

City of SeaTac
Regular Council Meeting Minutes
Virtual Meeting

November 10, 2020
6:00PM

Virtual Meeting

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

COUNCIL PRESENT (remotely): Mayor Erin Sitterley, Deputy Mayor (DM) Peter Kwon, Councilmembers (CM) Senayet Negusse, Stanley Tombs, Clyde Hill, Takele Gobena, and Pam Fernald.

STAFF PRESENT (remotely): City Manager Carl Cole, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Senior Assistant City Attorney Mark Johnsen, Information Systems (IS) Manager Bart Perman, Deputy City Manager (DCM) Gwen Voelpel, Government Relations & Communications Manager Kyle Moore, Community & Economic Development (CED) Director Evan Maxim, Economic Development (ED) Manager Aleksandr Yeremeyev, Finance & Systems Director Gwen Pilo, Budget Analyst Alexis Briggs,

FLAG SALUTE: Clyde Hill led the Council, audience, and staff in the Pledge of Allegiance.

AGENDA REVIEW:

- A. Virtual Meeting: live streamed on SeaTV Government Access Comcast Channel 21 and the City's website; conference line to listen to the meeting at 206.973.4555; and no one will be able to physically attend this meeting.
- B. Public Comments: remote oral and written public comments; speakers who signed-up prior to 4 p.m. today will be able to provide three minutes of comments; comments received at publiccomment@seatacwa.gov before 4 p.m. today will be mentioned by name and subject and then posted to the City's website.
- C. Public Hearing (PH) Comments: remote oral and written public comments; speakers who signed-up prior to 4 p.m. today will be able to provide five minutes of public comment; comments received at publichearingcomment@seatacwa.gov before 4 p.m. today will be read into the record.
- D. Unanimous consent to move Agenda Bills #5554 (Schedule of License Fees, Permit Fees, Other Fees and Charges for City Services) and #5555 (Financial Policies) from Action Items to Consent Agenda.
- E. Remembrance of two senior volunteers who recently passed away, Fred Geraldson and Diana Seely.

PUBLIC COMMENTS:

Remote Public Comments:

Shaun R – requested sidewalks on Military Road South between South 188th and 200th Streets

Ken Stockdale spoke in favor of the Seattle Southside Regional Tourism Authority (SSRTA).

Written Public Comments:

Doris Cassan - SSRTA

PRESENTATIONS:

Small Business Saturday Proclamation.

Mayor Sitterley read the proclamation.

Council Confirmation of the Mayoral Appointment of Toka Valu to the Arts, Culture & Library Advisory Committee; and Appointment of Trevor White to the Sidewalk Advisory Committee

MOVED BY FERNALD, SECONDED BY GOBENA TO APPOINT TOKA VALU TO THE ARTS, CULTURE & LIBRARY ADVISORY COMMITTEE AND TREVOR WHITE TO THE SIDEWALK ADVISORY COMMITTEE.*

Council discussion ensued regarding their support of the candidates.

*MOTION CARRIED UNANIMOUSLY.

PRESENTATIONS (continued):

Final Acceptance of the Connecting 28th/24th Avenue South Capital Improvement Project (CIP) (Public Works CIP ST-131).

City Engineer Cabudol provided a report on the completion of the project. Issuing Final Acceptance officially indicates the City's acceptance of the project. Final Acceptance is on the Consent Agenda. The authorized expenditure was \$14,936,527. The final construction expenditure was \$14,584,668.

Mr. Florendo shared before, during, and after pictures of the project.

Council thanked staff for this great project.

Key City Issues and Requests for Direction.

