

In Our Hands

The Future of Farming in Kitsap County



Farmland
Preservation
Strategies:
Analysis and
Recommendations

Kitsap Farmland
Preservation
Working Group

April 2023

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Land Acknowledgement

We acknowledge Indigenous people have been here since time immemorial. The waters, mountains, valleys and shorelines we occupy and farm are the ancestral lands of the suq^wabš “People of Clear Salt Water” (Suquamish People) and nəx^wqíyt nəx^wsłá’yəm’ “Strong People” (Port Gamble S’Klallam). They live upon and protect the land and waters of their ancestors for future generations as promised by the Point Elliott Treaty of 1855.

We recognize the complexities and complicities around occupying Indigenous land and the importance of locating our own presence here with respect for the presence of Native cultures, respecting the dignity of tribal communities and acknowledging the legacy of historical events.

We work to educate ourselves to better understand the history of Indigenous peoples of the Kitsap Peninsula, Salish Sea, and Pacific Northwest, as well as the far-reaching impact that settler colonialism continues to have on Native nations and communities.

We commit to action that upholds and honors the Indigenous experience, past, present, and future and commit to the work of respectful and humble relationships and the inclusion of tribal voices in our efforts.



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“You can eat food by yourself. A meal, according to my understanding anyhow, is a communal event, bringing together family members, neighbors, even strangers. At its most ordinary, it involves hospitality, giving, receiving, and gratitude.”

— **Wendell Berry**

Bringing it to the Table: Writings on Farming and Food

In 2019 a diverse group of individuals and organizations working in and with the local food system came together to share information. From those humble beginnings at a coffee shop, the Kitsap Food Systems Round Table has evolved into monthly meetings to strategize, plan, coordinate, collaborate and celebrate our food system. The Round Table includes representatives from:

- Kitsap Conservation District
- Washington State University Kitsap Extension
- Kitsap County Food Bank Coalition
- Kitsap Public Health District
- Kitsap Harvest Gleaning Program
- Kitsap Fresh Online Farmers Market
- Kitsap County Farmers Market Coalition
- Kitsap Community Food Co-op
- Friends of the Farm
- Great Peninsula Conservancy

The Round Table provides members a space to share information, collaborate on projects, seek funding and leverage resources benefiting Kitsap farmers, food businesses and consumers. In 2021 several members of the Round Table formed a working group focused on farmland preservation as a key component of sustaining a healthy, economically viable local food system. Assisted by local farmers and producers, the Farmland Preservation Working Group researched past efforts to curtail the loss of agricultural land, successful national and regional preservation models, and had many conversations with those determined to protect and conserve working landscapes for food, fiber and floral production. We express appreciation for their willingness to share ideas, practices – and encouragement – as Kitsap endeavors to save our farmland and the farmers who work the land.

The Kitsap Farmland Preservation Working Group

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Lauren Drakopoulos, Friends of the Farm
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Jess Sappington, WSU Kitsap Extension
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The Time is Now – The Question is How?



In Spring 2024 when the USDA Census of Agriculture releases county fact sheets, Kitsap County will find out how local agriculture fared during the previous five years. If past trends continue the total number of farms will remain the same or increase slightly, but total acres in farmland and average farm size will decrease – again.

In the two decades between 1997 and 2017 Kitsap County lost an astonishing 61% of its farmland.¹ This is approximately three times the rate of farmland loss in the greater Puget Sound region. According to the US Department of Agriculture the twelve counties surrounding the Salish Sea lost the same percent of agricultural land in the between 1950 and 2012 – a more than 60-year time span.²

Farmland loss is not just about changing uses for the land. Communities lose farmers, associated farm support businesses, food system resilience and much of the glue connecting rural communities. Farmland loss also encompasses the environment, habitat, water quality, and aquifer recharge. It includes healthy local food grown sustainably by farmers we know to nourish our communities.

Under Washington State law, farmland uses and preservation efforts are almost entirely dependent on county government decisions. Counties have the authority to zone and regulate uses, purchase development rights on farms, provide tax relief or tax farmlands as rural areas and provide farmers economic and/or regulatory assistance, or let them fend for themselves. It is not much of a stretch to say the success or failure of farmland preservation rests predominantly at the feet of a county government's goals, policies, and practices.

Reviewing literature from the 1970s to present³ reveals common themes regarding the conversion of farmland to non-agricultural uses and a lamentable pattern of farmland loss nationally, regionally and locally. In summary:

- Farmland is under threat from urban development.
- Economic factors, combined with land use policies, contribute to the loss of farmland.
- Despite efforts to stem conversion of agricultural land, losses continue.
- Preservation policies and strategies slow down or stop the conversion of working landscapes to non-agricultural uses.
- Effective farmland preservation strategies include Land use planning and zoning, conservation easements and purchase / transfer of development rights programs, tax policies, and economic support for farmers.

While this report analyzes farmland preservation methods and their applicability for Kitsap and makes specific recommendations for policies, strategies, and actions to protect the county's remaining agricultural lands, all this must be viewed through an equity lens. To serve all the residents of Kitsap County, this endeavor must recognize people of color, indigenous communities, under-resource people, immigrants, and refugees are disproportionately impacted and as farmers face additional barrier to entry and land access. A just and equitable food system benefits and facilitates healthy lives for the entire community. Agencies, organizations, and government must pursue equity and inclusion by listening and learning from valued and diverse communities and be ready to adapt and design more intentional or additional support to be equitable in the delivery of programs and services.

¹ USDA Census of Agriculture 1997-2017 (See Appendix A – Kitsap County Census of Agriculture: A 20-Year Retrospective)

² American Farmland Trust, "Losing Ground: Farmland Protection in the Puget Sound Region." 2012

³ See Appendix C: Annotated bibliography 1954-2021

Recommendations



Preserve Farmland | Support Farmers | Strengthen the Kitsap Food System

The American Farmland Trust identified four main strategies to stem the loss of farmland, support the economic health of farms and agricultural businesses, and maintain a robust and resilient local food system. Land use regulations and zoning was found to be the most effective means to preserve farmland by a large margin⁴. Secondly, supporting economic development for farmers was the next most impactful approach. Other preservation strategies include purchase and transfer of development rights through a TDR Program or conservation easement purchases, and finally, tax relief. The latter approaches were deemed to be important but not as critical as land use planning. While some of these tools have limited applicability in Kitsap, all have the potential to create a meaningful impact.

Land Use Regulation and Zoning

- Adopt all locally applicable recommendations from the Washington State Food Policy Forum “Land Use Policy Solutions to Stem Agricultural Land Loss” specifically:
 - Relieve the pressure to develop agricultural land by requiring cities to allow more options for in-fill housing, such as accessory dwelling units, duplexes, triplexes, and townhomes.
 - Prior to allowing a city annexation or urban growth area expansion, require completion of an agricultural impact statement that sufficiently addresses the concerns raised.
 - Require government land use actions that result in the loss of agricultural land, including eminent domain and actions that remove land from agricultural zoning, to be mitigated by conserving adjacent farmland that is comparable in size, soil quality, and agricultural value. If adjacent farmland is not available, farmland in other areas or unfarmed land restored to production can be used for mitigation at a rate of three acres for every acre lost.
- Update Kitsap County Agricultural Code to reflect changes in state and federal regulations.
- Ensure all landowners in Kitsap County receive notification in their annual tax statement newsletter that unincorporated parcels in Kitsap County may be within or near agricultural lands on which a variety of commercial activities may occur per the County Agricultural Code.
- Invest resources to increase stakeholder engagement in policy and land use decision making processes.
 - Recruit and appoint farmers to advisory committees like the County Planning Commission.
 - Solicit agricultural stakeholder input for significant land use processes, including updates to the Kitsap County Comprehensive Plan and Critical Areas and Shoreline Ordinances.
 - Create a farm and food systems advisory committee to inform the Board of Commissioners about significant issues for the agricultural community, make recommendations on issues impacting local food and farm businesses and serve as a forum to promote the success of Kitsap agriculture.
 - Engage local tribes, other black, indigenous, and people of color (BIPOC) and marginalized communities in all aspects of planning and implementation.
- Approve additional receiving areas for the Kitsap County Transfer of Development Rights (TDR) Program through a change to the Kitsap County Code or a Comprehensive Plan amendment and pursue interlocal agreements with adjacent counties participating in the Regional Transfer of Development Rights Alliance (King, Pierce, Snohomish, and Kitsap Counties.)

⁴ American Farmland Trust. 2012 “*Losing Ground: Farmland Protection in the Puget Sound Region*”

- Inventory county-owned lands, including the Howe Farm, which are suitable for farming, designate it as public farmland and draft long-term leases with local farmers modeled on the Bainbridge Island program.
- Develop implementation strategies and concrete actions with timelines to accompany agriculture-related land use goals and policies in the Comprehensive Plan Rural and Economic Development Chapters.
- Examine alternatives to creation of a commercial agricultural zone.
 - Allow farmers and agricultural landowners to opt into “Agricultural lands of local significance” to afford additional protections to their parcels.
- Develop and implement by ordinance a Kitsap Food Systems Plan outlining actions and policies for a more sustainable and equitable food system. A food system plan is a long-range planning document driven by community input and strategic goals beginning with a Community Food Assessment.

