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No. 102177-1

SUPREME COURT OF THE STATE OF WASHINGTON

KING COUNTY,

Respondent,

v.

FRIENDS OF SAMMAMISH VALLEY, a Washington nonprofit corporation; A FARM IN THE SAMMAMISH VALLEY LLC; MARSHALL LEROY d/b/a Alki Market Garden; EUNOMIA FARMS, LLC; OLYMPIC NURSERY INC.; C-T CORP.; ROOTS OF OUR TIMES COOPERATIVE; REGENERATION FARM LLC; HOLLYWOOD HILLS ASSOCIATION; TERRY and DAVID R. ORKIOLLA; and JUDITH ALLEN; and FUTUREWISE,

Petitioners.

AMICI CURIAE MEMORANDUM

Philip A. Talmadge WSBA #6973 Talmadge/Fitzpatrick 2775 Harbor Avenue SW Third Floor, Suite C Seattle, WA 98126 (206) 574-6661

Attorney for Amici Curiae

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A. INTRODUCTION

The petitions for review of Friends of Sammamish Valley et al. ("FOSV") and Futurewise do an excellent job of articulating why review is merited under RAP 13.4(b). Division I's published opinion is contrary to the State Environmental Policy Act, RCW 43.21C ("SEPA"), and the Growth Management Act, RCW 36.70A ("GMA"), and case law construing both important environmental statutes. Division I condoned King County's effort to retrospectively tolerate the many violations of its policy on alcohol retailing in its comprehensive plan's agricultural (A) and rural (RA) zones, generally permitting intensive urban-level retail activity for Washington's politically powerful alcohol industry in such zones, eroding actual agricultural production.

This is a *Supreme Court case*. As it has done in the past, this Court should grant review to assess whether a local jurisdiction's encouragement of urban-type activity in agricultural or rural zones is consistent with the Legislature's

imperative in GMA to preserve and protect agricultural lands for agricultural production.

King County Ordinance 19030 will inevitably become a roadmap for other local jurisdictions to expand alcohol retail activity in agricultural/rural zones. This Court should not allow the "death by a thousand cuts" subversion of GMA's protection of agricultural lands, as the Growth Management Hearings Board clearly understood.

B. THE INTEREST OF AMICI

As noted in their motion for leave to submit this memorandum on review, *amici* are local, state, and national farm organizations and businesses vitally interested in the preservation of agricultural/rural lands, and farmers and farming, across Washington.

C. STATEMENT OF THE CASE

Amici adopt the statements of the case in the Futurewise and FOSV petitions, but they supplement those facts with additional important background for this case.

Amici's concern that Division I's decision will result in urban level retail activity in agricultural/rural zones is not an abstract one. Rather, it is part of a larger picture of lost farmlands and farmers in our State.¹

The Pacific Northwest, particularly near its urban areas, is losing both farmland and farmers. The National Resources Inventory ("NRI"), a statistical survey of natural resource conditions and trends on non-federal land in the United States, found that between 1997 and 2015, developed land in Washington increased 15 percent, but between 2012 and 2017, the number of farms in Washington dropped 1,456. During the same period, the number of acres in agricultural production declined by 68,250. Since 2010, the average price of Washington farm real estate is up 53.6 percent, and the average price of U.S.

¹ This Court may take judicial notice under ER 201 of these legislative facts. *Wolf v. State*, __ Wn.3d __, __, P.3d __, 2023 WL 5763490 (2023) at *8-9; *State v. Grayson*, 154 Wn.2d 333, 340, 111 P.3d 1183 (2005); ER 201(f).

farm real estate is up 46 percent.² In 2017, there were 45,794 residential building permits issued, up 35 percent since 2014.³

Washington has lost agricultural lands in recent years.⁴ The Puget Sound area lost over 57 percent of its farmland since

² The King County Sammamish Valley Agricultural Production District ("APD") – farmland of commercial significance near to the Woodinville, Redmond and Kirkland urban areas – has already experienced rampant speculation. Recently, a 14.5 acre APD parcel sold for almost \$350,000 per acre. Agriculture lands in King County are typically sold for \$25,000–\$50,000 per acre, precisely because their use is restricted to agriculture. Farm real estate value across Washington averaged \$3,100 in 2022. USDA Press Release, August 5, 2022, at 1: https://www.nass.usda.gov/Statistics_by_State/Oregon/Publications/Current_News_Release/2022/CASHRENT.pdf

³ 2019 Washington State Farmland Preservation Indicators Report at page 3: https://uploads-ssl.webflow .com/5ec2d4f7da 309c68cdc0655a/5f3ffac1bc766a388034778f_WEB-2019-Indicators-Report.pdf

