



CULTIVATING HOSPITALITY AGRITOURISM: Exploring Farm-Stays in Rural Oregon

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SPECIAL THANKS & ACKNOWLEDGEMENTS

A sincere thank you to Rebecca Lewis, PhD and Robert Parker, AICP for providing encouragement and direction on this project as committee chairs. Extra special appreciation goes to the MCRP 2019 Cohort and the Institute for Policy Research staff for their support throughout this process. Thank you to the many individuals who took time to share their insights and experiences for this research. Finally, to number one supporter, Joe, for his constant cheerleading and for being a strong friend to lean on.

Table of Contents

Executive Summary	i
Key Takeaways	iii
Chapter 1: Introduction	1
Purpose	3
Methodology	4
Limitations	4
Chapter 2: The Allure of Agritourism	5
What draws tourists to the farm?	6
What draws farmers to agritourism?	7
Chapter 3: The Legal and Policy Landscape of Agritourism	10
Oregon’s Response to Agritourism	11
Regulatory Findings	15
ADUs in Rural Residential Zones (Senate Bill 88)	16

Chapter 4: Economic and Environmental Impacts of Farm-stays	17
Positive impacts	18
Negative Impacts	25
impacts from adding an ADU to Rural Residential	32
Testimony on sb 88	32
Chapter 5: Findings & Recommendations Related to Farm-stays	36
Summary of Key Findings	37
Recommendations	41
Chapter 6: Next Steps & Implications for Oregon Agritourism	47
Defining Oregon agritourism	48
Next Steps	52
<i>Appendices</i>	53
I. Stakeholder Organizations Interviewed	53
II. Literature Review	53
III. Farm-stay uses	59
IV. Senate Bill 88	67
V. Farm Stay-Pricing Around Oregon	69
VI. Agricultural Farm Stay Fact Sheet: Sonoma County	70
VII. Sample Farm-Stay Ordinance: Sonoma County, CA	73
VIII. TLT Calculations	76

Executive Summary

Agriculture in Oregon is diverse, visible, and an overall defining feature of the state. Oregon farms produce over 225 different types of crops and livestock on about 26% of the land base, 15,962,322 acres, according to the 2017 Census of Agriculture (DLCD, 2017). It is no surprise, then, that the state’s tourism strategy hopes to encapsulate and show off the diversity of the agricultural industry.

TRAVEL OREGON VISION AGRITOURISM FOR 2025

- Oregon is recognized as a world-class destination for interesting, educational, fun and life-changing food, farm and ranch-based experiences.
- Visitors find diverse, accessible and high-quality opportunities to experience excellent food and bountiful landscape throughout the state.
- It’s easy for Oregon visitors to explore, dine and experience life on a farm or ranch, and to connect agritourism experiences with other nearby activities and attractions.
- While agriculture remains the primary function of farms and ranches, exposure to visitors through agritourism enhances these operations.
- The success of agritourism brings increased prosperity to Oregon communities.

Rural tourism is often considered as an economic development strategy to bring economic activity to rural areas experiencing a shrinking tax base. Agritourism, “the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation” is a category of rural tourism that shows potential for growth in the U.S. (Bernardo, Valentin, & Leatherman, 2004; Lobo, 2012). General tourism trends align with a growth opportunity for agritourism, including the desire for an authentic experience (Gartner, 2004).

Tourists are looking for authentic experiences in all aspects of their trip, from what they eat to where they sleep. Farm-stays, overnight accommodations on a working farm, provide this level of authenticity to guests. This opportunity might be equally attractive to farmers, specifically small farms that struggle to remain viable in an age of “big agriculture.” Adding to the urgency, many Oregon farmers are reaching retirement age and lack a succession plan, making the 64% of farmland expected to change

hands within the next 20 years vulnerable to end up in the lands of commercial farm operations or non-farm land seekers (Horst & McAdams, 2017). This shift in land ownership is a threat to character of agriculture in the state, where 97% of farms are owned by a family or individual.

The Statewide Planning Program, first established in 1973, protects farmland from urban development through Urban Growth Boundaries (UGB) and Exclusive Farm Use zoning (EFU). UGBs contain development within designated areas while EFU encourages and protects farm use on land within this zone. There are over 60 farm and non-farm uses allowed on EFU in ORS 215.243, including several pathways for agritourism businesses and farm-stay operations.

As regulations for the Statewide Planning Program were set in the 1970s, proposals to alter policy in order to the address current context of the state arise every legislative session. In 2019, Senate Bill 88 proposes allowing counties to approve one accessory dwelling unit (ADU) in rural residential zones. Propositions like SB 88 bring up all sides of an ongoing debate of addressing new uses outside the UGB.

This research takes into account the interrelated context described above and asks three questions around farm-stays as a component of agritourism in Oregon: How are farm-stays currently allowed under state regulations? What are the potential benefits and negative impacts of farm-stays? How might policy makers harness the positive opportunities around hospitality-agritourism while maintaining the Statewide Planning Program?

KEY TAKEAWAYS

This research employed legal review and stakeholder interviews to delve into current methods of hosting guests on a working farm, the positive and negative impacts of such an activity, and considerations for developing agritourism that respects the Statewide Planning Program.

There are numerous pathways to a farm-stay under current regulations

They are: a campground; room and board; a bed and breakfast; an ADU; or outdoor mass gatherings/agritourism events lasting more than 24 hours. Each pathway is limited by specific regulations depending on zoning (EFU, Forest, Mixed Farm-forest, or Rural Residential). Across Oregon's 36 counties, interpretation and enforcement in each of these uses varies.

Economic impacts are the foremost benefits of a farm-stay for the rural community and the host farmer

The stakeholders interviewed for this project reported that spending from farm-stay tourists results in economic benefits for rural communities and small farmers.

- Fosters repeat customers for other farm products
- Supports clusters of agritourism by having people stay on the farm
- Visitors spend money in rural communities

In 2017, agritourism generated over \$16 million for the 26 of 36 counties that provided data (Census of Agriculture). This figure is not a true representation of the economic impact of agritourism as does not account for all counties (including tourism destinations

like Hood River and Wallowa counties) and is subject to methodology challenges from the high-level national census. Industry trends in agriculture and tourism make agritourism a logical, attractive opportunity. Farmers are seeking additional income and tourists are seeking an authentic rural experience. Over half of farmers working outside jobs to supplement their incomes, and agritourism does increase revenues for Oregon farms that offer it. Additional research on the economic impact of agritourism for both farmers and rural communities are important next steps.

Agritourism stakeholders share aspirational views of the social benefits provided by farm-stays

- Fosters an appreciation of agriculture
- Supports preservation of natural and cultural landscapes
- Opportunity for environmental education
- Impact on resident's outlook on policies

While these non-market benefits are difficult to quantify, they represent an important outcome and motivation for farmers interested in agritourism (Ollenburg & Buckley, 2007).

Complaints arise when visitors act inappropriately in rural environments

Most complaints result from guests either knowingly or unknowingly acting inappropriately on the farm. Thoughtful planning and strong communication with guests are probably the best remedy to this problem. The permitting process can also help mitigate these issues. When a public hearing is held, the community can express their concerns upfront and the decision-making body can apply conditions to mitigate their concerns. It is the role of state- and local-level support programs help



Oregon Wine Board

build the capacity for agritourism operators to set up and communicate guest expectations as preventative measures.

Develop of a policy framework that supports an agritourism economy while maintaining farmland for future generations

Key components of this framework include:

- Develop a working definition of agritourism so stakeholders can have conversations in a space of shared understanding
- Provide clarity and transparency around the pathways to operators to develop a farm-stay
 - Discretionary decisions based on clear, and measurable definitions of ‘incidental’ and ‘subordinate’ to farm-use
 - Public hearing process to mitigate conflicts before they happen

Consider farm succession as one objective of agritourism policy

Research indicates that young people are more interested in and successful at agritourism businesses (Barbieri & Mshenga, 2008; Tew & Barbieri, 2012). The average age of Oregon’s farmers is 60 years old and young people face multiple barriers to entering the field (Horst & McAdams, 2017). Therefore, the possibility that agritourism can support farm succession is an opportunity too perfect to ignore. Agritourism provides an opportunity for the next generation to be meaningfully involved in the farm operation while earning capital in order to purchase land when their family retires. An eye towards farm succession as goal of agritourism policy would be beneficial those who are most likely to use the



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opportunity, small and medium family farms. Across the state as a whole, a strong agritourism industry supports favorable outcomes for maintaining a high percentage of family farms contributing to a strong agricultural sector.

If SB 88 passes, more ADUs would become available for farm-stays and, more generally, accommodations near agritourism activities

Senate Bill 88 represents an opportunity to develop a rural tourism industry. By allowing one ADU on Rural Residential (RR) lots, there is the potential for 1) more permanent residents that provide customers or employees for the ag industry, 2) rural accommodations nearby agritourism operations in jurisdictions that opt to allow short-term rentals, and 3) an additional method of hosting a farm-stay for property owners who farm on RR. While increasing the number of people in RR zones is associated with positive economic outcomes, it also mirrors some of the typical concerns associated with agritourism. Negative implications include increased strain on rural infrastructure, change in property value, and deteriorating the urban-rural buffer zone.

Next Steps

This study illustrates a need for more data and monitoring as current positive and negative implications of agritourism are based in experience and anecdotes of planners and other stakeholders across the state. This report contains an initial attempt to document these experiences and anecdotes to point policy-makers in a direction that supports small farmers and preserves resource lands. More research in the areas of economic impact and land use will further support a policy framework that achieves these goals, specifically, information on how agritourism activities implicate farmers behavior/yields/succession planning and cumulative impacts of agritourism.

Chapter 1: Introduction



Oregon’s food and fiber industry represents an important and defining part of the state’s economy. The industry accounts for 13% of all Oregon sales (\$50 billion) and 326,617 full and part-time jobs (Sorte & Rahe, 2015).

Stringent land use laws protect agriculture in Oregon, but these laws also erect barriers for farmers trying to make a living in the low-margin, high-risk field. Since 1974, 65,600 acres of ag land were taken out of exclusive farm use (EFU) zoning. (Anderson Brekken et al., 2016).

Meanwhile, the average age of farmers is increasing, and young people face challenges to entering the field, like limited access to land, capital, and training. Agritourism offers an opportunity to counteract these downward trends for entrepreneurial land owners.

On a global scale, the U.S. lags behind Asia and Europe in growth of agritourism (Bernardo et al., 2004). However, the U.S. Census of Agriculture shows an increasing trend in agritourism in both the number of farms and farm income from agritourism (AgMRC, 2016). Nationally, California is an agritourism leader with a reported 700 farms averaging more than \$50,000 in agritourism income (Neuman, 2011). Hawaii, Vermont, and several other states have also made a name for themselves in agritourism (AgMRC, 2016). Oregon is considered to be a proud agriculturalist state and burgeoning tourist destination with visionary land guardianship. The state’s unique context necessitates an agritourism policy-framework follows suite and acts to support farmland and farmers for future generations. ■



60 years old

average age of Oregon farmers



65+ years old

largest share of all principal farm operators



44% female



3% young producers

35 years of age or younger

Tourism in Oregon is a \$12.3 billion industry (Dean Runyan Associates, 2019). In 2017, agritourism generated \$16,099,000 (Census of Agriculture, 2017). A small subset of the agritourism industry is **farm-stays** – or overnight accommodations on a working farm. This report delves into farm-stays as an upcoming opportunity for tourism and agriculture to support rural economies and farmers. As visitation and spending in Oregon have increased for the ninth consecutive year, and overnight trips have increased 2% annually since 2010, there is a market to develop accommodations that welcome visitors with an authentic Oregon farm-stay.

At press time, **Senate Bill 88 (SB 88)** is under consideration in the 2019 Legislative Session. SB 88 would allow counties to authorize ADUs on land zoned rural residential. The bill is contentious because it would add density to areas outside UGBs, which some consider a threat to the Statewide Planning program as a whole. The potential pros and cons of SB 88 is discussed further in [Chapter 4](#). If passed, more ADUs would become available for farm-stays and, more generally, accommodations near agritourism activities.

Definitions

Agritourism

University of California Small Farms Program’s widely used definition refers to agritourism as “the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation” (Lobo, 2012).

Agritourism uses encompass activities including:

- Outdoor recreation
- Educational experiences
- Entertainment
- Hospitality services
- On-farm direct sales

Accessory Dwelling Units (ADUs)

In Oregon State Statute, “Accessory dwelling unit” means a residential structure that is used in connection with or that is auxiliary to a single-family dwelling (Accessory dwelling units in rural residential zones, 2017). ADUs have a smaller footprint than a single-family home, but can take the shape of a detached, attached, or internal unit. In some cases, ADUs are used as short-term rentals.

Short-term rentals (STRs)

STRs are housing units, rented or leased for less than 30 days; not officially defined by state or federal authorities (DiNatale, Lewis, & Parker, 2018). Airbnb and VRBO (Vacation Rentals by Owners) are examples of online platforms market STRs.

PURPOSE



Goal 3: Agricultural Lands

To preserve and maintain agricultural lands.

*Agricultural lands shall be preserved and maintained for farm use, consistent with existing and future needs for agricultural products, forest and open space and with the state's agricultural land use policy expressed in ORS 215.243 and 215.700.

1. Urban growth should be separated from agricultural lands by buffer or transitional areas of open space.
2. Plans providing for the preservation and maintenance of farm land for farm use, should consider as a major determinant the carrying capacity of the air, land and water resources of the planning area. The land conservation and development actions provided for by such plans should not exceed the carrying capacity of such resources.*

Oregon's Statewide Planning Goals & Guidelines GOAL 3 AGRICULTURAL LANDS OAR 660-015-00003



Goal 14: Urbanization

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Urban Growth Boundaries

Urban growth boundaries shall be established and maintained by cities, counties and regional governments to provide land for urban development needs and to identify and separate urban and urbanizable land from rural land.

Oregon's Statewide Planning Goals & Guidelines GOAL 14 URBANIZATION OAR 660-015-000014

While tourists are increasingly interested in rural excursions and accommodations, Oregon's Statewide Planning Program provides separation between urban and rural uses. Goal 3: Agricultural Lands, and Goal 14: Urbanization, form the groundwork of this issue. While preservation of agricultural land is the foundation of the Statewide Planning Program, today's economy pressures small farmers to diversify their business in ways not considered when the law was established in the 1970s.

An increasing awareness of Oregon's local food systems have supported the growth of the state's viticulture and agritourism industries. Hospitality services, such as a farm-stay, represent a specific opportunity in this market. The purpose of the research project is to explore the economic and environmental impacts of farm-stays in rural Oregon. This study examines current methods for on-farm lodging allowed under state statute. A discussion of the economic and environmental impacts of on-farm accommodations will establish viewpoints from numerous sides of the issue and begin to fill an existing research gap on agritourism in Oregon. This study also considers the future or farm-stays, specifically examining the potential for ADUs to be allowed in rural areas.

