

City of SeaTac

Regular Council Meeting Minutes

September 25, 2018
6:00 PM

City Hall
Council Chambers

CALL TO ORDER: Acting Mayor Erin Sitterley called the SeaTac City Council Regular Meeting to order at 6:00 p.m.

COUNCIL PRESENT: Mayor Erin Sitterley, Deputy Mayor (DM) Clyde Hill, Councilmembers (CMs) Rick Forschler, Joel Wachtel, Peter Kwon, and Pam Fernald.

STAFF PRESENT: City Manager Joseph Scorcio, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Public Works (PW) Director Will Appleton, City Engineer Florendo Cabudol, PW Program Coordinator Mason Giem, Community & Economic Development (CED) Steve Pilcher, Economic Development (ED) Strategist Aleksandr Yeremeyev, Parks, Community Programs and Services (PCPS) Director Lawrence Ellis, Police Chief Carl Cole, Finance & Systems Director Gwen Pilo, Budget Analyst Alexis Briggs, Planning Manager Jennifer Kester and Senior Planner Dennis Hartwick.

FLAG SALUTE: Kathryn Campbell led the Council, audience, and staff in the Pledge of Allegiance.

ELECTION OF MAYOR AND DEPUTY MAYOR (IF NEEDED)

Acting Mayor Sitterley called for nominations for Mayor of the City of SeaTac through 2019.

CM Forschler nominated CM Sitterley as Mayor.

Because Acting Mayor Sitterley was nominated as Mayor, she could no longer facilitate this portion of the meeting and called for nominations for Presiding Officer for the Mayoral Election portion of this meeting.

CM Hill nominated CM Kwon as Presiding Officer.

CM Kwon was unanimously elected as Presiding Officer for the Mayoral Election portion of this meeting.

Presiding Officer Kwon asked if there were further nominations for Mayor.

CM Sitterley was unanimously elected as Mayor through 2019.

Mayor Sitterley called for nominations for DM through 2019.

CM Forschler nominated CM Hill as DM.

CM Hill was unanimously elected as DM through 2019.

PRESENTATIONS:

Key to the City to former Mayor and Councilmember (CM) Michael J. Siefkes

Council and City Manager Scorcio thanked former Mayor and CM Siefkes for his service to the City.

Mayor Sitterley presented him with the Key to the City.

This item was postponed to the October 9, 2018 Regular Council Meeting (RCM) prior to this meeting:
Seattle Storm Proclamation

Introduction of new City employees: Planning Manager Jennifer Kester and Senior Planner Dennis Hartwick.
City Manager Scorcio introduced Ms. Kester and Mr. Hartwick.

PUBLIC COMMENTS:

The following people spoke regarding Agenda Bill #5042 – SeaTac Center, requesting the City not move forward with selling the property to private developers and include the SeaTac Center tenants in future plans: Hamdi Mohamed, Luis Escamilla, Mike Singh, Tekele Gobena (also requested the Council give the community more time, and fill the vacant Council seat before the decision is made), Stacia Jenkins (33rd Democrat group passed Resolution opposing sale to Inland Group), Rupika Madhavan, Andi Newman, Asha Mohammed, Jamila Farole, Larry Gossett (King County CM), Satprit Kaur, and Alias Ahli (unsure of spelling).

Mary Brown stated a community center is needed for the kids in the area of SeaTac Center.

Jim Todd spoke regarding Agenda Bill #5042 and the three options he heard at the Planning & Economic Development (PED) meeting, and encouraged Council if they move forward with the Inland Group to also continue to reach out to the community to see if a compromise can be reached.

Kent Palosaari stated SeaTac Center is an opportunity for community building as well as tourist options. He encouraged Council have community discussion before making decisions and consider all options.

Roger Kadeg stated there was a fatal shooting in Burien last week. The officers captured the gang members with many guns but the juvenile hall wouldn't take them. He questioned what SeaTac can do to maintain the relatively low level of violence.

