



Administration and Finance Committee Meeting Minutes

December 13, 2018

4:00 PM

SeaTac City Hall - Riverton Room 128

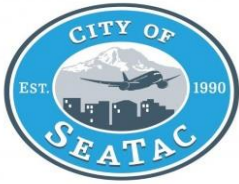
Members:	Present:	Absent:	Commence:	4:01 PM
			Adjourn:	4:59 PM
Erin Sitterley, Chair	X			
Peter Kwon	X			
Clyde Hill	X			

Other Council Members Present: Joel Wachtel, Pam Fernald
 Staff Coordinator: Gwen Pilo, Finance & Systems Director

1. Call to Order	<i>Committee Chair Erin Sitterley called the meeting to order at 4:01 PM.</i>
2. Public Comment	<i>Vicki Lockwood voiced her concerns with the City leasing space on the 2nd floor. Earl Gipson stated his objection of entering into any long term leases in the building.</i>
3. Review of the Minutes	<u>X</u> Recommended for Approval <i>A copy of the 11/08/18 minutes was provided to the committee for review. The committee approved the minutes as written.</i>
4. Council/City Manager Travel Pre-Approval or Final Approval	<u>X</u> Recommended for Approval <i>Executive Assistant Lesa Ellis presented the following items for approval:</i> <ol style="list-style-type: none"> <i>1. Expense Approval for Clyde Hill NLC Summit Lodging: \$1613.95 Transportation: \$46.58 Total Amount: \$1660.53</i> <i>Council members Sitterley and Kwon voted to approve. Council member Hill abstained from voting.</i> <i>2. Expense approval for Peter Kwon NLC Summit Lodging: \$1613.95 Transportation: \$30.63 Total Amount: \$1644.58</i>

	<i>Council members Sitterley and Hill voted to approve. Council member Kwon abstained from voting.</i>
5. Vacant Positions Update	<u> X </u> Informational Update <i>Human Resources & Risk Management Director Vanessa Audett provided the committee with an update on vacant positions within the City.</i>
6. Audit Exit Conference	<u> X </u> Recommended for Approval <i>Brandon Tecca and Sean Fitzgerald from the State Auditor’s Office (SAO) presented the committee with draft reports following the completion of the Accountability and Financial Statement audit of the City. The results were all positive, the audit yielded no “findings” and the City is in compliance with all applicable laws and policies. The complete audit report will be posted on the SAO website.</i>
7. Realignment of Engineering Review Division	<i>Public Works Director Will Appleton, along with Community and Economic Development Director Steve Pilcher, discussed with the committee the proposed realignment of the Engineering Review Division. This proposal would bring the Engineering Review Division into the Public Works Department from CED. There is no financial impact or reclassification of positions, therefore no official action is needed from the committee. The committee had no issues with this realignment. The change will become effective January 1, 2019.</i>
8. Lease Agreement with ReWa	<u> X </u> Deferred to next A&F Meeting <i>Parks Community Programs and Services Director Lawrence Ellis, along with Facilities Manager Brian Ruda, discussed with the committee the proposed lease agreement with Refugee Women’s Alliance (ReWa) for office space located on the 2nd floor of City Hall. The committee discussed the proposal and had some concerns with the proposed 10-year lease term. The committee directed staff to negotiate a shorter term (36 months) and also had questions regarding the occupancy of the space. Staff agreed to gather more information to answer their questions and come back to the next A&F Meeting to discuss further.</i>
9. Cryptocurrency	<i>Deferred to future A&F Meeting, date TBD.</i>
10. Vouchers 101	<i>Deferred to future A&F Meeting, date TBD.</i>

11. Future Meeting Schedule	<i>The next A&F Meeting will be held on January 10, at 4:00 PM in Riverton Room 128.</i>
12. Adjourn	<i>Committee Chair Erin Sitterley adjourned the meeting at 4:59 PM.</i>