The analysis in the project is intended to offer insight for planners and policy-makers on an approach to farm-stays that achieves the best of both worlds – economic support to farm families and rural communities while maintaining Oregon's precious resource land. The report does not offer a simple solution, but rather a nuanced discussion to inform conversations at both state and local levels.

METHODOLOGY

To begin, the study uses legal review to understand how Oregon statute currently allows for overnight accommodations on a working farm. The regulatory findings are presented in [Chapter 3](#). Then, the study gathers institutional knowledge and anecdotal experiences from on-the-ground players in agritourism. Through interviews of county officials, interest groups, and state agencies, the report presents original research to reflect on the questions: What are the potential benefits and negative impacts of farm-stays? How might policy makers harness the positive opportunities around hospitality-agritourism while maintaining the Statewide Planning Program? Ten interviews were conducted from January to May 2019. Interviewees responded to questions about their experiences and viewpoints on the positive and negative impacts from farm-stays. Additionally, the interviewees reflected on the future implications of SB 88 and other efforts in the same vein that are likely to come up down the road.

A list of interviewee organizations and the interview guide appears in [Appendix I](#).

LIMITATIONS

This research was motivated by the lack of concrete data to inform conversations about agritourism. The scope of this project could not accommodate methods such as surveys or GIS analysis to contribute primary data to this cause. Within the given methodology, interview data presents a limited range of perspectives based on who was willing to participate. Some interview prospects were unable to devote time to the research in the midst of the legislative session. Additionally, more participation from the farm community would generate a more nuanced assessment.

Chapter 2: The Allure of Agritourism



The challenges of earning a living solely off farm production drove almost one-third of U.S. farm households in 2017 to engage in alternative “noncommodity production” activities to increase their household income (Vogel, 2012). That totals 686,600

households working on 791,000 income-generating activities. About half of these activities were considered on-farm diversification, which includes agritourism and vending at farmers markets. Although on-farm and off-farm activities were roughly equal, it is the off-farm activities (i.e. a farmer working another job) that generated the majority (80%) of noncommodity business income. In Oregon, just 42% of farmers claim farming as their primary occupation (Census of Agriculture, 2017). That means the majority of farmers divide their time on and off the farm.

Although it is not for every farm, or every farmer, agritourism is an exciting opportunity for farmers spend more of their time on the farm and share their trade. Agritourism is not a new

concept, especially in Europe where farm tourism and farm-stays have been popular for decades (Bernardo et al., 2004). But authors Busby and Rendle propose that it has undergone a shift from “tourism on farms” to a more legitimate sector they dub “farm tourism” over the past several years (2000). This struggle over whether agritourism enterprises are primarily farms or tourist destinations is what makes the topic a complex planning and policy issue, particularly in Oregon where resource land is protected at the state-level. Busby and Rendle argue that “farm tourism needs to be seen in the wider context of rural tourism given that it forms a key component of both the accommodation supply and many of the day attractions available.”

In Oregon, the tourism industry is likely to agree with Busby and Rendle while land use watchdog groups, such as 1000 Friends of Oregon, regard agritourism more cautiously. This chapter presents a snapshot of the existing literature and data on the forces that draw tourists out to farms and the motivation for farmers welcoming them.¹ ■

¹ Note: As literature specifically on farm-stays is limited, this chapter speaks more broadly about agritourism.

WHAT DRAWS TOURISTS TO THE FARM?

Rural tourism is an important and growing subset of tourism, particularly as it attracts and retains tourists for longer visits (Bryson & Salazar, 2012). According to the literature, most rural tourists are from nearby city centers (Gartner, 2004). Upward trends in rural tourism include:

- “Increasing levels of education, encouraging exploration and outdoor learning activities
- Growing interest in heritage, tradition, authenticity of rural life
- The search for personal contact in a world of mass travel in a world of anon hotels, shopping malls, and video entertainment
- A trend of taking multiple holidays per year, with opportunities to take a second short break in a rural area
- Increasing health consciousness, giving a positive appeal to a rural lifestyle, and values such as fresh air, activity opportunities, and stress-free situations
- Market interest in high performance outdoor equipment from clothing to all terrain bikes and high-tech climbing equipment
- Growing interest in specialty foods and traditional country cooking techniques
- An aging but active population retiring earlier but living and traveling far into old age” (Gartner & Lime, 2000)

There is a potential market to expand agritourism in the U.S. as an additional income source for farmers and a means to stimulate rural economies (Bernardo, 2004). Consumer’s number one reason to visit markets or agritourism sites was to learn about where the product came from and what the process involves (Onyango, Govindasamy, & Alsup-Egbers, 2015). The second reason was to get out of the city and experience nature. With the abundant data on consumer preferences on local food, individual farms and specialty regions that wish to pursue agritourism can understand the market and tailor their business ventures to be educational, experiential, and functional for visitors looking to purchase ready-made options.

WHAT DRAWS FARMERS TO AGRITOURISM?

Since agriculture has always been low-margin, high-risk industry, local and smaller scale growers see the emerging local food movement as an economic opportunity. Nationally, Oregon is capitalizing on these trends with higher percentages of farms certified as USDA organic and farms serving direct markets compared to other states (Horst, 2019). However, the 2017 USDA Census of Agriculture reported a 9% drop between 2012 and 2017 in Oregon farms with an annual net gain.² Nationally, the sector followed a similar trend with an 8% drop.³ Small farms in particular face mounting pressure from the concentration and agglomeration of the ag industry. Data from 2017 found that less than half – 41% in Oregon and 42% in the U.S. – of producers' primary occupation is farming.⁴ As farmers struggle to make a living solely off their land, they must either seek employment off the farm or attempt to diversify their on-farm income. Agritourism is one method of generating this additional income. In a recent study of agritourism providers in California, 75% of respondents named the need to increase profitability as a reason for entering agritourism (Rilla, Hardesty, Getz, & George, 2011).

Trends in agritourism between 2012 and 2017 paint an interesting picture. In Oregon, there was a 16% decrease in the number of farms engaged in some agritourism venture, but a 51% increase in the amount of revenue brought in. The U.S. experienced similar trends, a 14% decrease in the number of farms and a 35% increase in revenue.⁵ The reason behind the drop in the number of farms operating agritourism businesses is unknown. It could be that producers decided their agritourism enterprise was more work than it was worth. Some may have tried and failed due to lack of business acumen or marketing expertise, demand in their area, or permitting/liability barriers. Another potential factor is the decreasing number of farms in general, particularly small or medium-sized farms, that would be drawn to this type of diversification. Even though the number of farms operating agritourism decreased on a national scale, there may be reasons specific to Oregon that caused the decline in our state.

² Farms with total production expenses equal to market value of agricultural products sold, government payments, and farm-related income are included as farms with gains of less than \$1,000.

³ Table 4. Net Cash Farm Income of the Operations and Producers: 2017 and 2012

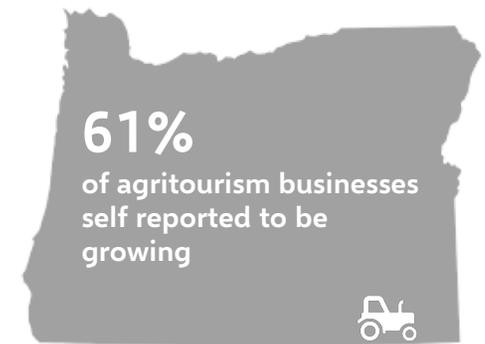
⁴ Table 45. Selected Operation and Producer Characteristics: 2017

⁵ Table 6. Income From Farm-Related Sources: 2017 and 2012

In a 2018 survey of Oregon's agritourism network, 61% of respondents actively engaged in agritourism indicated their business was growing (Warren, 2018). The Census showed those engaging with agritourism saw an increase in the amount of revenue for their farm. Again, the precise reason behind this is unknown. Perhaps some producers are becoming more efficient in running their business, their offerings are gaining popularity year-over-year, or they are charging more for their activities. There may also be an increase in higher priced activities, such as farm-stays or fancy dinners, that bring in \$100s of dollars over small events like a \$10 per person corn maze charge. Or, the increase in revenue might simply reflect an increasing demand for rural and farm tourism. More research is needed to be able to explain these trends. It will be important for policy makers to know what forces are behind the numbers in order to achieve their desired outcomes.

For example, policy makers should be aware that agritourism has the potential to support multiple different types of farmers. Research on economic and social motivations for farm tourism differ across characteristics of farmers (Ollenburg & Buckley, 2007). Part-time farmers can benefit from agritourism if it allows them to keep their land to pass it on to future generations. Retirement farmers are drawn to agritourism as a social opportunity and to continue to earn income in a less labor-intensive manner. Older lifestyle farmers are seeking retirement income as well as social opportunities. Younger lifestyle farmers are interested in bringing their family up in a rural environment and are drawn to agritourism to avoid having to get off the farm to work.

Furthermore, the business decision to operate an agritourism business may be more nuanced than simply seeking an influx in revenue. A survey of farm tourism operators in Missouri found



Fry Family Farm in Medford opened a farm store and commercial kitchen to support distribution of organic producers in the region. The Fry daughters, pictured above with their parents, are heading the venture.

that market driven goals, particularly capturing new customers and educating the public, are highly important to producers (Tew & Barbieri, 2012). Farm profitability and family connections also rated highly.

In sum, there is a symbiotic relationship at work – farmers are seeking additional income and tourists are seeking an experience only the countryside can provide. Over half of farmers working outside jobs to supplement their incomes, and agritourism does increase revenues for Oregon farms that offer it. Meanwhile, agritourism is a draw for multiple different groups of tourists, from baby boomers to millennials with families. While these two forces reciprocal, the land use side of the issue creates a layer of complexity. The following section adds the land use perspective to the equation with the legal and policy landscape of agritourism and the regulatory framework for operating a farm-stay.

Chapter 3: The Legal and Policy Landscape of Agritourism



In 1973, the Oregon Legislature passed Senate Bill 100—the landmark legislation that established Oregon’s land use planning program. The program requires incorporated cities and counties to develop and adopt comprehensive land use plans. The foundations of the system are Urban Growth Boundaries (UGBs) and resource land zoning. UGBs are effectively a line of demarcation between urban and rural uses. Resource land zoning is intended to preserve Oregon’s “working lands”—lands that are used for farming and forestry. Goal 3, Agricultural Lands, is intended to preserve Exclusive Farm Use (EFU) lands for agricultural purposes. Since 1974, 65,600 acres of ag land were taken out of EFU zoning in Oregon (Anderson Brekken et al., 2016).

In today’s context, planners and policy-makers face many challenges to maintain the existence and relevance of resource land, which makes up much of the state as seen in Figure 1. One such challenge is how to regulate agritourism – something that was not likely considered in the 1970s when regulations

around farmland were developed. At the time, there was a higher prevalence and capacity for family farms to thrive (Horst, 2019). Nearly 50 years later, the landscape has changed dramatically from forces such as U.S. policy that favors intensive production and the consolidation of farms. Yet, 97% of farms in the state are owned by a family, an individual, or a family-held corporation. However, “while Oregon continues to have a strong majority of individual land ownership associated with family farming, that picture is changing incrementally to more ownership by corporations and investors. A wide range of nonfamily actors, including some without agricultural motivations, are buying larger farm properties” (Horst, 2019). Thus, addressing the questions around agritourism is pertinent to preserving Oregon’s farm industry.

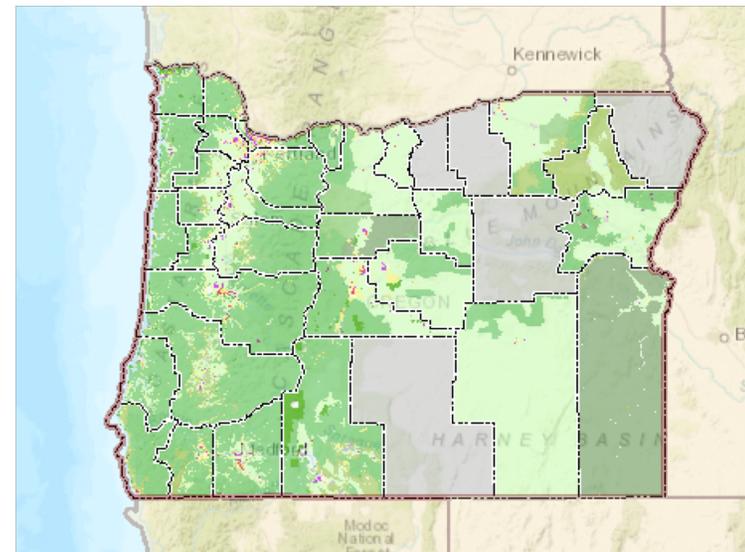
This chapter is devoted to the regulatory framework that protects farmland and the ways agritourism, specifically farm-stays, are allowed within that framework. It will also introduce several key players in involved in shaping the agritourism landscape of Oregon in the years to come. ■

OREGON'S RESPONSE TO AGRITOURISM

Agritourism is mentioned as a marketing priority for the Oregon Tourism Commission, Travel Oregon, in ORS 284.111 as a “high-yield visitor segment”. However, statute terms agritourism only for legal and regulatory purposes. ORS 30.671 defines an ‘**agritourism activity**’ as “an activity carried out on a farm or ranch that allows members of the general public, for recreational, entertainment or educational purposes, to view or enjoy rural activities, including farming, wineries, ranching and historical, cultural or harvest-your-own activities or natural activities and attractions.” The definition also stipulates that an activity is considered an agritourism activity whether or not a person paid to participate. Statute also defines an ‘**agritourism professional**’ as a “person who is engaged in the business of providing one or more agri-tourism activities, whether or not for compensation.”

