



# Planning & Economic Development Committee Minutes

Thursday July 25, 2019

6:00 PM

SeaTac City Hall – Riverton Room

Members:	Present:	Commence: 6:00 P.M.
		Adjourn: 7:33 P.M.
Joel Wachtel, Chair	<b>X</b>	
Peter Kwon	<b>X</b>	
Stanley Tombs	<b>X</b>	

Other Councilmembers: DM Clyde Hill; Rick Forschler

Staff Present: Steve Pilcher, CED Director; Jennifer Kester, Planning Manager; Kate Kaehny, Senior Planner; Aleksandr Yeremeyev, Economic Development Strategist; Gwen Pilo, Finance Director

1. Public Comment	Earl Gipson inquired of whether stakeholders have been identified for the City Center project and whether there is a Gantt chart. He also spoke against taking any grant funds from the State for examining increasing housing density.
2. Approval of minutes of 07/02/19 & 07/16/19	Both sets of minutes approved 3-0.
3. City Center Plan Update Phase 1 Contract Amendment	<p><u><b>X</b></u> Information</p> <p>Senior Planner Kate Kaehny noted this matter was considered at this afternoon’s A&amp;F Committee, at which time that Committee recommended it be placed on the Consent Agenda for the 8/13 City Council meeting. She then reviewed the proposed additional tasks to the project and the costs involved (included in the packet). Identified stakeholders were mentioned.</p> <p>The Committee asked that a project schedule be made available. It also asked that the Committee be briefed during the process. Inviting the Hotel Motel Advisory Committee and others should also be invited.</p>

<p>4. MultiFamily Tax Exemption Code Amendments</p>	<p><u>  X  </u> Discussion</p> <p>CED Director Pilcher reviewed past discussions, noting that staff has prepared draft amendments to SMC 3.85 accordingly.</p> <p>There was discussion regarding how exactly the tax exemption works and whether costs will spread towards other property owners. Finance Director Gwen Pilo discussed how the staff understands the taxing system works. Finance staff is waiting for a response from the Assessor.</p> <p>CM Forschler noted that these projects don't participate in paying for police and other services, but this is a trade-off worth considering in order to stimulate development.</p> <p>CM Kwon stated that other communities are successfully using the program and the increased tax cost accrues to other taxpayers.</p> <p>CM Tombs expressed concern with imposing any tax burden on other taxpayers within the city.</p> <p>Chair Wachtel indicated he isn't ready to take action on this issue until these questions are answered.</p> <p>Economic Development Strategist Aleksandr Yeremeyev provided additional information regarding the use of MFTE in various cities and the tax and investment results. In SeaTac, there is approx. \$6.5B of total assessed value, of which approx. 25% is residential. He provided an example of how the MFTE might work in SeaTac, estimating a \$11/yr. increase in taxes to an average home.</p> <p>Earl Gipson questioned whether projects would have been built even if the MFTE were not been available.</p> <p>In regards to the proposed code amendments, CM Kwon advocated including a 5 year sunset date. The Committee concurred that a sunset date be included, as the Council could always extend the date. Otherwise, the draft ordinance changes are acceptable.</p> <p>Staff will return with additional information regarding the tax issues once that is better understood.</p>
<p>5. Potential Housing-related code amendments</p>	<p><u>  X  </u> Direction</p> <p>CED Director Pilcher stated staff is seeking direction on whether it should pursue State grant funding in order to take on activities designed to increase housing options in the community. He outlined the various actions that could be taken, should the Committee recommend moving forward. Applications are due by August 30.</p> <p>Planning Manager Jennifer Kester pointed out that the bill doesn't require the City to take any action. However, it is possible that the State could make some or all of these actions mandatory in a future legislative session.</p> <p>Clustering and infill are two viable options. The Committee concurred that staff should move forward with a grant application.</p>

6. Future Topics	<ul style="list-style-type: none"><li>• Fiber Optics study</li><li>• Maywood neighborhood zoning</li><li>• Fire Stations 45 &amp; 47 disposition</li><li>• Small Wireless Facilities</li></ul>
7. August meeting	The Committee agreed to cancel its regularly scheduled meeting of August 22.
8. Adjourn	The Chair adjourned the meeting at 7:33 p.m.