also competing with farming for land. For example, some believe that quality farmland for food production is being lost to other competing agricultural activities such as horse stabling.

Nuisance factors, such as using manure for fertilizer in proximity to urban neighbors challenges farming scale. Increased traffic on rural roads discourages on-farm sales and negatively impacts deliver times and scheduling.

Zoning, land use regulations and building codes work at cross-purposes with agriculture-related businesses and each other. Farmers interviewed felt that regulations are confusing and often contradictory. While not necessarily intentional, some County regulations, especially environmental regulations, are viewed as potentially negatively impacting farmers’ bottom lines and/or restricting future revenue opportunities.
Navigating the permitting process is perceived to be especially burdensome in terms of money, time and peace of mind.

**INFRASTRUCTURE**

Lack of infrastructure disproportionately affects small and medium-sized farm businesses. In general, small and medium-size farm businesses rely on a diversity of on-farm enterprises to break-even or stay profitable; therefore, processing equipment is a major expense that is not a feasible investment given their lower production capacity. Large farming operations possess the capital necessary to own multiple pieces of equipment as well as take advantage of volume discounts from suppliers.

**LABOR**

Quality labor is costly and difficult to maintain. Lack of skilled labor, or enough farm labor in general, often causes farmers to scale back production or decide not to pursue additional business opportunities. In some cases, crops are only partially harvested resulting in waste.

Not enough laborers are available at the wages at which farmers can pay them for their work. Though immigrant labor is comparatively affordable, it is not a reliable source of labor. Farmers must compete with other farmers who can offer more pay or longer periods of employment.

**PROCESSING FACILITIES**

Without a livestock auction or USDA slaughterhouse, livestock owners with smaller herds of animals, especially cattle, are limited in their options for selling meat products or disposing of unwanted animals that still have value to other small farmers.

Smaller farms are challenged with a lack of processing equipment and cold storage. Investing in expensive processing equipment required to get to market and cold storage is not always economical for smaller producers given their lower production capacity.

**DISTRIBUTION**

A limited distribution network in the County limits volume and efficiency of transporting locally-grown produce. Smaller farmers have a harder time reaching bigger markets.

Whether it is transporting products locally for retail sale or wholesale delivery to non-local markets, transportation costs are often a deciding factor for not pursuing particular business opportunities that are otherwise profitable and in high demand.
OPERATING EXPENSES

ENERGY PRICES

Rising petroleum prices diminish profits and desire to pursue business opportunities with high transportation costs. Across the board, high fuel costs have been noted as a major drain on profits and the ability to purchase new production inputs.

Petroleum-based inputs such as fertilizer and diesel for farm equipment have significantly increased production costs.

EQUIPMENT COSTS

Equipment is too expensive for individual farmers to acquire and costs are exacerbated by the need for multiple pieces of equipment for each individual crop or food manufacturing process.

Farmers in other parts of the country have addressed labor and equipment issues by creating co-ops to share equipment and laborers, ensuring full-time employment for workers and minimizing equipment costs.

CHANGING MARKETS

Changing world markets can result in boom or bust. Local commodity producers must always have an eye towards agility to cope with uncertain markets.

The County enjoys a competitive advantage with its equine industry. Horse-ownership is high within the County and in northern King County, which supports a successful base of stabling businesses and horse feed/equipment suppliers. Moreover, the County is home to reputable 4-H horse programs, breeders, riding schools and horse shows.

High prices for hay from Eastern Washington coupled with increased transportation costs have created major demand for locally-produced hay that is also consumed locally. Local hay is cheaper and can be sold in the smaller amounts that are needed by those who only have one or a few horses to feed.

Rising energy costs and depletion of non-renewable resources will continue to drive demand for some crops, as do government mandates for development and usage of alternative fuel sources. Canola test crops have shown that it is suited to being grown in southern Snohomish County and has added benefits of soil restoration and a meal byproduct for livestock.

Opportunities in canola are challenged by the lack of local manufacturing, thus leading to high transportation costs to reach distant biodiesel manufacturers, and the need for expensive and dedicated equipment for processing only canola to prevent cross-contamination with other crops.
PUBLIC OPINION

While a growing contingency of consumers is demanding locally grown food in King County, most Snohomish County consumers do not seem to contribute significantly to demand for locally-grown agricultural products. Snohomish County farmers’ markets tend to be poorly attended; farmers often choose to sell their products in King County because of its more reliable customer base.

Catering to public perception is important for land use compatibility, requiring a greater concentration of specialty items, like organic and free range practices. Stakeholders would like to see an increased awareness of the benefits of Snohomish County agriculture by the broader public.

CONCLUSION

Agriculture is undoubtedly changing in Snohomish County. Many acknowledge that future generations of family farmers cannot farm the same way as their families farmed. It is now imperative for farmers to think more like a business to be profitable.

There is a general consensus that all types of farming enterprises are crucial to the future of farming in the county. Smaller farms have a greater ability to react to changing local demand and benefit from the diversity of agricultural products that thrive in the area. Larger commodity producers generate greater profits and employment. If farms are viable business enterprises, the value of agricultural land may rise and increase the opportunities to keep the land in production.

The good news is that producers see many opportunities for increasing production capacity. However, their ability to benefit from increased production is limited by a lack of readily available labor, limitations on securing funding from lending institutions for farming businesses and by environmental regulations.

While these constraints are real, many are pursuing expanding their farms into hay for local consumption, the potential for growing canola, direct marketing options, organic certification, the equine industry and agritourism. Each of these are covered in this next section in detail.
ASSESSMENT OF AGRICULTURAL SUSTAINABILITY OPPORTUNITIES

Prior studies and strategy work by the County, most notably the SAEDAT efforts, resulted in identification of key strategies and opportunities for further analysis and development. This section advances key opportunities scoped for further analysis with the Sustainability Project, including a year-round public market, agritourism and cooperative Processing Facilities. In addition, this section includes an overview of perspectives on biofuels and their potential opportunities for Snohomish County farmers.

YEAR-ROUND PUBLIC MARKET

Public markets present an excellent direct-marketing opportunity for farmers to capture a higher share of the consumer value of their products. Markets continue to proliferate around the country, especially on the West Coast where milder winter climates allow for year-round participation. Interviews with local market promoters indicate that demand for new neighborhood markets continues to increase.

Additional research and interviews suggest that a permanent market facility increases local awareness of agricultural products and actually increases attendance at seasonal or rotational markets.

SUMMARY OF FINDINGS

Of particular interest to Snohomish County stakeholders is the possibility of a permanent public market at which farmers can sell products, possibly year-round. The 2007 Focus on Farming conference focused special attention on this concept. This memorandum presents an analysis of the feasibility of establishing a year-round public market in Snohomish County.

Selling directly to consumers at a permanent public market can increase revenues for participating farmers by four to five times over selling the same amount of product to distributors and wholesalers. By selling directly to the consumer at retail or premium price points, farmers obtain far greater margins based on what consumers pay elsewhere. A permanent facility offers the opportunity for a steady customer base. The additional expenses incurred by selling at a markets, are much less than the additional revenue to be expected.

Snohomish County presents an ideal location for a permanent public market given its agricultural history and production, its location close to major population centers, and its proximity to regional producers located from Pierce to Whatcom County. Spacing priority should be given to Snohomish County farmers and producers, though farmers from other counties may need to be included to develop a market of grand enough scale to attract a consistent customer base.

The economics of developing a new, permanent public market in Snohomish County are clearly positive. The feasibility of a year-round public market depends on the following key factors.
- **Attracting a regional market.** A permanent public market needs to be a regional attraction to attract the number of visitors necessary to sustain it over time. This requires a large enough market with diverse products and activities such as additional retail stores and restaurants to encourage frequent visits from near-by resident populations. A large number and variety of products will also attract visitors from beyond the county and improve the feasibility.

- **Attracting local farmers.** Sales need to be high enough to justify rent levels for stalls that support year-round maintenance and operation of the market. It is important that farmers capture a larger share of gross revenues relative to other sales channel options. Increasing farmers’ net income is critical to the feasibility of the public market.

- **Sufficient sales to cover the costs of labor.** The key element determining the benefit of a public market to farmers is the cost of labor to staff the stall. Large farms selling enough produce to cover the labor costs of selling at a public market can clearly benefit. Other farmers selling smaller amounts of product might need to jointly rent space to divide those overhead costs.

- **Number of Market Days.** Another key benefit of farmers markets is the exchange between farmers and consumers. Most farmers will not be able to participate in a 7-day/week farmers market, as is modeled here, as they need to farm. To support a seven-day/week market and maximize profits from farmer-consumer interactions, farmers can work the stand on weekends and special promotional days, and hire a part-time employee for the other days.

## BENEFITS TO INDUSTRY AND FARMERS

### Industry and Community Benefits

A year-round public market potentially benefits farmers, the public, and the broader agriculture industry in Snohomish County. Farmers sell directly to consumers at public markets and receive the full retail price for their products, yet do not pay the fixed overhead costs required in traditional distribution and sales channels. Seasonal farmers’ markets popular throughout the county also provide this benefit, but limited hours and a typically small customer base limit the total revenues for farmers, relative to the customer flows at supermarkets. A permanent public market can attract and capture a greater portion of the public’s total food spending that would otherwise be spent in supermarkets. Such a market can also attract attention to the industry by introducing the importance of, and thereby developing support for, local agriculture among a broad range of residents and visitors.

Customers will benefit from the permanent public market through:

- A predictable and reliable source of local products;
- Expanded hours relative to seasonal or occasional farmers markets; and
- Opportunities to interact with and learn from local farmers.
Farmers benefit from selling products via a permanent public market as well:

- Farmers capture a greater share of the retail price;
- They gain a reliable stream of customers for their products; and
- They enjoy low overhead relative to potential sales, compared to selling wholesale.

Farmers and customers both appreciate the atmosphere and other benefits found at most farmers’ markets, such as:

- Direct interaction between customers and farmers;
- Unique social experience; and
- Collaborative atmosphere.

**Benefits for Participating Farmers**

Several factors interact to determine the success of a public market. A large number of farmers selling a wide variety of high-quality produce are necessary to attract a large number of visitors to the market. The tables below communicate the financial benefits of selling directly to the consumer versus traditional sales channels to wholesalers. Benefits to the farmer of selling at a public market are demonstrated with prototypical costs and profits shown in Exhibits 31 through 32.

**Exhibit 31** illustrates estimated price differentials and producer margins between selling a number of typical Snohomish County agricultural products at wholesale versus retail prices. According to producer interviews, typical wholesalers pay local farmers 10% to 15% above the total production cost of the goods sold. The wholesale markup in Exhibit 31 is estimated at an average of 12.5% above the production cost, and the retail markup at 90% over the wholesale price.

**Exhibit 31**

**Estimated Agricultural Prices**

**Based on Seattle Wholesale Market, July 21, 2007**

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conventional Red Delicious Apples</strong> (cartons tray packed)</td>
<td>$14.22</td>
<td>$16.89</td>
<td>$17.78</td>
<td>$20.44</td>
<td>$41.33</td>
<td>$46.22</td>
<td>$14.22</td>
<td>$16.44</td>
<td>$10.67</td>
<td>$12.44</td>
<td>$9.33</td>
<td>$11.11</td>
</tr>
<tr>
<td><strong>Organic Red Delicious Apples</strong> (cartons tray packed)</td>
<td>$16.00</td>
<td>$19.00</td>
<td>$20.00</td>
<td>$23.00</td>
<td>$46.50</td>
<td>$52.00</td>
<td>$16.00</td>
<td>$18.50</td>
<td>$12.00</td>
<td>$14.00</td>
<td>$10.50</td>
<td>$12.50</td>
</tr>
<tr>
<td><strong>Rainier Cherries</strong> (15lb cartons bagged)</td>
<td>$30.40</td>
<td>$36.10</td>
<td>$38.00</td>
<td>$43.70</td>
<td>$88.35</td>
<td>$98.80</td>
<td>$30.40</td>
<td>$35.15</td>
<td>$22.80</td>
<td>$26.60</td>
<td>$19.95</td>
<td>$23.75</td>
</tr>
<tr>
<td><strong>Yellow Sweet Corn</strong> (cartons)</td>
<td>$1.78</td>
<td>$2.11</td>
<td>$2.22</td>
<td>$2.56</td>
<td>$5.17</td>
<td>$5.78</td>
<td>$1.78</td>
<td>$2.06</td>
<td>$1.33</td>
<td>$1.56</td>
<td>$1.17</td>
<td>$1.39</td>
</tr>
<tr>
<td><strong>Kale Greens</strong> (cartons bunched)</td>
<td>$16.18</td>
<td>$19.21</td>
<td>$20.22</td>
<td>$23.26</td>
<td>$47.02</td>
<td>$52.58</td>
<td>$16.18</td>
<td>$18.71</td>
<td>$12.13</td>
<td>$14.16</td>
<td>$10.62</td>
<td>$12.64</td>
</tr>
<tr>
<td><strong>Radishes</strong> (cartons bunched)</td>
<td>$16.18</td>
<td>$19.21</td>
<td>$20.22</td>
<td>$23.26</td>
<td>$47.02</td>
<td>$52.58</td>
<td>$16.18</td>
<td>$18.71</td>
<td>$12.13</td>
<td>$14.16</td>
<td>$10.62</td>
<td>$12.64</td>
</tr>
</tbody>
</table>

Source: USDA Fruit and Vegetable Market News
Exhibit 32 includes commonly sold products at public markets in the Puget Sound area and illustrates the net income a farmer might expect for several typical products if sold to a wholesaler. For comparison’s sake, a standard level of $200,000 in annual production (production value) is assumed for each type of product.

### Exhibit 32
Prototypical Net Income from Selling to Wholesalers

<table>
<thead>
<tr>
<th></th>
<th>Bakery</th>
<th>Cheese</th>
<th>Meat</th>
<th>Produce</th>
<th>Prepared Food</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Est. Annual Sales</td>
<td>$ 230,000</td>
<td>$ 228,000</td>
<td>$ 224,000</td>
<td>$ 220,000</td>
<td>$ 230,000</td>
<td>$ 226,400</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 30,000</td>
<td>$ 28,000</td>
<td>$ 24,000</td>
<td>$ 20,000</td>
<td>$ 30,000</td>
<td>$ 26,400</td>
</tr>
</tbody>
</table>

While farmers capture full retail value for their products, some additional expenses are incurred. These include transportation, rent and labor expenses. Exhibit 33 shows the income a farmer captures by selling for retail prices directly at a public market after factoring in those additional costs. This level of sales – an average of roughly $430,000 per year at retail prices – equates to approximately $1,200 per day for an average stall at the market, which is in line with or slightly above anecdotal reports from farmers selling at smaller seasonal markets. Rent and common area maintenance (CAM) charges are based on a standard 150 square foot (10’ x 15’) stall.

### Exhibit 33
Prototypical Net Income from Selling Retail at a Public Market

<table>
<thead>
<tr>
<th></th>
<th>Bakery</th>
<th>Cheese</th>
<th>Meat</th>
<th>Produce</th>
<th>Prepared Food</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Sales</td>
<td>$ 437,000</td>
<td>$ 433,200</td>
<td>$ 425,600</td>
<td>$ 418,000</td>
<td>$ 437,000</td>
<td>$ 430,200</td>
</tr>
<tr>
<td>Operating Expenses to Sell at Market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>$ 18,000</td>
<td>$ 18,000</td>
<td>$ 18,000</td>
<td>$ 18,000</td>
<td>$ 18,000</td>
<td>$ 18,000</td>
</tr>
<tr>
<td>Common Area Maintenance</td>
<td>$ 600</td>
<td>$ 600</td>
<td>$ 600</td>
<td>$ 600</td>
<td>$ 600</td>
<td>$ 600</td>
</tr>
<tr>
<td>Payroll</td>
<td>$ 64,800</td>
<td>$ 51,840</td>
<td>$ 56,160</td>
<td>$ 51,840</td>
<td>$ 64,800</td>
<td>$ 56,160</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
</tr>
<tr>
<td>Expenses Total</td>
<td>$ 93,400</td>
<td>$ 80,440</td>
<td>$ 84,760</td>
<td>$ 80,440</td>
<td>$ 93,400</td>
<td>$ 84,760</td>
</tr>
<tr>
<td>Net Cash Flow</td>
<td>$ 343,600</td>
<td>$ 352,760</td>
<td>$ 340,840</td>
<td>$ 337,560</td>
<td>$ 343,600</td>
<td>$ 345,440</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
</tr>
<tr>
<td>Net Income from Farmers Market</td>
<td>$ 143,600</td>
<td>$ 152,760</td>
<td>$ 140,840</td>
<td>$ 137,560</td>
<td>$ 143,600</td>
<td>$ 145,440</td>
</tr>
</tbody>
</table>
Exhibit 34 presents a side-by-side comparison of the two sales channels, showing a typical farmer producing $200,000 worth of goods at wholesale can more than quadruple his or her net income by selling at retail prices at the public market. Interviews with a public market manager confirm the order of magnitude of the opportunity to increase net incomes.

**Exhibit 34**

**Net Income Comparison, Selling at Public Market vs. Wholesale**

<table>
<thead>
<tr>
<th></th>
<th>Retail at Farmers Market</th>
<th>Wholesale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Sales</td>
<td>$430,200</td>
<td>$226,400</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$(200,000)</td>
<td>$(200,000)</td>
</tr>
<tr>
<td>Cost of Sales at FM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>$18,000</td>
<td></td>
</tr>
<tr>
<td>Common Area Main</td>
<td>$(600)</td>
<td></td>
</tr>
<tr>
<td>Payroll</td>
<td>$(56,160)</td>
<td></td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$(10,000)</td>
<td></td>
</tr>
<tr>
<td>Total Cost of Sales</td>
<td>$(84,760)</td>
<td></td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$145,440</td>
<td>$26,400</td>
</tr>
<tr>
<td>Increase in income</td>
<td></td>
<td>451%</td>
</tr>
<tr>
<td>from selling at Farm</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The essential criterion of this increase in net income lies in the farmer’s ability to sell enough product to offset the additional costs of selling at the public market. The rent of the stall space and associated common area maintenance is relatively small – just more than 4% of this prototypical farmer’s annual sales. However, the cost of labor – whether considered as the farmer’s opportunity cost to attend the stall himself, or the dollar cost to hire someone else to tend to it – can be a significant determinant of final profit. The example presented above is based on 1.3 full-time-equivalent (FTE) workers hired at $10 an hour for 12-hour workdays, 360 days per year.

One alternative approach to set rental fees is base plus sales-based fee, approximately 5% of gross sales, for the market stall. This “base + percentage” risk-sharing approach reduces the risk to the farmer by, allowing them to pay less rent if their sales turned out to be lower than expected.

**Farmer Participation and Depth of Regional Supply**

The above figures are based on an “average” farmer selling $200,000 of product at wholesale price in a given year. According to the 2002 Agriculture Census, there were 135 farms in Snohomish County with sales over $100,000 per year. Of those, 33 farms sold between $250,000 and $500,000 per year, and 58 farms sold over $500,000 per year. The farms in those top two levels had average total annual sales of $370,000 and $1.65 million, respectively.

Looking beyond Snohomish County at the 6-county area in northwest Washington from which a permanent public market could draw, the top-selling 836 farms in the region had average annual sales of approximately $840,000 in 2002. An annual sales figure of $200,000 could thus represent approximately one-quarter of an average large farm’s total sales in a given year. For a market to be viable under the
assumptions of this study it would need to capture on average one quarter of the total annual sales from one out of every eight of the highest-selling farms around the Puget Sound region, or a smaller proportion from more farms.

The figures cited above are shown as context only to demonstrate the level of agricultural production in the region. The public market would also provide a potential venue for smaller farms to sell direct to the public. Much of the attraction and enjoyment for visitors is created through the variety and individuality of those selling at public markets and that diversity should be encouraged.

Farmers who have less product to sell, or who are reluctant to sell as much of their product through the public market channel, could team up with another smaller seller to jointly rent a stall at the market. Sometimes farmers will form small collectives, where someone represents the farmers at the market, selling all of their products together at a single stall. This lowers rent and labor costs per farmer. The building program also includes space that would allow temporary booths to be set up in common areas of the market, providing another option for smaller producers.

The revenues and expenses shown above in Exhibits 6.3 and 6.4 support the development and operation of the market buildings discussed in the final section of the report.

**Customers and Revenues**

Snohomish County is ideally situated for a permanent public market that can attract repeat visitors from around the region. Three potential areas within the county were identified through conversations with interested parties, then examined to determine the number of households living within an approximate 20-minute drive. Approximately 135,000 households live within the southern-most location’s ‘trade area’, thereby offering the largest market base. That number serves as the basis for the feasibility analysis below.

The trade area households indicated are assumed to consist of three general groups: those who visit and shop at a year-round public market frequently, those that visit occasionally, and those that do not, or rarely, attend public markets. The study estimates that one fifth of the total trade area households will visit the market regularly, taking approximately two shopping visits to the market per month during the spring through fall peak season. The study assumes that occasional visitors attend the market once every three months, on average. The model also assumes that a lower proportion of both groups visit during the off-season winter months, when fewer locally grown agricultural products are available.

Tourists to Snohomish County are another potential source of revenue at the public market. Travelers spent over $823 million in Snohomish County in 2006, the most recent year for which county-level data are available. Based on estimated spending per visitor-day that figure equates to approximately 807,000 visitors to Snohomish County in a given month. The analysis assumes that 1.0%, or approximately 8,000, of Snohomish County tourists visit the public market each month.
Exhibit 35 below shows the total number and distribution of visitors assumed in this scenario. Total annual visitors are estimated at just over 1 million or a little more than 2,800 visitors per day. By way of comparison, Seattle’s Pike Place market attracts more than 10 million visitors per year, or nearly 28,000 per day. This context demonstrates two important findings: (1) the public markets are of great interest to the region and visitors; and (2) that the market need not achieve the scale of a major tourism attraction in order to be viable.

### Exhibit 35
**Trade Area Population and Number of Visitors**

<table>
<thead>
<tr>
<th></th>
<th>Area Households / Visitors per Month</th>
<th>Avg. Peak Season Visits per Month</th>
<th>Total Peak Season Visits per Month</th>
<th>Off-season Visits per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Visitors (Households)</td>
<td>27,000</td>
<td>2.0</td>
<td>54,000</td>
<td>37,800</td>
</tr>
<tr>
<td>Occasional Visitors (Households)</td>
<td>108,000</td>
<td>0.33</td>
<td>35,600</td>
<td>24,900</td>
</tr>
<tr>
<td>Tourism Visitors (visitor-days per mo.)</td>
<td>807,000</td>
<td>1.0%</td>
<td>8,100</td>
<td>5,700</td>
</tr>
<tr>
<td>Total</td>
<td>97,700</td>
<td></td>
<td>97,700</td>
<td>68,400</td>
</tr>
</tbody>
</table>

Exhibit 36 illustrates the number of annual visitors to the market and the gross annual sales those visitors could generate. The analysis assumes that sales by vendors would comprise 70% of total sales at the market, with restaurants and retail sales each 15%.

### Exhibit 36
**Market Visitor and Sales Scenario**

<table>
<thead>
<tr>
<th></th>
<th>Peak (Mar - Sep)</th>
<th>Off-Peak (Oct - Feb)</th>
<th>Year-Round</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Visits per Month</td>
<td>97,709</td>
<td>68,396</td>
<td>85,000</td>
</tr>
<tr>
<td>Average Sales per Visit</td>
<td>$ 69</td>
<td>$ 41</td>
<td>$ 57</td>
</tr>
<tr>
<td>Average Sales per Month</td>
<td>$ 6,742,000</td>
<td>$ 2,804,000</td>
<td>$ 5,101,000</td>
</tr>
<tr>
<td>Total Annual Sales</td>
<td>$ 47,194,000</td>
<td>$ 14,020,000</td>
<td>$ 61,214,000</td>
</tr>
<tr>
<td>Total Annual Sales s.f.</td>
<td>$ 699</td>
<td>$ 208</td>
<td>$ 907</td>
</tr>
<tr>
<td>Sales by Stall Vendors</td>
<td>$ 33,035,800</td>
<td>$ 9,814,000</td>
<td>$ 42,849,800</td>
</tr>
<tr>
<td>Sales by Restaurants</td>
<td>$ 7,079,100</td>
<td>$ 2,103,000</td>
<td>$ 9,182,100</td>
</tr>
<tr>
<td>Sales by Other Retail</td>
<td>$ 7,079,100</td>
<td>$ 2,103,000</td>
<td>$ 9,182,100</td>
</tr>
</tbody>
</table>

The location of the market would be critical for attracting visitors. Exhibit 37 presents analysis of the number of households within a 30-minute drive time of three general Snohomish County locations (north County, mid-County and a south County site). The increased population density in north King County, relative to Snohomish County, presents a critical consideration for location decisions. In general, more is better: having more households located near the market can only help sales. Many more considerations are necessary, of course, including site-specific considerations, adjacent uses, traffic access, parking, site-design and many more.
Exhibit 37. Comparison of Household Densities Near Selected Locations
Building Program Needs and Opportunities

As discussed, the ability to attract and serve visitors from around the region is critical for the long-term success of a permanent public market. The market building and surrounding area should be attractively designed and include a wide range of high-quality products with interesting activities for families and children. The building program modeled includes common areas that can provide both circulation space between the market vendors and open space for other uses such as information kiosks, space for musicians or other performers, temporary farmers’ tables for occasional sellers, and informal eating and gathering spaces.

The building program model also includes restaurants and retailers highlighting local food in addition to agricultural products. Utilities and support areas such as cold storage areas for farmers who prefer not to transport goods to the market on a daily basis or whose farms might be more distant from the public market but still want to tap into the region’s demand for high-quality agricultural goods, are also included in the program model.

Building Space and Land Needs

Exhibit 38 presents a working prototype of the space program of a year-round market the size and scope necessary to attract a steady flow of visitors. The market building accommodates 100 vendor stalls, complemented by five medium-sized restaurants and an additional 15,000 s.f. of retail space, along with 25,000 s.f. of common area for vendor aisles, a common dining area, performance areas and other public spaces, and utility and cold storage facilities for a total building size of 67,500 s.f. The exhibit also shows the amount of parking required (at 5 to 6 spaces per 1,000 s.f. of gross area).

<table>
<thead>
<tr>
<th>Space Use</th>
<th>Units</th>
<th>SF / Unit</th>
<th>Gross SF</th>
<th>Parking Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stalls</td>
<td>100</td>
<td>150</td>
<td>15,000</td>
<td>143</td>
</tr>
<tr>
<td>Restaurants</td>
<td>5</td>
<td>2,500</td>
<td>12,500</td>
<td>99</td>
</tr>
<tr>
<td>Other Retail</td>
<td>1</td>
<td>15,000</td>
<td>15,000</td>
<td>119</td>
</tr>
<tr>
<td>Common Area</td>
<td>1</td>
<td>25,000</td>
<td>25,000</td>
<td>125</td>
</tr>
<tr>
<td>Total Building Area</td>
<td>67,500</td>
<td>486</td>
<td>170,213</td>
<td></td>
</tr>
</tbody>
</table>
Exhibit 39 shows how the market building and parking requirement translates into land needs, assuming surface parking. This configuration requires just over 7 acres of land.

**Exhibit 39**

**Land Requirements**

<table>
<thead>
<tr>
<th></th>
<th>Gross S.F.</th>
<th>Cost/S.F.</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition Cost</td>
<td>215,600</td>
<td>$ 9</td>
<td>$ 1,940,000</td>
</tr>
<tr>
<td>Hard Construction Costs – Building</td>
<td>67,500</td>
<td>$ 130</td>
<td>$ 8,775,000</td>
</tr>
<tr>
<td>Hard Construction Costs – Parking</td>
<td>126,463</td>
<td>$ 6</td>
<td>$ 759,000</td>
</tr>
<tr>
<td>Soft Costs</td>
<td></td>
<td>34.0%</td>
<td>$ 3,901,000</td>
</tr>
<tr>
<td>Total Direct Development Cost</td>
<td></td>
<td>$ 228</td>
<td>$ 15,375,000</td>
</tr>
</tbody>
</table>

**Operations**

Exhibit 40 presents the annual rental revenues given the sales levels presented in Exhibit 36. Rents for the vendor stall area are estimated at $1,500 per month for one 150 square foot stall. The rents equates to approximately 4% of gross estimated sales, slightly below the average of about 5% for permanent public markets around the country. The stall size can be quite flexible, however. Farmers with less product to sell could rent smaller spaces or join with another farmer to share a stall. Common areas might be used for temporary ‘day stalls’ as well, another possible option for space at lower rents.

Rents for restaurant and retail space are based on typical market rents for those property types in the Snohomish County real estate market. All rents are assumed to be on 1-year terms and would increase at a nominal rate each year to keep pace with inflation. That annual lease structure is necessary to attract common, less costly, forms of debt and equity investment.

In addition to space rents, the model assumes operating and maintenance costs associated with the building common areas (assumed to be $4.00 per s.f. of leased space). A vacancy rate of 5% is assumed for all market spaces.

**Exhibit 40**

**Market Rental Rates per S.F.**

<table>
<thead>
<tr>
<th></th>
<th>Per Month</th>
<th>Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Stalls</td>
<td>$ 10.00</td>
<td>$ 120</td>
</tr>
<tr>
<td>Restaurant</td>
<td>$ 30</td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>$ 28</td>
<td></td>
</tr>
<tr>
<td>Common Area Charges</td>
<td>$ 4.00</td>
<td></td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>5.0%</td>
<td></td>
</tr>
</tbody>
</table>
Exhibit 41 presents a 5-year projection of rental income for the market described above, with rents received from vendor stalls as well as restaurant and other retail spaces. The market operations are projected to generate more than $2.6 million per year when stabilized occupancy is achieved. (Subsequent increases are due to inflation-driven rent increases as noted above.)

### Exhibit 41
Market Rental Revenues

<table>
<thead>
<tr>
<th>Rental Income</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vendor Stall Rent</td>
<td>$1,800,000</td>
<td>$1,845,000</td>
<td>$1,891,100</td>
<td>$1,938,400</td>
<td>$1,986,900</td>
</tr>
<tr>
<td>Restaurant Rent</td>
<td>$375,000</td>
<td>$384,400</td>
<td>$394,000</td>
<td>$403,900</td>
<td>$414,000</td>
</tr>
<tr>
<td>Retail Rent</td>
<td>$420,000</td>
<td>$430,500</td>
<td>$441,300</td>
<td>$452,300</td>
<td>$463,600</td>
</tr>
<tr>
<td>Vacancy Allowance</td>
<td>$(129,800)</td>
<td>$(133,000)</td>
<td>$(136,300)</td>
<td>$(139,700)</td>
<td>$(143,200)</td>
</tr>
<tr>
<td>Gross Income</td>
<td>$2,465,200</td>
<td>$2,526,900</td>
<td>$2,590,100</td>
<td>$2,654,900</td>
<td>$2,721,300</td>
</tr>
<tr>
<td>Common Area Charges</td>
<td>$161,500</td>
<td>$161,500</td>
<td>$161,500</td>
<td>$161,500</td>
<td>$161,500</td>
</tr>
<tr>
<td>Total Rental Income</td>
<td>$2,626,700</td>
<td>$2,688,400</td>
<td>$2,751,600</td>
<td>$2,816,400</td>
<td>$2,882,800</td>
</tr>
</tbody>
</table>

A permanent farmers market requires continuous professional management and maintenance work beyond that typical of seasonal and occasional markets. Exhibit 42 presents the estimated operating costs for a facility of the size and scope discussed here. These costs equate to approximately $13 per square foot, within the range of $10-15 per square foot seen as typical for such a facility.2

### Exhibit 42
Annual Operation Costs and Net Operating Income

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$480,000</td>
<td>$492,000</td>
<td>$504,300</td>
<td>$516,900</td>
<td>$529,800</td>
</tr>
<tr>
<td>Advertising</td>
<td>$117,600</td>
<td>$120,500</td>
<td>$123,500</td>
<td>$126,600</td>
<td>$129,800</td>
</tr>
<tr>
<td>Office</td>
<td>$31,300</td>
<td>$32,100</td>
<td>$32,900</td>
<td>$33,700</td>
<td>$34,500</td>
</tr>
<tr>
<td>Legal/Professional</td>
<td>$112,900</td>
<td>$115,700</td>
<td>$118,600</td>
<td>$121,600</td>
<td>$124,600</td>
</tr>
<tr>
<td>Insurance</td>
<td>$117,600</td>
<td>$120,500</td>
<td>$123,500</td>
<td>$126,600</td>
<td>$129,800</td>
</tr>
<tr>
<td>Fees/Permits</td>
<td>$23,000</td>
<td>$23,600</td>
<td>$24,200</td>
<td>$24,800</td>
<td>$25,400</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>$882,400</td>
<td>$904,400</td>
<td>$927,000</td>
<td>$950,200</td>
<td>$973,900</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$1,744,300</td>
<td>$1,784,000</td>
<td>$1,824,600</td>
<td>$1,866,200</td>
<td>$1,908,900</td>
</tr>
</tbody>
</table>

---

**Development Costs**

This section presents an assessment of the scale and cost of a new structure supportable by market revenues and rents. The analysis compares market incomes to a typical financing structure to provide a cursory analysis of financial feasibility of the market. **Exhibit 43** shows the maximum development costs that the market net operating income could support, given a hypothetical financing structure utilizing a typical mixture of debt and equity and standard lending ratios.