Economic Support for Farmers

- Staff and personnel make substantive progress toward Kitsap food system goals and provide valuable support to the agriculture and farming sector.
 - Fund an FTE (minimum of .5 FTE) at Kitsap Conservation District to expand existing farmer education, farm business technical assistance, and institutional purchasing support (F2S and F2FP)
 - Advocate for the WSU Kitsap Extension director position to be filled with a food system or agriculture specialist.
- Provide additional funding to WSU Kitsap Extension to pilot and offer a next level agriculture entrepreneurship course locally in partnership with other food system organizations.
- Provide funding to WSU Kitsap Extension to expand the Farm Mentor / Farm Internship Program which affords real world education for beginning and advanced students of agriculture and engages future generations of farmers – with a focus on Black, Indigenous, People of Color (BIPOC) and other marginalized individuals.
- Local municipalities and county government should dedicate financial support to their respective Farmers Markets as an essential element of the food system, community asset and engine of economic development – not just an aesthetic benefit.
- Pursue a public/private partnership to purchase the Petersen Farm and designate it as Public Farmland.
 - Create a farm incubator on the Peterson Farm.
 - Draft long-term (10-15 year) farmland leases based on USDA lease rate formulas, adjusted for Kitsap County.
 - Fund management of the incubator and farmland with staff at WSU Kitsap Extension, Kitsap Conservation District and/or local land conservancies.
- Designate 5% of the Kitsap Lodging Tax to support agritourism and local food marketing / promotion.
 - Agritourism is a commercial enterprise linking agricultural production with tourism to attract visitors to a farm or agricultural business for entertainment and education, while creating income for the farm.

Tax Policy

- Promote Current Use Agriculture Taxation aggressively through outreach via webinars, workshops, educational materials, and information in the Kitsap County Treasurer’s annual letter.
- Reduce barriers to program application including reducing or prorating the cost to apply for the program for BIPOC, marginalized, or beginning farmers and farmers on parcels less than 20 acres.
- Examine grant application priorities for Conservation Futures Tax funding to increase the weight given to applications to conserve farm and agricultural land.

How Did We Get Here?



Farmland Loss in Kitsap County – A Detailed Analysis

Several factors contribute to Kitsap’s precipitous loss of agricultural lands, but it most likely resulted from a 1992 decision by the Board of County Commissioners that there was insufficient commercial farming in Kitsap to justify designating a commercial agricultural zone. Citing the following for their decision:

“... there are very few large commercial agriculture operations remaining in the county. Much of the agricultural production occurs on ‘hobby’ and ‘you-pick’ farms. These operations do not generally provide the sole income source for the operators but are secondary or supplemental...and [w]hile agricultural activities serve other purposes such as contributing to the open space and rural visual character of the county, the Growth Management Act is quite clear that designation of agricultural lands is for the purpose of conserving areas that have long-term commercial significance as an agricultural resource.”⁵

Eliminating land use regulation as the most effective pillar of farmland protection was made despite the fact that almost 10% of Kitsap’s total acreage was reported in farmland in the 1997 USDA Agricultural Census. Failing to value Kitsap agriculture’s contribution to the local economy was another misstep. The Commissioners identified “secondary or supplemental” agricultural income as one basis for their decision despite Kitsap’s long history of off-farm income⁶ and national trends of principal operators holding main jobs off the farm⁷. Subsequently, over the next 20 years the market value of production on Kitsap farms fell 50%.

It is likely Kitsap’s fateful 1992 decision regarding the viability of commercial agriculture and the subsequent zoning outcome was largely influenced by development interests. Based on farmland loss trends around Puget Sound, Kitsap was not alone in this. Early versions of the Comprehensive Plan goals and objectives for rural zones focused on the aesthetic value of tree-lined roads and wooden fences rather than the economic potential of rural and working landscapes. This view, while less pervasive in the 2016 Comprehensive Plan, still influenced plan goals and policies. For example: “Some historic Kitsap County working farms should be preserved for food and fiber production, educational and *scenic* purposes.” and “...uses must be consistent with Growth Management Act and Comprehensive Plan requirements for rural areas, and preserve Kitsap County’s *rural character*”⁸ (emphasis added) hint at a strong focus on the visual appeal of farms for non-farm residents rather than support for agriculture as an engine of economic development. Regardless, after the 1992 decision parcel size quickly dwindled due to landowners’ rapidly subdividing their land into the minimum parcel size allowed under rural zoning. Between 1997 and 2017 the number of farms over 50 acres declined 54% while during the same period the number of farms with an average size of 1-9 acres increased 53%.⁹

While agriculture was and continues to be an allowed activity in all Rural Residential (1 DU/5A), Rural Protection (1 DU/10A), and Rural Wooded (1 DU/20A) zones in Kitsap, agricultural activities and opportunities are limited on smaller parcels. While any farmland loss impacts the economic viability of agriculture, Kitsap’s farm landscape is particularly vulnerable. Farming on smaller parcels reduces income per acre, smaller pastures make raising

⁵ Kitsap County, “Strategies For Resource Lands Designations and Interim Development Regulations.” 1992

⁶ Washington State Department of Agriculture, Crop and Livestock Reporting Service, “Kitsap County Washington, County Agricultural Data Series 1956”

⁷ University of Missouri Extension, “The Importance of Off-Farm Income to the Agricultural Economy.”

⁸ Kitsap County 2016 Comprehensive Plan, “Land Use Goals and Policies”

⁹ USDA Census of Agriculture 1997-2017 (See Appendix A – Kitsap County Census of Agriculture: A 20-Year Retrospective)

beef, sheep, and other livestock difficult. Less hay acreage means farmers need to purchase hay instead of growing it locally. As farms go out of business and are sold, needed infrastructure – feed stores, large animal veterinarians, hay sellers, equipment dealers, slaughterhouses, and livestock auctions follow – leaving the few remaining farm operations struggling to access essential services and source needed supplies and materials.

With fewer local farms, county government agencies mostly familiar with residential, commercial, and industrial development, may not understand the needs of those engaged in agriculture. Pressures from urban and suburban areas impact farmland. Nuisance complaints about animal noises and smells increase as non-farm neighbors interface with local agriculture. For example, a new homebuyer realizes the rural ambiance they found so charming prior to moving in comes with an enthusiastic and vocal rooster living next door. A farmer spreading lime on hay fields generates a flurry of calls to county officials about air pollution resulting in a cease-and-desist order. A farmer harvesting a sheep for their personal use is charged with illegally discharging a firearm. A farmer moving a tractor and equipment from one hayfield to another on a rural road with an SMV placard prominently displayed is ticketed by the sheriff. Kitsap’s Agricultural Code does offer some protection for agricultural practices through a “Right-to-Farm” ordinance but conflicts still arise.

Finally, changing demographics impacted Kitsap’s agricultural landscape. As farming becomes less attractive to younger generations, fewer high schools offer vocational agriculture programming. Parents and grandparents with no heirs interested in continuing in agriculture and children faced with the high cost of end-of-life care make the choice to maximize the value of a family farm by subdividing and/or selling it. This was and continues to be exacerbated by skyrocketing land values making conversion to non-farm uses extremely attractive.

Efforts to Change Kitsap’s Agricultural Landscape

Despite the obstacles facing Kitsap agriculture, a dedicated cadre of farmers, community members, agency staff and organizations continued working to sustain farming and rebuild the local food system. In 2008, with support from the Kitsap Conservation District and the Kitsap Economic Development Alliance Agriculture Working Group surveyed local farmers about their experiences. Results of the survey revealed few farmers sold to restaurants or grocery stores, locally produced meat wasn’t available at farmers markets, produce was only available seasonally, and farm and ranch infrastructure was limited¹⁰.



During 2010’s “Year of the Rural” Kitsap County undertook a major planning initiative to address new commercial and industrial zones, business parks, protection of forestlands and new policies on farm practices.¹¹ The next year, with funding from the Washington State Conservation Commission Office of Farmland Preservation, Kitsap County

¹⁰ Kitsap Economic Development Alliance, “KEDA Kitsap 20/20 Community Agriculture 2008-2009 Survey”

¹¹ Kitsap Sun, “Planners Go Over Feedback on Kitsap County’s ‘Year of the Rural’ Initiative” April 27, 2010.

produced a Strategic Agricultural Plan and Inventory which mapped food producers, farmers, and farm support businesses, conducted an analysis of challenges and opportunities for local agriculture, and identified strategies to preserve farmland and strengthen local agriculture¹².

In 2015 stakeholders assisted Kitsap County Department of Community Development in writing an Agricultural Code which codified permissible agricultural and accessory uses, established best management practices for livestock owners, provided for agricultural structures, and clarified requirements and regulations for current and aspiring farmers. This was followed in 2016 with an updated Comprehensive Plan outlining Land Use Goals and Policies for rural zones which included the following nods to preserving farmland:

- Explore creation of a “no-net-loss” policy for agricultural lands.
- Continue regulatory and non-regulatory preservation of historic or working farmland, particularly through tax policy, conservation easements, Transfer of Development Rights (TDR), Purchase of Development Rights (PDR), innovative design criteria and the establishment of a small farms institute, to encourage small farms.
- Coordinate with federal, state, and local governments, community groups, and private landowners to promote long-term preservation of farmlands.