Current Vacancies

Updated January 8, 2019

Vacancy	AFSCME	Position Funding	Dept	Notes/Status
Administrative Assistant 2	Y	Sound Transit Funded	PW	HR Screening Applications
Civil Engineer 1	Y	50% 102 Fund, 50% 403 Fund	PW	Posted Externally, Sourcing Applicants
Civil Engineer 1	Y	50% 102 Fund, 50% 403 Fund	PW	Posted Externally, Sourcing Applicants
Civil Engineer 2	Y	Sound Transit Funded	PW	Posted Externally, Sourcing Applicants
Code Compliance Supervisor	N	100% General Fund	CED	Pending PVRB
Information Systems Analyst	Y	100% General Fund	FS	Pending Internal Recruitment Decision
Judicial Support Specialist	Y	100% General Fund	CRT	Posted Externally, Sourcing Applicants
Parking Compliance Officer	Y	100% 102 Fund	PD	Offer Pending KCSO Background Checks
Parking Compliance Officer	Y	100% 102 Fund	PD	Offer Pending KCSO Background Checks

Fund Key

102 Fund = Street

307 Fund = Public Works Engineering / Transportation CIP

403 Fund = Surface Water Management

404 Fund = Solid Waste

501 Fund = Equipment Rental

A&F Committee

January 10, 2019

For Council Consideration:

A Resolution to Renew a Contract With CWA Consultants for Structural and Non-Structural Plan Review Services.

Analysis:

Consultant Services Agreement #18-A053 with CWA Consultants is in need of renewal. In 2018, the amount approved for professional services was \$308,000 to cover both structural and non-structural plan review of major projects. Due to the volume of the work that the City anticipates will be coming in (hotels, office park, townhomes, Sound Transit), and with the third party review required by the Port of Seattle ILA, the amount that could potentially be needed to cover plan review services could reach \$250,000 in 2019, which represents a reduction of \$58,000 over 2018.

The need for this contract is twofold. First, the City does not employ a structural engineer that is capable of performing structural and non-structural reviews on buildings. This is due in part to the low volume of work that would keep an individual actively engaged on a full-time basis. Secondly, plan reviews for the random projects selected from the Port of Seattle Building Department for third party review dictate that this work be performed by an outside reviewing entity. CWA Consultants is capable of performing reviews for both City and Port projects and has demonstrated their ability and competency for doing so for the past three years.

The decision to use CWA Consultants came after soliciting requests for proposals for the performance of plan review services. All of the other proposals received were considerably higher but comparable in the service level that was desired. CWA Consultants was selected based upon their bid and for their reputation for providing excellent service to jurisdictions that rely on their service. The Building Division has had no complaints for services provided to date and would like to extend this contract as a convenience to the City with either party able to end the agreement with ten days' written notice.

Budget Significance:

Minimal. All fees charged for plan review by an outside contracted consultant are charged to the permit applicant for City projects. Reviews performed as part of the Port ILA are paid for out of the annual \$226,600 payment for City oversight and administration of their Permitting and Inspection activity. Although not anticipated, the City may need the services of CWA for other projects requiring structural plan review, and charges for those services, if needed, would be minimal as part of the overall professional services budget.

Committee Reviews:

Alternatives: 1) Pass the proposed resolution. 2) Do not pass the proposed resolution and not provide the service to our customers that rely on their projects to be timely reviewed and approved for construction. This may necessitate that the City add a qualified Structural Plans Examiner to the staff at a considerable cost that the City would bear, which has not been budgeted.

CONSULTANT SERVICES AGREEMENT

DATE: January 22, 2019

THIS AGREEMENT, entered into this 22nd day of January, 2019, is between **The City of SeaTac**, a municipal corporation, hereinafter referred to as "City", and **CWA Consultants**, 8675 East Caraway Road; Port Orchard, Washington 98366, hereinafter referred to as the "Consultant".