**Exhibit 43**  
Supportable Development Costs

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stabilized Net Operating Income</td>
<td>$ 1,744,300</td>
</tr>
<tr>
<td>Capitalized Project Value</td>
<td>$ 19,382,778</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>6.50%</td>
</tr>
<tr>
<td>Term (Years)</td>
<td>20</td>
</tr>
<tr>
<td>Loan to Value (LTV) ratio</td>
<td>80%</td>
</tr>
<tr>
<td>Loan to Cost (LTC)</td>
<td>85%</td>
</tr>
<tr>
<td>Min. Debt Coverage Ratio</td>
<td>1.25</td>
</tr>
<tr>
<td>Max. Supportable Loan Amount</td>
<td>$ 15,505,000</td>
</tr>
<tr>
<td>Required Equity Return</td>
<td>10.0%</td>
</tr>
<tr>
<td>Max. Supportable Equity</td>
<td>$ 3,570,900</td>
</tr>
<tr>
<td>Max. Supportable Cost</td>
<td>$ 19,075,900</td>
</tr>
</tbody>
</table>

**Exhibit 44** presents an estimate of the likely cost to develop a permanent public market in Snohomish County under current construction market conditions. Cost estimates are based on current market estimates and a survey of public markets constructed or studied in recent years, as described below. The maximum development cost the market could support exceeds the total estimated development cost, indicating that the market can be developed as currently envisioned. In addition, this scenario allows the developer to buy land for more than $9 per s.f. and still make the project work financially.

**Exhibit 44**  
Potential Development Costs

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Gross S.F.</th>
<th>Cost / S.F.</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition Cost</td>
<td>310,985</td>
<td>$ 9</td>
<td>$ 2,799,000</td>
</tr>
<tr>
<td>Hard Construction Costs - Building</td>
<td>67,500</td>
<td>$ 150</td>
<td>$ 10,125,000</td>
</tr>
<tr>
<td>Hard Construction Costs - Parking</td>
<td>170,213</td>
<td>$ 6</td>
<td>$ 1,021,000</td>
</tr>
<tr>
<td>Soft Costs</td>
<td></td>
<td>34.0%</td>
<td>$ 4,741,000</td>
</tr>
<tr>
<td>Total Direct Development Cost</td>
<td></td>
<td>$ 277</td>
<td>$ 18,686,000</td>
</tr>
</tbody>
</table>
Comparison of Development Costs

As mentioned above, providing a quality experience will be critical to draw a consistent customer base. An important part of the experience will be the quality of the market facility itself. A 67,500 s.f. market amounts to $235 per s.f. for total development costs of $18.6 million not including land-improvement costs. This scenario includes new construction. Re-development of an existing facility has the potential to reduce development costs, though in some cases, the rehabilitation and renovation costs of converting an older facility with existing charm (such as a large barn, for example) can prove to be just as costly, or even greater, than new construction.

Several similar existing and proposed public market projects reviewed show hard construction costs ranging from $150 to over $300 per s.f., and total development costs ranging from about $240 to over $500 per s.f. The range in costs is due to differing design and material choices as well as the size of the markets. Smaller markets will have higher per-s.f. costs. The comparable markets with higher costs are smaller in size and utilize more expensive glass and steel construction. A few comparable markets and developments with development costs are as follows:

- Milwaukee Public Market (glass and steel construction): $528 per s.f. total development cost;
- The Boston Public Market: $165 per s.f. hard cost, $238 per s.f. total development cost (est.);
- Lower Manhattan Public Market: $316 per s.f. hard cost, $364 per s.f. total development cost (est.);
- Erie Street Market: $150 per s.f. (rehab. hard cost, est.).

Note that the public market analyzed for Snohomish County is based on development costs in the lower end of the range seen at other comparable markets.

Financing

Exhibit 45 demonstrates a potential financing structure for a public market. The total development cost of $18,686,000 projected above would be funded primarily (approximately 83%) by debt with the remainder as equity invested by private, nonprofit, or public entities.

| Exhibit 45
<table>
<thead>
<tr>
<th>Potential Financing Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Development Cost</td>
</tr>
<tr>
<td>Stabilized Net Operating Income</td>
</tr>
<tr>
<td>Capitalization Rate</td>
</tr>
<tr>
<td>Capitalized Value of Project</td>
</tr>
<tr>
<td>Debt Financing Terms</td>
</tr>
<tr>
<td>Interest Rate</td>
</tr>
<tr>
<td>Term (Years)</td>
</tr>
<tr>
<td>Loan to Value (LTV) ratio</td>
</tr>
<tr>
<td>Loan to Cost (LTC)</td>
</tr>
<tr>
<td>Debt Coverage Ratio</td>
</tr>
<tr>
<td>Maximum Supportable Loan Amount</td>
</tr>
<tr>
<td>Weighted Cost of Capital</td>
</tr>
<tr>
<td>Equity Required</td>
</tr>
<tr>
<td>Return on Equity</td>
</tr>
<tr>
<td>Max. Loan Amt.</td>
</tr>
</tbody>
</table>
**Alternative Development and Finance Approaches**

Alternatively, public funds are often used to reduce costs or provide lower-cost financing for public markets. Federal, State or County funds for economic development can be directed toward this project in several different ways. For example, the County can participate in land assembly or developing parking infrastructure, both of which will write-down the cost of development. Lower cost financing might also be available through government sources, reducing the revenues required to support development.

Snohomish County farmers could also pursue such a project cooperatively, and reduce the equity return expected, thus reducing required rents to a small degree. However, while there are many reasons that the farmers may want ownership control of the market, reducing the return on investment required for equity investors would not have as great an impact on stall rents required as other means.

For example, a scaled-down or simpler market building, operating only four days per week instead of seven, will cost less to develop and therefore could be supportable with lower rents. This alternate scenario may appeal to farmers who wish to keep market participation to no more then 3 – 4 days per week to limit additional labor and resource costs.

A smaller market with fewer vendor stalls, fewer restaurants and retail spaces could be financially feasible. The key question is whether a smaller market could attract the same level of visitation and spending. If farmers were able to sell the same amount of product, either to the same number of visitors or to fewer visitors spending more, then the financial model for the market could require lower rents than assessed above. However, if fewer visitors came to the market, or spent less per visit, the market would require an increase in vendors’ rents or a substantial reduction in construction costs.

Construction cost reductions might be pursued by simplifying the design or using lower-cost construction materials, or by reducing common space or other amenities. However, doing so could reduce the quality and attractiveness of the facility, potentially decreasing customers and sales. In addition, limiting the investment in quality design and materials could jeopardize the long-term durability of the market or require higher additional maintenance or capital improvements in the future.

Finally, a smaller, simpler market would also compete more directly with the smaller outdoor seasonal markets around the region, potentially cannibalizing their sales and impacting farmers who had chosen not to participate in the year-round public market.

**PROCESSING FACILITY**

This section examines the role a processing facility or facilities could play in sustaining agricultural production in Snohomish County. Agricultural processing includes a range of diverse product and process types. This analysis first identifies the current market opportunities and obstacles facing the processing industry in Snohomish County in general terms. It then looks in greater detail at one of several segments of the processing industry with particular potential in the county, cattle slaughtering and beef processing, as a means to illustrate issues common to the processing industry overall. Other sectors and examples are then introduced and examined more briefly to supplement that information and to illustrate the differences that exist between sectors.
PROCESSING WITHIN THE AGRICULTURE INDUSTRY: PURPOSE AND BENEFITS

The agricultural processing industry covers a wide range of activities and product segments, playing an important role in the agricultural economy and facilitating the development of farmers and other participants. In Washington State, about half of all primary agricultural production goes to processors. Food processors thereby constitute the ‘market’ for about half of all crops grown.

Processing of agricultural products covers a multitude of possibilities, limited only by the available raw products and the processor’s creativity in imagining new products. Processing could be as simple as cleaning and freezing produce for sale later or elsewhere; canning raw products for longer term storage; adding sugar, salt or other ingredients to raw produce to create jams, jellies, or pickles; preserving ingredients combining different raw ingredients into a new product such as a jam or salsa; making small batch cheeses; or slaughtering and butchering meat into cuts salable to consumers. The differences and difficulties in discussing processing opportunities, however, emerge in the details. Each of these activities can require different equipment and incur different development and operational costs.

Processing facilities can play other roles beyond just turning raw products into higher-value forms. Potential roles could include acting as business incubators or consultants to other farmers, building on their value-adding expertise to provide market development or process consulting to assist individual farmers in developing their own value-added products. Opportunities also exist for equipment rental to serve smaller producers that need only occasional processing capacity.

BACKGROUND AND CHANGING SITUATION

In earlier decades, processors were numerous and often large, and would typically purchase raw product themselves, process it and resell it to retailers. Processors today vary more in size and specialty and sell to different outlets: some operations may sell directly to retailers under their own brand, others produce for wholesale distributors; some perform custom work for direct sales to consumers.

Consolidation of food channels has resulted in fewer processing buyers. Many of those prefer to purchase in large volumes to minimize transaction costs, disadvantaging smaller producers with less product to sell.

The Snohomish County agricultural industry is characterized by a relatively large number of smaller farms compared to counties throughout Eastern Washington, where large growers and standard, bulk commodity crops generate large volumes able to support large processing facilities built to capture economies of scale. Smaller farmers are challenged in both attempting to access larger processors and their distribution networks, and in investing in the equipment necessary to engage in value-adding processing on their own. However those that can succeed in the latter and develop a customer base can capture the higher values that can follow from value-added processing.

Interviews and anecdotal evidence suggest that mid-scale farmers face the greatest challenges in capturing value from processing the products. The farms are often too small to sell to the largest marketing channels such as national retailers but too large to sell direct to consumers efficiently.

Processing facilities present a valuable opportunity as more farmers seek to become vertically integrated. This enables them to capture increased value by performing a wider range of processing and marketing tasks, from growing products to processing, packaging, marketing, and delivering them to consumers. This
requires higher up-front investment in processing equipment and cooling and storage facilities as well as a broader range of knowledge and management skills.

## CURRENT OPPORTUNITIES AND CHALLENGES

Several attributes of Snohomish County agriculture make processing a viable means to increase value and farmer incomes.

- **Suitable products.** The diverse climate and richly productive farmland in Snohomish County create a favorable environment in which to grow diverse agricultural products, many of which are well suited to adding value through processing.

- **Consumer interest and support.** Consumers increasingly favor locally-produced food, including both raw farm produce and processed specialty products. Local branding can support higher prices.

- **Public and political support.** There is increasing public and political support for local farm networks. For example, the new Washington State Local Farms, Healthy Kids initiative allows public institutions to favor local products or increase purchases of locally-grown and locally-processed food.

- Certain challenges also exist that need to be considered and addressed.

- **Low margins.** As with much of agriculture, margins for processed foods are continually driven down by larger operations that capture higher efficiencies of scale.

- **Diverse products.** The diversity of regional produce is both an opportunity and a challenge. Specialized equipment is expensive, requiring high utilization and throughput rates to cover those fixed costs. Equipment that is flexible enough to apply to more diverse types of food or different processes is even more expensive.

- **Seasonality.** Processing equipment may sit idle for months at a time during seasons when the foods it was designed for are in higher supply, unless it can be applied to crops that become available during different seasons, or the same crops can be imported from other growing areas during the local ‘off’ season.

- **Regulatory requirements.** Costs of regulatory compliance may be too high to spread across only a small volume of product, increasing the cost that must be passed on to consumers. In certain sectors such as meat processing, health and food safety regulations have proven particularly problematic for small operators.

## BUSINESS MODELS AND PROCESSING ECONOMICS

There are two general business models for agricultural processing. In one, a processing facility purchases the raw product from the farmer and is responsible for marketing and selling it. Alternatively, a farmer could contract with a processing facility to process his or her raw goods yet retain ownership and responsibility for selling the processed products.
Different business models may be better suited to different scales and types of producer. Farmers can thus choose which approach to take based on their particular situation. Small producers might not have the infrastructure to market their products efficiently, and could thus benefit from turning over that marketing function to a processor that could aggregate product from multiple producers and efficiently batch-process it. On the other hand, growers with a specialty product in high demand or for which they already have developed a reputation or customer base would benefit from marketing the processed product themselves.

Whichever approach a farmer elects to pursue, the economics of processing can be generalized to describe the factors affecting their feasibility. Costs fall into two broad types.

- **Cost of raw materials.** This comprises either the cost to grow one’s own or to purchase raw product from another farmer.

- **Cost of processing.** This includes both capital costs and operating costs. Capital costs include the costs of constructing or leasing the physical facility and the processing equipment required. Operating costs include the cost to staff and operate that facility and equipment. Some products will also require additional licensing and inspecting costs mandated to protect public health and food safety.

Potential revenues are a function of how products are valued in the marketplace and how they are marketed and distributed.

- **The market value of the finished product.** When a raw product is washed, packaged, cooked, etc. the overall value of the product also increases.

- **Marketing and distribution costs.** These will vary for different products and business models, as discussed below.

### OWNERSHIP MODELS

A processing facility could operate under several ownership models:

- **Private for-profit enterprise.** This is the most straightforward model, where the facility would be operated to make a profit, charging fees to farmers who utilized its services or purchasing raw product from them and selling it at a markup sufficient to cover the costs of purchase and processing plus profit.

- **Co-operative enterprise.** A group of farmers could collectively own and operate a facility that would process their products. This spreads the cost of the facility and equipment across a larger number of stakeholders, but also imposes new management requirements those farmers may not have the time or expertise to handle.

- **Non-profit enterprise.** Non-profit owners could have access to non-market financing, reducing their costs of business and allowing them to charge lower fees to users. Local nonprofits are often more able to draw on government support than a for-profit company. This structure imposes additional restrictions and additional management requirements.
**Vertical integration.** Some farmers prefer to grow, process and market their own products directly. This is generally only possible for either very large operations with sufficient product throughput to absorb the costs of the facility and equipment, or relatively small operations with a well-defined consumer market or low-cost processes.

**BENEFITS TO FARMERS**

Agricultural processing facilities can provide two general benefits to local farmers and the agriculture industry, along the lines of the two processing business models outlined above. One is to aggregate products from multiple producers into larger flows, absorbing increased production and serving as an avenue to sell greater quantities of product beyond what they can sell via other channels. The second is to add value through actual physical transformation of raw agricultural products from one condition to another, presenting farmers a chance to capture a greater return from the product they already grow.

Farmers can benefit from both types.

- **Value-add.** Processing generates additional value reflected in higher sale prices paid by the consumer. Depending on how the processing is performed and the product is marketed, this higher final price could be captured by either the farmer or the processor, or split between them to reflect the risk each bears. One approach would be for the processor to take ownership of the raw product from the farmer and be responsible for selling it, carrying those purchase and processing costs until the product is sold and in return capturing more of the value-added price. Alternatively the farmer could retain ownership, paying the processor up-front for the processing service and then carrying that cost until the product sells. That approach would give the farmer a larger share of the added value. A middle-ground approach might also be structured that could split those risks, where the processor could pay the farmer more up-front, or return an additional amount after the processed product is sold, in recognition of the higher final sale price of the processed product. Such a shared approach would be especially suitable for a co-operative arrangement.

- **Volume aggregation.** Processing can absorb additional production that farmers might not be able to sell. This aggregation approach creates transaction cost challenges for wholesalers who would need to coordinate deliveries and ensure consistency in product from multiple farmers. This approach would be of less benefit for farmers, especially smaller producers that have less capacity to expand the volume they can grow, as it does not increase the margin they can capture from each unit of production.

While both approaches can help a farmer increase their gross income, the value-adding approach is more conducive to increasing net income. Simply expanding production does not increase net margins sufficiently to increase the viability of agriculture overall – especially when expanding production requires more land, and thereby possible competition with other potential users like housing development. Employing a value-adding processor rather than processing one’s own products oneself adds costs that decrease the share of the total value added which a farmer would receive. However, the additional income captured from selling the higher-value product would be expected to outweigh those additional costs and still deliver a net increase in income.
BENEFITS TO THE INDUSTRY AND COMMUNITIES

Benefits to local industry include:

- Increased depth of local agricultural network, with more producers, buyers, and service providers; and
- Reduced transportation costs: reduced costs allow better producer margins and more affordable and/or profitable products.

Benefits to the local community include the following.

- Greater value can be added and exchanged within local community. Direct links can be forged between local growers and local consumers, whether households or larger buyers such as schools or other institutions. Local growers and processors rely on local equipment and feedstock suppliers. Local governments benefit from business and retail taxes that flow from those activities.
- Access to fresher foods: transport and storage time is minimized.
- Enhanced food security: people know where their food is coming from and can more easily learn how it has been handled and processed.

FEASIBILITY CASE STUDY: SMALL BEEF PROCESSING FACILITY

Processing facilities can take many forms depending on the type of product to be processed and the volume of anticipated throughput. Snohomish County agriculture includes significant concentrations in cattle and berry crops, both of which are amenable to value-adding through processing. Dairy is the second-ranked agricultural commodity in the county by value, while beef cattle and calves are eighth; strawberries and raspberries are twelfth and fifteenth, respectively.

Snohomish County has a relatively high concentration of smaller beef cattle producers; however there is a lack of nearby processing facilities available to process those cattle into a form salable to consumers. This section presents the case of a relatively small beef processing facility as an example of processing facility economics. Subsequent sections note how facilities to process other crops could differ from this base case.

Background and Local Market Conditions

Beef cattle and calves are the eighth largest agricultural commodity in the county. Despite this, the scale of modern beef processing does not create economics favorable to the region, and especially for smaller beef ranchers. USDA imposed regulations on slaughtering facilities resulted in upscaling of packing facilities, which in turn often required growers to supply a minimum number of animals for slaughter. As a result most smaller growers were forced to sell animals at auction, which are then shipped to feedlots for fattening and slaughter. Auction sales result in low ‘wholesale’ prices, leaving the rancher cut out of the potential value-added in selling smaller meat cuts directly to consumers or retailers.

Selling direct to consumers or retailers versus at auction allows growers to capture a greater value per animal. One farmer reported that selling direct he could sell dressed beef cuts for $5.00 - $15 per pound,
whereas whole, half, or quarter animals sold at auction would only bring $1.00 - $2.50 per pound. The potential to earn higher margins allows farmers to focus on better management of fewer animals rather than on going for higher volumes of lower-margin auctioned animals.

Processing facilities have expanded in step with the scale of farmers and feedlot operators, to where it is difficult for small farmers to do business with processing operations directly. Processors increasingly specify in contracts the number and quality of cattle they will require, making it difficult for smaller producers to access those channels. The increasing scale also limits the fees paid for each animal as profits are obtained through high volumes, further limiting the income a farmer could obtain for each animal.

According to the 2002 Washington Agricultural Census, the most recent data available, 420 farms in Snohomish County held 3,810 head of beef cattle. Large processing facilities can slaughter and process between 2,000 and 5,500 head per day – enough to slaughter every beef cow in the county in just two days. The six-county region altogether held just over 17,500 head of beef cattle in 2002 – still less than two weeks’ worth of supply for a large modern plant operating at full capacity. A small slaughtering plant can kill between 250 and 600 head per day, while a small processing facility processes 400 carcasses a day. At this rate even a small plant would only have enough regional supply to operate for just over forty days, or two months a year.

Cattle processing is further challenged due to stringent USDA health requirements for processing facilities. There is currently no USDA-approved slaughterhouse in the central Puget Sound, following the closure of the facility in Sumner in 2003. The only other licensed facility in Western Washington is a mobile unit operated by the Lopez Community Land Trust and serving growers in northwest Washington. Before that mobile unit was developed, growers had had to travel to Chehalis for slaughter, then return two weeks later to pick up the cut meat. However that unit only has enough capacity for local growers.

Without USDA inspections, farmers can only sell meat on a ‘custom’ basis, and only in large quantities (only whole, half or quarter animals, which requires large purchases and lots of storage space, greatly limiting demand). Custom farm slaughterers (licensed by the state) can slaughter and process uninspected meat into smaller cuts for the animal owner but not for resale, unless their slaughtering and cut and wrap facility is USDA inspected. USDA inspection allows local sale of small cuts or quantities direct to buyers or retailers, enabling significantly greater profit.

**Development Feasibility Overview**

From a project development perspective, four key cost factors determine the business feasibility of a processing facility:

- Real estate costs (land, building, and other development soft costs);
- Equipment costs;
- Financing costs for the facility and the equipment; and
- Operating costs.
Balanced against these are the revenues resulting from the volume and value-added of goods being processed. Net revenues are the difference between the value of processed product minus the cost of inputs and costs to own and operate the facility. Successful operation of an agricultural processing facility therefore depends on two primary factors:

- Sufficient supplies of raw product, either from local production or imports; and
- Sufficient profit spread between the cost of inputs (primary agricultural products) and processing (facility, equipment, and operational expenses) and the market price for finished product.

While processing facilities present an opportunity to absorb greater production, there is thus a tension between the producers’ (farmers’) desire to sell at the highest possible price and the processor’s need to keep input costs down.

**Cost and Value Inputs**

Processing buildings are generally straightforward in design and construction and relatively inexpensive to build. A 2006 feasibility study for a small plant in Montana estimated the cost for a 16,000 square foot facility able to slaughter and process 40 head of beef per day to be approximately $3,700,000 including all facilities and equipment. This was based on construction costs of $230 per s.f. and an additional $300,000 of equipment. This cost included additional cooking and processing facilities that might not be appropriate for a smaller facility in Snohomish County; removing those components or features reduces the construction cost per s.f. to $180. Those estimates include development soft costs; factoring those back out leaves an estimated hard cost of approximately $134 per building square foot.

Light industrial land prices in Snohomish County vary depending on location and the presence of infrastructure or other improvements. A base land cost of approximately $9.00 per square foot is assumed. This represents buildable land located near transportation corridors for easy access, with infrastructure available, and not requiring zoning or other land use changes. Lower costs could be found but might require longer travel times or higher permitting or site development costs.

The same Montana study estimated the total market value per cow at approximately $1,000 after processing, and that an average cow would be purchased for just over $800. Individual cattle recently offered for sale in Snohomish County listed for between $800 and $1200 per head. A purchase price of $1,200 per head at the facility is assumed for this example.

The sale price to consumers for high-quality beef can be as high as $15.00 per pound. An average-size carcass can weigh approximately 600 pounds. In practice only a portion of the total weight is salable at such high prices. This study assumes an average price of $5 per pound of that total weight to account for the relatively lower amount of high-value meat cuts that can be derived from a single carcass versus the lower-value meat that can be sold for other products.
**Building Space and Land Needs**

As noted above, the beef cattle sector in Snohomish County and even in the 6-county region is not large enough to support more than a small beef processing facility. A 12,000 s.f. facility, somewhat smaller than the Montana example, could process 20 head of cattle per day. Assuming a two-month 'season' during which cattle are brought for slaughter and processing, such a facility could slaughter and process approximately 800 cattle per year. This represents approximately one third of the total estimated beef cattle population in the County, or a smaller portion of the regional count.

From a design and construction perspective, such a processing facility would be a relatively simple light industrial building. The 12,000 s.f. facility modeled here includes a work area of 10,000 square feet and a retail showroom of 2,000 s.f. space would need to be set aside for parking as well. A facility of this size could require 30 parking stalls to serve workers and customers. The total land area necessary for the building itself and parking areas would total approximately 24,000 square feet, or approximately half an acre. Exhibits 46 and 47 summarize the building and land use calculations.

### Exhibit 46
**Building Space Summary**

<table>
<thead>
<tr>
<th>Space Use</th>
<th>Gross SF</th>
<th>Pkg. Stalls</th>
<th>S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processing Space</td>
<td>10,000</td>
<td>22</td>
<td>7,700</td>
</tr>
<tr>
<td>Retail Showroom</td>
<td>2,000</td>
<td>8</td>
<td>2,800</td>
</tr>
<tr>
<td>Total Building Area</td>
<td>12,000</td>
<td>30</td>
<td>10,500</td>
</tr>
</tbody>
</table>

### Exhibit 47
**Land Use Summary**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Gross SF</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Footprint</td>
<td>12,000</td>
<td>0.3</td>
</tr>
<tr>
<td>Parking Footprint</td>
<td>10,500</td>
<td>0.2</td>
</tr>
<tr>
<td>Open Space and Landscaping</td>
<td>1,300</td>
<td>0.0</td>
</tr>
<tr>
<td>Total Site Area</td>
<td>23,800</td>
<td>0.5</td>
</tr>
</tbody>
</table>
**Capital Costs: Facility & Equipment**

*Exhibit 48* presents an estimate of the likely cost to develop a small beef slaughtering and processing facility in Snohomish County under current construction market conditions.

### Exhibit 48

**Development Costs**

<table>
<thead>
<tr>
<th></th>
<th>Gross S.F.</th>
<th>Cost / S.F.</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition Cost</td>
<td>23,800</td>
<td>$ 9</td>
<td>$ 214,000</td>
</tr>
<tr>
<td>Hard Construction Costs - Building</td>
<td>12,000</td>
<td>$ 134</td>
<td>$ 1,612,000</td>
</tr>
<tr>
<td>Hard Construction Costs - Surface Parking</td>
<td>10,500</td>
<td>$ 6</td>
<td>$ 63,000</td>
</tr>
<tr>
<td>Equipment Costs</td>
<td></td>
<td></td>
<td>$ 250,000</td>
</tr>
<tr>
<td>Soft Costs (% of Hard Costs)</td>
<td>34.0%</td>
<td></td>
<td>$ 570,000</td>
</tr>
<tr>
<td><strong>Total Direct Development Cost</strong></td>
<td></td>
<td><strong>$ 226</strong></td>
<td><strong>$ 2,709,000</strong></td>
</tr>
</tbody>
</table>

**Operating Costs**

Typical operating expenses for large, very efficient processing facilities are approximately 15% of gross revenue. Operating costs are considerably higher for smaller plants than for larger ones, making products more expensive and less competitive in the market unless greater value can be added. Costs to operate a smaller facility, such as that studied here, are estimated at 25% of gross revenue. Operating costs included worker salaries and benefits but did not include any financed cost to develop the facility (in other words, the facility itself was already paid for). Financing costs are discussed below.

This facility is assumed to be owner-operated; thus no rent is paid. However the owner would still expect to earn a minimum return on the investment in developing and operating the facility.

*Exhibit 49* presents the annual revenues and operating costs the processing facility could generate given the throughput levels presented above. Under these assumptions the facility would generate net operating income of approximately over $840,000 per year, a 54% operating profit.

### Exhibit 49

**Operating Revenue and Costs**

<table>
<thead>
<tr>
<th></th>
<th>800</th>
</tr>
</thead>
<tbody>
<tr>
<td>Throughput (# of cows/yr)</td>
<td></td>
</tr>
<tr>
<td>Pounds of Meat (dressed) / yr</td>
<td>600</td>
</tr>
<tr>
<td>Value to Consumer (Gross Revenue)</td>
<td>5.00</td>
</tr>
<tr>
<td>Cost of Cows</td>
<td>$ 1,200</td>
</tr>
<tr>
<td>Operating Costs (% of Gross Revenue)</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>$ 840,000</td>
</tr>
<tr>
<td><strong>Operating Profit Margin</strong></td>
<td>54%</td>
</tr>
</tbody>
</table>
### Financing Structure and Investment Returns

The above calculations assume no financing – in other words, that the owner paid outright the full cost to develop the facility. Typically as much as possible of the cost would be financed with debt. A typical financing structure for a facility like that outlined above would follow the lines outlined in **Exhibit 50** below. The total development cost of $2,709,000 would be funded largely (70%) by debt with the remainder as equity invested by the owner and/or other private, nonprofit, or public entities.

#### Exhibit 50

**Financing Structure and Returns**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Development Cost</td>
<td>$2,709,000</td>
</tr>
<tr>
<td>Stabilized Net Operating Income</td>
<td>$840,000</td>
</tr>
<tr>
<td>Capitalized Value of Project</td>
<td>10.0%</td>
</tr>
<tr>
<td></td>
<td>$8,400,000</td>
</tr>
<tr>
<td><strong>Debt Financing Terms</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>7.00%</td>
</tr>
<tr>
<td>Term (Years)</td>
<td>20</td>
</tr>
<tr>
<td>Maximum Supportable Loan Amount</td>
<td>$1,896,000</td>
</tr>
<tr>
<td>Annual Debt Service</td>
<td>$176,396</td>
</tr>
<tr>
<td>Debt Coverage Ratio</td>
<td>4.76</td>
</tr>
<tr>
<td>Equity Required</td>
<td>$813,000</td>
</tr>
<tr>
<td>Net Cash Flow</td>
<td>$663,604</td>
</tr>
<tr>
<td>Capitalized Value of Net Cash Flow</td>
<td>15.0%</td>
</tr>
<tr>
<td></td>
<td>$4,424,027</td>
</tr>
<tr>
<td>Return on Equity</td>
<td>544%</td>
</tr>
</tbody>
</table>

#### Break-even Throughput

**Exhibit 51** shows that 168 cows per year must be processed to cover the cost of developing and financing the facility. Under these costs and revenue conditions a facility would need to process 168 cows per year to cover operating and financing costs. There is some risk inherent in being able to sell such high-priced meat from 800 cows, as discussed above. However the estimated throughput of 800 cows per year far exceeds the break-even level, providing a margin for error if demand for such products turns out to be lower than anticipated.

#### Exhibit 51

**Break-even Throughput Required**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value per Processed Cow</td>
<td>$3,000</td>
</tr>
<tr>
<td>Purchase Cost per Cow</td>
<td>$1,200</td>
</tr>
<tr>
<td>Facility Operating Cost per Cow</td>
<td>25% $750</td>
</tr>
<tr>
<td>Net Income per Cow</td>
<td>$1,050</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$176,396</td>
</tr>
<tr>
<td>Break-even Throughput (# of cows / yr)</td>
<td>168</td>
</tr>
</tbody>
</table>
COMMENTARY AND ALTERNATIVE SCENARIOS

The prototypical beef processing facility illustrates the potential returns to both farmers and owners of a processing facility under one possible relationship between them. The example presents a scenario where the processor buys the cow from the farmer, processes it into salable cuts of meat, and markets the finished product. The processor thus captures the net value added from processing: in this example, $1,050 per cow. The farmer is assumed to include his or her desired profit margin within the $1,200 sale price of the cow to the processor.

