

City of SeaTac

Council Study Session Minutes Synopsis

April 9, 2013
4:00 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Study Session (CSS) was called to order by Deputy Mayor Mia Gregerson at 4:02 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Barry Ladenburg, Rick Forschler, Terry Anderson, Dave Bush, and Pam Fernald.

STAFF PRESENT: City Manager Todd Cutts, City Attorney Mary Mirante Bartolo, Assistant City Manager (ACM) Gwen Voelpel, City Clerk Kristina Gregg, Economic Development (ED) Manager Jeff Robinson, Community and Economic Development (CED) Director Joe Scorcio, Human Resources (HR) Director Anh Hoang, Parks and Recreations (P&R) Director Kit Ledbetter, Assistant P&R Director Lawrence Ellis, City Engineer Susan Sanderson, Senior Planner Al Torrico, Civil Engineer 2 Toli Khlevnoy, Fire Chief Jim Schneider, Police Chief Jim Graddon, Assistant Fire Chief Brian Wiwel, Resource Conservation – Neighborhood Programs Coordinator Trudy Olson, Senior Human Resources (HR) Analyst Stephanie Johnson, Executive Assistant Lesa Ellis, and Administrative Assistant Zenetta Young.

Agenda Bill #3499; An Ordinance amending SeaTac Municipal Code (SMC) Section 15.35.150 related to hotels in the Urban High Density Residential UH-900 zone within the City Center located south of South 184th Street

Summary: In September 2009, the City Council amended the SMC to allow hotels in the UH-900 zone within the City Center, south of South 184th Street, as a conditional use. This change was brought forward to allow greater flexibility for Cedarbrook Lodge to operate both as a conference center and hotel following their purchase of the site from Chase Bank (formerly Washington Mutual). At the time, Chase Bank did not want to wait for a conditional use permit process to be completed prior to closing. Thus, the City added specific footnotes into SMC 15.35.150 (use #101) for hotel/motel (H/M) and associated uses related to height, number of rooms, and the prohibition on expanding conference space. These limitations are no longer necessary within the code. This Ordinance amends H/M and associated use restrictions in the UH-900 zone within the City Center by removing these footnotes. The basis for this amendment is that hotels are already allowed as a conditional use within the UH-900 zone in the City Center, south of South 184th Street, thus, potential impacts due to expansion of the facility such as height, conference space and the number of rooms would more effectively be handled through the conditional use permit (CUP) process.

The Planning Commission (PC) will hold a Public Hearing (PH) on April 16, 2013 on this Ordinance. The previous PH on April 2, 2013 was continued, because the PC did not have a quorum.

CED Director Scorcio and Senior Planner Torrico reviewed the agenda bill summary.

Mayor Anderson arrived at this point in the meeting.

Council consensus: Refer this to the 04/23/13 RCM Consent Agenda

Agenda Bill #3504; A Motion authorizing staff to apply for 2014 Community Development Block Grant (CCBG) for design and construction of a bocce court(s) and horse shoe pit

Summary: Adding a bocce court(s) and horse shoe pit has been discussed among the Senior Citizen Advisory Committee members the past several years. The past four years the P&R Department has been very successful in securing funds to design and construct a neighborhood park and a skate park both at SeaTac Community Center (STCC) and to renovate Sunset soccer field utilizing the King County (KC) CDBG program.

The proposed project will design and construct a bocce court(s) and horse shoe pit west of the sensory garden near the entrance to the senior wing at the STCC. This location will be ideal for the many seniors to walk to the site and play. Nevertheless, the site will need earthwork to level the grounds.

The size of the bocce court will be between 76' – 90', depending on design and space available (official size is 87'6" x 13') and the playing surface material will be determined during the design phase of the project. The horse shoe pit will be 48' in length by 6' in width. The maintenance for both amenities will be very minimal with little or no impact to the current park maintenance staff work load.

The inclusion of bocce court(s) and horse shoe pit will add another free recreation activity for the community and provide the seniors outdoor exercise opportunities.

Agenda Bill 3504 (Continued):

The design and construction of the proposed project is not budgeted and this project will not proceed without CDBG grant funding and no City funding will be requested for this project. The estimated cost for design and construction is undetermined at this time. If the grant funding is approved, the City Council will be asked to formally accept the grant and award contracts for design and construction of the expansion project.

To meet all grant requirements, a pre-application has been submitted (due April 5, 2013) with the grant application deadline May 31, 2013. Approval of this Motion is required for the City to formally apply for this grant funding. If this Motion to apply is not approved, staff will withdraw the pre-application.

Assistant P&R Director Ellis reviewed the agenda bill summary.

Council consensus: Refer this to the 04/23/13 RCM Consent Agenda

Agenda Bill #3507; A Motion authorizing the City Manager to amend the contract with T.F. Sahli Construction to purchase and install Musco lighting equipment for SeaTac Community Center (STCC) Skate Park project

Summary: On September 25, 2012, the City Council approved the Contract with T.F. Sahli Construction for an amount of \$202,399.80 to construct the skate park at STCC.

