

City of SeaTac

Regular Council Meeting Minutes

November 14, 2023
6:00 PM

City Hall
Council Chambers

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

COUNCIL PRESENT (in-person): Mayor Jake Simpson, Deputy Mayor (DM) Senayet Negusse; **(remote):** Councilmembers (CMs) Iris Guzmán and Erin Sitterley. **Excused absent:** CMs Peter Kwon and Mohamed Egal.

STAFF PRESENT (in-person): City Manager Carl Cole, Senior Assistant City Attorney Cindy Corsilles, City Clerk Kristina Gregg, Senior Information Systems (IS) Technician Liban Ahmed; **(remote):** Deputy City Manager (DCM) Gwen Voelpel, Finance & Systems Director Gwen Pilo, Community and Economic Development (CED) Director Evan Maxim, Human Resources (HR) Director Mei Barker, Parks & Recreation (P&R) Director Mary Tuttle, Grant Administrator Mohammad Ehsan

FLAG SALUTE: Mayor Simpson led the Council, audience, and staff in the Pledge of Allegiance.

AGENDA REVIEW: Hybrid Meeting: Broadcast on SeaTV Government Access Comcast Channel 21, Live-streamed on the City's website <https://www.seatacwa.gov/seatvlive>, in-person and remote options for public participation.

PUBLIC COMMENTS: Deborah and Dennis Myers commented on Code Enforcement.

PRESENTATIONS:

Small Business Saturday Proclamation.

Mayor Simpson read the proclamation.

Key City Issues and Requests for Direction

City Manager Cole commented on the following items:

- Referral to Parks & Recreation (P&R) Committee. Council concurred.
 - Council Request Form (CRF) 2023-10 – Veterans Work/Priority Hire Program
- Grant Acceptance:
 - Association of Washington Cities (AWC): Wellness Mini-Grant, \$480.70
 - WSDOT Commute Trip Reduction - \$105,700 on consent agenda.
- Other items:
 - Drug Take Back (25 pounds)
 - October Real Estate Excise Tax (REET) Report
 - Department Heads participated in a tabletop exercise for emergencies
 - Additional benches along walking paths in North SeaTac Park
- Calendar

Council discussion ensued regarding CRF and Code Compliance update.

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

DM Negusse: Administration & Finance (A&F)

CM Guzmán: Parks & Recreation (P&R)

CONSENT AGENDA:

Approval of claims vouchers (check no. 137075 - 137185) in the amount of \$3,346,334.33 for the period ended October 19, 2023. (includes \$637.82 void)

Approval of claims vouchers (check no. 137186 - 137280) in the amount of \$3,068,588.52 for the period ended November 9, 2023. (includes \$7,516.54 in voids)

Approval of October EFT's in the amount of \$70,355.81 for the period ended October 24, 2023

Approval of payroll vouchers (check no. 56350 through 56355) in the amount of \$7,783.43 for the period ended October 15, 2023.

Approval of payroll electronic fund transfer (check no. 113918 - 1134083) in the amount of \$535,613.06 for the period ended October 15, 2023.

Approval of payroll wire transfer in the amount of \$180,065.70 for the period ended October 15, 2023.

CONSENT AGENDA (continued):

Approval of payroll vouchers (check no. 56356 - 56362) in the amount of \$233,368.89 for the period ended October 31, 2023.

Approval of payroll electronic fund transfer (check no. 114084 - 114255) in the amount of \$550,215.49 for the period ended October 31, 2023.

Approval of payroll wire transfer in the amount of \$186,000.16 for the period ended October 31, 2023.

Approval of Grant Acceptance for the WSDOT Commute Trip Reduction (CTR) Grant - \$105,700.

Approval of Council Meeting Minutes:

Administration & Finance Committee meeting held September 7 and October 5, 2023

Transportation & Public Works Committee meeting held September 28, 2023

Council Study Session held October 10, 2023

Regular Council Meeting held October 10, 2023

The following items were reviewed at the October 5, 2023 A&F Com. Mtg.:

Agenda Bill #6196; A Resolution #23-009 finalizing the 2023 unclaimed property reporting to the State of Washington.

Agenda Bill #6324; A Motion approving the Seattle Southside Regional Tourism Authority (SSRTA) 2024 Budget.