City Manager Cole commented on the following items:

- (1) Grant Award of \$741,000 from Puget Sound Regional Council (PSRC) for design of the 24th Avenue South – Phase 2 project. Acceptance will happen at a later date.
- (2) Washington Association of Sheriffs and Police Chiefs (WASPC) run a corrections facility accreditation program. WASPC awarded SCORE an accreditation.
- (3) extension of Open Public Meetings Act (OPMA) emergency proclamations until December 7, 2020
- (4) Contracts prepared for food, child care and rental assistance to spend remaining CARES Act funding
- (5) Requested referral of Council Request Form (CRF) for consideration of COVID-19 outreach opportunities (business and resident Community Liaison and/or mailer program) to the Administration & Finance (A&F) Committee. Council concurred.
- (6) Requested referral of CRF for consideration of small business outreach opportunities to the Planning & Economic Development (PED) Committee. Council concurred.
- (7) Calendar items for the next two weeks, including 11/12 Public Safety & Justice (PS&J) Committee meeting cancelled, 11/13 – City Hall will be closed at 12:30 p.m. due to furlough, 11/18 Special PED Committee meeting, 11/19 Sidewalk Advisory Committee meeting cancelled
- (8) 11/7 Ribbon Cutting held last Saturday for soccer fields
- (9) Parks, Community Services & Programs (PCPS) Director Lawrence Ellis celebrated 30 years with the City this month

Council discussion ensued regarding OPMA virtual meetings.

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

CM Tombs: Hotel/Motel Tax Advisory Committee (HMAT) meeting – new committee member Russell Stevenson, signed letter on behalf of committee to the Council regarding funding recommendations

CM Hill: Joint Recommendations Committee (JRC) Community Development Block Grant (CDBG) Committee passed unanimously the recommendation for extension for the \$338,000 award for completion of the Riverton Heights Park phase 2; Parks & Recreation (P&R) Committee meeting – Human Services Funding agency requests; Arts Culture & Library Advisory Committee (ACLAC) meeting has been cancelled due to Veteran's Day; Community Services Advisory Committee (CSAC) meeting cancelled

CM Fernald: PS&J Committee and Sidewalk Advisory Committee meetings have been cancelled for November

Mayor Sitterley: A&F Committee is meeting November 12, 2020

CONSENT AGENDA:

Approval of claims vouchers (check no. 129031 - 129101) in the amount of \$532,575.66 for the period ended November 5, 2020.

Approval of payroll vouchers (check no. 55684 - 55693) in the amount of \$11,327.60 for the period ended October 31, 2020.

Approval of payroll electronic fund transfer (check no. 102850 - 102996) in the amount of \$623,002.51 for the period ended October 31, 2020.

Approval of payroll wire transfer in the amount of \$157,346.98 for the period ended October 31, 2020.

Final Acceptance of public works projects: Connecting 28th/24th Avenue South - \$14,584,668

CONSENT AGENDA (continued):
Approval of Council Meeting Minutes:
Regular Council Meeting held October 27, 2020

The following item was reviewed at the November 5, 2020 Transportation & Public Works Committee meeting and recommended for placement on this Consent Agenda:

Agenda Bill #5588; An Ordinance #20-1021 adding a new Section 11.05.180 to the SeaTac Municipal Code pertaining to temporary closures of roads and reduction of speed limits, and declaring an emergency.

The following items were reviewed at Council Budget Workshops and moved to the Consent Agenda at the beginning of this meeting:

Agenda Bill #5554; A Resolution #20-014 amending the City of SeaTac Schedule of License Fees, Permit Fees, Other Fees and Charges for City Services.

Agenda Bill #5555; A Resolution #20-015 amending the City's Financial Policies and repealing Resolution 18-017.

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

MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING (PH) & ACTION ITEM:

2021 Property Tax Levy

Mayor Sitterley opened the PH at 6:54 p.m.

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

Council discussion ensued regarding if this is passed SeaTac will not have increased local property tax for 7 years.

Public Comments: None

Mayor Sitterley closed the PH at 7:00 p.m.

Agenda Bill #5452; An Ordinance #20-1022 authorizing the City's 2021 Property Tax Levy.

Summary: Cities must submit their authorized levy amounts to the King County (KC) Assessor's Office by November 30, 2020, for inclusion in KC's 2021 property tax roll. The KC Assessor's Office is not expected to certify the City's assessed valuation (AV) prior to their November 30, 2020 deadline.

