

City of SeaTac

Regular Council Meeting Minutes

October 22, 2019
6:00 PM

City Hall
Council Chambers

CALL TO ORDER: Deputy Mayor Clyde Hill called the SeaTac City Council Regular Meeting to order at 6:00 p.m.

COUNCIL PRESENT: Mayor Erin Sitterley (*participated by phone*), Deputy Mayor (DM) Clyde Hill, Councilmembers (CMs) Rick Forschler, Joel Wachtel, Peter Kwon, and Stanley Tombs. Excused: CM Pam Fernald.

STAFF PRESENT: Acting City Manager Mary Mirante Bartolo, Senior Assistant City Attorney Mark Johnsen, City Clerk Kristina Gregg, Government Relations and Communications Manager Kyle Moore, Community & Economic Development (CED) Director Steve Pilcher, Public Works (PW) Director Will Appleton, Parks, Community Programs and Services (PCPS) Director Lawrence Ellis, Parks Projects & Operations Manager Michael Fitzpatrick, Police Captain Joseph Hodgson, Finance & Systems Director Gwen Pilo, Executive Assistant Lesa Ellis

FLAG SALUTE: Mr. Johnsen led the Council, audience, and staff in the Pledge of Allegiance.

PUBLIC COMMENTS: Elona Kearney spoke regarding diversity, stating diversity doesn't mean helping one group over another. She feels the SeaTac Center is one group, which does not represent the city's diversity.

Earl Gipson spoke about a Firs Mobile Home lawsuit, which he considers to be lawfare, and spoke against ballot parties.

PRESENTATIONS:

Council confirmation of Mayoral re-appointment of Pete Daigle to the Arts, Culture & Library Advisory Committee

MOVED BY WACHTEL, SECONDED BY FORSCHLER TO RE-APPOINT PETE DAIGLE TO THE ARTS, CULTURE & LIBRARY ADVISORY COMMITTEE.

MOTION CARRIED UNANIMOUSLY.

Key City Issues and Requests for Direction

Acting City Manager Mirante Bartolo commented on the following items:

- (1) requested Recycling Contaminations Reduction Strategies be referred to the Transportation & Public Works (T&PW) Committee. Council concurred.
- (2) all elevators and escalators are working at both Sound Transit stations
- (3) October 23 – 6:30 p.m., Community Planning meeting
- (4) October 24 – 5:00 p.m., Glacier Middle School Grand Opening
- (5) October 24 – 3:30 p.m., Special T&PW Committee meeting
- (6) October 29 – 5:30 p.m., Open House for CP Amendments
- (7) October 31 – 4:00 p.m., Special Administration & Finance (A&F) Committee meeting
- (8) November 11 – 11:00 a.m., Veterans Memorial Plaza dedication
- (9) November 11 - City Hall closed for Veterans Day

Committee Updates (for items not included on the agenda) and review of proposed Council Information Requests

CM Forschler: Soundside Alliance meeting October 23, 2019

CM Wachtel: Airport Advisory Committee meeting – Port of Seattle (POS) Update?

CM Tombs: Hotel/Motel (H/M) Tax Advisory Committee – report from Police Department that there's been an increase in transient incursions into local businesses; pursue a professional assessment of SeaTac tourism and promotion opportunities.

Mayor Sitterley: A&F Committee meeting scheduled for October 31, 2019.

DM Hill: Joint Recommendations Committee (JRC) King County group is scheduled for October 24, 2019.

CONSENT AGENDA:

Approval of claims vouchers (check no. 126009 - 126157) in the amount of \$4,274,137.00 for the period ended October 18, 2019.

Approval of payroll vouchers (check no. 55287 - 55310) in the amount of \$115,421.16 for the period ended October 15, 2019.

Approval of payroll electronic fund transfer (check no. 99194 - 99346) in the amount of \$395,038.76 for the period ended October 15, 2019.

Approval of payroll wire transfer in the amount of \$58,554.13 for the period ended October 15, 2019.

Approval of Council Meeting Minutes:

Transportation & Public Works Committee meetings held September 5 and 19, 2019

Public Safety & Justice Committee meeting held September 12, 2019

Administration & Finance Committee meeting held September 26 and October 10, 2019

Regular Council Meeting held October 8, 2019

Special Council Meeting held October 10, 2019

The following item was referred for placement on this Consent Agenda at the October 8, 2019 Regular Council Meeting:

Agenda Bill #5302; A Motion confirming appointments to the Seattle Southside Regional Tourism Authority Board of Directors.