Frank Zamfina spoke regarding a police incident around his recent eviction where he feels the police handled the situation wrongly.

Doug Hill stated the Council wants a robust, inclusive, cool, hip, international market in the City where it is a draw in the City; an environment where everybody can come.

PRESENTATIONS (continued):

Council Position #5 Vacancy, process to fill position

City Attorney Mirante Bartolo stated former Councilmember Michael Siefkes (Council Position #5) resigned effective September 12, 2018. Per RCW 42.12.070, the City has 90 days to fill the vacancy or King County (KC) will fill the position. The City is currently seeking applications, which are due September 28, 2018.

City Clerk Gregg outlined the process that will be used to fill the position.

1. Applications received September 28, 2018
2. Drawing of interview times at October 5 Budget Workshop 1
3. Special Council Meeting (SCM), date to be determined, to conduct interviews, recess to Executive Session to discuss applicant qualifications, reconvene meeting to appoint new CM.
4. The new CM will be sworn in at the next RCM following the SCM.
5. The CM will serve through the November 2019 General Election certification.

Council responded to the following questions from Mrs. Gregg:

1. Does the Council want candidates to introduce themselves? If so, how much time will they be given?
No introduction because the interview questions should cover most of the information.
2. How many questions will be asked? How much time per question to answer?
Six questions, one question per CM, 15 minutes for the questions and answers and then 5 minutes for any additional information to be provided by candidate or Council to ask additional questions.
3. How will the interview questions be generated?
Each CM will provide their top question to the City Clerk by Friday, October 5. Each CM will ask their question during the interview.

Key City Issues and Requests for Direction

City Manager Scorcio commented on the following:

- (1) 3rd edition of SeaTac Quarterly came out today
- (2) Council vacant position – applications due September 28
- (3) Washington State Department of Commerce (WSDOC) Sea-Tac Airport Study Advisory Committee - applications due September 28, appointment at October 9, 2018 Regular Council Meeting (RCM)
- (4) Environmental Review Scoping Process for Sustainable Airport Master Plan (SAMP) – comments are due September 28, SeaTac has prepared extensive comments, and a four City coordinated effort is also being done to provide comments with the help of a consultant
- (5) CIR #2018-24, investigate designation of foreign trade zones, he requested Council approval to spend staff time and requested findings be referred to PED for review and recommendation. Council concurred.
- (6) Council received the Business Synergy report, Puget Sound Business Examiner article with listing of hotels in the region and conference and convention spaces with those hotels
- (7) preliminary 2019-2020 budget will be released this week

Committee Updates (for items not included on the agenda) and Council Requests to Refer Items to Committees

CM Forschler: Hotel/Motel (H/M) Tax Advisory Committee – autonomous vehicles study follow up; PED – Request for Proposals (RFPs) for properties. He requested an Economic Master Plan be referred to the PED committee. Council concurred. He also stated he received an invitation to serve on the Watershed Restoration Enhancement Committee.

CM Wachtel: September 13 Public Safety & Justice (PS&J) Committee – analysis of indigent defense contract and permit parking program.

CM Kwon: Transportation & Public Works (T&PW) Committee – Recology recycling issue, Signal timing plan for lights on International Boulevard (IB), current construction projects, ADA transition plan, next meeting is October 18; and South County Area Transportation Board (SCATBd) – proposal to explore changing the state gasoline tax to a mile driven tax, and legislative agenda.

CM Fernald: September 26 – 6:30 p.m., Open House on sidewalk project.

DM Hill: Parks & Recreation (P&R) Committee – Human Services Funding, October 4 - next meeting; and Puget Sound Regional Council (PSRC) Transit Oriented Development (TOD) – Vision 2040 results, starting to take input on the 2050 plan.

Mayor Sitterley: Administration & Finance (A&F) Committee – most items are on the agenda, and next meeting is September 27.

CONSENT AGENDA:

Approval of claims vouchers (check no. 122220 - 122362) in the amount of \$1,343,631.64 for the period ended September 20, 2018.

