



# Administration and Finance Committee Meeting Minutes

March 12, 2020  
4:00 PM  
SeaTac City Hall - Riverton Room 128

Members:	Present:	Absent:	Commence:	4:01 P.M.
			Adjourn:	4:36 P.M.
Erin Sitterley, Chair	X			
Clyde Hill	X			
Senayet Negusse	X			

Other Council Members Present: None

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>None</i>
3. Review of the Minutes	<u> X </u> Recommended for Approval  <i>A copy of the 02/27/20 minutes was provided to the committee for review. The committee approved the minutes as written.</i>
3.5 Proclamation of Emergency	<u> X </u> Recommended for Approval  <i>Mayor Sitterley requested an agenda amendment and introduced a Proclamation of Emergency signed earlier in the day. CM Cole explained this is a requirement in order to request FEMA funds when or if they become available. Council has to ratify the Proclamation. The committee recommended the Proclamation be placed on the consent agenda for the March 24<sup>th</sup> City Council Meeting.</i>
4. Council/City Manager Travel Pre-Approval or Final Approval	<i>Executive Assistant Lesa Ellis provided the following items for committee approval:</i>  <i>1. Expense approval for Councilmember Kwon Aviation Noise &amp; Emissions Symposium Transportation: \$54.42 Total: \$54.42</i>  <i>The committee voted to approve.</i>

	<p>2. <i>Expense approval for Councilmember Negusse Aviation Noise &amp; Emissions Symposium Transportation: \$47.09 Total: \$47.09</i></p> <p><i>Mayor Sitterley and Councilmember Hill voted to approve. Councilmember Negusse abstained from voting.</i></p>
<p>5. Surplus Asset List</p>	<p><u>  X  </u> Recommended for Approval</p> <p><i>Finance &amp; Systems Director Gwen Pilo provided the committee a list of assets ready for disposal. Once the City Council declares these items as surplus property each Department will have 30 days to dispose of the assets using the most cost effective method for the City. Discussion ensued on the process of disposal. The committee recommended this item for approval on the consent agenda at the March 24<sup>th</sup> City Council Meeting.</i></p>
<p>6. SAMP ILA Amendment</p>	<p><u>  X  </u> Recommended for Approval</p> <p><i>Community &amp; Economic Development Director Steve Pilcher presented an amendment of the ILA between the cities of SeaTac, Burien, Normandy Park, and Des Moines for review of environmental documents related to the Sea-Tac Airport Sustainable Airport Master Plan. The amendment changes contract administration from SeaTac to Des Moines. The committee recommended this item for approval on the consent agenda at the March 24<sup>th</sup> City Council Meeting.</i></p>
<p>7. Hotel/Motel Tax Advisory Committee Annual Review</p>	<p><u>  X  </u> Recommended for Approval</p> <p><i>City Clerk Kristina Gregg presented the annual review of the Hotel/Motel Tax Advisory Committee, reporting out on the current membership and the membership terms. The committee agreed to retain the current membership of seven and to stagger the terms of the membership starting in September when the positions come up for re-appointment. The Mayor will report out on these decisions at the March 24<sup>th</sup> City Council Meeting.</i></p>
<p>8. Amendment to Fee Schedule for Concurrency</p>	<p><u>  X  </u> Recommended for Approval</p> <p><i>Engineering Review Manager Ali Shasti presented an amendment to the Fee Schedule for Concurrency. City Council established a Transportation Concurrency Program at their January 28, 2020 meeting. A rate of \$107.50 was proposed for each Concurrency Application. The</i></p>

	<i>committee recommended this item for approval on the consent agenda at the March 24th City Council Meeting.</i>
9. Future Meeting Schedule	<i>The next A&amp;F Meeting is scheduled for April 9<sup>th</sup> at 4:00 PM in Riverton Room 128.</i>
10. Adjourn	<i>Committee Chair Erin Sitterley adjourned the meeting at 4:36 PM.</i>

**Pre-approval or final approval of City Council and  
City Manager travel related expenses  
April 9, 2020**

**Revised 4/8/2020 12:05 PM**

**Expenses**

NLC Congressional City Conference  
Washington DC  
March 8 – 11, 2020

Three councilmembers budgeted to attend – see below

Councilmember Kwon	A&F 2/27/2020 Budgeted (prior verbal approval)	A&F 2/27/2020 Expenses	A&F 4/9/2020 Expenses	
Lodging	1800		1298.43	
Meals	256		50.00	
Transportation-airfare	725	346.80	129.25	
Registration	675	615.00	0	
<b>Total</b>	<b>3456</b>	<b>961.80</b>	<b>1477.68</b>	

**Expenses**

FAA – testify - Washington DC  
March 11 – 13, 2020

**(using savings of only sending one councilmember to NLC Congressional City Conference \$3,456)**

City responsible for airfare, hotel, and some expenses. Port of Seattle paying one dinner and one lunch.

4/9/2020: Status Update

The trip was cancelled due to the Coronavirus Outbreak travel and work restrictions.

- 1) Mayor Sitterley was able to cancel her lodging and will use the Alaska Airlines voucher for personal travel, so the reimbursement check was voided.
- 2) Councilmember Hill was unable to obtain a refund for lodging (written documentation provided) and is turning the travel voucher over to the city for future official travel use by any city official by 1/. Finance & Systems Director Gwen Pilo will hold the voucher will be kept in the vault at City Hall.

Mayor Sitterley	A&F 2/27/2020 Budgeted	A&F 2/27/2020 Expenses	A&F 4/9/2020	
Lodging	500			
Meals (Port providing 2)	128			
Transportation-airfare	1000	633	(633)	Reimbursement check voided
Registration	0			
Total	1628	633	(633)	\$0

Councilmember Hill	A&F 2/27/2020 Budgeted	A&F 2/27/2020 Expenses	A&F 4/9/2020	
Lodging	500		411.30	
Meals (Port providing 2)	128			
Transportation-airfare/ground	1000	633		
Registration				
Total	1628	633	411.30	

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Erin Sitterley, Chair



# City Council Post Trip Report

*Required for City paid expenses or reimbursements of \$50 and above*

Per the City Council Administrative Policies and Procedures, Section 13.(A), the Trip Report shall be completed and submitted to the Executive Assistant within 15 days for inclusion in the next A&F Committee meeting packet.

**Filed By:** Peter Kwon

**What type of event did you attend?**

Training

Conference

Other (specify): [Click here to enter text.](#)

<b>Name of Event:</b>	<b>NLC Congressional City Conference</b>
<b>Purpose:</b>	<b>Federal Advocacy and Training</b>
<b>Location:</b>	Washington DC
<b>Date(s) of Event:</b>	March 7 – 12 2020
<b>Number of hours attended:</b>	<a href="#">Click here to enter text.</a>

*Please answer the following questions*

<b>What interested you in attending this event?</b>
<b>I'm on the NLC Federal Advocacy Committee for Transportation and Infrastructure and this is part of the work of the committee.</b>
<b>A secondary goal is to meet with our Federal legislators to promote our legislative priorities.</b>

<b>Please summarize what you learned and how it benefits the taxpayer:</b>
<b>Sunday, March 8, 2020</b> -Arrival to Dulles (IAD) at 7:30am on red eye flight -Check in to hotel and register for NLC, pick up credentials
<u>Event/Summary:</u> <i>Future of Work Convening</i>
<u>Personal Notes:</u> I was a speaker at this event and gave a presentation on SeaTac's partnership with human service agencies focusing on job training and placement (ANEW/PIE)

Potential Benefits and Ideas for SeaTac:

This was an opportunity to share SeaTac's leadership and experience on promoting higher paying employment opportunities for residents.