In the Agritourism Handbook, Travel Oregon employs the term to mean “any activity that generates supplemental income for working farms and ranches by connecting their resources and products with visitors.” However, the same report acknowledges additional interpretations, including the one mentioned in the introduction of this report from the California Small Farms Program. As an agent of the state, the Department for Land Conservation and Development (DLCD) references both the state statute and Travel Oregon on their

FIGURE 1: OREGON COUNTY ZONING MAP



Legend

- Public/Open Space/Conservation
- Exclusive Farm Use
- Mixed Farm-Forest
- Primary/Secondary Forest
- Range Land
- Rural Residential
- Commercial
- Industrial

Source: © 2019 Microsoft Corporation, Earthstar Geographics SIO | ODOT, DLCD, Legislative Administration | Oregon Department of Land Conservation and Development (DLCD), with support from the Oregon Department of Transportation (ODOT) | Esri, HERE, Garmin, NGA, USGS, NPS | Esri, HERE, NPS

agritourism webpage. In 2015, DLCD provided a model code update for EFU and forest zones. In that document, they define agritourism as:

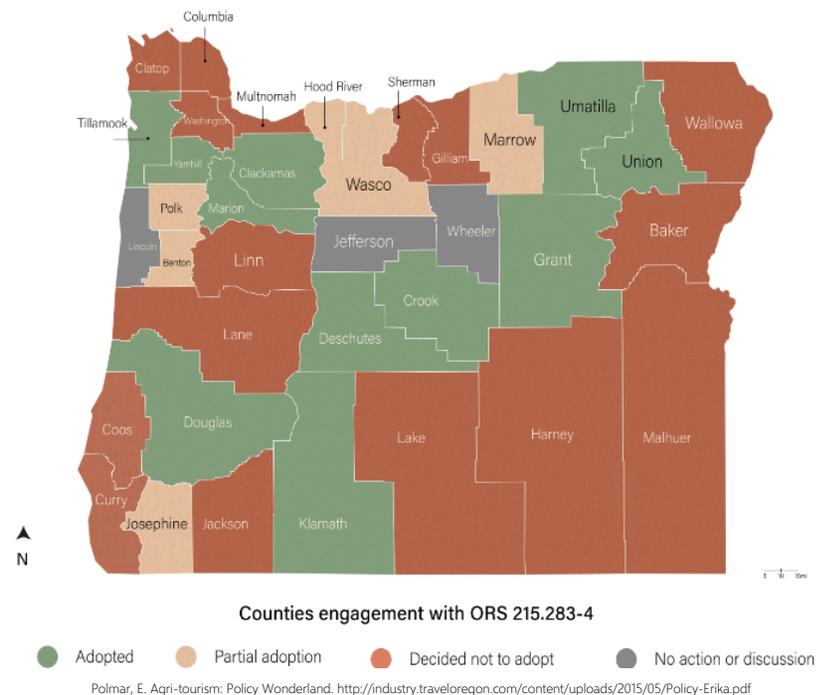
“A common, farm-dependent activity that promotes agriculture, any income from which is incidental and subordinate to a working farm. Such uses may include hay rides, corn mazes and other similar uses that are directly related to on-site agriculture. Any assembly of persons shall be for the purpose of taking part in agriculturally-based activities such as animal or crop care, tasting farm products or learning about farm or ranch operations. Agri-tourism may include farm-to-plate meals. Except for small, farm-themed parties, regularly occurring celebratory gatherings, weddings, parties or similar uses are not Agri-tourism” (DLCD, 2016).

Senate Bill 960

In the 2011 legislative session, Senate Bill 960 (codified as ORS 214.283-284) passed to “create processes by which a county may conditionally approve agritourism and other commercial events or activities related to and supportive of agriculture in area zoned for exclusive farm use, including area designated as rural reserve or as urban reserve.” The bill allowed each county to decide how to implement the regulations. As seen in Figure 2, there was wide variation across the state as counties opted to implement the parameters as they were written, a lesser version, or no part of the regulation. Even if a county did not adopt any part of the regulation in SB 960, they are still authorized to enforce what is written at the state-level.

A key player in agritourism development, the Oregon Department of Agriculture, issued a resolution in September

FIGURE 2: OREGON COUNTIES ADOPTION OF ORS 214.283-4 [SB 960]



2012. The resolution clearly articulates the Board’s response to SB 960 including that it “does not support the use of agricultural lands for activities related to entertainment and tourism and other events except under strictly defined circumstances.” Further, ODA specifies that any agritourism activity should be directly related to commercial farm-use or processing on-site, be subordinate to the farm-use, and be compatible with farm practices in the area. ODA reaffirmed this stance in February 2017.

Land conversion a principle concern of allowing agritourism for farmland protection advocates. If agritourism causes property values to increase, it is hard for farmers to afford land. Since we are not making any new farmland, this price increase is detrimental to farmers trying to grow their operation and new and beginning farmers. Oregon’s land use laws should protect against impermanence syndrome (referring to a farmer’s uncertainty about the future and subsequent decision to invest less into their agricultural operation (Wu, 2008)) by ensuring minimal conflicts to farm-use. Measure 49, another effort to protect land owners, passed in 2007. Measure 49 may qualify a land owner for compensation if the state or local government enacts a land use regulation that restricts a residential or farm/forest use and reduces the fair market value of a property.

Among organizations with a stake in the agritourism game, there is not consensus on the definition or purpose of agritourism. Similarly, counties exhibit varying levels of support for agritourism. Nonetheless, agritourism operations are happening all across the state. As agritourism develops and the policy conversation continues, stakeholders are interested cumulative impacts that stem from a cluster of agritourism activities.

Cumulative Impacts of Multiple Agritourism Activities

Oregon’s statewide tourism organization, Travel Oregon, has identified agriculture and culinary products as a natural fit for the state. Oregon has four ‘food trails’ to market specific clusters of agriculture and culinary businesses. The North Coast, East Gorge, Great Umpqua, and Wild Rivers Food Trails were developed in part to encourage longer stays, visitation in different seasons, and repeat visitation. Networked tourism programs like these would benefit from increased opportunities for farm-stays in rural areas.



Travel Oregon launched four ‘food trails’ in 2018 that now encompass 193 businesses, including farms, restaurants, and other artisan producers.

However, state and local governments are concerned with the cumulative impacts of clusters of non-farm activities. This is a relatively unstudied area, however, an important one for determining the future of agritourism in Oregon. The general concern with non-farm clusters is the broader detriment to surrounding farm operations that are not partaking in such activities. A dissertation on the topic from 2017 argues that “non-farm uses and dwellings, inside protected agricultural zones, are proliferating unbeknownst to the majority of the public, while their impact on an increasingly precarious industry are nebulous” (Chun, 2017). Results of this study indicate that agritourism and viticultural uses are clustered within the Northern Willamette Valley study area (See [Appendix II](#) for a brief summary of results). More research and site visits are needed to determine if the agritourism clusters impact the overall productivity of the farm economy.

REGULATORY FINDINGS

Despite the many undecided facets and unknown impacts of agritourism, state law has several conduits for agritourism and farm-stays. Table 1 shows the baseline opportunities for hosting overnight guests in the various rural zones. Resource zones, EFU and forest, have the most restrictive regulations, but still allow for many farm-stay opportunities. Mixed farm-forest zones allow uses authorized in EFU. Finally, the rural residential (RR) zone tends to allow overnight stays with fewer restrictions. Permitted uses for RR vary by county, the report will use Lane County (Chapter 16) as an example.

TABLE 1: USE OPTIONS TO OPERATE A FARM-STAY BY ZONE, LANE COUNTY

	EFU	Forest	Mixed farm-forest	Rural Residential
<i>Campground</i>	X	X	X	X
<i>Room & Board*</i>	X	X	X	X
<i>Bed and Breakfast</i>	X ^{HO}	X ^{HO}	X ^{HO}	X
<i>Accessory Dwelling Unit</i>				X
<i>Destination Resort^E</i>	X	X		
<i>Outdoor Mass Gatherings</i>	X	X	X	
<i>Agritourism Events</i>	X	X	X	

*Room & Board: EFU -limited to 5 unrelated persons; Forest & RR – 15 rooms for recreation (hunting & fishing) purposes

^{HO} Home Occupation

^E Destination Resort is realistically only applicable in Eastern Oregon and Deschutes County due to requirements that it be consistent with Statewide Planning Goals (namely Goal 8) and 197.445 *Destination resort criteria*.

NOTE: Rural Residential uses may vary by county. Table 1 reflects Lane County, Chapter 16.

[Appendix III](#) contains detailed tables on each category including definitions (or lack of a definition), limitations, and requirements for this use. Where applicable, the DLCDC Model EFU Zone appears under current regulations.

ADUs IN RURAL RESIDENTIAL ZONES (SENATE BILL 88)

ADUs are currently allowed in RR parcels with a historic home that meet specified conditions. If approved, SB 88 (2019) would authorize a county to allow a property owner in a rural residential zone to construct one accessory dwelling unit (ADU) under specified conditions. A summary of conditions laid out in the bill can be found in [Appendix IV](#). A similar legislative effort took place in 2017 but did not pass.

There is no clear intent of SB 88. Some supporters believe it has the potential to alleviate the housing crisis while others support the bill as a means to address farm worker housing. A somewhat less common take is the opportunity to legalize already existing ADUs. As written, the bill would allow each county to determine if ADUs could be used as short-term rentals (STRs). In counties that allow STRs, the outcome of this bill becomes relevant to this research. STRs in RR would increase accommodation options for rural tourism. For those who farm RR land, ADUs could become another avenue for farm-stays. Whatever the case, ADUs outside of the UGB are an enduring topic in which multiple groups are eager for a state decision.

The interview process affirmed that property owners on all zoning designations are using the methods in Table 1 to host guests. Business that operate on a working farm would be considered farm-stays. The following chapter digs into potential positive and negative impacts of farm-stays. Other rural tourist accommodations and long-term housing opportunities are also relevant to the conversation as they provide tourists the opportunity to stay closer to agritourism and build a customer base for farmers in the area. The potential impact of increased rural accommodations (*not* on a working farm) is also discussed more generally, in the context of SB 88.

Chapter 4: Economic and Environmental Impacts of Farm-stays



As rural tourism receives increasing attention and patronage, positive economic benefits are often first to come to mind. Many reports and organizations express a general concern over the impacts of agritourism (DLCD, 2017; Daniels, 2016), but very little is written about specific

impacts. This chapter outlines a list of economic and environmental impacts of farm-stays. The impacts were generated from practitioner interviews including county planning staff, farmers, and other individuals who interact with agritourism professionally.

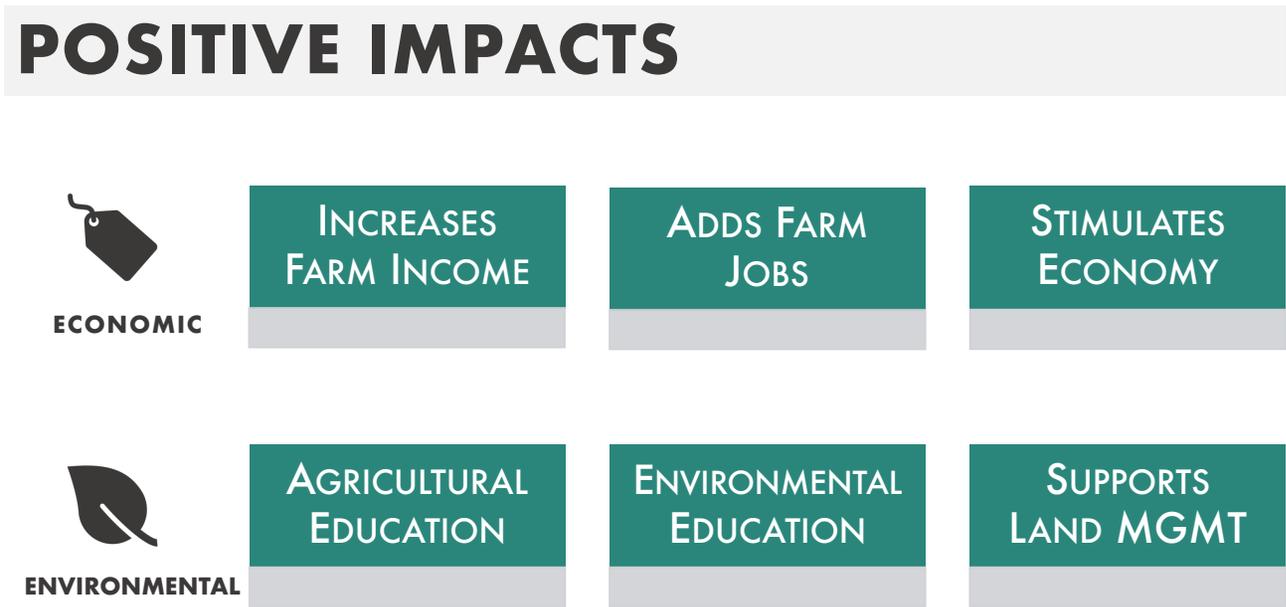
Positive impacts included an increase in farm income, stimulus for rural economies, education to encourage more local purchases, environmental education, active land management,

an opportunity for the next generation to become involved on the farm, and cultivation of support for the ag industry. Negative impacts include a broad list of concerns around compatibility with farm use. Other potential negatives are diversion of labor, strain on rural infrastructure, impacts to natural resources, change in rural character, and cumulative land use impacts.

This list is not exhaustive, and it is fair to assume that not all impacts occur with all operations. The discussion of impacts may prove useful for those involved in agritourism policy decisions. For counties, a useful next step may be to develop a more specified list of impacts relevant in that area. Counties might consider tracking complaints in order to better understand the concerns of their rural residents. ■

POSITIVE IMPACTS

There are a host of positive impacts generated from farm-stays. Broadly, these can be broken down into economic and environmental categories. Within the economic category, farm-stays can increase revenue on farms, give the next generation/beginning farmers the opportunity to be meaningfully involved a farm operation, and stimulate the rural economy. Environmental impacts include an opportunity to educate urbanites on sustainable growing and land management practices, foster support and appreciation of rural and agricultural economies which may translate into their voting behaviors, and support active land management practices to keep the farm guest-ready.



Summary of Positive Economic Impacts

ADDITIONAL INCOME

Not surprisingly, additional income was commonly the first positive impact to come to mind for interviewees. This can come in two forms, direct and indirect. Direct income is generated from people paying to stay on the farm, participate in fee-based activities, and/or purchase products. Indirectly, farm-stays and associated activities can cultivate repeat customers. Several interviewees mentioned cases where farm-stay guests became loyal customers, for example, purchasing a whole/half animal on an annual basis. Many farmers also operate an online store, creating another avenue for tourists sustain the farm after their farm-stay experience. These customers add stability to annual farm income.

Additional income can serve many purposes for a farm. It may provide enough to help some farmers operate in the green while allowing others to expand their operation. Still, for others, this source of income may allow them to stay on the farm into retirement. For small farms with low margins, a farm-stay might be a natural fit to diversify their income.

SIMULATES RURAL ECONOMIES

In addition to increasing farm revenues, economic impact of farm-stays extends into the rural community. The existence of agritourism brings visitors to the region who might not otherwise visit. Farm-stays, or other nearby accommodations, allow visitors to stay longer and spend more. Longer stays also open up the potential to visit more agritourism sites, such as a winery.



Annual Farm-Stay Income

The average overnight visitor spent \$184 per person, per day on accommodations in Oregon.*

If a farm-stay charged \$184/night and guests 200 nights per year, revenue would total \$36,933. If the farm-stay was only rented 150 nights per year, revenue would total \$27,700.

*The average was calculated based on 2018 expenditures for overnight visitors at all lodging where a lodging tax is collected, except campgrounds

Dean Runyan Associates. (2019). Oregon Travel Impacts Statewide Estimates. Page 6. industry.traveloregon.com/content/uploads/2019/04/OREconomicImp18_DeanRunyan.pdf

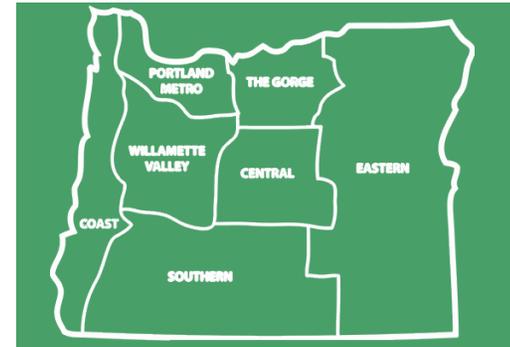
Appendix V lists farm-stay pricing for a random selection of existing operations around the state.

