King County Council 516 Third Avenue, Room 1200 Seattle, WA 98104

December 2, 2019

RE: Adult Beverage Ordinance 2018-0241

## Dear Councilmembers:

Thank you for the opportunity to comment on the proposed Adult Beverage Ordinance 2018-0241. As the president of Water Tenders, the oldest environmental advocacy group in King County, I am writing to express concern about the unintended consequences of the proposed Beverage Ordinance on the Agricultural Production and Rural Area Zones in the Sammamish Valley as well as the effect that the ordinance would have on the Bear Creek Basin and all environmentally sensitive areas in King County.

First, I want to review how the Council got to this point of considering such a significant decision. When the Growth Management Act was passed in 1990, King County drew Urban Growth Boundary lines that delineated where growth would be concentrated. Lines were drawn around cities and towns where growth would be concentrated. Areas outside the Urban Growth Boundary were supposed to have limited development. Cities created comprehensive plans and zoning codes that governed how, where and when development would occur.

With the understanding/assumption that intensive construction and development would only occur within the cities inside the UGB where the comprehensive plans and zoning codes would address development issues, the King County Code was written without significant or adequate regulations for land use development in rural zones. Ultimately, the King County Code does not have adequate planning authority or regulations to address the intensive development in the rural areas that will occur along SR202 as a result of the Adult Beverage Ordinance 2018-0241.

After the passage of the Growth Management Act in 1990, the boundary line for the City of Woodinville was drawn to include areas far to the south of the city center where two well-established wineries, the Columbia Winery and the Ste. Michelle Winery, had been operating for years. The historic Hollywood Schoolhouse area on the southeast was also included in Woodinville's boundaries because it already had a business district.

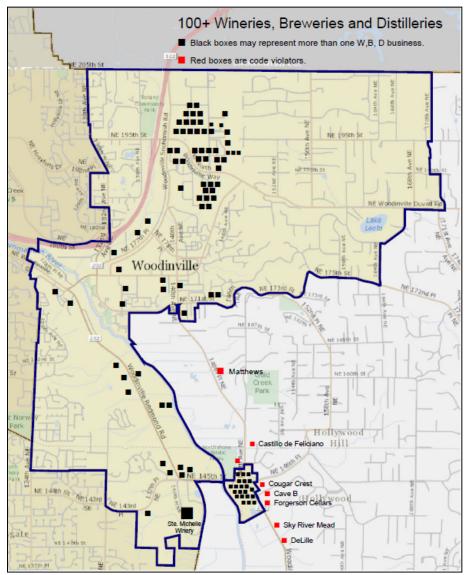
The City of Woodinville was responsible for providing all urban services (water, sewer, police, fire, traffic control, public bus transportation and surface water management) to land parcels, residents and businesses inside the city limits and Urban Growth Boundary. Agricultural District and the Rural Areas would not receive urban services specifically because they were located outside the UGB.



## WASHINGTON HAS BECOME A MAJOR GROWER OF GRAPES FOR HIGH QUALITY WINE PRODUCTION

Eastern Washington is recognized as a fantastic grape growing region with its combination of long sunny days, cool nights and unique acidic glacial soil. It has been compared to the wine-growing regions of France. Grapes are grown along the Columbia River and then sent to the Woodinville area wineries for fermenting and processing. Over the past 30 years, more than 100 wineries, breweries and distilleries with associated tasting rooms have located inside the City of Woodinville and the area has become a tourist destination known for its wineries and tasting rooms. These businesses that are numerous, well established and thriving.

Unfortunately, in addition to the 100+ wineries, breweries and distilleries that have located inside the Woodinville City Limits, since 2005 or 2006 several home-based wineries (red boxes) were established on the east side of SR202 between Woodinville and Redmond. These wineries were a permitted use when they were in an owner-occupied residence as was the case when they first started operating. However, eight of the home-based wineries moved their wine production off-site and began acting as tasting rooms, retail sales locations and event venues for large parties and gatherings. Code violation complaints were filed with King County and, in response the businesses demanded that they should be allowed to continue operations.

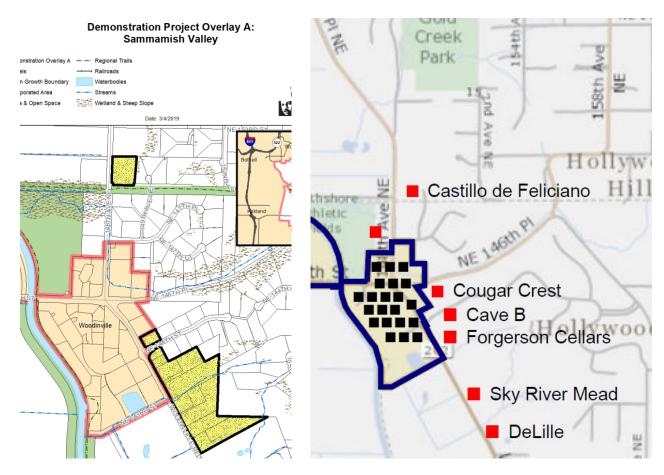


Rather than telling the businesses that they were out of compliance and needed to shut down, King County commissioned the 2016 King County Sammamish Valley Wine and Beverage Study that focused on the agricultural and rural parcels along SR202 in the Sammamish Valley area from Woodinville to North Redmond

The 2016 King County Wine and Beverage Study did not acknowledge the significant number of wineries, breweries and distilleries (100+) that were established and operating inside the City of Woodinville. The consultants who wrote the study mainly

focused on the agricultural land along the Sammamish River and the hillside to the east of SR202 between the Hollywood Hill roundabout and the city limit of Redmond to the south. The Study excluded standards that an Environmental Impact Study would cover such as surface water management and contamination from uncontrolled run-off and/or septic overflow, loss of agricultural production zones and traffic impacts. Additionally, the study did not consider the impact of creating tasting rooms and event centers in RA zones and Agricultural lands located in other areas of King County with significant RA and Agricultural zoning. As a result of the Study, Overlay Projects A and B were proposed that will create major event venues and tasting rooms on the east side of SR202 in the RA zone.