Agenda Bill #6326; An Ordinance #23-1023 authorizing the City Manager to execute a contract with Dickson Electric for the purchase and installation of a backup generator for the SeaTac Community Center and amending the 2023-2024 Biennial Budget.

The following item was reviewed at the November 2, 2023 A&F Com. Mtg.:

Agenda Bill #6334; A Resolution #23-010 amending the City of SeaTac Schedule of License Fees, Permit Fees, Other Fees and Charges for City Services.

The following item was reviewed at the November 6, 2023 T&PW Com. Mtg.:

Agenda Bill #6339; A Motion authorizing amendments to contracts related to Right-of-Way (ROW) acquisition services on the Airport Station Area Pedestrian Improvements project (Public Works Project ST-141).

MOVED BY NEGUSSE, SECONDED BY GUZMÁN TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING (PH) & ACTION ITEM:

2024 Property Tax

MAYOR SIMPSON OPENED THE PH AT 6:21 P.M.

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

CM Sitterley questioned how Assessed Valuation (AV) is developed and the impact from the airport.

DM Negusse commented on the A&F Committee review.

Public comments: None

MAYOR SIMPSON CLOSED THE PH AT 6:36 P.M.

Agenda Bill #6333; An Ordinance #23-1024 authorizing the City's 2024 Property Tax Levy.

Summary: Cities must submit their authorized levy amounts to the King County (KC) Assessor's Office by November 30, 2023, for inclusion in KC's 2024 property tax roll. The KC Assessor's Office is not expected to certify the City's AV prior to their November 30, 2023, deadline.

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

Agenda Bill #6333; Ordinance #23-1024 (continued):

The total estimated allowable statutory levy amount including new construction, estimates of refunds and utility valuations is \$19,866,081. 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 3.67%, so the maximum amount the levy can increase is limited to 1%, which means, based off the most recent information from the KC Assessor, the City could levy \$19,802,759. However, the Council adopted Financial Policies establishing that as long as the General Fund (GF) 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 2023 amount, plus revenue from new construction and prior year refunds, has been applied in development of the 2023-2024 Biennial Budget.

The KC Assessor has given the City a preliminary estimate of the City's 2024 AV equal to \$5.949 billion. This preliminary estimate excludes the valuation of any state assessed utilities. Based on the City AV of \$5.9 billion and proceeding with a 0% increase, the levy rate would increase from \$2.232/\$1,000 AV levied in 2023 to \$3.039/\$1,000 AV for 2024. Because the actual 2024 Levy Rate is calculated from the KC certified AV, the final rate is unknown and the actual increase or decrease in property taxes is dependent upon the actual change in a particular property's AV.

This Ordinance authorizes a 2024 property tax levy amount of \$18,079,098 based on a rate of \$3.0390/\$1,000 AV and a 0% increase over the 2023 levy. The actual levy amount will be determined when the KC Assessor certifies the City's total AV in December.

This was reviewed at the A&F Committee on October 5, 2023. The Committee recommended the Property Tax Levy be set in accordance with Council Policy. The required PH is scheduled for November 14, 2023.

MOVED BY NEGUSSE, SECONDED BY GUZMÁN TO PASS AGENDA BILL #6333 (ORDINANCE #23-1024).

MOTION CARRIED UNANIMOUSLY.

ACTION ITEMS:

Agenda Bill #6331; An Ordinance #23-1025 authorizing the execution of the 2024 through 2027 Collective Bargaining Agreement (CBA) between the City of SeaTac and AFSCME, Local #3830.

Summary: The current Collective Bargaining Agreement between the City and AFSCME, Local #3830 expires on December 31, 2023. The City and Union bargaining teams met at the bargaining table from June 2023 through October 2023 and successfully bargained a tentative agreement. On October 26, 2023, the Union membership voted to ratify the tentative agreement. This Ordinance approves the CBA as negotiated and tentatively agreed upon with the Union. Some of the highlights of the proposed CBA are:

- Maintain contract length of 4 years.
- Article 11 Wages – Cost of Living Adjustment (COLA) is equivalent to 100% of the CPI-W, with a minimum of 2% and a maximum of 6%.
- Longevity pay begins at year 5, with an option of additional pay or additional time off.
- The City will match 40% of all employee contributions to the 457 deferred compensation plan, up to 2% of the employee's gross monthly income.
- Vacation accrual incrementally increased for employees who have been with the City 18-25 years.
- New employees are eligible to take vacation after the first 30 days of employment.
- Bereavement leave has been increased from 24 hours to 40 hours.
- Increased protective boot allowance reimbursement from \$225 to \$300 every two years.
- Increased denim allowance from \$125 to \$200 per year required for certain classifications.
- Individual rain gear will be provided to employees as part of employer provided PPE.