One alternative allows the farmer to maintain ownership of the cow and hire the processor only to provide a slaughtering and dressing service. Exhibits 52 and 53 below illustrates this approach, and in doing so present a more detailed look at the allocation of profit between farmer and processor. Under this approach the assumed cost of the live cow is lowered to reflect the farmer’s profit assumed above in the $1,200 sale price added back into the overall profit ‘pot’. Assuming the actual cost of raising a cow is $900, the net value per cow after paying the cost of building and operating the processing facility is just over $1,100. The ‘profit’ can then be allocated between the farmer and the processor to reflect the costs and risks each bears.

### Exhibit 52
Potential Allocations of Net Margin

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value per Processed Cow</td>
<td>$3,000</td>
</tr>
<tr>
<td>Production Cost per Cow</td>
<td>$900</td>
</tr>
<tr>
<td>Gross Margin per Cow</td>
<td>$2,100</td>
</tr>
<tr>
<td>Processing Cost per Cow (Operations)</td>
<td>$750</td>
</tr>
<tr>
<td>Processing Cost per Cow (Facility finance)</td>
<td>$220</td>
</tr>
<tr>
<td>Net Margin to Allocate</td>
<td>$1,130</td>
</tr>
<tr>
<td>Processor Profit per Cow</td>
<td>54%  $523</td>
</tr>
<tr>
<td>Farmer Profit per Cow</td>
<td>67%  $607</td>
</tr>
</tbody>
</table>

### Exhibit 53
Processor Feasibility Under Revised Assumptions

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Processor Revenue (Costs + Profit)</td>
<td>$1,493 $1,194,455</td>
</tr>
<tr>
<td>Processor Operating Costs</td>
<td>$600,000</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$594,455</td>
</tr>
<tr>
<td>Gross Operating Profit</td>
<td>99%</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$176,396</td>
</tr>
<tr>
<td>Net Cash Flow to Processor</td>
<td>$418,059</td>
</tr>
<tr>
<td>Capitalized Value of Net Cash Flow</td>
<td>15%  $2,787,063</td>
</tr>
<tr>
<td>Equity Investment Required</td>
<td>$813,000</td>
</tr>
<tr>
<td>Return on Equity</td>
<td>343%</td>
</tr>
</tbody>
</table>
These exhibits show that under this scenario the processor earns enough profit to cover the investment and operating costs and earn a return on their equity investment, while the farmer makes a profit on their operating costs.

**Risk and Reward Allocation**

This understanding opens the door to a more detailed look at allocating risk and reward. The above allocation of costs presents a relatively balanced allocation of profits on a percentage basis between farmer and processor, under the assumption that each bears relatively equal risks. However if one side is perceived to bear higher risks than the other, that can be balanced by allocating a higher proportion of the net margins to the side bearing more risk. For example, if the farmer bears the marketing risk of identifying customers who will pay the desired price per pound of beef, then the processing facility developer bears the risks related to construction costs (if the facility is to be newly constructed) as well as interest rate risk and other risks related to operating the facility itself, such as insurance and staffing.

**Alternative Ownership and Financing Models**

The profit-allocation discussion above also illustrates the potential for alternative approaches to ownership of a processing facility. The facility described above assumes the processing facility is owned by a separate entity that expects to earn an acceptable profit on top of its costs.

If a group of farmers bands together to cooperatively develop and operate a processing facility for the purpose of adding value to their own products, there will not be as much need for the facility itself to turn an operating profit. As a result the entire net operating margin can be shared among the farmers, increasing their returns. Under this scenario, however, the facility operating costs may be higher, as the farmers might need to hire an outside manager to operate the facility, unless one or more of them has the necessary time and expertise to do so.

Similarly, different financing structures could be employed to reduce the cost of developing a facility. The financing structure outlined represents a typical approach to real estate development, based on interest rates and investor returns typical of the private debt and equity markets. An alternative approach, which might be pursued either for policy reasons or if the economic outlook changed such that less-expensive sources of financing were required, is to tap public or non-profit lenders or investors for some or all of the financing required. Utilizing lower-cost financing enables the facility to operate on a lower cost basis, absorbing lower margins in a less favorable market or providing higher returns to farmers or the facility operator.

**APPLICATION TO OTHER TYPES OF PROCESSING**

**Mobile Processing Facilities**

A group of farmers in San Juan County recently developed an alternative to a fixed cattle slaughtering and processing facility in the form of a USDA-approved mobile slaughtering unit. This unit, the first of its kind in the country, carries an USDA inspector and can travel to individual farms, giving farmers more convenient access to processing capabilities at relatively low cost. The Island Grown Farmers Cooperative
that leases the unit has 55 members from Skagit, Island, Whatcom, and San Juan counties, with 20 other growers that have used the facility. The unit began operations in 2003 and can slaughter about 1,000 animals per year. The group also still maintains a fixed processing facility where carcasses are cooled, butchered and dressed into salable portions of meat, so those costs are not completely avoided. The mobile unit and the fixed cut/wrap facility together employ six people. The facilities are sustained by membership and user fees; products remain the property of the growers, who are still responsible for selling them.

The cost of the mobile unit itself was estimated at $150,000 by one farmer involved in the process of getting the concept approved. (That cost represents the capital cost only and not ongoing operating and USDA inspection costs, nor does it count the investment required to gain approval for the concept in the first place.)

The same approach could theoretically be applied to other types of processing sectors as well, as a way to give smaller farmers access to processing services without the cost of developing their own facilities or of transporting raw materials to a remote facility. However, the economics of a mobile facility may be more favorable for beef processing then for other sectors with lower processing costs. Development of a mobile facility was particularly critical for beef producers, as cattle slaughtering and processing face higher regulatory requirements and health inspection costs before cattle products can be sold to consumers. These make it harder for an individual rancher to bear that cost. The mobile slaughtering unit also carried several other benefits that might not be as applicable to other sectors.

- A mobile facility did not trigger the potentially contentious permitting and public support (“NIMBY”) issues that a fixed slaughtering facility would.
- Animals’ slaughtered on-farm are spared the stress of being transported, which many farmers say results in poorer-tasting, lower-quality meat. This also addresses a concern of many consumers concerned with humane animal treatment.

In sum, the mobile cattle slaughtering unit allowed smaller cattle producers to increase their direct sales and capture greater profit margins. However, mobile processing facilities may be less valuable to farmers in other sectors.

**Berry Processing**

Berries represent another common Snohomish County product that can benefit from value-adding processing. Millions of raspberries, strawberries, and blueberries are grown for processing into frozen berries, ice cream, yogurt, juice, and preserves. Berry operations represent a different market sector from beef slaughter and processing. Processing equipment used to harvest, clean, sort, and package berries is more industrial in nature than the hand-cut tools used for beef butchering, allowing greater mechanization and economies of scale, whether the product in question is simply cleaned and frozen in its whole form or processed into preserves, yogurt, or the like. Even with increased mechanization, berry growing is also more labor-intensive than beef processing. A 1,000 acre farm can employ over 600 workers during the year, but as with other agriculture, berry work is seasonal and only half that total may be year-round residents.
The berry sector’s mechanization and suitability to large scale operations tends to encourage increased scale and focus on achieving higher throughput. In agriculture and other industries this trend has tended to advantage larger producers at the expense of smaller farms with higher marginal costs of production. However, a cooperative processing facility might be able to aggregate production from multiple farmers, providing a more cost-efficient means for them to participate in this sector. Berry processing can also be done at smaller scales with smaller equipment, allowing farmers who are able to develop their own value-added products and capture greater value-added returns.

**Freezing Technology**

Industrial Quick Freeze (IQF) equipment is common to a number of product types, allowing raw produce to be quickly and efficiently frozen for retail packaging or transport to final processing facilities elsewhere. As such it functions more in the high-volume mode than by adding greater value to raw products.

### AGRITOURISM

#### AGRITOURISM OVERVIEW

Agritourism is characterized as farm-related, consumer-oriented activities, including recreation and hospitality, on a working farm or ranch. Agritourism includes outdoor recreational activities such as fishing, hiking or hunting; hospitality services such as overnight farm stays, weddings, wine tastings or dining opportunities; educational experiences such as farm tours or on-farm museums; and, on-farm direct sales such as pick-your-own or farm stands.

Agritourism can play a key role in maintaining the strength and viability of agricultural communities because it offers another potential for economic return on behalf of farmers. By capitalizing on existing assets and resources, farmers can leverage their existing agricultural production activities for greater returns. Possible sources of additional income are selling farm and value-added products to the consumer directly and charging entrance fees to activities.

Agritourism enterprises can include educational, recreation, cultural, or natural resource components and operate seasonally or year-round. Potential benefits include:

- Increasing farm revenue without increasing acreage;
- Dampening seasonal effects on revenues (agritourism revenues may occur in non-harvest months);
- Diversifying revenue streams, thereby offering greater resiliency against natural, political or economic cycles;
- Incentivizing the preservation of natural amenities and keeping agricultural land productive; and
- Demonstrating how farmers care for the land and protect valued natural and cultural resources.

The local economy and the surrounding communities benefit as well. Specifically, agritourism can benefit the surrounding community through the following.
- Stimulating the local economy by drawing tourists to the area;
- Promoting an agricultural way-of-life;
- Supporting seasonal events towards greater economic impact (such as Snohomish County Fall Farm Festival);
- Helping to build a regional identity or brand that can be leveraged for further economic development; and
- Providing opportunities for community involvement in its own agricultural heritage.

Farmers considering agritourism should also keep in mind some of the challenges that come with expanding their agricultural business model. Some other aspects of agritourism that must also be considered include.

- Dealing with the greater public requires a certain amount of patience, enthusiasm and ability to anticipate needs;
- Adding agritourism may require the addition of facilities to accommodate visitors;
- The site must be maintained for visitors with clear and safe paths and other features; and
- Challenges maybe associated with permitting and regulations.

CURRENT AGRITOURISM TRENDS

International Trends

Rural tourism is more developed and institutionalized in European countries than it is in the United States. While the geographies and economies of a European context differ from Snohomish County, the European experience can offer valuable insight into the potential for agritourism in the United States and Snohomish County. Rural tourism in Europe and agritourism in the United States share similar activities that link agriculture and gastronomic traditions and heritage.

Agritourism within the European Union is well-represented through the European Federation of Farm and Village Tourism. This organization advocates on behalf of rural farms and educates the broader policy community about the key role rural tourism plays in maintaining community identity and encouraging sustainable development of rural areas.

Agritourism throughout Italy (agriturismo) has been especially successful in the last thirty years. Agriturismo, where visitors stay on working farms, began in earnest during the late 1970’s after small scale farming became less profitable and farmers began abandoning their farms in search of work in larger urban areas.

The success of agriturismo today owes in part to the commitment on behalf of the Italian government and regional administration bodies. In 1985, Italian law defined and legalized agriturismo. The law also established government subsidies that annually pay Italian farmers that open up their farms as an
agriturismo. In addition, government programs have provided uniform signage throughout regions in Italy, indicating agriturismo opportunities as visitors pass through the region. Thus, agriturismo is a coordinated, regional phenomenon that is recognizable to potential visitors in much the same way as a successful brand.

The types of farms that host agriturismos are as varied as the hospitality services they provide. In Italy, where the average farm size is just 17 acres, farms tend to deliver high-end, niche agricultural products and include vineyards, as well as orchards featuring regional specialties such as olives, nuts, or citrus. Guest activities can range from minimal direct exposure to operations, to opportunities to help with routine farm chores, to more immersive commitments that cover an entire season’s worth of activities. Most accommodations have kitchen facilities and some agriturismos will include prepared meals by the farmer, using food grown on the farm or even locally.

United States Tourism Trends

According to a 2005 survey by the University of California at Davis’s Small Farm Center, in 2004, 52,000 farms throughout the United States reported agritourism activities with approximately $955 million in revenue. Nearly 87 million adults visited rural destinations from 2001 to 2004. Most of these agritourists, nearly 81%, visited farms independently and not part of an organized group.

Survey researchers identified the motivation for agritourism in California to include buying fresh or homemade products direct from the farmer, exposure to rural settings, visiting with friends and family and educational farm activities. Urban and suburban residents placed a high value on rural open space; viewing and being a part of the landscape. Most agritourists enjoyed the rural scenery and stressed limited residential development and minimal non-farm businesses as essential to completing the rural experience.

The agritourist market segment tends to be dominated by people in their early to mid forties with a median family size of 3. Median family income is similar to the overall national average of $50,000 annually. However, nearly one-third of agritourists have bachelor’s degrees, contrasted with only one-fifth of the overall national average. Average round-trip distance traveled for day trips was about 80 miles and the amount spent per trip was $36.

The 2004 Agricultural Resource Management Survey revealed that the most popular agritourism activities in the US included petting farm animals (67%) and activities such as hay rides, corn mazes and horseback riding (29%). These activities especially attract school-age children. Farm mazes delight and serve as educational tools, bringing school-arranged tours of students to farms throughout the US.

Interviews with industry stakeholders support the perception that American consumer preferences are changing. Many people are beginning to place a higher value on knowing where their food is coming from and want to connect with their agricultural heritage. Agritourism operators mention that their business continues to attract increasing numbers of tourists each year. Snohomish County farmers are well positioned to attract this growing market segment.
Regional Tourism Trends

Washington State and the Puget Sound Region are established tourist destinations, and Snohomish County farms are well-situated to benefit from regional tourism. According to an annual state survey of the tourism industry, travel spending in Washington State amounted to $14.8 billion in 2007 (up 6.8% from 2006). Almost three quarters of this spending occurs in Western Washington.

King County captures 42% of state visitor spending. Snohomish County’s proximity to King County as well as its location as a gateway to tourist destinations north of King County, presents an opportunity to capture greater shares of visitor spending. With agritourism’s increasing popularity, Snohomish County represents an excellent opportunity for visitors to escape the predominantly urban environment of King County.

Visitor spending in Snohomish County totaled $746.7 million in 2005, the latest survey data available from the Washington State Department of Community, Transportation and Economic Development, as presented in Exhibit 54. The same study estimates that day-trippers (intra-regional touring to Snohomish County) spent a total of 193.8 million in 2005.

### Exhibit 54
Visitor Spending in Snohomish County, 2005

<table>
<thead>
<tr>
<th></th>
<th>Snohomish County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Visitor Spending ($ Millions)</td>
<td>746.7</td>
</tr>
<tr>
<td>Food &amp; Beverage Services ($ Millions)</td>
<td>197.7</td>
</tr>
<tr>
<td>Arts, Entertainment and Recreation ($ Millions)</td>
<td>105.7</td>
</tr>
<tr>
<td>Food Stores ($ Millions)</td>
<td>40.8</td>
</tr>
<tr>
<td>Accomodations ($ Millions)</td>
<td>80.6</td>
</tr>
</tbody>
</table>

Source: WA CTED, 2006

### CURRENT AGRITOURISM ACTIVITIES IN SNOHOMISH COUNTY

As formal tracking of agritourism ventures and revenues in Snohomish County is limited, this assessment draws from interviews with individual farmers and industry stakeholders who offered their on-the-ground experiences with trying to develop agritourism enterprises in Snohomish County.

The conventional wisdom for a successful agritourism venture includes three components.

- Something for the visitor to see,
- Something for the visitor to do, and
- Something for the visitor to buy.

Thus, a comprehensive business strategy would include providing entertainment and educational services, as well as opportunities to purchase agriculture and value-added products. The services and retail components added to the existing agricultural enterprise would represent increased opportunity for the
farmer to capture consumer dollars. Local examples include farms charging an entrance fee to corn mazes or other on-sight activities, selling pumpkins from the pumpkin patch, and selling value-added products at an on-farm stand.

Agritourism in Snohomish County largely occurs around the harvest season, with several farms participating in harvest or pumpkin festivals. Activities are primarily focused on entertainment and education such as corn mazes, hay rides, farm tours, pumpkin patches, petting zoos and festivals. In addition, 17 farms have on-farm direct sales and others offer hospitality services and event venues.

Thirty-eight farms are currently registered with the Snohomish County Tourism Bureau for agritourism ventures. Nature and heritage tourism is not currently promoted as part of agritourism in Snohomish County, though these could be included as Snohomish County develops a strategic plan for agricultural-related tourism.

Agritourism in Snohomish County can be grouped into the following categories of activity, each discussed in subsequent sections:

- **Educational and Entertainment**: farm tours, cooking classes, on-farm museums, cultural heritage, harvest festivals, barn dances, petting farms;
- **On-Farm Direct Sales**: pick-your-own, roadside stands, value-added products; and
- **Hospitality Services**: Overnight farm stays, weddings, dining, wine tasting.

### Educational and Entertainment Agritourism

**Corn mazes, hay rides, farm tours, pumpkin patches and petting zoos.** Eight farms in Snohomish County create corn mazes each year during the fall and farmers interviewed report growing numbers of visitors each season. Corn mazes have grown significantly in popularity around the United States over the past ten years.

Often combined with other on-farm activities such as hay rides, farm tours, petting zoos, pumpkin patches and farm stands, local corn mazes appeal to people of all ages. Many corn mazes have an educational component and draw elementary school field-trips and families from around the region. Innovative and relevant designs ensure repeat business. Within Snohomish County, nine farms offer petting zoos and five offer hay rides in addition to the corn mazes. Pumpkins grow especially well in Snohomish County; seventeen farms offer pumpkin patches.

Beyond the more conventional barnyard animals, one farm offers a kangaroo farm tour plus pick-your-own Christmas tree. Another farm tour features alpacas.

**Festivals and Fairs.** There are several festivals throughout Snohomish County, as well as the Evergreen State Fair. Most of the festivals occur in the fall, though the Lavender Hills Farm Festival occurs each year in mid-July.

Festivals are excellent opportunities to build on the momentum of the season and capitalize on existing resources while drawing the agricultural community together for tourism opportunities. Festivals are heavily promoted regionally and are most often well-attended.
On-Farm Direct Sales as Agritourism

Farm Stands. Seventeen farms offer direct sales to consumers through farm stands. Common products sold include fresh-produce and plants. Farm stands tend to capture drive-by dollars as well as visitor dollars, when operated in conjunction with other on-farm activities such as corn mazes. Farm stands provide an opportunity to sell farm products without having to leave the farm to attend farmers markets.

Pick-Your-Own. Sixteen Snohomish County farms offer pick-your-own enterprises, ranging from berries to pumpkins to Christmas trees. Pick-your-own stands provide significant benefits to the farmer through direct sales to the consumer plus the wage-saving benefits of reducing employment expenses.

Hospitality Services Agritourism

Wineries. While wineries in Snohomish County are considered beverage manufacturing and production, not agriculture, for economic reporting and regulatory purposes, wineries and food production of any sort can be an important part of the County’s agricultural strategy. Most grapes processed in Western Washington are grown in Eastern Washington, with many, small-scale exceptions. At least ten wineries process grapes in Snohomish County and some of the operations occur on farmland. At least one local winery has regular tasting hours, and at least five offer occasional tastings by appointment only.

Weddings, Family Reunions, Dining. Currently, three farms are registered with Snohomish County Tourism Bureau that host weddings, and other farms have applied for permits to host weddings. The Bureau provides wedding location planning services free of charge.

One interviewee noted that weddings tended to be a more lucrative revenue stream simply because people expect weddings to be expensive. Weddings can be a logistical challenge with competing land uses, such as during harvest season when tractors are on the road; however, if planned and executed well, attendees generate tremendous word-of-mouth advertising for the farm and surrounding area.

On-Farm Bed and Breakfasts. Internet research and initial interviews suggested on-farm bed and breakfasts exist in Snohomish County, though attempts to contact proprietors have been unsuccessful to date.

CHALLENGES FOR AGRITOURISM IN SNOHOMISH COUNTY

While agritourism is an excellent way to diversify on-farm business operations and potentially increase revenue, it introduces a number of challenges.

The primary challenge for agritourism in Snohomish County is, simply, that it is early in its development as an industry. While several farms have engaged in successful agritourism activities for several years, it is necessary for a regional marketing push to help ensure the continued growth of existing operations and the success of new ones. In conjunction with the development of a regional identity and marketing, some simple tools such as a comprehensive, easy-to-use web guide for agritourism activities would enable potential tourists to scout activities and farms to visit.

Agritourism can only succeed if regional agriculture production is viable and active. While small farms are best suited for agritourism due to the human-scale of their agricultural production, a county-wide or
balancing regional strategy will depend on the health and vitality of all working farms, large and small, as all are essential to the overall experience of visiting agricultural regions.

A successful agritourism enterprise is largely dependent on the innate qualities of the farm operator or individual who will act as the farm host. Introverted or very private individuals may not enjoy the social aspects of agritourism and the customer-service nature of tourism in general may not appeal to other farmers.

Like any land use change, the introduction of an increased number of non-farmer visitors can result in conflicts between strictly agricultural operations and farms accommodating visitors. Strong communication between neighbors is necessary to ensure one’s business impacts the others’ in positive rather than negative ways.

Egress and access concerns for tourists in agricultural areas will have to be addressed as many farms are located in out-of-the-way areas, which will narrow the market to independent agritourists and limit large bus-tours.

Balancing the labor expenditures between production and agritourism can also present challenges. Some individual farmers may not be able to afford the time away from agricultural production. Other challenges include finding a reliable labor supply for small farms. There are examples of creative solutions to this particular challenge. For example, one farmer in Virginia began an employment co-operative with nearby farms thus being able to provide full-time employment and working wages.

Permitting and regulations may inhibit prospective agritourism enterprises. It is important for Snohomish County to work in conjunction with the State of Washington to review potentially limiting regulations to establish what works and what does not.

An increase in successful agritourism activities will present new challenges for Snohomish County. Increased tourist traffic and local road congestion, as well as an influx of a population who does not understand or is not accustomed to living near agricultural production, can lead to conflict. Local wildlife and natural amenities may also be burdened with a sudden increase in tourist activity.

**OPPORTUNITIES FOR SNOHOMISH COUNTY**

Many factors contribute to Snohomish County’s suitability for the development of additional agritourism enterprises. Snohomish County’s proximity to the urban center of Seattle make it well positioned to attract visitors wishing to experience exposure to farming and learning about food systems. Additionally, the human scale of agriculture with small, diverse farms is particularly appealing for agritourism.

Snohomish County’s geographic proximity to other attractive amenities in Northwest Washington such as the North Cascades wilderness area, the San Juan Islands, and destinations further north in British Columbia, Canada presents the opportunity to develop gateway services and recreation opportunities for those who are passing through the county. Agritourism may appeal to this market as well with particular emphasis on outdoor recreation opportunities including farm-based ecotourism.
AGRITOURISM OPPORTUNITIES

Outdoor Recreation Agritourism

Snohomish County is rich with natural beauty and resources. Farmers have the opportunity to identify natural resource features or migration patterns that they can utilize as tourist destinations. Many farmers forget that urban dwellers do not have the opportunity to hike along natural rivers and bird-watch every day. These are valuable amenities that can be offered to the touring public.

Heritage Tourism and Agritourism

Farmers in Snohomish County can build on the strong cultural heritage of the region by presenting tourist activities that include notable heritage sites that lie within or close by the farm.

Farm-Stays

The Washington State Department for Community, Trade and Economic Development (CTED) is currently collaborating with the Washington State Department of Health and Washington State Department of Agriculture to conduct a feasibility study for farm-stay agritourism ventures that include patrons helping with farm chores in exchange for food and boarding. Farm-stays are similar to some of Italy’s agriturismo opportunities and have been enjoyed on Vermont farms for over one hundred years.

Connecting Agritourism Opportunities with Recreation Enthusiasts

Promoting Snohomish County agricultural roads as agritourism corridors may increase impromptu patronage at farm-stands.

For example, road biking is a popular sport in Western Washington and the rural roads in Snohomish County are a popular destination for riders. Weekend cyclists enjoy destination rides and seek out stops that allow them to rest, eat, drink, and sample the local culture. Bicycling continues to increase in popularity. Large group rides, some organized formally and others informally, occur throughout the predominant riding season during the warmer months.

Promoting a Local Folk Niche

Snohomish County could leverage a locally unique event as a marketing tool to drive agritourism. For example, a long-standing Michigan tradition that could easily be incorporated into Snohomish County agritourism ventures is serving hot apple cider and homemade doughnuts on roadside on-farm stands. These stands attract visitors from around the region and often sell other value-added products in addition to the cider and doughnuts. These stands are also popular destinations with road bikers who enjoy Michigan’s rural roadways.
Events Without Permanent Facilities

Double-T Acres in California provides the venue for events on their farm, though all events are catered with outside vendors with whom they have developed a relationship to prepare locally grown food. The state of California allows barbequing on-site with a minimal permitting process (compared to a commercial kitchen), which allows Double-T Acres to capture the income from serving beef raised on their own farm.

Temporary and mobile restroom options for less informal events include facilities which mimic permanent buildings with running water and heated, comfortable interiors.

RECOMMENDATIONS FOR SUPPORTING AGRITOURISM

Develop a targeted strategic plan for Snohomish County Agritourism

With changing market forces such as the economy and local food movement, a comprehensive look at market demographics and psychographics could help inform agritourism options and how to market new ventures in Snohomish County to Snohomish County residents, as well as throughout the Puget Sound region, Washington State and beyond. Detailed information will help potential agritourism operators make informed decisions regarding what type of operation to engage in, how to market their new business and how profitable they can expect to be.

Develop Web-based Marketing and Trip Planning

Each area of the country promotes tourism in different ways and to varying degrees of success. Both Washington State and Snohomish County could utilize web-technology to better promote the varied agritourism opportunities in the area and make it easy for potential agritourists to find agritourism destinations.

An example of a database-driven site promotes agritourism in California is available at:
www.calagtour.org/AgTour.ASP

Create a Workbook Guiding Farmers through the Agritourism Process

The Agri-Business Council of Oregon has created an excellent workbook for farmers considering agritourism ventures. The book guides them through the intricacies of feasibility analysis as well as permitting procedures specific to Oregon. An example can be found at:
www.aglink.org/agbook/agritourismworkbook.php

Snohomish County Tourism Bureau

The goal of the Snohomish County Tourism Bureau is to bring overnight stays into the county. Agritourism that does not include overnight stays is still essential to the SCTB’s mission of promoting a wide array of activities in which to participate while one stays in the county. SCTB is a willing partner in tourist activities
throughout Snohomish County. A strong partnership with SCTB could increase awareness of Snohomish County agritourism options.

**Snohomish County - Host a conference/Networking Event**

Connect farmers, vendors, designers, insurance agents, suppliers, bankers, caterers, chefs, wedding planners, producers, and the tourism bureau together to present and discuss agritourism in Snohomish County. Provide demonstrations of successful agritourism ventures. Utilize speaker resources from around the country to bring an influx of new ideas.

**Signage**

Good signage is essential for communicating Snohomish County’s agricultural assets. Many farms and agritourism enterprises are tucked away into small corners without heavy traffic. While this ensures their appeal, it makes it difficult for visitors to locate them.

Signage not only directs tourists to where they are going, it introduces visitors and residents alike to a cohesive agricultural community dedicated to long-term viability. Good signage also keeps visitors away from the farms that are not open to the public, thus helping to ensure good working relationships between neighboring farms.

**SUMMARY OF OPPORTUNITY**

Many Snohomish County farms have attracted visitors to corn mazes, pumpkin patches, harvest festivals and produce stands. A few have expanded on this intra-regional tourism by offering more interactive opportunities on the farm, or hospitality services, such as space for parties and weddings. A few bed and breakfast establishments exist among local farms and a few coordinated events and programs work to bring regional attention to the industry as a whole in the County.

A broader range of agritourism experiences is becoming increasingly popular throughout the world, most notably in European countries such as Italy and France, as well as closer to home in places such as Napa Valley, California and in Oregon. Some of these appear to be feasible logistically in the near term for Snohomish County farms such as farm stays and tours, while others will require longer-term collaboration with State policy-makers in order to implement.

All forms of agritourism have the potential to benefit local farms, either through direct revenues or through increased awareness of local products. Moreover, because agritourism relies upon successful and productive agricultural industry in the County, a growing agritourism industry will expand the local stakeholders to support local farms. A sound strategy for the industry will include regional promotion and community involvement to ensure agritourism ventures success and minimize community conflict over land-use.

Introducing agritourism activities on a working farm is challenging but many find it rewarding. Key considerations include managing neighbors, especially other agricultural operations which may have conflicting schedules and needs. Risk management is also essential. Working the public requires anticipating needs and mitigating potential hazards.
Agritourism activities can be labor and time intensive. However, creating an agritourism business means creating value with existing assets. Agritourism is a growth industry and worth investigating if farmers are interested in diversifying their current business plans.

**RESOURCES**

Many resources exist for farmers considering agritourism activities. Extensive research has been conducted to provide farmers with how-to guides, idea-generation, facility and personal assessment.

A few exceptional resources, which also provide links to additional sources, include:

- ATTRA – National Sustainable Agriculture Information Service [www.attra.org](http://www.attra.org);
- Small Farm Center, University of California at Davis [www.sfc.ucdavis.edu/agritourism/agritour.html](http://www.sfc.ucdavis.edu/agritourism/agritour.html);
- Agricultural Marketing Resource Center [www.agmrc.org](http://www.agmrc.org);
- Northwest Agriculture Business Center [www.agbizcenter.org](http://www.agbizcenter.org); and
- Resources mentioned in **Suggestions for Snohomish County** above:
  - Agritourism Workbook [www.aglink.org/agbook/agritourismworkbook.php](http://www.aglink.org/agbook/agritourismworkbook.php);
  - Web-based Marketing and Planning [www.calagtour.org/AgTour.ASP](http://www.calagtour.org/AgTour.ASP).
FINDINGS AND RECOMMENDATIONS

Snohomish County farmers and County staff have good reason to be optimistic about the future of agriculture in Snohomish County. Rising demand for locally-grown food, increasing awareness regarding food security and food safety, the world food crisis, the cost of oil and a slowing housing market converge to create a climate of opportunity for Snohomish County farmers.

Moving forward, Snohomish County can continue to advance the agricultural opportunities for farmers while working toward meeting climate objectives and ensuring Snohomish County citizens have every opportunity to enjoy the benefits of a richly developed agricultural community.

This report presents analysis and recommendations for improving and maintaining agricultural activity in Snohomish County. Recommendations include both actions the County can take to assist farmers as well as identification of opportunities that exist or are emerging for farmers or others interested in new or supporting business enterprises.

In addition, the report examines the feasibility of recommendations made by earlier studies. Other recommendations are introduced as new, emerging opportunities as the political and economic climates continue to change. The following opportunities represent the key findings and top-ranking strategies identified through research, extensive stakeholder interviews and project team meetings.

RECOMMENDATION 1. YEAR-ROUND PUBLIC MARKET

A covered, permanent, year-round farmers’ market is viable in Snohomish County. Attendance at farmers’ markets around the country has continued to increase over the past ten years. Seasonal markets have not been as successful in Snohomish County as in King County (according to Snohomish County stakeholders). A permanent market has the potential to draw a consistent consumer base, allowing farmers interested in direct marketing opportunities to build strong relationships and networks. Additionally, permanent facilities should have POS/EBT capabilities to allow those using electronic food stamps to frequent farmers’ markets for locally grown food.

RECOMMENDATION 2. PROCESSING UNIT

Forage, market crops and seed crops make up the largest productive agricultural land areas; processing facilities for these agricultural uses would allow farmers to capture additional value from their agricultural products.

Several efforts are underway to expand processing facilities in Snohomish County. In addition to the overview of opportunities in this report, NABC is assessing producer demand as well as existing processor capabilities for a study in conjunction with Cascade Harvest Coalition. This key part of the analysis may yield higher-than-expected capabilities ready for producer inputs. Specific recommendations for furthering the assessment of a processing facility and increasing processing capacity in the county include:

- Work with NABC to determine institutional processing needs vs. retail processing needs;
- Consider mobile units;
• Consider co-operative units; and

• Consider community kitchen incubators, which allow for food preparation and are a good option for market crop farmers seeking to fulfill institutional or larger scale demand.

