

City of SeaTac

Regular Council Meeting Minutes

November 28, 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, Councilmembers (CMs) Peter Kwon, Mohamed Egal, James W. Lovell; **(remote):** CMs Iris Guzmán. **Excused absent:** CM Erin Sitterley.

STAFF PRESENT (in-person): City Manager Carl Cole, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Multimedia Video Specialist David Inman; **(remote):** Deputy City Manager (DCM) Gwen Voelpel, Finance & Systems Director Gwen Pilo, Government Relations & Communications Manager Kyle Moore, Community and Economic Development (CED) Director Evan Maxim

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:

Chuck D'Arielli and Dennis Myer – Military Road, speeding

Earl Gipson and Vicki Lockwood – Agenda Bill #6300

PRESENTATIONS:

Public Swearing in of James W. Lovell as newly elected Councilmember.

City Clerk Gregg swore in newly elected CM Lovell.

Key City Issues and Requests for Direction

City Manager Cole commented on the following items:

- Grants:
 - Application: Washington State Department of Ecology (DOE) Aquatic Invasive Plant Funding Grant - \$36,400
 - Acceptance: 2024 Small Home Repair Program Community Development Block Grant (CDBG) - \$110,000
- Calendar

Council discussion ensued regarding speeding on Military Road and South 175th Street.

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

CM Egal: Planning & Economic Development (PED)

CM Kwon: Transportation & Public Works (T&PW)

CONSENT AGENDA:

MOVED BY EGAL, SECONDED BY NEGUSSE TO SUSPEND THE RULES TO REMOVE AGENDA BILL #6338 FROM THE CONSENT AGENDA TO BE DISCUSSED UNDER UNFINISHED BUSINESS.

MOTION CARRIED UNANIMOUSLY.

Approval of claims vouchers (check no. 137281 - 137415) in the amount of \$2,639,740.57 for the period ended November 22, 2023.

Approval of payroll vouchers (check no. 56363 - 56368) in the amount of \$7,816.40 for the period ended November 15, 2023.

Approval of payroll electronic fund transfer (check no. 114256 - 114426) in the amount of \$556,161.66 for the period ended November 15, 2023.

Approval of payroll wire transfer in the amount of \$186,329.32 for the period ended November 15, 2023.

CONSENT AGENDA (continued):

Approval of Council Meeting Minutes:

Parks & Recreation Committee meeting held September 14, 2023

Council Study Session held November 14, 2023

Regular Council Meeting held November 14, 2023

~~The following item was reviewed at the November 14, 2023 Council Study Session and recommended for placement on this Consent Agenda:~~

~~**Agenda Bill #6338; A Resolution adopting the SeaTac Tourism Destination Development Plan (TDDP).**~~

MOVED BY KWON, SECONDED BY EGAL TO ACCEPT THE CONSENT AGENDA AS PRESENTED, WITH THE REMOVAL OF AGENDA BILL #6338.

MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING (PH) & ACTION ITEM:

Amend the 2023-2024 Biennial Budget

MAYOR SIMPSON OPENED THE PH AT 6:19 P.M.

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

Council discussion ensued regarding the projected 2023 end fund balance.

Public comments: None

MAYOR SIMPSON CLOSED THE PH AT 6:25 P.M.

Agenda Bill #6198; An Ordinance #23-1026 amending the City's 2023-2024 Biennial Budget.

Summary: The City Council adopted the 2023-2024 Biennial Budget in November 2022. State law requires cities with biennial budgets to conduct a mid-biennium review. A presentation of all proposed budget adjustments and decision cards was presented to the Administration & Finance (A&F) Committee on November 2, 2023. The presentation included updates to 2024 revenues and expenditures and decision cards for consideration. The committee reviewed the proposals and recommended moving forward with all adjustments and proposed decision cards.

Revenue adjustments include increases to Property Tax and Leasehold Tax, recognition of budgeted ARPA funding, and adjustments to Equipment Maintenance and Repair charges. Expenditure adjustments include updates to salaries and benefits and equipment replacement costs, increases for Merchant Fees, Property Insurance, and contract services (Court Security, Police, Fire, Animal Control, and Jail Services). Nine Decision Cards were recommended by the Committee.

All proposed changes result in a \$294,507 increase to the budgeted 2024 ending fund balance. This Ordinance incorporates the direction provided by the Committee. Prior to Council action, the required PH will be held.

The A&F Committee reviewed all revenue and expenditure adjustments and proposed decision cards on November 2, 2023. The committee recommended approval of this item.