These goals underpin all planning activities in rural areas of the county, however implementing the related policies proved more challenging.

Bright Spots – Farmers Going to Farm

While farming in Kitsap presents difficulties, opportunities exist and farmers persist. Kitsap County government, Kitsap Conservation District, Washington State University Kitsap Extension, farmers, and others have worked together to rebuild the local food system. This is evidenced by a 9% increase in the number of farms over the last two decades. Farm demographics have changed and now over 50% of farmers in Kitsap are owned or managed by women.

In 2023 local consumers can acquire a full diet including milk, eggs, meat, grains, beans, fruits, vegetables, and value-added products – even all the ingredients for a peanut butter and jelly sandwich – grown or produced in Kitsap County. The Food Co-op sells produce and protein purchased from local farmers. Six seasonal farmers markets from Kingston to Port Orchard and two year-round online farmers markets provide sales outlets for farmers. Selling year-round increased farm income and incentivized season extension practices. Local restaurants feature Kitsap grown items on their menus and farmers sell wholesale to local food banks and early learning programs via Farm to Food Pantry (F2FP) and Farm to School (F2S) Programs respectively. BIPOC community members can access cultural vegetables and fruits to use in traditional recipes.

Kitsap Conservation District provides agricultural technical assistance, farm planning, one-on-one business, and farm succession planning. Washington State University Kitsap Extension offers educational workshops and farm walks and coordinates the Kitsap Farm Mentor/Internship program to prepare the next generation of farmers. The Washington State Department of Agriculture partners with local agencies to deliver in-person training and webinars on a range of topics including meat production and processing, food safety, produce handling and Good Agricultural Practices (GAPs). USDA NRCS assists farmers to purchase high tunnels to grow year-round and access other USDA farm programs.



¹² Kitsap County Board of County Commissioners, “Kitsap County Strategic Agricultural Plan and Inventory – August 2011”

Solutions for the Future



Preserving Kitsap's Working Landscapes

Both locally and regionally, timely focused efforts make a difference in preserving agricultural land. For example, from 1950-2007 King County lost 104,016 acres (-67.9%). The King County Farmland Preservation Program (FPP) began in 1979 when the voters of King County approved an initiative authorizing the County to preserve rapidly diminishing farmland by purchasing development rights. During the 1980's, King County acquired the development rights on 12,600 acres of high-quality farmland within its boundaries. They continue to purchase development rights on select properties and by 2015 approximately 15,500 acres were permanently protected. Using a variety of farmland preservation strategies King lost only 2,972 acres (5.7%) from 1997-2007.

Using a combination of private, state, and federal funding, Kitsap County and private foundations have conserved thousands of acres of forests and open space – and a couple farms. Several land trusts and private foundations are working to conserve and protect land, but their primary focus is on open space, valuable riparian habitat and community green spaces. Currently no organization is exclusively focused on farmland preservation in Kitsap though Great Peninsula Conservancy oversees conservation easements on several farms on the peninsula as part of their portfolio.

Proven Farmland Preservation Strategies

Research from the American Farmland Trust found land use regulations and zoning to be the most effective method of farmland preservation by a large margin¹³. Of the secondary strategies, supporting economic development for farmers was the next most impactful. Less effective, but still valuable, other farmland preservation program strategies include purchase and transfer of development rights through TDR Program or conservation easement purchases and property tax relief. These were deemed to be important but not as critical strategies as the land use planning. What follows is an analysis of each of those strategies as they pertain to Kitsap's current situation. A detailed description and explanation of each farmland preservation strategy is found in Appendix B – Description and Definitions: Farmland Preservation Strategies.

Land Use Regulation and Zoning

The American Farmland Trust identified ineffective agricultural zoning as the foremost problem to prevent the conversion of farmland. They suggest including all currently farmed land in agricultural zones as the most effective strategy to stop conversion of farmland to non-farm uses. While this option seems unlikely in Kitsap County for several reasons, including a commercial agricultural zone in land use tables remains a slim possibility. The 2011 Strategic Agricultural Plan observes:

“Numerous studies conducted since 1992 suggest that the concept of commercial agriculture in Kitsap County should be reexamined. Depending on the results of this updated assessment, agricultural zoning could be a large part of future local farm preservation.¹⁴”

¹³ American Farmland Trust. 2012 *“Losing Ground: Farmland Protection in the Puget Sound Region”*

¹⁴ Kitsap County Board of County Commissioners, *“Kitsap County Strategic Agricultural Plan and Inventory – August 2011”*

Additionally, the 2016 Kitsap County Comprehensive Plan states:

“Land Use Policy 61. Re-examine and, if appropriate, adopt or amend criteria used to determine if land meeting Growth Management Act designation criteria as Agricultural Resource Land exists within the county.”¹⁵

Absent addition of commercial agricultural zoning in the use tables, secondary strategies for farmland preservation – economic development for farmers, TDR and PDR programs, and tax programs – remain the most promising farmland preservation tools available for Kitsap.

Economic Support for Farmers

All previous reports, analyses and strategic plans advised supporting farmers with education, outreach, and technical assistance on ways to start, expand and sustain farm businesses. Recommendations from 1992 call for establishing a Small Farm Institute and reiterated this in the 2016 Comprehensive Plan Rural Land Use Goals and Policies. Farmers responding to the 2009 KEDA 20/20 survey expressed a desire for more technical assistance and education on a wide range of topics including technical skills, government programs, navigating regulations, business planning and marketing. Participating in the WSU Kitsap offerings, specifically the Cultivating Success / Agriculture Entrepreneurship series was their most common source of education followed by apprenticeships or internships on farms, online resources and networking. The 2011 Strategic Plan recommended expanding opportunities for technical assistance to support local farmers – for both technical skills and farm business planning.

Kitsap farmers have access to several sources of support to increase their economic viability including:

- Kitsap Conservation District provides one-on-one technical assistance to farmers on a range of topics including crop planning, best management practices for livestock and water quality, irrigation design, produce safety and serves as a Farm Mentor/Internship Host Site. The District provides farm plans and cost-share grants to farms for BMP installation. A 2022 recipient of a USDA Rural Business Enterprise Grant, the District also offers one-on-one technical assistance on business planning to farmers, assistance with land access for beginning and BIPOC farmers, and farmland preservation/succession planning for established farms.
- Washington State University Kitsap Extension provides a wealth of online materials for farmers, local educational events on horticulture, livestock, soils, food processing, and farm business planning. WSU Kitsap also coordinates the Kitsap Farm Mentor/Internship Program.
- Washington State Regional Small Farms Program provides research-based information and educational programs for farmers, consumers, decision-makers, and others involved in local food systems in Jefferson, Clallam, and Kitsap Counties. The team works closely with farmers and community members to build a profitable farming system with Cultivating Success, farm-to-farmer networking, and technical assistance from regional specialists.
- Washington State Department of Agriculture (WSDA) offers statewide training and educational programming



¹⁵ Kitsap County 2016 Comprehensive Plan, “Land Use Goals and Policies”

on topics such as food processing, produce safety, business licensing and marketing – typically in partnership with other organizations and agencies.

- The USDA Natural Resources Conservation Service (NRCS) provides farmers assistance in applying for federal programs – the Conservation Reserve Program (CRP) and the Environmental Quality Incentives Program (EQIP) which assists farmers purchase high tunnels for season extension. USDA also supports farms applying for Value-Added Producer, Rural Energy, and Farm Service Administration operating and capital purchase loans.

The 2016 Kitsap County Comprehensive Plan also focuses on economic development and support for the farm sector and food system. The Plan’s Economic Development Chapter¹⁶ calls out agriculture and food production:

“Kitsap County also recognizes the importance of agricultural activities to the food system and local economy. As such, educational opportunities that support farming are crucial to strengthening the food system. Kitsap County is committed to promoting food security, food systems, food economy, and public health by encouraging locally based food production, distribution, and choice through urban agriculture, community gardens, farmers markets, and food access initiatives. Lack of food related processing and distribution has created many gaps in Kitsap County’s food system. In order to improve the food sectors economic viability Kitsap County will enhance local and regional aggregation and distribution by increasing, and where necessary, creating, food processing infrastructure.”

In this chapter the county outlines economic development goals and supporting policies to guide planning processes. Goal 5: “Support the local food economy” specifically addresses agriculture and the food system. The policies for this goal align with proven farmland preservation strategies discussed in this analysis including:

- Expand the county’s capacity to produce, process, distribute and access local foods.
- Support agritourism and value-added programs that will stimulate economic growth.
 - Strengthen the rural and urban economies through organizational partnerships that support food system education.
 - Strengthen the food value chain by supporting new aggregation and distribution opportunities such as farm stands, farmer’s markets, and food hubs. Support retail sales and local food economy by encouraging locally based food production, distribution, and choice through the support of community gardens, school gardens, farm-to-school programs, farmers or public markets, and other small-scale, collaborative initiatives.
 - Support economic development opportunities related to local urban and rural agriculture. Assess and plan for community-supported agriculture programs, local food processing, wholesaling, and distribution facilities to connect local agriculture to markets such as retailers, restaurants, schools, hospitals, and other institutions.
 - Foster urban agriculture opportunities by promoting flexibility in development regulations.
 - Review and revise conditional use regulations to create a more agriculture-supportive climate.
 - Assess whether publicly owned properties / facilities that may be currently underutilized could be made available for one or more facets of the food system.