The total estimated allowable statutory levy amount including new construction, estimates of refunds and utility valuations is \$23,156,811. The City can only increase the property tax levy by the 101% limit factor or the Implicit Price Deflator (IPD) whichever is less. This year's IPD is 1.006% which means the City could levy \$17,993,294. However, the Council adopted Financial Policies establish that as long as the General Fund Reserves are within the set reserve target (4-months), the City will not increase its property tax levy. Therefore, a zero percent (0%) increase over the 2020 amount, plus revenue from new construction and prior year refunds, has been applied in development of the 2021-2022 Biennial Budget.

The KC Assessor has given the City a preliminary estimate of the City's 2021 AV equal to \$7.08 billion, a 2% increase over 2020. This preliminary estimate excludes the final valuation of any state assessed utilities. Because the actual 2021 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 \$2.4931/\$1,000 AV levied in 2020 to \$2.4632/\$1,000 AV for 2021. This decrease in levy rate translates to a \$3.00 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.

PUBLIC HEARING (PH) & ACTION ITEM (continued):

Agenda Bill #5452; An Ordinance #20-1022 authorizing the City's 2021 Property Tax Levy.

The proposed Ordinance authorizes a 2021 property tax levy amount of \$17,458,617 based on a rate of \$2.463 / \$1,000 AV and a 0% increase over the 2020 levy. The actual levy amount will be determined when the KC Assessor certifies the City's total assessed valuation in December.

This was reviewed at Budget Workshops #1 and #3 on October 6, 2020, and October 10, 2020, and was recommended for approval. The required PH is scheduled for November 10, 2020.

MOVED BY HILL, SECONDED BY KWON TO PASS AGENDA BILL #5452 (ORDINANCE #20-1022).

MOTION CARRIED UNANIMOUSLY.

ACTION ITEMS:

Agenda Bill #5584; A Motion approving the 2020 amended budget for the Seattle Southside Regional Tourism Authority (SSRTA).

Summary: SeaTac was the chartering entity for the SSRTA, which was formed to manage and operate the Tourism Promotion Area (TPA). The SeaTac City Council was designated by the three participating cities in the TPA (SeaTac, Des Moines, and Tukwila) as the Legislative Authority. One of the responsibilities of the Legislative Authority is the approval of a budget for the expenditure of the special assessments (\$2.00/room), which is a requirement of State Law and was set forth in the Interlocal Agreement between the three cities and in the SSRTA Charter.

The special assessments can be used for the following purposes:

1. General promotion of tourism within the TPA as specified in the SSRTA business plan;
2. Marketing of convention and trade shows that benefit local tourism and the lodging businesses within the TPA;
3. Marketing of the TPA region to the travel industry in order to benefit local tourism and the lodging businesses;
4. Marketing of the TPA region to recruit sporting events; and
5. Formation and start-up costs and ongoing administration and operation expenses of the TPA and its programs, including staff costs, public notices and advertising, legal costs, accounting, and auditing.

The City Council approved the 2020 SSRTA Budget on November 12, 2019 (AB # 5301). The proposed motion approves an amendment to the 2020 budget for the SSRTA, reflecting changes to revenues and expenditures in 2020 related to COVID-19 and its effect on the SSRTA. This budget amendment was created by the SSRTA, and the SSRTA is solely responsible for the expenditure of these revenues. Since these TPA assessments are collected by the Department of Revenue, and disbursed directly to the SSRTA, the City's role is one of general oversight by reviewing and approving the SSRTA budget. The amended SSRTA 2020 Budget also includes lodging tax funds awarded by the jurisdictions that comprise the TPA, including the emergency lodging tax revenues.

The \$367,500 SSRTA lodging tax emergency funding request for a Meetings Marketing Recovery Strategy in response to COVID-19 is included in the amended SSRTA 2020 budget. The SSRTA requested this emergency lodging tax funding from SeaTac in order to address TPA revenue shortfalls due to the pandemic. The additional lodging tax funding aims to increase activities related specifically to bringing business meetings and conventions back to the SeaTac market. The breakdown is approximately \$280,000 for development of the campaign/promotions and approximately \$87,500 allocated to new booked room incentives. The \$87,500 will be used only when new business is booked within the SeaTac hotel/motel market. The Council approved the original request of \$455,000 amount through adoption of Ordinance #20-1010 amending the 2019-2020 Biennial Budget on July 14, 2020 (Agenda Bill #5500). Given COVID-19 continuing limitations on the use of the booked room incentive, the delta of \$87,500 (\$455,000-\$367,500) is anticipated for expenditure in 2021 and staff will seek a budget amendment at that time.