⁴ According to the USDA Census of Agriculture, 640,000 acres were lost nationally between 2002 and 2017. A major factor for this loss is the rising cost of rural and peri-urban agricultural land. Land values are rising dramatically due to competing interests for development, which has only been exacerbated by the pandemic. \$2M for the Farmland Protection and Land Access (FPLA): https://s30428.pcdn.co/wp-

the 1950s. In addition, the aging demographics of producers and increased development pressure has seen agricultural land steadily transition from family farms into corporate ownership.⁵

The Washington Conservation Commission has confirmed that farmland loss has been significant in Washington. 100,000 acres were lost in Thurston County, and 130,000 acres in Lewis County, since the 1950s. Residential development threatens rare open-space habitat, such as dry prairies, which have been reduced to 1-3 percent of their historic range.⁶

The 2017 Census of Agriculture charted a 20-year decline in farmland across the Northwest and California. The drop is significant nationwide, but, in Oregon, Washington, Idaho and

content/uploads/2019/05/FPLA-sign-on.pdf

https://walandtrusts.org/our-work/farmland/

⁵ Washington Association of Land Trusts, Farmland:

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⁶ Washington State University, Agricultural Conservation Workshop Series: Conservation Easements, December 3, 2020: https://extension.wsu.edu/thurston/event/conservation-farmland/

California, it is especially consequential. Between 1997 and 2017, crop acres fell 13.7% in Oregon, 9.7% in Washington, 8.7% in Idaho and 13.2% in California. Nationwide, the average shrinkage was 10.9%. During the same 20 years, the number of pasture acres dropped by 11.25% in Oregon, 17.4% in Washington, 7.6% in Idaho and 22.5% in California.⁷

In addition to losing land, our State is losing farmers.

There are five times as many producers over 65 as under 35 years old.⁸ More than 70% of retiring farmers have not identified a

⁷ Brad Carlson, Western farmland continues to disappear, Capital Press, July 9, 2019: https://www.capitalpress.com/nation_world/nation/western-farmland-continues-to-disappear/article_d9c6e4c6-9f42-11e9-8be5-fd02be84eb8.html

⁸ The average age of a farmer in Washington State in 58.1 years and over 98% of these farmers identify as white. 2017 Census of Agriculture – State Data (Washington), USDA, National Agricultural Statistics Service: https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1, https://www.nass.usda.gov/Publications/AgCensus/20, <a href="https://www.nass.usda.gov/Publications/AgCensus/20

successor. Young and beginning farmers lack access to affordable land, particularly those who have faced a long history of race-based discrimination for land tenure. In Washington, only 4% of producers identified as Black, Indigenous, or a person of color in the Census of Agriculture.⁹

As for alcohol production that is central to this case, most grapes and grains for alcohol manufacturing are grown in Eastern Washington. Only 0.2% of farmland in King County was planted

Underrepresented%20Farmers%20and%20Ranchers%20Report_FINAL_7bda75c8-9c84-420c-8ed1-0e3f60e6af6c.pdf

^{9 \$2}M for the Farmland Protection and Land Access (FPLA): https://s30428.pcdn.co/wp-content/uploads/2019/05/FPLA-sign-on.pdf; In King County, land is often farmed by socially disadvantaged farmers, in part because they typically rent farmland and live in nearby urban areas within their cultural communities. They also grow fresh, local, culturally relevant food for their communities, that suffer disproportionally from food security issues. For example, in the Sammamish Valley the majority of farms are minority owned, including several Hmong and Hispanic farms, as well as Filipina, Thai, Khmer, Japanese, Black, female, and Trans/Gay owned farms. Friends of Sammamish Valley, Farming in the Sammamish Valley: https://friendsofsammamishvalley.org/sammamish-valley-farming-1

with grapes in 2012. National Agricultural Statistical Service, 2013.¹⁰ Most alcohol manufacturing facilities are in Eastern Washington, aligned with their sources of grapes/grain. Recently, Washington's largest winery, Chateau Ste Michelle in Woodinville, moved its production to Eastern Washington. Several factors are driving beverage production facilities closer to their fields in Eastern Washington: increasing transportation costs; concerns about carbon emissions; and long-haul transport reducing the quality of fruit and grains.¹¹

Woodinville is one of two hubs in Washington for winerelated retail. Another is Walla Walla, a 4½ hour drive from the state's major metro areas, and tourists. There are already over 130 alcohol tasting rooms and manufacturing facilities in and

¹⁰ CR 7982.

¹¹ CR 9823; Gerald Tracy, Chateau Ste. Michelle moves white wine production, considers Woodinville property sale, Komo News, June 22, 2022: https://komonews.com/news /local/chateau-ste-michelle-moves-white-wine-productionconsiders-woodinville-property-sale

near Woodinville.¹² That number will increase after Ordinance 19030.