RECOMMENDATION 3. AGRITOURISM

Agritourism merits a robust, coordinated promotional effort by the County. Directional roadside signage helps brand Snohomish County agritourism farms. The County can work with the Snohomish County Tourism Bureau to develop coordinated outreach, such as an interactive online calendar and map allowing farmers to update information regarding operations and tourists to find agritourism locations easily. As an example, a group of farmers, promoting the Snohomish County Festival of Pumpkins, developed a basic interactive site promoting agritourism activities. This is a good example of farmers coming together to leverage similar business strategies and attract tourist dollars to the community.

RECOMMENDATION 4. BIOFUELS

Biofuels can play an important role as Snohomish County strives to meet new environmental standards. Initial test crops show that canola seed crops are viable, both economically and environmentally, in Snohomish County. It is important to address valid concerns regarding using agricultural land for fuel vs. food as well as cross-contamination with other seed crops.

RECOMMENDATION 5. DISTRIBUTION HUB

Distribution and storage are two major infrastructure hurdles when it comes to agricultural viability in the region. Snohomish County can assist with efficient networks by establishing a distribution hub which includes a produce terminal and cold-storage. Specifically, producers can limit their delivery trips, as can distributors who would not normally have the infrastructure to purchase from small- to mid-sized local farms.

An efficient delivery system keyed to local foods would make it more economical for farmers, particularly mid-sized, by drawing more restaurants, grocers, and institutional food service into buying local.

RECOMMENDATION 6. HIRE A FOOD SYSTEMS PLANNER

A food systems planner can work among Snohomish County departments, such as Agriculture, Planning and Development, Economic Development and the Climate Change Committee to review current Snohomish County food systems and perform a lifecycle assessment on proposed food systems, ensuring that food policy goals are met.
RECOMMENDATION 7. INCLUDE FOOD POLICY GOALS IN COUNTY COMPREHENSIVE PLAN

Snohomish County can take a lead role in a Regional Food Policy Council and should work with other Puget Sound Region counties to provide urban residents with agricultural products from Snohomish County farmers.

An important example of how the County can encourage the development of a local food system is the Food Policy Action Plan passed by the City of Seattle on April 28, 2008. The City will also work on a Regional Food Policy Council that brings Seattle and King County working together to develop policies that strengthen connections between rural and urban areas and accomplish long-term goals of food sustainability and security.

RECOMMENDATION 8. COORDINATE WITH OTHER SNOHOMISH COUNTY ACTION COMMITTEES

Work with other action committees such as the Sustainable Development Taskforce of Snohomish County, tasked with facilitating the adoption of sustainable development strategies throughout the County, and the Snohomish County Green Ribbon Task Force whose goal is to develop a plan for adapting to climate change and reducing community wide green house gas emissions. The interconnectedness of food sources, delivery and consumption with greenhouse emissions and climate change suggest that an interdisciplinary effort across Snohomish County action teams will yield comprehensive action.

RECOMMENDATION 9. DEVELOP A USER-FRIENDLY WEB-BASED DATABASE

Initial NABC research shows that processing facilities may be underutilized due to lack of awareness of their existence. The County can overcome this obstacle by developing and managing a user-friendly, web-based database connecting producers to processors to wholesale buyers, such as retail, restaurants and institutions. A searchable, web-based information tool can facilitate producers, processors and purchasers in finding each other. By increasing the flow of information the County can support the creation of relationship-based networks that are key to building local food systems. An example of a searchable online database is Seattle Tilth’s links and maps to local CSA’s.

RECOMMENDATION 10. PROMOTE LOCAL AGRICULTURE

Local spending increases the amount of dollars circulating within the community. The County can promote local agriculture and local spending on local agriculture products through:

- Creating marketing materials and a centralized list of Snohomish County farmers;
- Helping get the information out by sending the marketing material to grocer purchasers, with a link to a database of farmers interested in being contacted by grocers; and
- Developing a plan for adding signage for agritourism destinations and agricultural areas.
RECOMMENDATION 11. WORK WITH WASHINGTON STATE ON FARM-TO-SCHOOL INITIATIVE

Washington State has allocated $250,000 and two employees to assist with farmer/institution connections. Snohomish County can facilitate the process by sharing information and networks.

RECOMMENDATION 12. DEVELOP SNOHOMISH COUNTY AGRICULTURAL SUSTAINABILITY BUSINESS PLAN

This Economic Opportunities Assessment provides abundant information suitable for a strategic planning dialogue. Agricultural stakeholders in Snohomish County can use this information to make choices that inform development of an action-oriented Business Plan for County agriculture.
NEXT STEPS FOR COMMUNITY ATTRIBUTES

PROJECT STATUS

The Snohomish County Agricultural Board has carried on its business and meetings diligently for several months, while the consultant team gathered new data and presented new analysis. The Community Oversight Steering Committee heard presentations on pieces of the analyses as they were completed. At the meetings where the presentations occurred, discussion followed, much of which included ideas about strategies and action steps.

The COSC is now well positioned to make decisions and develop an executable strategic plan (or a business plan, as it has been referred to throughout earlier processes). Additional analysis may become necessary as strategic discussions proceed, but the bulk of necessary analysis has already been completed.

PROJECT APPROACH

Through a series of specialized meetings, the COSC should be able to identify quickly strategic themes and immediately begin identifying potential action steps that would help form the strategic plan. The consultant team can support this process by working with the meeting input and submitting working-draft strategies and key questions for review between meetings. After a series of three to four meetings, a solid draft strategic plan will emerge for public discussion. As work proceeds – prior to publishing a draft strategic plan – the key themes and opportunities can form the basis for a community forum to solicit support and feedback. A complete draft strategic plan can then circulate to all stakeholders for review.

The following provides an outline of how the COSC meetings and public forums might be organized to achieve the desired strategic plan.

**COSC Meeting 1**
- Review Committee Schedule and Process
- Inventory Background materials
- SWOT Analysis (Draft)
- Strategic Themes Part 1
- Identify Information Needs

**COSC Meeting 2**
- Review/Finalize SWOT Analysis
- Strategic Themes Part 2
- Draft Action Steps
**COSC Meeting 3**
- Strategy Draft 1
- Action Steps

**Community Forum**
- Opportunity Assessment and Draft Strategy Options

**COSC Meeting 4**
- Review Community Forum
- Strategy Draft 2

**Community Review**
- Present Draft Strategy (Draft 3)

**COSC Meeting 5**
- Review Comments
- Final Economic Strategy (Strategy Draft 4)
- Present to Council
APPENDIX A.
SUMMARY OF PRIOR STUDIES

This report builds from previous efforts of Snohomish County, Snohomish County Agricultural Economic Development Action Team (SAEDAT), Good Food Strategies and other stakeholders. This section presents an overview and summary of the strategies presented in the following documents:


- **Agriculture in Snohomish County: A strategic approach to communications and messaging.** Research and report by Good Food Strategies, LLC. June, 2007

### STRATEGIES

- **Agricultural Lands Funds.** Establish a dedicated fund to implement and support agricultural land preservation activities. Strategies for developing a funding base may include: Running a ballot measure to create a bond or levy dedicated to agricultural lands preservation, establishment of an Agricultural Mitigation Fee, redirecting penalties and interests related to removing lands from tax shelters, redirecting a portion of the County Surface Water Management fees, collecting Conservation Futures Tax and dedicating a portion to agricultural lands preservation, and lobbying for state and federal funds of agricultural land protection programs (SAEDAT, 2007).

- **Transfer of Development Rights Program.** Establish TDR program to preserve a target acreage of economically viable agricultural land. This strategy includes defining an Agricultural Reserve Area (ARA) as a rights sending area that would be down zoned, and identifying Receiving Areas (RA) that could be up zoned based on TDR transactions. Participation in the program could be incentivized through eliminating property taxes on lands enrolled in the TDR program for farmers and offering developers bonuses for TDR transactions in receiving areas. The County should act only as an administrator or regulator and should not participate as a buyer/seller in the TDR program. All agricultural lands, or lands suitable for agriculture, outside of the ARA could opt into the program (SAEDAT, 2007).³

- **Purchase of Development Rights Program.** Expand County’s Purchase of Development Rights program to protect most critically threatened agricultural land. This strategy also includes many of the elements defined under the Transfer of Development Rights strategy except in this program the County would be

³ The Arlington pilot project is noted as an example from which to glean lessons.
buying the development rights. It is recommended that the buyer bank development rights extinguished by the program until the market for increased density in Receiving Areas is more robust.\(^1\) It is suggested that the program should be managed by the Snohomish County Office of Economic Development (SAEDAT, 2007).

- Agricultural Zoning or Agricultural Production Overlay. (Heinrich, 2006)
- Critical Areas Ordinance (CAO). Update the Snohomish County Critical Areas Ordinance in order to provide a stable and predictive regulatory environment (SAEDAT, 2007).
- CAO Outreach and Education. Educate the agricultural community regarding the requirements of the CAO and Best Management Practices as well as educating County employees on the proper management of the CAO. This would include the use of educational materials, conducting meetings and workshops, and hiring an agricultural ombudsman to provide technical support for farmers and training for County employees (SAEDAT, 2007).
- Aligning Habitat Restoration with Agricultural Preservation. Revise County’s habitat restoration rules to ensure that restoration does not have a negative impact on the use or productivity of adjacent agricultural lands. This strategy includes developing criteria to verify that habitat conservation does not have a negative impact on agricultural productivity or agriculture-related use of adjacent lands; reviewing all habitat restoration projects to ensure that they are consistent with agricultural lands protection goals and policies; using the TDR or PDR program to replace acres of land removed from agricultural use/designation for habitat restoration purposes; and prioritizing habitat restoration projects that benefit agriculture and non-farmed rural lands. In addition, strategies to limit the restoration efforts negative impact on agricultural productivity should be minimized through removing federal wetland mitigation banking rules that provide incentives for converting higher quality agricultural lands; encouraging the conversion of poorly drained areas and otherwise marginally agriculturally productive land to habitat conservations; and allowing compatible agricultural uses in habitat areas (SAEDAT, 2007).
- Farmer Tax Incentives. Create farm investment tax incentives to encourage capital improvements in farming enterprises. Strategy includes the creation of tax incentives for purchases of farm equipment and non-equipment tax incentives; and the creation of tax deferral and forgiveness programs in agricultural zoned areas as well as areas where commercial farming is occurring (SAEDAT, 2007).
- Simplify Permit/Regulatory Processes. This strategy includes simplifying, clarifying and reducing regulations that pose barriers to investments and the establishment of a comprehensive program of construction permitting and land use regulations that is optimized for the specific challenges faced by agricultural-related businesses throughout the county (SAEDAT, 2007).
- Farmer Advocacy. Establish not-for-profit organization to advocate on behalf of agriculture and to provide resources for farmers (SAEDAT, 2007). Initial organization start-up would be led by WSUs Extension and the public sector would provide initial start-up support such as funds and staff.

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\(^1\) The pilot program in Tualco is cited as model from which to draw lessons learned.
Signage. Expand public visibility of agriculture through a road-side signage program that educates the public about farming activities and directs them to opportunities to purchase agricultural produce (SAEDAT, 2007; Good Food Strategies, 2007). This strategy would entail addressing current regulations which restrict the use of signs.

Permanent Public Farmers Market. This strategy expands markets for county agricultural products through the establishment of a permanent, year-round farmers market.

Direct Marketing. This strategy would focus on promoting increases in direct marketing and the production of higher value-added products. It would also include exploring possibilities for reducing the production, infrastructure and regulatory barriers that prevent direct marketing from growing. The result would be a high production value per acre for farmers (Henri, 2004). Direct marketing also includes strategies of educating the public about the health and wellness benefits of consuming locally grown food.

Expanding Markets. Strategy focuses on increasing extra-local markets for Snohomish County farm products outside of Snohomish County and promoting and encouraging the use of local agricultural products in local institutions and organizations (SAEDAT, 2007).

Snohomish-Grown Identity. Strategy focuses on fostering a Snohomish-identity for agriculture, farms, crops and activities. This could include a partnership with Puget Sound Fresh (Good Food Strategies, 2007).

Media Outreach. Strategy focuses on increasing the coverage of local farming, food and agricultural issues in the media which educates the public (both local and regional) about current farming issues (Good Food Strategies, 2007).

Agri-Tourism. This strategy focuses on promoting agri-tourism such as through a year-round farmers’ market (SAEDAT, 2007), annual events like the Pumpkin Festival, and farming tours (4). This strategy would entail cooperation among farmers and partners to combine resources to market seasonal crops, tours and events (Good Food Strategies, 2007).

Identifying Financial Resources for Farmers. This strategy focuses on easing access to financial resources for farmers. It entails providing information on financial assistance available to farmers and providing education and training for procuring financial resources and opportunities for business practice improvement (SAEDAT, 2007).

Agricultural Processing Facilities. Encourages a study to be conducted to determine a strategy for developing and installing an agricultural commodity processing facility in Snohomish County (SAEDAT, 2007). In addition, a network of smaller processing facilities would be considered along with strategies to assist individual farmers to develop their own on-farm, value-added processing capabilities.

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5 Noted early adopters of this strategy include County Charm Dairy in Arlington, Schuh Farms, Ninety Farm in Arlington, Stocker Farms, and Reig and Mary Carleton’s Farm in Everett.
Business Opportunities

- **Create An Agriculture Vision for Snohomish County.** This strategy focuses on creating a precise vision of how the farming community and the general public want local agriculture to look in 100 years. The strategy includes a comprehensive inventory of agricultural lands, the development of an hierarchy of community priorities on which to base land preservation efforts, and the identification of tools for sustaining agriculture,

- **Create an Agricultural Business Plan.** (SAEDAT, 2007).

- **Flood and Drainage Management.** This strategy addresses the impact of upland residential development on the productivity of farmlands in the valleys. It calls for the implementation an overall flood control and drainage plan between districts and the County Surface Water Management Division (SAEDAT, 2007).

- **Farmland Preservation Coordinator.** This strategy calls for establishing a permanent County position to monitor farmland preservation programs (SAEDAT, 2007).

- **Increase economic development efforts.** Strategy calls for developing an agricultural economic development program. This could include adapting county-wide economic development plans to include agriculture as a priority industry with its own programs and goals. This may require the addition of a dedicated economic development employee in each county (Heinricht, 2006).

**BUSINESS OPPORTUNITIES**

- **Diversifying farm enterprises.** There are opportunities towards developing secondary crops that compliment primary crops (Heinricht, 2006; Henri, 2004).

- **Direct Marketing.** A 2002 study by WSU Faculty found large markets for locally grown products (Henri, 2004).

- **Specialty Markets and Products.** Opportunities exist for specialty markets and products such as organics and branded products (Henri, 2004). Also discussed as “Niche Farming” (Heinricht, 2006).

- **Value-added products.** Further opportunities in value-added products (Henri, 2004).

- **New Crops.** Potential new corps include bio-based fuel products, environmental services such as habitat credits and flood storage payments, and Agritourism enterprises such as U-Pick operations and flower festivals (Henri, 2004).

- **Nursery Operations.** Potential lies in the projected population growth for the region which will represent increased markets for products such as potted plants, greenhouse vegetables and mushrooms (Henri, 2004).

- **Equine-related Enterprises.** Snohomish County has a high rate of horse- ownership that can represent increased market opportunities (Heinricht, 2006).
APPENDIX B.
INTERVIEW FINDINGS

Community Attributes interviewed more than 25 farmers and agriculture-related business representatives to gain first-hand perspectives on the economic climate of agriculture in Snohomish County. Interview participants represent the breadth of agribusiness activities in the county.

The comments below are a distillation of the interviewees’ experiences, goals and opinions regarding the agricultural opportunities in Snohomish County. Input from interviewees was used as a guideline for investigative research into opportunities for Snohomish County farmers.

The findings in the following sections represent the key themes presented by interview participants.

Interview questions covered the following broad and industry-specific topics:

- Short and long-term business goals
- Industry trends and strengths
- Challenges to business viability
- Business opportunities
- Needs and strategies to overcome obstacles

GENERAL PERSPECTIVES ON SNOHOMISH COUNTY AGRICULTURE

- Renewed enthusiasm for agriculture exists among many farmers, paralleling the County’s recognition and promotion of agriculture as integral to the local economy.

- The diversity of products that County producers have to offer is what makes Snohomish County agriculture great and an exciting place to farm.

- Farms making money, makes preserving farm land more successful. Profitability of farm businesses increases the value of agricultural land and motivates its preservation.

- While no one disputes the need to encourage the profitability of all levels of producers, from small urban niche farmers to large commodity producers, many believe that the majority of effort should be directed at the large commodity producers.

- Smaller farms require diversity of production and sales outlets for financial survival; they have greater ability to react more quickly to changing local demand.

- Future generations of family farmers cannot farm the same way as their family used to farm and must think more like a business to be profitable.
TRAILS OF SUCCESS

Successful farm businesses have owners who...

- Possess entrepreneurial drive and vision.
- Pursue multiple revenue streams through a combination of wholesale and retail sales.
- Accurately account for cost inputs, including their own time, when penciling out the numbers.
- Know what the product must look like to appeal to the end market and provide a consistent supply.
- Understand standardized packing requirements.
- Set appropriate price points for different markets (ex. farmers market vs. retail vs. wholesale) without arbitrary variation in price for customers.
- Focus on the customers’ needs and exhibit excellent service.
- Mitigate their risks and protect themselves through the setting aside of reserves to see them through uncertain times caused by factors outside of their control (ex. nature, marketplace).

CHALLENGES

MULTIPLE LAND USE ISSUES IMPEDE AGRICULTURAL PRODUCTIVITY

- Development pressure on prime farmland is high, but it is only one of many concerns about the preservation of farmland and a viable agricultural economy.
- Even if agricultural land is preserved, negative external impacts from development will impose limits on farming practices and production.
- Want an increased awareness of agriculture in Snohomish County.
- Conducting rural activities in an urban county requires a certain profile.
- Nuisance factors, such as using manure for fertilizer, in proximity to urban neighbors challenges farming scale.
- Catering to public perception is important for land use compatibility, requiring a greater concentration of specialty items, like organic and free range practices.
- Finding affordable and contiguous plots that are amenable to a decent level of profitable production is difficult.
- Differences in opinion exist over what constitutes agricultural productivity. For example, some believe that quality farmland for food production is being lost to other competing agricultural activities such as horse stabling.
• Environmental initiatives and conservation efforts have resulted in some permanent removal of prime farmland from agricultural production.

• A significant amount of farmland is underutilized. Landowners are perceived to be reluctant to sell property or lease it long-term for labor-intensive agricultural production.

• Of the land that is available for lease, competition is intense, especially for those interested in growing high value crops, which drives up land prices.

**MOST SNOHOMISH COUNTY CONSUMERS ARE NOT OF AN “EAT LOCAL” MINDSET.**

• Producers overwhelmingly agree that County consumers as a whole minimally contribute to the demand for locally-grown agricultural products.

• County consumers do not distinguish where products are grown (a potato is a potato) and purchasing decisions are based on the desire to buy food as cheaply as possible, which is readily available at chain grocery outlets.

• Low and/or irregular attendance at farmers markets in Snohomish County does not make it worthwhile for producers to sell at those markets. Rather, good income is derived from selling at select Seattle Neighborhood Farmers Markets where there is a dedicated customer base who attend those markets “rain or shine.”

• Increasing demand for organic does not directly translate into a demand for local products.

• Consumers are unwilling to pay a fair price for food. People do not know the true value of food production costs; therefore, they are deterred from higher food prices associated with locally-grown products.

**QUALITY LABOR IS COSTLY AND DIFFICULT TO MAINTAIN.**

• Lack of skilled or enough farm labor often causes farmers to scale back production or decide not to pursue additional business opportunities. In some cases, crops are only partially harvested resulting in waste.

• Not enough laborers are available at the wages at which farmers can pay them for their work.

• Though immigrant labor is comparatively affordable, it is not a reliable source of labor. Farmers must compete with other farmers who can offer more pay or longer periods of employment.

**LACK OF INFRASTRUCTURE DISPROPORTIONATELY AFFECTS SMALL AND MEDIUM-SIZED FARM BUSINESSES.**

• In general, small and medium-size farm businesses rely on a diversity of on-farm enterprises to break-even or stay profitable; therefore, processing equipment is a major expense that is not a feasible investment given their lower production capacity.
- Large farming operations possess the capital necessary to own multiple pieces of equipment as well as take advantage of volume discounts from suppliers.

- Without a livestock auction or USDA slaughterhouse, livestock owners with smaller herds of animals, especially cattle, are limited in their options for selling meat products or disposing of unwanted animals that still have value to other small farmers.

- A limited distribution network in the County limits volume and efficiency of transporting locally-grown produce. Smaller farmers have a harder time reaching bigger markets.

- Smaller farms are challenged with a lack of processing and cold storage. Processing required to get to market, and cold storage not economical for smaller producers.

**RISING PETROLEUM PRICES DIMINISH PROFITS AND DESIRE TO PURSUE BUSINESS OPPORTUNITIES WITH HIGH TRANSPORTATION COSTS.**

- Across the board, high fuel costs have been noted as a major drain on profits and the ability to purchase new production inputs.

- Petroleum-based inputs such as fertilizer and diesel for farm equipment have significantly increased production costs.

- Whether it is transporting products locally for retail sale or wholesale delivery to non-local markets, transportation costs are often a deciding factor for not pursuing particular business opportunities that are otherwise profitable and in high demand.

**OPPORTUNITIES ARE PLENTIFUL BUT TIME AND CAPITAL ARE NOT.**

- Producers see many opportunities for increasing their production capacity and profit margins, however, they are stretched too thin to pursue them and can only rely on family members to a certain extent.

- Entrepreneurial drive is alive but many farm ventures are considered too risky by lending institutions, which is especially true for newly established farm or processing businesses.

- Not enough new farmers are replacing those transitioning out of farming. Entry costs and unaffordable land serve as deterrents.

- Equipment is too expensive and costs are exacerbated by the need for multiple pieces of equipment for each individual crop or food manufacturing process.

- For many farmers, business and personal assets are the same and business profits oftentimes get diverted for personal use (ex. household expenditures, retirement savings) rather than reinvestment in business operations.
ZONING, LAND USE REGULATIONS AND BUILDING CODES WORK AT CROSS-PURPOSES WITH AGRICULTURE RELATED BUSINESSES AND EACH OTHER.

- Regulations are confusing and often contradictory. While not necessarily intentional, some County regulations do not take agricultural interests into consideration so that when they are implemented, farmers’ bottom lines are negatively impacted and/or future revenue opportunities are restricted.

- Navigating the permitting process is especially burdensome in terms of money, time and peace of mind.

- Farmers and business owners are trying to ensure compliance but have not always gotten straight answers or constructive feedback from the County.

- Farm businesses that sell on-farm retail would greatly benefit from having roadside directional signage, which is currently not permitted other than on one’s own property.

- Wineries represent emerging activity, though not explicitly identified in the County’s Use Matrix.

OTHER CHALLENGES INCLUDE:

- Skepticism about the smooth operation and success of agricultural production cooperatives.

- Increased traffic on rural roads discourages on-farm sales and negatively impacts delivery times and scheduling.

- Changing world markets can result in boon or bust. Local commodity producers must always have an eye towards agility to cope with uncertain markets.

- Government subsidy programs have great influence on supply and demand and unevenly affect commodity producers.

OPPORTUNITIES

COWS AND FORAGE ARE THE COUNTY’S AGRICULTURAL PAST AND FUTURE.

- Taken together, there is potential to drive the County’s agricultural economy as both are well-suited to its environs. Cows eat and produce year-round.

- Cows are large animals that occupy significant amounts of land and require even more for pasture and forage products.

- As grain prices continue to soar, demand for haylage will increase. Haylage is easier to produce than hay in the County given its wetter agricultural conditions.

- Fallow land makes great pastureland.
Along with a robust dairy industry comes significant economic impact in terms of production, processing, and distribution jobs.

The major challenge to this approach is that cows and residential development do not mix well together. Cows are a smelly business.

**Counterpoint:**

Others suggest that larger dairy operations in the northwest will win out over Snohomish County dairy farming because of economies of scale achievable elsewhere that are not compatible with Snohomish County land use patterns.

**HORSES AND LOCAL HAY ARE A SURE BET.**

The County enjoys a competitive advantage with its equine industry. Horse-ownership is high within the County and in northern King County, which supports a successful base of stabling businesses and horse feed/equipment suppliers. Moreover, the County is home to reputable 4-H horse programs, breeders, riding schools and horse shows.

High prices for hay from Eastern Washington coupled with increased transportation costs have created major demand for locally-produced hay that is also consumed locally. Local hay is cheaper and can be sold in the smaller amounts that are needed by those who only have one or a few horses to feed.

Snohomish County soil conditions are amenable to growing hay for horse feed, as well as cow feed.

Many farmers have recently been or plan on growing hay to take advantage of current high market prices, which have been said to have quadrupled in the past year.

**CANOLA IS A CASH CROP FOR BIODIESEL PRODUCTION AND AN EXCELLENT ROTATION CROP TO RESTORE SOIL.**

Canola test crops have shown that it is suited to being grown in southern Snohomish County and has added benefits of soil restoration and a meal byproduct for livestock.

Rising energy costs and depletion of non-renewable resources will continue to drive demand as do government mandates for development and usage of alternative fuel sources.

Challenges for canola include: 1) high cost of transporting it to distant biodiesel manufacturers because it is not being manufactured locally, and 2) need for expensive and dedicated equipment for processing only canola to prevent cross-contamination with other crops.

Cross-pollination is a concern with seed crop producers.
ORGANIC CERTIFICATION CAN BOOST THE BOTTOM LINE FOR SOME PRODUCERS.

- Being certified organic is not as important for those producers who direct market their goods. Having good relationships with eat local savvy shoppers can be enough to sustain demand.

- Organic certification garners higher prices than conventional crops in the wholesale market. In fact, this labeling may become imperative as commercial organic farming continues to make gains in the organic market.

FRUITS AND VEGGIES ARE BIG SELLERS FOR DIRECT MARKETING.

- Fresh produce is by far the most popular seller at farmers markets and farm stands.

- Utilizing U-Pick operations where feasible drastically reduces labor costs and those savings benefit both the producer and the consumer.

- Immigrant groups represent an important segment of the consumer market for fresh farm produce in the County.

PEOPLE CAN’T GET ENOUGH OF BERRIES.

- Berries are the best sellers when in season. Currently, raspberries seem to be the reigning berry crop.

- Blueberries are gaining in consumer popularity.

- Unlike raspberries and strawberries, blueberries have the added benefits of tougher skin and heartier plant constitution that can withstand flooding and machine picking, which drastically reduces labor costs.

CURRENT MARKET CONDITIONS SUGGEST ADDITIONAL OPPORTUNITIES FOR:

- Grass-fed beef.

- U-cut Christmas tree farms.

- Powder milk production for export.

STRATEGIES

CULTIVATE AN “EAT LOCAL” MOVEMENT THROUGH EDUCATION AND PARTNERSHIPS.

- Significant effort needs to be devoted to getting the message out to the buying public about the benefits of eating locally and supporting local farmers. The push to buy from local producers is not the message of chain markets that specialize in promoting organic or sustainable lifestyles.
• Lasting partnerships need to be built with large local companies who can champion County agriculture and do their part to promote the health and well-being of employees and their families.

• Creating and sustaining demand for “eat local” is a grassroots process. It is not easy to change one person’s eating habits, let alone institutional food systems. Parental involvement is needed to pressure schools to change food procurement policies that support local farmers.

**INCREASE CAPACITY OF DIRECT MARKETING EFFORTS FOR SMALL AND MEDIUM-SIZED OPERATIONS AS IT ATTRACTS NEW FARMERS.**

• Besides making businesses profitable, investment to increase direct marketing opportunities should also be perceived as investment in a consumer advocacy program for eating better from local food sources.

• The building of personal relationships between farmers and consumers that are predisposed to supporting local agriculture (farmers market shoppers) acts as a recruiting mechanism for new farmers.

**IMPROVE MARKETING OF A REGIONAL AGRICULTURAL IDENTITY AND BRANDING OF LOCALLY-GROWN PRODUCTS.**

• The existing Puget Sound Fresh/Puget Sound Grown labeling and education program needs to be strengthened with greater financial support to expand marketing services and distribution channels. This label needs more visibility on grocery store shelves and in the media.

• Alongside promotion of agricultural products, farmers should be publicly acknowledged for their roles as stewards of the land, which is said to be characteristic of western Washington farmers.

• Farmers and organizations should pursue grant money related to sustainable farming practices. State and local government should support these efforts through additional grant funding and tax incentives. Snohomish County and Puget Sound farmers have the potential for being a model for sustainability.

**LONG-TERM VIABILITY OF THE COUNTY’S AGRICULTURE INDUSTRY RESTS ON ENCOURAGING THE GROWTH OF ROBUST COMMODITIES PRODUCTION.**

• The County needs focused support on agricultural production that has the most economic impact, which is not provided by niche and specialty product growers.

• Land base is preserved by making agricultural land more profitable as agricultural production than housing development. This requires that future large-scale production opportunities are not lost to piecemeal agricultural land ownership.

• Continued existence and growth of commodity producers in the County is what will keep infrastructure (processors, suppliers, distributors, etc.) within County lines.

• Large farming operations need to be recruited to the County through a system of tax incentives.
More investment in agricultural job training is needed to develop a skilled agricultural labor force.

**AGRITOURISM ENTERPRISES ARE NOT ONLY PROFITABLE, THEY HELP DEVELOP A CUSTOMER BASE FOR OTHER PRODUCTS AND CAN HELP SPREAD THE VALUE OF EATING LOCAL.**

- Farmers should develop more opportunities for people to visit farms. Even the smallest investment in an on-farm activity can attract people to farms, where farmers have the chance to develop a positive relationship with a customer and to introduce them to other products. The more familiar a customer is with a farm’s offerings, the more likely they are to return to meet additional consumption needs.

- Less‐intense participation in agritourism can also take the form of farm involvement in local festivals. This is another opportunity to make a positive connection with potential customers.

- Whether it is a pumpkin patch, farm tour, or a workshare program, getting people to the farm is an opportunity to demonstrate the value of locally‐produced food.

- “Agritainment” is essential to ease in new consumers, expose them to farm fresh flavor and get across the important message of eat local.

- Agritourism only exists because ag exists.

- Visitation at major production facilities is a challenge because of bio‐security concerns. Requires participation in tourism off‐site.

**OTHER STRATEGIES INCLUDE:**

- Convene an authority or task force that can comprehensively address agricultural and environmental conservation considerations. Landowners need to know what their options are for enrolling their land in a PDR/TDR or environmental conservation program. At the same time, guidance is needed to assess on a site‐by‐site basis a landowner’s land value for agricultural or environmental protection so that they can make a smart, as well as an economically beneficial choice.

- Develop more educational resources: farm estate planning can hedge off quick sales to development at the end of a farmers’ lives; direct marketing workshops;

- More participation from County and other local government representatives in existing farmer education programs.

- Create a “green credit” incentive system that encourages marketing and purchasing of local products.

- Focus technology innovation on farming practices compatible with urban areas.
PARTICIPATING STAKEHOLDERS

FARMERS
- Andy Werkhoven, Werkhoven Dairy – Monroe
- Brian Bookey, National Food Corporation - Everett
- Dale Reiner, Reiner Farms and Qualco Energy – Monroe
- Don Bailey, Bailand Farms, Inc. & Bailey Compost - Snohomish
- Ed Husmann, Ed’s Apples and The “Event Barn” - Sultan
- Jackie Macomber, Macomber Family Farm - Granite Falls
- John Postema, Flower World, Inc. - Maltby
- Kelly Bolles, Bolles Organic Farm - Monroe
- Peter Alden, Alden Farms - Monroe
- Ryan Foxley, Little Field Farm - Granite Falls
- Tristan Klesick, Klesick Family Farm & The Organic Produce Shoppe – Stanwood

AG-RELATED BUSINESSES & SERVICES
- Abbi Little, Abbi’s Northwest – Everett
- Angela Day, Dayville Hay & Grain – Snohomish
- Audrey Gravley, Northwest Farm Credit Services – Burlington
- Bee Cha, WSU Small Farms Team - Renton
- David Bauermeister, Northwest Agriculture Business Center, Mount Vernon
- John Kalberg, Silvana Meat, Inc. – Silvana
- John Roney, AgriVentures LLC
- Mary Embleton, Cascade Harvest Coalition - Seattle
- Mollie Dootson, Sno-Isle Food Coop – Everett
- Paul Shinoda, Saintpaulia Vintners, Snohomish

Note: Other participants requested no recognition.
Section B
Land Use Study Methods
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PROJECT OVERVIEW

The land use element of this study included an inventory of current agricultural land use conditions and trends and recommendations to protect and enhance agricultural land resources in the county. The land use inventory built on previous County agricultural land use analysis for designated farmlands by inventorying non-designated farmlands that are currently in production or have the potential for cultivation. This analysis found that in addition to the roughly 34,500 acres of designated farmlands, there are currently approximately 19,700 acres of non-designated farmlands in production. While most of this non-designated land is located on small and scattered sites; nevertheless the agricultural activities supported by the non-designated lands is important to the County’s agricultural economic sector because they provide products (for example, hay) to larger farming activities and they in turn increase the market for agricultural support services such as farming equipment and processing facilities needed by farmers on designated farmlands.