Event/Summary:

*Transportation & Infrastructure Services (TIS) Federal Advocacy Committee Meeting*

Personal Notes:

-Discussed 2020 Federal transportation priorities and lobby strategies

This was a required meeting as a member of the TIS Committee. There was continued discussion revolving around the Airport's Passenger Facility Charge which is regulated by the FAA (see notes from 2018). Some newer members were considering supporting increasing or removing the cap on PFC from the current \$4.50. I reminded members the reason this was not supported by cities two years ago and subsequently killed was because the airports wanted to remove the FAA restriction on the resulting additional revenue which would have required Airports use the new revenue to benefit the locally impacted communities (ie: improving roadways, access points, traffic, noise and environmental impacts, etc.).

This past effort is now documented in part in Wikipedia (reference below).

I brought up the three issues that SeaTac is currently actively lobbying, which is to hold the FAA responsible for meeting the requirements of the FAA Re-Authorization Act that was passed in 2018. Specifically:

*Subtitle D—Airport Noise and Environmental Streamlining section of the Federal Aviation Administration (FAA) Reauthorization Act of 2018:*

*-SEC. 173. ALTERNATIVE AIRPLANE NOISE METRIC EVALUATION DEADLINE.*

*Not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall complete the ongoing evaluation of alternative metrics to the current Day Night Level (DNL) 65 standard.*

*-SEC. 187. AIRCRAFT NOISE EXPOSURE.*

*(a) Review.--The Administrator of the Federal Aviation Administration shall conclude the Administrator's ongoing review of the relationship between aircraft noise exposure and its effects on communities around airports.*

*(b) Report.--*

*(1) In general.--Not later than 2 years after the date of enactment of this Act, the Administrator shall submit to Congress a report containing the results of the review.*

*(2) Preliminary recommendations.--The report shall contain such preliminary recommendations as the Administrator determines appropriate for revising the land use compatibility guidelines in part 150 of title 14, Code of Federal Regulations, based on the results of the review and in coordination with other agencies.*

*SEC. 188. STUDY REGARDING DAY-NIGHT AVERAGE SOUND LEVELS.*

*(a) Study.--The Administrator of the Federal Aviation Administration shall evaluate alternative metrics to the current average day-night level standard, such as the use of actual noise sampling and other methods, to address community airplane noise concerns.*

*(b) Report.--Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to the appropriate committees of Congress a report on the results of the study under subsection (a).*

Potential Benefits and Ideas for SeaTac:

As the Airport is regulated by the FAA, which is in turn regulated by the U.S. Federal Legislators, SeaTac will be well served by working directly with Federal Senators and Congress elected officials to lobby for more local control, including more local control for Airports.

Further reference:

[https://en.wikipedia.org/wiki/Passenger\\_facility\\_charge](https://en.wikipedia.org/wiki/Passenger_facility_charge)

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Event/Summary:

*Asian Pacific American Municipal Officials (APAMO) Membership Meeting*

*APAMO is a constituency group whose mission is to provide Asian Pacific American municipal officials and their colleagues with a forum to share ideas and develop leadership experience.*

*It also serves as a vehicle for members to discuss problems and explore solutions, debate policy issues, and contribute to the success of American cities and towns. APAMO members are eager to share their experiences in government with other Asian Pacific Americans and local officials. The group was established within the National League of Cities in 1985.*

Personal Notes:

I am the Treasurer since 2018. Madelene Xuan-TrangMielke, president & CEO of Asian Pacific American Institute for Congressional Studies (APAICS) was a guest speaker and provided information on various training opportunities available for elected officials and those considering running for office.

Potential Benefits and Ideas for SeaTac:

This was an opportunity to share SeaTac's leadership and experience on promoting higher paying employment

Further reference:

<https://www.nlc.org/asian-pacific-american-municipal-officials-apamo>

<https://apaics.org/media/press-releases/new-president-ceo-madalene-mielke/>

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**Monday, March 9, 2020**

Event/Summary:

*Opening General Session*

*Featuring an address from 2020 National League of Cities President and Los Angeles City Council President Pro Tempore Joe Buscaino; remarks from Peter Wright, Assistant Administrator, U.S. Environmental Protection Agency and a conversation with Paul Ryan, Former Speaker of the U.S. House of Representatives.*

*Presiding Officer -Kathy Maness -Councilmember, Lexington, South Carolina  
- First Vice President, National League of Cities*

*Keynote Speaker -Paul RyanPaul Ryan -54th Speaker of the U.S. House of Representatives*

Personal Notes:

General opening session to energize and motivate.

Potential Benefits and Ideas for SeaTac:

Motivation to continue federal involvement.

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Event/Summary:

*Asking Congress for Transportation Wins*

*Every city has transportation needs, but what can the federal government do to help? In 2020, Congress is due to reauthorize all of their federal transportation programs for transit, bridges, bikes, roads, and more, making this a great opportunity for cities to ask for exactly what their communities need. Come learn which federal programs match up to your community's needs and how to communicate your needs with Congressional staff effectively as you head to Capitol*



Hill.

*Three Key Takeaways: Find the federal program that works for your city's specific transportation issues. Learn how the reauthorization makes it the perfect time to share exactly what transportation projects you need with your local officials. Get prepared to share your transportation story with Congress and Congressional staff.*

*Speakers:*

*Mae Stevens -Executive Vice President - Signal Group*

<https://ccc.nlc.org/speaker/mae-stevens/>

*Erich Zimmermann -Deputy Director/Transportation Director - National Association of Regional Councils*

<https://ccc.nlc.org/speaker/erich-zimmermann/>

Personal Notes:

I learned the Federal TAP funding supports sidewalks, crosswalks, bike lanes, and safe routes to school. The legislative effort through NLC is to increase funding and cut back on transfers. States transfer ~20% of TAP to other purposes, even though this money is intended for local governments. The push is to only allow transfers if there aren't qualified local projects.

Potential Benefits and Ideas for SeaTac:

- More money and access for local governments
- increase portion of funds that are suballocated

- Ensure lower-resourced communities can compete
- allow flexibility on matching requirements

Event/Summary:

*Federal Advocacy 101*

*Now that you've scheduled a meeting with your legislator, what do you do? This session will walk you through the current legislative landscape, assist in your development of a personalized pitch on the issues impacting your community the most, and introduce you to NLC's resources to support your efforts. You will leave prepared to start or continue a strong working relationship with your legislators on Capitol Hill and lobby effectively for your city's top legislative priorities.*

*Three Key Takeaways:*

*Learn about the current legislative landscape.*

*Develop personalized "elevator pitch" on legislative issues.*

*Discover NLC's resources for your city to make an impact—both in Washington and at home.*

Personal Notes:

Training on basically how to navigate through Federal bureaucracy and get the message through to our U.S. elected representatives.

Potential Benefits and Ideas for SeaTac:

I was already familiar with some of the techniques that were provided through personal trial-and-error. I do recommend this training as it provides useful insight into political vocabulary as well as ideas.

Event/Summary:

## *Federal Agency Round Robin*

*Bring your questions about federal resources, tools, grants, and programs of interest to local governments to this interactive session. Choose the topics most important to your community and learn from federal agency experts about programs and opportunities available for assistance. You'll engage in facilitated small group discussions with administration officials and other local elected leaders through a series of 20-minute rotations. You'll also share and learn from other local officials facing similar circumstances and challenges to your own. Make key connections in Washington that can benefit you beyond the conference.*

### *Three Key Takeaways*

- Connect with federal agency program staff on key issues, programs, tools, resources, and grants important to local governments.*
- Share challenges, solutions, and innovations with other local officials on common issues.*
- Get contact information for key federal agency program staff to follow up with after the conference.*

### Personal Notes:

I met with FAA representatives and learned there are additional local resources to have specific questions and issues addressed. I have some follow up contacts and will schedule a meeting with our local FAA representatives.

I also met with a Workforce Apprenticeship/Training program director from the Department of Labor and learned there are specific grants available for local apprenticeship and training programs. We need to work through the local labor office. I will follow up with the goal to boost our Human Services funding for workforce training programs.

