

PROPOSED INTERLOCAL AGREEMENT (ILA) A PARTNERSHIP FOR MUTUAL SUCCESS

The Port of Seattle and the City of SeaTac developed a proposed interlocal agreement (ILA) to move the community and the region forward. As Seattle-Tacoma International Airport continues to serve regional demand, the new 10-year agreement establishes benefits for city residents and businesses, and supports the continued operation of the nation's ninth-busiest airport.

What is the historic relationship between the Port and the City?

Sea-Tac Airport, operated by the Port of Seattle, is located within the City of SeaTac's boundaries. Since 1997, the City and Port have used interlocal agreements to address respective operational and authority issues that could be anticipated to arise. There has been almost no litigation during that time, resulting in greater efficiency and operational cost savings for both the airport and the City.

Why is the relationship between the City and the Port unique?

The Sea-Tac Airport facility and other Port-owned property fall within the municipal boundaries of the City. The City and the Port each have certain authorities that can overlap. An ILA recognizes that the City and Port have a unique relationship that benefits from partnership, transparency and collaboration.

Why enter into an ILA?

The current ILA expires in February 2018. The City and Port have used an ILA since 1997 to address concerns of overlapping authority and agree it is best to continue this practice. Overlapping authorities are best reconciled through agreement rather than litigation. An ILA helps to reconcile disputes between the Port and the City about certain issues, including the administration of building permits, zoning, development standards, stormwater fees and transportation impacts. The proposed ILA is a completely new agreement (not an amended version of previous agreements) which, in its entirety, avoids litigation and represents a fair and balanced approach with predictability and consistency for both the Port and the City.

How long would the ILA last and can it be amended?

The proposed agreement is based on a 10-year term with the opportunity to renegotiate provisions at year five. Either the City or the Port can notify the other in writing of its intent to withdraw from and terminate the agreement with not less than two years notice.

How is this ILA different from the previous ILA?

New or enhanced elements contained within this proposed ILA include:

- Funding contribution for public safety and enforcement of traffic and parking standards;
- Formally establishes the Port as the City's agent for building permit authority for airport-related development and creates a system for sharing permit and inspection data;
- Provision for traffic impact fees, permit fees and stormwater fees for Port-owned property;
- Unique land use and development regulations that meet the needs of both the Port and the City;
- Quality assurance for Port development permits integrated into the City system; and
- A process for the Port to further support City business license compliance.

Why is the proposed ILA beneficial for the Port, the City and the community?

A new ILA supports increased public safety, provides improved cost recovery and fee-for-service provisions between the Port and the City, and enhances communication, transparency of information and predictability regarding airport-related operations in the City.

- The Port will contribute \$1.4 million each year toward community relief to support public safety and traffic enforcement activities.
- The Port will pay \$1.3 million each year in surface water management fees, as well as a minimum of \$226,600 each year for permitting authority program management fees, over the term of the agreement.
- The Port will assist the City with better compliance on business license requirements, and the initiation of a neighborhood parking program.
- The Port and City will benefit from an efficient, predictable and verifiable building and permitting program at Sea-Tac Airport that reduces future project delay and costs.
- The Port and the City will agree to unique zoning and land use and development standards for Port-owned property that would support the operation of the airport.

What is meant by “community relief” in the proposed ILA?

As the airport’s home city with many commercial activities related to airport customers, the City experiences unique circumstances from localized impacts associated with airport operations or businesses serving the airport. The Port will contribute \$1.4 million annually to the City’s general fund to support increased police, traffic and parking enforcement, and general enforcement of City Codes and Ordinances.

How is environmental review handled in the proposed ILA?

Both agencies have lead agency status under the State Environmental Policy Act (SEPA) and have agreed that for airport-related development inside and outside the Airport Activity Areas (AAA) boundary, the Port will serve as lead agency, with the City having consultative agency status outside the AAA. For non-airport related development on Port property, the City will serve as lead agency. In all cases, the City will be provided advance notification prior to any commencement of SEPA activity on Port-owned property.

What if the City and Port don’t come to agreement on a new ILA?

Port and City leadership agree that overlapping authorities are best addressed through an ILA. The negotiated outcome provides predictable benefits for both the Port and the City. If the ILA were to expire in February 2018 without a new agreement, it is likely that new negotiations would commence. However, in the meantime, the City and Port may consider alternative methods of resolving disputes, including litigation.

Questions or comments?

Contact the Port at: Port.SeaTac.ILA@portseattle.org

Contact the City at: ILAComments@ci.seatac.wa.us

All written comments must be received by the Port of Seattle and the SeaTac City Council by December 5th.