

RESOLUTION NO. 2928

A RESOLUTION of the Port Commission of the Port of Seattle establishing Sea-Tac Industrial Development District as new Unit 21 of the Port's Comprehensive Scheme initially comprised of premises transferred from existing Comprehensive Scheme Unit 18, in the southeast area of Sea-Tac International Airport; providing for future sale of said premises subject to specified aviation-related use restrictions; and providing policy guidelines for lease and sale of this and future additions to said Industrial Development District.

WHEREAS, Unit 18 of the Port's Comprehensive Scheme of Harbor Improvements, applicable to Seattle-Tacoma International Airport (hereinafter "the Airport"), was heretofore duly established by the Port Commission of the Port of Seattle by Resolution No. 1194 and said Resolution and Unit 18 have subsequently been amended from time to time in the manner provided by law; and

WHEREAS, Port Commission Resolution No. 2111 duly created under the authority of RCW Chapter 53.25 a marine-related industrial development district known as the Lower Duwamish Industrial Development District (hereinafter "LDIDD"); and

WHEREAS, said Resolution No. 2111 duly established Unit 20 of the Port's Comprehensive Scheme of Harbor Improvements and Industrial Development to regulate the LDIDD and said Resolution and Unit have subsequently been amended from time to time in the manner provided by law; and

WHEREAS, Alaska Airlines has established its corporate headquarters on privately owned property immediately south of the Airport and has designated the Airport as a major hub for its airline operation and incident thereto by letter dated March 14, 1984 attached as Exhibit A hereto supplemented prior correspondence by requesting Port assistance in its establishment of a facility at the Airport primarily for training

flight crews and other personnel on premises legally described on Port Notice of Public Hearing attached as Exhibit B hereto and shown on Port Drawing No. PM STIA-164 attached as Exhibit C hereto; and

WHEREAS, Alaska Airlines' Exhibit A letter states that its currently contemplated investment in the proposed flight training facility would be \$6,000,000 and would be an integral part of its overall development of its Seattle home base including additional capital investments of approximately \$170,000,000 in new aircraft, approximately \$12,000,000 for a hangar project and other facilities at the Airport, and approximately \$3,000,000 for a reservations building expansion currently under way, and Alaska Airlines indicates its financing requirements dictate ownership of the flight training facility; and

WHEREAS Port Commission Resolution No. 2920 as amended approved Board Resolution No. 36 as amended of the Industrial Development Corporation of the Port of Seattle which stated on February 14, 1984 the latter's intent to issue approximately \$24,000,000 in industrial revenue bonds for the benefit of Alaska Airlines facilities and equipment located on and adjacent to the Airport; and

WHEREAS, RCW Chapter 53.25 has been frequently and successfully employed by the Port to provide for sales of Port-owned marine-oriented real property within the LDIDD along the Duwamish Waterway subject to use restrictions providing for industrial development, payroll creation, local tax revenue enhancement, trade and commerce stimulation, and other economic benefits for King County and its residents served by the Port, and similar economic benefits are anticipated from the creation of an aviation-oriented industrial development district at the Airport; and

WHEREAS, the premises described in Exhibit B are not currently or foreseeably required by the Port for active construction and operation of runways and other flight facilities at the Airport, but the premises are adaptable to Alaska Airlines' proposed uses subject to Port reservation of appropriate rights in connection with flight path and noise generation attributes of aircraft; and

WHEREAS Alaska Airlines' proposed uses of said premises are within the parameters established by Sea-Tac Communities Plan chapter 6.7 and Highline Communities Plan (South Area Development Plan) page 219; and

WHEREAS, the Port duly published and posted in accordance with applicable law its Exhibit B Notice of Public Hearing on the proposed transfer of the premises described in said Notice from Comprehensive Scheme Unit 18 to a new Comprehensive Scheme Industrial Development District Unit, and subsequent Port sale of the premises subject to industrial development use restriction, and the Port Commission duly held a public hearing on March 27, 1984 regarding such matters as provided in said Notice; and