Approval of payroll vouchers (check no. 54639 - 54660) in the amount of \$98,643.83 for the period ended September 15, 2018.

Approval of payroll electronic fund transfer (check no. 95394 - 95540) in the amount of \$359,602.37 for the period ended September 15, 2018.

Approval of payroll wire transfer in the amount of \$506,412.86 for the period ended September 15, 2018.

Approval of Council Meeting Minutes:

Regular Council Meeting held September 11, 2018.

Public Safety & Justice Committee Meeting held September 13, 2018.

MOVED BY HILL, SECONDED BY FORSCHLER TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS (related to Action Items):

Aneelah Afzali spoke for SeaTac Community Coalition and American Muslim Empowerment Network, spoke regarding Agenda Bill #5042 – SeaTac Center, asking Council to not enter into negotiations with the private developer and work with the community, or move forward with the SeaTac Community Coalition proposal.

Chuck D'Arielli stated the City needs to sell SeaTac Center to the highest bidder, Inland Group.

Craig Baker spoke about Agenda Bills 5040, 5041, 5042 stating the City does not need to be land owners and should release the properties.

Keith James, Inland Group, spoke regarding his RFP for the SeaTac Center space. He stated Inland is committed to working with the community to build something better than what is currently on the site.

Roger Kadeg spoke on the following items: (1) Agenda Bill #5041 - Fire Station #47 property – concerned with sole bidder, and (2) SeaTac Center – the City has a fiduciary responsibility, and concerned with more low income housing.

Ooba (last name unknown) stated Inland Group should work with the community and not around the community. She encouraged Council to think about this decision before making it.

Monica Mendoza she questioned Council and who they stand for as public servants. She urged Council to move forward with the SeaTac Coalition proposals for Agenda Bill #5042.

ACTION ITEM:

Agenda Bill #5018; A Motion approving the Employment Transition Agreement of Joseph Scorcio (from 9/11/18 RCM)

Summary: The City Council has long acknowledged City Manager Joseph Scorcio's intent to retire from the City of SeaTac. Current resolutions, compensation and related benefit actions for Mr. Scorcio are based on December 31, 2018. The selection of a new City Manager was synchronized to facilitate a planned overlap period prior to that retirement date. However, recent changes in the appointment of the new City Manager has led to a reopening of the recruitment and selection process in late 2018 or early 2019. The Council has asked Mr. Scorcio to delay his retirement date and remain with the City until after the new Manager starts. The Employment Transition Agreement reflects the extended service, establishes his duties and responsibilities during the transition, addresses the change in PERS status, and updates compensation changes that are required by the City and Mr. Scorcio to enter into this mutual agreement.

Mr. Scorcio will continue to receive other standard employee benefits through his retirement in 2019, 60 days after the new City Manager begins work at the City. Upon separation, the City would pay out remaining accrued leave balances per the terms of this agreement.

The additional costs of the overlapping salaries and separation balances will be included in the 2019-2020 Biennial Budget. The Council did include an additional \$59,847 in 2018 for the anticipated overlap, but these funds will not be spent this year.

On September 11, 2019, the City Council referred this matter to the A&F Committee for review and placed the item on the September 25, 2018 RCM agenda as an Action Item. At their September 13, 2018 meeting, the A&F Committee recommended approval of the agreement as proposed.

City Manager Scorcio stated A&F recommended approval at its September 13 meeting.

MOVED BY WACHTEL, SECONDED BY FORSCHLER TO PASS AGENDA BILL #5018.

MOTION CARRIED UNANIMOUSLY.

ACTION ITEMS (continued):

Agenda Bill #5034; An Ordinance #18-1031 authorizing the City Manager to execute agreements for the purchase of playground equipment for Angle Lake Park, authorizing project expenditures, and amending the City's 2017-2018 Biennial Budget.

Summary: The existing playground equipment at Angle Lake Park was installed in 1997, and it has reached the end of its useful life. This project replaces the existing playground equipment and installs a new fall surfacing material to protect the preschoolers and school aged children from injury.