MOVED BY NEGUSSE, SECONDED BY EGAL TO PASS AGENDA BILL #6198 (ORDINANCE #23-1026).

MOTION CARRIED UNANIMOUSLY.

ACTION ITEMS:

Agenda Bill #6279; A Motion approving the City's 2024 Legislative Agenda.

Summary: The Legislative Agenda gives the Government Relations & Communications Manager and City Lobbyist, Gordon Thomas Honeywell (GTH), direction on which legislative issues to actively advocate for and which issues to react to during the legislative session.

ACTION ITEMS (continued):

Agenda Bill #6279 (continued):

The 2024 State Legislative Agenda contains two City-Specific Issues and three Statewide Issues that GTH will proactively seek to accomplish these top priorities.

This was presented at Council Study Session (CSS) on September 12, October 10, and November 14. Council action is scheduled at the RCM on 11/28/2023.

Government Relations & Communications Manager Moore introduced Gordon Thomas Honeywell (GTH) Lobbyist Josh Weiss. They reviewed the agenda bill summary.

MOVED BY LOVELL, SECONDED BY EGAL TO PASS AGENDA BILL #6279.*

Council discussion ensued regarding the Legislative Agenda.

*MOTION CARRIED UNANIMOUSLY.

Agenda Bill #6300; A Motion authorizing the City to enter into an Interlocal Agreement (ILA) with the South King Housing and Homelessness Partners (SKHHP) through a companion agreement, approving the 2024 SKHHP work plan and budget, and authorizing the use of \$300,000 of General Fund (GF) money currently budgeted for human services (HS) for a contribution to the Housing Capital Fund.

Summary: In the SeaTac 2023-2024 Biennial Budget, the City Council budgeted money for the City to join the SKHHP. SKHHP is a voluntary partnership between eleven jurisdictions (ten cities and King County) that work together to address affordable housing challenges in South King County (SKC). The member jurisdictions, by joining SKHHP, commit to:

1. Collaborate on formulating affordable housing policies that benefit SKC residents; and
2. Support the preservation and/or creation of affordable housing by pooling public funding with private sector resources.

SKHHP's 2024 work plan and budget reflects an anticipated operational expenditure of \$419,158 and four work plan goals:

1. Fund the expansion and preservation of affordable housing.
2. Develop policies to expand and preserve affordable housing.
3. Serve as an advocate for SKC.
4. Manage operations and administration.

To join SKHHP, the SeaTac City Council will need to approve the SKHHP ILA. Once the City Council approves the SKHHP ILA, the City Council will also need to approve the 2024 SKHHP Work Plan and Budget.

SKHHP is managed by its Executive Manager, Claire V. Goodwin, who is advised by an Executive Board, Advisory Board, and staff working group. The eleven jurisdictions each contribute annual operation funding to SKHHP, with the contribution amount based upon the population of each jurisdiction. For SeaTac, the 2024 Operating Budget contribution is \$11,407; this amount was included in the SeaTac 2023-2024 Biennial Budget.

The member jurisdictions also contribute to a Housing Capital Fund to fund the creation or preservation of affordable housing in SKC. Participating jurisdictions currently contribute restricted funds from SHB 1406 and / or HB 1590 to the Housing Capital Fund. SeaTac currently uses SHB 1406 restricted funds for the rental assistance program. There are three options that SeaTac could use to fund the SKHHP Housing Capital Fund in 2024:

1. Use a portion of the currently budgeted but unallocated 1.5% HS GF money to contribute to SKHHP.
2. Direct staff to prepare a standalone budget amendment to contribute GF money to SKHHP.
3. Direct staff to reallocate unused SHB 1406 money from rental assistance to SKHHP. Replace rental assistance funding with 1.5% HS GF money.

Staff recommends that the City Council take the following actions / approach:

- Approve the SKHHP ILA as a companion agreement, 2024 work plan, and 2024 budget.
- Authorize the use of \$300,000 in unallocated HS GF money to the SKHHP Housing Capital Fund in 2024.
- Evaluate the long-term funding approach for the SKHHP Housing Capital Fund as part of the 2025-2026 Biennial Budget process.

ACTION ITEMS (continued):

Agenda Bill #6300 (continued):

Between 2019 and 2044, SeaTac will need to accommodate 5,900 additional residential dwelling units. The new homes must be affordable for the projected needs of all economic segments of the SeaTac community (RCW 36.70A.070(2)). To meet projected needs in SeaTac, approximately 1,200 of the 5,900 additional residential units will need to be affordable at less than 50% of Area Median Income, and SeaTac will seek to preserve existing affordable housing.