Of the total 54,165 acres of farmland in Snohomish County, approximately 81 per cent is in forage with the remainder including market and seed crops, nurseries and tree farms and some miscellaneous categories.

Although it is difficult to document under current development permit recording procedures, anecdotal evidence and economic conditions indicate that there is significant development pressure to convert valuable farmland into residential land uses. An analysis of current land use and environmental regulations indicated that conversion of farmland to other uses can certainly happen within current regulatory restrictions despite strong Snohomish County Comprehensive Plan policy direction to protect the County’s agricultural economy and land resources.

Therefore the plan recommends a number of land use and environmental regulatory measures, the most significant of which are listed below.

- Tighten boundary adjustment criteria to further discourage the development of existing non-conforming lots.
- Add a comprehensive plan policy and implementing regulations to ensure a “No Net Loss” of farmland.
- Consider adding a requirement that the loss of viable non-designated farmland be mitigated.
- Track the changes in agricultural and through subdivision and land use permits.
- Consider revising the rural cluster subdivision standards to better accommodate farming activities.
- Encourage the implementation of the County’s Transfer of Development Rights (TDR) program as proposed by the Planning and Development Services Department.
- Require that TDR credits be purchased for all residential units built in rural areas above the base zoning.
- Work with other jurisdictions to develop a regional receiving area strategy.
- Augment the TDR program with a Purchase of Development Rights (PDR) program.
- Include provisions in the updated Shoreline Master Program (SMP) that allow the protection of farmland from river erosion under certain conditions.

A Community Vision for Sustainable Agriculture in Snohomish County
Land Use Study
Section B-3
- Revise Comprehensive Plan Policies to discourage environmental restoration projects that reduce productive farmland.
- Identify those lands that can be environmentally restored without diminishing farmland activities.
- Increase funding for farmers to undertake restoration projects and implementing environmentally sensitive farming practices.

Many of these actions are illustrated below:
INTRODUCTION

As noted earlier, the project has three components:

- **Economic Development**, which examines the county’s agricultural economy and identifies measures to increase the viability of farming activities.

- **Land Use**, which identifies current agricultural land assets, land use trends, and environmental and regulatory constraints to agricultural activities. The land use section also includes recommendations for public actions to better protect viable farmland.

- **Community engagement**, which seeks to better understand and document current attitudes of Snohomish County citizens regarding agricultural sustainability and then to identify communication messages and media to build public support for public and private actions to enhance the viability of the county’s agricultural economy.

In his paper “Preserving Prime Farmland in the Face of Urbanization – Lessons from Oregon,” Arthur C Nelson argues that farmland and the activities that it supports can only be conserved where the effective value of the land for farming exceeds its value for development. A real key in retaining farms is to reduce the speculative value of land for future housing development near urban growth boundaries and, at the same time, enhance the economic performance of farming activities.

Given this criterion, this project seeks to identify ways to 1) reduce development pressure on farmland, 2) increase the economic strength of farming activities, thus increasing the value of agricultural production relative to land costs, and 3) promote public investment in the agricultural economy, again increasing the value of production to land costs as well as securing the public benefits of the agricultural activities such as food security, flood hazard minimization, ecological resource management, recreation, and aesthetic opportunities.

This three-pronged approach is necessary to effectively deal with the daunting challenges facing the local agricultural community. Development pressures, environmental restrictions, product distribution and marketing difficulties, and perceived disconnectedness of urban citizens to near-by farmlands must all be addressed if the county is to retain its agricultural economic sector. The sections on community engagement, land use, and economic development outline issues and measures with each component. The next step of this project will be to integrate these components into a multifaceted business plan.

To address the approach described above, the Land Use team mapped properties outside designated farmlands where agricultural activities are or could potentially take place. Snohomish county staff has previously mapped designated farmlands. Both inventories documented the types of crops being cultivated or livestock being raised on the parcels so that there is a “snapshot” record of farming activities for the purpose of economic planning. The results of the inventory work are presented in the “Current Physical Context” section along with analysis examining current land use trends.
The team also reviewed current County documents and interviewed staff to better understand the current land use issues. Finally, the team interviewed farmers and staff regarding the effects of environmental regulations and environment restoration activities on farming and agricultural land trends. The section Current Programs, Evaluation and Recommendations summarizes this analysis and presents recommendations to sustain the County’s supply of farmland. The recommendations in this report are preliminary and will be further refined in business plan development.
CURRENT PHYSICAL CONTEXT

To better understand the physical context of agricultural land within Snohomish County, a thorough agricultural lands inventory was undertaken as part of the Agricultural Sustainability Project. The objectives of the agricultural lands inventory were to identify the land base currently used for agriculture and produce refined maps of the county’s agricultural lands. The inventory results serve as a land use and economic baseline that can be used to understand annual changes in agricultural land uses, to analyze the viability of different types of agricultural production and other agriculture-related uses, and to track the effectiveness of farm land conservation measures. This information will help to identify opportunities for maximizing the value of existing agricultural land and attracting new agricultural businesses to Snohomish County.

The first part of the agricultural lands inventory included an inventory of agricultural lands that are designated for commercial agricultural uses on the county’s Comprehensive Future Land Use Map. There are approximately 63,000 acres of designated farmlands in Snohomish County. Designated agricultural lands are protected by the Washington state Growth Management Act, and are the County’s first priority for farmland preservation.

Agricultural lands within Snohomish County that are not designated for commercial agricultural uses were also identified. These non-designated lands exist primarily within the County’s Rural-5 acre (R-5) zone. The intent and function of the rural-5 acre zone is to maintain rural character in areas that lack urban services. This zone allows one dwelling unit per five acres.

The results of the Agricultural Lands Inventory are presented below followed by a discussion of overall landscape characteristics and trends of agricultural lands within the County.
Figure 1. Agricultural land in Snohomish County. The map shows agricultural land located in designated commercial agricultural areas and agricultural land located in non-designated areas.
TYPES OF ACTIVITIES/CROPS

The following crops and activities were used as categories of types of agriculture in the agricultural lands inventory:

Berries: Presence of berry crops.
Equine: Riding arena; horses are primary user of pasture.
Fallow: Area is not being used for farming or other similar use; weeds and blackberries are common.
Forage: Land supports livestock, dairy, or equine, and its use can be rotated as pasture, corn silage, haylage, hay, and green chop.
Grain: Growing of grain for human or animal consumption.
Market Crops/Produce: Production of food crops for wholesale, farmstand, or other (examples include potatoes, sweet corn, etc.); flowers included as well.
Nursery: Nursery plants.
Orchard: Collection of fruit trees.
Other: Supporting agricultural uses as well as nonagricultural uses.
Pumpkin Patch/Corn Maze: Pumpkin patch, corn maze, or other similar agritourism uses.
Seed Crops: Growing of seed crops for grass and vegetables.
Sod Farm: Turf and sod production.
Too Wet to Farm: Wet ground that is naturally or unnaturally created that makes farming difficult.
Tree Farm: Poplar plantation or other pulp production trees and Christmas trees.
Waterfowl Hunting: Managed specifically for hunting of waterfowl.

Figure 2. An example of forage in Snohomish County.
The following table summarizes the results of the agricultural lands inventory. The rows highlighted in gray are not considered active agricultural uses.

<table>
<thead>
<tr>
<th>Type of Agriculture</th>
<th>Designated Land (in acres)</th>
<th>Non-Designated Land (in acres)</th>
<th>Total Number of Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berries</td>
<td>269.77</td>
<td>4.93</td>
<td>274.70</td>
</tr>
<tr>
<td>Equine</td>
<td>713.12</td>
<td>402.01</td>
<td>1,115.13</td>
</tr>
<tr>
<td>Fallow</td>
<td>1,843.29</td>
<td>915.68</td>
<td>2,758.97</td>
</tr>
<tr>
<td>Forage</td>
<td>25,133.25</td>
<td>18,578.37</td>
<td>43,711.62</td>
</tr>
<tr>
<td>Forested/Upland</td>
<td>8,062.27</td>
<td>NA</td>
<td>8,062.27</td>
</tr>
<tr>
<td>Grain</td>
<td>424.04</td>
<td>0</td>
<td>424.04</td>
</tr>
<tr>
<td>Market Crops/Produce</td>
<td>3,093.95</td>
<td>39.22</td>
<td>3,133.17</td>
</tr>
<tr>
<td>Marsh or Wetland</td>
<td>2,081.79</td>
<td>NA</td>
<td>2,081.79</td>
</tr>
<tr>
<td>Nursery</td>
<td>926.60</td>
<td>152.65</td>
<td>1,079.25</td>
</tr>
<tr>
<td>Orchard</td>
<td>32.76</td>
<td>3.53</td>
<td>36.29</td>
</tr>
<tr>
<td>Other</td>
<td>602.74</td>
<td>7.18</td>
<td>609.92</td>
</tr>
<tr>
<td>Poultry</td>
<td>22.91</td>
<td>122.59</td>
<td>145.50</td>
</tr>
<tr>
<td>Pumpkin Patch/ Corn Maze</td>
<td>220.28</td>
<td>0</td>
<td>220.28</td>
</tr>
<tr>
<td>Seed Crops</td>
<td>1,617.94</td>
<td>0</td>
<td>1,617.94</td>
</tr>
<tr>
<td>Sod Farm</td>
<td>182.12</td>
<td>0</td>
<td>182.12</td>
</tr>
<tr>
<td>Sports/Rec.</td>
<td>101.34</td>
<td>NA</td>
<td>101.34</td>
</tr>
<tr>
<td>Too Wet To Farm</td>
<td>703.40</td>
<td>89.05</td>
<td>792.45</td>
</tr>
<tr>
<td>Tree Farm</td>
<td>1,244.29</td>
<td>370.78</td>
<td>1,615.07</td>
</tr>
<tr>
<td>Waterfowl Hunting</td>
<td>1,197.36</td>
<td>0</td>
<td>1,197.36</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>48,473.24</strong></td>
<td><strong>20,685.99</strong></td>
<td><strong>69,159.23</strong></td>
</tr>
<tr>
<td>Non-Agricultural Use</td>
<td>13,989.46</td>
<td>1,004.73</td>
<td>14,994.19</td>
</tr>
<tr>
<td><strong>TOTAL IN ACTIVE PRODUCTION</strong></td>
<td><strong>34,483.79</strong></td>
<td><strong>19,681.26</strong></td>
<td><strong>54,165.05</strong></td>
</tr>
</tbody>
</table>

The inventory identified 69,159.23 acres of agricultural land, 14,994.19 acres of which is considered to be in non-active agricultural use (such as fallow land, forest land, etc.). This means that 54,165.05 acres of land are in active agricultural use within the county. Forage is clearly the dominant agricultural use, with 43,711.62 acres identified. Forage is a broad category that encompasses pasture land for dairy, beef, and horses as well as hay and corn silage.

Of the total amount of land in active agricultural production, 64% is in designated farm lands as defined in the County’s comprehensive plan and 36% is in non-designated land. The next section describes the implications of comprehensive plan land designations regarding the conservation of existing farm lands.
Figure 3. This chart shows the distribution of types of farming within Snohomish County. Categories with a percentage of less than 1% (berries, grain, orchard, other, poultry, pumpkin patch/corn maze, seed crops, and sod farm) were grouped into the “All Others” category in this chart.
Figure 4. This map shows the location and type of agricultural activity within Snohomish County.
LANDSCAPE CHARACTERISTICS

The rural landscape in Snohomish County is characterized by broad floodplains and rolling pastures with a backdrop of majestic mountains. Forage is clearly the dominant agricultural use in the county, making up 81% of the active agricultural uses. Forage is a broad category that encompasses pasture land for dairy, livestock, and equine as well as hay, haylage, green chop, and corn silage. Fallow land is generally easy to convert into active pasture land or other forage, so the amount of fallow land in the county increases the potential for forage in the future.

In general, the designated commercial farmland lies in the floodplains of the County’s major rivers. The farms along the floodplain feature productive soils and are generally contiguous with one another. The designated areas are zoned A-10 (1 dwelling unit per 10 acres), although some areas have a zoning designation of Rural-5 acres. The farms in the designated area have an average size of approximately 44 acres (from Northwest Agriculture Summit report). Even designated farmland may be developed to 1 residence per 10 acres so there is no assurance that these lands will remain in agricultural use. Forage is the dominant agricultural use in the designated areas, but market crops and produce are also significant.

Thomas L. Daniels, in his article “Where Does Cluster Zoning Fit in Farmland Protection?” defined three different types of farming scenarios: strong farming areas, weak farming areas, and moderate strength farming areas. Based on Daniels’ classification, the agricultural land within the designated areas in Snohomish County could be defined as a moderate strength farming area. In moderate strength farming areas, optimism about the future of agriculture among farmers may be low, so farmers may resist land use controls that restrict their options to develop their land. On the other hand, according to Daniels, moderate strength farming areas include large blocks of farms without significant intrusion by non-farm uses. These characteristics match those in Snohomish County’s designated farmland.
The non-designated farmland is dispersed throughout the rural areas of the county and is generally characterized by smaller fields interrupted by low density rural residential development. Some of the farmland is located in or near the floodplain and directly adjacent to designated farmland. These farms benefit from the continuity provided by the designated farmland and may also benefit from good soils provided by the adjacency to the floodplain. Other farmland is located adjacent to urban growth areas. These areas tend to feel the pressure of urban growth more directly because of proximity to urban amenities and are therefore at higher risk for conversion to non-agricultural use. The rest of the farmland is dispersed throughout the rural upland areas of the county. In general, the non-designated farmland occurs within the Rural-5 acre (R-5) zone (1 dwelling unit per 5 acres). The intent and function of the rural-5 acre zone is to maintain rural character in areas that lack urban services. There are some areas with contiguous farms, but the majority of the area is fragmented with residential development and forested land. The farms in this area tend to be smaller, with an average size of approximately 7 acres. Small horse and hobby farms dominate the agricultural use in the non-designated lands, but there are also farms with nurseries, poultry and specialty crops.

The non-designated farmland could be categorized as a weak farming area according to Daniels classification. In weak farming areas there is moderate to heavy development pressure and land holdings are fragmented. While small farms in non-designated areas may seem insignificant compared with larger farms in designated flood plains, they contribute substantially to the viability of the county’s agricultural economic sector in several ways. First, they provide both a supply and a market for forage. Second, these smaller farms support agricultural services such as farm equipment and processing businesses. Finally, they substantially diversify the spectrum of crops and services because of their specialized settings. For example, upland farms can better support winter crops, poultry, and crops such as grapes that have special site requirements.
TRENDS

Agriculture within Snohomish County continues to adapt and change. While the County currently does not keep a detailed record of the amount of agricultural land gained or lost each year, some general trends can be clearly seen within the county. Large commodity farms, such as large dairies, have decreased over the years, leading to a decrease in the number of businesses that support agriculture, such as food processors. The loss of supporting businesses has created challenges for other existing farms to continue operating in Snohomish County. With these challenges, however, come new opportunities for agriculture in the county. The national movement toward locally and organically grown food is helping bolster efforts to sustain the county’s agricultural economy. The county is seeing more specialty and “lifestyle” farms that are focusing on organic produce, Community Supported Agriculture (CSA) programs, and selling at farmer’s markets. These farms tend to be smaller-scaled and more compatible with non-farm residential development and are able to make successful connections with urban populations. In addition, high prices for hay from Eastern Washington, coupled with increased transportation costs, have increased demand for locally-produced hay. Local hay is cheaper and can be sold in smaller amounts that are needed by people who only have a few horses to feed. The horse industry continues to make a significant contribution to the agricultural economy in Snohomish County.

Regional real estate trends are also affecting agriculture in Snohomish County. An increase in land prices within the county is putting pressure on farmers to convert land to residential development. New residential development, in turn, creates a population not accustomed to agricultural practices such as manure spreading and generally makes it more difficult to continue farming the land. Increased land prices also make it difficult for new farmers to buy land and begin farming in the county.

Snohomish County Farming Facts

In Snohomish County (in 2002):
- Agriculture is a $126.9 million industry
- Average market value of production per farm is $80,653
- Average farm has $32,562 worth of machinery and equipment
- Average age of farmer is 55 years
- 26% of principal farm operators are women
- Farming is the primary occupation for 52% of farm operators

Snohomish County is ranked (in 2002):
- #1 in the state in major dairy counties in annual milk production per cow
- #3 in state in total pounds of all milk produced and number of dairy cows
- #2 in state in broiler chicken production and #5 in egg production
- #3 in state in strawberry production

From USDA 2002 Census of Agriculture
A Community Vision for Sustainable Agriculture in Snohomish County
Land Use Study
Section B-16

Figure 5. Current conditions in rural Snohomish County.
Figure 6. Current threats to farmland in Snohomish County.
CURRENT PROGRAMS, EVALUATION & RECOMMENDATIONS

COMPREHENSIVE PLANNING AND ZONING

COMPREHENSIVE PLAN

The Growth Management Act (GMA) states that, in their comprehensive planning, cities and counties should “assure conservation of agricultural land of long-term commercial significance.” The GMA also requires local government to assure that land uses adjacent to designated resource lands not interfere with the continued resource use. These statements provide a clear directive to conserve agricultural lands for the future of the state.

The Snohomish County Comprehensive Plan (Comprehensive Plan) provides the policy framework guiding County land use decisions, economic development activities, and other actions related to land use. The Comprehensive Plan addresses agricultural lands and activities in Sections 6 (Rural Lands) and 7 (Agricultural Lands).

Section 6 is primarily directed to lands other than those designated “resource lands” for forestry, agriculture, and mining, but a number of the policies bear directly on agricultural activities because, as noted in the agricultural lands inventory, there are approximately 19,681.26 acres of agricultural land in active production that are outside designated farm land boundaries. The introduction to Section 6 policies states that in Snohomish County, rural areas are traditionally used for hobby farms, tree nurseries, greenhousing, agricultural crops, livestock, mineral extraction, forestry, and low-density residential development. Rural land policies describe and accommodate a wide array of land uses and a variety of residential densities that are compatible with the character of rural areas; support rural and natural resource-based industries; provide economic opportunities for rural residents; promote low-intensity recreational uses, and preserve the rural lifestyle and traditional rural activities that contribute to the county’s overall quality of life.

The County’s overarching goal for rural lands is GOAL LU 6, Protect and enhances the character, quality, and identity of rural areas. The objectives and policies supporting this goal, in turn, address specific land use classifications and types of activities appropriate to rural lands. One of the policies most affecting the sustainability of agricultural lands is LU Policy 6.8.1, which encourages clustering of residential development. This policy calls for the establishment of standards and allows increased densities as a bonus incentive to preserve some of the open space within the development site. The details and effects of this policy are discussed below in the section on Rural Cluster Development.

Section 6 provisions also address residential densities in the various land use zones and provide for rural commercial and industrial activities in designated areas. Finally, Section 6 designates two limited areas of more intense rural development (LAMIRDs) that were in existence before 1990.

Section 7 in the Comprehensive Plan focuses on agricultural lands and activities and includes policies directed toward stimulating the county’s agricultural economy. The primary objective of this section is stated by Goal LU 7, Conserve agriculture and agricultural land through a variety of planning techniques, regulations,
Objective LU 7.A calls for the classification and designation of agricultural lands of long-term significance. Commercial agricultural lands are classified into Riverway Commercial farmland, Upland Commercial farmland, and Local Commercial farmland. The land use designations generally allow a residential density of one dwelling unit per 10 acres in commercial agricultural lands. There are a few designated areas, however, that are zoned one dwelling unit per 5 acres despite the land use designation.

One provision of note is that land owners may request that lands be added to the “commercial farmland designation.” Lands proposed for agricultural classification that are adjacent to designated farmland must be at least 10 acres and lands not adjacent to designated farmland must be at least 40 acres in land area. This prevents smaller, isolated parcels from being designated commercial farmlands.

Objective LU 7.B is directed toward limiting the intrusions of nonagricultural uses into designated areas. Provisions in this section prohibit the subdivision of commercial farmland not zoned A-10 into lots less than 10 acres, call for setting back new residences from designated farmland at least 50 feet, and discourage the location of infrastructure such as sewer lines and electric substations on designated farmland. Policies supporting Objectives LU 7.B and LU7.C call for the County to promote or undertake programs to encourage the agricultural industry and to initiate studies, such as this one, that may result in improved conservation of agricultural lands.

#### ZONING ORDINANCE

The Snohomish County Zoning Ordinance (Zoning Code) implements many of the Comprehensive Plan’s policies. The Zoning Code divides the lands into different zones corresponding to the Comprehensive Plan land use classifications and establishes standards for development in each of those zones. The Zoning Code also includes provisions for the Transfer of Development Rights (TDR) program and cluster development incentives, which are discussed below.

Of particular relevance to farmland conservation are the following zoning designations:

- **Rural-5 Acre** (R-5), which allows one dwelling unit per five acres. Lands zoned R-5 RA are potentially TDR receiving areas.

- **Agriculture-10 Acre** (A-10), which is intended to protect agricultural land and promote agriculture as a component of the county economy. The primary uses allowed in A-1 are farming and associated agricultural business activities.

Chapter 30.32B (Agricultural Lands) includes provisions for designated farmlands, and properties within 1,300 feet of designated farmlands and agricultural activities, to reduce the impacts of lawful farming activities on neighboring residences. Section 30.32B.110 sets the minimum lot size within designated commercial farmland at 10 acres. Dwellings must be set back at least 50 feet from designated farmlands, and the section mandates notification of property owners within 1300 feet of designated farmlands that they may be subject to inconveniences and discomforts from nearby farming activities. Section 30.32B.230 (Right to Farm) states that the normal agricultural activities shall not be regulated like development activities by the grading or drainage code on property where commercial agriculture is a lawful use except when activities include development requiring another permit.
While the language in the Comprehensive Plan and the Zoning Code is clear in its intent to conserve viable farmland, there are a number of conditions that still threaten that objective.

- The allowable density of one dwelling unit per 10 acres in designated farmland appears to be sufficiently intense to encourage, in some instances, the conversion of farmland to residential lots.

- The code allows residential development on existing lots that are less than 10 acres. It is not known how many acres of land would be converted if these lots are developed, but the amount could be substantial and planners worry that the potential for development on non-conforming lots represents a significant threat to farmland preservation.

- Residential development in farm areas—particularly in the valley bottoms—has a secondary effect of reducing the viability of remaining farm activities. Even though the “right to farm” provisions and disclosure of potential impacts due to normal farming activities are clear in the Zoning Code, significant anecdotal evidence suggests that residential development near farms seriously hinders farming activities. For example, residential development can increase traffic in farming areas and residential plantings can interfere with the purity of seed crop production. Residential development also generally increases the amount of impervious surface and therefore increases the amount of stormwater runoff flowing onto farmland and decreases water quality.

- There are approximately 20,700 acres of active or potential agricultural land in the R-5 zone. While it has been shown that viable farming activities can take place on five-acre parcels, especially if a farmer works more than one of them through ownership or lease agreement, five-acre lots are especially susceptible to development. These small lot farms play an important role in maintaining the viability of an agricultural economy in Snohomish County as they provide both a market and a source of hay, feed, and forage, a source of a growing variety of specialty crops, and a market for agricultural support businesses such as equipment repair and veterinarian services. In order to retain a sufficient amount of farmland in the R-5 zone, it appears that substantial action will be needed to increase the viability of these lands for farming and to discourage or redirect new residential development that competes with farmland.

- The inventory described earlier in this chapter encountered the fact that there are some designated farmlands in the R-5 zone. The impact of this is that the comprehensive plan farmland designation prevents development at 1 dwelling per five acres, but it is an inconsistency between the comprehensive plan and the zoning code.

**RECOMMENDATIONS**

Suggested measures include the following.

- **Revise policy LU 7.A.4 to allow property owners to petition the County to designate their properties as commercial farmland if the property is at least five acres in area, whether or not it is adjacent to designated commercial farmland.** There is increasing evidence that viable agricultural activities can be accommodated on smaller parcels and that small parcel activities are important to the overall sustainability of agriculture in the region. This could result in a patchwork of farms within large lot...
residential areas, which could result in some conflicting land uses. Employing farming practices, however, small farms may be able to make a significant contribution to the agricultural economy. The alternative is to ignore these small-farm opportunities.

- **Tighten boundary adjustment criteria so that it is less likely that existing nonconforming lots are developed.** As noted above, the development of non-conforming lots (i.e.: lots that are smaller than allowed by current zoning regulations) pose a potential threat to maintaining farmland. Ideally, regulations should prevent the development of such lots after a specified grace period, with some allowance to prevent a property rights “taking.” If these sub-standard lots are currently in farming or if several of the lots are within one ownership, then the lots can be used either for their current land use or developed at a more appropriate rural density. Some allowance would have to be made for small lots without a viable use besides home development.

There are other ways of discouraging inappropriate development in farming areas. For example, if a small lot is developed, then the property owner might pay for the retention of farmland through a mitigation program as noted in recommendation 3 below; or the property owner could be required to purchase a TDR. This is likely to be a controversial topic, but reducing the potential threat of farmland fragmentation is an important objective.

- **Add a Comprehensive Plan policy and implementing regulations to ensure No Net Loss of designated farmland.** This policy would be implemented through land use standards requiring mitigation be provided for development or other actions that reduce the amount of designated farmland. The recommendations in this item are adapted from a revised proposal originally drafted by the Farm Bureau.

A draft Policy might read: “Because of the importance of agricultural activities and land to Snohomish County’s economy, ecological systems, food security, visual identity and livability, take action to ensure that there is no net loss of designated farmland. Farmland protection measures may include requirements for mitigation of any action that results in the loss of farmland through development or conversion to a non-agricultural use, including residential uses on properties less than 25 acres.”

Such a policy might be implemented through zoning requirements that call for the following:

- When acreage of designated farmland is converted to non-agricultural activities, the acreage lost must be replaced with an equal or greater acreage of non-designated farmland. This is done by purchasing the development rights of an equal or greater acreage of non-designated farmland, adding this land to the County’s Comprehensive Plan as designated farmland, and finally rezoning the farmland to farm land status. Development of uses directly supporting agricultural activities such as a food processing or storage plant would be exempted from this requirement. Land converted for transportation projects, environmental restoration or mitigation, residential development, recreation (such as hunting, parks, ball fields), and any other use not defined as agricultural by Snohomish County would be required to comply with this provision.
The mitigation measures might also include an impact fee based on the losses of functions and values of farmland in the vicinity. Conversion of farmland to other uses often causes secondary impacts in addition to the direct loss of the converted farmland. For example, new residential development can result in restrictions to activities such as spraying, manure spreading and other normal farming activities in spite of “right to farm” ordinances. New development often causes other impacts such as congestion of roadways, introduction of weeds to seed crops, and vandalism to farms. Finally, as economists have noted, new non-farm development in an agricultural area generally leads to a decrease in agricultural investment because it raises questions regarding the long term viability of farming in the vicinity. Besides discouraging farm conversion, the mitigation fee could be used for measures to reduce impacts on near-by farms through road, drainage and infrastructure improvements, and farm maintenance programs.

A third form of mitigation might be special requirements to reduce potential use conflicts and impacts such as setbacks from farm properties, surface water management requirements, etc. Because the requirements would probably be specific to the individual situation, the zoning requirements might call for a SEPA-like analysis to identify required mitigation measures.

This proposal raises a number of questions that will take careful analysis. However, the impact of such a policy with land use regulations could provide strong protections against the gradual loss of the county’s farmlands.

- **Consider adding a requirement that mitigation be provided as a condition of development of viable agricultural land in non-designated lands.** This would require that property owners pay a mitigation fee for the development of farmland in non-designated lands. The fee could be waived if the development is done in such a way that the bulk of the lot retains the potential for agricultural production. For example, if a five-acre property includes four acres of farmland and the property owner develops a house that renders the whole four acres unfarmable, then there would be a mitigation fee for those four acres. On the other hand, if the building is sited so that three acres of farmland remain, then the mitigation fee would be much less. This would undoubtedly be a controversial proposal but would help to address the loss of farmland in the R-5 zone.

- **Rezone R-5 lands that are designated farmlands to A-10.** This would remove the inconsistency between the Comprehensive Plan and the zoning code.

- **Track the changes of agricultural land.** The County should keep track of all development and change in land use on all agricultural land. Using the agricultural lands inventory data as a base, all development permits on agricultural land should be tracked. This will allow the County to better track agricultural trends.

(See also recommendations under Rural Cluster Subdivisions and Transfer of Development Rights (TDR) Program that follows.)
RURAL CLUSTER SUBDIVISIONS

Chapter 30.41.C of the Zoning Code provides for the creation of rural cluster subdivisions in which a developer is allowed additional density on rural land if substantial open space is retained and specific development standards are met. The purpose of the chapter is to provide an alternate method of developing rural residential property that provides incentives to landowners and developers to cluster lots on the most buildable and least environmentally sensitive portions of sites while retaining a substantial portion of each site in restricted open space tracts. While rural cluster subdivision provisions are not specifically directed toward conserving farmland, cluster development might conceivably be directed toward that purpose, especially in the R-5 zone. Cluster subdivisions are not allowed on designated farmland zones.

The standards for rural cluster subdivisions vary with the zone and land classification, but, in general, at least 45 percent of a rural cluster subdivision must be retained in permanent open space. Project proponents can attain a density bonus of 15 percent plus an additional bonus of up to 35 percent total if additional open space is provided above the minimum requirement. An additional 1 percent density bonus is allocated for every 1 percent of site open space above the minimum.

For example, if 65 percent of the land (20 percent above the 45 percent minimum) is retained for permanent open space, a 25-acre parcel would accommodate 7 residences, according to the following formula:

\[
\text{Dwellings per code} = \frac{25\text{-acre parcel divided by 5 acres per dwelling}}{5}
\]

\[
\text{Allowed density} = 1.00 \text{ plus bonus density of .35 (.15 for providing additional open space plus .01 for each percent of the 20 percent additional open space provided)} = \times 1.35
\]

\[
\text{Allowed dwellings} = \frac{5 \text{ dwellings per code times 1.35 allowed density}}{7}
\]

Reserving 16.25 acres of permanent open space (65 percent of 25 acres) leaves 8.75 acres for seven residences, or an average of 1.25 acres for each residence.

EVALUATION

In practice, developers have had little trouble in reaching the maximum 35 percent density bonus, and the rural cluster provisions appear to have served to accelerate development of rural lands. The 2007 Buildable Lands Report for Snohomish County states that rural cluster subdivision (RCS) applications and the number of lots with them have significantly increased during 2005 and 2007. The number of RCS lots applied for increased from 332 in 2004, to 886 in 2005, and again significantly to 1,805 in 2006. The number of recorded lots in rural cluster subdivisions remained relatively constant over this same time period (averaging 261 per year). It is expected that the number of recorded RCS lots will begin to increase in the coming years as the higher volume of RCS applications begin to be approved and recorded. The County will monitor the impact of RCS activity on an annual basis.