Patrick Dennis

Workforce Analyst, Employment and Training Administration, Division of WIOA Adult Services

- U.S. Department of Labor

<https://ccc.nlc.org/speaker/patrick-dennis-2/>

What was interesting is although FAA representatives were present and participating, they are not listed in the panelist directory:

<https://ccc.nlc.org/seminar/federal-agency-round-robin-2/>

### Potential Benefits and Ideas for SeaTac:

Better representation with FAA, local advocacy, and increased funding Human Services job training programs to help residents obtain higher paying jobs and increase our median income.

### Event/Summary:

#### *Afternoon General Session*

*Featuring a panel discussion on the future of the American Workforce and skills in the 2020 election, remarks from Representative Kathy Castor (D-FL), a conversation between Dan Fowler, Councilman, Kansas City, Missouri, and Representative Jesus "Chuy" Garcia (D-IL), the 2020 Census with Clarence Anthony, NLC Executive Director and CEO, and James Diossa, Mayor, Central Falls, Rhode Island, and remarks by Jovita Carranza, Administrator, Small Business Administration.*

### Personal Notes:

General session to energize and motivate.

### Potential Benefits and Ideas for SeaTac:

Motivation to continue federal involvement, participate and promote the US 2020 Census, and discuss workforce training.

Event/Summary:

*Association of Washington Cities Reception*

Personal Notes:

AWC regularly has good representation at NLC. Attendance at this event was around half of the normal attendance due to the Covid-19 epidemic and some members choosing to avoid travel.

Potential Benefits and Ideas for SeaTac:

Comraderie and collaboration with other cities on regional and State level issues.

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**Tuesday, March 10, 2020**

Event/Summary:

*Morning General Session*

*Featuring a panel discussion on Homelessness and a Townhall on COVID-19 with Dr. E. Oscar Alleyne, Senior Advisor for Public Health Programs, National Association of County and City Health Officials.*

Personal Notes:

Some discussion on how Fremont, California is dealing with homelessness. Also good information from a police Sargent recommending mental health issues should be treated before people become a danger to themselves and others. Some good discussions with a Q&A session with a DR. E. Oscar Alleyne regarding covid-19.

Dr. E. Oscar Alleyne

Senior Advisor for Public Health Programs

- National Association of County and City Health Officials (NACCHO)

Potential Benefits and Ideas for SeaTac:

There was some Information, education, and lessons learned from trial and error of other cities. SeaTac is already working closely with our police and fire departments to continue having a better understanding of the challenges as well as what's working and what can be improved.

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Event/Summary:

*Homelessness and the Justice System: Challenges and Innovations*

*Lack of affordable housing, income, social services coupled with high debt and barriers to housing are just some of the causes of homelessness. Cuts in federal housing and assistance programs are also fueling the growth of homelessness in cities, towns and villages across the country. Communities are facing increased number of homeless encampments that are straining local government resources. Local governments are being challenged to deal with the rise in homelessness without making it a crime to be homeless.*

*Attendees will learn about implementing policies that provide alternatives to criminalizing homelessness and working with their law enforcement, public services and non-profit organizations to implement policies to reduce homelessness.*

Personal Notes:

Kelly Miller is a homeless advocate who currently has a case pending in US Supreme Court as a whistle blower on fraud, corruption, and abuse of power in law enforcement and government agencies which resulted in retaliation against her. This was very eye-opening and sad because it revealed a lot of the loopholes and cracks in the system.

Potential Benefits and Ideas for SeaTac:

It's important to hold various agencies and departments accountable and transparent to prevent victims being taken advantage of during a time of crisis. I believe our current process is working, but we need to remain vigilant.

Event/Summary:

*Capitol Hill Advocacy*

*Meet with State Senators Maria Cantwell and Patty Murray along with the AWC delegation.*

Personal Notes:

Discussed Coronavirus issue and how King County is now the epicenter of the United States. Discussions on Federal relief and aid proposals in the works and various assistance needed by Washington cities.

Potential Benefits and Ideas for SeaTac:

Being at the table is important when these proposals are taking place or we could miss out on Federal opportunities.

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**Wednesday March 11, 2020**

Event/Summary:

*NLC Capitol Hill Advocacy Day*

*We've reserved Wednesday for you to do the important work of meeting with your members of Congress to advocate for the priorities of cities. You will be prepared by NLC prior to your Hill visit with materials, talking points, and tips to ensure your meeting is smooth and effective.*

*Capitol Hill Advocacy Day participants are welcome to store/check their luggage in the first-floor conference center of the NLC office building between 7:30 a.m. - 5:30 p.m. The NLC office is located at 660 North Capitol Street NW – a few blocks from the Senate Side of Capitol Hill and Union Station.*

Personal Notes:

Although the NLC CCC ends one day prior, this day was actually spent running around the U.S. Capitol Campus meeting with various Federal elected officials. This makes it very difficult to catch the evening flight back home so I recommend staying an extra day to allow enough time to make all of the meetings, and then catch a flight home the next day.

Potential Benefits and Ideas for SeaTac:

Federal advocacy is critical if we want to have a say in FAA regulations which is one of the biggest roadblocks in SeaTac.

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**Would you recommend this opportunity for others? Please summarize why or why not.**

**Yes. I also recommend staying an extra day to allow enough time for a full day of meetings at the Federal Campus.**

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**Other Comments**

**Although I flew into Dulles Airport, I recommend flying into Reagan Airport and taking a cab. Dulles airfare is cheaper but the cab ride takes longer and costs more while Reagan airfare costs more and the cab ride is cheaper and quicker. The catch is Reagan Airport does not have night time flights since the 9-11 terrorist attacks as it's close to The White House, so red-eye flights are only available at Dulles. There are really two hotels: the Omni Shoreham or the Marriott Wardman Park and I recommend the Omni as the rooms are slightly larger. The Marriott is where the conference occurs, so it would require less walking if that is preferred. Both have outdoor pools which are seasonal, so there is no pool available during the March (winter) events.**

**I stayed at a B&B called the Woodley Park Guest House which is a great choice just across the street from the Marriott conference center on the north side.**

**There are several restaurants one block away along Connecticut Ave. NW. I recommend walking across the Calvert Street NW Bridge to access additional restaurants and late-night dining along 18th Street NW which is approximately 1 mile away (15 minute walk). Because this area is frequented by celebrities, vacationers, and lobbyists, prices tend to be on the high side.**

**For local commuting between the conference area and the Capitol campus, the subway (called ‘the metro’) is very efficient with an unlimited all-day pass and 3-day passes available at a discount. A lot of meetings are last-minute which necessitates using UBER or a cab with UBER tends to be slightly cheaper as of 3/10/2020.**

**During downtime, almost all of the national museums (Smithsonian) have free admission but they can be very crowded and spaced far apart which requires lots of walking. Near the conference there is a Smithsonian Zoo also called the ‘Wardman Park Zoo’ about 15 minute walk north with free admission.**

**Because of the three hour time zone difference, limited flights in/out of Reagan, the high number of visitors to DC, the unpredictable colder weather during March, the back-to-back schedules of events, and the amount of distance between meetings (you can walk more than 2 blocks between meetings within a single building), overall this trip tends to be very hectic, stressful, and exhausting. Not recommended for the faint of heart.**

*\*Please attach copies of any training outlines, lesson plans, or agendas\**

<b>Signature:</b>	<b>Peter Kwon</b>
<b>Date of Signature:</b>	4/2/2020

**MULTI-FAMILY HOUSING LIMITED PROPERTY TAX EXEMPTION  
AGREEMENT BETWEEN THE CITY OF SEATAC AND POLARIS AT  
SEATAC, LLC FOR  
POLARIS AT SEATAC**

THIS MULTI-FAMILY HOUSING LIMITED PROPERTY TAX EXEMPTION AGREEMENT (“Agreement”) is entered into this \_\_\_\_\_ day of April, 2020, by and between the City of SeaTac, a Washington municipal corporation (the “City”) and Polaris at SeaTac, LLC, a Washington limited liability company (the “Owner”).