¹⁶ Kitsap County 2016 Comprehensive Plan, 2022. “Economic Development Chapter: Goals and Policies”

Implementation of these policies – coordinating activities between organizations serving farmers, applying for grant funding, and providing outreach and technical assistance to farmers – to make this a reality requires organizational capacity. For most capacity is a function of financial support for staffing. Kitsap has undergone several periods when the organizations farmers rely upon lacked staffing to respond to farmer request for assistance. Currently both WSU Kitsap Extension and Kitsap Conservation District have some ability, but additional staff would help both agencies respond more effectively to farmers’ business planning and economic support needs. Snohomish, King and Pierce Counties have county employees or support local agencies who work to support the agricultural community, assess and cater economic development programs to farmers’ needs, and assist with efforts to promote local farm products. These positions also provide regulatory assistance to farmers, to streamline complex permitting and planning processes.

Tax Policy - Agriculture Current Use Taxation and Beyond

Kitsap County has Open Space, Farm & Agricultural Land, and Designated Forest Land exemptions. With a timeline of five years to tax savings (three years farm income to apply, two more years to realize a lower tax rate) and minimum enrollment period of ten years, the Current Use Agricultural Tax Program offers the greatest motivation for those farming larger parcels and farming land that will remain in agriculture for longer terms. The program has less utility for farmers on smaller parcels or those who lease farmland. As 64% of Kitsap’s farms are less than ten acres, this preservation strategy offers limited usefulness, however providing farmers with information on the program remains important. In 2011 83 parcels totaling 1931 acres were enrolled in Agriculture Current Use. This represents 19% of the acreage reported on the 2012 Ag Census – but less than 1% of the total acreage in rural unincorporated Kitsap County. Current Use taxation frequently receives criticism for the benefits afforded farmers. However, farmland provides significant fiscal benefit to counties. Cost of Services studies examining the cost of municipal services to residential development vs. working and open landscapes. Working lands return \$.49/acre to county coffers at the same time residential and commercial development cost \$1.25/acre.¹⁷

Farmers in Washington State are also entitled to Sales/Use tax exemption for anaerobic digesters, farm fuel, livestock nutrient management equipment & facilities, replacement parts for farm machinery & equipment and feed, seed, seedlings, spray materials, bedding and heating for chicken coops and animal pharmaceuticals. This requires a Reseller Certificate from the Washington State Department of Revenue or a Farmer’s Certificate for Wholesale Purchases and Sales Tax Exemptions. As many farmers are unaware of the sales/use tax exemptions they may not make use of them. To qualify for the exemption, they must also meet the definition of an “eligible farmer.” Many Kitsap farmers (85%) may not meet the \$10,000 annual income requirement necessary to qualify



but increasing economic viability of agricultural businesses would allow farmers to meet this threshold to take advantage of this program.

Finally, the Kitsap County Conservation Futures Program is funded through the “conservation futures tax,” which levies \$.0625 per thousand dollars of assessed property valuation generates about \$1.5 million annually. This revenue source has the potential to support farmland preservation efforts in Kitsap.

¹⁷ American Farmland Trust & USDA NRCS, 2016. “Cost of Community Services Studies”

Conservation Easements/Purchase and Transfer of Development Rights

Conservation easements protect land for farming now and future generations while allowing owners to live on and use their land. The development rights are voluntarily donated or sold by the landowner and prevent development from taking place on the land in perpetuity. Kitsap County's 2016 Comprehensive Plan Rural Land Use Chapter identifies non-regulatory preservation policies like conservation easements, Purchase of Development Rights (PDR), and Transfer of Development Rights (TDR) as ways to preserve historic or working farmland for food and fiber production, educational and scenic purposes.

Purchase of Development Rights (PDR) or Purchase of Conservation Easements (PACE) are voluntary programs where a parcel's development rights are purchased rights permanent deed restriction is placed on the property for conservation or agricultural uses. PDR/PACE programs provide farm owners a near-term financial incentive from sale of the right and long-term savings on lower property taxes from the reduced development potential of the property.

Unfortunately for Kitsap, federal and state funding for PDR/PACE programs requires a minimum of 20 acres and prioritizes contiguous parcels of commercial farmland. Two-thirds of Kitsap farms are less than 10 acres and frequently surrounded by non-agricultural parcels, so PDR/PACE programs have limited usefulness as a preservation strategy. Aggregation of adjoining smaller parcels is one approach for farmers seeking to use a PDR/PACE program, but high land values make this unfeasible. Finally, conservation easements offer no assurance property will remain in agriculture as easements contain no affirmative requirement for a landowner to farm. Conserved parcels also have no price restriction on future sales to keep the farmland affordable for the next generation.

The Kitsap County Conservation Futures Program protects, preserves, and maintains open space, farm and agricultural land, and timberland through PDR/PACE. In 2020 the conservation futures program distributed \$300,000 and in 2022 Kitsap committed significant resources from this program for acquisitions in Port Gamble Forest Heritage Park. One limitation of the conservation futures funding is that acquisitions must be dedicated solely for public use or enjoyment after purchase. Farms provide public benefit but unlike parks are private businesses. This has created challenges for the 1996 conservation of Howe Farm in Port Orchard. Originally envisioned as an atypical public park honoring the county's agricultural history, retaining its agricultural character and function as a farm, while providing passive recreation and community events that would not conflict with farm related activities. After years of public input, the farm is home to a dog park, community gardens, a restored barn/public space – but no farming – highlighting the difficulty of managing public spaces for agriculture. One successful local model is the City of Bainbridge Island which owns 60 acres of public farmland. Friends of the Farm leases the land as part of a public-nonprofit partnership, manages the farmland, and subleasing to farmers at rates based on USDA lease rate formulas, adjusted for Kitsap County and Bainbridge Island.

Transfer of Development Rights (TDR) programs allow the sale of development rights from a site to be preserved (sending area) to another site for higher density use (receiving area). Currently Kitsap County designates receiving sites within Kitsap. The Regional Transfer of Development Rights Alliance has the potential to allow Kitsap's rural property owners to send development rights to urban areas in neighboring King, Pierce, or Snohomish counties. The Board of Commissioners may approve additional receiving areas through interlocal agreements with these counties with a change to county code or via a Comprehensive Plan amendment.



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Appendix A – Kitsap County Census of Agriculture: A 20-Year Retrospective

	1997	2002	2007	2012	2017	20-year change
Number of Farms	641	587	664	706	698	+ 9%
Land in Farms (acres)	24,209	16,094	15,294	10,070	9,391	- 61%
Average size of Farm (acres)	38	27	23	14	13	-66%
Percent total acreage in farmland*	9.6%	6.4%	6%	4%	3.7%	-61%
Market Value of Production	\$13,253,000	\$30,713,000	\$6,985,000	\$5,304,000	\$6,605,000	-50%
Market Value of Production per Farm	\$20,675	\$52,322	\$10,520	\$7,513	\$9,463	-54%
Average Farm Size						
1-9 Acres		290 / 49%	311 / 47%	448 / 63%	444 / 64%	+53%
10-49 Acres		240 / 41%	298 / 45%	220 / 32%	228 / 33%	-5%
> 50 Acres		57 / 10%	55 / 8%	38 / 5%	26 / 4%	-54%
Farm Sales						
Less than \$10,000		498 / 84%	550 / 83%	605 / 86%	591 / 85%	
\$10,000 to \$100,000		62 / 11%	106 / 16%	91 / 13%	95 / 13%	
More than \$100,000		27 / 5%	8 / 1%	10 / 1%	12 / 2%	
Farm Sales \$25,000-\$100,000		20 / 3%	53 / 8%	37 / 5%	6 / 1%	-70%
Farm Sales over \$25,000		47 / 8%	61 / 9%	47 / 6%	18 / 3%	-62%
Principal operators by primary occupation:						
Farming		316	302	315		
Other		271	362	391		
Principal operators by sex:						
Male		356	389	463	628***	
Female		231	275	243	619***	+168%
Average age of principal operator (yrs)		54.2	56.4	56.6	28.8% > 60y	

* Kitsap County has 252,800 acres

** Heronswood Nursery sold by Burpee Seed Company

*** USDA changed how data gathered recognizing that if a farmer owned/controlled 50% of the farm they qualified as a principal operator

Appendix B – Descriptions and Definitions: Farmland Preservation Strategies

In their 2012 report “Losing Ground: Farmland Protection in the Puget Sound Region.” the American Farmland Trust found land use regulations and zoning to be the most effective method of farmland preservation by a large margin. Of the secondary strategies, supporting economic development for farmers was the most impactful. Other farmland preservation program strategies include purchase and transfer of development rights through TDR Program or conservation easement purchases and property tax relief. These were deemed to be important but not as critical strategies as the land use planning.