D. ARGUMENT WHY REVIEW SHOULD BE ACCEPTED

(1) <u>Division I's Published Opinion Contravenes This</u> <u>Court's Precedents – RAP 13.4(b)(1)</u>

This Court has set the public policy for the protection of agricultural lands, as envisioned by GMA, in cases it has taken on direct review under RAP 4.2(a) or by review of Court of Appeals decisions under RAP 13.4(b). For example, in *City of Redmond v. Cent. Puget Sound Growth Mgmt. Hearings Bd.*, 136 Wn.2d 38, 989 P.2d 1091 (1998), this Court considered on direct review whether certain land in the city was agricultural (RAP 4.2(a)). The Court there first construed GMA's policy on agricultural lands. *Id.* at 47-48. GMA protects land primarily devoted to agriculture and lands with long-term commercial

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¹² Welcome to Woodinville, Where Washington Pours, Woodinville Wine Country: https://woodinville winecountry.com/

significance for agricultural production. *Id.* at 54-55. Again on direct review, this Court addressed athletic facilities in agricultural zones, invalidating King County's ordinance allowing athletic facilities in agricultural lands inconsistent with GMA. *King County v. Cent. Puget Sd. Growth Mgmt. Hearing Bd.*, 142 Wn.2d 543, 561-62, 14 P.3d 133 (2000). See also, *Lewis County v. W. Wash. Growth Mgmt., Hearings Bd.*, 157 Wn.2d 488, 138 P.3d 1096 (2006) (on direct review, Court upholds Board's invalidation of County agricultural lands designation allowing nonfarm uses in agricultural areas); *City of Arlington v. Cent. Puget Sd. Growth Mgmt. Hearings Bd.*, 164

The soils of the Sammamish Valley APD have the unique characteristics of prime farmland. The APD includes some of the most productive agricultural land in the state, but it is also among the areas most impacted by rapid population growth and development. Even though the properties in this case lie in the APD, there is pressure to convert land to nonagricultural uses.

Id. at 561-62.

¹³ It is noteworthy that this Court observed:

Wn.2d 768, 193 P.3d 1077 (2008) (Court granted review on whether certain lands qualified as agricultural).

In sum, this Court has clearly articulated the public policy on agricultural lands under GMA and has been willing historically to grant direct review under RAP 4.2(a), or to take review of a Court of Appeals decision on the issue under RAP 13.4(b), where a vital aspect of GMA's policy of preserving productive agricultural/rural lands is at stake. Division I's decision is contrary to this Court's decisions. RAP 13.4(b)(1).

(2) <u>Division I's Published Opinion Is Contrary to Court</u> of Appeals Precedent – RAP 13.4(b)(2)

The Court of Appeals has also filed decisions protective of agricultural production under GMA. For example, in *Stevens County v. East. Wash. Growth Manag. Hearing Bd.*, 163 Wn. App. 680, 262 P.3d 507 (2011), *review denied*, 173 Wn.2d 1019 (2012), Division III concluded that a county subdivision ordinance did not adequately protect critical areas like agriculture. Division II in *Concerned Fr. of Ferry County v.*

Ferry County, 19 Wn. App. 803, 365 P.3d 207 (2015), review denied, 185 Wn.2d 1030 (2016), determined that the county's designation of agricultural resource lands violated GMA and its own comprehensive plan, noting in particular the county's misdesignation of over 2816 acres treated as agricultural. Further, in a follow up decision at 13 Wn. App. 2d 1055, 2020 WL 2395175, review denied, 196 Wn.2d 1012 (2020), the court reaffirmed its earlier ruling, concluding that the county's effort to remedy its GMA violations found in the first appeal were ineffective. The county was not entitled to avoid designating agricultural lands necessary to maintain productive agricultural activity in the county. *Id.* at * 7. These decisions only re-enforce the existence of a strong public policy, rooted in GMA, to preserve agricultural lands for agricultural production, not urbanlevel alcohol businesses.

Thus, Division I's decision here is contrary to decisions of the Court of Appeals, requiring this Court's review. RAP 13.4(b)(2).

(3) <u>Division I's Published Opinion Implicates a Substantial Public Issue This Court Should Decide – RAP 13.4(b)(4)</u>

Ordinance 19030 allows alcohol businesses to exploit King County's A/RA zones for retail distribution. These businesses are not like roadside fruit stands selling produce from a farmer's field. In the RA, the Ordinance removed the requirement that 60% of grapes/grains be grown in Puget Sound. Only partial manufacturing is required and there are no metrics on quantity. Most importantly, the County's former limitation that sales were restricted to products produced on-site is removed. Businesses can now import unlimited quantities of alcohol of their own making from elsewhere to sell, and they can cross-sell certain quantities from other manufacturers.¹⁴ Because

A business can set up a very small pseudomanufacturing operation. One barrel labelled "fermenting" and another labelled "aging" satisfies the provision, with little to no capital outlay in manufacturing equipment. In some cases, no manufacturing is required at all. The business can then import as much alcohol as it desires, likely from Eastern Washington, for retail distribution in King County.