**RECITALS**

**WHEREAS**, the City has an interest in increasing residential opportunities by stimulating construction of new multi-family housing in the South 154<sup>th</sup> Street Station Area, as designated in the City’s Comprehensive Plan (“154<sup>th</sup> Street Station Area”) to increase housing opportunities; and

**WHEREAS**, the City also seeks to achieve development densities that enhance the use of the community’s mass transit opportunities and the public investment in such opportunities and promote community development and fulfillment of the City’s South 154<sup>th</sup> Street Station Area Plan; and

**WHEREAS**, the City has, pursuant to the authority granted to it by RCW 84.14, designated the City’s Urban Center, as designated in the City’s Comprehensive Plan, as a Residential Targeted Area for the provision of either eight- or twelve-year limited multi-family property tax exemptions (“MFTE”) for qualifying multi-family residential housing; and

**WHEREAS**, the South 154<sup>th</sup> Street Station Area is located within the City’s Urban Center; and

**WHEREAS**, the City has, through Chapter 3.85 of the SeaTac Municipal Code (“SMC”), enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption which certifies to the King County Assessor that the property owner is eligible to receive a limited property tax exemption; and

**WHEREAS**, pursuant to SMC 3.85.060, the Owner submitted to the City a complete application, dated April \_\_, 2020 (the “Application”), for a twelve-year MFTE for constructing 365 units of new multi-family residential housing located in the South 154<sup>th</sup> Street Station Area, to be referred to as the “Polaris at SeaTac” mixed-use development (the “Project”, more specifically described below); and

**WHEREAS**, pursuant to SMC 3.85.070, the City’s Community and Economic Development Director and the City Manager have determined that the Project, if completed as

proposed, satisfies the requirements for a twelve-year Final Certificate of Tax Exemption as required under Chapter 3.85 SMC and has approved the Owner’s Application; and

**WHEREAS**, the SeaTac City Council passed Resolution No. 20- \_\_\_\_ approving this Agreement and the terms of the Project and eligibility for the MFTE under Chapter 3.85 SMC;

## **AGREEMENT**

NOW, THEREFORE, the City and the Owner do mutually agree as follows:

### **1. Subject Property and Project.**

**1.1. The Property.** The Owner has submitted to the City preliminary site plans and floor plans for multi-family residential housing (the project details described more fully below), located at 15307 International Boulevard South, in the City’s South 154<sup>th</sup> Street Station Area, and further described Parcel A, Polaris at SeaTac Lot Line Adjustment File No. \_\_\_\_\_, recorded \_\_\_\_\_, 2020, under King County Recording No. \_\_\_\_\_; (the “Property”).

**1.2. The Project.** The proposed Project on the Property is a multi-family development that will consist of two mixed-use buildings with a total of 365 units of affordable family apartments in a mix of studio, one-bedroom, two-bedroom, and three-bedroom apartments, approximately 20,000 square feet of ground level commercial space, and parking. Rents will be consistent with 60% of Adjusted Median Income (“AMI”) limits.

**2. Conditional Certificate of Acceptance.** Upon execution of this Agreement by all parties, the City shall issue the Owner a conditional certificate of acceptance of tax exemption (“Conditional Certificate”), which shall expire three (3) years from the date of City Council approval unless an extension is granted by the City pursuant to SMC 3.85.070 (D).

### **3. Final Certificate of Tax Exemption.**

**3.1. Project Requirements.** To qualify for a final certificate of tax exemption (“Final Certificate”), the Owner shall complete construction of the Project on the Property:

3.1.1. in compliance with SMC 3.85.040;

3.1.2. substantially as described in the most recent site plans, floor plans, and elevations on file with the City as of the date of City Council approval of this Agreement;

- 3.1.3. pursuant to the Development Agreement entered into between the City and the Owner related to the Project (King County Recording # \_\_\_\_\_);
  - 3.1.4. pursuant to all applicable Project permit conditions and requirements;
  - 3.1.5. in compliance with all other generally applicable local, state, and federal land use, environmental, development, and building regulations; and
  - 3.1.6. within the three-year time period as provided for on the Conditional Certificate, or within any extension thereof granted by the City.
- 3.2. Application for Final Certificate.** The Owner may request a Final Certificate upon completion of the Project and the City's issuance of either a temporary or permanent certificate of occupancy. Such request shall be submitted pursuant to the requirements of SMC 3.85.100.
- 3.3. Granting of Final Certificate.** The City shall review and either grant or deny the Owner a Final Certificate for the Project pursuant to SMC 3.85.100.
- 3.4. Annual Reporting.** Upon the City's granting of a Final Certificate, the Owner shall be responsible to comply with the annual certification and reporting requirements pursuant to SMC 3.85.110, in addition to any and all other reporting requirements of the King County Assessor's office, to maintain the tax exemption status.
- 3.5. Cancellation of Tax Exemption.** The tax exempt status of the Project may be cancelled, and the Final Certificate revoked, pursuant to SMC 3.85.120.

**4. General Provisions.**

- 4.1. Statute References.** In this Agreement, unless the context otherwise requires, a reference to the SMC or other statute or law is a reference to that provision as extended, applied, amended, or enacted from time to time and includes any subordinate legislation.
- 4.2. Covenants Running with the Land.** The conditions and covenants set forth in this Agreement shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. The Owner and every purchaser, assignee, or transferee of an interest in the Property, or any portion thereof, shall be obligated and bound by the terms and conditions of this Agreement and shall be the beneficiary thereof and a party thereto, but only with respect to the Property, or such portion thereof, sold, assigned, or transferred to it. Any such purchaser, assignee, or transferee shall observe and fully perform all of the duties and obligations of the Owner contained in this Agreement, as such duties



and obligations pertain to the portion of the Property sold, assigned, or transferred to it.

- 4.3. Amendment.** This Agreement may not be modified or amended except by writing signed by the parties and pursuant to SMC 3.85.080.
- 4.4. Assignment.** The Owner shall not assign or transfer any interest in this Agreement without the prior written consent of the City, which shall not be unreasonably withheld.
- 4.5. No Waiver.** Failure or delay of the City to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of the City to declare one breach or default does not act as a waiver of the City's right to declare another breach or default.
- 4.6. Severability.** Each and every provision of this Agreement shall be deemed to be severable. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provision were not a part of this Agreement.
- 4.7. Notices.** All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by first class or certified mail with postage prepaid to the address included in the signature block below, or to such other person or place as one party shall furnish to the other in writing. Notices and payments shall be deemed given upon personal delivery or, if mailed, upon the earlier of actual receipt or three (3) business days after the date of mailing.
- 4.8. Governing Law / Venue.** This Agreement shall be interpreted in accordance with the laws of the State of Washington. The venue for any cause of action arising out of this Agreement shall be King County, Washington.
- 4.9. Attorney's Fees.** If any party initiates legal proceedings related to the validity, construction, enforcement, interpretation, or breach of this Agreement, the substantially prevailing party shall be entitled to all costs of such proceedings including reasonable attorney's fees. The term "legal proceedings" as used in this paragraph shall include all litigation, arbitration, administrative, bankruptcy, and judicial proceedings, including appeals therefrom.
- 4.10. Headings.** The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation of this Agreement.
- 4.11. Recording.** Upon execution by all parties, the Owner shall timely record this Agreement against the Property with the King County Auditor at the sole expense of the Owner.