The following item was referred for placement on this Consent Agenda at the October 10, 2019 Administration & Finance Committee Meeting:

Agenda Bill #5307; A Resolution #19-013 finalizing the 2019 unclaimed property reporting to the State of Washington.

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

MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING (PH) & ACTION ITEM:

2020 Property Tax Levy

DM Hill opened the PH at 6:19 p.m.

Finance & Systems Director Pilo reviewed the agenda bill summary below.

Mayor Sitterley stated the A&F Committee unanimously chose to forward this item to Council for approval.

Council discussion ensued regarding the proposed levy rate, impact to the taxpayers, historical statistics of levy amounts since 1990, and new development adds to valuation base which decreases the levy rate.

There were no public comments.

DM Hill closed the PH at 6:32 p.m.

Agenda Bill #5270; An Ordinance #19-1022 authorizing the City's 2020 Property Tax Levy.

Summary: Cities must submit their authorized levy amounts to the King County (KC) Assessor's Office by December 2, 2019 for inclusion in KC's 2020 property tax roll. The KC Assessor's Office is not expected to certify the City's assessed valuation (AV) prior to their December 2, 2019 deadline.

The total estimated allowable statutory levy amount including new construction, estimates of refunds, and increases in utility valuations is \$22,799,826. Under the 101% limit factor, the allowable levy amount is currently anticipated to be \$17,754,823. This year's implicit price deflator (IPD) is 1.396%, which means the City could levy the full 1% increase, as allowed by statute, or bank this capacity for future use without adopting a separate resolution for substantial need. In 2018, the Council adopted Financial Policies, including a policy establishing that as long as the

ACTION ITEM (continued):

Agenda Bill #5270; Ordinance #19-1022 (continued): General Fund (GF) Reserves are within the set reserve target (4 months), the City will not increase its property tax levy. Therefore, a 0% increase over the 2019 amount plus revenue from new construction has been applied in development of the mid-biennium review.

The KC Assessor has given the City a preliminary estimate of the City's 2020 assessed value equal to \$6.9 billion, a 4% increase over 2019. This preliminary estimate excludes any increases in utility valuation. Because the actual 2020 levy rate is calculated from the KC certified AV, the final rate is unknown at this time. However, based on the City proceeding with a 0% increase, it is anticipated the levy rate will decrease from \$2.566/\$1,000 AV levied in 2019 to \$2.491/\$1,000 AV for 2020. This decrease in levy rate translates to a \$7.40 decrease in property tax per \$100,000 AV. The actual increase or decrease in property taxes is dependent upon the actual change in a particular property's AV.

This Ordinance authorizes a 2020 property tax levy amount of \$17,326,928 based on a rate of \$2.491/\$1,000 AV and a 0% increase over the 2019 levy. The actual levy amount will be determined when the KC Assessor certifies the City's total assessed valuation in December.

This was reviewed by the A&F Committee on October 17, 2019. The required PH is scheduled for October 22, 2019.

MOVED BY KWON, SECONDED BY FORSCHLER TO PASS AGENDA BILL #5270 (ORDINANCE #19-1022).

MOTION CARRIED UNANIMOUSLY.

ACTION ITEMS:

Agenda Bill #5305; A Motion authorizing the City Manager to accept \$338,400 awarded from the 2018 Community Development Block Grant (CDBG) program to construct Phase Two of the Riverton Heights Neighborhood Park, and execute any agreements necessary to accept the grant.

Summary: The City was awarded \$338,400 to construct Phase Two of Riverton Height Neighborhood Park Project. This will include expansion of the basketball court, installation of the playground area for preschool aged children, and installation of an irrigation system. In 2007, the City purchased the Riverton Heights Elementary School site from the Highline School District, and after the City cleared the buildings and completed the necessary environmental cleanup, the community adopted the site as an informal park.

The City was awarded funds through the 2016 Community Development Block Grant (CDBG) to design and construct Phase One of the Riverton Heights Neighborhood Park Project. This included installation of a basketball court, signage, upgrade to the existing parking lot, benches, a pathway and installation of playground equipment. Phase One was completed in 2017.