WHEREAS, the City desires to retain the services of a consultant to provide structural and non-structural plan review on complex commercial building permits where non-structural plan review is directly related to the structural components of the project; and

WHEREAS, the Consultant is qualified, willing and able to provide said services as described in this Agreement; and

WHEREAS, the services to be performed by the Consultant are temporary in duration;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, to be kept, performed and fulfilled by the respected parties hereto, it is agreed as follows:

1. SERVICES BY CONSULTANT

- A. The Consultant shall perform the services described in Attachment A, on an as needed basis.
- B. Said services, and all duties incidental or necessary thereto, shall be performed in a manner consistent with that level of care ordinarily exercised by members of the profession currently practicing in the same location under the same general conditions.
- C. If, during the course of the Agreement, the services rendered do not meet the requirements as set forth in Attachment A, the Consultant will correct, modify, and/or remodel the required work.

2. TIME OF PERFORMANCE

- A. The term of this Agreement is through December 31, 2019. However, any projects assigned to the Consultant prior to this date shall be completed in accordance with this Agreement.

3. COMPENSATION

- A. The City shall pay Consultant as set forth in Attachment A, but in no event shall payments under this Agreement exceed \$250,000.
- B. The Consultant shall submit invoices to the City upon conclusion of each complete initial plan review or, for plan review entailing more than a calendar month of timeline, may submit monthly invoices during the progress of work for payment for work completed to the date of the invoice. Invoices shall be in a format acceptable to the City and contain a complete report of work performed for each project by major work element or, in the case of projects extending beyond a one-month timeframe, a progress report of work performed.
- C. The amount of an individual progress invoice shall bear the same ratio to the total contract fee as the amount of work completed bears to the total amount of work provided for herein, less any amounts previously received. The sum of the payments shall not exceed the agreed on fee established for each plan review and will be paid to the Consultant upon approval of the satisfactory completion of the work, its acceptance by the City and the receipt by the City of the plans, maps, reports and related documents.

- D. The City shall have the right to withhold payment to the Consultant for any work which is not completed in accordance with Attachment A until such time as consultant modifies such work so that it is in accordance with Attachment A.
- E. The City shall pay all invoices from the Consultant within 30 days of actual receipt of a properly completed and accepted invoice. The City shall notify Consultant within fifteen (15) days from receipt of any disputed invoices. Extra services shall be negotiated on a lump sum fee.

4. EXTRA CONSULTING SERVICES

- A. The City may desire to have the Consultant perform work or render services in connection with the project other than that provided for by the express intent of this Agreement. Such will be considered "Extra Work", supplemental to this Agreement, and subject to change orders setting forth the nature, scope, and compensation therefore. Work under such change orders shall not proceed unless and until so authorized in writing by the City.

5. OBLIGATIONS

- A. The City shall furnish applicable manuals of procedures, and appropriate City policy directions concerning procedures and project information.

6. INDEPENDENT CONTRACTOR

- A. The Consultant is and shall be at all times during the term of this Agreement an independent contractor.

7. HOLD HARMLESS

- A. The Consultant shall hold the City and its officers, agents, and employees harmless from all suits, claims or liabilities of any nature, including attorney's fees, costs and expenses for or on account of injuries or damages sustained by any persons or property resulting from the negligent activities or omissions of the Consultant, its agents or employees pursuant to this Agreement, or on account of

any unpaid wages or other remuneration for services; and if a suit as described above be filed, the consultant shall appear and defend the same at its own cost and expense, and if judgment be rendered or settlement made requiring payment by the City, the Consultant shall pay the same. This paragraph survives termination of this agreement.

8. INSURANCE

A. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, employees or sub consultants. The cost of such insurance shall be paid by the Consultant.

Consultant shall maintain limits no less than:

Comprehensive General Liability: \$1,000,000 combined single limit per occurrence.

Comprehensive Professional Liability: \$1,000,000 combined single limit per occurrence.

Consultant shall furnish the City with certificates of insurance affecting coverage required by this clause. The City shall be named a primary non-contributory additional insured on said policies.

9. OWNERSHIP OF DOCUMENTS

A. Upon payment to the Consultant by the City of all compensation due under this Agreement, all finished or unfinished documents and material prepared by the Consultant with funds provided by this Agreement shall become the property of the City and shall be forwarded to the City at its request.