In the case of wineries and cideries, the option of overnight accommodations might allow visitors to partake more fully without the worry of getting on the road. For many rurally located tasting rooms, driving a personal vehicle is one of the only options available. Winery/cidery guests opting to spend the night would not only drive up purchases, but also increase safety and reduce the potential of accidents. Finally, rounding out a visit to a rural tasting room with an overnight stay creates a memorable experience. Tourists, especially millennials, can take pictures to share with their networks on social media. From a marketing perspective, this helps reach additional potential customers and creates informal brand ambassadors.

In economic terms, an influx in rural tourism could have a multiplier effect on local economies. This is the idea that new spending in Oregon’s rural communities makes that economy better off. Research has shown that new economic activities (such as agritourism) have had “significant and predictable multiplier effects on the rest of the local economy” (Johnson, 2001). A growing tourist economy supports development the service sector of an area, which serves tourists and residents alike.

ADDED OPPORTUNITY FOR FARM WORKERS

The addition of a farm-stay might necessitate reallocating a portion of a current employee’s time to the farm-stay operation. Eventually, farmers may hire an additional worker to take care of this side of the business. In some families, the younger generation might be interested in working on the farm, but the current



A 2014 study in Central Oregon found that a sample of 28 local food producers **supported 28 full and part time jobs, generated \$1.5 million in total sales, and created \$248,000 in income.** Indirectly, purchases made by these producers supported an additional 7 jobs, \$173,500 in labor income, and \$679,000 in sales across the broader economy.

Rahe, M., Weiland, J., Gwin, L., & Van Dis, K. (2017). Economic Impact of Local Food Producers in Central Oregon. 33.

operation has no place for them. In such a case, the development of a farm-stay provides an opportunity for the next generation to become meaningfully involved in the farm operation. This supports family-farm succession by allowing a younger member of the family to play a role in diversifying farm and learn from the current generation. In circumstances where there is not a successor in the family, new and beginning farmers could benefit follow the same path to get an in with a farmer who is interested in mentoring the farm's next owner.



Farm-stay in a 1970 Airstream Land Yacht at Pholia Goat Farm, Rogue River, OR. Classes on cheese making and keeping goats are held periodically.

Summary of Positive Environmental Impacts

AGRICULTURAL EDUCATION

As the hallmark of a farm-stay is some sort of integration with the agricultural happenings, educational opportunities are a natural benefit. The trend in food pricing in America has been decreasing costs for unhealthy, processed foods while costs are increasing for fruits and vegetables (Anekwe & Rahkovsky, 2013). Since most of American's interactions with the food they eat begins at a grocery store, there is a huge disconnect between where the product originated from and how much time, energy, and care went into growing and preparing it. The opportunity to get a taste of the hard work of harvesting, collecting eggs, or caring for animals

can be an eye-opening and potentially transformative experience. Some farm-stay sites also offer classes.

Agricultural education from a farm-stay might range from teaching people about the benefits of purchasing local to carbon sequestration through sustainable farm practices, which presents one of the best opportunities to address climate change (Carbon Cycle Institute, 2019). Farms along our waterways can share about the importance of protecting salmon and other aquatic life. Even basic practices, like rotational grazing or leaving a field fallow, are an important educational opportunity.

Inspiring a next generation of farmers?

Educational opportunities from farm-stays may also generate interest in farming for a new generation. Farm-stays are a popular vacation option for families with young children. Exposure to farming and land management might inspire more young people to pursue careers that support the longevity of our natural resources. Some farms use WWOOF (Worldwide Opportunities on Organic Farms) to host temporary farm workers. WWOOFers help out with the farm work in exchange for room and board. Although these workers do not provide direct income to the farm, they do offer free labor and a chance for farm owners to share their craft.

ENVIRONMENTAL AND CULTURAL EDUCATION

Beyond the agricultural industry as our food producers, there is a whole other layer of environmental education that farm-stay guests may be exposed to. Agriculture in Oregon also produces fibers like wool and flax to make clothing and household goods. There are also many tribes still engaged in agriculture around

"We really want to educate the next generation. People are so far removed from the land, raising food, and where our food comes from."

- WWOOF Host Farmer, 10 years



the state. “Once people are engaged more in agricultural communities, they see the broad reach. It gets them out of just thinking ‘the farmer feeds me’” says Erika Polmar, Plate and Pitchfork and Travel Oregon.

Native tribes across the state remain engaged in agriculture and land stewardship. In addition to growing crops to sell commercially, certain tribes take on specific environmental efforts to manage salmon, recover lamprey populations, and support a landscape of native plants (Lewis, 2018). Cultivating an industry like farm-stays that will increase interaction with the broader ag community invites people to explore and learn from the history of the state.

Deepening the understanding of our past may impact the way we move forward. Many interviewees mentioned that visiting a farm or rural environment might impact the way people view policy. If farm-stay guests have an increased appreciation for natural resources, it may impact purchasing decisions, philanthropic gifts, and even votes. For Oregon residents in particular, an increased awareness of the state’s land use techniques might support the longevity of these policies in the face of increasing pressure from growth and development.

SUPPORTS LAND MANAGEMENT & INVESTMENT

A farm-stay supports active land management by nature of the farm being on display for guests. A farm-stay business would require property-owners to be in compliance with health department standards and building codes. Additionally, the owner is likely to actively tend to their land (manage long grasses, keep a

Common Treasury Farm flax harvest, Alsea, Oregon



John Morgan, tilth.org

defensible buffer around buildings, etc.) because of visitors. Therefore, by encouraging fire suppression practices, farm-stays may actually reduce wildfire risk.

Because operators want to have a nice farm-stay to offer paying customers, they may be more willing to invest time and money into upkeep and improvements to the property. A well-maintained property and farm dwelling may attract the next generation or an outside successor to take on the business when the current farmer retires.



"Up to 10.45 million acres (or 64%) of Oregon's land in current farm and ranch use is expected to change hands in the next 20 years"
(Horst & McAdams, 2017)

The positive impacts from a farm-stay might result in meaningful economic and environmental outcomes for the agriculture and tourism industries in Oregon. Overall, farm-stays promote the viability and continuance of small, family-farms; renew economic activity in rural communities; support farm succession; further develop local food systems; foster a broader understanding of the ag industry; and encourage active land management. The next section discusses negative impacts and outcomes.

NEGATIVE IMPACTS

Farm-stays accompany potential negative impacts for the farmer’s bottom line, land, and the community at large. Economically, farm-stays threaten to divert labor away from agriculture and become an overall disruption the everyday tasks in farming. While farm-stay operations may benefit the business owner economically, there is a concern that the use will drive up property values, making it more difficult for future farmers to afford land. Environmental impacts of agritourism are largely unquantifiable without further study, but interviewees mentioned potential impacts to natural resources, nuisance, and cumulative impacts as concerning topics.



Summary of Negative Economic Impacts

DISRUPTION TO FARM PRACTICES

Agritourism can disrupt both the host operation farm and neighboring farm practices in several ways. Interviewees mentioned numerous compatibility issues between having guest on the farm and the day-to-day “dirty work” of farming.

- Guests driving in/agritourism activities (i.e. hay ride) kick up dust on crops
- Traffic on roads makes it difficult to move machinery, especially bike tourists
- Dogs chasing livestock
- People trespassing (knowingly or unknowingly)
- Spraying pesticides/herbicides while visitors are out and about
- Using heavy machinery during an event (i.e. wedding)

Compatibility issues can pin farmer against farmer. Neighbor relations in rural areas can be collaborative, or not, and a harmonious existence with surrounding farms is so important for agritourism. One interviewee said they recommend starting a conversation with your neighbors before looking into any sort of permitting process. And when lines of communication between neighbors break down, the county is usually brought in to make the decision.

For nearby farms impacted by agritourism activities, Right to Farm only protects them against complaints about dust, noise, or odor. It does not deal with nuisance or trespass issues. This places a liability on neighboring farmers who do not have the protection of agritourism limited liability (ORS 30.671 to 30.677). Oregon Department of Agriculture Land Use and Water Planning Coordinator, Jim Johnson, explained that

Melville Farms, Astoria, Oregon



Right to Farm does not guard farmers from agritourism activities that might impact their farm practices. It only protects them from retaliation if *their* farm practices impact another person's land. Therefore, disputes can get expensive when farmers have to hire lawyers. Right to Farm grants immunity to farmers only after a judge has decided that the practice is common and acceptable.

“For every crop, there are 10-20 agricultural practices associated with the growing process that an agritourism activity could implicate,” Johnson explained. These implications might force farmers to use less efficient or more expensive practices just to operate their farm.

Nuisance complaints are some of the most commonly heard at the county level from agritourism activities. Noise or light from events might disrupt wildlife habitats or animal husbandry. It also disrupts the general peace and quiet that rural residents associate with their environment.

Just as neighboring property-owners have complaints, so do agritourism participants. Being unfamiliar with rural environments may cause them to be unhappy with their experience. One anecdote included a very disgruntled wedding party when a farmer started harvesting hazelnuts during their reception.

On EFU, a farm-stay should be permitted only if it passes the *Farm Impact Test* which states that the activity in question may not: “force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; or significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use” (ORS 215.296).

Mustard See Farms, St. Paul, Oregon



“For every crop, there are 10-20 agricultural practices associated with the growing process that an agritourism activity could implicate”

- Jim Johnson,
Oregon Department of Agriculture



DIVERSION OF LABOR

Whether a farm-stay or other agritourism activity, hosting visitors requires staff capacity. The diversion of labor from the primary farm use is one potential drawback of agritourism. Farm-stays are particularly demanding of hosts. If you want visitors to have a good experience, tell their friends, and come back, then the farm-stay has to be well-thought out and prepared. Staff are required to clean, entertain, and serve guests.

More research is needed to explore the actual impacts of the diversion of labor. Some interviewees indicated that agritourism operators come to see farming as a drain and want to focus on their other activities. Others say that operators view a farm-stay as a more passive form of income that requires minimal staff attention.

STRAIN ON RURAL INFRASTRUCTURE

A final economic consideration is the strain on rural infrastructure and resources. Increased traffic on roads, demand for police/fire, and wastewater system use is a concern for small jurisdictions. One interviewee shared that their county only has one deputy to serve the whole county from midnight to 4 am. One point of view is that small counties do not receive enough of an offset in taxes from tourism activities, like farm-stays, for it to make sense to cultivate an industry that brings visitors to the area.



Big Table Farm, Gaston, Oregon

Summary of Negative Environmental Impacts

IMPACTS TO RESOURCES

Adding people to rural environments could harm sensitive natural resources, including groundwater or wildlife habitats. Areas with high nitrate levels, for example, are taking a risk with farm-stays or other commercial activities on resource land served by septic. Since septic systems are not overly designed, it is possible that additional farm-stay guests would require more septic capacity. If a farmer did not have the capital to upgrade their system, or someone lapsed in maintaining their system, groundwater could be impacted. Topics like this represent a key balancing issue for agricultural groups like ODA that consider uses that cause a change in natural resources like groundwater to be a tipping point that moves an agricultural use into a commercial business.

Any additional infrastructure required for a farm-stay would have a general impact on how the farm is developed, including any ADA requirements for buildings and infrastructure. A common concern that was largely dispelled by the interview process is nuisance caused by parking. Contrary to urban environments, rural areas usually have plenty of space to park that do not impact surrounding farms. It is possible that using fields as parking lots would impact the farm operation. More direct outreach to farmers is required to know if parking decreases the amount active farmland or future ability to use a field due to soil compaction.

Additional development and an increase in the number of people in rural areas increases the risk of wildfires. In 2017, 73% of all wildfires on lands protected by the Oregon Department of Forestry were human-caused (1000 Friends, 2018). In the 2018



Cobalt Moon Farm in Cornelius, Oregon
oregonfarmlink.org



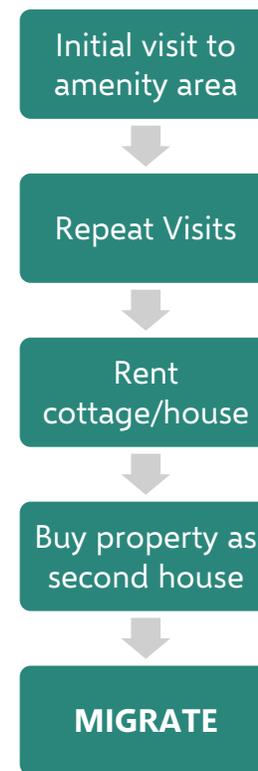
Substation Fire, more than 58,689 acres of croplands were destroyed right before harvest season. Farm-stays uses allowed in the in the wildfire-urban interface (WUI) include destination resorts and ADUs.

CONVERSION & CHANGE IN RURAL CHARACTER

Land conversion and a change in the rural environment are common concerns of agritourism in general. In the case of adding a farm-stay to a working farm, the larger land use concern centers around farm conflicts and property values. As discussed earlier, guests create conflicts and nuisance that can negatively impact a farmer’s ability to work their land. From a 1,000-foot view, these conflicts create edges that limit the overall agricultural potential of the land. On EFU, regulations should prevent a non-farm use from becoming the dominant use and ensure that non-farm uses are not problematic for area farmers. Therefore, this may be more of an issue in other zones, particularly in rural residential where urban-rural transitions occur.

Additionally, **amenity migration**, or the movement of people based on allure of natural or cultural amenities, is having a substantial impact on rural character (Gosnell & Abrams, 2011). Amenity migration can cause changes in the ownership, use, and governance of rural land. It also impacts the “composition and socioeconomic dynamics of rural communities” (Gosnell & Abrams, page 1). An influx in tourist activities, like farm-stays, may exacerbate the number of amenity migrants seeking to own land in Oregon. A large in-migration could contribute to patchwork land patterns which complicates the traditional way farmers can increase their income by acquiring more farmland.

AMENITY MIGRATION PROCESS



Bartel, Michael & Kulová, Drahomíra & Teschke, J & Kopp, Jan & Novotná, Marie. (2008). Amenity Migration in the Context of Landscape-Ecology Research. Journal of Landscape Ecology. 1. 10.2478/v10285-012-0006-3.

CUMULATIVE IMPACTS

Cumulative impacts of multiple agritourism activities in one area or property are a big unknown for environmental and economic impacts. Individually, a farm-stay may not amount to significant impacts, but cumulatively, their use may start to have implications on farming and the cost of land. Counties do not consider cumulative impacts in the permitting process and there have not been studies into natural resource impacts from agritourism clusters. The larger philosophical question is: will the effects of non-farm uses breakdown of the functionality of EFU and other working lands?

Cumulative impacts are also a concern involving one operation adding on various commercial elements. For example, a farm might use a farm stand to sell their products and year over year add additional components to the business. Their success might lead them to make bolder moves like not getting all their permits or expanding into forbidden uses (like a café, for example).