Amending the Contract allows the contractor to purchase and install lights for the skate park and basketball court (which is adjacent to the skate park), at a cost of \$38,211 (includes sales tax). They will purchase two 50' galvanized poles, lighting control cabinet, 5 factory-aimed luminaries and other small equipment plus installation. This will bring the total project cost to \$240,610.80. This amendment will keep the project within the awarded grant amount of \$278,900.

This project is 100% financed by the Community Block Grant; no fiscal impact to the City. The City received approval from Federal Aviation Administration (FAA) before moving forward with discussion of installing lights.

Assistant P&R Assistant Director Ellis reviewed the agenda bill summary.

Council consensus: Refer this to the 04/23/13 RCM Consent Agenda

Agenda Bill #3508; A Motion authorizing the City Manager to execute a design agreement for the South 179th Street Sidewalk Project

Summary: This Motion authorizes the City Manager to execute a design agreement for the South 179th Street Sidewalk Project.

On December 11, 2012 the Council looked at several options for the 2013 – 2014 sidewalk project and the South 179th street option was selected. The plan is to design the project in 2013 and build in 2014 during the summer.

The South 179th Street Sidewalk Project is the fifth project under the City's Neighborhood Sidewalk Program. This project is scheduled to construct sidewalks on both sides of South 179th Street from 42nd Avenue South to Military Road South. Design services requested for this project include preparation of the detailed engineering drawings, specifications, and estimates required to bid and construct the project.

A statement of qualifications was requested from firms selected from the Municipal Research Services Center (MRSC) Consultant Roster in January, 2013. The following firms submitted statements of qualifications: KPG, PACE, Parametrix, Lochner, and AECOM. The firms were evaluated based on their staff qualifications, experience with similar projects, project understanding, and available resources to complete the project on schedule. Parametrix was selected as the most qualified firm due to their extensive experience on similar projects. The scope of work includes surveying, engineering design, cost estimating, possible right-of-way (ROW) or easement acquisition, public outreach, environmental services, geotechnical investigation, and coordination with affected utilities. The negotiated scope and fee for Parametrix, Inc. is reasonable for the level of effort and work anticipated. The City of SeaTac's standard agreement form will be used. It is anticipated that the project will be constructed in 2014.

The amount to be paid is not to exceed \$229,532.69. The Transportation Capital Improvement Program (CIP) Fund (307) includes \$1,415,000 for this project in the 2013-2014 biennial budget.

Civil Engineer 2 Khlevnoy reviewed the agenda bill summary.

Council consensus: Refer this to the 04/23/13 RCM Consent Agenda

Agenda Bill #3509; A Motion authorizing an Interlocal Agreement (ILA) with Highline Water District for construction of waterline replacement and pavement restoration as part of the South 168th Street Sidewalk Project

Summary: Highline Water District desires to replace an existing waterline on South 168th Street from 34th Avenue South to Military Road South. Combining the District's waterline replacement with the City's sidewalk construction project will minimize disruption to the neighborhood and traveling public and reduce the overall construction cost by sharing items such as traffic control, erosion control, and construction surveying. The District will reimburse the City for 100% of the actual water line costs incurred, as well as some pavement restoration costs within the limits of the waterline replacement. A 10% markup for construction management by the City will be added to the amount reimbursed by the District.

This Motion has no financial impact to the City. The full cost of construction and oversight of the District's work, estimated at \$365,121.35 will be reimbursed by Highline Water District.

This project will be bid in May 2013.

Civil Engineer 2 Khlevnoy reviewed the agenda bill summary.

Council consensus: Refer this to the 04/23/13 RCM Consent Agenda

Agenda Bill #3510; A Motion approving the City Manager to execute a Purchase and Sale Agreement (PSA) for property located at 15201 – 15215 Military Road South

Summary: The acquisition of this property adds to the current land assemblage that includes the SeaTac Center, and increases the City's ability to guide the future transit-oriented redevelopment of this portion of the South 154th Street Station Area. This parcel is one of the key pieces to the overall redevelopment strategy for the area fronting International Boulevard (IB) between South 154th and 152nd Streets. This has been confirmed by numerous developers by virtue of its location on the corner of South 152nd Street and Military Road and, according to input from the development sector, will make the City's current investment in the SeaTac Center more valuable for future redevelopment. The property will potentially provide for the construction of necessary public improvements that may include roadways, pedestrian paths, and open space. Through this assemblage the resulting redevelopment of the two sites will be more fully integrated and complimentary to one another than if accomplished in a piecemeal fashion. To execute this PSA the City will make a \$10,000 refundable earnest money deposit that will be applied to the purchase price if the City exercises the option to complete the transaction. The City has a one-year contingency period to complete all aspects of the required due diligence including environmental assessments, appraisals, surveys and other investigations as deemed warranted. If there are environmental mitigations necessitated that are not covered by the seller's existing insurance policies the purchase price will be decreased from \$1.5 million to \$1.25 million. Within one-year from the execution of the PSA and upon completion of all due diligence activities the City Council will be briefed and at that time can decide to waive all contingencies and exercise the option to purchase or inform the sellers that the agreement will be terminated.

