

# City of SeaTac

## Regular Council Meeting Minutes

April 23, 2013  
6:30 PM

City Hall  
Council Chambers

**CALL TO ORDER:** The SeaTac City Council Regular Meeting was called to order by Mayor Anthony (Tony) Anderson at 6:30 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 (*left at 8:35 p.m.*).

**STAFF PRESENT:** City Manager Todd Cutts, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Assistant City Manager (ACM) Gwen Voelpel, Judge Elizabeth Cordi-Bejarano, Municipal Court Administrator Paulette Revoir, Program Manager Soraya Lowry, Community & Economic Development (CED) Director Joe Scorcio, Economic Development (ED) Manager Jeff Robinson, Police Captain Annette Louie, and Police Chief Jim Graddon.

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

**PUBLIC COMMENTS:** Mr. Helland commented on the following: (1) Riverton Heights – provided Council with a copy of document titled “A community-owned vision for Riverton Heights Property”; and (2) Community Building Committee (CBC) - members should be from the City.

Earl Gipson commented on the CBC application/interview process stating that plenty of SeaTac citizens who have been involved in the community applied and didn't get interviewed.

### **PRESENTATIONS:**

#### **•Key to the City to retiring Police Chief Jim Graddon**

Chief Graddon introduced family in attendance and thanked the Council, staff, and residents for their support while he was the Chief.

Mayor A. Anderson presented the Key to the City to Police Chief Graddon.

#### **•Council Confirmation of Mayoral Appointments of seven members and two alternate members to the Community Building Committee (CBC)**

Mayor A. Anderson announced the selection of Virginia Olsen, Keith Sieber, Jean Blackburn, Abdirahman Hashi, Pat Patterson, Abdiwali Mohamed, and Matthew York as members, and Nibret Aga and Kenneth Taylor as alternate members to the CBC.

MOVED BY GREGERSON, SECONDED BY LADENBURG TO CONFIRM THE MAYORAL APPOINTMENT OF VIRGINIA OLSEN, JEAN BLACKBURN, PAT PATTERSON, AND MATTHEW YORK AS MEMBERS WITH TWO YEAR TERMS, AND KEITH SIEBER, ABDIRAHMAN HASHI, AND ABDIWALI MOHAMED AS MEMBERS WITH ONE YEAR TERMS, AND NIBRET AGA AND KENNETH TAYLOR AS ALTERNATE MEMBERS TO THE COMMUNITY BUILDING COMMITTEE.\*

Council discussion ensued regarding the proposed members. Some CMs shared their opinions that all members should be SeaTac residents. The CMs that were appointed to the selection committee stated that these people were chosen for what they could bring to the City and their current work in the City with different groups.

\*UPON A ROLL CALL VOTE, MOTION CARRIED WITH A. ANDERSON, GREGERSON, LADENBURG AND BUSH VOTING YES, AND FORSCHLER, T. ANDERSON, AND FERNALD VOTING NO.

Mayor A. Anderson presented the certificates to the appointed members. Nibret Aga and Abdiwali Mohamed were not in attendance. Their certificates will be mailed to them.

#### **•Multi-Service Center**

Housing Program Director Manuela Ginnett detailed the programs provided by Multi-Service Center. Financial support received by the City helps to fund sheltering, the emergency assistance program, and rent assistance. Their mission is helping people achieve greater independence and realize the power of their choice. She thanked the City for its support of the Multi-Service Center.

#### **•Law Week Proclamation and Presentation of Law Week Art Contest Winner**

Municipal Court Judge Cordi-Bejarano asked the Council to declare April 29 – May 3 as Law Week.

Mayor A. Anderson read the proclamation declaring April 29 – May 3 as Law Week.

Judge Cordi-Bejarano shared the list of activities scheduled for Law Week.

**PRESENTATIONS (Continued):**

**Law Week Proclamation and Presentation of Law Week Art Contest Winner (Continued):**

Judge Cordi-Bejarano recognized the art contest winner Marina Lor for her "Gender Rights" artwork and presented her with the award.

**CONSENT AGENDA:**

- **Approval of claims vouchers** (check nos. 102678 - 102862) in the amount of \$653,258.08 for the period ended April 19, 2013.
- **Approval of payroll vouchers** (check nos. 51376 – 51404) in the amount of \$193,159.22 for the period ended April 15, 2013.
- **Approval of payroll electronic fund transfers** (check nos. 76595 – 76773) in the amount of \$386,023.36 for the period ended April 15, 2013.
- **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$76,615.83 for the period ended April 15, 2013.
- **Pre-approval or final approval of City Council and City Manager travel related expenses** for the period ended April 17, 2013.

**Agenda Items reviewed at the April 9, 2013 Council Study Session and recommended for placement on this Consent Agenda:**

**Agenda Bill #3499; Ordinance #13-1007 amending the SeaTac Municipal Code Section 15.35.150 related to hotels in the UH-900 zone within the City Center located south of South 184<sup>th</sup> Street**

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

**Agenda Bill #3507; 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 skate park project**

**Agenda Bill #3508; Motion authorizing the City Manager to execute a design agreement for the South 179<sup>th</sup> Street Sidewalk Project**

**Agenda Bill #3509; Motion authorizing an Interlocal Agreement with Highline Water District for construction of waterline replacement and pavement restoration as part of the South 168<sup>th</sup> Street Sidewalk Project**

MOVED BY T. ANDERSON, SECONDED BY GREGERSON TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

**PUBLIC HEARING (PH):**

● **Second Amended and Restated Development Agreement (DA) with Gateway Investment LLC**

Mayor A. Anderson opened the PH at 7:30 p.m.