Land Use Regulation and Zoning has the most immediate impact on farmland protection according to the American Farmland Trust. These laws direct counties to adopt development regulations to assure the conservation of agricultural lands through their comprehensive planning policies and zoning. Land-use planning policies manage growth and stabilize the land base. Through the Growth Management Act Washington State requires local comprehensive planning and consistency between state goals and local plans, with mechanisms to ensure alignment. Part of land use regulations, **Right-to-Farm Laws** are intended to discourage neighbors from suing farmers. They put rural non-farm residents on notice that generally accepted agricultural practices are to be accepted in rural areas, and help farmers prevail if lawsuits occur. While Right-to-Farm laws do not protect the land, they protect agricultural practices that may conflict with the expectations of urban residents. Finally, farmers need representation in county planning and policy making through participation in planning commissions, advisory committees, and stakeholder involvement.

Economic Development to support working landscapes and building a strong agricultural economy is an essential part of ensuring the viability of farming and the land base needed to support it. Dimensions of economic development include assistance with marketing and business planning, support for beginning farmers and a supportive county regulatory environment. Counties can take advantage of community interest in buying local farm products and invest more resources in economic development programs to ensure the sustainability of local agriculture and farmland. One strategy is to create or fund staff positions to directly communicate with the agricultural community, assess and cater economic development programs to farmers’ needs and streamline efforts that promote local agricultural products. These positions should also ideally provide regulatory assistance to farmers, to streamline complex permitting and planning processes. Some examples are a countywide branding program, a permanent farmers’ market, and commercial kitchens to create more value-added products for market.

Conservation Easements are legally binding agreements voluntarily donated or sold by the landowner and limiting certain types of uses or preventing development from taking place on the land in perpetuity while the land remains in private hands. The land is protected for future generations while allowing owners to retain many private property rights and to live on and use their land, at the same time potentially providing them with tax benefits. A conservation group, land trust or local government purchases the development rights on a parcel and a permanent deed restriction is placed on the property after an agreement is made, limiting the allowed uses to conservation or agriculture. The purchasing entity then holds the rights, which cannot be transferred to any other location. They can operate through both **purchase of development rights (PDR)** or **transfer of development rights (TDR)** program. These programs permanently protect farmland and rangeland from non-farm development by compensating landowners who voluntarily place an agricultural conservation easement on their property. They benefit agricultural property owners with a near-term financial incentive for the sale of the right and can serve as valuable estate planning tools for farm families. Long-term savings are in the form of reduced state and local property taxes from the reduced development potential of the property. Washington's Recreation and Conservation Office administers the Washington Wildlife and Recreation Program, which provides funds to entities for the purchase of easements. The USDA Agriculture Conservation Easement Program (ACEP) is an additional source of funding for the purchase of development rights often used in combination with state and local funds.

Transfer of Development Rights (TDR) programs allow the sale of development rights from a site designated for preservation (sending area) to another intended for higher density or intensity of use (receiving area). Once a right is sold, a conservation easement (a legal restriction on the allowed uses of a land parcel) is placed on the sending property in perpetuity. Jurisdictions can designate specific sending areas based on their conservation goals (e.g. ecological functions, wildlife habitat, agriculture, forestry). Receiving sites are usually located in urban areas where developers can apply the rights for predetermined values – such as additional housing units, increased building heights, reduced parking requirements or other flexibility. Ideally, TDR/PDR program funding will suffice to allow the purchase and retirement of development rights on at least 30 percent of a county’s farmland, with 50 percent would be a better long-term target. The Regional Transfer of Development Rights Alliance is a partnership of King County, Pierce County, Snohomish County, Kitsap County, Forterra, the Washington State Department of Commerce and the Puget Sound Regional Council. The Alliance works to encourage cities to participate in the conservation of farms, forests, and open space land through Transfer of Development Rights (TDR) in the four central Puget Sound counties (King, Pierce, Snohomish, and Kitsap). The Department of Commerce is an active partner, providing direct technical assistance to counties and cities in the four-county central Puget Sound region. This regional partnership has the potential to allow rural property owners in Kitsap to send development rights to urban areas in neighboring King or Pierce. Bainbridge Island operates its own TDR program limiting sending and receiving sites to the City of Bainbridge.

Agrarian Trusts pair a conservation easement with a nonprofit landholding entity allowing farmers to use and improve land, while ownership is held by the trust. This locally governed organization has a decision-making board made up of representatives of Agrarian Trust, and local partners and stakeholders. Dedicated to preservation of farming, farmland, and localized food systems it offers long-term lease tenure and equity interest for farmers and ranchers and facilitates land access for future generations of farmers. Agrarian trusts may offer BIPOC or beginning farmers the best and most equitable access to land as the program is structured to reduce the cost of entry to farming because the farmer doesn’t have to buy the land. They build equity in the form of infrastructure investments over the course of a long-term tenancy and “sell” the infrastructure to the next farmer to steward the land.

Differential Tax Assessment or agriculture current use taxation allows officials to assess farmland at its use value rather than its fair market value. Generally, this results in a lower property tax rate which eases the financial burden on farmers. The benefit applies only if the land is used for agricultural purposes and a tax recoupment when conversion to non-farm use occurs. This designation may provide a subsidy to real estate speculators who use the land for agriculture pending development. It does not provide permanent protection of farmland.

The 1970 Washington State Open Space Taxation Act allows property owners to have their open space, farm and agricultural, and forest land valued at its current use rather than its highest and best use (market value) through a tax shift. Current use taxation helps to maintain, preserve, conserve, and otherwise continue in existence adequate land to produce food, fiber, and forest crops. Land must be primarily devoted to and used for commercial agricultural activities and its is valued based on the productive capacity of the land. A farm must have qualifying income for at least 3 of the last 5 years prior to and after applying to the program. Parcels under 20 acres require a minimum annual gross income based on acreage.

If farm animals are present, a Farm Management Plan from the Kitsap Conservation District is required. When property is removed from current use classification additional tax and interest becomes due. The additional tax equals the difference between the tax paid under the current use classification and the tax that would have been due without the exemption for the current year, plus the last seven years, plus interest at 1% per month. A 20% penalty is also applied if the property has not been classified for at least 10 years prior to the withdrawal or if the Assessor's Office issues written notice of intent to remove because the land no longer meets the criteria for classification.

A related strategy, **Agricultural Districts** formed by one or more farmers can offer agricultural-use tax rates. They can also limit the type of development that may occur including government siting of public facilities, enhance protection from nuisance lawsuits, and limit the use of eminent domain. Local planning and agricultural impact statements are required to establish a district. This strategy promotes good agricultural practices and can protect large areas of farmland from development. Once joined, there is a penalty for withdrawing from an agricultural district.

Another tax program available for farmers is the Sales/Use tax exemption through the Washington State Department of Revenue. An “eligible farmer” includes any person who:

- Engages in the business of growing, raising, or producing agricultural products (as defined in RCW 82.04.213) for sale upon that person's own land or land in which the person has a present right of possession; and
- Generates gross sales of agricultural products, or has a harvested value of agricultural products, which the person has grown, raised, or produced, of at least \$10,000 in the tax year immediately before the year in which an application for exemption is submitted to the Department.

If you have not engaged in farming operations for an entire tax year immediately before applying for the exemption because you are new to farming or newly returned to farming, you may still qualify for the exemption. The exemption is conditioned on the farmer either:

- Making gross sales of agricultural products, or having a a harvested value of agricultural products, which the farmer has grown, raised or produced, at least \$10,000 in the first full tax year that the farmer engaged in farming operations; or
- Being in the process of growing, raising, or producing agricultural products having an estimated value at any time during the first full tax year that the farmer engaged in farming operation of at least \$10,000, if the farmer will not sell or harvest an agricultural product during the first full tax year in which the farmer engages in farming operations.

Appendix C – Annotated Bibliography

“1956 Kitsap County Agriculture: County Agricultural Data Series.” Washington State Department of Agriculture: Washington Crop and Livestock Reporting Service, Seattle, WA.

Conclusions: Farming was predominantly a second or part-time income in Kitsap during the 1950s, however it contributed significantly to the economic activity in Kitsap. The county’s determination in the 1990s that farming had become a secondary income source was actually reflected historical trends in Kitsap and nationally. However, agriculture still ranked 6th in employment in Kitsap during this period. Average farm size was 27.5 acres in 1954 with 42,677 acres in farmland (17% of total land mass)

Highlights: Agriculture seen as secondary to forestry, shipyard employment and commercial service trades – however 1,550 farms sold products valued at \$1.345 million in 1954. Adjusted for inflation this would be equivalent to \$15,042,000 in farm-gate income in 2023. Major crops include dairy, eggs, poultry, livestock, strawberries, cane berries, holly, and Christmas trees. Farmer cooperatives for marketing and distribution were important and included the Kitsap-Mason Dairymen’s Association with a milk processing and distribution center in Bremerton and the Washington Co-op Farmers (eggs and poultry). Kitsap County was the 7th most populous with 40% living in urban or suburban areas largely due to Navy Yard employment. The remaining 60% of Kitsap residents were classified as rural living in villages, along roads or on farms. Farms from 10-29 acres were the largest group (739) with only 21 farms over 180 acres. The report cites the high cost of land clearing as a factor in smaller farm size. Ninety-five farms irrigated 4,413 acres – primarily for crops and pasture.

“Regional Agriculture Land Use Technical Study - Central Puget Sound Region.” 1974. Puget Sound Government Conference, Seattle, WA

Conclusions: The maintenance of agriculture in an urbanizing area requires both the preservation of prime agricultural land and the promotion of the agricultural use of that land.