In 2005, the City became a member of the King County Directors' Association (KCDA). KCDA is an organization that serves as a centralized procurement service to its members who are comprised of school districts, public and governmental agencies.

The cost of replacing the equipment is budgeted in the 2017-2022 Capital Improvement Program (CIP) in the amount of \$52,575, which is not enough to complete the project. However, the City received \$32,000.00 in compensation from Angle Lake Hotel LLC as part of the sale of the Angle Lake Park access easement in April 2013. Per the agreement of the sale, these funds were specifically allocated for the use of the Angle Lake Park. It is proposed that the City's 2017-2018 Biennial Budget be amended so that these funds may be used to complete funding.

The selection of the playground equipment was based on the number of possible play activities, unique designs, and visual appearance. The procurement process was conducted through KCDA, as authorized by SMC 3.31.150. As part of the City's membership, KCDA saved the City time and money through volume purchasing as well as complying with all the legal procurement requirements. The City provided KCDA with the required equipment specifications and KCDA conducted the search for the suitable vendor. All items and services under the contract with KCDA have been awarded through their bid process. It is anticipated that the playground equipment will be installed by the end of 2018.

This Ordinance authorizes the purchase of the playground equipment through the KCDA, including installation, a new safety surface, and sales tax, not to exceed \$84,575. The Ordinance also amends the City's 2017-2018 Biennial Budget by increasing expenditures in the Municipal Capital Improvement Fund (Fund #301) by \$32,000 to fully fund this project.

The total project expenditures will not exceed \$84,575, which includes equipment, installation, playground safety surfacing, and sales tax.

This matter did not go before a committee. Staff recommends that the Ordinance be adopted.

Park Operations Manager Fitzpatrick reviewed the agenda bill summary.

Council discussion ensued regarding installation – November 2018; why this item did not go before a committee - oversight, budgeted, funded item, want to get done this year; and equipment - mostly like for like equipment with some enhancements.

MOVED BY HILL, SECONDED BY FORSCHLER TO PASS AGENDA BILL #5034 (ORDINANCE #18-1031).

MOTION CARRIED WITH FERNALD ABSENT DURING THE VOTE.

Agenda Bill #4970; An Ordinance #18-1032 amending Chapter 5.05 of the SeaTac Municipal Code (SMC) relating to Business Licenses and Regulations.

Summary: In response to the House Bill 2005 requirement that requires all cities to partner with the State Business Licensing system, an AWC workgroup was created and tasked with developing a model business license ordinance. Instead of drafting a complete ordinance, the AWC workgroup created a uniform definition of "engaging in business" and language related to a minimum licensing threshold that all Washington cities must adopt by January 1, 2019.

ACTION ITEMS (continued):

Agenda Bill #4970; Ordinance #18-1032 (continued):

The proposed Ordinance amends Chapter 5.05 of the SMC relating to Business Licenses and Regulations. This Ordinance incorporates the required language drafted by the Association of Washington Cities (AWC) and other revisions to the business licensing chapter detailed below:

1. Section 5.05.010
 - a. Removed 5.05.010 (A) as this is now replaced with AWC model definition of “engaging in business” (see section 5.05.015).
 - b. Added definitions for “Business License”, “City” and “City Manager”.
2. Section 5.05.015
 - a. Added “engaging in business – defined”. This is required language from AWC the City must adopt.
3. Section 5.05.050
 - a. Removed 5.05.050 (A). This section is now covered by the model language.
 - b. Removed 5.05.050 (B). This section is now covered by the model language.
4. Section 5.05.070
 - a. Removed text stating, “in the event of denial, the fee paid shall be returned to the applicant together with notice that the application has been denied”. Staff works with prospective business owners prior to application in an effort to reduce the chance of denial. During the review process, departments will also make several attempts to contact and work with the applicant to resolve any issues prior to the denial of the application. The City has had very few denials.
5. Section 5.05.080
 - a. Added 5.05.080 (A). This is required language from AWC the City must adopt, which includes a minimum licensing threshold of \$2,000 in gross receipts.
6. Section 5.05.090
 - a. Removed this section. Prorating of license fees is covered under the City’s Schedule of Fees.
7. Section 5.05.200
 - a. Clarified that the penalty for violating the Business License Code is a civil infraction with a penalty of \$300.
8. Sections 5.05.210 and 5.05.220
 - a. Deleted these sections because they are not needed.