If the proposed Ordinance is adopted, the new CBA will go into effect on January 1, 2024.

Based on the 2024 Personnel Budget at the time of Negotiations and using the maximum COLA of 6% and if all employees took advantage of the 457 match, the estimated maximum impact of the proposed contract in 2024 is \$502,231. The 2024 COLA came in at 4.5% and therefore, the realized impact will be less than the maximum and has been incorporated into the 2023-2024 mid-biennium adjustment.

ACTION ITEMS (continued):

Agenda Bill #6331; Ordinance #23-1025 (continued):

HR Director Barker reviewed the agenda bill summary.

MOVED BY GUZMÁN, SECONDED BY NEGUSSE TO PASS AGENDA BILL #6331 (ORDINANCE #23-1025).*

Council discussion ensued regarding the agreement.

*MOTION CARRIED UNANIMOUSLY.

Agenda Bill #6330; A Resolution #23-011 ratifying the 2023 amendments to the King County (KC) Countywide Planning Policies (CPP).

Summary: SeaTac is required by the Growth Management Act (GMA, RCW 36.70A) to regularly amend the SeaTac Comprehensive Plan (CP) to ensure that SeaTac's goals and policies remain consistent with the GMA, Multicounty Planning Policies, and the KC Countywide Planning Policies (CPPs). The CP is the basis for SeaTac to adopt development regulations, make budgetary decisions, and implement other programs and activities. The next "major" update of all cities', including SeaTac's, CP must be completed by December 2024. Starting in 2020, the state and the region have increased their focus and legislation around housing, and affordable housing.

During the review of the 2021 CPP amendments by the KC Growth Management Planning Committee (GMPC), SeaTac and several other cities in South KC (Federal Way, Kent, Renton, and Tukwila) commented on the then-draft 2021 CPP amendments in a May 5, 2021, joint letter. In summary, the joint letter recommended that the draft 2021 CPP amendments be further amended to incorporate language to:

- Recognize that affordable housing was not evenly distributed throughout KC;
- Account for the impact regional facilities (e.g., transfer stations, jails, behavioral health facilities, homeless shelters, etc.) have on communities in South KC;
- Ensure that seeming impartial standards like "efficiency" are not used to perpetuate historical impacts on the BIPOC communities in South KC; and
- Recognize that regional challenges should be addressed through a well-defined collaborative process.

KC deferred action on several amendments to the CPPs in 2021 related to subjects that SeaTac had commented on in the joint letter. These amendments were referred to the KC Affordable Housing Committee (AHC) for further review. SeaTac staff continued to engage with the AHC on the above comments through late 2022. On December 29, 2022, the AHC recommended amendments to the CPPs to the GMPC, a subcommittee of the KC Council. On March 23, 2023, the GMPC recommended adoption to the King County Council (KCC).

On August 15, 2023, the KCC took action to adopt the 2023 CPP amendments and ratified the CPPs on behalf of unincorporated KC. The 2023 CPP amendments addressed many of the items originally identified by the City of SeaTac and other South KC jurisdictions in 2021. Once adopted, cities within KC have 90 days to take action to ratify the CPPs. The SeaTac Council has three options during those 90 days:

1. Take no action. By not acting, the City of SeaTac will automatically ratify the CPPs per County procedures; or,
2. Vote to ratify the CPPs through the passage of a City Council Resolution; or,
3. Vote to not ratify the CPPs through the passage of a City Council Resolution.

The 2023 CPP amendments must be ratified by the county and cities representing at least 70 percent of the county population and 30 percent of those jurisdictions (i.e., county and cities). It is very unlikely that the 2023 CPP amendments will not receive ratification even if the SeaTac City Council opts not to ratify.

2023 CPP Amendments

In particular, the CPP amendments further implement the requirements of the GMA by:

1. Allocating affordable housing and permanent supportive housing (PSH) "need" consistent with state law for jurisdictions in KC. The approach to allocating affordable housing need across KC takes into account the existing amount of affordable housing in each jurisdiction, income-restricted housing, and the ratio of jobs that would earn a wage for each income band.

