

City of SeaTac

Council Study Session Minutes Synopsis

March 14, 2017
5:00 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Study Session (CSS) was called to order by Mayor Michael Siefkes at 5:01 p.m.

COUNCIL PRESENT: Mayor Michael J. Siefkes, Deputy Mayor (DM) Pam Fernald, Councilmembers (CMs) Rick Forschler, Kathryn Campbell, Peter Kwon, and Erin Sitterley. Excused absent: CM Tony Anderson.

STAFF PRESENT: City Manager Joe Scorcio, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Acting Community & Economic Development (CED) Director/Economic Development (ED) Manager Jeff Robinson, Planning Manager Steve Pilcher, Senior Management Analyst Tim Ramsaur, Management Analyst Anita Woodmass, Parks, Community Programs and Services Director Lawrence Ellis, Recreation & Cultural Services Manager Brian Tomisser, Recreation Supervisor Kathleen Cummings, Recreation Program Specialist Linda Croasdill, Executive Assistant Lesa Ellis, and Police Chief Lisa Mulligan.

PUBLIC COMMENTS (related to the agenda items listed below): There were no public comments.

PRESENTATIONS - INFORMATION ONLY:

Introduction of New/Promoted Employees: Recreation Program Specialist So Won Kim and Probation Counselor Jeannette Fischer

City Manager Scorcio introduced Ms. Kim and Ms. Fischer.

AGENDA BILLS:

Agenda Bill #4582; A Resolution declaring City-owned property surplus and executing a Purchase and Sale Agreement (PSA) for the sale of the real estate to the 176th SeaTac, LLC.

Summary: The City received an offer of \$750,000 from 176th SeaTac, LLC. for the acquisition of property located at 3120 South 176th Street. The purchaser owns the adjoining parcel to the west, the 3100 Building, which houses several businesses including the Seattle Southside Regional Tourism Authority (SSRTA) headquarters and Visitor Center. The 22,688 square foot flag-shaped site is currently vacant and has been in City ownership since 2008. The City purchased the site from the Estate of Kenneth Williams at a price of \$849,900 at the onset of the recession and at the height of the commercial real estate cycle. When the property was acquired in 2008, the City intended to use the property to further the goals of the Airport Station Area Plan by providing for "parks, plazas and open space; public parking; provision of amenities; or residential housing opportunities." The Airport Station Area Plan was repealed by the Council in 2010.

Since its purchase the site has required regular monitoring, maintenance and clearing at the City's expense and has been the subject of multiple complaints. A different entity made an unsolicited offer to purchase the property in June 2016 which was not accepted at that time. This led the City to obtain an appraisal that was completed in July 2016. The appraisal indicated the most probable purchaser of the site was a "land developer who intends to redevelop the site."

The offer of \$750,000 is consistent with the July 2016 appraisal. 176th SeaTac, LLC has no immediate plans for redevelopment of the site, but the purchase will add to their current adjacent holding of 66,211 square feet and allow for an assemblage of property for a larger, more significant future development within the City Center.

Sales proceeds would generate \$750,000, less the seller share of closing costs, estimated at \$5,000 to include an ALTA Survey, an Extended Title Insurance Policy, filing fees, and other miscellaneous costs associated with the escrow account that are not shared with the buyer. By negotiating the transaction and managing the closing in-house the City will save approximately \$40,000 in brokerage commissions and legal fees. Proceeds from the sale will be returned to the Municipal Capital Facilities Fund which provided the funding for the acquisition of the property in 2008.

Acting CED Director / ED Manager Robinson reviewed the agenda bill summary.

Council discussion ensued regarding potential uses of the property, proposed language, and price.

Council consensus: Refer to the 3/28/17 RCM Consent Agenda

PRESENTATIONS - COUNCIL DIRECTION:

A presentation seeking direction regarding autonomous vehicles and a proposal to prepare a feasibility level analysis.

PW Director Appleton introduced CATES Research Director John Niles.

Mr. Niles explained autonomous vehicles. He also discussed opportunities for SeaTac to become a demonstration site for automated vehicle deployments. A proposal was provided to the City to help SeaTac become a municipal center of excellence in transport technology deployment.

Council discussion ensued regarding how this helps residents, Strengths, Weaknesses, Opportunities, and Threats (SWOT), concern from resident regarding parking revenue, what the City's role would be in this if the City isn't going to run and operate the vehicles, whether autonomous vehicles are legal on roads, potential for lost privacy with eyes in the neighborhood, benefits of vehicles, eyes on the street, interfacing with the police department to supplement their efforts, money to fund proposal, (direction to repurpose funds), proposal, and priorities.

Council direction: Direct City Manager to find funds for the proposal and bring it back to Council

A presentation seeking direction regarding the Funding Agreement with Sound Transit for the Federal Way Link Extension project

Management Analyst Woodmass briefed Council on the project, including timeline with construction commencing in mid 2019. She reviewed the three agreements: Term Sheet - signed in March 2017, Funding Agreement – to be completed by the end of May, and Development Agreement (DA) – final draft due September 2017.

Council direction: Refer Funding Agreement to Administration & Finance (A&F) Committee, Refer Development Agreement to Transportation & Public Works (T&PW) Committee

Senior Program Donation of Funds with Renton Community Foundation.

Parks, Community Programs and Services Director Lawrence Ellis introduced Renton Community Foundation Executive Director Lynn Bohart and Foundation Boardmember Judy Schafer. The Senior Citizen Advisory Committee was also in attendance to show support for this item.

He stated this was presented to the A&F Committee at the February 2 meeting and recommended this item go forward to the City Council for direction.

The Senior Citizen Advisory Committee was notified in 2015 it was a beneficiary of a will in the amount of \$54,000. Staff researched options for managing the funds over time instead of trying to spend the funds in the short term. The funds will be managed by the foundation.

Council discussion ensued regarding the benefits of using an outside group to manage the funds.

Council direction: Direct City Manager to establish a contractual relationship with the foundation and bring it back before Council

PRESENTATIONS - INFORMATION ONLY:

Community Service Officers (CSOs) – Building Relationships

Executive Assistant Ellis presented the custom video regarding CSOs. It will be scheduled for SeaTV as well as available on-line.

This Executive Session was not needed:

EXECUTIVE SESSION: To consider the minimum price at which real estate will be offered for sale or lease RCW 42.30.110(1)(c) / Litigation RCW 42.30.110(1)(i)

ADJOURNED: Mayor Siekfes adjourned the Council Study Session at 6:22 p.m.