While clustering might preserve open space for environmental and aesthetic purposes, the current program is likely less useful as a farm preservation tool because it still increases the number of residences.
near farming activities and reduces the amount of land available for farming. However, there may be some benefit for those wishing to raise crops that do not require spraying or produce irritants to neighboring residents, such as forage crops. Additionally, if the 35 percent bonus units were from another property—through a TDR program, for example—some benefits in terms of farmland conservation might be achieved.

In his paper “Where Does Cluster Zoning Fit in Farmland Protection?” Thomas L. Daniels notes that in "weak farming areas," such as the R-5 zoned lands in Snohomish County, cluster zoning might be useful if the appropriate land use restrictions and incentives are applied:

“The best that can be hoped for in this [weak farming area] scenario is the retention of some kind of “rural character,” featuring open space. Agriculture as an industry has limited growth potential and will probably change to horse farms, hobby farms producing less than $10,000 a year, and nursery and greenhouse production to serve the local suburban market. Agricultural zoning (if ever used as in Scenario I) will be replaced by large lot “rural” zoning with a minimum lot size of anywhere from two to ten acres. As an alternative, cluster zoning or open space zoning could be used, requiring that houses built be clustered on part of the property and a certain percentage of the property be retained as permanent open space through a conservation easement. Large-lot zoning must be used carefully, because the courts could interpret such zoning as exclusionary and not for achieving a public purpose. Many so-called “farms” in ex-urban areas are really large-lot residences, and the owners earn nearly all of their income away from the farm. In these cases, property tax breaks make little sense, and merely subsidize a lifestyle rather than foster commercial agriculture.”

Snohomish County’s situation differs slightly from the one Daniels describes in that, in Snohomish County, small-lot farms, hobby farms, and horse estates do help to support the larger commercial farming industry. And, several types of crops—such as hay, vineyards, and organic gardens—can fit with low-density, properly located residential development.

RECOMMENDATIONS

- Require that TDR credits be purchased for all residential units above the base zoning. While this would dilute the incentives for cluster subdivisions, it would ensure that the rural land capacity and population targets do not surpass current targets and would realize a farmland conservation benefit.

- Consider revising the rural cluster subdivision standards to more specifically accommodate farming activities on the open space that is set aside. This effort will take some investigation and perhaps some case studies to see what provisions would lead to open spaces that could be used for farm production. It is clear that horse farms can be accommodated in similar configurations, so it may be that hay production, small nurseries, or organic farming businesses could thrive in such settings, especially when the land that is set aside would, under normal circumstances, not be used for anything productive.
TRANSFER OF DEVELOPMENT RIGHTS (TDR) PROGRAM

The transfer of development rights is an important farmland protection tool. A TDR program is a mechanism to relocate development potential from one property to another. The first TDR mechanism appeared in the New York City Landmark Preservation Law in 1968. Since then, this technique has been adopted by a number of communities throughout the country. TDR program goals often include:

- Preservation of farmland, open space, and natural resources in outlying areas; and
- Protection of historic buildings, open space, and affordable housing in urban zones.

TDR programs comprise three basic components:

- **“Sending” and “Receiving” areas.** Sending areas are the areas that a particular community would like to protect and “receiving areas” are the locations where the community wants to focus growth. Development rights are transferred from the sending to the receiving area.

- **Medium of exchange or unit of measurement.** The medium of exchange, or unit of measure, quantifies the development potential that is being transferred from one site to the other. In this case, these units are called TDR credits.

- **A transfer mechanism.** The transfer mechanism enables development rights to be sent from a specific lot in the sending area to a specific lot in the receiving area. Such mechanisms include the following:
  
  - An intermediary between the sender and receiver facilitates the exchange on the open market, such as a staff person, consultant, or real estate broker.
  
  - A “TDR bank” is established that allows development rights to be purchased from sending areas and sold to receiving areas by the local government. A TDR bank can:
✓ Provide a guaranteed market, purchaser, and price for TDRs, which helps resolve speculative land values and timing issues;

✓ Capitalize on the land acquisition experience of city staff, local councils, or other management entities; and

✓ Act as a central clearing house and maintain a single register of TDR transactions.

The Snohomish County TDR program issues serially numbered TDR certificates that can be sold and purchased. Overall, TDR programs have become increasingly popular because they are seen as a way to:

▪ Protect resources and meet civic goals with minimal impact on the city/county budget;

▪ Compensate land owners in areas being protected from development; and

▪ Harness private market forces to accomplish smart growth objectives.

Snohomish County has been exploring the use of TDRs. Chapter 30.35A.010 (Transfer of Development Rights) of the Zoning Code establishes the capability of TDR programs to:

▪ Permanently preserve natural resource and open space lands with countywide public benefit;

▪ Provide flexibility and better use of land and building techniques;

▪ Help preserve commercial farmlands designated as TDR sending areas by reducing residential development within such areas;

▪ Implement the goals, policies, and objectives of the countywide planning policies, the comprehensive plan, and the provisions of this chapter.

The June 2007 report “Transfer of Development Rights for Farmland Conservation,” prepared by Snohomish County Planning & Development Services, documents past County efforts, analyzes the shortcomings of the current program, and recommends changes to that program. Much of the discussion below is taken from that report. Snohomish County Planning & Development Services, in cooperation with the Agricultural Board, is preparing a proposal for modification of the current program to take to the Council for consideration.

**PROGRAM DESCRIPTION**

In late 2004, Snohomish County initiated a TDR program with the following provisions:

▪ Four TDR credits are certified for every ten acres of farmland, excluding lands in the floodway or otherwise encumbered by a restriction, such as an existing conservation easement.

▪ Four TDR credits are certified for every legal lot of at least 12,500 square feet in a sending area.

▪ Following certification and sale of the credits, a conservation easement is placed on the sending parcel that allows for continued farming activities but no further residential development.
The County initiated a trial TDR program by designating a sending area covering 3,300 acres of farmland in the Stillaguamish Valley adjacent to the City of Arlington on the County’s Future Land Use Map in August 2006. To date, the County has purchased and held for resale certificates for 49 development rights, at a price of $2.1 million for 74 acres of farmland. The price per certified development right is $42,857. This initial price was arrived at by professional appraisal, based on the foregone development potential of the farmland, rather than by allowing the market to set the price. Using the $42,857 value per credit, the assumed 1,320 units generated from the initial 3,300-acre sending area would have a price tag of $56,571,240.

A receiving area of 337 acres was added as a special TDR overlay area to the Arlington UGA. This area has recently been annexed into the City of Arlington. A City-adopted ordinance establishes a TDR Area Overlay Zone in the receiving area that requires the use of certificates as a condition of development in the overlay zone at the following rates.

- **Residential Subdivisions.** 25 percent of the lots must utilize TDR certificates.
- **Multifamily Residential Developments.** 50 percent of the units must utilize TDR certificates.
- **Nonresidential Development.** One TDR certified credit must be used per 10,000 square feet of gross floor area.

The County is now in the process of reselling the resulting 49 certified credits, with the stipulation that they are not sold for less than the County’s purchase price. Fifteen credits were offered for auction on April 9, 2007 with a minimum bid price of $50,000, and there were no bids.

**EVALUATION**

The 2007 TDR report notes that the setbacks to this program were primarily due to a lack of market for the credits. Part of the problem is that the 4:1 multiplier produces a surfeit of credits relative to the demand, and part of the problem is that there are insufficient receiving area development opportunities to spark demand. The report concludes:

In the face of these daunting numbers it appears unlikely that a TDR program using the present county model is a viable approach to conserving the 63,000 acres of commercial farmland targeted.

Additionally, a 4:1 multiplier creates additional development capacity within the county. If these dwelling units are not accommodated in urban areas, population in rural areas will increase, contrary to GMA objectives and current growth targets.

The 2007 TDR report makes the following recommendations:
Sending Area Strategy Recommendations:

- Increase the minimum lot size of farmland zone and provide for recovery of diminished number of lots through recognition of TDR credits based on pre-minimum size change lot yield.
- Grant one single family unit credit or two multifamily credits for each sending area credit.
- Certify credits based on acres of farmland not already precluded from development.
- Limit boundary line adjustments in agriculture zones.
- Eliminate recognition of substandard lots in agriculture zones.

County Receiving Area Strategies

- Allow 50% increase in density in urban residential zones for credit use.
- Enact urban and village centers density increase requirement.
- Enact an urban growth area expansion requirement.
- Enact a comprehensive plan or zone change requirement.
- Substitute credits for certain development requirements.
- Enact a fully contained community’s requirement.
- Do not allow multipliers in receiving areas.
- Establish minimum density in TDR receiving areas.

Receiving Area Strategies Coordinated with Cities

- Grant increased density and development in city centers for credits.
- Allow base density plus maximum in city zones for credits.
- Substitute credits for certain development requirements.
- Discourage multipliers in receiving areas.

Facilitating Credit Transfer

- Separate credits from land to allow free sale and transfer.
- Allow unconstrained credit transfer.
- Market and facilitate credit transfers.
- Monitor sending and receiving area balance.
- Support TDR bank establishment.

RECOMMENDATIONS

This study basically agrees with the general direction of the recommendations in the 2007 TDR report, with a few suggestions. Specifically, it is recommended that the County’s TDR program be pursued with the following modifications.

- Allow one single-family credit or two multifamily credits per 10 acres of developable land placed in the program. That is, lands with critical areas, floodways, or flood-fringe areas would not be included in sending area credit calculations as they would not be available for development if the farmland were developed.
Consider, at some future date, increasing the minimum lot size in farmland zones to one dwelling unit per 25 acres and provide compensation to land owners through TDR credit allocations. This, in effect, makes the TDR program mandatory for property owners to recover potential loss due to diminished development capacity. While there will likely be strong opposition to this action, such a measure was found necessary in the Montgomery County, Maryland program. This is not an immediate recommendation, but it may be necessary in the future if all other measures have failed.

**Require TDR credits for all development in the following conditions.**

- For dwelling units in cluster developments in rural areas that exceed the base densities (generally one dwelling unit per five acres). As this will allow the cluster subdivisions to continue but would ensure that the net development outside Snohomish County UGAs would not increase beyond current allocations;
- For all development in LAMIRDS beyond base densities, with allowances for existing development; and
- For all areas added to the urban growth boundary after adoption of the program. This would also prevent the net addition of new rural growth beyond current targets.

**Work with Snohomish County municipalities to formulate an interjurisdictional receiving area strategy that identifies areas in each municipality where development intensity bonuses are offered if TDR credits are purchased.** For example, a municipality might offer a higher benefit and density allocation along an urban corridor if TDR credits are purchased for the additional units. This would not add cost to the resident because the units would be in addition to the ones developed under the base zoning.

The challenge of this proposal is that municipalities would generally prefer to allocate any funds accruing from bonus programs toward local objectives such as affordable housing, street improvements, or open space. Therefore, it may be necessary both to increase broad public support for farmland protection and for the County to partially subsidize the TDR cost. For example, if a TDR credit for an urban development cost $20,000 (price to the farmer); the developer might pay $10,000 and the County $10,000. Then, the developer might be required to include a percentage of units of affordable housing or pay an additional amount toward infrastructure. This means that:

- The County would pay a modest amount toward TDR credits and receive the benefits of protected land;
- The developer would pay a reduced cost for a TDR credit and an additional amount for local objectives, but the total would be less than the full cost of the TDR credit itself; and
- The municipality would be required to participate in the program but would receive funds (or affordable units) toward its objectives as a result of the County funds contributed to the project.

The program might be initiated through Snohomish County Tomorrow and ideally would result in inter-local agreements between the County and individual jurisdictions. Some communities might have an interest in the TDR credits being harvested near their communities. For example, new growth near
some of the outlying municipalities experience severe traffic volumes through their towns from near-by rural area growth. If those units were in the City, through traffic impacts would be reduced.

The first step is exploring the parameters of such a program based on a common understanding that farmland protection is in the interests of all Snohomish County—indeed, all Puget Sound—residents.

- **Once the TDR program for designated farmland has proven to be successful, consider adding all or some lands in the R-5 zone that have particular value as farm lands.** Adding R-5-zoned areas to the existing designated study areas would likely create too many TDR credits and overwhelm the fledgling program. However, as noted in “Evaluation” discussion of the Comprehensive Planning and Zoning section on page 21, there are substantial farming activities taking place in R-5 zones that are critically important to sustaining agriculture in Snohomish County. Therefore, in the long-term, the most valuable of these areas, in terms of agriculture potential, should be considered sending sites.

Thomas L. Daniels, in his previously referenced paper, points out that TDRs in areas such as the R-5 zone will be costly:

“The purchase of development rights is likely to be prohibitively expensive, in part because the zoning is permissive. For example, in the early 1990s, suburban Montgomery County, Pennsylvania, just outside Philadelphia, purchased development rights on two farms for $15,000 and $16,000 an acre! Moreover, it would be difficult to buy easements on contiguous parcels. Transferable development rights could be difficult to establish, because there may be little contiguous farmland to designate as a sending area to protect; and there may be opposition to increasing development densities in receiving areas.”

Given these reservations, it appears likely that conservation of farmland in the R-5 zones will take a combination of measures, such as cluster zoning (with new standards and the requirement to purchase TDRs for additional density), a mitigation fee for loss of farmland, and a modified TDR/PDR program.

- **Augment the TDR program with a Purchase of Development Rights (PDR) program.** This action, obviously, would require significant County funds that would need to be justified by demonstrated public benefit. The Community Engagement element of this study addresses how this benefit can be articulated. Credits purchased by the County could be retired outright or placed in a bank that would facilitate transfer to another party. Or, funds could be used to partially subsidize the credits in exchange for urban public benefits, as outlined in Recommendation 4, above.
ENVIRONMENTAL REGULATIONS AND RESTORATION PROGRAMS

ISSUES AND CHALLENGES.

Advocates for environmental protection increasingly realize that maintaining active farming activities is a critical environmental objective because when farming ceases to be viable, open farmlands are replaced with residences, which are substantially more ecologically destructive. Therefore, maintenance of a strong agricultural economy is an important environmental goal. In his book, *Saving Puget, Sound* John Lombard writes:

*I consider (the future of agriculture) our most important land-use issue as well as a valuable teaching tool regarding the practical challenges of conservation....(Puget Sound’s) farmland is being converted to rural estates (often of 10 acres or more) and suburban and urban development at the rate of more than 8 square miles a year. In 1997, American Farmland Trust ranked Puget Sound (combined with the Willamette River valley) as having the fifth most threatened farmland in the country. The continuing loss of prime farmland is probably the worst land-use trend for the region’s major ecosystems.*

Despite farming’s far reaching importance in reducing flood hazards, contributing to viable aquatic systems, providing habitat, and maintaining water quality, farming activities are often conflict with environmental regulations and restoration programs. There have been ongoing issues related to critical area protection, buffer width and regulations related to specific activities such as manure lagoons and spraying. However, the two areas of current concern are shoreline management regulations against erosion protection along streams and the purchase of productive farmland for ecological restoration purposes. Both of these issues result in the loss of productive farmland and so are of significance to this chapter.

**Shoreline management restrictions to erosion protection along rivers.**

Environmental scientists have demonstrated that the straightening, channeling, and armoring of river systems greatly degrade the ecological functions, such as flood mitigation, natural sediment and large wood transport, regulation of nutrients and pollutants, water flow characteristics and habitat creation. Ideally, in a natural state, healthy rivers are free to “migrate” within the floodplain. That is, the river channel, through erosion and deposition, changes course within the valley floor. In its migration movement, the river “recruits” (knocks over and moves along the stream bank) trees that help to regulate the erosion and create the habitat necessary for healthy aquatic life.

Because of this, the Department of Ecology’s shoreline management rules, allow shoreline armoring only in very limited situations. WAC 173-26-231 (3)(a)(iii)(B) states that new structural stabilization measures (including shoreline armoring with “hard” structures to protect against erosion) shall not be allowed except when necessity is demonstrated in certain specified instances. Protection of agricultural land is not one of the instances named. Therefore, this restriction has been interpreted to not allow farmers to armor their streams in order to protect against erosion.
However, section WAC-173-26-241(3) (a) (ii) includes the statement: “Master Programs (the local regulations implementing the shoreline Management Act) shall not require modification of or limit agricultural activities occurring on agricultural lands.” And, section WAC-173-26-020 includes “maintaining agricultural lands under production or cultivation” as an agricultural activity. This implies that farmers should be allowed to protect their land from erosion.

This apparent inconsistency would not matter so much if the channel migration of rivers were slow and erosion of topsoil slight. And in a natural setting where the level valley floors are forested and the uplands are relatively undisturbed, this is often the case. However, Snohomish County’s agricultural valleys are largely unforested and forestry practices and development in the uplands increases rapid run-off and exacerbates both flooding and erosion. There are anecdotes of farms in Snohomish County that can lose a strip of farmland 10’ wide per year, which over a long section of river could result in acres of farmland lost.

At the same time, it is not clear that such un-natural erosion provides the same ecological functions as channel migration in a natural floodplain. Where rapid erosion occurs, there typically aren’t any mature trees to recruit, and the quantity of sediment produced is different from that produced in a natural system. So there is the question of how much erosion is ecologically desirable under current circumstances.

A means of resolving these questions on a case-by-case basis is needed. Farmers should be permitted to protect their active farmland, especially if the erosion threatening their land is not performing valuable natural functions. At the same time, shoreline armoring should certainly not be encouraged, and it is often the case that such armoring will merely cause additional erosion downstream. Therefore shoreline stabilization should only be allowed when it is shown to be more than what would be expected under natural conditions, where it is consuming active agricultural land or hindering agricultural activities. And, shoreline stabilization should be accomplished through the bio-engineering or other “soft stabilization measures as described in WAC 173-26-231(3) (a) (ii). WAC 173-26-231 (3)(a)(iii)(B)(IV) allows shoreline stabilization measures for shoreline restoration, so if the erosion protection were accomplished along with some habitat measures such as installation of large wood or shoreline vegetation, it would be consistent with Department of Ecology rules. The recommendations for SMP provisions below pursue this idea.

**Environmental Restoration Projects in Active Farlands**

The environmental restoration of shorelines and wetlands in floodplains through measures such as reforestation, inundation, and the creation of habitat has proven effective in upgrading ecological functions. In recent years Watershed Resource Inventory and Assessment (WRIA) programs have identified such projects within floodplains that would most benefit the ecology and local governments have prepared environmental restoration plans as part of their shoreline master programs (SMP’s). At the same time, public and private organizations, most noticeably WSDOT, have needed potential restoration sites to restore as part of their mitigation measures when they impact a wetland, stream corridor or other critical area. While these activities are certainly beneficial, too often they are located on active farmlands, resulting in the loss of productive acreage.
Farmland is especially vulnerable to conversion to habitat because it is relatively cheap and low lands in the floodplain are often the easiest on which to achieve ecological benefits. It appears, too often, the objectives of farmland preservation and environmental restoration are put in conflict.

Three possible approaches to resolving this problem are recommended. The first is to discourage the use of productive farmland for restoration projects through comprehensive planning policies and land use regulations. Such provisions would either prohibit or make it more difficult to convert active farmland into restoration projects. A second and similar measure would be to require mitigation for the loss of farmland. For example, if an agency purchases and converts active farmland, it would also have to pay for the creation or protection of farmland elsewhere. This might be through the purchase of TDR’s or through the dedication of arable land in the R-5 zone. This latter option would require careful planning to ensure that the land secured would be agriculturally viable.

Finally, it seems that there must be some river stretches and lowlands that are of reduced agricultural value that can be restored without reducing farmland productivity. It might be wise to include farm organizations in the restoration planning being done as part of the County’s SMP update to identify those areas.

**RECOMMENDATIONS.**

- Include provisions in Snohomish County’s SMP, which is currently being prepared, that allow shoreline stabilization as a conditional use to protect active farmland if all of the following conditions occur:
  - It can be demonstrated that the land in question is eroding faster than under natural conditions and that the erosion presents a verifiable threat to the productive farmland.
  - The shoreline stabilization measures employ the “softest” means that would be effective in slowing erosion. Soft techniques include planting of vegetation, upland drainage control, placement of anchor trees, and biotechnical measures.
  - The shoreline stabilization measure includes some element that will enhance ecological functions such as habitat creation, water quality and shading, flood damage reduction, etc.

Under these provisions erosion protection will be possible but not necessarily easy. A conditional use permit is subject to Department of Ecology review and approval. The farmer will need to demonstrate the need for erosion control measures and the project will require both environmental and engineering expertise. On the other hand, if the erosion control project includes a restoration component, it may be eligible for funds and there may be other ways that the farmer can financially benefit such as through the Conservation Reserve Enhancement Program (CREP) program.

- Revise Snohomish County’s Comprehensive Plan policies to discourage environmental restoration projects on productive farmland. This recommendation applies specifically to WSDOT and other public agencies. Such a policy or regulation be structured as follows:
  - Allow environmental restoration projects on productive and designated farmland areas only when one of the following conditions apply.
The farmland in question is of marginal value for agricultural purposes due to its inherent nature such as saturated or poor soils, poor drainage, etc.

The site is of particular ecological value due to its physical conditions and presents an opportunity not physically available elsewhere. (For example, a particular piece of land might be a unique opportunity to create a rare or especially valuable habitat.)

The applicant secures an equivalent piece of farmland and provides a means of farmland protection for it. The determination of whether or not the equivalent piece of land is equivalent and sufficiently protected shall be subject to the County’s approval.

- **Require that all environmental restoration projects on active farmland include “mitigation for the loss of farmland.”** This can be done by securing and retiring the development rights of farmland as approved by the County.

- **Conduct a study to identify those areas that can be environmentally restored without diminishing farmland activities.** Once these sites have been identified, restoration projects can be targeted to those less productive lands.

- **Foster and promote partnerships between farmers and environmental organizations.** It is often seen as a fight between “fish and farms.” Working to bridge this gap will benefit both sides. Farmers are excellent stewards of the environment however fish and wildlife habitat is diminishing with increased development.

- **Increase the amount of funding for farmers to do restoration projects and for implementing other good environmental management practices.** Funding can be provided through a variety of grants that are made available for farmers.
SUMMARY CONCLUSIONS & RECOMMENDATIONS

The protection of Snohomish County’s farmland is a daunting challenge and cannot be accomplished through land measures alone; at least without substantially down-zoning much of the county’s rural areas. The land use measures recommended here will assist in the retention of active farmland, but in themselves are unlikely to counter-balance development pressures on the county’s farmers.

The difficulty of preserving farmland in metropolitan areas is not unusual. Arthur C. Nelson points out in his article *Preserving Prime Farmland in the Face of Urbanization: Lessons from Oregon*, notes that land use regulations must be sufficient to affect the market in predictable ways and that a comprehensive approach that combines growth management, land use and mechanisms such as TDR’s is necessary. This study proposes that land use measures be augmented by economic development measures and the use of public funds. Land use measures must be accompanied by actions to increase the financial viability of local farming and by strategic allocation of public resources to protect the public benefits that farming provides county residents.

One of those benefits is environmental quality. Writing from the perspective of an environmental conservationist, John Lombard notes in his book cited above that:

“To be sure, farms are not necessarily an ecological boon. But farms grow and sell products that the rest of us need. Moreover, if the choice is between development and farms, especially farms with environmentally sensitive management practices, there is no question which is better for the region’s ecosystems, particularly for birds and wildlife….Farmers are better stewards of the land than most residential or commercial property owners “

However, there is an inherent competition for land in the floodplain between environmental restoration projects and farms. It appear that this conflict can best be resolved through cooperative planning to identify those areas most of value for restoration purposes and of lesser value as farmland. Similarly, in the case of regulations for shorelines and critical area protection, and especially those for protection against shoreline erosion, a cooperative effort between environmental managers and the agricultural community would be most fruitful. And, given Lombard’s observations, both environmentalists and farmers have a stake in sustaining farming in Snohomish County; which should provide a common purpose on which to build a cooperative effort.
Figure 8. Actions to sustain and protect farmland in Snohomish County.
NEXT STEPS FOR MAKERS

- Refine and complete the land use and environmental concerns portions of the Business Plan. Elements tentatively will include those listed in the Business Plan outline. MAKERS will coordinate the County staff to ensure that the recommendations are consistent with other County efforts and policies.

- Assist the County in pursuing a county-wide TDR receiving area strategy in which all or most of the local jurisdictions identify ways to increase their receiving area capacity. The County’s report notes that a key to the TDR program is finding receiving areas so that the market for TDR credits rises. This work might include assisting with a workshop with planning staff and, perhaps later, selected elected officials to explore means of identifying receiving areas, reasonable municipal and county goals for quantities of potential TDR unit demand, and necessary actions to increase municipal/county cooperation in developing an inter-jurisdictional program.

- Work with Community Attributes to integrate the land use analysis with economic analysis. This means exploring the real estate/farming land value implications of proposals to implement TDR’s and other land use measures such as agricultural land loss mitigation, revising the rural cluster ordinance, etc. – and marketing/business development strategies that Community Attributes develops. Tasks might include:
  
  - Identifying and describing public benefits that accrue from agriculture. (e.g.: flood hazard mitigation, wildlife habitat, recreation, etc.), especially those that are a benefit in comparison to developed land;
  
  - Assisting in the evaluation of land values for farming purposes relative to those for development (MAKERS could set up a hypothetical test case for comparison, or help to quantify existing cases for evaluation); and
  
  - Describe and illustrate summary conclusions.

- Illustrate the ideas in the business plan and help prepare the public information materials. Prepare at least 8 diagrams or illustrations to depict concepts in the business plan. Three of these illustrations will be a set of aerial drawings illustrating the benefits of agricultural activities and potential threats to farm land.

- Help prepare the public information materials. Assist in the framing of proposed public actions to sustain agriculture as an economic sector and activity that provides collateral public benefits.

- Attend COSC meetings and make presentations.

- Make other public presentations as needed.
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PROJECT OVERVIEW

BACKGROUND AND PURPOSE

In October 2007, Snohomish County initiated a project to create a vision of how the farming community and Snohomish County citizens want local agriculture to look and function 100 years from now. From that work, a practical business plan would be developed serving as a roadmap for implementing an agriculture action plan that ideally would be a permanent part of a comprehensive county-wide program to sustain agriculture.

The community involvement process work completed was the first step in developing a vision for what Snohomish County residents see as the future of agriculture. What we learned will help the County develop, test and refine specific strategies and recommendations that can be widely supported by the public based upon a shared community vision and common values.

The report covers the major components of the Community Engagement Scope of Services. These components include:

- Identification of community attitudes and values to be used as a benchmark for future use;
- A draft community vision statement and goals of Snohomish County’s agricultural lands for the next 100 years;
- A strategic communications framework and messages to test preliminary ideas/priorities generated from the broad-based community engagement process; and
- 2008 Scope of Work.

METHODS

Nyhus Communications, in partnership with Community Attributes and MAKERS Architecture and Urban Design, conducted presentations, workshops, and one-on-one interviews to identify a long-term vision for Snohomish County agriculture based on public values and priorities. To generate participation Nyhus engaged in a wide variety of public outreach that reached thousands of Snohomish County citizens. These techniques ranged from earned press activities to targeted mailings.

COMMUNITY WORKSHOPS – 1ST QUARTER 2008

Six targeted community outreach workshops were held. Each workshop utilized an interactive “Where do you live?” GIS-based map (created by MAKERS) showing the location and type of agricultural activity within Snohomish County, a PowerPoint presentation reviewing the project background and goals and 40-60 minute facilitated small-group discussion to elicit feedback and opinions. The workshops were held in Edmonds, Lynnwood, Mukilteo, Everett, Snohomish and Arlington.
COMMUNITY OUTREACH MEETINGS – APRIL 2008

In addition to the workshops, the Nyhus team reached out to an additional eight community groups across the County to gather input and feedback. Nyhus staff gave presentations and set up information tables at each of the meetings.

STAKEHOLDER INTERVIEWS – APRIL 2008

Nyhus interviewed more than 25 key stakeholders that were carefully selected to represent the broad cross-section of Snohomish County’s economic and cultural fabric.

In addition to the qualitative data we recorded through conversations via the workshops, community meetings and one-on-one interviews, we collected 208 completed questionnaires.

KEY FINDINGS

The Nyhus team learned a great deal about the public’s attitudes, opinions and ideas in creating a healthy and sustainable agriculture economy in Snohomish County. The following is a summary of findings gathered through the public engagement process:

- Public education about farms, farmland and local food is essential if farmland is to be preserved. Even among participants, a group that is somewhat more informed than the general population, knowledge about farms and, in particular, the issues facing farmers, was limited.
- Agriculture contributes to the high quality of life experienced by most residents of Snohomish County.
- Too much land is threatened by development pressure, regulatory restrictions and taxes.
- Children currently have few connections to farms, but these connections are vital – whether it’s teaching children where their food comes from or providing an entertaining and educational farm experience.
- Accessibility to local food by consumers is paramount to the success of local farms.
- New policies must be developed and existing policies enforced to better support agricultural land and rural preservation.

RECOMMENDATIONS

The future of farming in Snohomish County is a concern among the County residents who participated in our community outreach meetings and stakeholder interviews. Our engagement efforts revealed that those citizens who had an existing understanding of agriculture’s personal and public benefits also have a greater appreciation of the need to keep farmland in production. The challenge is with the urban and suburban Snohomish County citizens. With no direct relationship to agriculture, these citizens see no connection between the success of agriculture and their lives.
As a first step in generating public support and understanding of a long-term vision for agriculture and local farming, there must be a sizeable increase in public education and understanding among all the citizens of Snohomish County about the need to protect and support agricultural lands and local farms.

The next step Nyhus recommends to advance the project are as follows:

- Develop a final Vision Statement and Project Goals;
- Conduct qualitative and quantitative public opinion research to test preliminary ideas and priorities generated from the broad-based community outreach process;
- Conduct qualitative and quantitative research to test and gather feedback on the 1) key messages, 2) business plan concepts, and 3) proposed public actions / ideas to sustain agriculture into the future; and
- Develop and implement a Strategic Communications plan that creates and maintains community interest, awareness and excitement of the County’s newly adopted Agricultural Sustainability Action Plan.
INTRODUCTION

Beginning in fall of 2007 and continuing through April 2008, Nyhus Communications has sought public opinion about Snohomish County agriculture, the agricultural industry and agricultural land by using various methodologies (see Appendix) in support of the Snohomish County Agricultural Sustainability Project, a community-based initiative to enhance and strengthen the County’s agricultural economy and its critical land base.

The Snohomish County Agriculture Sustainability Project was the result of a request to Snohomish County by farmers and community members to preserve and strengthen the County’s agricultural economy and land base for the next 100 years.

The three components of this project included 1) inventory mapping and land-use analysis, 2) economic opportunity assessment, and 3) community outreach. The product of this collaborative effort will be an agricultural business plan that will help guide both policymakers and planners.

A variety of outreach efforts were implemented to garner a diverse sampling of opinions from a broad cross-section of Snohomish County citizens: seniors, students and all ages in-between; urban, suburban and rural residents; and individuals representing upper- and lower-income and education levels.

OVERVIEW

The Nyhus project team worked closely with Snohomish County Agriculture Project Coordinator Linda Neunzig to develop the community engagement process. The Nyhus team, in partnership with Community Attributes and MAKERS Architecture and Urban Design, conducted presentations, workshops, surveys and one-on-one interviews to identify a long-term vision for Snohomish County agriculture based on public values and priorities. This outreach effort also identified new ideas that could be developed into programs with broad public support.

ALL OUTREACH METHODS, WHILE PHRASED APPROPRIATELY TO THE FORM OF QUESTIONING, ADDRESSED THE FOLLOWING OVERARCHING QUESTIONS.

- What is the future of Snohomish County farming?
- What’s important to you?
- What should the agricultural and rural landscape look like 20, 40, 100 years from now?

THE FORMAT USED FOR EACH PUBLIC MEETING DURING THE COMMUNITY ENGAGEMENT PROCESS INCLUDED:

- An interactive “Where do you live?” GIS-based map (created by MAKERS) showing the location and type of agricultural activity within Snohomish County;
- A PowerPoint presentation reviewing the project background and goals;
• A 40-60 minute facilitated small-group discussion; and
• Individual feedback forms filled out by each participant.