B. Any records, reports, information, data, or other documents or materials given to or prepared or assembled by the Consultant under this Agreement which the City

requests to be kept as confidential shall not be made available to any individual or organization by the Consultant without prior written approval of the City.

10. CHANGE OF SCOPE

A All parties may request changes in the scope of services, performance or reporting standards to be performed or provided under this Agreement. Such changes, including any increase or decrease in the amount of the consultant's compensation, which are mutually agreed upon by the consultant and the City, shall be incorporated in written amendments to this Agreement.

11. COMPLIANCE WITH LAWS

A The Consultant will comply with all applicable state, federal and City laws and safety regulations, including the procurement of a City Business License within 45 days of contract execution.

12. RESERVATION OF RIGHTS

A. Payment by the City or performance and acceptance of payment by the Consultant shall not be construed to waive any party's rights or remedies against the other. Failure to require full and timely performance of any provisions at any time shall not waive or reduce the right to insist upon timely performance of such provision thereafter.

13. SEVERABILITY

A If any provisions of this Agreement are held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives of the contemplated project as determined by the City.

14. TERMINATION OR SUSPENSION OF AGREEMENT

A. The right is reserved by the City and Consultant to terminate or suspend this Agreement at any time by giving ten (10) days' written notice to the other party. In

that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports, or other material prepared by the Consultant pursuant to this Agreement, shall be submitted to the City, and the Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on the project prior to the date of suspension or termination.

- B. In the event that the City requests termination of the work prior to completion, Consultant reserves the right to complete such analyses and records as may be necessary to place their files in order.

15. INTEGRATED DOCUMENT

- A. This Agreement embodies the agreement between the City and the Consultant. No verbal agreements or conversation with any officer, agent or employee of the City prior to the execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal contract shall be considered as unofficial information and in no way binding upon the City.

EXECUTED this 22nd day of January, 2019

CONSULTANT

CITY OF SEATAC

by: _____
Charles J. Williams
CWA Consultants

by: _____

ATTACHMENT A

1. PLAN REVIEW

A. CWA Consultants (Consultant) will review plans submitted with building permit applications for structural and non-structural code compliance integral to the review of the structural components in accordance with the currently adopted Washington State Building Code with Amendments and the SeaTac Municipal Code. The Consultant will confer with the Building Official and his/her agent on any portion of the review that specifically requires the approval of the Building Official as specified in the Code (s).

8. The Consultant will not design for the applicant, make any change on the plans that are structural in nature, or make any changes that directly contradict other information on the plans. These changes must be made by or under the direction of the applicant. All notes and details must be on the approved permit set of plans.

C. If corrections or additions are required, the Consultant will write or send a review letter addressed to the Building Official and will send a copy to the review contact person for the applicant. The correction letter will indicate to the applicant that they are required to submit the revisions/ additions to the City of SeaTac per the submittal requirements for the permit type under review.

D. The Consultant will indicate that the plans have been reviewed and found to be in substantial compliance with applicable codes and ordinances. The Consultant's company name plan reviewer's signature and date of compliance will be affixed to each plan.

2. FEES

A. The City of SeaTac shall pay CWA Consultants no more than the fee calculated using the methods outlined below.

B. Upon completion of an initial plan review, a billing statement will be issued by CWA Consultants to the City of SeaTac. Each billing statement will include the application number and the address of the plan reviewed, along with the fee.

C. Valuation figures used to determine the plan review fees will be determined by the City of SeaTac. This valuation number will be used by CWA Consultants to determine the appropriate plan review fee, as specified below (Permit fee based on Table 1-A of the 1997 UBC):

- Both Non-Structural and Structural review: 50% of the Plan Review Fee
- Non-Structural only: 33% of the Plan Review Fee for the entire building
- Structural only: 33% of the Plan Review Fee for the entire building

- Fire Code reviews will be billed at \$150 per hour, or a set fee arranged with the City of SeaTac.
- All other services will be billed at \$90 per hour.
- There is a minimum charge of \$180 (2 hours) for all reviews.