40% of King County farming is in the RA zone, the intrusion of urban-level alcohol businesses there will necessarily result in loss of agricultural production. The Ordinance is equally impactful in the A zone.

Ultimately, Ordinance 19030 will exacerbate the loss of productive farmland and farmers by introducing urban-level services in A/RA zones with the attendant crowds, vehicles, and pollution detrimental to agricultural production.

Under Ordinance 19030, wineries, breweries, and distilleries in rural King County would operate like retail bars, and their daily retail operations will draw large crowds of customers to be entertained, and to consume alcohol and food. Events can be held for crowds of hundreds of people, and those events can exceed building occupancy, use portable toilets, and stop traffic on public streets.¹⁵ By permitting building sizes range from 1,500 sq. ft. up to 8,000 sq. ft., Ordinance 19030

¹⁵ CR 310–12.

would allow a proliferation of retail-and-manufacturing-oriented, high intensity urban-serving businesses to sprawl across 302 square miles of RA and 67 square miles of A zones. These facilities will require sewer hookup, or septic systems, sidewalks, stoplights and turn lanes, streetlights, and parking lots.

Ordinance 19030 is an end run around GMA and SEPA, for A/RA zones in King County, but it also sets a precedent for other agricultural areas in the state. Division I effectively condones urban sprawl, counter to decades of state and local efforts to preserve agricultural and rural area lands. Businesses and developers will take heed in other urban counties.

The County argued below that the businesses it is authorizing are an "accessory" to agriculture. But the reality of Ordinance 19030 makes agriculture itself the accessory, flipping

¹⁶ CR 252, CR 255–56.

the whole concept of "accessory" on its head. Review is merited.

RAP 13.4(b)(4).

E. CONCLUSION

Farming is physically and economically challenging. It is already under attack by development; and has little resiliency to ward off future attacks. Division I's opinion is the proverbial camel's nose under the tent flap.

Under the guise of encouraging accessories to farming, the alcohol industry has been granted the right to set up what are retail businesses in the A/RA zones in King County, contrary to GMA's policy of protecting agriculture and rural lands. This ordinance will be replicated in other counties. Review by this Court is critical. RAP 13.4(b)(1), (4).

This document contains 2,435 words, excluding the parts of the document exempted from the word count by RAP 18.17.

DATED this 8th day of September, 2023.

Respectfully submitted,

/s/ Philip A. Talmadge
Philip A. Talmadge,
WSBA #6973
Talmadge/Fitzpatrick
2775 Harbor Avenue SW
Third Floor, Suite C
Seattle, WA 98126
(206) 574-6661

Attorneys for Amici Curiae

DECLARATION OF SERVICE

On said day below, I electronically served a true and accurate copy of the *Amici Curiae Memorandum* in Supreme Court Cause No. 1021771 to the following:

Peter J. Eglick Joshua A. Whited Eglick & Whited PLLC 1000 Second Avenue, Suite 3130

Seattle, WA 98104-1046

Lisa Petersen Assistant Attorney General Washington State Office of the Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104

Cristy Craig
Lena Madden
Civil Division
W400 King County Courthouse
516 Third Avenue

Seattle, Washington 98104

Tim Trohimovich
Futurewise

816 Second Avenue, Suite 200 Seattle, Washington, 98104

Duana Kolousková Vicki Orrico Johns Monroe Mitsunaga Kolousková, PLLC 11201 SE 8th Street Suite 120 Bellevue, WA 98004

Rita V. Latsinova Anne M. Dorshimer Stoel Rives LLP 600 University Street, Suite 3600 Seattle, WA 98101

Original E-filed with: Supreme Court Clerk's Office

I declare under penalty of perjury under the laws of the State of Washington and the United States that the foregoing is true and correct.

DATED: September 8, 2023 at Seattle, Washington.

/s/ Brad Roberts
Brad Roberts, Legal Assistant
Talmadge/Fitzpatrick

TALMADGE/FITZPATRICK

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- lrussell@cascadialaw.com
- monica.erickson@kingcounty.gov
- phelan@ewlaw.net
- tim@futurewise.org
- · whited@ewlaw.net

Comments:

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Sender Name: Brad Roberts - Email: brad@tal-fitzlaw.com

Filing on Behalf of: Philip Albert Talmadge - Email: phil@tal-fitzlaw.com (Alternate Email: matt@tal-fitzlaw.com)

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