The most common response around the negative impacts of a farm-stay are related to farm conflicts and the sense that these conflicts might lead to less agricultural production or less efficient production. A farm-stay might result in farmers turning away from agriculture as a primary use and putting more time and land capacity into agritourism. This phenomenon has not been confirmed, but it is a general concern among many interviewees. Other concerns included additional pressure on rural infrastructure and natural resources; change in rural character; and cumulative impacts.



Hood River Fruit Loop
Austin Smith, hoodriver.org

IMPACTS FROM ADDING AN ADU TO RURAL RESIDENTIAL

As a precursor to upcoming conversations pending a decision on SB 88, interviewees were also asked about the potential impacts of allowing one ADU to a working farm operation on Rural Residential. If used as a STR, respondents indicated that the concerns for STRs in rural areas differ from those in urban environments. In RR, there is ample space and vegetation to mitigate impacts and create a buffer from additional guests on the property. However, respondents expressed concern over an increase in speculative value for land with this new revenue-generating operation. Groundwater and septic system impacts are also primary concerns. Lastly, all agreed that whether or not SB 88 passes, there will be a conversation on ADUs on resource land coming in future legislative sessions.

TESTIMONY ON SB 88

Table 2 summarizes the testimony on SB 88. A public hearing was held on January 31, 2019 and work sessions held on March 19, 2019 and April 2, 2019. On April 4, 2019, the Senate Committee on Environment and Natural Resources recommended the bill to pass and referred it to the Ways and Means Committee.

TABLE 2: SUMMARY OF PUBLIC TESTIMONY ON SB 88

FOR	AGAINST
Potential for affordable housing	Change in rural character, more traffic on roads
Income for land-owner, supports limited income resident’s ability to stay on their land	Does not require counties to implement a conditional use permit
Increase in housing stock and rental units	No clear objective (housing vs. income to homeowners)
Growth in areas where there is access to services	Fire risk from an increase in the number of people in rural areas
Revitalize rural areas that have experienced population growth	Weakening of land use system
Provides opportunity to legalize existing ADUs	Farm conflicts – people unfamiliar with rural environments
Local control over STRs (No mandate; time, place and manner restrictions)	Concern over STRs
Current bill protects resource land (EFU/Forest)	Concern over enforcement and regulation for safety
	Increased pressure on water quality
	Increased VMT as compared to urban areas
	Measure 49

NOTE: Bolded items in Table 2 are relevant to the agritourism/farm-stay conversation. Grey items are specific to the affordable housing aspect of SB 88.
 Source: Public Testimony 01/31/2019, 03/19/2019, 04/02/2019

There is general support for SB 88 as it provides multiple avenues for increasing housing and land-owner incomes while also providing a high degree of county control. There is no mandate that the county adopt SB 88. If a county does elect to allow ADUs on RR, they may impose additional objective or discretionary criteria, which would prompt a conditional use process. Several residents and land watch groups expressed concern over the impact on area character, vitality, and environmental impacts. While an ADU might benefit the current property owner, increasing property values are ultimately hard on future land owners.

Implications of an ADU on water resources came up numerous times in interviews. Generally, there are concerns about septic system capacity with an additional unit. In some areas, the impact of agricultural run-off is a concern.

Some argue that allowing ADUs on RR would weaken the land use system. They say that RR zoned land provides important buffer between the UGB and EFU land. Thus, eroding this buffer, would cause farm conflicts. Another concern is the view that this increase in density will cause a loss of farmland. Testimony on from this point of view noted that public services in rural areas are either non-existent or minimal and often rely on volunteers. There is also criticism of a lack of enforcement and inspections.

On the other side, proponents of the concept recognize that this would promote growth where residents can access services and employment. The Association of Oregon Counties write that it would be an opportunity to revitalize some areas that seen a loss in population.

SB 88 Findings

Allowing one ADU on Rural Residential (SB 88) would allow for multiple different outcomes for counties. Even though building an ADU will be expensive for property owners, there will be some takers. Several people expressed that there will probably not be enough new units to make a difference on housing affordability. Certain counties are likely to allow STRs, which are expected to be more profitable to property owners but could impact property values. Interviews concluded that actual impacts to neighbors from RR ADUs are minimal because of the size of the lot. Additionally, most interviewees believe that conditional use permit process does a good job mitigating potential conflicts between neighbors.

Some of Oregon's tourism and recreation counties (Coastal areas, Deschutes County, and Hood River County) may be the most impacted by the passing of SB 88 if the jurisdiction opts to allow STRs. In these areas, there are likely many existing ADUs that are unpermitted or received permits as an art studio or some other use. Planning Commissions could take advantage of the new

regulation and instate a grace period to bring any existing ADUs into compliance. This could potentially increase the share of TLT the county receives, but it would also increase their responsibility of enforcement.

Implications of SB 88 on agritourism

The implications of SB 88 on the agritourism industry are two-fold. First, if the bill passes, there will be more people in rural residential zones. These people will either be residents or visitors, and both have positive economic implications for agriculture. Long-term housing provides access to customers and potential farm workers. Short-term rentals would allow more tourists to stay (and spend) in rural areas. For those who are farming on RR land, it would provide another method for a farm-stay outside of existing residences.

Second, the bill should alert agritourism stakeholders to future conversations down the line. Interviewees confirmed that the conversation about ADUs on resource lands will return in future legislative sessions. The adoption of SB 88 is unlikely to have a land use impact on EFU or forest zones, but it would represent a shift in the urban-rural buffer zone. Although the actual number of new ADUs is unlikely to be significant, a counties decision to use of the buffer zone to house more people could play a role in rural tourism development.

Chapter 5: Findings & Recommendations Related to Farm-stays



Although farm-stays represent a small subset of agritourism, the interview process revealed enthusiasm for the topic. Stakeholders are eager to share their opinions and experiences with agritourism in Oregon. Overall, agritourism and farm-stays offer the potential for many positive economic benefits for farmers and rural economies. However, there are many unknowns about the specific economic and environmental implications of farm-stays and agritourism in general.

A direct result of these unknown factors is a policy structure lacking clarity and enforcement capacity. Online research and conversations exposed many unregulated operations across the state. In some cases, counties turn a blind eye unless neighbors raise concerns. If neighbors are supportive of the operation, the county may not know of its existence. Unpermitted operations might be trying to do something that is not allowed in their zoning designation or avoid bureaucracy and fees. In any case, unregulated operations pose public safety risks, especially in a farm-stay where food and overnight accommodations are involved.

The buzz about agritourism in Oregon is mounting. Some interviewees reported that it seems like agritourism is talked about more than it actually happens. But there is no clear picture of the extent of agritourism in the state, especially since many operations are under the table. Tourism is a growing industry and agriculture contributes to an experience that many associate with Oregon, whether it be visiting a farmer's market or staying on a farm. From this point of view, it seems agritourism will continue to be a topic of conversation around the state.

Farm-stays are an important component of this conversation. First, there are multiple avenues to operate a farm-stay on zoning designations from EFU through RR, but there is no mention of the concept of a farm-stay in policy language. Second, farm-stays

are representative of an agritourism use that could fall on anywhere on a spectrum of relatedness to farm use. Third, counties that have Transient Lodging Tax (TLT) in place stand to benefit from regulating farm-stays since they would collect tax revenue.

This chapter considers the policy implications of this research and summarizes the impacts of farm-stays from a regulatory standpoint. Then, I offer potential methods for policy-makers to consider ways to mitigate negative impacts of farm-stays, and promote the positive aspects in Table X. This research is focused on outcomes that both support small farmers and respect the Statewide Planning Program. Any policy recommendations are based on balancing this equation. ■

SUMMARY OF KEY FINDINGS

#1 There is variation across counties in application and enforcement of farm-stay activities

With 36 different counties in Oregon, there are 36 different ways of implementing state-level regulations. For example, there is substantial variation in how counties adopt and enforce B&Bs on EFU. While some counties enforce a maximum of five guests, others interpret it as five rooms. Most counties seem to use home occupation for a B&B, but not all subscribe to this method. While it is important for counties to make decisions based on their particular circumstances, the variation highlights inconsistency and disagreement around agritourism as a state.

Although enforcement is the job of the county, the interview process concluded that counties simply do not have the time, resources, and/or desire to police agritourism uses. For this reason, most enforcement is complaint-driven. Lax enforcement is also a reason why farmers might opt to skirt around the county if they have a good relationship with their neighbors or think they can fly under the radar. Unregulated operations could pose health and safety risks to the public.

In the future, we cannot assume that more regulation at the state-level will fully address these problems. Even after agritourism events were permitted through SB 960 in 2011, there still remain many unpermitted events – see Figure 3.

FIGURE 3: EXAMPLE OF AGRITOURISM OPERATING OUTSIDE THE REGULATORY SYSTEM

SOCIAL MEDIA POST FROM AN UNPERMITTED EVENT ON EFU

The following is a social media post to event attendees of an unpermitted event on farm zoned EFU. Names & event info have been redacted to protect privacy.

We would like to remind you all of some of the guidelines for a harmonious [REDACTED].

- o In respect to our neighbors, as well as continuity of community, please drive in & out only when necessary – and go slow!
- o Be a respectful dog parent.
- o Clean up after yourself.
- o Step away from communal areas for cigarette smoking. Make sure butts in a receptacle or fire pit and not left as litter on the farm.
- o Carry in/out as much as possible.
- o No personal separate fires.
- o Porta Potty donations highly encouraged.
- o Bring & wash your own table service for meals. Please, no Styrofoam!
- o Later in the evening, the fire pit area may not be suitable for children (adult topics, language, cannabis use, etc.)
- o Help out with set up and clean up if you can!

Please know that we are ALL here to enjoy each other & HAVE A BLAST.

--

The first guideline is a really BIG DEAL. [Event hosts] got pretty riled up talking about those that leave to go get coffee at Starbucks. Another one of [host's] main concerns is for those that don't plan ahead and make frivolous trips in and out of the campground. And lastly, people are if something goes in disarray, [REDACTED] have the most to lose. If the neighbors will complain, and this will have to be a permitted event - which means liability insurance, fees etc.

#2 Complaints arise when visitors don't know how to act in rural environments

Although complaints are not often tracked or analyzed, many originate from the simple issue of people knowingly or unknowingly acting inappropriately on a rural environment. From stories of people using a neighboring field as a bathroom to approaching livestock to take photos, these are the anecdotes that opponents use to show what it is like to have agritourism in farm areas. Nuisance complaints probably range in their level of extremity. Other than banning the offending use, there are limited ways to address the issue. To some extent guest behavior depends on the personality and communication from the host. However, even when expectations are communicated clearly, there will still be vacation-goers who are rowdy, loud, and make bad decisions. There is also the option to limit the number of days in a calendar year the use is allowed. Although this would lessen the frequency of farm guests, it is unlikely to solve nuisance complaints when guests are on site.

The Oregon Agritourism Partnership distributes limited liability signs to display at the entrance of the farm. Agritourism operators can purchase these signs for \$50 to post at their farm entrance to lower the risk to visitors.

Source: oregonfarmloop.com/agritourism-liability-signs/



#3 Agritourism and farm-stays offer multiple economic benefits to the host farmer and rural community

An additional stream of revenue can be very beneficial for farmers, especially for small farms who cannot reach economies of scale. More visitors to rural areas also inject income into rural economies, which are increasingly experiencing depopulation and depressed economies.

Many Oregon counties are embracing agritourism. The economic impact is easily seen in the growing wine tourism industry, which increased 167% (\$295M to \$787M) between 2013-2016 (Oregon Wine Board, 2018). Table 3 on the right shows farm income from agritourism and recreational services by county from the Census of Agriculture. Data were not available from ten counties in 2017. Even if all counties provided agritourism income on the Census, this number does not capture the broader impact of tourism on the rural community. Currently, there no robust economic impact study of Oregon agritourism. Travel Oregon and Oregon State University are working on a pilot project to report the economic impact of agritourism in five counties around the state.

TABLE 3: OREGON COUNTY AGRITOURISM & RECREATIONAL SERVICES INCOME, 2017

Baker	\$ 154,000	Lake	\$ 15,000
Benton	\$ 232,000	Lane	\$ 562,000
Clackamas	\$ 982,000	Lincoln	\$ 1,000
Clatsop	-	Linn	\$ 262,000
Columbia	-	Malheur	\$ 240,000
Coos	\$ 84,000	Marion	\$ 363,000
Crook	\$ 49,000	Marrow	\$ 94,000
Curry	\$ 11,000	Multnomah	\$ 274,000
Deschutes	\$ 792,000	Polk	\$ 736,000
Douglas	\$ 294,000	Sherman	\$ 5,000
Gilliam	\$ 118,000	Tillamook	\$ 42,000
Grant	\$ 1,048,000	Umatilla	\$ 46,000
Harney	\$ 10,000	Union	\$ 15,000
Hood River	-	Wallowa	-
Jackson	\$ 65,000	Wasco	\$ 918,000
Jefferson	\$ 1,184,000	Washington	\$ 1,513,000
Josephine	\$ 260,000	Wheeler	\$ 343,000
Kalamath	\$ 148,000	Yamhill	\$ 985,000

Clatsop, Columbia, Curry, Gilliam, Hood River, Josephine, Umatilla, Union, Wallowa, and Wheeler counties did not disclose agritourism and recreational services farm income in 2017. The numbers reported in teal are from the 2012 Census of Agriculture.

Source: USDA Census of Agriculture. Table 6: Income from Farm-related Sources, 2017 and 2012

#4 Agritourism and farm-stays also offer many non-market benefits to visitors

Stakeholders who are engaged with agritourism report numerous environmental and social benefits of farm-stays. The hope is that farm-stay guests to come away from their experience with an increased awareness and appreciation for the ag industry and Oregon's cultural/natural resources. In the interview process, most respondents mentioned the potential for agritourism to impact the way people vote.

RECOMMENDATIONS

Counties that cultivate an agritourism industry must plan for and regulate its development. Tourism is a common economic development strategy for rural communities. Planners and policy-makers should be prepared to respond to common concerns from the rural community, such as added pressure on local infrastructure and land use conflicts. Rural tourism literature calls for an integrated planning process that considers the unique costs and benefits to the community (Marcouiller, 1997) and agritourism is increasingly recognized as a distinct and complex planning need (Busby & Rendle, 2000).

Land Use Policy

Larger land use debates need to be settled at state-level, but counties must to take a more hands on approach with agritourism happening in their own backyards. A first step for some counties will be to update their code, including adopting SB 960, and any other pertinent elements of the DLCDC Model Code. Counties that have already taken proactive regulatory steps can consider how to support potential agritourism operators by fostering a transparent process. Future policy at the state-level should strive for clear definition in evaluation criteria to support both producers and county decision-makers.