3. PROCESS

A. The City will determine which plans are to be reviewed by the Consultant.

B. The City will intake, track and process the permit applications and all revisions per current building and permit Administration procedures.

C. The Consultant will be responsible for the transportation of plans and revisions to and from the City. The Consultant will pick up and deliver as needed.

D. The Consultant will do the initial review and will have either approved the application and notified the City of approval or contacted the applicant and the City with corrections within the time frames listed below:

- Commercial 20 days (4 weeks)
- High Rise Buildings 25 days (5 weeks)

- Turn-around for all other types of permit applications is to be negotiated.

E. The Consultant will review any revisions or additional information and will either indicate compliance with the code(s) against which it was checked and notified the City of compliance, or if the plans are still not complete, contact the applicant and the City with additional revision requests within the time frames specified above.

F. The plan review fee will include a maximum of two rechecks. If the plans require more than two rechecks, an hourly fee of \$90.00 per hour will be accessed to the applicant.

G. The review time may be negotiated based on the number and complexity of plans to be reviewed. The Consultant will not be held responsible for delays beyond the Consultant's control.



SeaTac City Council
Request for Council Action
Agenda Bill #: 5124

Council consideration: A resolution authorizing and approving an ICMA Money Purchase Plan for the City Manager.

Date Action Requested: 01/22/2019

Review Dates: A&F 01/10/2019

Prepared By: Gwen Pilo, Finance & Systems Director

Amount: \$15,000

Budgeted?: Yes

Applicable Fund Name: General (001)

Director Approval: Finance & Systems Director Gwen Pilo 01/10/2019

City Manager Approval:

Purpose: A resolution authorizing and approving an ICMA Money Purchase Plan for the City Manager.

ANALYSIS: Consistent with the City of SeaTac City Manager Employment Agreement with Carl Cole, approved November 27, 2018, the attached Resolution authorizes the opening of a retirement account through the ICMA Retirement Corporation. City Manager Cole has exercised his statutory right to "not join" the Washington State Public Employees Retirement System, and instead divert contributions that would otherwise be made to the retirement system on his behalf, to the ICMA account. Because these contributions are made at a different rate than those made to the existing ICMA plan for all employees, a new plan must be created separate and distinct from the existing plan.

This Resolution is a housekeeping measure authorizing ICMA Retirement Corporation to create City Manager Cole's retirement account, following the rules in the Adoption Agreement, and authorizes the execution of the Administrative Services Agreement (Declaration of Trust).

BUDGET SIGNIFICANCE: Contributions in the amount of approximately \$15,000 have been included as a part of the 2019 budget.

COMMITTEE REVIEW(S) AND RECOMMENDATION(S): The A&F Committee reviewed and recommended the Resolution for approval by the full Council on January 10, 2019.

ALTERNATIVE(S): No alternatives have been identified as the account was approved as part of the City Manager Employment Contract and the Resolution is authorizing ICMA to set up the account.

RESOLUTION NO. _____

A RESOLUTION of the City Council of the City of Seatac, Washington authoring and approving an ICMA retirement account for the City Manager.

WHEREAS, the City Council has, by Resolutions 90-74, No. 90-125 and other resolutions, approved and authorized deferred compensation plans and retirement accounts for the employees of the City of SeaTac in order to provide adequate retirement security, increase flexibility in its personnel management system and to retain competent personnel; and,

WHEREAS, pursuant to the resolution, the plans and accounts, including an ICMA 401-A Money Purchase Plan and an ICMA 457 Deferred Compensation Plan, have been administered by the ICMA Retirement Corporation with the investment of funds held under the plan being held in VantageTrust; a trust established by public employers for the collective investment of funds held under their deferred compensation plans and money purchase retirement plans; and,

WHEREAS, the City Council has just recently recruited and hired Carl Cole as the new City Manager for the City of SeaTac; and,

WHEREAS, in addition to the ICMA 457 Deferred Compensation Plan available to City employees, the City Council also desires to have available for the City Manager an ICMA Retirement Corporation Governmental Money Purchase Plan and Trust retirement account, taking into account the special and unique relationship the City Manager has to the City and to the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON HEREBY RESOLVES AS FOLLOWS:

1. That the Finance and Systems Director is authorized to sign the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust Adoption Agreement on behalf of the City Manager, with that document being in conformity with the retirement account arrangements agreed to

between the City Council and the City Manager, and that the ICMA Retirement Corporation is appointed to serve as Administrator thereunder.