The Ordinance, if adopted, would be effective January 1, 2019.

The Administration and Finance (A&F) Committee reviewed this item on September 13, 2018 and recommended adoption.

Budget Analyst Briggs reviewed the agenda bill summary. Finance & Systems Director Pilo was present to respond to questions.

MOVED BY FORSCHLER, SECONDED BY FERNALD TO PASS AGENDA BILL #4970 (ORDINANCE #18-1032).

MOTION CARRIED UNANIMOUSLY.

Agenda Bill #4977; An Ordinance #18-1033 repealing and replacing Chapter 3.25 of the SeaTac Municipal Code (SMC) related to Gambling Tax.

Summary: In 1989, the pre-incorporation City Council adopted Ordinance 89-1006 imposing a tax on gambling activities in the City of SeaTac, which was subsequently amended by Ordinance 99-1002, and 11-1013, and was codified in SMC Chapter 3.25. Currently, SMC 3.25 lacks certain provisions and some of the provisions are unclear. In order to provide clarity and assist with the gambling tax enforcement, some of the specific changes include:

3.25.010 - Definitions. This is a new section defining "Director" as the Director of Finance and Information Systems. It also adopts all of the definitions from Chapter 9.46 RCW and WAC Title 230.

3.25.020 - Imposition of tax on gambling activities. The current code does not distinguish between punchboards and pull-tabs for bona-fide charitable or non-profit organizations and commercial stimulant operators. However, State law mandates how taxes for these activities be calculated for bona-fide charitable or nonprofit organizations. The A&F

ACTION ITEMS (continued):

Agenda Bill #4977; Ordinance #18-1033 (continued): Committee opted to include the language, "Activity from punch boards and pull-tabs for bona-fide charitable or nonprofit organizations would be taxed at a rate of 10% of the gross receipts from the operation of games, less the amount as awarded as cash or merchandise. However, punch boards and pull-tabs for commercial stimulant operators would be taxed at a different rate of 5% of the gross receipts from the operation of games".

The A&F Committee also opted to raise the tax imposed on social card games from 10% to 20% of the gross revenue.

3.25.030 - Exemptions. The current code does not address the exemption that applies to raffles. This exemption is now reflected in 3.25.030(B).

3.25.040 - Payment of tax on gambling activities. This section is not clear in the current code. The proposed Ordinance makes it clear that a holder of a license issued by the Gambling Commission who conducts a gambling activity in the City of SeaTac shall provide a copy of each Quarterly License Report filed with the Commission to the Director no later than 5 days of the filing. It also makes it clear when payments shall be due and payable to the City.

3.25.050 - Delinquencies. This section has been rewritten to include a phased penalty approach over a period of time. If the payment is still not made after the specified date, then it may be deemed a civil and criminal violation of this chapter.

3.25.060 - Administration and Collection. This is a new section. The Director shall be responsible for the administration and collection of taxes.

3.25.070 - Declaration of Intent. This is a new section. This requires any person or organization who intends to conduct or operate gambling activities in the City of SeaTac to first file a declaration of intent together with a copy of the license to the Director.

3.25.080 - Records required to be maintained. This is a new section. This requires the taxpayer to maintain all records and information required by the Gambling Commission, and that the records be made available to the City in order to determine the tax liability.

3.25.090 - Taxes, penalties, service charges, and fees constitute debt to municipality. This section provides four ways by which the City is authorized to collect such a debt.

3.25.100 - Penalties. This is a new section. Persons who fail to pay their Gambling Tax, or willfully disobey the provisions of this Chapter shall be guilty of a misdemeanor. This is in addition to payment of taxes owed.