**4.12. Authority.** Each individual executing this Agreement on behalf of the City and the Owner represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of each.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

**CITY OF SEATAC**

**OWNER**

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
City of SeaTac  
4800 South 188<sup>th</sup> Street  
SeaTac, WA 98188

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Polaris at SeaTac, LLC  
120 West Cataldo Avenue, Suite 110  
Spokane, WA 99201

Approved as to form:

\_\_\_\_\_  
City of SeaTac Legal Department

**After Recording Return to:**

City of SeaTac  
Attn.: City Clerk's Office  
4800 S. 188th Street  
SeaTac, WA 98188-8605

---

**GRANT OF NON-EXCLUSIVE EASEMENT FOR MAINTENANCE OF  
PRIVATE IMPROVEMENTS WITHIN PUBLIC RIGHT-OF-WAY**

**Grantor:** City of SeaTac, a municipal corporation of the State of Washington.

**Grantee:** Polaris at SeaTac, LLC

**Legal Description:** Portions of Lots 5, 6, 7 and 8, Block 1, and Portions of Lots 4, THIRD  
ADDITON TO ADAMS HOME TRACTS

**Assessor's Tax Parcel ID Nos.:** 004300-0015

**Project Name/No.:** Polaris at SeaTac

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The City of SeaTac, a municipal corporation of the State of Washington ("Grantor"), for and in consideration of mutual benefits derived and/or other valuable consideration, receipt of which is hereby acknowledged by Grantor, conveys and quit claims to Polaris at SeaTac, LLC ("Grantee"), and its successors and assigns, a non-exclusive easement for the limited purpose of constructing, installing, reconstructing, replacing, repairing, operating, maintaining, relocating or removing certain private improvements, as hereinafter described, subject to all the terms and conditions contained herein, across, over and upon that certain public right-of-way, situated in SeaTac, King County, Washington, legal described in **Exhibit A**, attached hereto and incorporated herein by this reference ("Right-of-Way"), appurtenant to that certain parcel of real property situated in King County, Washington, legally described in **Exhibit B**, attached hereto and incorporated herein by this reference ("Grantee's Property").

## AGREEMENT

1. Grantee's rights shall be limited to only those reasonably necessary to construct, install, reconstruct, replace, repair, operate, maintain, relocate or remove the following, related to the use of Grantee's Property: overhead canopies above the public sidewalk, and portions of the multi-family structure that encroach over the public sidewalk area ("Grantee's Improvements"); and Grantee shall be solely responsible for all costs associated with the same. Grantee's Improvements shall be located approximately as shown on **Exhibit C**, attached and incorporated herein ("Easement Area"), and the uses limited as depicted and described therein, and after initial construction Grantee shall have no right to enlarge or relocate any Improvements within the Easement Area without the prior express written consent of Grantor, which consent may be withheld at Grantor's sole and absolute discretion.
2. Grantor reserves the right to use the Easement Area in legally permissible ways that do not interfere with Grantee's rights under this Easement.
3. If any damage is caused to the Easement Area or surrounding grounds by Grantee's exercise of its rights under this Easement, Grantee shall promptly restore any property so damaged to equal or better condition, as near as reasonably possible.
4. Except for overhead canopies, after initial construction Grantor agrees not to remove or otherwise alter any of Grantee's Improvements within the Easement Area without the prior approval of the Grantee; provided, however, that should Grantor determine, in its sole discretion, that an imminent danger to public health, safety, or welfare exists, Grantor shall have the right to remove or alter any of Grantee's non-permanent Improvements without prior approval.
5. Grantee shall be responsible for maintaining, at its sole expense, all of Grantee's Improvements, and shall keep the same in good and sage repair, order and condition. Such duties shall include, but not limited to: prompt repair to any damage or defect in the overhead canopies or building located within the Easement Area.
6. Grantor, its officers, employees and contractors shall not be liable or responsible for any and all damages to Grantee's Improvements resulting from the public's use of the Easement Area and its surrounding grounds, or from Grantor's construction, installation, reconstruction, replacement, repair, operation, maintenance, relocation or removal of its own improvements within the Easement Area or its surrounding grounds, unless such damages are proximately caused by the sole negligence of Grantor, its officers, employees or contractors.
7. Grantee shall, at all times, exercise its rights under this Easement in accordance with the requirements of all applicable statutes, orders, rules and regulations of any public authority having jurisdiction. Grantee accepts the Easement Area in its present physical condition, AS IS, and acknowledges that Grantor has made no warranties or representations concerning the conditions of the Easement Area or its suitability for the use intended to be made thereof. Grantee does hereby release, indemnify and promise to defend, and save harmless, Grantor, from and against any and all liability, loss, damage, expense, actions and claims, including costs and reasonable attorneys' fees incurred by Grantor in connection therewith, arising directly or indirectly on account of or out of the negligent exercise by Grantee, its servants, agents,

employees and contractors of the rights granted in this Easement, including, but not limited to, Grantee's failure to maintain the Easement Area and Grantee's Improvements in a safe condition.

8. The Grantee shall procure and maintain Comprehensive General Liability insurance with limits of at least \$1,000,000, naming the City, its elected and appointed officials, officers, and employees as Primary-Non-Contributory Additional Insureds of said policies. Evidence of insurance required by this section shall be provided annually by an Acord certificate of insurance or other evidence of insurance deemed acceptable by the City Attorney. All insurance deductibles shall be the responsibility of the Grantee.

9. Without limiting any rights granted by this Easement, the parties explicitly acknowledge that Grantor may enter the surface of the Easement Area and have unimpeded access to the same at any time as may be necessary, at Grantor's sole discretion.

10. Grantee shall not commit or suffer any act or neglect whereby the Easement Area shall become subject to any attachment, lien, charge or encumbrance whatsoever, and shall defend, indemnify and hold harmless Grantor from and against all attachments, liens, charges and encumbrances, and all expense resulting therefrom, including but not limited to Grantor's reasonable attorneys' fees and costs.

11. If Grantee shall at any time completely remove Grantee's Improvements from the Easement Area and for a period of one (1) year thereafter fail to reinstall such improvements, then this Easement shall be terminated and be of no further force and effect, and Grantor shall be entitled to record a Termination of Easement with the King County Recorder's Office.

12. In the event of litigation to enforce any of the terms or provisions herein, each party shall pay all its own attorneys' fees and costs.

13. The rights, conditions, covenants, and provisions contained in this Agreement shall inure to the benefit of and are binding upon the parties hereto and their respective heirs, successors, and assigns and shall run with the land.

**GRANTOR:  
CITY OF SEATAC**

By: \_\_\_\_\_  
Printed Name: Carl C. Cole  
Title: City Manager  
Date: April 7, 2020

**GRANTEE:  
POLARIS AT SEATAC, LLC**

By: Polaris SeaTac Manager, LLC  
Its: Manager  
By: \_\_\_\_\_  
Printed Name: Darin Davidson  
Title: Manager  
Date: April 7, 2020

# Exhibit A



# Exhibit B





## MEMORANDUM

Date: April 5, 2020

To: Administration and Finance Committee

From: Carl Cole, City Manager

Re: CIR 2020-09

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On March 10<sup>th</sup>, Councilmember Gobena submitted a comprehensive CIR asking for a number of things to support SeaTac small businesses and residents. That evening at the RCM, this CIR was referred to A&F for consideration.

For discussion purposes, I have prepared this memo to help frame the various proposals.

Numbered items are paraphrased from the CIR:

1. Coordinate with Economic Development or designee of choice to come up with clear plan, assessment of the problems and impacts. This plan could include identifying small and medium businesses that employ less than 30 employees with annual sales volume of less than 1 million or both.

Response: Our Economic Development Team has engaged in a number of meaningful activities that provides links to resources for all businesses in SeaTac, regardless of size. I direct your attention to the COVID-19 Business page of our web site for details.

2. Put package of resources together for impacted businesses and residents to seek assistance if they need. This should include places, organizations such as county, state and federal information related to available loans, relief funding and any opportunity. Create a link on city's website where residents and business look up and find information. Conduct outreach and provide information to impacted businesses and residents.

Response: This is being done and because things are changing rapidly, the information on our COVID-19 web pages are updated sometimes on a daily basis.



3. Come up with a proposal to create Emergency Income Assistance from city's general funding to assist residents facing hardship with paying rent, utility and basic services for seniors due to coronavirus. This should include identifying impacted residents, providing the resource that the city could offer with allocated emergency funding and also calling for county, state and federal government's support. The city could allocate reasonable amount of funding toward this goal from its general funding and ask for additional support.