The State and King County (KC) have increasingly focused on housing policies and passing housing related legislation; it is important that SeaTac has a voice in advocating for the housing policies that best serve the community. By joining the SKHHP, SeaTac will: (A) increase its access to regional funding to preserve existing affordable housing and possibly create new housing; and (B) improve its ability to advocate for affordable housing policies on behalf of the community.

Approximately \$330,000 of the budgeted 1.5% HS GF money is unallocated to HS contracts. The City Council has directed staff to prepare a HS Strategic Plan, which was included in the September 2023 budget amendments. The HS Strategic Plan should be completed in mid-2024 and will inform HS expenditures in 2025 and subsequent years. Consequently, the \$330,000 budgeted 1.5% HS funding will likely remain mostly unallocated for 2024. By allocating \$300,000 to SKHHP in 2024, the City Council will preserve approximately \$30,000 for any yet-to-be identified HS programs and provide a necessary contribution to SKHHP's Housing Capital Fund.

The Council should evaluate the funding approach for the SKHHP Housing Capital Fund as part of the 2025-2026 Biennial Budget process. The proposed funding approach for 2024 allows the City to meet its allocation, and is roughly equivalent to other identified funding options (i.e., SHB 1406) for SKHHP over a biennial budget period. The HS Strategic Plan is intended to assist the City in prioritizing its HS funding, which may affect the Council's desired approach to funding of the Housing Capital Fund.

The City's 2023-2024 Biennial Budget already includes \$11,407 for SKHHP operations from the GF (Fund #001). This action authorizes the staff-recommended \$300,000 from the 1.5% GF expenditures for HS programs to support the SKHHP Housing Capital Fund. Ongoing funding of the SKHHP Housing Capital Fund for 2025-2026 should be evaluated with the 2025-2026 Biennial Budget in 2024.

On September 25, 2023, the PED Committee, and on October 10, 2023, the Council heard an informational briefing and expressed support for joining SKHHP. Both the PED committee and City CSS also provided guidance supporting the use of some of SeaTac's HS budgeted monies for SeaTac's contribution to the 2024 Housing Capital Fund.

CED Director Maxim reviewed the agenda bill summary.

MOVED BY SIMPSON, SECONDED BY LOVELL TO PASS AGENDA BILL #6300.*

Council discussion ensued regarding the ILA.

MOVED BY NEGUSSE, SECONDED BY KWON TO REFER AGENDA BILL #6300 TO A COUNCIL STUDY SESSION FOR FURTHER DISCUSSION.**

Discussion ensued regarding options for joining and approving the budget.

MOVED BY SIMPSON, SECONDED BY EGAL TO AMEND THE MOTION TO REFER BY STRIKING OUT A COUNCIL STUDY SESSION AND INSERTING THE DECEMBER PLANNING & ECONOMIC DEVELOPMENT COMMITTEE MEETING.***

Council discussion ensued on the amendment.

***AMENDMENT TO THE MOTION TO REFER CARRIED UNANIMOUSLY.

**MOTION TO REFER, AS AMENDED, CARRIED UNANIMOUSLY.

*THE MAIN MOTION WILL COME FORWARD WHEN THE ITEM IS BROUGHT BACK FOR ACTION.

UNFINISHED BUSINESS:

Agenda Bill #6338; A Resolution adopting the SeaTac Tourism Destination Development Plan (TDDP).

Summary: In 2021, the City Council adopted tourism and travel policies in the Economic Vitality Element. This Comprehensive Plan (CP) goal and policy language provided the basis for staff to develop a strategy around developing tourism amenities in SeaTac. The adopted CP goal and policy language states:

GOAL 8.8: Enhance the visitor experience and foster the local travel and tourism ecosystem to maximize the benefits of the City of SeaTac's geographic position regionally and globally.

Policy 8.8 A: Leverage the airport's presence to enhance travel and tourism opportunities in SeaTac.

Policy 8.8 B: Create consistent identity and community design elements to ensure SeaTac is recognizable and distinguished from other communities.

Policy 8.8 C: Promote programming, open spaces and physical connections that enhance the visitor experience.

Policy 8.8 D: Use lodging tax funding to enhance the SeaTac destination experience.

Policy 8.8 E: Engage in regional destination promotion to attract overnight visitors to SeaTac.

The TDDP was developed to serve as a companion document to the SeaTac CP's Economic Vitality Element and related planning efforts. The TDDP describes how SeaTac will implement the Tourism and Travel Policies. This TDDP is the first ever for SeaTac with the stated focus on the visitor economy and provides a strategic, holistic, and actionable road map to coordinate the recommended implementation strategies related to the tourism and travel economy.