Codifying a farm-stay

In the context of the state's on-going conversation on agritourism, there is an opportunity to codify 'farm-stay' in law in order to clarify opportunities and expectations for operators and planners. Although the term is not mentioned in regulations, there are several pathways a property owner can take to have farm-stay operation. Many of these operations already exist, but regulations lack overall clarity and consistency across counties. Generally, answers to these questions would inform policy decisions moving forward:

- Is there a number of guests on a farm/ranch that limits negative impacts? If so, what is it?
- Is there a limited number of days a farm-stay should be rented in a calendar year?
- Should there be a limit on the number of staff persons associated with the farm-stay?
- Should there be a cap on income potential from a farm-stay?
- Should there be a limit on the number of farm-stays allowed on one site? In a geographic area?

Operating under the current policy framework, Table 4 shows potential methods for regulating a farm-stay. Current policy allows land owners to arrive at the concept of a farm-stay via many different pathways. A farm-stay could take place in a campground, existing residence, or ADU. Bed and Breakfast and Destination Resort are two business models for operating a farm-stay. Additionally, a permitted event (outdoor mass gathering or agritourism event) may also allow for overnight guests on the farm.

TABLE 4: POLICY OPTIONS FOR PERMITTING FARM-STAYS

	OPTIONS	PURPOSE	CHALLENGES
PERMITS	Conditional use permit (CUP)	Potential for a public hearing, allows for conditions of approval	Requires time and resources, does not guarantee everyone is satisfied with the outcome
	Land use permit	Usually requires a public hearing; allows for conditions of approval	Requires time and resources, does not guarantee everyone is satisfied with the outcome
LAND USE CLASS	Prohibit/limit on sensitive areas (groundwater, wildlife habitat)	Protects sensitive resources	Requires access to expert knowledge of areas requiring protection
	Prohibit/limit on High Value Farm Land (HVFL)	Protects state's prime farmland	Equity: would not allow farmers on HVFL the opportunity to have a farm-stay
	Prohibit/limit in existing dwellings in areas of high wildfire risk	Protects crops and those living in rural areas	
	Prohibit/limit new dwellings in areas of high wildfire risk	Protects crops and those living in rural areas	

Within this policy web, jurisdictions could consider a farm-stay using a conditional use permit (CUP) or land use permit. While the exact requirements associated with a CUP and land use permit are determined at the county level, a conditional use permit might require a public hearing while a land use permit requires one. Typically, a land use permit is used to consider uses only appropriate in specific locations. Another means to limit farm-stays in specific areas would be prohibiting certain land use classes, such as high value farmland or wildfire risk areas. Counties should consider ways to mitigate negative impacts raised by residents or those discussed in [Chapter 4](#) through discretionary decisions at the local level.

Components of a farm-stay definition should include:

1. A demonstrated connection to farm-use to separate a farm-stay from another type of lodging (i.e. hunting lodge)
2. Limitations (i.e. # of farm-stays (rooms, tents, yurts, cottages, etc.); guests; rooms; staff; income)
3. Any auxiliary activities allowed in association with a farm-stay
 - a. i.e. Serving meals (how many may be served, if they may only be served to lodging guests)
4. [On EFU] measurement for determining the farm-stay is incidental and subordinate to farm-use

Finally, persons involved in decision-making at the county level may consider the following conditions of approval:

Conditions of Approval – EFU

- The proposed farm-stay has a strong nexus to farm-use (educational component, list of farm activities offered, the cost of the farm-stay includes meals/goods grown on the farm, guests have the opportunity to purchase goods grown on the farm, etc.)
- The governing body has considered public comment in accordance with the Farm Impact Test, as defined in ORS 215.296
- Cumulative Impact Statement – disclose current non-farm and agritourism uses of the property; disclose non-farm and agritourism uses of adjacent properties; if applicable, include information on participation in food trail/networked agritourism efforts (i.e. Hood River Fruit Loop)

It is possible that the addition of cumulative impact assessment would make it more difficult for farmers to operate farm-stays. Although this runs contrary to the other recommendations in this report, cumulative impacts are currently a concern for all stakeholders in agritourism. Additional research and development efforts are needed in order to operationalize cumulative impact methods. If some sort of cumulative impact assessment is proposed, policy-makers should consider the level of burden or disadvantage it may place on the farmer.

Conditions of Approval – All

- Collection of Transient Lodging Tax (TLT) in counties that have it in place
- The limit of the current septic system is equal to/exceeds the total number of people staying on the property at any given time
- Frequency of use (days in a calendar year)

This research uncovered useful farm-stay resources from other states. Specifically, Sonoma County has a clear and detailed farm-stay policy and information for potential farm-stay operators. Appendices VI and VII contain a copy of [Sonoma County's farm-stay policy](#), including their [definition of an 'agricultural farm-stay.'](#)

Understanding Economic Impacts

Since one of the main motivations for pursuing agritourism is positive economic outcomes for farmers and rural communities, there is a need to understand more about the economic impact. Then, planners and policy-makers can consider ways to reinvest economic gains back into the community to address any externalities from tourism, such as infrastructure or public services.

TABLE 5: FUTURE AREAS OF STUDY ON THE ECONOMIC IMPACT OF AGRITOURISM

Agritourism Farms	Rural Communities
Annual income from agritourism	Impact on utilities and infrastructure
Number of employees working directly with agritourism operation	Impact on business sector (especially service industry)
Annual investment in farm operation	Impact on livability
Impact on % of land in production	Impact on land values
Impact on succession planning	TLT collected from other rural accommodations
TLT collected from farm-stays	

One of the ways counties benefit from tourism is the Transient Lodging Tax (TLT), which applies to all overnight stays booked through online systems (like Airbnb) after House Bill 4120 passed in 2018. All farm-stays should collect TLT. Based on conservative hypothetical estimation, if a county had 15 farm-stays going for \$150/night that were booked 90 nights in a calendar year, the county would gross \$10,935 from TLT (See [Appendix VIII](#) for calculations).

Chapter 6: Next Steps & Implications for Oregon Agritourism



In this final chapter, I take a bird’s eye view of the question “how might Oregon mitigate negative impacts of agritourism while promoting the positive aspects?” To do this, I break from the current policy web in order to imagine an ‘ideal’ future policy framework. The goal of the future framework remains as stated previously: regulations should support small producer’s attempts to diversify and make a living while upholding the original intent of the Statewide Planning Program. To achieve this nexus, regulations should be clearly articulated in statute so that counties can achieve a uniform understanding. Local control at the county level will continue to be an important tool for tailoring agritourism activities to meet 1) producer/consumer demand and 2) natural resource protection in specific areas.

This chapter discusses a need for a strong definition of ‘agritourism’ and ‘farm-stay’ and what components might be included in these definitions. A call for clearer definition around these concepts is not a new idea. Many authors have explored exactly what makes it so difficult to define (Busby & Rendle, 2000; National Academies of Sciences, Engineering, and Medicine, 2019). For Oregon in particular, crafting a definition that is unique to the state priorities will provide a path forward. With many different opinions and priorities, it is to understand that it will be an iterative process and not everyone will be perfectly satisfied with the outcome. To conclude I offer suggestions for additional research to inform future conversations around agritourism.■

DEFINING OREGON AGRITOURISM

Farms look and operate differently today than they did 20, 30, and 50 years ago. It is important to acknowledge the reality of modern farming in Oregon. In 1973, just 12 uses were allowed in EFU zones. Present day, there are over 60 uses. Agritourism a foundational piece of this discussion that has yet to be decided. The nature of the word implies integration with agriculture. In practice, the connection between the 'agri' and 'tourism' varies greatly. Two farm visitors, say a wedding guest and someone signed up for a cheesemaking class, will come away with a very different experience. Figure 3 illustrates agritourism uses as a spectrum of uses based on its relatedness to farm-use and potential for economic-impact. This conceptualization may be useful for considering the nuance associated with each agritourism use. For example, a music festival may be almost entirely unrelated to farm-use but highly economically-impactful for a farm operation.

FIGURE 3: AGRITOURISM ON A SPECTRUM

Degree to which an agritourism activity is related to farm-use



Degree to which an agritourism activity provides economic impact



After placing the activity on the spectrum of relation to farm-use and economic-impact, the next consideration is around the potential for farm-conflicts and environmental implications. This question embodies the opaque view of agritourism’s future in the state. On one hand, it is a question of principle to hold the position that “farmers were there first” or to bend to a new culture of farming. Since there is likely no amount of research that can answer the question of where on the scale agritourism starts to have significant impacts on neighboring farms. the response to this question depends on cooperation and collaboration amongst farmers, in addition to policy.

To define agritourism activities and develop policy around the definition, stakeholders can consider the following:

- What are the implications of the agritourism activity in question?
- What are potential economic outcomes associated with agritourism activities?
 - Model after Economic Impact of Local Food Producers in Central Oregon
- What does a strong nexus between agriculture and tourism entail?
 - How is it measured?
- How does the policy enable a county to enforce the set standards?
 - How can a county ensure operators are in compliance with their permit several years down the road?
- What are the cumulative impacts of agritourism on a single property; in a geographic area?
 - What research and data are needed to determine cumulative impacts?
 - How should cumulative impact results factor into agritourism permitting decisions?



Deck Family Farm, Junction City, OR
woolymossroots.com

Agritourism to support farm succession?

Agritourism should be a strategy to sustain stewardship of resource land, for generations to come. In the context of an aging farm population, policy-makers might view agritourism policy advancements as a tool to sustain family-farms and preserve small farms. The existence or lack of a successor impacts a farmer's long-term investment decisions (National Academies of Sciences, Engineering, and Medicine, 2019). Agritourism can provide a farm family's next generation with the opportunity to take on a new and exciting part of the farm operation. This allows successors to work alongside experienced farmers and learn from them. Established agritourism operations might also be attractive to new and beginning farmers. New farmers interested in an agritourism component might be attached to properties that already have the infrastructure and an established market.

Policy-makers should get to know the farmers who are most likely to be interested in agritourism. These are not large commercial farms, but rather small- and medium-sized family farms. Understanding the specific characteristics and goals of this group will result in more effective policy outcomes.

This research is unable to definitively state if agritourism can assist in addressing our aging farm population and a lack of young people enter the field. Limited research on the matter finds that age and entrepreneurialism impacts who decides to operate an agritourism business and their level of economic success (Barbieri & Mshenga, 2008; Tew & Barbieri, 2012).

A study of producers in Missouri found a lower average age in agritourism producers suggesting that either agritourism corresponds with "new skills within a younger generation of farmers or the use of farm diversification to facilitate succession of the business among family members"(Tew & Barbieri, 2012)

An online survey of agritourism producers in North America found the following characteristics to be associated with greater annual gross sales: **Farms that** have been in business for longer, have more employees, or have larger acreage **and owners/operators who** are primarily dedicated to agriculture, are male or white, and are more involved with business associations.

The same research found that a farmers' age is inversely related to agritourism business performance. Farms with owners 45-54 years old earned on average \$26,623 less than owners in other age groups. Owners are 55-65 years old earn on average \$58,434 less (Barbieri & Mshenga, 2008).

Younger farmers may possess entrepreneurial characteristics – like adaptability, risk-tolerance, innovation - that lead to a successful agritourism operation. Agritourism may also help make farming a viable full-time profession, which could have an impact on a young person's desire to take over the family business.

The angle that agritourism supports farm succession may also be useful in engaging different stakeholder groups that are concerned about the future of Oregon's farmland. There may be specific agritourism policies or programs to support farmland transition and more diverse farmers to move agriculture in Oregon forward.

NEXT STEPS

In order to codify a balance between tourism and agriculture, a variety of stakeholders will need to be involved and compromises will need to be made. Key organizations like Travel Oregon and DLCD should strive align their messaging and work towards their overlapping goals. For many of the impacts discussed in Chapter 4, data is a necessity to form fair and effective policy. Within the agritourism conversation, a lack of hard data has already led to a complaint-based system of enforcement that amplifies negative experiences. There is a need for more data and monitoring in areas of economic impact and land use. Specifically, it would be useful to study if agritourism activities implicate farmers behavior/yields, cumulative impacts of agritourism, and succession. This research could present a means to measure if agritourism is “incidental and subordinate” to farm use. Fortunately, the next steps to this research are already in process as Travel Oregon convenes meetings around the state.



Hood River Fruit Loop
Austin Smith, hoodriver.org

Appendices

I. STAKEHOLDER ORGANIZATIONS INTERVIEWED

1,000 Friends of Oregon

Association of Oregon Counties, former employee

Coos and Lane County Planning Commissioners

Department of Land Conservation and Development: Farm and Forest Lands

Deschutes, Hood River, Coos counties Planning Departments

Oregon Department of Agriculture: Land Use & Water Planning and Board and Agriculture, former member

Organic farmer in Yamhill County

Travel Oregon Agri-tourism Team

Portland State University, Nohad A. Toulan School of Urban Studies & Planning

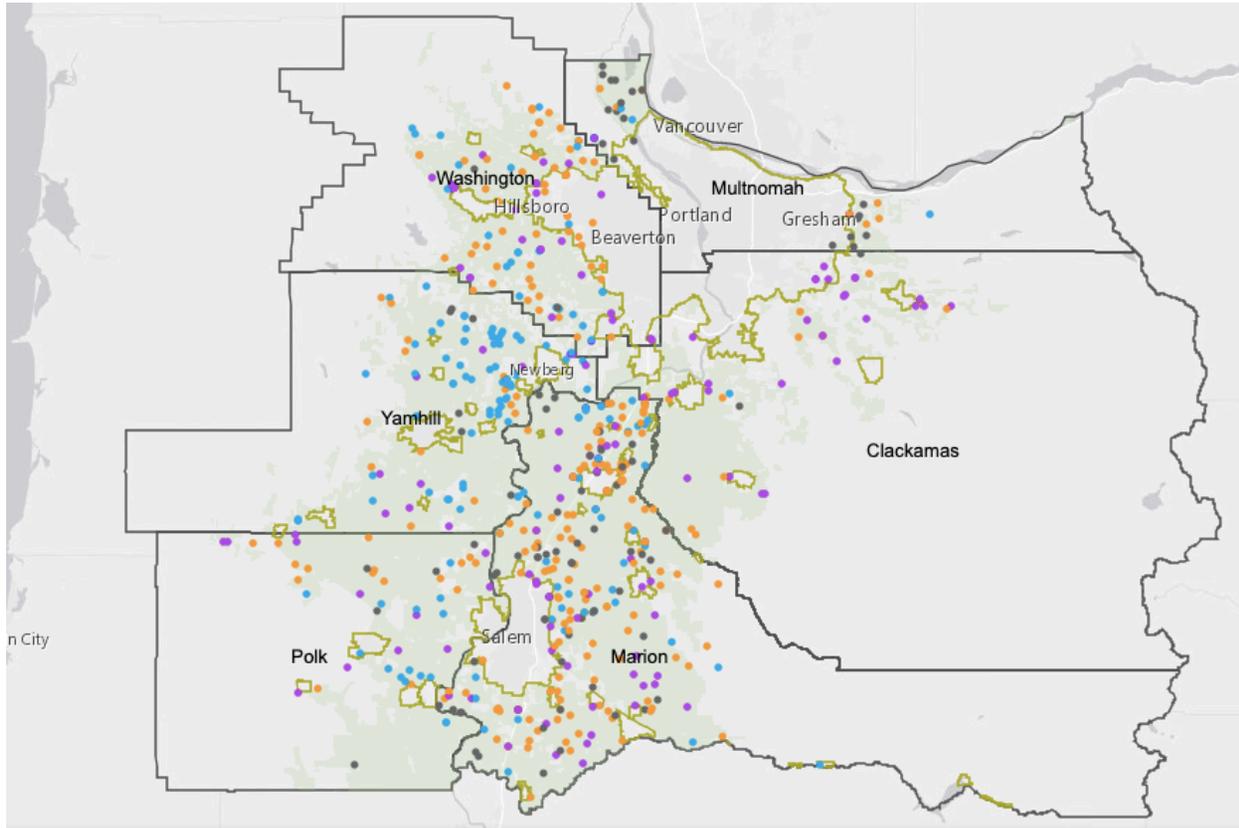
II. LITERATURE REVIEW

There is little written on the land-use angle of agritourism and farm-stays. Some authors have explored land use issues that arise from conflicts in Oregon's resource zones (Chun, 2017, Lehman, 2015). In 2015, Lehman outlined conflicts on resource land in three categories: "(1) physical land conversion to non-resource uses, (2) the "shadow effect" (additional impacts on adjacent lands due to conversion), and (3) the emergence of non-farm activities" (2015). Even with the statewide planning program, land use changes have been trending higher since 2008. Land use change is driven by a growing population, urbanization, an increase in local food.