SAMPLE WORKSHOP, INTERVIEW AND SURVEY QUESTIONS INCLUDED THE FOLLOWING:

• What type of agricultural activities, services and priorities do you feel are needed to sustain agriculture and local farming in Snohomish County?

• Do you think working to preserve farmland is a good use of Snohomish County resources? (Resources could be anything from staff time to funding.)

• What do you see as the top five priorities that should be addressed?

Telephone and in-person interviews, ranging 20-60 minutes, were conducted using the same general questions.

See Appendix for a selection of representative responses.

METHODOLOGY

To engage as many Snohomish County citizens as possible, Nyhus used a number of research and public outreach techniques:

• Snohomish County Agricultural Sustainability Project kickoff and media rollout with County Executive Aaron Reardon, resulting in news coverage – October 2007 (*See Appendix for media list and coverage results.);

• Information table at Evergreen State Fair and 4th annual Focus on Farming Conference – surveys and dialogue with event visitors; and

• Community Workshops – 1st quarter 2008 (*Workshop dates and locations, collateral materials, the list of organizations contacted and dates are included in the Appendix.)

COMMUNITY WORKSHOPS

Six targeted community outreach workshops were held. The urban workshops – in Edmonds, Lynnwood, Mukilteo and Everett – had light to moderate turnouts, while the rural workshops – in Snohomish and Arlington – were very well attended, with more than 50 attendees at each. There was strong participation by the Community Oversight Steering Committee (COSC) members at many of the community workshops.

Outreach efforts for these workshops touched thousands of Snohomish County citizens. Tactics used included:

• Postcard mailings to the “perfect voters” – those who voted in the last four elections – in targeted zip codes within Snohomish County;
• Advertisements in local newspapers;

• Flyers posted in local businesses, libraries and community gathering places;

• Informational flyers left at prominent community gathering places throughout the County;

• Workshop notices posted to websites and blogs such as Craig’s List, Sustainable Seattle and Green Everett;

• Media advisories and press releases sent to local media outlets; and

• Calls and e-mails to more than 40 organizations that span the diversity of Snohomish County citizens.

**COMMUNITY OUTREACH MEETINGS – APRIL 2008.**

In addition to the workshops, the Nyhus team reached out to an additional eight community groups across the County to gather input and feedback:

• Everett Kiwanis Club;

• Everett Senior Center;

• Lake Goodwin Community Club;

• Mill Creek Senior Program;

• Snohomish County Tourism Bureau;

• South County Senior Center Health & Wellness Fair;

• Stanwood Lions Club; and

• Stillaguamish Senior Center.

**STAKEHOLDER INTERVIEWS – APRIL 2008.**

Nyhus interviewed more than 25 key stakeholders that were carefully selected to represent the broad cross-section of Snohomish County’s economic and cultural fabric. The list of interview participants was developed collaboratively with Linda Neunzig and included County Councilmembers, community leaders and youth. (*See complete stakeholder interview list in the Appendix.*)
GENERAL OBSERVATIONS

Throughout the community engagement process, the Nyhus team observed and documented the following points:

- The most consistent feedback across all community outreach efforts was the need to raise the level of consciousness and connection to the value and benefits of local agriculture among our urban and suburban residents.

- Whether participants were rural, urban or suburban, there was a consistent belief that agriculture and farming are important to the fabric and identity of Snohomish County.

- Attendance at urban public meetings was light to moderate. The participants who attended these meetings tended to already be involved in sustainable agriculture and the “buy local” food movement. When probed on their reason for attending the meetings, we learned that unless an individual had some existing connection to a farm, local food, the environment or lived near enough to farmland to have witnessed the loss of land, agriculture is under the public radar.

- The rural workshops generated large turnouts, with participants who were directly connected to local farms and farmland preservation efforts.

- Most seniors who participated had some current or previous connection to farming.

- Most participants expressed the belief that farming needs to be economically viable if the industry is to continue.

- Both new and longtime farmers who attended the community meetings expressed the need for a support network for farmers – to help new farmers get started and to help longtime farmers change methods, practices or products.

- Across all of the outreach efforts, participants consistently expressed strong support for a year-round farmers market, which they felt would be an asset to farmers.

- There was a general consensus that preserving farmland is important. However, there was no consensus on how best to preserve the farmland. Ideas expressed by participants and stakeholders were creative and, in some cases, worth exploring.

- Participants from more affluent communities tend to support the “buy local” movement and see it as a means to support local farmers and the environment.

- Opinions on biofuels and farm products varied; however, a need for a Snohomish County “signature crop” was identified.

- The farmers who attended our outreach meetings all had expressed their dissatisfaction with the County’s efforts to keep farmland in production.
TRENDS

Those who participated in the stand-alone workshops were self-selecting participants and generally seemed to have more awareness of farms, local food and the environment than the general population.

Participants at pre-existing community meetings and some stakeholders tend to be less informed about the needs of farmers and what’s happening in the rural areas. Other trends we discovered include the following:

- Regardless of location, age or background, most participants and stakeholders are aware that Snohomish County farmland is being rapidly converted to residential and business developments, and they believe that local farms and farmland should be preserved.

- Participants expressed interest in contributing to farmland preservation and helping farmers, but they don’t always see a connection in terms of what they can do personally or how their actions impact the farming industry.

- Preserving farmland for future generations is important: as a local food source, for environmental stewardship and for recreational activities.

- Participants are beginning to see the connection between having nearby farms and enjoying local food and healthy lifestyles.

- There was a clear consensus that we need to reach out and educate the county’s youth on the importance and benefits of our local food system and where their food comes from.

- There is recognition that a stronger collective effort is needed in promoting and marketing local food and products to consumers.

CHALLENGES

When asked to look into the future, participants identified a number of pressing concerns or barriers to creating a vibrant agricultural economy. These concerns included:

- A severe lack of knowledge about farms by the general public, particularly those living in urban areas;

- Educating the general public, especially urban and suburban residents, about potential land-use measures to protect farmland (i.e., TDR, PDR programs). This can happen only after the public gains a greater awareness of the personal and public benefits of local farms and farmland;

- Trust in government to “do the right thing” in terms of preserving farmland and supporting local food systems;

- Skepticism regarding the feasibility of saving farms and farmland; many feel it’s too late or that it won’t happen for various reasons;

- Striking the balance between an ever-growing population in the County and the need for affordable homes; and
Supporting farmers, both new and established, to continue and expand despite the many obstacles and challenges associated with farming today.

**OPPORTUNITIES**

Knowledge about local farms and the issues they’re facing is nearly nonexistent to the majority of the general public. Even with their limited knowledge, though, participants offered solutions and ideas on how to create a thriving future for agriculture in Snohomish County. Some of these ideas are outlined as follows:

- There was consensus among informed participants that a food movement is underway that goes beyond fad or trend and that lends itself to promotional marketing opportunities to the general public. With the organic market being the fastest growing segment of the food industry (worldwide and nationally, with double-digit growth each year over the last few years*), indicators such as the growth of neighborhood farmers markets, suggest that “buying local” is also catching on quickly.
  (* Verified through various web sources including: http://www.cattlenetwork.com/farnam_companies_Content.asp?ContentID=116519)

- With the number of farmers market visitors growing steadily, these neighborhood markets offer a significant vehicle for public education about farms and farmland through the local food connection.

- The growing popularity of food events (e.g., festivals, themed dinners, 30 for $30, and so on) offers opportunities to reach out beyond the initiated to connect more people to local food and farms.

- People who care about the environment may not know that farmers are stewards of the land. Outreach to environmental and outdoor recreational groups may present additional opportunities to reach beyond those who already support agriculture.

- The County should invest in a roadside “signage” program that informs and educates motorists about local farming activities and products.

- The County would benefit from “branding” itself as an “ag center” so it can be marketed collectively and become well known everywhere for quality agricultural products.

- Farmers could be offered incentives or monetary bonuses to encourage them to keep their land in production.

- Create an umbrella network to coalesce the many small groups helping farmers.

- Investigate opportunities to create an affordable farm labor pool, considering the county has a growing number of displaced and homeless people who need work.
SUMMARY OF FINDINGS

This summary identifies key points made by the public at stand-alone community workshops, surveys completed by participants at existing community meetings and events, and through in-person and telephone interviews with key stakeholders. At every meeting participants expressed the following general beliefs that:

- Public education about farms, farmland and local food is essential if farmland is to be preserved. Even among participants, a group that is somewhat more informed than the general population, knowledge about farms and, in particular, the issues facing farmers, was limited.

- Agriculture contributes to the high quality of life experienced by most residents of Snohomish County.

- Too much land is threatened by development pressure, regulatory restrictions and taxes.

- Children currently have few connections to farms, but these connections are vital – whether it’s teaching children where their food comes from or providing an entertaining and educational farm experience.

- Accessibility to local food by consumers is paramount to the success of local farms.

- New policies must be developed or existing policies enforced to better support agricultural land and rural preservation.
CONCLUSION

The future of farming in Snohomish County is a concern among the county residents who participated in our community outreach meetings and stakeholder interviews. Our engagement efforts revealed that those citizens who had an existing understanding of agriculture’s personal and public benefits also have a greater appreciation of the need to keep farmland in production. They understand the risks and downsides if local, family and niche farms become a dying industry.

The challenge is to “grow” the number of county residents (specifically citizens living in our urban and suburban communities) who actively support a long-term vision for agriculture and local farming in Snohomish County. As more and more people move into the county, the number of people who do not have a connection to the rich farming heritage of Snohomish County will increase as well.

As a first step in generating public support and understanding of a long-term vision for agriculture and local farming, there must be a sizeable increase in public education, understanding and consciousness among all the citizens of Snohomish County about the need to protect and support agricultural lands and local farms.
NEXT STEPS FOR NYHUS

Nyhus Communications is responsible for the community engagement portion of the Snohomish County Agricultural Sustainability Project. During the initial portion of the project, we were charged to uncover, understand and document current attitudes and priorities of Snohomish County citizens regarding the future of agriculture and local farming in the County.

The ongoing scope of work will be a continuation of the preliminary findings and results gathered from the tasks completed during the project:

- Conduct public opinion research to test preliminary ideas and priorities generated from the broad-based community involvement process. Research conducted through survey monkey. Nyhus work with client to develop list of survey questions and participants.

- Nyhus will conduct public opinion research to test preliminary ideas and priorities generated from the broad-based community involvement process. Conduct surveys at targeted community events and fairs (schedule and locations TBD).

- Nyhus will work with Community Attributes and MAKERS to develop communications platform and key messages from the integration of the land use analysis and the economic analysis. Key messages will be integrated into the public information materials.

- Hold two focus groups to test and gather feedback on the (1) key messages, (2) business plan concepts, and (3) proposed public actions / ideas to sustain agriculture as an economic sector and activity.

- Nyhus will conduct community roundtables with elected officials, key stakeholders and community representatives for comment and feedback of the draft business plan. Will work with the client to determine roundtable participants, number of roundtables and locations.

- Nyhus will develop and implement a Strategic Communications plan that creates and maintains community interest, awareness and excitement of the County's newly adopted Agricultural Sustainability Action Plan. The Communications Plan will include key messages, community outreach and a strong media relations component.

- Nyhus will attend COSC meetings and other presentations.
APPENDIX A: VISION STATEMENT AND GOALS

VISION

Thriving and active farms throughout Snohomish County producing locally grown, healthy foods and products, supported by people working together to preserve and enhance the economic profitability, environmental health and societal benefits of agriculture and local farming.

GOALS

- Increase public understanding and consciousness among all rural, urban and suburban citizens of Snohomish County about the benefits of protecting and supporting agricultural lands and local farms.

- Promote among the general public the value and benefits of a sustainable local food system that is good for the environment, the farmers and our communities.

- Strengthen the future of farming by developing opportunities and better access for children and youth to learn, understand and appreciate our local food system and farms.

- Improve and increase diverse partnerships among local and regional governments, businesses, the farming community and the public on issues and interests that unite our communities around long-term sustainability goals and actions.
APPENDIX B: STRATEGIC FRAMEWORK AND MESSAGES

BACKGROUND

Beginning in fall of 2007 and continuing through April 2008, Nyhus Communications has sought public opinion about Snohomish County agriculture, the agricultural industry and agricultural land by using various methodologies (see Appendix). Nyhus also took an initial step toward developing a public education process about the value of farms and farmland. We developed and implemented various outreach efforts to garner a diverse sampling of opinions from a broad cross-section of Snohomish County citizens as mentioned previously in the Community Engagement Report.

Information sought through the initial public outreach process included the level of awareness about farms and farmland among the general public and key stakeholders, and the overall interest in preservation.

COMMUNITY PRIORITIES AND CONCERNS

After reviewing the public feedback, ideas and concerns generated from the community engagement workshops, feedback surveys and stakeholder interviews, we identified several key themes that characterize the community’s long-term vision for agriculture and local farming in Snohomish County:

- There is a strong belief that an increased level of consciousness and connection between agriculture and local farms among Snohomish County residents living in the urban growth areas needs to be established. The question, “Why should we care?” must be addressed.

- There is a strong belief that there must be an increased effort to market and promote local food and products through farmers markets, co-ops, local grocery stores, local businesses and agri-tourism.

- The public has a strong desire to see more farmland in production.

- There is a widespread belief that agriculture contributes to the quality of life in our community and should be preserved.

- There is a perception that local farms are in jeopardy due to development pressures, regulatory requirements and taxes.

- The public has a growing awareness that local agriculture is critical to our food supply. We can’t rely on imported food and food being trucked thousands of miles to feed the County.

- The public understanding that farming needs to be profitable for the farmers.

- There is a strong public desire for increased communications and collaboration among farmers, businesses and the County to identify and streamline processes to strengthen the economic future of farming.
KEY MESSAGES

Based on the key themes that surfaced from the community engagement process, we have developed the following key messages.

OVERALL MESSAGE

A diverse and viable agricultural economy is vital to the health of our growing region. Snohomish County and its citizens need to act now to preserve active farmland and keep local farms in production before it’s too late. Without community support and strategic allocation of public resources, we risk the future of farming and the ability to buy locally grown, healthy food.

SUB-MESSAGE

Snohomish County’s rich farming heritage enhances the vitality, desirability and character of our communities. The future of farming depends on an informed public that is knowledge about the benefits of a thriving agricultural community, and on the ability of local farmers to make a living from farming.
APPENDIX C: PARTICIPANTS

INDIVIDUALS & ORGANIZATIONS

- Evergreen State Fair, August 23 – September 3, 2007: general public
- Focus on Farming Conference, November 29, 2007: Farmers and agriculture-industry professionals
- Community Workshops, 2008:
  - Edmonds, January 17
  - Mukilteo, January 22
  - Lynnwood, January 24
  - Everett, March 20
  - Arlington, March 25
  - Snohomish, March 27
- Community Meetings
  - Snohomish County Tourism Bureau, March 20
  - Lake Goodwin Community Club, April 10
  - Stillaguamish Senior Center, April 11
  - Mill Creek Senior Program, April 14
  - Everett Kiwanis Club, April 17
  - Everett Senior Center, April 21
  - South County Senior Center, April 25
- Stakeholder Interviews
  - Snohomish County Councilmembers
    - Dave Somers
    - John Koster
    - Brian Sullivan
    - Mike Cooper
    - Dave Gossett
  - Community Leaders
    - Dana Libby, Captain, The Salvation Army
    - Barbara Davis, VP – Impact & Community Investment, United Way of Snohomish County
    - Dan Hartman, Store Manager, Edmonds QFC
    - Heather Villars, Communications Director, Workforce Development Council
    - Amy Spain, Executive Director, Snohomish County Tourism Bureau
    - Joyce Frasu, Program Specialist, Snohomish County Human Services Dept., Long-Term Care & Aging Division
    - Chris Fyall, Editor, Edmonds/Lynwood Enterprise Newspaper
- Patty DeGroot, Chief Strategic Officer, Providence Everett Medical Center
- Chris Keuss, Executive Director, Port of Edmonds
- Larry Sundquist, President of Sundquist Homes/Citizens Cabinet
- Connie Hallgarth, Ethnic Site Coordinator, Senior Services of Snohomish County
- Joe Marine, Mayor of Mukilteo
- Fred Gouge, President, Port of Edmonds Commission
- Bill Diepenbrock, Chair, Snohomish County Planning Commission
- Eight Monroe High School animal-science students and teacher Ann Lowe

PROJECT FACILITATORS:

Nyhus Communications

- Beau Fong
- Sally Poliak
- Gregg Flotlin
- Jon Misola

MAKERS Architecture and Urban Design

- John Owen
- Dara O’Bryne

Community Attributes

- Chris Mefford
- Amy Ring
- Dawn Couch
- Erica Sieben

COMMUNITY GROUPS

The following list represents the community groups contacted by Nyhus about the agriculture sustainability project. Groups were asked to either participate in or host a presentation at their community meeting. In some cases, groups were asked to share information with their members and clients.

- Snohomish County League of Women Voters
- United Way of Snohomish County
- YMCA of Snohomish County
- Everett Area Chamber of Commerce
- Downtown Everett Association
- Monroe Chamber of Commerce
Monroe Arts Council
Lions of Monroe
Everett Rotary
Monroe Rotary
Edmonds Rotary
Lynwood Rotary
North Snohomish County Rotary Club
Rotary of Stanwood-Camano Island
South Snohomish County Chamber of Commerce
Mill Creek Community Association
Lake Stevens Lions Club
Stanwood Chamber of Commerce
Stanwood Camano Community Resource Center
Stanwood Community and Senior Center
Stanwood Lions Club
Stanwood-Camano PTA
American Association of University Women
Greenwood Garden Club
Lake Goodwin Community Center
Snohomish County Tourism Bureau
Silver Lake Neighborhood Association Meeting
Cascade View Neighborhood Association Meeting
Pathways for Women
Korean Women’s Association
Human Rights Coalition for Snohomish County
Cambodian Association
Familais Unidas: Latino Resource Center
Refugee Women’s Alliance
Japanese American Citizen League
Communities of Color Coalition
Everett Mayor & Executive Staff
Everett City Council
Everett Neighborhood Associations (19)
Edmonds Mayor & City Council
Edmonds City Councilmember Steve Berheim
Everett Station
Sustainable Edmonds
Northshore Senior Center
South County Senior Center
Lynnwood Senior Center
Mill Creek Senior Program
Living Sustainability in Snohomish County
Sustainable Seattle
Green Everett
Seattle Green Drinks
- Edmonds Community College Culinary Arts Dept.
- Everett Community College Environmental Studies Dept.
- Merrill Gardens Retirement - Mill Creek
- Edmonds Climate Change Citizens Group
- Seattle P-I
- Senior Services of Snohomish County
- Focus on Farming email list (900)
- UDC email list
- Snohomish County website - homepage
- Snohomish County Focus on Farming webpage
- South Everett Neighborhood Center
- Snohomish County FFA Chapters
- Snohomish County Democrats
- Snohomish County Republicans
- Community Transit (Snohomish County)
- Snohomish Health District
- Snohomish County Mothers & More (support/networking group)
- Sustainable Development Task Force of Snohomish County
- Everett Herald
- Everett School District
- Snohomish Senior Center
- First Baptist Church of Everett
- Bible Baptist Church
- Valley View Baptist Church
- Pinehurst Baptist Church
- Madison Community Church
- Mill Creek Community Church
- Canyon Creek Church
- St Frances Episcopal Church
- First Covenant Church
- Word of Grace Foursquare
- Faith Lutheran Church
- Holy Cross Lutheran Church
- Trinity Lutheran Church
- New Beginnings Church
- North Puget Sound Presbytery
- Snohomish County EDC
- Emails from the Evergreen State Fair survey form
FLYER DISTRIBUTION, MARCH 17, 2008

**Everett**
- YMCA – distributed to all five YMCA’s in Snohomish Co.
- Downtown Library – main branch
- Flying Pig restaurant and bar
- Pave Bakery
- Sno-Isle Natural Foods Co Op
- Everett Community College
  - Science building
  - Main outdoor directory
- Everett Station University Center
- WSU extension branch – McCullum Park
- Solid Rock Café in Silver Lake
- Top Food & Drug – Everett Mall Way
- Trader Joe’s – Everett Mall Way
- Everett Senior Activity Center

**Marysville**
- Ken Baxter Senior Center
- Carr’s Ace Hardware
- Book Works
- Co-op Supply
- Fred Meyer
- City Hall

**Tulalip**
- Tulalip Tribal Center
- Tulalip Community Center

**Arlington**
- Arlington Co-op
- Health Foods/Pet Supply
- Arlington Hardware Store
- Arlington City Hall
- Arlington Library
- Safeway
- Haggen
- Regency Retirement Home Care Center
- Food Pavilion
- Little Italy restaurant/deli
- New Beginning Thrift Store
- O’Brien’s Turkey House

**Darrington**
- Do It Best Hardware
- Burger Barn bulletin board
- IGA grocery

**Stanwood**
- Haggen
- QFC
- Starbucks
- Stanwood City Hall
- Stanwood Public Library
- Stanwood/ Camano Island Community Resource Center
- Merrill Gardens Retirement Center – Stanwood

**Mill Creek**
- Mill Creek City Hall
- Mill Creek Public Library
- Granolas Natural Market
- Merrill Gardens Retirement Center – Mill Creek
- Central Market
- Starbucks - Mill Creek Town Center
- University Bookstore – Mill Creek Town Center
APPENDIX D: COMMUNITY WORKSHOP
OVERALL COMMENTS

The following comments were received from Edmonds, Lynnwood, Mukilteo, Everett, Snohomish and Arlington

WHAT’S IMPORTANT TO YOU ABOUT THE FUTURE OF AGRICULTURE AND LOCAL FARMING IN SNOHOMISH COUNTY?

- Land preservation
  -- keep from development

- Farmers markets – only help some farmers
  -- doesn’t help dairy farmers
  -- need to increase profit margin

- Better press regarding farming
  -- Marketing and PR campaign
  -- Show environmental benefits of farming
  -- Education of residents and press

- Ag in schools
  -- count as science/bio credit
  -- business or math
  -- shortage of teachers

- Farmers markets – year round

- Local food supply

- Interest young people in farming

- Keep open land from development

- Community P-patch

- Education of agriculture

- Create new small farms in up lands
- Preserving the land
  -- keeping sustainable
  -- food security
- Open Space
  -- experience farms
  -- agritourism
  -- physical activity, for example a free park
- Farmers markets – year round

**WHAT SHOULD SNOHOMISH COUNTY’S AGRICULTURAL AND RURAL LANDSCAPE LOOK LIKE IN THE YEAR 2040?**

- Preserve farms
- Expand farms in fertile areas
- Keep farms near city
- Less sprawl – more density
- Keep open space in country – visit farms
APPENDIX E: COMMUNITY FEEDBACK FORM RESULTS

This is a sampling of the responses that we received from participants at community meetings.

**DO YOU HAVE ANY ADDITIONAL THOUGHTS ABOUT THESE QUESTIONS OR IDEAS THAT WERE NOT REPRESENTED AT THE COMMUNITY WORKSHOP THAT YOU FEEL ARE IMPORTANT?**

- If the ag. land continues to be developed water fowl hunting will begin to fade away.
- More teenage input, give the schools a look at what the community is all about, many are oblivious to what unique qualities Snohomish County holds.
- I really like the ideas we had on producing more cooperatives for local farmers to do their own harvesting/producing.
- (We need) berry farms, vegetable gardens, places we can go to and find fresh fruit and veggies.
- We in agriculture are not getting the true story told in the media, print, TV, internet -whatever source is bias against the tried and true farming methods, and tells about the organic or “green” revolution. Ag. has always been Green.
- I liked the workshop atmosphere and felt my thoughts were noted.
- We need more farmer friendly regulations for beginning farmers and help navigating regulations for new startup farmers.
- There is too much pressure to convert ag. land to developments. Rules and regulations are not enforced equally and it is the farmer who suffers the most. Farms don’t have the financial resources to stand up against developers.

**COMPLETE THE FOLLOWING: AS I LOOK INTO THE FUTURE, I SEE SNOHOMISH COUNTY’S AGRICULTURE AND LOCAL FARMING TO BE…..**

- Thriving and developing sustainably preserved lands dedicated to encourage ag. development. Financially balanced and affordable for all ag. applications.
- Disappearing rapidly and that goes along with the hunting in Washington.
- Threatened and diminishing as more and more cluster housing is being approved. This must be more controlled than it is at present.
- Diverse, high value crops, contrasted by open space for crop and annual production, support from local community by local markets and marketing.

- Endangered by development pressures but with the continued involvement of the Snohomish Co. Agricultural Sustainability Project I feel hopeful for the county’s agricultural survival.

- Vibrant and valued by the whole community.

**DO YOU THINK WORKING TO PRESERVE FARMLAND IS A GOOD USE OF SNOHOMISH COUNTY RESOURCES? RESOURCES COULD BE ANYTHING FROM STAFF TIME TO FUNDING. (YES/NO AND WHY)**

- YES – It has been important and should continue. Many grew up here in agriculture and should want to keep it up. The air is so good and what better exercise than working the land.

- YES – Viable sustainability of rich soils in the floodplain would be wise for our future health as community. There seems to be more and more dangers in eating imported foods.

- YES – So we could possibly sustain ourselves and not be dependent on outside resources.

- YES – Preserve open space. Provide wildlife habitat

- YES – We need dedicated funding for staff and programs that serve the Ag. community

**HOW DO YOU AND/OR FAMILY SEE YOURSELF SUSTAINING THE FUTURE OF SNOHOMISH COUNTY’S AGRICULTURAL ECONOMY AND FARMLANDS?**

- By not selling to developers to be subdivided. Encouraging farmers who must retire to sell to someone who will keep farming going. Helping farmers to diversify crops.

- Buy local, make political decisions that persistently affect local agriculture.

- We would buy local produce to sustain good health

- By being good stewards of the land we own.

**WHAT DO YOU BELIEVE IS IMPORTANT TO SNOHOMISH COUNTY IF YOU WERE TO CONSIDER THE WHOLE COUNTY AS “YOUR COMMUNITY.”**

In order by items with the most number of votes to the least number of votes.

- A local food supply – 52

- Preserving open space and the environment – 51
- Preserving the rural landscape – 49
- Local food in schools and other institutions – 47
- A year-round farmers market – 46
- School tours to farms or other educational opportunities – 44
- Agritourism activities, such as pumpkin patches, farm tours, hay rides, etc. – 42
- Purchasing locally made products in nearby grocery stores (even if they’re more expensive than national brands) – 42
- Other:
  -- Infrastructure services that support farm economic development and farm profitability.
  -- Leadership
  -- A processing facility in Snohomish County
  -- Good long range growth management.
APPENDIX F: PRESS RELEASES

PROJECT KICK-OFF EVENT PRESS RELEASE

Media Advisory—October 26, 2007
Contact: Veltri Johnson, Executive Office
Office: 425.388.3883
Cell: 425.754.6581
Email: Veltri.Johnson@co.snohomish.wa.us

Snohomish County Agriculture Sustainability Project

What: Snohomish County Agricultural Sustainability Project, a community-based initiative to preserve and strengthen the County’s local agricultural economy for the next 100 years.

Who: County Executive Aaron Reardon and regional farmers

When: Tuesday, October 30, 2007, 10 a.m.

Where: The Farm (a working family farm owned and operated by Ben and Carol Krause) 7301 Rivershore Road, Snohomish or www.swanstrailfarms.com/page7512.asp

Visuals:
- School children navigating the Farm’s popular Washington State corn maze: a 12-acre Washington State map with roads, towns and places.
- Children and families picking out pumpkins from the Farm’s colorful pumpkin patch.
- School children and their families petting the animals, playing in the historic barn and enjoying a hay wagon ride.

Snohomish County Executive Aaron Reardon will launch the County’s Agricultural Sustainability Project during a news conference at the Farm, a 125-acre working family farm along the Snohomish River.

This project, facilitated by Snohomish County’s Office of Economic Development with support and oversight from the Snohomish County Agricultural Advisory Board and the local agricultural community, will engage the public in creating an Agricultural Sustainability Plan and a long-term vision of agriculture in Snohomish County.

Executive Reardon will release details of the project including the public involvement process to set priorities for the County’s agricultural economy at a series of community engagement meetings.

Editor’s note: Press kits, photo opportunities and interviews will be made available. For more information contact Linda Neunzig, Snohomish County, 425.388.7170.
For Immediate Release

Media Contact:
Linda Neunzig, Agriculture Project Coordinator
(425)388-7170 office
(425)754-1466 cell
linda.neunzig@co.snohomish.wa.us

County Executive Aaron Reardon Launches Snohomish County Agriculture Sustainability Project

Community-Based Initiative Enhances and Strengthens the County’s Agricultural Economy

Snohomish, WA – Oct. 30, 2007 – Snohomish County Executive Aaron Reardon today announced the County’s Agriculture Sustainability Project, a community-based initiative to enhance and strengthen the County’s agricultural economy and its critical land base at a press conference at The Farm, a 125-acre working family farm along the Snohomish River.

The Snohomish County Agriculture Sustainability Project is the result of farmers, agriculture agencies, advocates and government coming together for the preservation and prosperity of Snohomish County’s rapidly changing agriculture industry.

“Snohomish County has set a course to enhance and revitalize the county’s agricultural economy through the next century, said Executive Reardon, “A diverse and prosperous agricultural industry is vital to the health and future of our entire region, just as it was 100 years ago.”

Agriculture is a $126.9 million industry in Snohomish County. Today, there are approximately 1,600 farms in Snohomish County of which 70% are family or individually owned farms.

“The Snohomish County landscape is changing,” said Dave Remlinger, Chair of the Snohomish County Agricultural Advisory Board and a Monroe-area farmer. “Urbanization has increased the pressure to convert farmlands to non-farm uses. This...
pressure will continue to grow as the County’s population continues to grow. We need to act now to determine public support and vision to preserve farmland and a viable agriculture industry in Snohomish County before it’s too late.”

The Agriculture Sustainability Project will begin this fall with a series of community engagement meetings in which the public will be asked to create priorities and a long-term vision for agriculture in Snohomish County.

In addition, the Agriculture Sustainability Project will deliver:

- A comprehensive inventory of lands with existing or potential agricultural activities outside of the County’s designated agricultural lands;
- Environmental regulations analysis and recommendations affecting agricultural activities;
- Recommendations for measures to protect the County’s critical agriculture land base;
- Feasibility assessment of agribusiness economic opportunities;
- Recommendations and action items to pursue agribusiness economic opportunities.

This groundbreaking project will result in a community-owned vision of how the farming community and the general public envision local agriculture to look and function for the next 100 years, coupled with practical approaches and strategies to achieve that vision.

Executive Reardon envisions this initiative to be a business plan for agribusiness in Snohomish County that will take the County into the next century as a productive, progressive agricultural community.

The County’s eleven member Agricultural Advisory Board and four community members will oversee the project and coordinate activities through the County’s Office of Economic Development.
SAMPLE OF WORKSHOP MEDIA ADVISORY FOR SIX PUBLIC OUTREACH MEETINGS

FOR IMMEDIATE RELEASE:
December 21, 2007

Media Contacts:
Beau Fong, Nyhus Communications for Snohomish County (425) 478-1561, beau@nyhus.com or Linda Neunzig, Snohomish County, (425) 388-7170, linda.neunzig@snhomish.wa.us

Media Advisory

Does Snohomish County Farming Have a Future?
Public invited to envision future of local agriculture

January workshops scheduled in Edmonds, Mukilteo and Lynnwood

What:
The public is invited to provide feedback and to help create priorities and a long-term vision for agriculture in Snohomish County by attending community engagement workshops sponsored by the Snohomish County Office of Economic Development.

Representatives from the Snohomish County Agricultural Sustainability Project team will be available to answer questions about the project and to facilitate discussion. The Agriculture Sustainability Project is a community-based initiative created to enhance and strengthen the County’s agricultural economy as well as preserve local farmlands. Refreshments will be served.