The TDDP will serve to guide and inform the prioritization of resources and funding investments in tourism capital projects, programming, and tourism-related branding for the City. To develop the TDDP, the City of SeaTac staff and the consultant engaged with a broad spectrum of stakeholders, including the City Council and business owners, and built the framework to maximize existing and identify future development of tourism-related assets (capital, programs, branding). The plan is SeaTac-specific but also considers how SeaTac fits into and complements other areas within the region as a tourism destination.

The TDDP development process took place over about 12 months between November of 2022 and 2023 and consisted of several key elements, including but not limited to, the below:

1. Compiled and analyzed existing tourism asset data, traveler data, and regional characteristics that influence tourism, travel, and visitation in the City;
2. Assessed and prioritized tourism needs and desires through public engagement, stakeholder interviews, focus groups, and tourism related meetings;
3. Performed a Strengths, Weaknesses, Opportunities, and Threats (SWOT)/competitive analysis;
4. Developed an action plan for implementation of identified strategies, which includes related timelines.

The TDDP informs lodging tax funding priorities and provides guidance to future expenditures and investments (capital, programmatic, branding) to achieve tourism and travel policy goals. TDDP development was aligned with SeaTac's Comprehensive Plan and other ongoing planning efforts to ensure desired outcomes.

The TDDP strategic framework emphasizes celebration of the rich SeaTac diversity of culture and ethnic foods and experiences, further development of tourism-related activities and activation of the three urban villages surrounding the light rail stations (Tukwila International Boulevard, SeaTac/Airport and Angle Lake). The plan also speaks to the overall improvement of the visitor experience to encourage extended and repeat visitation (which results in more visitor spending and benefits SeaTac businesses and generates more taxes to fund services). The recommendations were crafted to benefit visitors, local residents, workers, and other participants in the visitor economy.

Following adoption of the TDDP by the City Council, CED's annual work plan will incorporate tourism-related initiatives in accordance with the TDDP. This document will serve as SeaTac's first strategic plan to implement the recently adopted travel and tourism goal and policies. Staff anticipates that the TDDP will be reviewed and updated every three to five years to maintain relevance within the fast-paced travel and tourism environment.

Future proposed expenditures of lodging tax funds will be routed for review and recommendation by the Hotel/Motel Advisory Committee (HMAC) and brought to Council for consideration through the budgeting process.

UNFINISHED BUSINESS (continued):

Agenda Bill #6338; Resolution (continued)

The process of developing the SeaTac TDDP started in early 2022 with multiple presentations and discussions by the HMAc. Since then, the topic was reviewed and considered at PED on October 27, 2022, with consultant contract review and approval of a budget amendment at the November 8, 2022 RCM. The HMAc reviewed the draft framework March 8 and May 10, 2023. The final draft was reviewed by the HMAc on November 8, 2023 with unanimous support for Council consideration and subsequent adoption. At the November 14, 2023 CSS, the Council recommended approval at the November 28, 2023 RCM.

MOVED BY SIMPSON, SECONDED BY NEGUSSE TO PASS AGENDA BILL #6338.*

Council discussion ensued regarding the TDDP.

MOVED BY NEGUSSE, SECONDED BY EGAL TO REFER AGENDA BILL #6338 TO THE PLANNING & ECONOMIC DEVELOPMENT COMMITTEE FOR FURTHER DISCUSSION.**

Council discussion ensued regarding the reason for referring this item.

**MOTION TO REFER CARRIED UNANIMOUSLY.

*THE MAIN MOTION WILL COME FORWARD WHEN THE ITEM IS BROUGHT BACK FOR ACTION.

COUNCIL COMMENTS:

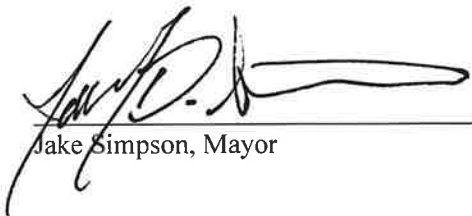
CM Guzmán reminded everyone to be respectful during public comments.

CM Lovell stated his appreciation for all public comments and to his family and friends for watching the swearing in.

Mayor Simpson commented on the renter protection ordinance, stating that he was able to mediate between a tenant and a landlord.

EXECUTIVE SESSION: None

ADJOURNED: MAYOR SIMPSON ADJOURNED THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 7:33 P.M.



Jake Simpson, Mayor



Kristina Gregg, City Clerk