Initial guidance by the Governor indicated a reopening of the state's economy beginning in the summer months of 2020. This means that meetings and conventions could have started occurring by autumn of 2020 and marketing and promotion of the SeaTac destination would have been appropriate. The SSRTA intended to begin a marketing and promotion campaign about mid-2020 as reopening was allowed, to bring conventions and conferences (other travel) back to the SeaTac market. There has been a delay in reopening due to the evolving pandemic environment. Current

ACTION ITEMS (continued):

Agenda Bill #5584 (continued): indications suggest a more robust reopening of the economy is likely further out into 2021. Due to the long timelines of planning events and conventions that include travel, promotion to future event organizers needs to happen well in advance of the actual events occurring. This means the allocated \$455,000 in lodging tax funds will be expended over 2020-2021 and maybe even into 2022.

Another notable change in the 2020 SSRTA amended budget is the additional \$2,000,000 revenue from a one-time professional services contract with KC to promote local tourism recovery.

This Budget approval does not have any financial impact on the City's overall budget or balance sheet. The SSRTA Budget is only included as a specific Component Unit of the City's Financial Statement.

The HMAC recommended funding the full lodging tax amount on June 17, 2020, and reaffirmed the full lodging tax amount on July 7 in light of reduced lodging tax funding from the City of Tukwila. On July 9, the A&F committee recommended including the SSRTA requested lodging tax amount in the 2019-2020 budget amendment for approval by the whole Council. The Council approved the \$455,000 lodging tax amount through adoption of Ordinance #20-1010 amending the 2019-2020 Biennial Budget on July 14, 2020 (Agenda Bill #5500).

ED Manager Yeremeyev introduced SSRTA President & CEO Katherine Kertzman and Cecilia Pollock.

He reviewed the agenda bill summary.

MOVED BY TOMBS, SECONDED BY KWON TO PASS AGENDA BILL #5561.*

Discussion ensued regarding the proposed budget amendment

MOVED BY KWON, SECONDED BY NEGUSSE TO AMEND THE PROPOSED 2020 AMENDED BUDGET FOR THE SEATTLE SOUTHSIDE REGIONAL TOURISM AUTHORITY AS FOLLOWS:

1. STRIKE LINE 5 (LTC-SEATAC (INCENTIVE)), THEREBY REDUCING REVENUE IN THE AMOUNT OF \$87,500; AND
2. STRIKE LINE 6 (LTC-SEATAC (MARKETING)), THEREBY REDUCING REVENUE IN THE AMOUNT OF \$280,000; AND
3. AMEND LINE 15 (PROFESSIONAL SERVICES/ADS/PROMOTIONS), BY REDUCING EXPENDITURES AN ADDITIONAL \$280,000, SO THAT THIS TOTAL LINE ITEM IN THE 2020 AMENDED BUDGET IS \$1,550,000; AND
4. STRIKE LINE 16 (PROFESSIONAL SERVICES/ADS/PROMOTIONS (SPONSORSHIP FUNDING)), THEREBY REDUCING EXPENDITURES IN THE AMOUNT OF \$87,500. **

Discussion ensued regarding the amendment.

**AMENDMENT CARRIED WITH HILL, TOMBS, AND GOBENA VOTING NO.

*MOTION CARRIED, AS AMENDED, WITH HILL VOTING NO.

Agenda Bill #5592; An Ordinance #20-1023 establishing a Moratorium on the permanent establishment of Overnight Shelters, Transitional Housing, and similar uses.

Summary: In the spring of 2020, KC, acting under the broad powers of the local health officer pursuant to RCW 70.05.070 established temporary "de-intensification" shelters, including a shelter located within a hotel located within the City of SeaTac, with the intent to temporarily decrease shelter intensity, increase social distancing, and prevent or slow the spread of COVID-19.