When:
Thursday, Jan. 17, 2008
6:00 - 8:00 p.m.
Edmonds City Hall, Brackett Room
121 5th Ave. N, Edmonds

Tuesday, Jan. 22, 2008
6:30 - 8:30 p.m.
Rosehill Community Center
304 Lincoln Ave., Mukilteo
Thursday, Jan. 24, 2008
6:30-8:30 p.m.
Meadowdale High School, Great Hall
5002 168th St. SW, Lynnwood

For more information contact Beau Fong (425) 478-1561 or Linda Neuzig (425) 388-7170. Or visit www.anoco.org search “focus on farming.”

Project Background:

The Snohomish County Agriculture Sustainability Project is a community-based initiative to enhance and strengthen the County’s agricultural economy and its critical land base. It is the result of farmers, agriculture agencies, advocates and government coming together for the preservation and prosperity of Snohomish County’s rapidly changing agriculture industry.

This groundbreaking project will result in a community-owned vision of how the farming community and the general public envision local agriculture to look and function for the next 100 years, coupled with practical approaches and strategies to achieve that vision.

The end result of this initiative will be a business plan for agribusiness in Snohomish County that will take the County into the next century as a productive, progressive agricultural community.
Everett traffic diversion created light impact, say officials

A nearly two-month traffic diversion in the middle of Interstate 5's southbound lanes through Everett so far has had a surprisingly minor impact on traffic flows.

Crews on Friday replaced a girder damaged in December 2006 when a truck carrying an excavator on Pacific Avenue struck the underside of an I-5 bridge. The repair project, which began March 5, is expected to be finished by April 23.

To create a work space for the project, the state Department of Transportation (DOT) closed a 19-foot-wide strip of I-5 between 41st Street and Everett Avenue, creating an island within the flow of southbound traffic and splitting the lanes of traffic.

The agency had expected the diversion to create congestion and has been surprised by the relatively smooth transition, said DOT spokeswoman Patty Michaud.

Sultan

Vote tally favors tax for library

Keeping the library open is apparently worth an increase in property taxes for Sultan voters.

A large majority of voters in the small community east of Monroe supported a measure on the March 11 ballot that would annex the Sultan library into the Sno-Isle Regional Library System. With annexation, the library would be funded through property taxes, rather than by the city.

Sultan residents' property-tax bills would go up by about 31.3 cents per $1,000 of assessed value, or about $94 a year for a $300,000 property.

The most recent numbers released by the Snohomish County auditor showed the measure was passing with 82 percent approval. The election will be certified next week.

"Obviously, we are extremely pleased that the Sultan community has recognized the value of the library," said Deborah Knight, the city administrator.

Sultan currently contracts library services with Sno-Isle. Officials said the city needed to close the library to save up to $100,000 a year.

Out of 4,500 residents in the city, 4,300 have library cards, Knight said.

Granite Falls
Loan approved for 2.1-mile bypass

The state Legislature has provided a $10 million low-interest loan for a Granite Falls bypass intended to divert gravel trucks around town, with construction to begin in early 2009.

The state Public Works Trust Fund loan will go toward a $32.6 million, 2.1-mile road that will veer off Highway 92 west of Jordan Road and then connect with the Mountain Loop Highway north of Gun Club Road.

In 2005, more than 5 million tons of gravel passed through Granite Falls, averaging 2,000 daily truck trips. The city hopes to redevelop its main street to take advantage of tourist traffic heading for the Mountain Loop’s trails and river-access points.

Everett

Farming workshop set for Thursday

Snohomish County has invited the public to a workshop Thursday devoted to setting priorities and a long-term vision for agriculture.

The event, sponsored by the county’s Office of Economic Development, will be facilitated by members of the county’s Agricultural Sustainability Project team. The project aims to strengthen the county’s agricultural economy and preserve local farmlands.

The 6:30-8:30 p.m. workshop will be held in a first-floor meeting room of the Robert J. Drewel Building on the county campus, 3000 Rockefeller Ave., Everett.

For more information, call Linda Neunzig, 425-388-7170 or go to www.snoce.org and search for “focus on farming.”

Kenmore

Van, bus auction will be Saturday

Community Transit will auction off its retired vehicles Saturday, including at least 11 40-foot buses and 40 vans.

The 9 a.m. event will be held at the James G. Murphy auction yard, at 18226 68th Ave. N.E., Kenmore.

The buses were built in 1986; most of the eight passenger vans were built between 1995 and 1998; and the 15-passengers vans are 1999 models. Mileage on the vans ranges from about 81,000 to more than 167,000. All are sold “as is” with no warranty.

Nonprofit agencies are invited to a Friday auction, with four vans and one 40-foot bus for sale. Group representatives must bring proof of nonprofit status.
Public invited to envision future of agriculture
Special to The Arlington Times 19.MAR.08

The public is invited to provide feedback and to help create priorities and a long-term vision for agriculture in Snohomish County by attending one of two community engagement workshops sponsored by the Snohomish County Office of Economic Development.

Representatives from the Snohomish County Agricultural Sustainability Project team will answer questions about the project and facilitate discussion.

The Agriculture Sustainability Project is a community-based initiative created to enhance and strengthen the County’s agricultural economy as well as preserve local farmlands.

The first workshop is set to start at 6:30 p.m. Tuesday, March 25 at Presidents Elementary School, 505 E. 3rd St. in Arlington and the second workshop starts at 6:30 p.m Thursday, March 27 at Snohomish High School, 1316 5th St. in Snohomish, WA

For more information contact Linda Neunzig (425) 388-7170 or see the Web site at www.snoco.org, search “focus on farming.”

The Snohomish County Agriculture Sustainability Project is a community-based initiative to enhance and strengthen the county’s agricultural economy and its critical land base. It is the result of farmers, agriculture agencies, advocates and government coming together for the preservation and prosperity of Snohomish County’s rapidly changing agriculture industry.

This groundbreaking project will result in a community-owned vision of how the farming community and the general public envision local agriculture to look and function for the next 100 years, coupled with practical approaches and strategies to achieve that vision.

The end result of this initiative will be a business plan for agribusiness in Snohomish County that will take Snohomish County into the next century as a productive, progressive agricultural community.
Snohomish County Agriculture - Is it Important?

Posted March 14th 2008 by LauraM

Start: 03/20/2008 - 6:30pm
End: 03/20/2008 - 8:30pm
Timezone: Etc/GMT-7

Do local farms matter? Some of the farm-fresh products found in Seattle-area stores and farmers markets are grown on Snohomish County family farms or made from regionally-grown ingredients. But farming at the local level is a threatened industry, as development fast encroaches.

The Agriculture Sustainability Project is a community-based initiative underway in Snohomish County to learn what people know and care about in terms of local farms.

Where: Snohomish County Campus, 3000 Rockefeller Avenue, Everett, East Administration Building (corner of Pacific and Oakes), Meeting room #2, main floor.

When: Thursday, March 20, 6:30 – 8:30 p.m.

Free food and beverage provided (pizza!).

The project grew from a collaboration of farmers, agriculture agencies, advocates and government working together to preserve Snohomish County’s rapidly changing agriculture industry. This meeting is part of a County-wide series of public meetings in which participants will be asked to help create priorities and a long-term vision for agriculture in Snohomish County. What’s most important? Do people care about buying local food, plants or products? About open space and the landscape? If flood plains are protected? What about outdoor recreation? And... how many farms do we need?
Representatives from the Snohomish County Agricultural Sustainability Project Team will be on-hand to answer questions about the project and facilitate discussion. While a Snohomish County project, our farms are important to our entire region: bees and rain and sun don’t recognize County boundaries.

For more information, please feel free to contact Linda Neunzig, Snohomish County Agriculture Project Coordinator, 425-388-7170 or Linda.neunzig@snoco.org, or visit www.snoco.org and search "Focus on Farming."

Two more meetings are planned: Tuesday, March 25 in Arlington, and Thursday, March 27 in Snohomish.
Community Vision for Sustainable Agriculture in Snohomish County

Community Engagement

Section C-47

Published: Tuesday, January 22, 2008

Our Towns: South & East county

Bothell: UW branch to offer new degree

Students of the University of Washington Bothell campus will be able to pursue a Master of Arts in cultural studies beginning in fall 2008.

The new degree, part of the university’s Interdisciplinary Arts and Sciences Program, is the first graduate program in the Pacific Northwest to partner the interdisciplinary study of art and culture with a community-based learning network.

The program is designed to prepare students for careers in social, cultural and arts fields, or further interdisciplinary graduate education across the arts, humanities and social and natural sciences.

Applications are now being accepted. For more information, go to www.uwb.edu/IAS/rcse or call 425-352-5427.

Edmonds: Help wanted for egg hunt

Volunteers are needed to help with the city of Edmonds annual egg hunt on March 22.

Responsibilities of volunteers include setting up, distributing candy and eggs, managing a large group of parents and kids, and cleaning up.

The time commitment would be from 8:30 to 11:30 a.m. March 22.

For information about volunteering, call 425-771-0268.

Lynnwood: Ag forum planned this week

Discuss and learn about the long-term vision for agriculture in Snohomish County at a community forum planned this week in Lynnwood.

The Snohomish County Agriculture Sustainability Project forum is 6:30 to 8:30 p.m. Thursday at Meadowdale High School, 6002 168th St. SW.

The Agriculture Sustainability Project is a community-based initiative created to enhance the county’s agricultural economy as well as preserve local farmlands.

Representatives from the project team plan to answer questions from the public.

For more information, contact Beau Fong at 425-478-1561 or Linda Naunzig at 425-388-7170.

Monroe: Band needs percussion players

The Monroe Community Concert Band continues to seek new members to play all types of percussion instruments.
The band practices from 7 to 9 p.m. on Thursdays at New Hope Fellowship Church, 1016 W. Main St.

The band includes people who hadn’t played instruments for years.

The nonprofit group, dedicated to playing good music, plays at community events.

For more information, contact Roger Walker at 360-691-5310 or at r.walker2007@verizon.net or monroecouncilband@gmail.com.

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Meetings to focus on farming's future

By Tina Potter
*Special to The Seattle Times*

Farming is in Don Bailey's blood.

For nearly a century, his family has plowed, planted and harvested land in the Snohomish River Valley, a tradition that spans 14 generations. Over the years, Bailey has seen considerable change in the county's agricultural landscape.

Higher production and urban development cutting into arable land have affected the traditional model of the family farm.

"We have already lost a lot of farmland," said Bailey, who with his family runs a 400-acre farm of mostly Holstein dairy cows and vegetable crops. "We are losing farmland now. It's time that the county takes an active role rather than paving over it."

To this end, Snohomish County government is working with farmers and others to protect the county's fertile farmable land, while identifying economic opportunities to sustain a robust agricultural industry for the next 100 years and beyond.

Last October, Snohomish County Executive Aaron Reardon unveiled the Agriculture Sustainability Project, a grass-roots initiative to strengthen and grow the county's agricultural economy, ensure a quality and thriving food supply and support existing farming operations.

"We have some of the most fertile farmland in the state," Reardon said.

A series of public meetings is planned starting this month to solicit views on the project, which will be managed by the county's Agricultural Advisory Board. The goal is to define priorities to preserve and bolster the county's agriculture base.

The board will outline a comprehensive inventory of land use outside the designated farmland that may be viable for agricultural development, examine environmental regulations and recommendations that may hinder the long-term sustainability of agricultural development, look at what measures are in place to protect the county's farms, and identify new agribusiness opportunities.

Feedback from the public will be used to create a business plan for agriculture that will be finalized in the coming months.
The public’s role is crucial in the decision-making, Reardon said, to address issues relevant to farmers as well as urbanites — such as impacts to the environment, wildlife and urban development.

"We want to have a thoughtful conversation between rural voters and urban voters around farming," he said. "The dialogue is critical because the conversation is so wide-reaching."

Creating a feasible plan that will benefit farmers and sustain a thriving farming industry in Snohomish County is important to Linda Neunzig. For the past 15 years, Neunzig, who is the agriculture-project coordinator for the county, has operated a 52-acre animal and vegetable farm in Arlington. She sells what she raises to Seattle-area restaurants. As someone who grew up in the county, she has witnessed the marked alterations to the landscape.

"Every place that had horses when I was growing up now has subdivisions," she said. "It's not a farming community anymore. It's a suburban area."

A thriving, sustainable agricultural industry is integral to the identity of Snohomish County, Reardon said.

"Farming has been a dominant economy in Snohomish County since our inception," he said. "It helps maintain our character and our open spaces."

The agriculture industry brings about $127 million into the county each year. According to the U.S. Department of Agriculture 2002 census, there are nearly 1,600 farms in the county, and most are family-owned. More than 68,000 acres are designated farmland, and just to stay afloat, many farmers have expanded their operations beyond vegetables and dairy cows to include u-pick farms, exotic animals, organic crops and alternative fuels.

Learn about

agribusiness economics

Farmers, cattle ranchers and members of the general public who want to learn more about the economics of agribusiness also can check out the Country Living Expo and Cattlemen’s Winemakers on Saturday at Stanwood High School.

The all-day event features more than 50 classes and demonstrations on topics including sheep shearing, proper nutrition and best hays for horses; making a profit selling vegetables; marketing strategies for livestock; tips on growing organic pastures and crops; how to design, assemble and install a home drip irrigation system; and the fine arts of making apple cider and cheeses at home.

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Living off the land

• County hopes awareness grows of local farms

By Chris Fyall
Enterprise editor

The backyard of Bob and Janice Freeman’s home on Seventh Avenue produces 75 pounds of plums each year. That’s nearly enough plums for breakfasts year round, they said.

The Freemans grow apples back there, too. They have kiwi plants. And zucchini plants and tomatoes, strawberries, lettuce, garlic and kale. There are a dozen different herbs in their small, but lush, organic garden.

It isn’t a farming operation, but it seems close, The Freeman’s supplement their diet with the food they grow. They try to buy the rest as locally as possible.

“That’s our idea,” Janice Freeman said recently. “We should be eating as local as possible.”

The backyard is best, Freeman said, but patronizing farmer’s markets and local farmers is a priority, she said.

That’s the sort of sentiment that Snohomish County lawmakers are trying to understand – and promote – with a series of free public workshops between farmers and suburbanites that begin Jan. 17 in Edmonds.

A meeting from 6 to 8 p.m., Jan. 17, in City Hall’s Bracket Room will launch the effort before the workshops travel to the rest of the county.

Farming is a $126 million industry in Snohomish County, officials said. That’s up slightly from $117 million in 1997.

But, farming has been on the retreat here. Over 50 percent of Snohomish County’s 1980 farmland has now been developed, according to the county’s Agricultural Economic Development Action Team.

The tide needs to be stemmed, officials said. Information is part of that effort.

“Everyone needs to understand why we need to preserve farmland,” said Linda Neunzig, who is organizing the meetings from her role as the county’s agriculture project coordinator.

Neunzig is a farmer in Arlington. Encroaching development and rising costs are pressuring farmers, she said. But, to survive, farmers must create value for county residents like the Freemans.

“I’m a farmer. All my friends are farmers. We talk farming. We know what why we think farming is
important," she said. "But we need to learn what others think is important, too."

Since he came into office in 2004, county executive Aaron Reardon has made protecting farmers and farmland a top priority.

Efforts such as development rights transfers and an improved regulatory framework have helped, Reardon said. During his first term, the county saw its first recent uptick in the number of families staying in the farming business, he said.

The county is a quality producer of beef, beets, peas, potatoes and cabbage. County efforts to develop a biofuel industry built on locally grown canola seed crops continue.

That's the good news. But, in order to make farming a growth industry, Reardon believes the county will need to convince urban and suburban residents to consider Snohomish County farmers.

"We want to modify and retool what we are doing to make our policies more successful," he said Jan. 3. "Community outreach is the best way to craft public policy."

The government also needs to think of farming as an industry like any other -- like Boeing or tech firms, he said.

Some of those efforts are already in place. To help foster the biofuels industry, the county buys 120,000 gallons of biofuels annually, said Christopher Schwarzen, Reardon's spokesman.

About 30 percent of the county's public works fleet uses biodiesel, but that number could rise to 90 percent this spring, Schwarzen said.

But getting everybody on board is the goal of the traveling workshop, officials said.

"As consumers, we have to support farming, or it is going to go away," said Beau Fong, a spokesperson for the county effort. "Snohomish County has a chance -- a fighting chance -- to do the right thing. It is not too late."

That's something the Freemans can agree with, they said.

They aren't longtime gardeners, and they don't have any particular expertise. But they believe in sustainability, and they believe in buying local.

"We have to take a really balanced approach to how we eat. And the backyard and front yard gardens can do a lot for food security," Janice Freeman said. "But we should be worried about our farmland. We shouldn't have to live with urban sprawl."

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Public invited to envision future of local agriculture.
Jan 9, 2008

Snohomish County
Office of Economic Development
M/5/ 411
3000 Rockefeller Avenue
Everett, WA 98201
(425) 388-7492
FAX (425) 388-7230
FOR IMMEDIATE RELEASE

Media Contacts:
Beau Pone, Nthus Communications for Snohomish County (425) 478-1561, beau@nthus.com or Linda Neuraut, Snohomish County, (425) 388-7170, lindneuraut@snohomish.wa.us

Does Snohomish County Farming Have a Future?
Public invited to envision future of local agriculture

January workshops scheduled in Edmonds, Mukilteo and Lynnwood

What: The public is invited to provide feedback and to help create priorities and a long-term vision for agriculture in Snohomish County by attending community engagement workshops sponsored by the Snohomish County Office of Economic Development.

Representatives from the Snohomish County Agricultural...
A Community Vision for Sustainable Agriculture in Snohomish County

Community Engagement

Section C-54

Sustainability Project team will be available to answer questions about the project and to facilitate discussion. The Agriculture Sustainability Project is a community-based initiative created to enhance and strengthen the County’s agricultural economy as well as preserve local farmlands. Refreshments will be served.

**When:**
**Thursday, Jan. 17, 2008**
6:00 - 8:00 p.m.
Edmonds City Hall, Brackett Room
121 5th Ave. N, Edmonds

**Tuesday, Jan. 22, 2008**
6:30 - 8:30 p.m.
Rosehill Community Center
304 Lincoln Ave., Mukilteo

**Thursday, Jan. 24, 2008**
6:30-8:30 p.m.
Meadowdale High School, Great Hall
6002 168th St. SW, Lynnwood

For more information, contact Beau Fong (425) 478-1561 or Linda Neunzig (425) 388-7170, or visit [www.snoco.org](http://www.snoco.org) and search “focus on farming.”

**Project Background:**

The Snohomish County Agriculture Sustainability Project is a community-based initiative to enhance and strengthen the County’s agricultural economy and its critical land base. It is the result of farmers, agriculture agencies, advocates and government coming together for the preservation and prosperity of Snohomish County’s rapidly changing agriculture industry.

This groundbreaking project will result in a community-owned vision of how the farming community and the general public envision local agriculture to look and function for the next 100 years, coupled with practical approaches and strategies to achieve that vision.

The end result of this initiative will be a business plan for agribusiness in Snohomish County that will take the County into the next century as a productive, progressive agricultural community.
Initiative to protect farmland

By Christopher Schwarzen
Times Snohomish County Bureau

Snohomish County will kick off a new initiative in coming weeks to protect the region's farmland from increasing urban pressures.

The Agricultural Sustainability Project, headed by the county's 11-member agricultural-advisory board, will create a long-term vision for increasing the acreage of land now being farmed in Snohomish County as well as find new ways to promote the county's agricultural economy.

Among the components are a comprehensive inventory of existing or potential farmlands outside current use; an analysis of ways to remove red tape for farmers looking to increase usable acreage; recommendations on preserving farmland; and new ideas for building agricultural businesses in Snohomish County.

The initiative will rely on a mix of project leaders that will include farmers, local and state agriculture agencies, farm and environmental advocates and other residents interested in farming.

To start, the county will host a series of community meetings in which the public will be asked to create priorities and a long-term vision for county agriculture. From there, the county will begin to find ways to implement those plans.

That could include new policies for farming at a local government level, better promotion of Snohomish County's agricultural products and increased lobbying of state and federal lawmakers for support of the county's farming industry.

At present, there are about 1,600 farms in Snohomish County, of which more than 70 percent are either family or individually owned. Total acreage farmed is beginning to increase, after years of decline, say county officials. Part of that is because of increased corn prices for ethanol production and feed.

The entire agriculture industry is worth about $127 million to Snohomish County's economy, local studies show.

"Farms are the backbone of Snohomish County," said County Executive Aaron Reardon during Tuesday's project announcement. "To make an agriculture plan sustainable and functional, we need continued input from farmers."

Reardon said increased farming will eventually help the county retain local food production and, because of increased interest in biofuels, could reduce the reliance on foreign sources for energy.
Calendar

Snohomish County Ag Sustainability Project Workshop

Does Snohomish County farming have a future? The public is invited to envision the future of agriculture. The project is a community-based initiative created to enhance and strengthen the County’s agricultural economy as well as preserve local farmlands.

For more information, contact Linda Neunzig, Agriculture Project Coordinator, Office of Economic Development, 425-388-7170 or by e-mail at linda.neunzig@co.snohomish.wa.us.
APPENDIX H: COLLATERAL MATERIAL - COMMUNITY MEETINGS

A Profile of Snohomish County

Snohomish County is located on Puget Sound, between Skagit County to the north and King County to the south. It is a remarkable place encompassing a blend of rural, suburban and urban areas and diverse geography that includes forested mountains, fertile river valleys and saltwater beaches.

It is home to about 586,000 people, and is the third most populous county in the state, as supported by an almost 30% population jump since 1990.

Population Stats:
- Current population: 686,300 (as of April 1, 2007 reported by the State of Washington Office of Financial Management)
- 2000 population: 606,024 (U.S. Census Bureau)
- 2025 population forecast: 938,434

In Snohomish County:
(information from the USDA 2002 Agriculture census)
- Agriculture has been a dominant feature of Snohomish County's fertile landscape since the county was founded in 1861
- Agriculture is a $126.9 million industry
- Average market value of production per farm is $80,653
- There are 68,612 acres in farm lands
- Over 1,000 acres of seed crops are raised, most of which are for overseas
- Snohomish County is roughly 2,100 square miles (info. from Snohomish County)
  - 68% of the county is forest
  - 18% of the county is considered rural
  - 9% of the county is considered semi-urban
  - 5% of the county is farmland; primarily in the Snohomish and Stillaguamish river valleys.

Snohomish County Farms:
- 1,574 farms (info from the USDA 2002 Agriculture census)
- Over 50 percent of farmland has been converted to other uses during the last 20 years.
- In 2007 Snohomish County was home to 15,500 dairy cows
- Last year Snohomish County produced 15,900 tons of hay
The County’s agriculture industry is changing:
- Innovative farmers are planting the seeds to our future
- They grow safe, healthy food;
- They have developed alternative fuels;
- They are preserving open space, wildlife habitat and recreational opportunities

Types of Crops
- Certified seed for 20+ types of vegetables
- Corn (sweet)
- Peas/carrots
- Wine grapes
- Certified organic crops

Forestry/Nursery Products and Businesses
- Wild-crafting (harvesting forestland plants, wreaths, etc.)
- Family farm forestry
- Christmas trees
- Turfgrass
- Flower growers
- Landscapers

Livestock and other farm animals
- Dairy cattle
- Chickens – fryers & eggs
- Sheep – meat & wool
- Dairy goats
- Horses
- Exotics – llamas, alpacas, bison and emus
- Beef cattle

Snohomish County Cities and Towns:
Major Cities (in order of population- 2007 figures)
- Everett (101,800)
- Edmonds (40,560)
- Marysville (36,210)
- Lynnwood (35,490)

Other Cities:
- Arlington
- Bothell
- Brier
- Darrington
- Gold Bar
- Granite Falls
- Index
- Lake Stevens
- Mill Creek
- Monroe
- Mountlake Terrace
- Mukilteo
- Snohomish
- Stanwood
- Sultan
- Woodway
- Native American Tribes
  - Stillaguamish
  - Tulalip
Snohomish County Agricultural Sustainability Project
Fact Sheet

Project Background:
The Snohomish County Agricultural Sustainability Project is a community-based initiative to enhance and strengthen the County’s agricultural economy and its critical land base. It is the result of farmers, agriculture agencies, advocates and government coming together for the preservation and prosperity of Snohomish County’s rapidly changing agriculture industry.

This groundbreaking project will result in a community-owned vision of how the farming community and the general public envision local agriculture to look and function for the next 100 years, coupled with practical approaches and strategies to achieve that vision.

The end result of this initiative will be a business plan for agribusiness in Snohomish County that will take the County into the next century as a productive, progressive agricultural community.

Project Core Components:
- A series of community engagement meetings in which the public will be asked to create priorities and a long-term vision for agriculture in Snohomish County;
- A comprehensive inventory of lands with existing or potential agricultural activities outside of the County’s designated agricultural lands;
- Environmental regulations analysis and recommendations affecting agricultural activities;
- Recommendations for measures to protect the County’s critical agriculture land base;
- Feasibility assessment of agribusiness economic opportunities;
- Recommendations and action items to pursue agribusiness economic opportunities.

Project Owner:
Snohomish County’s eleven member Agricultural Advisory Board led by Monroe-area farmer, Dave Remlinger and four community members will oversee the project. The Agricultural Advisory Board, informally known as the “Ag Board,” serves as an advisory body to the County Executive, County Council, Planning Commission and Hearing Examiner on the County Comprehensive Plan, agriculture regulations and other agricultural policy matters. The County’s Office of Economic Development headed by Steve Pottle, will coordinate all project activities and public outreach.

Timeframe:
The project kicks off October 2007 with preliminary findings released April 2008.
Welcome – Introduction

1. Introduce yourself and your connection to the project. Thank people for coming.
2. Review agenda. Ask for a scribe volunteer.
3. Give overview of project
   - The Snohomish County Agriculture Sustainability Project is a community-based initiative to enhance and strengthen the County's agricultural economy and its critical land base.
   - It is the result of farmers, agriculture agencies, advocates and government coming together for the preservation and prosperity of Snohomish County's rapidly changing agriculture industry.
   - This groundbreaking project will result in a community-owned vision of how the farming community and the general public envision local agriculture to look and function for the next 100 years, coupled with practical approaches and strategies to achieve that vision.
   - The end result of this initiative will be a business plan for agriculture in Snohomish County that will take the County into the next century as a productive, progressive agricultural community.

Getting down to Business

1. Describe the map
   - GIS map of Snohomish County – Refer to the color key
   - Snohomish County is roughly 2,100 square miles (info. from Snohomish County)
   - 68% of the county is forest
   - 18% of the county is considered rural
   - 9% of the county is considered semi-urban
   - 5% of the county is farmland; primarily in the Snohomish and Stillaguamish river valleys.
   - Current population: 686,300 (as of April 1, 2007 reported by the State of Washington Office of Financial Management)
   - 2000 population: 606,024 (U.S. Census Bureau)
   - 2025 population forecast: 938,434

In Snohomish County:
(information from the USDA 2002 Agriculture census)
- Agriculture has been a dominant feature of Snohomish County's fertile landscape since the county was founded in 1861
- Agriculture is a $126.9 million industry
- Average market value of production per farm is $80,653
- There are 68,612 acres in farm lands
- Over 1,000 acres of seed crops are raised, most of which are for overseas
Types of Crops
- Certified seed for 20+ types of vegetables
- Corn (sweet)
- Peas/carrots
- Wine grapes
- Certified organic crops

Forestry/Nursery Products and Businesses
- Wild-crafting (harvesting forestland plants, wreaths, etc.)
- Family farm forestry
- Christmas trees
- Turfgrass
- Flower growers
- Landscapers

Livestock and other farm animals
- Dairy cattle
- Chickens – fryers & eggs
- Sheep – meat & wool
- Dairy goats
- Horses
- Exotics – llamas, alpacas, bison and emus
- Beef cattle

2. Ask Question #1:
What's important to you about the future of agriculture and local farming in Snohomish County? (looking for characteristics and qualities)
- Prompt questions: land preservation, food security, buying local food at my favorite farmers market, the ability to get in my car drive to the “country”, profitable farms, a healthy community that can feed itself, for the most part.
- Ask group to identify top 5 priorities

3. Ask Question #2:
What should Snohomish County’s agricultural and rural landscape look like in the year 2040? (32 years from now)
- Follow up question: What types of agricultural activities, services and policies do you feel are needed to sustain agriculture and local farming in the county?
- Examples: agritourism, a year-round farmers market, schools and other public institutions serving locally grown food and produce, more profitable farms (small niche farms as well as large commercial/commodity farms), open space free of big housing developments?
- Ask group to identify top 5 priorities
- Ask for a group spokesperson volunteer for the group reports

4. If time allows – ask people to complete the feedback form. Answer questions. Invite folks to look at the displays / resource tables.

5. Group reports - Big group

6. Summary and Thank You

7. Collect feedback forms, or ask attendees to drop them off on the way out
We want to know what you think!

The questions asked at the community workshop:

- Snohomish County Agriculture: What's important to you?
- What should Snohomish County's agriculture and rural landscape look like in the year 2040?
  - What type of agricultural activities, services and priorities do you feel are needed to sustain agriculture and local farming in Snohomish County?

Do you have any additional thoughts about these questions or ideas that were not represented at the community workshop that you feel are important?

Complete the following: As I look into the future, I see Snohomish County's agriculture and local farming to be... 

Do you think working to preserve farmland is a good use of Snohomish County resources? Resources could be anything from staff time to funding.

Yes / No (circle one); and why:
What do you believe is important to Snohomish County if you were to consider the whole county as “your community.” (check all that apply)

- A year-round farmers market
- Agritourism activities, such as pumpkin patches, farm tours, hay rides, etc.
- School tours to farms or other educational opportunities
- Local food in schools and other institutions
- A local food supply
- Purchasing locally made products in nearby grocery stores (even if they’re more expensive than national brands)
- Preserving open space and the environment
- Preserving the rural landscape
- More housing
- Other: ______________________________________

What concerns you about the future of farming in Snohomish County?

Other Comments:

My primary source for local news and information is (please check one):

- [ ] Seattle Times
- [ ] Seattle PI
- [ ] Everett Herald
- [ ] Community Newspaper (list name) ______________________________
- [ ] Television (list station) ________________________________
- [ ] Radio (list station) ________________________________
- [ ] Internet (preferred site(s) ________________________________
- [ ] Other ________________________________

Gender: ___ Male  ___ Female;
Age ___ 13 – 18; ___ 19 – 30; ___ 31 – 50; ___ 51 – 64; ___ 65+

Are you interested in receiving project updates? Please provide the following contact information. Thank you!

Name: __________________________________________
Address/City: ______________________________________
E-Mail Address: ____________________________________
A Community Vision for Sustainable Agriculture in Snohomish County
Community Engagement
Section C-67
Does Snohomish County Farming Have a Future?

6:30-8:30 p.m.
Free pizza at each meeting!

Thursday
March 20
Everett

Tuesday
March 25
Arlington

Thursday
March 27
Snohomish

Please join your friends and neighbors in a countywide conversation:

Snohomish County Agriculture: What's Important to You?

Help us create priorities and a long-term vision for agriculture and local farming in Snohomish County.

See more details on back.

Meeting details:

- Thursday, March 20 (6:30-8:30 p.m.)
  Snohomish County Campus
  1st Floor Mgr. Rm., Robert J. Drewel Bldg.,
  3000 Rockefeller Avenue, Everett

- Tuesday, March 25 (6:30-8:30 p.m.)
  Presidents Elementary School
  505 East 3rd Street, Arlington

- Thursday, March 27 (6:30-8:30 p.m.)
  Snohomish High School
  1316-5th Street, Snohomish

For more information:
Contact Linda Neunzig 425-388-7170, linda.neunzig@sno.nw.org, Beau Fong 425-478-1561, beau@nyhus.com, or visit www.sno.nw.org, search "Focus on Farming."

Sponsored by the Snohomish County Office of Economic Development.