The effective date of this proposed Ordinance is January 1, 2019.

This matter went before the A&F Committee on September 13, 2018, and the Committee recommended adoption.

Finance and Systems Director Pilo reviewed the agenda bill summary.

MOVED BY WACHTEL, SECONDED BY FERNALD TO PASS AGENDA BILL #4977 (ORDINANCE #18-1033).

MOTION CARRIED UNANIMOUSLY.

Agenda Bill #5032; A Motion authorizing the City Manager to execute a first amendment to the Comprehensive Garbage, Recyclables and Compostables Collection Contract with Recology CleanScapes Inc.

Summary: This Motion authorizes the City Manager to execute a contract amendment with Recology CleanScapes Inc. On June 21, 2018, the T&PW Committee was briefed on issues facing the recycling industry as the result of policies reducing and prohibiting recycled paper, cardboard, and plastics from entering China. These policies, commonly referred to as China Sword and the Blue Sky Initiative impact over 50% of the world market for recyclable materials and has created a collapse in the value of many recyclable materials. A primary reason for enacting these

ACTION ITEMS (continued):

Agenda Bill #5032 (continued): policies was to reduce the amount of contaminated recyclables being imported into China. Currently, the level of contamination in recyclable materials significantly affects the value.

Recology has been taking steps towards reducing the amount of contamination of the recyclable materials including reducing the speed on their sort line, adding staff, and sending material to other markets. However, these measures have dramatically increased Recology's processing costs, while at the same time the value on their separated commodities has dropped by 80%. In order to continue offering the same level of service, Recology is requesting a temporary sustainability adjustment (rate increase) to make further capital improvements that will reduce contamination in the recycling stream (and thus increasing the value of the commodities) and help them to remain financially viable during this unprecedented market downturn.

In response to Recology's request, a community stakeholders meeting was held on August 9, 2018 at which 31 people attended. Recology presented information regarding the collapsing recycling markets and staff led a discussion of potential options to address this issue. Four strategies were presented and discussed with the public at this meeting: (1) Create a temporary sustainability adjustment (temporary rate increase); (2) 2. Remove some problematic materials from the list of items that can be recycled; (3) Create a contamination monitoring and enforcement program; and (4) Take no action.

The majority of attendees at the August 9 meeting indicated that some combination of the above options was the best way forward and all but one agreed some action to assist Recology was needed. Following the stakeholders meeting, City staff met with the T&PW Committee on August 16 and September 20 to discuss the meeting results. The Committee reaffirmed its willingness to participate in a solution that incorporates the parameters listed below. City Staff was able to negotiate a proposed amendment to Recology's collection contract consistent with these parameters as follows:

- Provides for a monthly temporary sustainability adjustment per residential account that is adjusted as markets improve. The Committee recommended a range for this adjustment of between \$1.50 and \$2.70 per month. Staff was able to negotiate an adjustment of \$1.35, which is below the Committee's proposed range.
- Provides for a monthly temporary sustainability adjustment per multi-family and commercial accounts that is adjusted as markets improve. The Committee recommended a range for this adjustment of between \$3.30 and \$5.39 per cubic yard of service, per month. Staff was able to negotiate an adjustment of \$4.50, which is within the Committee's proposed range.
- The sustainability adjustment expires on May 31, 2021.
- Removes plastic film from the list of items that are accepted into the recycling stream, as this material can get clogged in the sorting equipment, it has little to no value, and it is a source of contamination.
- Requires greater contamination monitoring and enforcement procedures for commercial and multi-family customers because these customers are the largest contributors of contamination into the recycling stream.
- Requires Recology to identify and implement a plan to address the need for a long term recycling solution with benchmarks for success.

If approved, the temporary Sustainability Adjustment would become effective on January 1, 2019.

The proposed contract amendment will result in an approximate increase of \$35,000 in franchise fee payments each year for the term of the agreement.