ACTION ITEMS (continued):

Agenda Bill #6330; Resolution #23-011 (continued):

2. Establishing a process for jurisdictions to document compliance with the KC Housing CPPs as part of each jurisdiction's CP development, and to document specific implementation strategies and timeframes.

For item 1. above, the affordable housing and PSH need should be understood in the context of the residential growth target for SeaTac. The residential growth target for SeaTac is 5,900 households between 2019 and 2044. Based upon recent analysis by the City, SeaTac currently has sufficient zoned capacity to accommodate projected housing needs.

GMA also requires that the KC forecast projected affordable housing and PSH “need” for each jurisdiction. In this context the “need” is used to describe the forecast demand for housing that is affordable for each income band (e.g., moderate, low, very low, etc.) in every jurisdiction. In general, SeaTac will need to focus on creating housing that is affordable for people earning less than 50% of Area Median Income (AMI). SeaTac also has a relatively large housing need for housing affordable at market rates or above (i.e., housing affordable at 100% AMI and above) that staff anticipates the private market will naturally.

The City is already planning to accommodate the residential growth target of 5,900 households as part of the 2024 CP update. In 2021, SeaTac adopted zoning regulations for supportive housing, which may need to be adjusted to ensure the City has sufficient capacity for the new PSH requirement. In general, the 2023 CPP amendments reflect an equitable distribution of affordable housing through KC, which directly addresses the first of SeaTac’s comments from May 5, 2021, joint letter with other South KC cities.

For item 2. above, the CPPs establish a process by which KC can work with jurisdictions to review, monitor, report, and recommend amendments to each jurisdiction’s CP. The purpose of this review and recommendation is to ensure consistency between the housing-related CPPs and the jurisdiction’s efforts to accommodate housing. Under this review, KC will also evaluate the meaningfulness of each jurisdiction’s efforts to materially affect the affordability of housing to better match forecasted need. match forecasted need.

Procedurally, in 2024, each jurisdiction will share an early draft of their housing-related goals and policies with KC staff. KC staff and the Affordable Housing Committee (AHC) will then review the draft material and provide feedback via a letter from the AHC. All jurisdictions are responsible for completing their CP updates by the end of 2024; this will represent a challenge for KC staff and the AHC given the volume of material involved. KC staff will be responsible for engaging in ongoing review of each jurisdiction’s efforts in subsequent years after 2024, with increased monitoring and documentation every 5 years (e.g., 2029, 2034, etc.)

In general, the 2023 CPP amendments will result in a collaborative plan review process that should address the last three of SeaTac’s comments from the May 2021 joint letter.

On October 19, 2023, the Planning and Economic Development (PED) Committee recommended that the City Council pass a resolution ratifying the 2023 CPP amendments.

CED Director Maxim reviewed the agenda bill summary.

MOVED BY NEGUSSE, SECONDED BY GUZMÁN TO PASS AGENDA BILL #6330 (RESOLUTION #23-011).*

Council discussion ensued regarding affordable housing, PSH estimate, minor home repair program, market rate income bracket, and private development.

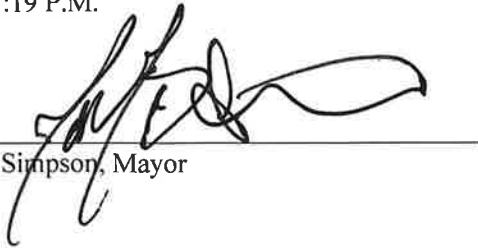
***MOTION CARRIED UNANIMOUSLY.**

UNFINISHED BUSINESS: None

COUNCIL COMMENTS: DM Negusse Mr. and Mrs. Myers for their public commenters.

EXECUTIVE SESSION: None

ADJOURNED: MAYOR SIMPSON ADJOURNED THE REGULAR MEETING OF THE SEATAC CITY COUNCIL
AT 7:19 P.M.

A handwritten signature in black ink, appearing to read 'Jake Simpson', written over a horizontal line.

Jake Simpson, Mayor

A handwritten signature in blue ink, appearing to read 'Kristina Gregg', written over a horizontal line.

Kristina Gregg, City Clerk