On March 31, 2020, Governor Jay Inslee signed into law House Bill (HB) 1590, which allows counties to impose a local sales and use tax for the purpose of creating affordable housing, mental and behavioral health-related facilities, and to fund the operation and maintenance of these facilities. On October 13, 2020, the KC Council passed two ordinances that imposed the additional sales and use tax, and established a "health through housing" fund for the collection of the sales tax funds.

ACTION ITEMS (continued):

Agenda Bill #5592 (continued):

The draft ordinances and KC staff report to the KC Council notes at least 60% of tax proceeds must be used to (1) construct new affordable housing, which could include units within an existing structure, (2) construct mental and behavioral health-related facilities, and / or (3) fund operations and maintenance of new facilities. The remaining funds would be used for operation, delivery or evaluation of mental and behavioral health treatment programs and services. Notably, item "1)" is similar to the action taken by KC to establish the temporary "de-intensification" shelter in a SeaTac hotel.

On October 12, 2020, the City of SeaTac provided written comments on the proposed ordinances, recommending that the KC ordinance language be amended to ensure collaboration between KC and any city selected for a proposed affordable housing or mental and behavioral health-related facility. Unfortunately, the adopted KC ordinances did not include the City's recommended language.

RCW 35A.63.220 and RCW 36.70A.390 permit the City Council to adopt a moratorium related to planning, zoning, and development regulations, subject to a PH within sixty days of the date of adoption, and further subject to findings of fact justifying the moratorium at either the time of adoption or following conclusion of the PH. The proposed Ordinance establishes a moratorium through May 1, 2021, on acceptance of applications for land use permits, development permits, building permits, or business license applications related to the establishment, location, operation, and licensing of a permanent "Overnight Shelter", "Transitional Housing", or similar use intended to create a permanent, standalone, affordable housing or mental and behavioral health related facilities. This Moratorium will allow the City time to ensure that the applicable development regulations are appropriate for the needs of the community, coordinate with KC, ensure that any proposed facility is sufficiently supported by needed programs and services, and determine any additional actions that may be necessary.

As required by State law, a PH must be held within sixty days and findings of fact adopted justifying the moratorium or else rescinding the same. This hearing will be held at the December 8, 2020, Regular Council Meeting (RCM). Additionally, the proposed Ordinance contains an emergency clause so it can take effect immediately upon adoption. At least five votes are required for the Ordinance to be effective immediately.

The City anticipates that staff will work with the City Council, Council Committees, KC, and the Planning Commission (PC) to determine what, if any, further action may be necessary.

CED Director Maxim reviewed the agenda bill summary.

MOVED BY FERNALD, SECONDED BY HILL TO PASS AGENDA BILL #5592 (ORDINANCE #20-1023).*

Council discussion ensued regarding the proposed moratorium

*MOTION CARRIED WITH GOBENA AND NEGUSSE VOTING NO.

UNFINISHED BUSINESS: None

COUNCIL COMMENTS:

CM Fernald commented on the following: (1) ribbon cutting, (2) City Manager managing through pandemic, (3) AWC webinar on managing risks around homelessness, and (4) Veteran's Day – visit memorial at community center

CM Negusse commented on the following: (1) stay safe, (2) happy Veteran's Day, and (3) supports RTA

CM Tombs sent thoughts to Veterans. He also asked everyone to do their part to reduce the COVID numbers.

CM Gobena commented on the current COVID rates.

DM Kwon commented on the following items: (1) COVID rates, (2) Veterans Day, and (3) Memorial at community center.

COUNCIL COMMENTS (continued):

CM Hill commented on the following items: (1) Moratorium, (2) ribbon cutting, (3) completing two major road projects, and (3) votes on RTA and Moratorium.

Mayor Sitterley commented on the following items: (1) PCPS Director Lawrence Ellis 30 years with the City, (2) Alex Trebek passing, and (3) anticipated wind storm this Friday.

EXECUTIVE SESSION: None

ADJOURNED:

MAYOR SITTERLEY ADJOURNED THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 8:43 PM.


Erin Sitterley, Mayor


Kristina Gregg, City Clerk