



SPECIAL

Planning & Economic Development
Committee Minutes

Tuesday, July 2, 2019

4:00 PM

SeaTac City Hall – Riverton Room

Members:	Present:	Commence: 4:02 P.M.
		Adjourn: 5:26 P.M.
Joel Wachtel, Chair	X	
Peter Kwon	X	
Stanley Tombs	X	

Other Councilmembers: DM Clyde Hill; Rick Forschler

Staff Present: Steve Pilcher, CED Director; Jennifer Kester, Planning Manager; Kate Kaehny, Senior Planner; Sr. Assistant City Attorney Mark Johnsen

<p>1. Public Comment</p>	<p>Vicki Lockwood commented on MultiFamily Tax Exemptions (MFTE), expressing there is no need for more tax-exempt properties/projects. She objected specifically to the McMicken area being considered as an eligible area. She presented some theoretical figures for the amount of property taxes that would not be collected within this area. She also stated that property managers would most likely defer maintenance rather than raise rents at the end of the tax exempt period.</p> <p>Rune Harkestad, representing the Meyer property at 150th & Military Rd. He spoke in favor of the MFTE program and outlined some timing issues concerning the time of making application for the tax exemption. He indicated the tax exemption would make their proposed project viable.</p> <p>Tom Dantzler supports expanding the MFTE eligible areas, as it will help create a level playing field. The tax exemption can make a project viable in SeaTac that would not otherwise occur. He would like the City to consider other programs that help to equalize development costs in the Puget Sound area.</p>
<p>2. Minutes of 05/23/19 meeting</p>	<p>Approved 3-0.</p>

<p>3. 2019 Comprehensive Plan Amendments</p>	<p><u>X</u> Recommendation</p> <p>Senior Planner Kate Kaehny reviewed the amendment process. She noted that the Planning Commission has recommended that all proposals move forward to the Final Docket. The docket is scheduled to be presented to the Council on 7/9, with final action needed by 7/23. Final action on the approval process will occur in the fall, with the Planning Commission conducting a formal public hearing.</p> <p>Ms. Kaehny noted there are both map and text amendment proposals. Of the map amendments, two were initiated by private parties and three being recommended by staff. All text proposals have been recommended by staff.</p> <p>M-1 is a proposal from WSDOT concerning property north of Poulsbo RV on Military Rd. The proposed change to commercial will allow for mitigation of impacts to Poulsbo RV resulting from the SR 509 project.</p> <p>M-2 concerns Bow Lake MH Park and a change from Commercial Low to Residential High in order to accommodate expansion of mobile home placement within the park.</p> <p>M-3 concerns the north end of Military Rd. Initially withdrawn by the Committee, full Council later placed it back on the docket. At this time, no specific land use designation has been proposed, but the intention would be for higher residential densities.</p> <p>It was noted that Burien is considering an upzone to multifamily on the NE corner of S. 128th and Military Rd and that the zoning to the east, within Tukwila, is for higher intensity land uses. Concerns regarding increased traffic in the wider area were noted.</p> <p>M-6 involves no longer needed WSDOT right-of-way south of S. 200th St. The Parks Dept. hopes to acquire this land for parks/open space purposes.</p> <p>Ms. Kaehny then reviewed the various text amendments proposed for consideration.</p> <p>The Committee concurred with moving all of the proposed actions forward to the City Council with a recommendation they be placed on the Final Docket.</p>
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4. MultiFamily Tax Exemption - Potential Expansion

 X Direction

CED Director Steve Pilcher outlined the questions that staff has for the Committee: possible expansion of the MFTE program beyond the S. 154th St. Station Area to other areas of the city and a possible sunset date for the program. He outlined options for expansion and noted that staff does not support creating a sunset date, but rather, that the program be reviewed every five years.

CM Kwon spoke in favor of expanding the program in order for SeaTac to effectively attract development.

Vicki Lockwood questioned the availability of transit, sanitary sewer and adequacy of the water system to support additional development in the McMicken area.

Mr. Harkestad related the experience of the City of Kent and the benefits that have resulted from their MFTE program.

The Committee discussed the desire for commercial development in the city. They also discussed ways to quantify the “losses” the City may incur by granting a tax exemption.

Tom Dantzler noted that the city needs to have more population and density in order to support the retail development that is desired. He stressed that since the City is in good financial shape, this is a good time to expand the program.

Vicki Lockwood spoke about the differences between renters and property owners. She reiterated her position that in order to make ends meet, owners will defer property maintenance and the result will be impacts to the community.

CM Forschler agreed with Mr. Dantzler’s comments. He noted there is a price that needs to be paid in order to move the City forward. He questioned whether there will be any loss of revenues, as development may not otherwise occur.

Planning Manager Jennifer Kester reminded the committee of the question of how to expand the program and other research the staff could perform.

Mr. Harkestad noted their project is proposed to include some commercial and that a developer has no incentive to let a property deteriorate.

CM Kwon advocated for the MFTE program to be allowed city-wide. He is in favor of requiring a five-year review. CM Tombs spoke in favor of a sunset

Moved and seconded to expand the MFTE area, potentially allowing it city-wide, with no sunset provision. Passed 3-0.

Staff will bring back code revisions to the next Committee meeting.

5. Future Topics	<ul style="list-style-type: none">• Fire Station disposition.• Small Wireless Facilities.
6. Adjourn	The meeting adjourned at 5:26 p.m.