This issue was brought before the T&PW Committee on June 21 and 25, August 16, and September 20. The Committee unanimously recommended approval of this amendment.

PW Director Appleton introduced PW Program Coordinator Giem. Mr. Giem reviewed the agenda bill summary.

Council discussion ensued regarding community meeting where this was broadly accepted, public education, and what happens if the City does not approve the rate hike. Mr. Giem stated the City would then be held to the same contamination standards Recology is being held to, and term for temporary rate – January 1, 2019 – May 31, 2021.

Council consensus: Refer it to the October 9, 2018 RCM Consent Agenda.

Recessed: Mayor Sitterley recessed the meeting at 8:40 p.m until 8:49 p.m.

City Manager Scorcio commented on the following three items. Council directed staff to take these properties to market through the RFP process. Many meetings and discussions regarding these properties were held. An RFP is not a bid.

Mr. Scorcio introduced CED Director Pilcher and ED Strategist Yeremeyev.

Agenda Bill #5040; A Motion authorizing the City Manager to enter into negotiations with _____ for the sale and redevelopment of the former Fire Station 45 property.

Summary: The former Fire Station 45 property located at 2929 South 200th Street is no longer necessary for City operations. Its sale and redevelopment is likely to spur other economic development activity and will increase residential housing stock in the Angle Lake Station Area, consistent with the vision of the adopted Angle Lake Station Area Plan. The City received two responses to the RFP on August 16, 2018. One response came from the Low Income Housing Institute (LIHI) with plans to develop a residential project with a proposed purchase amount of \$550,000. The second response came from Pawandeep Josan with a proposed purchase amount of \$300,000. He did not submit details of his proposed plans for development of the site.

This Motion authorizes the City Manager to begin negotiations for the sale and redevelopment of the property. It does not commit the Council to enter into a final agreement. Also, this Motion allows the City to request changes to a proposal through the negotiation process.

Proposed sale and redevelopment of the property will generate revenues from the sale, construction taxes and fees, and additional sales tax and property tax revenues.

The Planning and Economic Development (PED) Committee reviewed the responses to the RFP on September 20, 2018 and recommended against the proposed motion to proceed with negotiations

City Manager Scorcio reviewed the agenda bill summary.

Council discussion ensued regarding options for this property and reasons for considering not moving forward with negotiations.

MOVED BY FORSCHLER, SECONDED BY HILL TO REMOVE FIRE STATION 45 FROM THE MARKET AT THIS TIME TO CONSIDER FURTHER COMMERCIAL ALTERNATIVES IN THE FUTURE.

MOTION CARRIED UNANIMOUSLY.

Agenda Bill #5041; A Motion authorizing the City Manager to enter into negotiations with the Low Income Housing Institute (LIHI) for the sale and redevelopment of the former Fire Station 47 property.

Summary: The former Fire Station 47 property at 3215 South 152nd Street is no longer necessary for City operations. Sale and redevelopment is likely to spur other economic development projects and will increase the residential housing stock in the South 154th Street Station Area, consistent with the vision of the adopted 154th Street Station Area Plan. The City received one response to the RFP on June 15, 2018 from the LIHI for a residential project with a proposed purchase amount of \$983,500. The City extended the period for additional responses to the RFP but none were received.

This Motion authorizes the City Manager to begin negotiations for the sale and redevelopment of the property. It does not commit the Council to enter a final agreement. Also, this Motion allows the City to request changes to a proposal through the negotiation process.

Proposed sale and redevelopment of the property will generate revenues from the sale, construction taxes and fees, and additional sales tax and property tax revenues.

The PED Committee reviewed the responses to the RFP on September 20, 2018. The Committee recommendation was split between proceeding with negotiations and against proceeding with negotiations.

ACTION ITEMS (continued):

Agenda Bill #5041 (continued):

City Manager Scorcio reviewed the agenda bill summary.

Council discussion ensued regarding options for this property and reasons for moving forward with negotiations or not.