Highlights: Per the study, the importance of agriculture within the Puget Sound was formally recognized and steps taken to protect it as early as 1965 with four policies concerning the preservation of agriculture. Two of those policies, promoting establishment of a state-wide current use taxation program, were fulfilled in 1970. A third policy suggested that local governments adopt exclusive agricultural zoning wherever appropriate. **The fourth policy adopted by the Conference in 1965 was perhaps the most, important, for it sought to establish both the regional concern for agriculture and some guidelines for preserving agricultural land.** That policy states: “Not all farmland presently used for farming should be kept for that purpose. But where soil quality is high and where conditions are better suited for agriculture than for urban uses, *measures should be adopted to preserve such sites in agricultural use.*” The study also notes lack of widespread local government commitment to the concept of exclusive agricultural zoning caused these land use designations to evolve into areas of recurring conflict with the question of agricultural preservation arising on a parcel-by-parcel basis as specific development projects were proposed. In such conflicts, **agriculture consistently lost out to urbanization.** The result? Extensive amounts of prime agricultural land have been physically lost or allowed to fallow with the emergence of the general attitude that agriculture was an “interim land use” and farming should be displaced as soon as other land uses become available. This “interim use” attitude toward agriculture resulted in over 21,000 acres (12 percent) of the prime agricultural soils in major contiguous tracts in Puget Sound lost to development or other more intensive uses in the decade between 1965 and 1974. An additional 45,000 acres, or 30 percent of total farmland in the Puget Sound idled awaiting conversion to more intensive, nonagricultural uses at the time of the study.

“Kitsap County Strategies for Resource Land Designations and Interim Development Regulations.” Adopted April 20, 1992. Kitsap County Department of Community Development, Port Orchard, WA

Conclusions: Agriculture has a limited commercial significance in Kitsap County as defined by the Growth Management Act. It does however, have implications for other purposes as identified in the Act and contributes to the rural ambience of the county. It notes the continued use of agricultural lands, whether or not they meet the criteria for designation shall be encouraged.

Highlights: To comply with the Growth Management Act of 1990 Kitsap County established the Kitsap County Rural Policy Roundtable to classify, designate and develop regulations to protect resource lands. The roundtable consisted of citizens representing various community groups, associations, tribes and agencies meeting to reach consensus on a variety of rural land use issues. These included designation of long-term commercially viable forest and agricultural lands and recognition/resolution of conflicts along land interface. ***The report concluded very few large commercial agriculture operations remained in the county with much of the agricultural production occurring on "hobby" and "you-pick" farms*** which did not provide the sole income source for the operators. Agricultural activities served other purposes such as contributing to the open space and rural visual character of the county but that Growth Management Act was quite clear that designation of agricultural lands is for the purpose of conserving areas that have long-term commercial significance as an agricultural resource. The roundtable recommended various incentives to encourage preservation and conservation of agricultural and forest lands, such as the use of Resource Conservation Management Plans (RCMP's) and Planned Rural Developments (PRO's) suggested by forestry representatives, transferrable development credits, purchase of development rights, innovative site design techniques and further tax incentives. The Rural Policy Roundtable also felt strongly that ***Kitsap County should develop and fund a Small Farm Institute to research and inventory Kitsap County activities and agricultural lands*** not already characterized by urban growth that have long-term significance for the commercial production of food or other agricultural products to be included in the Kitsap County Comprehensive Plan prior to July 1, 1993.

“A Characterization of Puget Sound Agriculture: A Report to the Puget Sound Shared Strategy.” 2004. Evergreen Funding Consultants, Seattle, WA

Conclusions. Further loss of farmland will jeopardize the economic future of remaining farmers and foreclose options for a partnership between farming and salmon recovery to serve both interests. Enhancing environmental practices on farms, restoring salmon habitat, and slowing the conversion of farms to urban uses can best be accomplished by building on the existing base of programs that encourage voluntary cooperation.

Highlights: Agricultural issues, including farmland preservation, are central to the development of a regional recovery plan for Puget Sound Chinook, Bull Trout, and Hood Canal summer chum salmon. Large segments of many salmon-bearing rivers in the region border agricultural land. Farmers can be some of the best stewards of the land for the future of agriculture and the health of the environment. The report promoted strategies to encourage agriculture and enhance opportunities to restore streamside habitat, prevent pollution, and conserve water on farms along salmon-bearing rivers for long-term benefits to salmon. It noted ***the increasing value of agricultural land for residential home sites, compounded by the flat or declining values of farmland, led to widespread conversion of farms to non-farm uses, particularly in the urban fringes.*** The combined Puget Sound / Willamette Valley area was the 5th most highly threatened agricultural area in the country due to the pressures to develop farmland to urban uses. In Washington State more than 1,000,000 acres of farmland was converted to non-farm uses between 1982 and 1997, with an average loss of 100,000 acres annually between 1992 and 1997. Recognizing the need to address the growing pressures to convert agricultural land to urban uses, many governments initiated

reforms of their agricultural zoning and taxation and begun to purchase or transfer development rights from farmland. King County as a notable example. Additionally, comprehensive plans under the state's Growth Management Act required counties and cities to protect designated farmland.

“Kitsap 20/20 Community Agricultural Survey” 2010. Kitsap Economic Development Alliance, Bremerton, WA

Conclusions: Preserving an adequate supply of farmland needs to be part of the formula when determining zoning and land use policy.

Highlights: Issues facing local agriculture in Kitsap include land cost, regulations, labor, lack of processing facilities and infrastructure, access to markets, training, and the need to preserve farmland. Strategies to promote local agriculture include:

- Increase awareness of the importance of local agriculture to consumers and policy makers,
- Increase farm productivity with better practices, equipment & facilities, training, and creating partnerships,
- Increase sales of local farm products through marketing and increased market opportunities

Producing food locally requires land; expanding agriculture requires more land. This is often at odds with residential and commercial development. Although some of the Kitsap farmers surveyed still have land available, nearly a quarter would need more land for future expansion. This doesn't consider the land that will be required by those yet to enter agriculture. To further complicate the situation, non-farm uses often result in higher property values that price-out farmers seeking to or rent land. This study examined strategies to preserve farmland including Right-To-Farm Protections and Differential Assessments. Agricultural Districts, Conservation Easements, and Agricultural Protection Zoning.

“Kitsap County Strategic Agricultural Plan and Inventory,” 2011. Kitsap County and Board of County Commissioners, Port Orchard, WA.

Conclusions: Kitsap County must focus on the complete food chain to ensure the future of local food production and the preservation of our farmlands.

Highlights: *Population growth and development pressure create competing uses for rural lands used for farming,* notably:

- Land available for agricultural uses has been shrinking.
- Farms have grown in number but reduced in size over the last 100 years.
- Economies of scale have been lost for farms as their sizes and the number of farmers reduced.
- Sources of support for farmland preservation and the local food system are not well-known throughout the community.

The Strategic Plan mapped existing agricultural activity in Kitsap and stated: ***“Kitsap County will pursue farmland preservation in many ways*** based on regional and local farming trends, the food chain coordination, the preservation strategies review from elsewhere, and the prioritized farming areas.”

The following strategies are recommended to assess viable ways to preserve farmland countywide and bolster the food chain:

- **Expand Comprehensive Plan policies and development regulations regarding local farming and foods.** These include adopting a right to farm ordinance, refocusing the transfer of development rights program and the review of other regulatory reform (e.g. on-farm processing and sales).
- Partner with local agencies that have related expertise (WSU Extension, Conservation District, Health District, and Farm Bureau for example).
- Facilitate coordination between farming communities and the seasonal and year-round workforce and educational internships.
- Expand access for local foods to schools, food banks, grocers and restaurants, and diverse neighborhoods.
- Provide technical assistance on agricultural best management practices, product branding, marketing, and technology.
- Coordinate opportunities for responsible composting of agricultural waste products.
- Expand the marketing and application of Buy Local provisions to grow the local market for crops and animal products and support farmers' markets and other local sales outlets.
- Continue to enhance and update agricultural mapping and coordinate a survey of local commercial kitchens.
- Encourage collaboration between agricultural associations and producers on processing infrastructure.
- Other strategies may apply through grassroots efforts with the farmers and producers in specific areas who know their geography and practices best. Local farmers could propose ideas for application in their area for review by Kitsap County and the public, including:
 - Implement agricultural zoning.
 - Acquire land or agricultural conservation easements for farming and food production
 - Explore financial incentives (such as farm energy audits, tax incentives)
 - Consider other regulatory reform (e.g. animal densities or setbacks).

Specifically, **the plan identified the need for an agricultural strategic plan to preserve farmlands noting that while the Kitsap code allows agricultural uses in rural and urban zones, it does not distinguish ways to preserve or enhance agricultural resource lands from other allowed uses.** Farmland preservation strategies reviewed include transfer of development rights, right to farm ordinances, agricultural zoning, land acquisition, current use tax program, technical assistance and other incentives. Finally, the planned recommended **retaining available land for agricultural uses by expanding Comprehensive Plan policies regarding local farming and agriculture**, expanding the Transfer of Development Rights program on agricultural lands and enhancing the Current Use – Agriculture tax program by championing streamlined application and annual reporting requirements.