The budget authority for \$1 million of this \$1.5 million acquisition is currently allocated in the biennial "Light Rail Station Areas CIP" budget under the 308 Fund. Additional resources for the acquisition can be generated through the "Community Relief Fund", 105, or from other sources generated from sale of surplus City-owned property or other revenues.

In 2011 the Council had a goal that stated move forward with the South 154th Street light rail and development to establish a clear focus and attract ideas from developers. Staff received ideas from developers and toured the site with 5 different developers individually. In 2012 the goal was revised to plan and construct infrastructure improvements in the South 154th Street Light Rail station area. That increases the viability of commercial development while also continuing to pursue development opportunities incorporating input from SeaTac residents and adjacent businesses as well as the development community. In 2006 with the adoption of the South 154th Street Station Area Action Plan the vision for that area was for a vibrant mix use residential neighborhood that connects people of various backgrounds, the station area would be pedestrian oriented, visibly pleasing, easily accessible and integrated with high capacity transit.

CED Director Scorcio and ED Manager Robinson reviewed the agenda bill summary.

Council discussion ensued regarding the development of the Pancake Chef property.

Council consensus: Refer this to the 04/23/13 RCM Action Item

Agenda Bill #3511; A Resolution authorizing the City Manager to execute a Second Amended and Restated Development Agreement (DA) with Gateway Investment LLC

Summary: Gateway LLC originally entered into a DA in 1998 that allowed for the continuation and expansion of a legal non-conforming land use. The DA included a requirement to develop either a 140-room hotel or another commercial structure with a minimum of 100,000 sq ft. Subsequently, the DA was amended in 2007 to extend the deadline for the construction of the required improvements. Under the 2007 DA, such development was required to be completed no later than June 1, 2011 or a “Delay Fee” of \$500K was due to the City and payable no later than June 1, 2016, at which time the legal non-conforming use would be discontinued. The public benefits accruing to the City as part of the original and amended DA included the granting of easements and land dedications to facilitate certain road improvements. These public benefits continue as a component of the new proposed amendment.

The City’s priorities have changed since the adoption of the current agreement. The City’s goals now indicate that development in the South 154th Street and South 200th Street Station areas are higher priorities than the development of the Airport Station Area. Gateway has agreed to arrange for its affiliate to either: transfer to the City certain real property it owns in the South 154th Street Station area of the City; and/or transfer funds to the City to assist in accomplishing its objectives in the South 154th Street Station Area.

The City would agree to amend the Restated DA to remove the requirements for the construction of commercial property and allow the legal non-conforming use to continue as-is for one of the following considerations, at the City’s option:

The receipt of \$800,000 and the real property located within the South 154th Street Station Area; or, A total of \$1.1 million cash transfer to the City.

CED Director Scorcio and ED Manager Robinson reviewed the agenda bill summary.

Council consensus: Refer this to the 04/23/13 RCM Action Item

PRESENTATIONS:

• Addition of new SR 509/I-5 Corridor Completion to City Council Goals

ACM Voelpel stated that Council asked at the February retreat that a new goal be added for SR 509. She presented the following draft goal prepared by PW Director Gut and herself:

Energetically advocate for completion of SR 509 to I-5 in local, statewide and federal forums including support of public-private partnerships, grants and revenue options that will result in funding necessary for construction of the highway.

The intent of this presentation is to get Council consensus on the goal. It will be added to the website and will be rolled into the strategic planning efforts. Ms. Voelpel also stated that staff is creating a SR 509 specific website based on the marketing materials that have been distributed in the past, and have collaborated with Kent, Federal Way, and the Port of Seattle (POS) to develop the website. It mirrors what the SR 167 coalition has developed. The website will be launched soon.

Council concurred with the wording of SR 509 goal as presented.

• Consideration of Council Information Request (CIR) regarding possible City grant program to partially fund neighborhood street lights

Mayor A. Anderson presented a CIR form that was submitted by himself, DM Gregerson and CM Ladenburg requesting authorization for staff to investigate and come forward with a proposal based on Council input on a Community Grant Program that is application based and evaluated on a case by case basis. This would enable the City to partially fund projects that would be beneficial to the City, up to 25% of the cost.

A few years back the City had a program in place where City groups could come forward and request funds for projects that would enhance their neighborhoods, such as street lighting and secure mail boxes. When the City was having economic difficulties the program was suspended. Several citizens have inquired rather the City would like to re-instate the program.

Council concurred with directing staff to bring forward a proposal.

PRESENTATIONS (Continued):

● **Public Safety Statistics**

Fire Chief Schneider reviewed the March 2013 statistics. Calls for service are slightly up, average about 25 – 30 calls per month for auto accidents, of which some require extrication. He also reviewed the following events: (1) April 27 – YMCA Healthy Kids Day; (2) April 26 – Fire Station tours; and (3) Easter Egg Hunt had 300 participants. He provided an update on the contractual consolidation process which is approximately half way through with putting the plan together. The Interlocal Agreement (ILA) is also being drafted. The recommendation of the Steering Committee is to review the plan with both the Kent Fire Department Governance Board and the SeaTac City Council at a combined presentation. Then in late July or August come back with a final draft ILA.

ADJOURNED: Mayor A. Anderson adjourned the CSS at 5:39 p.m.