- 2. That the City hereby agrees to serve as Trustee under the plan and to invest funds held under the plan in the ICMA Retirement Trust, and that the Finance and Systems Director is authorized to execute the Declaration of Trust of VantageTrust in connection with the City Manager’s ICMA Retirement Corporation Governmental Money Purchase Plan, with that document being in conformity with the retirement account arrangements agreed to between the City Council and the City Manager.
- 3. That the Finance and Systems Director shall be the coordinator for this program and shall receive necessary reports, notices, etc. from the ICMA Retirement Corporation or VantageTrust; shall cast on behalf of the Employer, any required votes under Vantage Trust; may delegate any administrative duties relating to the Plan to appropriate departments or staff.
- 4. That this Resolution shall be in full force and effect upon passage and signatures hereon.

PASSED this _____ day of January, 2019, and signed in authentication thereof on this _____ day of January, 2019.

CITY OF SEATAC

Erin Sitterley, Mayor

ATTEST:

Kristina Gregg, City Clerk

APPROVED AS TO FORM:

Mary E. Mirante Bartolo, City Attorney



Washington State Legislature

December 21, 2018

Mayor Erin Sitterly
City of SeaTac
4800 S 188th St
SeaTac, WA 98188-8605

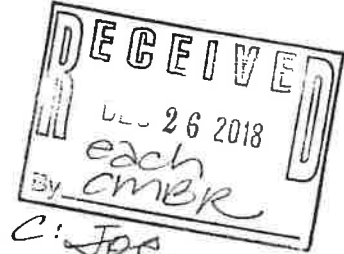
RE: Capital Budget

Dear Mayor Sitterly:

We are writing with a concern about the City of SeaTac's decision to move forward with a housing development for the city-owned property at 15245 International Blvd. South. As you know, the 2015 and 2018 capital budgets both included an appropriation for \$1,250,000 for a SeaTac International Marketplace and transit-oriented community project.

We understood that the International Marketplace would be a market for tourism similar to a Pike Place Market South, showcasing the diverse cultural heritage of the area through food, products, and art. In our understanding of the project, the business owners currently occupying the 65,000 square foot commercial building were going to be included as business owners in the new International Marketplace facility.

However, the city's current approach appears to create a transit-oriented affordable housing development with some commercial space. While affordable and transit accessible housing is valuable and needed, the original appropriation was based on a different development concept. Even the contract with the Department of Commerce Project Scope of Work says, "This project will support project space development for the International Marketplace." Either the vision has changed, or we have been misinformed.



C: Joe
Carl
Kyle
Steve
Aleksandr

Mayor Sitterly
December 21, 2018
Page 2

We also think it is important to help support our communities and the small businesses that serve those communities. These business owners have a well-founded fear that they will be permanently displaced by the current proposal for the property. Although we were told the developer's project will not be fully formed for a few more months, the likelihood appears to be that the remaining business owners will be evicted from their current location. If that is indeed the case, we will be requesting that the SeaTac International Marketplace appropriation not be re-appropriated in 2019.

Since the Legislature will be considering a new capital budget for the 2019-2021 biennium in the 2019 session, we suggest that if SeaTac would like to access state participation in a housing development, it should submit a new capital budget application for a potential appropriation for affordable workforce housing to the Legislature. A copy of that application is enclosed.

We are also extending an invitation to meet with us before the 2019 legislative session to discuss this further, especially if the intent is to add language to the contract with the developer requiring working with existing business owner vendors to create an international marketplace.