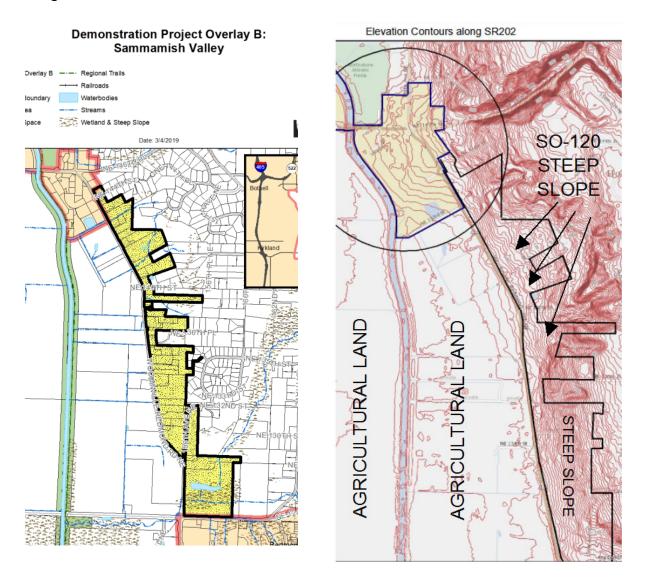
Demonstration Project Overlay A for the Sammamish Valley would allow **Tasting Rooms** on five parcels that currently have pending code violations including Castillo de Feliciano (340770-0006), Cougar Crest (340470-0027), Cave B (340470-0026), Forgerson Cellars (340470-0030), and Sky River Mead (340470-0040). These parcels are outside the Urban Growth Boundary and have no access to municipal services. Moreover, it should be obvious that Demonstration Project Overlay A amends the King County Code to legitimize these previously illegally operating businesses.



It should also be noted that the parcels on the steep hillside on the east side of SR202 (Redmond-Woodinville Rd) are zoned "SO-120: Agricultural Production Buffer" with the intent that the zoning should minimize the impact of development to the adjacent agricultural land along the Sammamish River. 21A.38.130 states that the purpose of the agricultural production buffer is to provide a buffer between agricultural and upslope <u>residential</u> land uses. Tasting rooms and events centers are commercial activities (and under 2018-0241 would require a business license.)

Demonstration Project Overlay B in the Sammamish Valley for Special Events will rezone all parcels on the east side of SR202 (Redmond-Woodinville Rd) between the Woodinville City Limits at the Hollywood roundabout to the Redmond City Limits at NE 124th Street and allow Special Events. Only parcels larger than 5 acres are supposed to be eligible for the Special Event designation, but it must be recognized that lot line revisions could easily create many additional 5-acre parcels by combining smaller adjacent parcels.

It also must be noted that all land along the east side or SR202 is steep and any development would create run-off and flooding in the agricultural bottomland that would not be contained or mitigated.



Additionally, because this area was never intended for site planning or significant development, there is no section of the King County Code that could oversee development of the in the RA or A zones for the proposed WDB businesses (i.e. there is no way to require storm water vaults for contaminated run-off from parking lots, no provision to require traffic turn lanes or traffic lights, no access to the municipal sewer system for large events with 125+ people, etc.)

More troubling about the Adult Beverage Ordinance 2018-0241 are the changes to the "Product Content" and minimum lot size requirement for Wineries, Breweries and Distilleries located in the Rural Area. (See staff file "2018-0241\_Att5\_Council\_staff\_summary\_matrix \_substantive\_changes" - Table 2 for Rural Area Zone.) The existing code requires that 60% of products processed must be from Puget Sound Counties. Since grapes for wine production cannot be grown in any county bordering Puget Sound (because it is too cold and wet), local wine production in the RA zone is not economically viable and simply doesn't occur although it is currently technically allowed. With the elimination of the 60% local product requirement, grapes grown in Eastern Washington can be transported to wineries in King County for winemaking at any site larger than 2.5 acres (reduced from the 4.5 acre minimum) and zoned RA. Thousands of acres of RA land will become available for wine production and wine tasting rooms - creating land disturbances, traffic, run-off and all other degradation that come with commercial development even on a limited scale. *The magnitude of these simple code changes cannot be understated.* 

On a certain level, the Adult Beverage Ordinance 2018-0241 attempts to address the hurdles faced by Adult Beverage businesses trying to manufacture wine and spirits in unincorporated King County. The many complicated and frustrating requirements and restrictions that businesses are encountering are meant to protect the rural environment and concentrate development inside the Urban Growth Boundary. The exorbitantly high cost of land in the UGB makes locating in the rural areas attractive to businesses; however, it undermines the intent of the Growth Management Act.

Many successful and thriving winery, distillery and brewery operations have located inside of Woodinville city limits. The county-wide rezoning of RA parcels for use as wineries, breweries, distilleries and events centers should not be approved by this ordinance without further in-depth study to understand the effects across the entire county - from rural Redmond, to rural Kent/Auburn, to Enumclaw-Greenwater, to Snoqualmie Pass and to Skykomish. We need to carefully consider the effects of this ordinance.

I implore all members of the King County Council to reject Ordinance 2018-0241 unless an Environmental Impact Study is done to consider all potential effects and alternatives.

Respectfully submitted, Susan Wilkins President, Water Tenders 2017-2020