“Interest in local food sheds and buying locally grown produce contributes to an increased local market for Oregon-grown food, intensifies the desire to protect farmland, and at the same time generates interest in agri-tourism and other events that take place on farms themselves.” - Lehman, page 6

Hard data on exactly how many agritourism enterprises exist at present in Oregon is lacking. In a paper examining non-farm activity clusters in EFU zones in the Northern Willamette Valley, Chun found about 5-8% of tax lots within EFU zones filed for a non-farm or distinct permit between 1993 and 2015 (2017). The researcher split uses into non-farm (i.e. churches, dog kennels) and “distinct” uses whose impact on farming production and preservation are unknown. The study area contained Clackamas, Marion, Multnomah, Polk, Washington, and Yamhill counties. Results showed that commercial activities and home occupations were the most clustered uses, followed by agritourism and viticulture. Analysis also showed that viticulture and agri-tourism cases tended to group together with other non-farm uses. Follow-up and addition research of this type will be important to add data to the conversation on the impact of clustered non-farm uses to farmland preservation.

Map of Use Permits from 1993-2015 in Northern Willamette Valley



- Legend**
- Accessory Use
 - Utility & Communication Facility
 - Other Use
 - Agritourism

Chun, N. (n.d.). An Emerging Contradiction: Non-Farm Activity within Exclusive Farm Use Zones – Metroscape. Retrieved May 13, 2019, from Metroscape - Institute of Portland Metropolitan Studies website: <https://metroscape.institutepdx.org/an-emerging-contradiction-non-farm-activity-within-exclusive-farm-use-zones>

Trends in agritourism

Local food is gaining increasing attention from consumers and policy makers in the U.S. Farm-to-Table or Farm-to-Fork trends get people into restaurants, to farmer’s markets, and increasingly interested in visiting farms. Consumer preference for local food

and interest in learning about their food lends itself well to agritourism. There is a potential market to expand agritourism in the U.S. as an additional income source for farmers and a means to stimulate rural economies. (Bernardo, 2004)

Consumer's number one reason to visit markets or agritourism sites was to learn about where the product came from and what the process involves (Onyango et al., 2015). The second reason was to get out of the city and experience nature. A study of local versus visitor perceptions of farmer's markets found that visitors are more likely to purchase ready-to-eat foods. (Dodds & Holmes, 2017) Tourists look for meal options as well as value-added products for souvenirs. There is abundant data on consumer preferences on the topic of local food. Farms that wish to pursue agritourism can understand the market and tailor their business ventures to be educational, experiential, and functional for visitors looking to purchase ready-made options.

Trends in ADUs

The subject of ADUs on farms or for farm-stays has not been thoroughly explored in literature. One report from the University of Minnesota explored the concept of utilizing ADUs to support farm transitions (Brandt-Sargent, 2014). The report did not explore ADUs as short-term rentals but rather as an additional source to house new farm managers and other farm workers. It warns that "permitting new housing will inevitably alter the landscape, so changes to the ordinances should proceed cautiously."

Trends in STRs

Although there is not abundant research on short-term rentals in rural areas, STRs in urban area has received attention from authors involved in tourism, the sharing economy, and local governments. Most literature centers the research around the rental platform Airbnb. Even with its growing popularity and presence in cities of all sizes, it remains to be a regulatory challenge for jurisdictions. Authors recommend legalizing and taxing Airbnb, especially in tourist economies (Gottlieb, 2013; Knightly, 2018). Additionally, Gottlieb contends that "local laws are much stronger and more defensible when enacted in accordance with, and in furtherance of, comprehensive planning goals" (page 7).

Even with regulation and taxation, this new rental market may cause negative externalities. One major concern comes for the hotel industry from the standpoint that STRs are diverting their business and the industry is far less controlled (Nieuwland & Melik, 2018). In rural areas that lack tourist infrastructure to begin with, this issue would not be as pressing. Beyond the impacts felt by the hotel industry, neighborhoods are also having to adjust to STRs. Concerns at this level range from nuisance grievances, safety concerns, and an influx of traffic, parking, and waste to burden the infrastructure. Nieuwland, et al. suggests density restrictions that cap the number of STRs in a geographic area. Gottlieb also notes that regulations can address specific community concerns such as traffic, noise, and other neighborhood impacts.

The topic of tourism, and by extension, agritourism, concerns groups in a wide range of sectors. Australian tourism writer Louise Staley explained it by saying “tourism suffers from regulatory dissonance. One side of government proclaims its virtues, while another side undermines it” (Staley, 2007). Current literature on agritourism and farm-stays backs up this point by representing both sides of the issue.

PRO AGRITOURISM:

- Farmers may lack the skills set for the common side jobs (i.e. tech-based work) (Staley, 2007). Farm-stays may be the only option for additional income for farmers who fall into this group.
- Agritourism serves the needs of several types of farmers – part-time, retirement, and old/young lifestyle farmers (Ollenburg & Buckley, 2007).
 - Part-time farmers can benefit from agritourism if it allows them to keep their land to pass it on to future generations.
 - Retirement farmers are drawn to agritourism as a social opportunity and to continue to earn income in a less labor-intensive manner.
 - Older lifestyle farmers are seeking retirement income as well as social opportunities.
 - Younger lifestyle farmers are interested in bringing their family up in a rural environment and are drawn to agritourism to avoid having to get off the farm to work.
- Tourists want an authentic, behind the scenes experience plus human connection that agritourism can offer (Busby & Rendle, 2000)

CON AGRITOURISM:

- Agritourism may lead to less production farming. “As farms make the transition to farm tourism, they increasingly do not require a working farm as their traditional activities are forced to change or adapt to meet visitor demand. This could result in a mismatch between the efficient farm business and an efficient tourism business” (Busby, page 6).
- Authenticity can be undermined by amenity migrants who are new to the area and are therefore likely to start up a business to support themselves rather than offer to share the experience of living on their land long-term like other farmers might (Busby; Gosnell).
- Frequent farm visitors can cause negative environmental impacts such as vegetation loss and soil compaction, especially from the implications of multiple visitors driving to and parking on the farm (Kline, Cardenas, Leung, & Sanders, 2007).

III. FARM-STAY USES



CAMPGROUND

	DEFINITION	LIMITATIONS/REQUIREMENTS
EFU	Not provided	<ul style="list-style-type: none"> • “Private park” designation is subject county approval • No more than one-third or a maximum of 10 campsites, whichever is smaller, may include a yurt. The yurt must be located on the ground or on a wood floor with no permanent foundation.
Forest	<p>An area devoted to overnight temporary use for vacation, recreational or emergency purposes, but not for residential purposes and is established on a site or is contiguous to lands with a park or other outdoor natural amenity that is accessible for recreational use by the occupants of the campground</p> <p>Campsites may be occupied by a tent, travel trailer or recreational vehicle.</p> <p>660-006-0025(4)(e)(A))</p>	<ul style="list-style-type: none"> • Not allowed within three miles of a UGB • Design must protect the natural environment and use natural buffers between campsites. • No sewer, water or electric service hook-ups to individual camp sites • No intensive development (i.e. swimming pools, tennis courts) • Length of stay limited to 30 days during any consecutive six-month period • County must approve use of yurts; same limitations apply as on EFU.

RR

An area designed for short-term recreational purposes and where facilities, except commercial activities such as grocery stores and laundromats, are provided to accommodate that use.

Campsites may be occupied by a tents, campers, recreational vehicles and motor home.

Lane Code 16.290(4)(k)

- Not allowed within 10 miles of a UGB of any city adjacent to 1-5 or three miles from any UGB.
- Length of stay limited to 30 days during any consecutive six-month period
- Compliance with state or federal water quality regulations.
- Permanent open-air shelters (Adirondacks) may be provided on the site by the owner of the development.



DLCD Model Code

The DLCD Model Code (2016) includes the following definition for "campground" and "yurt" for EFU and Forest zones.

CAMPGROUND: An area devoted to overnight temporary use for vacation, recreational or emergency purposes, but not for residential purposes and is established on a site or is contiguous to lands with a park or other outdoor natural amenity that is accessible for recreational use by the occupants of the campground.

YURT: A round, domed shelter of cloth or canvas on a collapsible frame with no plumbing, sewage disposal hook-up or internal cooking appliances.



ROOM AND BOARD

The broad category of 'overnight lodging' is glossed over in ORS 215, which outlines uses allowed on EFU. In forest and RR zones, regulations are directed towards recreation (hunting/fishing) lodging. Based on a quick search on Airbnb or VRBO, property owners are operating short-term rentals on their rural land. Because STRs are not explicitly mentioned in policy, it is unclear to what extent these operations are supported or regulated by counties.

	DEFINITION	LIMITATIONS/REQUIREMENTS
EFU	Not provided	<ul style="list-style-type: none"> Room and board arrangements for a maximum of five unrelated persons in existing residences.
Forest	Accommodations are occupied temporarily for the purpose of hunting or fishing seasons authorized by the Oregon Fish and Wildlife Commission 660-006-0025(4)(p)(C)	<ul style="list-style-type: none"> No more than 15 guest rooms Only minor incidental and accessory retail sales are permitted. For fishing season, accommodations must be located within 1/4 mile of fish-bearing Class I waters. Governing body may impose additional requirements.
RR	Not provided	Same regulations as Forest Zone. <ul style="list-style-type: none"> Food preparation and service in a centralized kitchen may be provided for guests only.



DLCD Model Code

	USE TYPE HV	LOCAL PRODUCER TYPE HV	USE TYPE NON-HV	LOCAL PROCEDURE TYPE NON- HV
Room and board arrangements for a maximum of five unrelated persons in existing residences.	C (Conditional Use)	2 (Type 2)	C	2

HV = high value farmland

Conditional Use: Demonstrated compliance with the following criteria:

- (A) The use will not force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; and

- (B) The use will not significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use.
- (C) The proposed use will be compatible with vicinity uses, and satisfies all relevant requirements of this ordinance and the following general criteria:
 - (1) The use is consistent with those goals and policies of the Comprehensive Plan which apply to the proposed use;
 - (2) The parcel is suitable for the proposed use considering its size, shape, location, topography, existence of improvements and natural features;
 - (3) The proposed use will not alter the character of the surrounding area in a manner which substantially limits, impairs or prevents the use of surrounding properties for the permitted uses listed in the underlying zoning district;
 - (4) The proposed use is appropriate, considering the adequacy of public facilities and services existing or planned for the area affected by the use; and
 - (5) The use is or can be made compatible with existing uses and other allowable uses in the area.

Type 2: [Administrative Review] involve permits for which the application of review criteria requires the exercise of limited discretion. Decisions are made by the Planning Director. These decisions require a notice of decision and opportunity for appeal and public hearing.

Subject to standards:

Single-family dwelling deeds. The landowner shall sign and record in the deed records for the county a document binding the landowner, and the landowner's successors in interest, prohibiting them from pursuing a claim for relief or cause of action alleging injury from farming or forest practices for which no action or claim is allowed under ORS 30.936 or 30.937.



BED AND BREAKFAST

	DEFINITION	LIMITATIONS/REQUIREMENTS
EFU	Not provided, authorized as a Home Occupation as described in ORS 215.448. Specifically mentions a winery or cidery can have a B&B as a Home Occupation	<ul style="list-style-type: none"> Some counties enforce a maximum of five unrelated persons in existing residences (ORS 215.283(2)(u)). For wineries and cideries, allowed to prepare and serve two meals per day in either the B&B facility or the winery/cidery.
Forest	Not provided, authorized as a Home Occupation	
RR	Not provided	<ul style="list-style-type: none"> One bed and breakfast accommodation per lot/parcel and in a dwelling, manufactured dwelling or duplex allowed by LC 16.290(2)(a) through (c) above. No more than five sleeping rooms Length of stay limited to 29 consecutive days Allows a morning meal



DLCD Model Code

HOME OCCUPATION: Home Occupation: A limited business activity that is accessory to a residential use. Home occupations are conducted primarily within a residence or a building normally associated with uses permitted in the zone in which the property is located and are operated by a resident or employee of a resident of the property on which the business is located (DLCD, 2016).

BED AND BREAKFAST FACILITY: An accessory use in a single-family dwelling in which lodging and a morning meal for guests only are offered for compensation, having no more than five (5) sleeping rooms for this purpose. A bed and breakfast facility must be within the residence of the operator and be compliant with the requirements of ORS 333-170-0000(1) A bed and breakfast facility may be reviewed as either a home occupation or as a room and board operation.

Other buildings normally associated with uses permitted in the zone in which the property is located, except that such other buildings may not be utilized as bed and breakfast facilities or rental units unless they are legal residences.



ACCESSORY DWELLING UNIT

	DEFINITION	LIMITATIONS/REQUIREMENTS
RR	<p>"Accessory dwelling unit" means a residential structure that is used in connection with or that is auxiliary to a single-family dwelling.</p> <p>ORS 215.501</p>	<p>A county may allow an owner of a lot or parcel within an area zoned for rural residential use to construct a new single-family dwelling on the lot or parcel, provided: lot or parcel is not in urban reserve, 2 acre minimum, has a historic home, and the owner converts the historic home to an accessory dwelling unit upon completion of the new single-family dwelling. The ADU must comply with all applicable laws and regulations relating to sanitation and wastewater disposal and treatment.</p>



OUTDOOR MASS GATHERINGS & AGRITOURISM EVENTS

Outdoor mass gatherings and agritourism events are also included in as farm-stay opportunities because can continue for over 24-hours and include people staying overnight, thus creating a sort of temporary farm-stay. They are also some of the more contentious agritourism uses currently allowed by state law because events vary widely in their connection to agriculture.

