



Planning & Economic Development Committee Minutes

Thursday, March 28, 2019

6:00 PM

SeaTac City Hall – Riverton Room

Members:	Present:	Commence: 6:01 P.M.
		Adjourn: 7:23 P.M.
Joel Wachtel, Chair	X	
Peter Kwon	X	
Stanley Tombs	X	

Other Councilmembers: Deputy Mayor Clyde Hill; Rick Forschler

Staff Present: Gary Schenk, Building Services Manager; Jennifer Kester, Planning Manager; Sr. Asst. City Attorney Mark Johnsen

1. Public Comment	None.
2. Minutes of 03/07/19 meeting	Approved by consensus.
3. Foreclosed Homes - ProChamps Services	<p><u>X</u> Discussion and direction</p> <p>Building Services Manager Schenk stated the purpose of tonight's agenda items was to determine if the committee would like the City to enroll in an agreement with ProChamps to register foreclosures in SeaTac; there are 90-100 foreclosures currently based on information provided by ProChamps. He mentioned the previous meetings where this topic had been discussed.</p> <p>The committee discussed the scope of the program and what value it would bring to SeaTac. Committee members asked if there were alternative sources or databases where homes in foreclosure could be found. Committee members noted that some of the residential code compliance problems in SeaTac did not relate to foreclosed homes but instead vacant homes, squatters, and junk accumulation.</p> <p>Mr. Schenk approximated that less than 10 code enforcement issues a year related to foreclosed homes, out of about 300 complaints per each year.</p>

	<p>Committee members expressed concern that this would be an ordinance for a specific business rather than procuring a service via bidding. Further concern was expressed about lawsuits against ProChamps in other states. Sr. Asst. City Attorney Mark Johnsen stated that the City of Spokane was using ProChamps services and he had been in discussion with their attorney.</p> <p>Comments from the committee also included a concern for the true cost of a “free” service and the staff time it may take to proactively code enforce on the homes on the list.</p> <p>The committee directed staff to provide a memo via email to the committee outlining three items. Another meeting was not requested.</p> <ol style="list-style-type: none"> 1. What other services or databases can be used find foreclosed homes in SeaTac 2. How many foreclosed homes have become code enforcement cases in recent years. 3. How much time and staff effort does it take for handle foreclosed homes.
<p>4. Expansion of Multifamily Housing Tax Exemption eligible areas</p>	<p><u>X</u> Discussion and Recommendation</p> <p>Planning Manager Kester summarized the discussion to date and presented the memo. She noted that staff has been hearing from developers who would like to have this tool available in areas of the city outside the S. 154th St. Station Area, the only currently eligible area. Ms. Kester discussed the purpose of the program and the tax implications. She let the committee know that the legal department had confirmed that the City could not limit the exemption to only market-rate projects (8-year exemption). The committee reviewed the locations in neighboring cities where the exemption is eligible and possible locations within SeaTac where the program could expand: Angle Lake Station, City Center, or entire designated Urban Center.</p> <p>The Committee discussed the pros and cons of this type of program. There was some discussion on whether the program would benefit renters, should be located in areas other than along International Boulevard, was a good fiscal decision for the city, may promote Airbnb use rather than long-term housing, and if the City had the amenities to support existing populations.</p> <p>Moved and seconded to direct staff not to pursue expansion of the Multifamily Housing Tax Exemption program. Approved 3-0. The committee members expressed the following reasons for their vote:</p> <ul style="list-style-type: none"> • CM Wachtel: I believe that the Multifamily Tax Exemption Program would act in a counterproductive manner if offered in SeaTac given the current development demand and the current economic climate. Therefore, I voted against it. • CM Kwon: Housing in SeaTac is already more affordable than most of the other cities in King County. • CM Tombs: It appears we are currently on schedule for our residential development obligations, and giving tax break to accelerate the process at the expense of tax revenue needed

	to service these new residents is not in the City's best interest.
5. Future Topics	Not discussed
6. Adjourn	The meeting adjourned at 7:23 p.m.