“Food Production: Agricultural History – Central Puget Sound Food System Assessment”. 2011. Puget Sound Regional Food Policy Council and University of Washington, Seattle, WA.

Conclusions: A report describing the current state of the food system in the central Puget Sound region, composed of King, Pierce, Snohomish, and Kitsap counties focusing on five components of the region's food system (production, processing, distribution, consumption, waste stream) and four other topics that impact, and are impacted by the region's food system (the environment and tribes, restaurants, and comprehensive plans). Data gathering to accurately describe the state of farming and farmland preservation varies widely and lack of staff dedicated to this task limit effectiveness of this tool.

Highlights: Major findings from this report include small and simple policy changes that municipalities can make as a first step to enable food systems activities:

- Including food systems goals in comprehensive plan elements;
- Creating a streamlined permit for small farmers markets;
- Enacting food systems-supportive resolutions;
- Establishing farmers markets as approved land uses;
- Establishing community gardens as approved land uses or open space subdistricts;
- Enabling interim, temporary, or vacant land use agreements for community gardening or urban agriculture uses; and
- Establishing “healthy food zones” near schools.

Agricultural land preservation policies are best understood in the context of a “package” of ten policy tools that work best when used in combination with each other. These tools are:

- Agriculture zoning
- Agriculture districts
- Comprehensive plans
- Conservation easements
- Differential assessment of farmland
- Private land trusts
- Purchase of development rights
- Right-to-farm law
- Transfer of development rights
- Urban growth boundaries
- Local food processing facility development and renovation can be enhanced by applying for and supporting the continuation of underutilized U.S. Department of Agriculture funding resources, such as the Community Facilities Fund.
- Encouraging government procurement of locally grown foods increases processing demand by midscale farms as well as funding available for processing facility development (e.g. food hubs).
- Technical assistance and incentives can assist the agricultural community.

“Losing Ground: Farmland Protection in the Puget Sound Region” 2012. American Farmland Trust, Seattle, WA

Conclusions: A good farmland protection program involves land use regulation and zoning (most impactful), PDR/TDR programing, property tax relief and economic development.

Highlights: The report seeks to answer the following:

- What would a good farmland protection program look like?
- What is the current state of farmland protection in the Puget Sound Region?
- What can counties do to strengthen their farmland protection programs?

Kitsap scored a dismal total of 29/130 points in their county-by-county evaluation.

- Kitsap County scored 11 out of a possible 66 points for **regulation** noting that Kitsap County is the only county in the Puget Sound region that does not have an agricultural zoning category and the five-acre minimums do little to preserve larger parcels.
- Kitsap County earned 5 out of 38 points in **development rights** section of the scorecard. Kitsap County has a TDR program that was created in 2006. According to the “Kitsap County Strategic

Agricultural Plan and Inventory”, the program is not focused on a particular resource, but on rural areas collectively and doesn’t allocate conservation futures tax specifically toward agricultural land purchases.

- Kitsap County scored 1 out of 10 points for **tax incentives** in the scorecard, as only 14 percent of their agricultural lands are enrolled in their Current Use Assessment program.
- Kitsap earned 12 out of 16 points for their **economic development** initiatives in the County.

Recommendations: to overcome a “legacy of bad decisions on land use and development” the following would support farmland preservation:

- Create designated agricultural zones
- Designate farmland in agricultural zoning
- Establish staff liaison or ombudsman to the agricultural community
- Create a right-to-farm ordinance

“Cost of Community Services Studies” 2016. American Farmland Trust & USDA NRCS.

Conclusion: Cost of Community Services (COCS) studies are a case study approach used to determine the fiscal contribution of existing local land uses. A subset of the much larger field of fiscal analysis, COCS studies have emerged as an inexpensive and reliable tool to measure direct fiscal relationships. Their particular niche is to evaluate working and open lands on equal ground with residential, commercial and industrial land uses.

Highlights: The COS – Skagit County including the cost of municipal services to residential development vs. working and open lands.

- Residential including farmhouses = \$1.25/acre
- Working and open land = \$.51/acre

“Report to the Legislature.” October 2021. Washington Food Policy Forum. Washington State Department of Agriculture & Washington State Conservation Commission. Olympia, WA

Conclusions: The Washington State Food Policy Forum (Forum) has been convening since 2016 to reflect on key challenges facing Washington State’s food system. Reports in 2019 and 2020 also made recommendations for improving the food system and workplan which have a particular focus on the impacts and opportunities respectively.

Highlights: Assessed and advocated for conservation programs and resources that provide direct financial assistance to farmers to implement best management practices that address impacts of climate change and also provide employment opportunities and economic development. Provide funds and technical assistance for farmers to implement cover crops, no till, organic amendments, etc. which directly supports farm viability and production and addresses conservation and climate change goals. Specifically:

- Support a diversity (in terms of culture, race, geography, size, economic conditions, crops, and markets) of producers accessing useful and relevant technical assistance that helps them successfully navigate market disruptions, enter new markets, and achieve greater economic viability.
- Technical assistance is successful when it meets the needs of producers and is provided by trusted entities.
- Offer BIPOC, LGBTQIA and beginning farmers technical assistance to participate (e.g., navigating financing) and conduct outreach to educate about the opportunity.

- Assist farmers who have not historically been connected to the institutional systems and relationships (Farm to Food Pantry, Farm to School) to participate in wholesale opportunities for these programs and provide help applying for funds.
- Support funding for tools to protect agricultural land from conversion to other uses and assist farmers in transferring and accessing land.
- Incentivize landowners to sell, rent, or lease to beginning farmers, while encouraging producers to take on land-based projects through means.
- Enact policies that reflect the significance of protecting agricultural land, communities, and infrastructure, and place a high priority on this goal.
- Alleviating barriers to small and medium scale farmers accessing markets, including institutional purchasing.
- Support efforts that increase the availability of regional-scale ag related infrastructure (including processing, storage, aggregation & distribution) to increase the economic viability of small and mid-sized agricultural businesses, increase overall local production,
- Identify funding and financing mechanisms for capital investment in regional food system infrastructure that is needed for rural food and ag entrepreneurship-based economic development.

“Land Use Policy Solutions to Stem Agricultural Land Loss”, December 2022. Washington State Food Policy Forum. Washington State Department of Agriculture & Washington State Conservation Commission. Olympia, WA

Conclusions: The Washington Food Policy Forum is charged with increasing the availability of Washington-grown foods throughout the state and provide for the continued economic viability of Washington food production. Recognizing the growing pressure to convert agricultural land to other uses, the Forum identified agricultural land protection as a key topic.

Highlights: Recommendations

- Urban Infill
 - Relieve the pressure to develop agricultural land by requiring cities to allow more options for in-fill housing, such as accessory dwelling units, duplexes, triplexes, townhomes, and courtyard apartments.
- City Annexation and UGA Expansion
 - Prior to allowing a city annexation or urban growth area expansion require the completion of an agricultural impact statement that sufficiently addresses the concerns raised.
- Mitigation for Lost Farmland
 - Require government land use actions that result in the loss of agricultural land, including eminent domain and actions that remove land from agricultural zoning, to be mitigated by conserving adjacent farmland that is comparable in size, soil quality, and agricultural value. If adjacent farmland is not available, farmland in other areas or unfarmed land restored to production can be used for mitigation at a rate of three acres for every acre lost.
- Limited Area of More Intense Rural Development (LAMIRD)
 - The Office of Farmland Preservation and Department of Commerce should evaluate how concentrating growth in Limited Areas of More Intensive Rural Development (LAMIRDs) could be used to prevent or mitigate the loss of farmland.

- Impact of Public Land Acquisition Projects
 - Require state agencies to complete an agricultural impact statement for public projects that involve the acquisition and/or conversion of farmland.
- Water Availability
 - Engage with the Department of Ecology, Department of Commerce, and Office of Farmland Preservation to evaluate and clarify the relationship between the Growth Management Act and Watershed Management Act to plan for adequate legal water for agricultural purposes on lands zoned for or currently utilized for agriculture across the state, including the development and implementation of pilot projects that foster collaboration for providing water for people, fish, and farms, such as water banks, irrigation modernization, and other mechanisms to ensure sufficient water supply for agriculture.
- Solar Siting
 - Implement policies that direct solar development onto lands identified as having “least conflict” through the Least-Conflict Solar Siting process on the Columbia Plateau and develop similar policies statewide. As the highest priority, incentivize renewable energy development on preferred sites, such as rooftops, structures, and brownfields.
- Permanent Protection of Farmland
 - Substantially increase the funding for farmland protection transactions, advancing the previous Forum request of \$100 million dollars for the State Conservation Commission to purchase development rights and agricultural conservation easements, with priority given to historically disadvantaged farmers.
- Conservation Programs
 - Fully fund state voluntary conservation programs to support the viability of agriculture and protect critical areas and habitat.
- Support for Local Governments
 - Increase access to fresh food by supporting urban, peri-urban, indoor, and other emerging agricultural production, directing the Office of Farmland Preservation to conduct a stakeholder review of the opportunities and barriers.