Response: Under normal circumstances, the State Constitution prohibits the City from providing funds directly to residents or businesses. Our Human Services program funds agencies that provide a variety of services including help with utility and rent payments, small home repair, food insecurity and others. On March 17<sup>th</sup>, the WA State Attorney General issued an opinion (attached) that stated during this state of emergency, the Gifting of Public Funds prohibition can be relaxed, however in the examples he provided, none of those involved providing funds directly to residents. If we were to try to go down this road, I have many concerns, primary among them is fairness. We would have to come up with a plan that treats all residents equally, and it would have to be administered. This would be a significant undertaking and given the effects of the Stay Home Stay Healthy order and our resulting diminished capacity, I am not sure we could accomplish it. Another significant concern is the fact that we do not know when this crisis is going to end. We know our projected revenues are going to be tremendously impacted, but we have no certainty for how long, or if and when they will rebound. If the economic impact of this outbreak sends the economy into recession or depression, we will need all of our resources to maintain the basic services currently provided. In my opinion, the fairest way to use our Ending Fund Balance and Reserves, if it comes to that, is to continue general government operations for as long as we can for the benefit of all.

4. Lastly, I would like to see our city on the frontline supporting impacted businesses and residents, creating a channel with stakeholder and other government agencies from county to federal and working together hand in hand during this difficult time of state of emergency.

Response: The Stay Home Stay Healthy order was not in effect when Councilmember Gobena submitted this CIR. Since the order was issued and in compliance with same, staff capacity has been reduced to what are considered essential tasks and duties. These include things like Permit Center support for businesses that were allowed to remain open and construction projects exempt from the order, payroll and timekeeping, and required financial reporting. Leadership meets daily (virtually, of course) to discuss our response, stay abreast of developments, check in on staff, and see what else can be done to provide support to SeaTac residents and businesses. Our COVID-19 web site has evolved to include pages specific to residents and businesses, including links to previously existing and newly created programs designed to help in a number of areas. We are responsive to requests for information and assistance, ensuring people know where they can go for resources. Things are changing rapidly and

our daily meetings are designed to provide a meaningful way to address those changes. I am not sure spending time creating a written plan would be more productive than what is already underway.

I applaud Councilmember Gobena's desire to provide support and relief to our SeaTac businesses and residents, and I am sure his compassion is shared by everyone on the Council. Staff and I also share this compassion and are always open to hearing suggestions about new resources coming on line or gaps in our messaging that we can address.

I hope this frames the A&F conversation in a meaningful way.

# City Council Information Request Form

Tracking Number  
2020-09



## STEP 1 City Councilmember

**ACTION: Complete the information below.**

Date of Request: 3/10/20

Desired Response Date: 3/24/20

Requestor: CM Takele Gobena

Question/Request (expandable): **Calling for a Clear Package Plan to Address Coronavirus Impacts on Business and Resident in Our City. Creating Emergency Funding and Seeking Resource from County, State and Federal Gov.t Now:**

As our region deals with catastrophic effects of COVID-19, we are seeing business in our city struggling to keep their door open, losing sales and facing dire situations not being able to pay rent, insurance, and their employees. In addition, are seeing hardworking residents, low wage workers and seniors who live on fixed income struggling to pay utilities, housing rent and basic bills. Over the last few weeks I have heard grave concerns from many business owners and residents. The most vulnerable communities are facing unconceivable challenges.

For these reasons, I am proposing emergency measure the city can take immediately to promote public health, economic stability and support our residents in this difficult time of state of emergency.

I would like to request city manager:

1. To coordinate with Economic Development or designee of choice to come up with clear plan, assessment of the problems and impacts- This plan could include identifying small and medium businesses that employee less than 30 employees with annual sales volume of less than 1 million or both;
  2. Put package of resources together for impacted businesses and residents to seek assistance if they need. This should include places, organizations such as county, state and federal... Information related to available loans, relief funding and any opportunity. Create a link on city's website where residents and business look up and find information. Conduct outreach and provide information to impacted businesses and residents;
  3. Come up with a proposal to create Emergency Income Assistance from city's general funding to assist residents facing hardship with paying rent, utility and basic services for seniors due to coronavirus. This should include identifying impacted residents, providing the resource that the city could offer with allocated emergency funding and also calling for county, state and federal government's support. The city could allocate reasonable amount of funding toward this goal from its general funding and ask for additional support.
-

4. Lastly, I would like to see our city to be on the frontline supporting impacted business and residents, creating a channel with stakeholder and other government agencies from county to federal and working together hand in hand during this difficult time of state of emergency. If possible, I like to see draft plan before or by March 24<sup>th</sup> in front of full council.

Thank you,

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**ACTION: Email CIR to the Executive Assistant. The Executive Assistant will email acknowledgement of receipt and begin the process with the City Manager who is responsible for assigning the CIR to the appropriate staff.**

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 **STEP 2 City Manager's Office**

**ACTION: Executive Assistant**

- Email receipt of CIR form to City Council**
- Enter CIR on the status report
- Assign a tracking number
- Save CIR form on the network drive
- Forward CIR to the City Manager for department head(s) assignment

**ACTION: City Manager**

- Enter date received: 03/10/2020
- Enter Department Head(s) assigned and due date: CMO 03/10/2020
- Email CIR to assigned Department Head(s); copy Executive Assistant

 **STEP 3 Department Head(s)**

**ACTION: Department Head(s)**

- Enter estimated time needed to complete the request: 3 months
- Enter estimated completion date based on current workload: 6 months
- Email CIR form to City Manager by due date: 03/10/2020

Department Head(s) Comments (if desired):

 **STEP 4 City Manager's Office**

**ACTION: City Manager**

- Review Department Head input
- Select a box below

- |                                      |                                               |
|--------------------------------------|-----------------------------------------------|
| <input type="checkbox"/> Minor       | Less than one hour                            |
| <input type="checkbox"/> Significant | More than one hour, but less than three hours |

Major More than three hours

Notify Executive Assistant

**ACTION: Executive Assistant**

- Email updated CIR form to City Council
- Update status report

 **STEP 5 City Manager's Office**

**ACTION: Executive Assistant**

**Minor and Significant**

- Email CIR form to Department Head(s) to complete the final response section

**SKIP Step 6 and MOVE directly to Step 7**

**ACTION: City Manager**

**Major**

- Take CIR to the next City Council Meeting for Council approval, and/or Committee referral (if appropriate), or denial

 **STEP 6 City Manager's Office**

**ACTION: City Manager**

**If Council did not approve:**

- Notify Executive Assistant and assigned department head(s).

**If Council approved:**

- Enter Council approval date: 03/10/2020 RCM by Motion
- Committee referral (if applicable): A&F
- Notify responding Department Head(s)
- Notify Executive Assistant

**ACTION: Executive Assistant**

**If Council did not approve CIR:**

- Update the CIR form
- Email updated CIR form to City Council
- Update the status report (mark item closed)
- Move CIR form to the closed folder

√**DONE**

**If Council did approve CIR and referred to Committee:**

- Update the CIR form
- Email updated CIR form to City Council
- Update the status report (mark item closed)
- Move CIR form to the closed folder

√**DONE**

**If Council approved, but assigning CIR to a Committee was not applicable:**

- Notify responding Department Head(s) to complete the final response section
- Update the status report

## **STEP 7**

### **FINAL RESPONSE SECTION**

#### **ACTION: Department Head**

- Enter response date:
- Enter actual staff time spent:
- Insert response here (**expandable field**):
- Email updated CIR form to Executive Assistant

## **STEP 8**

#### **ACTION: Executive Assistant**

- Forward updated CIR form to City Manager for review

#### **ACTION: City Manager**

- Notify Executive Assistant of review and approval
  
- If not approved, email back to Department Head(s) for edits with instructions to email City Manager with edits
- Notify Executive Assistant of review and approval

#### **ACTION: Executive Assistant**

- Email updated CIR form to City Council**
- Update the status report
- Move the CIR to the closed folder

√**DONE**

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#### **ACTION: Executive Assistant**

- Email updated CIR status report to City Council monthly**



**Bob Ferguson**  
**ATTORNEY GENERAL OF WASHINGTON**

Administration Division  
PO Box 40100 • Olympia, WA 98504-0100 • (360) 753-6200

**MEMORANDUM**

DATE: March 17, 2020

TO: State Agencies and Local Governments

FROM: Bob Ferguson, Attorney General

SUBJECT: **Guidance on Analyzing Issues Related to Gifts of Public Funds During the COVID-19 Pandemic**

In recent weeks our Office has received a number of inquiries related to steps state agencies and local governments can take to combat the COVID-19 pandemic. Some agencies and local governments have questioned whether certain steps being considered would violate the prohibitions in Washington’s Constitution against making gifts of public funds (those steps range from making payments to nonprofits to support childcare services to providing employees with paid leave when they are ordered not to come to work, to give just a few examples). To provide helpful guidance to state agencies and local governments about how to analyze these types of issues in this time of crisis, we are sharing a brief overview of our Office’s expert guidance on this question.