It is anticipated that the design phase of the project will begin this year and the construction phase will begin in spring, 2020. The construction of this project is fully funded by the CDBG and will have no fiscal impact to the City.

The 2019-2020 biennial budget included \$160,291 in grant money for the project. Acceptance of the grant will increase revenues in the Municipal Capital Improvement Fund by \$178,109.

This item was discussed at the October 3, 2019, Parks and Recreation (P&R) Committee meeting and the Committee recommended approval to accept the funds.

Parks Projects & Operations Manager Fitzpatrick reviewed the agenda bill summary.

MOVED BY FORSCHLER, SECONDED BY WACHTEL TO PASS AGENDA BILL #5305.*

DM Hill stated this was reviewed by the P&R Committee.

Council commented on the success of phase 1 and thanked staff for their efforts.

*MOTION CARRIED UNANIMOUSLY.

ACTION ITEMS (continued):

Agenda Bill #5325; A Resolution #19-014 of the SeaTac City Council declaring its intent to designate its defined Urban Center as a Residential Targeted Area pursuant to RCW 84.14.040, and establishing a date and time for a public hearing (PH) to consider this matter.

Summary: RCW 84.14 authorizes cities to establish processes to provide for limited exemptions from ad valorem property taxation for qualified new multi-family housing. The City established its current Multi-family Tax Exemption (MFTE) program in 2008. Currently, only the South 154th Street Station Area is so designated. The Council is being asked to consider expanding the "Residential Targeted Area" to include the entire Urban Center as defined in the City's Comprehensive Plan (CP). The Urban Center includes the three light rail stations serving the City.

RCW 84.14.040 requires the City to conduct a PH prior to taking action to establish a new "Residential Targeted Area." This Resolution meets the requirements of state law by declaring its intent to designate the entire Urban Center as a Residential Targeted Area. Additionally, this Resolution sets a PH for the Council to consider this issue at the November 12, 2019 Regular Council Meeting (RCM).

This Resolution is not a vote for or against whether the expansion of the Residential Targeted Area is appropriate. Instead, such discussion would occur on the November 12, 2019 RCM.

Any fiscal impact regarding the expansion of the Residential Targeted Area will occur at the November 12, 2019 RCM.

This Resolution has not been before committee, as the need for this Resolution was not apparent until the Ordinance review process. However, this issue has been discussed over the past 6+ months at the Planning & Economic Development (PED) Committee; the tax implications were reviewed by the A&F Committee on September 12, 2019. At its September 26, 2019 regular meeting, the PED Committee voted 3-0 to recommend approval of expanding the program to include the entire Urban Center.

CED Director Pilcher reviewed the agenda bill summary.

MOVED BY KWON, SECONDED BY WACHTEL TO PASS AGENDA BILL #5325 (RESOLUTION #19-014).*

CM Wachtel commented on PED Committee review and stated this will not take money from the residents.

Mayor Sitterley commented on A&F Committee review.

Council discussion ensued regarding tonight's action is only approving the PH date.

*MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS (related to Unfinished Business): None

UNFINISHED BUSINESS: None

NEW BUSINESS: None

COUNCIL COMMENTS: CM Wachtel commented a resident stated they had been heard of an intent by the City to impose rent control. The City Manager advised Council that the RCW prohibits a City from having rent control.

CM Kwon stated he attended the Bow Lake Elementary School Career Day. He also encouraged everyone to vote.

CM Tombs stated he has received calls from residents who have heard rezoning rumors around Bow Lake Mobile Home Park. He clarified the process and request.

DM Hill stated that he will be representing the City at the Glacier Middle School Grand opening and the Washington Council for the Blind Convention.

RECESSED: DM Hill recessed the meeting to an Executive Session on potential litigation at 6:53 p.m. for 15 minutes. He announced no action will be taken after the Executive Session.

EXECUTIVE SESSION: Potential Litigation RCW 42.30.110(1)(i)

DM Hill announced that Council requested 10 more minutes at 7:08 p.m., and 10 more minutes at 7:18 p.m.

RECONVENED: DM Hill reconvened the meeting at 7:28 p.m.

ADJOURNED:

DM HILL ADJOURNED THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 7:28 P.M.



Clyde Hill, Deputy Mayor



Kristina Gregg, City Clerk