Appendix D – Summary of Kitsap Food Systems Round Table Activities and Models for Kitsap

The Kitsap Food Systems Round Table (KFSRT) began meeting in 2019 as an informal gathering of organizations and agencies involved in food and farming in Kitsap County. Over the last four years attendees have included representatives from Kitsap Conservation District, WSU Kitsap Extension, Kitsap Harvest Gleaning Program, Kitsap County Food Bank Coalition, Kitsap Food Co-op, Kitsap Fresh, Kitsap Farmers Market Alliance, Kitsap Public Health District, Friends of the Farms (Bainbridge), and the Great Peninsula Conservancy. Monthly zoom meetings began during COVID and continue today. The primary purpose of KFSRT is to allow organizations to share resources and information and coordinate activities across all parts of the food system and farm businesses in Kitsap.

In 2021 a few members of the KFSRT identified land access and farmland preservation as important to a robust farm economy and resilient food system and began meeting with local farmers and land trusts to gather information on tools and models with applicability in Kitsap County. An informal Farmland Preservation Working Group began reaching out to surrounding counties including:

- Jefferson Land Works Collaborative <https://www.jeffersonlandworks.org/>
 - The Jefferson LandWorks Collaborative, based in Jefferson County, WA, is a network of local non-profit partners working for a common goal: *To make “working lands” in Jefferson County productive and profitable thus ensuring their long term viability.* Each of the LandWorks partners provide expertise in different areas to help farmers and foresters succeed in Jefferson County. As a group, LandWorks partners work closely with farmers, foresters and other landowners to provide assistance in securing and preserving land, financial advising, marketing opportunities, educational training, and resource management. Partners include the Jefferson Land Trust, Craft-3, North Olympic Economic Development Council, WSU Jefferson County Extension, Jefferson County Conservation District, and the Port Townsend Food Co-op.
- Great Peninsula Conservancy <https://greatpeninsula.org/>
 - Great Peninsula Conservancy is a nonprofit land trust dedicated to protecting the natural habitats, rural landscapes, and open spaces of the Great Peninsula region of West Puget Sound, Washington. While their primary focus is on habitat preservation, in 2014 GPC conserved the 115 acre Petersen Farm Conservation Easement in Kitsap County. They also engaged in preservation of working landscapes in Pierce (Kaukiki Farm) and Mason (Davis Farm) counties.
- Friends of the Farm (Bainbridge Island) <https://www.friendsofthefarms.org/>
 - Contracts with the City of Bainbridge Island to lease and manage 60 acres of city-owned farmland. They work to ensure the future of local farming and build a healthier community through a resilient and equitable food ecosystem.
- Bainbridge Island Transfer of Development Rights Program <https://www.codepublishing.com/WA/Bainbridgelsland/html/Bainbridgelsland18/Bainbridgelsland1827.html>
 - In 2011 City of Bainbridge Island sought to enact a simple, flexible transfer and sale of development rights program that successfully preserves wetlands, high vulnerability recharge areas, agricultural land and open space.
 - In 2019 the City of Bainbridge Island evaluated its affordable housing and transfer of development rights (TDR) incentive programs to understand how they can be better utilized. As the program saw limited use, they determined that their density bonus mechanism needed revision to increase the amount of affordable housing and land maintained for open space.

- Bainbridge Island Land Trust <https://www.bi-landtrust.org/>
 - Protecting 1400 acres since 1989, BI Land Trust will preserve agricultural land but the bulk of their easements and conservation efforts focus on land with significant conservation values such as scenic vistas, wetlands, open spaces, tidelands, forests, unique plant and animal habitats, and stream and wildlife corridors.
- Washington Farmland Trust <https://wafarmlandtrust.org/>
 - Washington Farmland Trust has conserved 30 farm properties, totaling 3,163 acres. Formerly the PCC Land Trust, originally began as an effort to preserve Nash Huber's farm in Sequim, they now conserve farmland across Washington to protect the environment, provide a livelihood for farmers, ensure access to local food, and support rural economies. Their Farm to Farmer program provides land access to a new generation of farmers. We help farmers find the land opportunities they need to grow their businesses, and help landowners sell or lease their land to keep it in farming. We offer personalized technical assistance to current and aspiring farmers, farming and non-farming landowners, veterans, real estate agents, and organizations looking to expand their incubator or ag park programs. Mark Bowman at the NODC is the Farm-to-Farmer Representative in Jefferson and Clallam counties through NODC's role in the Jefferson Landworks Collaborative.
- Puget Sound Commons Agrarian Trust <https://www.agrariantrust.org/commons/puget-sound-washington-agrarian-commons/>
 - The Agrarian Commons is a land-holding model which can be used to cultivate just, resilient, and healthy food systems and economies. The Agrarian Commons hold land in community-centered entities that are 501(c)(2) or 501(c)(25) subsidiaries of the national 501(c)(3) Agrarian Trust. All decision making within an Agrarian Commons takes place in the local 501(c)(2) or 501(c)(25) governance structures. These Agrarian Commons hold land to convey affordable and equitable leases for the purpose of regenerative farming for secure local food access, ecological sustainability, and community benefit. Each Agrarian Commons is supported in various ways by the national 501(c)(3) Agrarian Trust. Agrarian Trust offers some of the same types of traditional land protection that many land trusts do, but the Agrarian Commons model uses lease agreements to also offer protection of whole farms for land access, equity, and affordability for farmers.

Rapidly it became clear to the Working Group land access for beginning farmers was tied to support for economic development and access financial capital, so the working group also explored financing options including

- Steward <https://gosteward.com/>
 - Steward's mission is to promote environmental and economic stewardship through regenerative agriculture. They providing flexible loans to human-scale farms, ranches, fisheries, and food producers looking to expand their businesses.
- USDA Farm Service Agency <https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/index>
 - The Farm Service Agency offers loans to help farmers and ranchers get the financing they need to start, expand or maintain a family farm.
- Washington Housing Finance Commission Farm Protection & Affordability Investment (Farm PAI) <https://www.wshfc.org/farmranch/FarmPAI.htm>
 - This revolving loan program assists eligible entities in protecting important at-risk farmland in order to keep it in production while lowering barriers to land access for beginning or historically underserved farmers and ranchers. It funds the acquisition of fee-title interest in farmland in order to place a conservation easement on the property, protecting its agricultural conservation value and improving affordability.

- Community Development Financial Institutions - Kitsap Credit Union and Craft-3
 - Access to affordable financial products and services is a staple of economically vibrant communities. However, many small businesses and critical community development projects lack access to the capital investment necessary to spark economic growth in their communities. The Community Development Financial Institutions Program (CDFI Program) actively works to address these issues by investing federal resources—which are matched with private funding—in CDFIs working to serve low-income and underserved people and communities.
 - The CDFI Program offers both Financial Assistance and Technical Assistance awards to CDFIs. These competitive awards support and enhance the ability of these organizations to meet the needs of the communities they serve.

Additionally, members of the Working Group participated in webinars and workshops exploring farmland preservation, farm transition/estate planning and land access programming including:

- **USDA NRCS ACEP/ALE Program** <https://www.nrcs.usda.gov/programs-initiatives/acep-agricultural-conservation-easement-program/washington/acep-ale-washington>
 NRCS provides financial assistance to eligible partners for purchasing perpetual Agricultural Land Easements that protect the agricultural use and conservation values of eligible land. In the case of working farms, the program helps farmers and ranchers keep their land in agriculture. The program also protects grazing uses and related conservation values by conserving grassland, including rangeland, pastureland and shrubland. Eligible partners include American Indian tribes, state and local governments and non-governmental organizations that have farmland, rangeland or grassland protection programs. Under the Agricultural Land Easement component, NRCS may contribute up to 50 percent of the fair market value of the agricultural land easement. Where NRCS determines that grasslands of special environmental significance will be protected, NRCS may contribute up to 75 percent of the fair market value of the agricultural land easement.
- **Washington State Conservation Commission Office of Farmland Preservation – Farmland Protection and Land Access (FPLA) Program** <https://www.scc.wa.gov/ofp>
 Established via proviso in the Washington State 2022 Supplemental Capital Budget (SSB 5651), Section 3050. FPLA complements the “Buy-Protect-Sell” category of FarmPAI, a program of the Washington State Housing Finance Commission. FPLA serves the dual purpose of permanently protecting high-quality farmland and facilitating access to land for next-generation farmers and ranchers. FarmPAI provides conservation entities with low-interest loans for the fee-simple acquisition of at-risk farmland. FPLA grants fund the purchase of an agricultural conservation easement. The agricultural conservation easement ensures the land stays open and available for farming in perpetuity. By restricting or removing certain development rights that are incompatible with agriculture, FPLA-funded agricultural conservation easements make farmland more affordable for the future farm owner.

Appendix E - County Farmland Preservation Programs in Western WA

- Skagit County Farmland Legacy Program <https://www.skagitcounty.net/Departments/NRFarmLegacy> \ 1996 -2016 over 10,000 acres preserved
- King County <https://kingcounty.gov/elected/executive/constantine/initiatives/local-food-initiative.aspx>
- Whatcom County – Food Systems Plan - <https://www.whatcomcounty.us/2992/Food-System-Committee>
- Thurston Conservation District – South Sound Farmlink <https://www.thurstoncd.com/working-lands/south-sound-farmlink/>
- Pierce County Conservation Futures Program <https://www.piercecountywa.gov/1477/Conservation-Futures-Program>
- Snohomish County Ag Resiliency Plan <https://snohomishcd.org/farmland-protection>