In general, constitutional restrictions on use of public funds should not be an impediment to state and local efforts to combat COVID-19, because expenditures being made in furtherance of this effort in this time of crisis further fundamental public purposes, such as protecting the public health and welfare.

Article VIII, sections 5 and 7 of the Washington Constitution each restrict government from giving or loaning public funds to private individuals, companies, or associations. The purpose of the provisions is to prevent public funds from being used to benefit private interests where the public interest is not primarily served. *CLEAN v. State*, 130 Wn.2d 782, 797, 928 P.2d 1054 (1996).

Washington courts “use a two-pronged analysis to determine whether a gift of public funds has occurred.” *In re Recall of Burnham*, 194 Wn.2d 68, 77, 448 P.3d 747 (2019); *Brower v. State*, 137 Wn.2d 44, 62, 969 P.2d 42 (1998). “First, courts must ask whether the funds were expended to carry out a fundamental purpose of the government.” *Burnham*, 194 Wn.2d at 77. If they were used to carry out a fundamental public purpose, the analysis ends, and there is no gift of public funds. *Id.*; *Brower*, 137 Wn.2d at 62. If they were not used to carry out a fundamental public

purpose, then the court asks whether the funds were given with donative intent, and what the public received in exchange. *CLEAN*, 130 Wn.2d at 797-98.

While we cannot endeavor to address every situation which may implicate this issue, protecting public health is without question a fundamental purpose of government. *See, e.g., Hudson v. City of Wenatchee*, 94 Wn. App. 990, 995, 974 P.2d 342 (1999) (describing “the preservation of the public health” and “promotion of the public welfare” as fundamental purposes of government). Given the public health crisis our state is facing, there is a strong basis for state and local governments to make expenditures for the primary purpose of protecting and promoting public health which may have an incidental benefit on private citizens and entities.

To give just a few examples, if a local government is concerned about ensuring that healthcare providers or first responders have childcare in order to enable them to continue working to protect the public during the COVID-19 crisis, it seems clear that it would further a fundamental purpose of the government to subsidize childcare for those individuals, whether by contracting with a childcare provider or otherwise. Similarly, if a local government wants to use public funds to subsidize healthcare screening or testing for community members during the COVID-19 pandemic, that would likewise further a fundamental purpose of government. Similarly, if a local government owned underutilized property and wanted to temporarily lend it to a local healthcare facility so that it could expand its capacity to deal with this crisis, that would further a fundamental purpose of government.

This memo is not intended to provide legal advice about any specific factual situation, but rather is intended to highlight that, in general, state agencies and local governments have broad authority to make expenditures to fight the COVID-19 pandemic without fear of violating the constitutional prohibition on gifts of public funds.

Sincerely,

A handwritten signature in blue ink that reads "Bob Ferguson". The signature is written in a cursive, flowing style with a long horizontal tail on the "g".

BOB FERGUSON  
Attorney General

RWF/jlg



**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION of the City Council of the City of SeaTac, Washington supporting Governor Inslee’s moratorium on residential evictions for non-payment of rent, and encouraging residential landlords to waive late fees during the current COVID-19 outbreak.

**WHEREAS**, on March 18, 2020, Washington State Governor Jay Inslee issued Proclamation 20-19, the recitals of which are incorporated herein; and

**WHEREAS**, Governor Inslee’s Proclamation 20-19 imposed a moratorium on certain residential evictions in order to protect public health and safety and prevent such evictions from further endangering those who have been impacted by the COVID-19 emergency; and

**WHEREAS**, on March 12, 2020, Mayor Erin Sitterley declared an emergency related to the spread of COVID-19 (the “Proclamation of Emergency”) that was subsequently ratified by the SeaTac City Council on March 24, 2020; and

**WHEREAS**, the Proclamation of Emergency authorizes the City to exercise emergency powers to take actions without regard to time consuming procedures or formalities that would otherwise be required by law to the extent so required under the exigencies of the situation; and,

**WHEREAS**, with state and local orders in place restricting employment opportunities and discouraging social contacts, evicting people without the means or opportunity to find alternative housing would create an undue burden on the City’s ability to provide emergency services and put the evicted residents at significant risk;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON HEREBY RESOLVES as follows:**

**Section 1.** The SeaTac City Council supports Governor Inslee’s Proclamation 20-19 that temporarily prohibits residential evictions by all residential landlords operating residential rental property in the City of SeaTac.

**Section 2.** The SeaTac City Council encourages residential landlords to waive late fees for residential tenants during the COVID-19 emergency.

**PASSED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020 and signed in authentication thereof on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**CITY OF SEATAC**

\_\_\_\_\_  
Erin Sitterley, Mayor

ATTEST:

\_\_\_\_\_  
Kristina Gregg, City Clerk

Approved as to Form:

\_\_\_\_\_  
Mary E. Mirante Bartolo, City Attorney

[Resolution re: residential evictions]



# CITY OF SEATAC PROCLAMATION RELATED TO GAMBLING TAXES

**WHEREAS**, SeaTac Municipal Code (SMC) 2.75.060 (A) provides that upon the proclamation of a state of emergency by the Governor, the Mayor is empowered to make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such disaster; provided, however, such rules and regulations must be confirmed at the earliest practicable time by the City Council; and

**WHEREAS**, on February 29, 2020, Governor Jay Inslee declared a state of emergency exists in all counties in the State of Washington due to the number of confirmed cases of COVID-19 in the State (Proclamation 20-05), and this state of emergency is still ongoing; and

**WHEREAS**, on March 12, 2020, the City of SeaTac issued a Proclamation of Emergency due to the outbreak of COVID-19, and authorized the City Manager, the Emergency Management Director, and their designee(s) to utilize the emergency powers granted under RCW 38.52.070, SMC 2.75, and any other Federal and State laws and City Ordinances to preserve public health, safety, and order;

**NOW, THEREFORE**, the undersigned Mayor of the City of SeaTac does hereby make and issue the following rules and regulations on matters reasonably related to the protection of life and property as affected by the outbreak of COVID-19:

1. The City Manager is authorized to extend the deadline for payment of 2020 1st Quarter Gambling Taxes until July 31, 2020, provided that the taxpayer files their 2020 1st Quarter City Gambling Tax return with the City no later than April 30, 2020.

2. The City Manager is authorized to extend the deadline for payment of 2020 2nd Quarter Gambling Taxes until October 31, 2020, provided that the taxpayer files their 2020 2nd Quarter City Gambling Tax return with the City no later than July 31, 2020, and further provided that all 2020 1st Quarter Gambling Taxes have been paid no later than July 31, 2020.

**DATED** this 3<sup>rd</sup> day of April, 2020.

Erin Sitterley,  
Mayor, City of SeaTac

**RATIFIED** by the SeaTac City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Kristina Gregg, City Clerk



# MEMORANDUM

To: Administration and Finance Committee  
Through: Carl Cole, City Manager  
From: Gwen Pilo, Finance and Systems Director  
Date: April 9, 2020  
Re: February 29, 2020 Investment Report

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Attached is the February 2020 Investment Compliance Report and Portfolio Analysis.