MOVED BY FORSCHLER, SECONDED BY FERNALD TO CONTINUE DISCUSSION OF AGENDA BILL #5041 TO AFTER DISCUSSION OF AGENDA BILL #5042.

MOTION CARRIED WITH HILL VOTING NO.

Agenda Bill #5042; A Motion authorizing the City Manager to enter negotiations with _____ for the sale and redevelopment of the SeaTac Center Property.

Summary: The acquisition of the SeaTac Center in 2010 was part of the City's efforts to move forward with necessary infrastructure projects in support of the adopted South 154th Street Station Area Action Plan. The long-planned sale and redevelopment of this property is likely to spur other economic development projects and increase the residential housing stock and quality retail space in the South 154th Street Station Area, consistent with the vision of the adopted 154th Street Station Area Plan.

The sale and redevelopment of the SeaTac Center Property is timely due to the completion of several planned capital improvement projects in the area, the planned Military Road South Improvement Project scheduled for construction starting next year, and the proximity of the City of Tukwila's Justice Center project. The City received two responses to the RFP on August 31, 2018. One response came from Inland Group for development of a residential mixed use project, with a proposed purchase amount of \$15,480,000. The second response came from SeaTac Community Coalition to construct an International Marketplace. Their proposal is to purchase approximately 1/3 of the site with an undefined purchase amount to be determined later.

This Motion authorizes the City Manager to begin negotiations for the sale and redevelopment of the property. It does not commit the Council to enter a final agreement. Also, this Motion allows the City to request changes to a proposal through the negotiation process.

Proposed sale and redevelopment of the property will generate revenues from the sale, construction taxes and fees, and additional sales tax and property tax revenues.

The PED Committee reviewed the responses to the RFP on September 20, 2018. The Committee recommendation was split between proceeding with negotiations with Inland Group and against proceeding with negotiations.

City Manager Scorcio reviewed the agenda bill summary.

Council discussion ensued regarding options for this property and reasons for moving forward with negotiations or not.

MOVED BY WACHTEL, SECONDED BY FERNALD TO PASS AGENDA BILL #5042, NEGOTIATIONS WITH INLAND GROUP.

MOTION CARRIED WITH FORSCHLER VOTING NO.

Agenda Bill #5041; A Motion authorizing the City Manager to enter into negotiations with the Low Income Housing Institute for the sale and redevelopment of the former Fire Station 47 property (continued):

Council discussion continued regarding options for this property and reasons for moving forward with negotiations or not.

MOVED BY KWON, SECONDED BY FERNALD TO PASS AGENDA BILL #5041.

MOTION CARRIED WITH FORSCHLER VOTING NO AND WACHTEL ABSENT DURING THIS VOTE.

PUBLIC COMMENTS (related to Unfinished Business): None

UNFINISHED BUSINESS: None.

NEW BUSINESS: None.

CITY MANAGER'S COMMENTS: None

COUNCIL COMMENTS: CM Fernald commented that people speaking to the Council should be respectful.

DM Hill stated his appreciation of everyone coming out and sharing their comments.

CM Kwon commented on the SeaTac Quarterly and the mailbox program.

Mayor Sitterley thanked everyone for attending tonight's meeting.

RECESSED: Mayor Sitterley recessed the meeting to an Executive Session to evaluate the qualifications of an applicant for public employment RCW 42.30.110(1)(g) at 10:47 p.m. until 11:00 p.m.

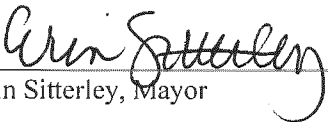
EXECUTIVE SESSION: To evaluate the qualifications of an applicant for public employment RCW 42.30.110(1)(g)


Council requested an additional 5 minutes at 11:00 p.m.

RECONVENED: Mayor Sitterley reconvened the meeting at 11:07 p.m.

ADJOURNMENT:

MAYOR SITTERLEY ADJOURNED THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT P.M.


Erin Sitterley, Mayor


Kristina Gregg, City Clerk