CED Director Scorcio stated that this presentation was also provided during the April 9 Council Study Session (CSS).

Mr. Robinson reviewed Agenda Bill #3511 summary below and detailed the property.

CMs T. Anderson and Ladenburg and Mayor A. Anderson recommended passing Agenda Bill #3511.

Mr. Scorcio detailed the Urban Land Institute (ULI) process that will be conducting during fall 2013 for this area.

Upon a question posed by CM Fernald, Mr. Scorcio detailed the properties for Agenda Bill #3511 and #3510 and their connection.

Roger McCracken and Bruce Bjerke spoke in favor Agenda Bill #3511.

Earl Gipson stated he does not have any concern with this proposal; however, he does have an issue with the fact that the City has revenue producing properties, and the money isn't being put back into the correct funds.

Mayor A. Anderson closed the PH at 8:08 p.m.

**ACTION ITEM (related to a PH):**

**Agenda Bill #3511; Resolution #13-005 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 154<sup>th</sup> and South 200<sup>th</sup> 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 154<sup>th</sup> Street Station area of the City; and/or transfer funds to the City to assist in accomplishing its objectives in the South 154<sup>th</sup> Street Station Area.

The City would agree to amend the Restated Development Agreement 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:

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

The City would receive either: an \$800,000 cash payment and real property assessed at or above \$300,000; or, a cash payment of \$1.1 million.

MOVED BY T. ANDERSON, SECONDED BY GREGERSON TO PASS RESOLUTION #13-005.\*

Council discussion ensued as to the reasons they were going to vote yes.

\*MOTION CARRIED UNANIMOUSLY.

**ACTION ITEM:**

**Agenda Bill #3510; 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 154<sup>th</sup> 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 154<sup>th</sup> and 152<sup>nd</sup> Streets. This has been confirmed by numerous developers by virtue of its location on the corner of 152<sup>nd</sup> 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 Capital Improvement Program" 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.

MOVED BY T. ANDERSON, SECONDED BY LADENBURG TO PASS AGENDA BILL #3510.\*

**PUBLIC COMMENTS (related to Agenda Bill #3510):** Loren Sisley, owner of pancake chef spoke in favor of Agenda Bill #3510.

**ACTION ITEM (Continued):**

**Agenda Bill #3510 (Continued):** Council discussion ensued regarding purchasing this property.

Mr. Scorcio stated that the purpose of this agreement will allow the City to determine if there is a problem or contamination with the property prior to buying it.

\*MOTION CARRIED WITH LADENBURG, A. ANDERSON, GREGERSON, BUSH, T. ANDERSON, AND FERNALD VOTING YES AND FORSCHLER VOTING NO.

**UNFINISHED BUSINESS:** There was no Unfinished Business.

**NEW BUSINESS:** There was no New Business.

**CITY MANAGER'S COMMENTS:** City Manager Cutts commented on the following: (1) April 26 – 11 a.m., South 200<sup>th</sup> Street Link extension groundbreaking; (2) April 27 – 1 p.m., CERT graduation; (3) April 27 – 10 a.m., National Prescription Drug Take Back day; (4) April 27 – 9 a.m., Free Healthcare Screening at Bartell Drugs at 14277 Tukwila IB; and (5) Community Transportation Funding Grant awarded for two projects that will supplement the upcoming Angle Lake Station Area Planning Efforts - \$28,000 for community engagement and \$20,000 for bike and pedestrian connectivity.

**COUNCIL COMMENTS:** CM Ladenburg commented on the following: (1) April 27 – 2 p.m., Highline Historical Society (HHS) hosting an event “General George Picket, his life and times” at the Tye Educational Complex; (2) retiring Police Chief Jim Graddon – he has been a great asset to the City and King County (KC) and will be missed; (3) Bow Lake Elementary School Teacher Melissa Thienes received the Bonnie Camble Hill Washington State Literacy Leader Award; and (4) Mayor A. Anderson and DM Gregerson spoke in Olympia April 19 on the Gateway project and did a great job.

CM Forschler commented on the following: (1) surprise Hauler strike - he provided comments he received from residents and asked that they be shared with Republic; and (2) reiterated his comment that assembling land is not good for cities to do.

CM T. Anderson encouraged everyone to attend the HHS event on April 27.

CM Fernald commented on the following: (1) April 25 - 9 a.m., Arbor Day celebration at McMicken Park; and (2) April 27 – 9 a.m., 6<sup>th</sup> Annual North SeaTac Park clean up sponsored by Neighbors without Borders Action Committee.

CM Bush stated that real estate values are increasing everywhere.

*CM Fernald left at this point in the meeting.*

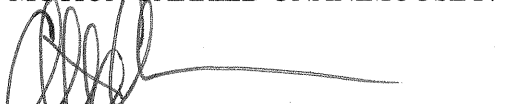
DM Gregerson encouraged everyone to participate in the Cove to Clover Snakezilla run on April 28.

Mayor A. Anderson stated that the City has hired Lisa Mulligan as the new Police Chief. He also commented on his visit to Olympia to testify to get funding for completing SR 509.

**ADJOURNED:**

MOVED BY T. ANDERSON, SECONDED BY LADENBURG TO ADJOURN THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 8:39 P.M.

MOTION CARRIED UNANIMOUSLY.

  
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Tony Anderson, Mayor

  
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Kristina Gregg, City Clerk