At the end of February, the City had \$ 83,415,422 in cash and short-term investments and \$28,249,846 in long-term investments at market value. Total cash on hand and investments equals \$111,665,268.

No interest was paid during the month. Interest paid in prior years was from a bond that matured in August 2019. Interest paid to date is \$208,970.

The 2-year Treasury note and 90-day T-bill declined sharply in February and the LGIP is expected to follow in March.

SeaTac Yield is 1.85% compared to the LGIP at 1.68%.

<b>Maturity Constraints</b>	<b>Policy Requirement</b>	<b>% of Total Accumulated</b>	<b>Portfolio Allocation</b>	<b>Within Limits</b>
Under 30 days	10%	75%	83,415,422	YES
Under 1 year	25%	83%	93,184,501	YES
Under 5 years	100%	100%	111,665,269	YES
Maximum Weighted Average Maturity	3.00		2.31	
Maximum Single Maturity	5 Years		4.79	

<b>Asset Allocation Diversification</b>	<b>Maximum Policy Allocation</b>	<b>Issuer Constraint</b>	<b>Percentage of Portfolio</b>	<b>Market Value</b>	<b>% within Limits</b>
U.S. Treasury Obligations	100%		1.80%	\$ 2,014,166	
U.S. Agencies Primary	100%		16.99%	\$ 18,969,821	YES
FHLB		30%	5.99%	\$ 6,692,633	YES
FNMA		30%	7.31%	\$ 8,164,578	
FHLMC		30%	1.88%	\$ 2,104,038	
FFCB		30%	1.80%	\$ 2,008,572	
U.S. Agencies Secondary	20%		6.51%	\$ 7,265,860	YES
FICO		10%	4.70%	\$ 5,244,860	YES
FARMER MAC		10%	1.81%	\$ 2,021,000	
Municipal Debt Obligations	20%	5%		\$ -	
Certificates of Deposits	15%	5%		\$ -	
Bank Time Deposits & Savings Accounts	50%		7.66%	\$ 8,551,153	YES
Local Government Investment Pool	100%		67.04%	\$ 74,864,270	YES
<b>Total</b>			<b>100%</b>	<b>\$ 111,665,269</b>	

<b>Portfolio by Fund Allocation</b>	<b>Par Amount</b>	<b>Total Adjusted Cost</b>	<b>Market Value</b>	<b>YTD Unrealized Gain/Loss</b>	<b>Yield at Cost</b>
City of SeaTac - Core Investment Funds	\$ 27,840,000	\$ 27,779,653	\$ 28,249,846	\$ 470,193	1.85%
City of SeaTac Liquidity Funds	\$ 83,415,422	\$ 83,415,422	\$ 83,415,422		
<b>TOTAL PORTFOLIO</b>	<b>\$ 111,255,422</b>	<b>\$ 111,195,076</b>	<b>\$ 111,665,269</b>	<b>\$ 470,193</b>	

Cit of SeaTac  
Investment Portfolio Analysis  
As of 2/29/2020

Month	SeaTac Portfolio			Monthly Interest Earned (Accrual Basis)			LGIP			Monthly Interest Earned (Accrual Basis)			Year to Date Interest Earned		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
January	9,982,295	9,982,295	27,840,000	-	-	-	52,077,592	53,078,146	74,764,550	63,206	112,341	109,251	63,206	112,341	109,251
February	9,982,295	9,982,295	27,840,000	15,750	15,750	-	52,140,799	53,190,487	74,864,270	58,921	102,542	99,719	137,877	230,633	208,970
March	9,982,295	9,982,295	-	-	-	-	52,199,720	53,293,029	-	69,849	114,197	-	207,726	344,829	-
April	9,982,295	9,982,295	-	16,943	16,943	-	52,269,568	73,407,225	-	73,673	119,790	-	298,341	481,562	-
May	9,982,295	9,982,295	-	-	-	-	52,343,241	73,527,016	-	79,802	155,829	-	378,143	637,392	-
June	9,982,295	9,982,295	-	-	-	-	52,423,043	73,682,845	-	81,290	151,763	-	459,433	789,154	-
July	9,982,295	9,982,295	-	-	-	-	52,504,333	73,834,608	-	88,552	155,365	-	547,986	944,519	-
August	9,982,295	7,802,000	-	15,750	15,750	-	52,592,885	73,989,973	-	89,990	143,750	-	653,725	1,104,020	-
September	9,982,295	7,802,000	-	-	-	-	52,682,875	74,133,723	-	89,286	134,326	-	743,011	1,238,346	-
October	9,982,295	7,802,000	-	16,943	16,493	-	52,772,161	84,268,050	-	100,025	147,118	-	859,978	1,401,957	-
November	9,982,295	7,802,000	-	-	-	-	52,872,186	84,415,168	-	99,171	126,876	-	959,150	1,528,833	-
December	9,982,295	27,840,000	-	-	46,250	-	52,971,357	74,655,299	-	106,789	113,256	-	1,065,939	1,688,338	-
<b>Average</b>	9,982,295	10,743,672	<b>4,640,000</b>	5,449	9,265	-	52,487,480	70,456,297	<b>12,469,068</b>	83,379	131,429	<b>17,414</b>	n/a	n/a	n/a

Month	2 Yr T-Note			90 Day T Bill			SeaTac Current Yield			LGIP Interest Rate			2020 Budget		
	2 Yr T-Note 2018	2 Yr T-Note 2019	2 Yr T-Note 2020	90 Day TBill 2018	90 Day TBill 2019	90 Day TBill 2020	City 2018	City 2019	City 2020	LGIP 2018	LGIP 2019	LGIP 2020	Actual	Budget	% of Budget
January	2.14%	2.45%	1.33%	1.46%	2.41%	1.52%	1.96%	1.54%	1.86%	1.43%	2.49%	1.72%	109,251	41,574	263%
February	2.25%	2.52%	0.86%	1.65%	2.45%	1.25%	1.96%	1.54%	1.85%	1.47%	2.52%	1.68%	99,719	41,574	240%
March	2.27%	2.27%	-	1.73%	2.40%	-	1.97%	1.53%	-	1.58%	2.53%	-	-	41,574	0%
April	2.49%	2.27%	-	1.87%	2.43%	-	2.08%	1.53%	-	1.71%	2.54%	-	-	41,574	0%
May	2.40%	1.95%	-	1.93%	2.35%	-	1.94%	1.52%	-	1.80%	2.50%	-	-	41,574	0%
June	2.52%	1.75%	-	1.93%	2.12%	-	1.96%	1.52%	-	1.87%	2.51%	-	-	41,574	0%
July	2.67%	1.85%	-	2.03%	2.08%	-	1.98%	1.52%	-	1.99%	2.48%	-	-	41,574	0%
August	2.62%	1.50%	-	2.11%	1.99%	-	1.91%	1.59%	-	2.01%	2.29%	-	-	41,574	0%
September	2.81%	1.63%	-	2.19%	1.88%	-	1.91%	1.60%	-	2.06%	2.20%	-	-	41,574	0%
October	2.87%	1.52%	-	2.34%	1.54%	-	1.86%	1.59%	-	2.23%	2.06%	-	-	41,573	0%
November	2.80%	1.61%	-	2.37%	1.59%	-	1.79%	1.59%	-	2.28%	1.83%	-	-	41,573	0%
December	2.48%	1.58%	-	2.45%	1.55%	-	1.63%	1.87%	-	2.37%	1.77%	-	-	41,573	0%
<b>Average</b>	2.53%	1.91%	<b>1.10%</b>	2.01%	2.07%	<b>1.39%</b>	1.87%	1.58%	<b>1.86%</b>	1.90%	2.31%	<b>1.70%</b>	208,970	498,885	<b>41.89%</b>