Always,



Senator Karen Keiser
33rd District of Washington



Representative Gregerson
33rd District of Washington



Representative Gregerson
33rd District of Washington

Attachment: Capital Budget Form *(missing LKE)*

cc: SeaTac City Council members
WA State Department of Commerce
Senator David Frock
Senator Jim Honeyford
Representative Steve Tharinger

January 8, 2019

Dear Senator Karen Keiser, Representative Tina Orwall and Representative Mia Gregerson,

The City Council appreciates the opportunity to respond to your December 21 2018 letter and to provide some clarifying facts. The City of SeaTac is moving forward with creating a significant amount of housing (market, workforce and affordable) as part of mixed-use redevelopment on City owned properties within the 154th Street Station Area or the Tukwila International Boulevard (TIB) Station.

Since 2006, the City has been working to acquire and to redevelop its properties including the SeaTac Center building, former Fire Station 47, and two additional commercial properties. As we all know, a range of additional housing options is badly needed in Southwest King County, especially near the TIB light rail station. The Governor's and County Executive's offices have repeatedly noted that access to housing that is affordable to many residents, and is near transit stations is a key state, county and local priority. The City of SeaTac is taking steps to be part of the solution to this King County community housing need.

The City of SeaTac has consistently pursued the redevelopment of the SeaTac Center and its other properties since 2006 as part of the 154th Street Station Area Plan. The City has acquired some, and attempted to acquire other lands within the greater Station Area to stimulate the needed redevelopment of the aging commercial area. The City of SeaTac is grateful for the work by state legislators to create the direct appropriation to support public project space development for the International Marketplace somewhere within the Station Area. The approved contract states that the funds may be used but are not limited to, an infrastructure analysis to determine current utility capacity, designing/engineering, environmental/cultural review, land/right-of-way, permits, material testing construction and construction management. According to the Member Requested Local Community Project Information Form, the City submitted during the 2015 Legislative Session, "The SeaTac International Marketplace and Transit Oriented Community will catalyze the commercial and residential development in a highly diverse, low-income community, as well as support a diverse array of micro-businesses." It is important to note, there is no language in the contract addressing current leaseholders (tenants) and other occupants that are not leaseholders.

The funding for an International Market/Open Space was offered as an incentive during the City's Request for Proposal (RFP) process this last summer. At this time, it is an option still available to the developers. According to the City's RFP, "Funding from a State appropriation may potentially be made

available under certain conditions for the analysis, design, development, incorporation, and construction of an International Market Place Plaza and Open Space.” If the funds are utilized for the International Market/Open Space on a portion of the overall development, the space itself will need to remain in City control (ownership or lease) for a minimum of ten years. These funds can be used to support a portion of the public open space requirements for the planned development. Utilization of these funds or not, will be a component of an anticipated development agreement(s) associated with the project(s).

The City has offered a transparent process for the purchase and redevelopment of the SeaTac Center and its other properties. The 11 current leaseholders were given tenant letters on March 12, 2018; several months before the RFP was released. The letter confirmed the pending redevelopment of the property and gave tenants advance notice of possible redevelopment in 2019. Tenants were also informed that a specific move-out date would be determined by the schedule for the new development project. The City has offered services to the tenants including a relocation option analysis, introductions to commercial real estate space owners/brokers and introductions to Small Business Development Center (SBDC) advisors at Highline College. A few of the tenants are already taking advantage of these services.

Therefore, at this time the City is continuing to pursue the utilization of the 2015 direct appropriation grant in the redevelopment of its properties within the 154th Street Station Area. If the Legislative Delegation does not want to seek reauthorization of the direct appropriation grant for some reason, please let us know. Otherwise, the City will continue along the course and schedule outlined above.

Once again, thank you for giving the City the opportunity to present information that should clear up any misunderstandings about the redevelopment and the International Market/Open Space. The City continues to post the most recent and relevant documents regarding the redevelopment on the front page of the City website as a way to provide an open and accurate understanding of the process the City has been following since 2006.

Sincerely,

Erin Sitterley, Mayor
City of SeaTac

Cc: City Council
Carl Cole City Manager
Joseph Scorcio, Special Advisor