Outdoor Mass Gatherings

State statute defines "outdoor mass gatherings" to mean an anticipated assembly of more than 3,000 persons which continues for more than 24 consecutive hours, but less than 120 hours within a three-month period (ORS 433.735). In forest zones, this use is considered a "land use decision" as defined in ORS 197.015(10). Some counties have elected to modify this definition. For example, Marion County has an additional category called "large gatherings" for events with over 750-3,000 persons that continues for more than 120 hours (Marion County, 9.25.030). Large gatherings require a CUP from the Planning Division and the possibility of a public hearing.

DLCD Model Code



OUTDOOR MASS GATHERING: A gathering, as defined by ORS 433.735, that is an actual or reasonably anticipated assembly of more than 3,000 [more than 500] persons which continues or can reasonably be expected to continue for more than 24 consecutive hours but less than 120 hours within any three-month period and which is held primarily in open spaces and not in any permanent structure. Any decision for a permit to hold an outdoor mass gathering as defined by statute is not a land use decision and is appealable to circuit court. Outdoor mass gatherings do not include agri-tourism events and activities as provided for by ORS 215.283(4) (DLCD, 2016).

4 PEAKS MUSIC FESTIVAL

Location: Stevenson Ranch, Bend, Oregon
Zone: EFU



“For a dozen years, 4 Peaks has chosen the Bend, Oregon area for their multi-day music event featuring an eclectic array of bands for music-loving families and community members.”

Conditions of approval on the permit include measures to maintain health and safety. To mitigate impacts on neighboring properties, the permit prohibits any part of the festival from occurring within 1,000 feet of any residence between the hours of 12:01 a.m. and 9:00 a.m. The proposed late night music venue shall end at 12:00 a.m (Liu, 2018). When the permit was approved, Commissioners raised concerns about impacts to neighbors, irrigated pasture, and inspecting the event to ensure compliance (Business Meeting Minutes, 2018).



4Peaks offers luxury camping in provided yurts or RVs, as well as tent camping on festival grounds.

Agritourism Events

There are three provisions associated with an agritourism/commercial event or activity. The event or activity must be **1) incidental** and **2) subordinate** to existing commercial farm use of the tract. Additionally, the event or activity must be **3) related to and supportive of agriculture**. These provisions are measured through the Farm Impact Test (ORS 215.296).

Farm Impact Test

The governing body determines if the use will...

- a. Force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; or
 - b. Significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use.
-

As there is not a specific definition of the term ‘agritourism,’ statute is not clear about the types of events and activities that might be allowed. A county may authorize agritourism events in several formats (single event, single event with expedited processing, six events for a calendar year, or recurring events [maximum of 18 events in a calendar year]). In a recurring event permit, the events must be necessary to support the commercial farm uses or the commercial agricultural enterprises in the area. The permitting process requires impact findings stating that the use will not 1) force a significant change in accepted farm and forest practices on surrounding lands; 2) significantly increase the cost of accepted farm and forest practices on surrounding lands. Additionally, the local jurisdiction may impose conditions on parking, noise, sanitation, and signage. There is no limitation on annual sales to farm income.

IV. SENATE BILL 88

“Specified Conditions” in SB 88

The “specific conditions” in the bill require that the ADU be limited to 900 square feet and a located a maximum of 100 feet from the primary residence. Those in favor of the bill as a potential tool to alleviate the housing shortage are critical of these restrictions, saying that they are too restrictive and should be left up to county discretion.

Furthermore, the ADUs would not be permitted on lots that 1) have been restricted by the Water Resources Commission; 2) are not within a designated area of critical state concern or urban reserve; and 3) the lot does not have any current record of, or pending case for, nuisance. Additionally, the lot/parcel must be 1) at least two acres in size; 2) have one sited single-family dwelling; and 3) within a rural fire district. Finally, the ADU must comply with laws relating to sanitation and State Board of Forestry Rules, including the Oregon residential specialty code relating to wildfire hazard mitigation.

Analysis on the fiscal and revenue impact from allowing one ADU on RR land was reported to be minimal. Affected parties include counties, Department of Forestry, Department of Land Conservation and Development, and the Water Resources Department. The fiscal impact to these parties is anticipated to be “minimal and absorbable within existing budgetary parameters.”⁶ As counties will be retaining control of the ADU, it will still be subject to property taxes, thus resulting in no direct revenue impact.⁷

A county’s comprehensive plan must be in alignment with this new provision to allow ADUs on rural lands. If there is no mention of this, they must first amend their comp plan. Overall, the bill has a high degree of local control. There is no requirement that a

⁶ Dauenhauer, K. (April 2019) Fiscal Impact of Proposed Legislation, SB 88-3

⁷ McGovern, J. (April 2019) Revenue Impact of Proposed Legislation, SB 88 – A. <https://www.oregonlegislature.gov/lro>

county allow ADUs in RR zones and it allows for additional conditions to be applied. Further, counties are also given control over the use of these ADUs are vacation rentals.

Vacation (Short-Term) Rentals

As it is currently written, SB 88 allows the county to determine if these ADUs would be allowed as vacation or short-term rentals. As defined in ORS 90.100, vacation occupancy is “occupancy in a dwelling unit, not including transient occupancy in a hotel or motel, that has all of the following characteristics:

- a. The occupant rents the unit for vacation purposes only, not as a principal residence;
- b. The occupant has a principal residence other than at the unit; and
- c. The period of authorized occupancy does not exceed 45 days”

The bill also prohibits county from approving both an existing family dwelling and ADU to be used as vacation rental during more than one week per year.⁸ At a minimum, counties that allowed vacation rentals would be required to enforce the following regulations:

- a. Requiring the owner to use the existing single-family dwelling as a primary residence.
- b. Requiring neighbor notification.
- c. Requiring a local point of contact for vacation occupants and neighbors.
- d. Registration with the county

⁸ Work Session on 4/2/19, Preliminary SMS. <https://olis.leg.state.or.us/liz/2019R1/Committees/SENR/2019-04-02-13-00/SB88/Details>

If they so choose, a county may impose additional conditions on ADUs used for STRs. The conditions can also apply to the construction of garages or outbuildings that support the ADU.

V. FARM STAY-PRICING AROUND OREGON

Pricing reported as listed on the establishment's website, pricing structures vary.

- **Pholia Goat Farm**, \$49-89 per night in a Airstream trailer or cabin. *Rogue River*
- **Willow Witt Ranch**, \$50-300 per night in 'furnished wall tents,' a cabin, or farm-house. *Ashland*
- **Leaping Lamb Farm**, \$175-300 per night in a cottage or farm house. *Alsea*
- **Territorial Bed and Breakfast Barn**, \$25-115 per night in a farm house. *Junction City*
- **Mt. Emily Ranch**, \$156-195 per night or a room in a log cabin. *Brookings*
- **Sakura Ridge Farm and Lodge**, \$205-280 per night for a room in a Bed & Breakfast. *Hood River*

VI. AGRICULTURAL FARM STAY FACT SHEET: SONOMA COUNTY

Zoning

The following table shows the specific parcel zones where Farmstays are allowed in Sonoma County. To find your parcel zoning, use Permit Sonoma's [GIS Map](#).

<i>Zone</i>	Farmstay 26-88-085	Bed & Breakfast 26-92-040 26-92-080	Vacation Rental 26-88-120
Land Intensive Agriculture LIA	Yes	No	No
Land Extensive Agriculture LEA	Yes	Yes	Yes
Diverse Agriculture DA	Yes	Yes	Yes
Resources & Rural Development RRD	Yes	Yes	Yes
Agriculture & Residential AR	No	Yes	Yes
Rural Residential RR	No	Yes	Yes

Characteristics

This table shows some of the different characteristics of Farmstay, Bed & Breakfast and Vacation Rentals.

	Farmstay	Bed & Breakfast	Vacation Rental
<i>Maximum Rooms</i>	5 with zoning permit	1 with zoning permit, 2-5 with use permit	5 with zoning permit, 6+ with use permit
<i>Occupancy per Room</i>	2 people, excluding children under 3 years of age		

<i>Buildings Allowed</i>	Primary Residence or Guest House	Residence or Guest House
<i>Agricultural Education element</i>	Required	Not applicable
<i>Meal served – included in price of lodging</i>	Any meal(s)	Breakfast only Not applicable
<i>Posting requirements for new operations</i>	None	Required for all B&B's Required for all Vacation Rentals
<i>Allowed on Williamson Act contracted property</i>	Yes	No
<i>Special Events</i>	Not allowed without a Special Events permit and then only up to 4 per year.	

Primary Residence: The primary residence of the owner/tenant farmer and any other home on the property that can be designated a primary residence (i.e. property with 20 acre density and owns 45 acres, can have 2 primary residences).

Guest House: maximum of 640 square feet, one half or full bathroom, no kitchen.

Recommendation: if you do plan to use a second primary residence or a guest house you should research the property at PRMD to make sure the building designations are correct.

About Vacation Rentals

Zoning Permit is required for up to a five-bedroom Vacation Rental where allowed. Structures allowed include single-family dwelling and legally-established guest house up to a maximum of five guest rooms.

See Permit Sonoma’s [Vacation Rental Information](#) for complete information.

This is an “over the counter” permit from PRMD. Items required:

- Zoning Permit application

- Site Plan – aerial is ok
- Floor Plan – hand drawn is ok
- Copy of letter you will send to your neighbors, within 100 foot radius of the subject parcel boundary, with a current 24-hour working phone number for them to use to report problems
- Proof of Registration with the County Tax Collector for [TOT Registration](#) (TOT). Note: TOT is collected for stays less of than 30 days; contact the County Tax Collector for complete information.
- Septic evaluation report is NOT required, but recommended
- Cost for Vacation Rental up to 5 bedrooms: \$350 (*as of March 2014*)

Glamping

Not a Farmstay

Even though you may want to include all the elements of a farm stay; these types of arrangements are not farm stays. A use permit will be required where they are allowed and the total cost of permitting will far exceed that of a farm stay.

Special Occupancy Parks

These types of arrangements are called Special Occupancy Parks (SOP) are regulated by the state department of Housing & Community Development. However, the county Permit & Resource Management Department requires a Conditional Use Permit for SOC's, so you will need to work with both the county and the state to get permitted.

Zoning

The following agricultural zones allow for Special Occupancy Parks with a Conditional Use Permit:

- LEA - [Land Extensive Agriculture](#), max 30 sites
- DA - [Diverse Agriculture](#), max 30 sites
- RRD - [Rural & Resource Development](#)

SOC's are *not* allowed on *Land Intensive Agriculture* or *Agriculture and Residential* zoning. They are *not* allowed on parcels under *Williamson Act Contract*. See the links to the specific zoning codes for more details (search for *campground*).

Agricultural Farm Stay Fact Sheet. (n.d.). Retrieved from University of California Agriculture and Natural website:
https://ucanr.edu/sites/CESonomaAqOmbuds/Agricultural_Farm_Stay/

VII. SAMPLE FARM-STAY ORDINANCE: SONOMA COUNTY, CA

Article 88. - General Exceptions and Special Use Standards

Sec. 26-88-085. - Agricultural farmstays.

- (a) Agricultural farmstays shall be permitted only in compliance with the requirements and standards of this section and all other requirements of the applicable zoning district, subject to the issuance of a zoning permit. The term of the zoning permit shall expire upon sale or transfer of the property or upon the owners moving their primary residence off the property, unless there is a tenant farmer continuing to operate the farm and farmstay.
- (b) Performance Standards.
 - (1) Where Allowed. Agricultural farmstays shall be located on and be part of an agricultural enterprise that produces agricultural products as its primary source of income. The agricultural farmstay lodging and meals shall be incidental to the primary agricultural operation.
 - (2) Dwellings Allowed. Agricultural farmstays shall be provided in the primary residence or guest house on the property, and not in agricultural employee housing, seasonal or year-round farmworker housing, farm family dwellings, or second dwelling units. Tents and recreational vehicles ((RVs) are not allowed as a part of an agricultural farmstay.

(3) Owner/Operator in Residence. The owner, or tenant farmer, of the land on which an agricultural farmstay facility is located shall reside on the property. A homeowner's exemption from property tax or lease agreement shall constitute evidence of this requirement.

(4) Maximum Number of Bedrooms and Guests. Agricultural farmstays may have a maximum of five (5) guest bedrooms or sleeping rooms. The maximum overnight occupancy for agricultural farmstays shall be two (2) persons per sleeping room or bedroom (except children under three (3) years of age). If a lower limit is stated on the septic permit, the maximum overnight occupancy shall be that stated on the septic permit.

(5) Food Service. An agricultural farmstay facility may serve food only to registered guests and may serve meals at any time. The price of food shall be included in the price of the lodging. An agricultural farmstay facility shall maintain a food facility permit as required by the Health and Safety Code.

(6) Agricultural Promotion. The operator of the farmstay establishment shall engage in a program of agricultural promotion and guest education regarding the agricultural activities onsite and in the area, which may include active participation in the on-site agricultural activities as part of the consideration for the lodging.

(7) Noise Limits. All activities associated with the agricultural farmstay shall meet the General Plan noise standards contained below.

Hourly Noise Metric ¹	dBA Activity Hours	Quiet Hours
L50 (30 minutes in any hour)	50	45
L25 (15 minutes in any hour)	55	50
L08 (5 minutes in any hour)	60	55
L02 (1 minute in any hour)	65	60

The sound level exceeded n% of the time in any hour. For example, the L50 is the value exceeded fifty percent (50%) of the time or thirty (30) minutes in any hour; this is the median noise level. The L02 is the sound level exceeded one (1) minute in any hour.

(8) Special Events. Non-agricultural activities or special events that involve more than the registered guests are not allowed, except that occasional cultural or special events, parties, weddings or other similar activities may be permitted only with a special event zoning permit up to four (4) times per year.

(9) Septic Systems and Sewer Connections. The owner shall maintain a properly functioning septic system or sewer connection. In some cases, a per-room sewer fee may be applied.

(10) Transient Occupancy Tax. The agricultural farmstay owner shall maintain a transient occupancy tax license and remain current on all required reports and payments.

(Ord. No. 5964, § X, 1-31-2012)

Agricultural farmstays, Pub. L. No. Article 88, § Sec. 26-88-085 (2019).

VIII. TLT CALCULATIONS

		<i>Number of nights in a calendar year</i>					
		150	TLT	90	TLT	30	TLT
Price per night	\$100	\$15,000	\$2,700	\$9,000	\$1,620	\$3,000	\$540
	\$150	\$22,500	\$4,050	\$13,500	\$2,430	\$4,500	\$810
	\$200	\$30,000	\$5,400	\$18,000	\$3,240	\$6,000	\$1,080

If a county had 15 farms-stays at \$150/night for 90 nights in a year... \$36,450

<i>State</i>	70%	\$25,515
<i>County</i>	30%	\$10,935
		\$36,450

Calculated with a 1.8% TLT (Chapter 320 – Miscellaneous Taxes)

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