WHEREAS, at said hearing the Port Commissioners heard from all persons desiring to speak upon such matters including environmental matters, and the Port Commission considered maps, plans and other data pertaining to the premises and the development proposals of Alaska Airlines, all of which maps, plans and other data were and now are on file at the office of the Port Commission, and the Port Commission considered the application of all federal, state and local laws, ordinances and regulations, including those relating to the environment; and

WHEREAS, following such hearing after due consideration the Port Commission decided that the Port's existing Comprehensive Scheme should be further amended as hereinafter provided and the premises legally described in Exhibit B should be made available for sale subject to appropriate industrial development use restrictions;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle as follows:

Section 1. The premises legally described in Exhibit B are hereby transferred from Unit 18 of the Port's Comprehensive Scheme, and that Unit is accordingly so amended, to Unit 21 of the Port's Comprehensive Scheme, which is hereby created.

Section 2. In accordance with RCW Chapter 53.25 said Unit 21 shall operate and be administered to provide for aviation-related industrial development of real property in and adjacent to the Airport as "Sea-Tac Industrial Development District" in the same manner that Unit 20 of the Port's Comprehensive Scheme for the LDIDD was established and has operated under Resolution 2111 as amended from time to time to provide for marine-related industrial development of real property on and adjacent to the Duwamish Waterway. The Port Commission hereby determines that the creation of this additional, aviation-related, industrial development district to be proper and desirable in furtherance of the Port's operation of air transfer and terminal facilities situated in Comprehensive Scheme Unit 18 in accordance with RCW 53.08.020. The Port Commission reserves the right to exercise, by future express motion or resolution, all powers provided by Washington law, including without limitation aforementioned RCW Chapter 53.25, and RCW Chapter 53.36 relating to taxation, and also all provisions of Resolution No. 2111 as amended from time

to time with regard to the development and promotion of aviation-related industrial development of premises which may be included from time to time within the boundaries of the Sea-Tac Industrial Development District and Unit 21 of the Port's Comprehensive Scheme.

Section 3. The Port Commission hereby determines that the best interests of the Port of Seattle and the residents of King County served by the Port and furtherance of aviation-related industrial development and the aviation terminals and facilities situated in Comprehensive Scheme Unit 18 require that the premises legally described in Exhibit B be made available for negotiated sale to Alaska Airlines in accordance with RCW 53.25.120 as amended by Senate Bill No. 4401 adopted by the 48th Legislature (Regular Session) of the State of Washington in 1984 as soon as that amendment becomes effective to authorize such negotiated sale, and subject in addition to compliance with all of the following conditions:

(a) After Senate Bill No. 4401 becomes effective, the sale of all or any portion of the premises can be made either outright or by exercise of a purchase option included in a lease by the Port to Alaska Airlines.

(b) As required by Senate Bill No. 4401, in either event the purchase price must be not less than the fair market value of the property at the time of the sale which shall be determined by an average of at least two independent appraisals.

(c) As required by RCW 53.25.120, Alaska Airlines' uses of the premises made available to it both under any lease and under any conveyance must be limited to those indicated in Alaska Airlines' letter attached as Exhibit A hereto, namely, a training center consolidating Alaska Airlines' current training

operations which are scattered in several locations in Seattle and throughout the country. Such uses are ancillary to Alaska Airlines' maintenance of its corporate headquarters in King County and use of the Airport as a home base and a principal hub for its airline operations. Other airline activities may also be conducted in the training center building including but not limited to flight crew administration, dispatch, service center, training personnel of other airlines, and other airline functions. Alaska Airlines use of the premises shall also be subject to reasonable rights expressly reserved in writing by the Port and running with the land to permit aircraft flight paths and noise generation in the air over and adjacent to the premises.

(d) As required by RCW 53.25.120, no sale of the premises shall be made by the Port until Alaska Airlines shall have submitted to the Port its general plans and specifications for the development of the flight training center on the premises and said plans and specifications shall have been approved in writing by the Port's Chief Engineer, which approval shall not be unreasonably withheld.

(e) As required by RCW 53.25.160, Alaska Airlines shall within one year from the date of purchase devote the premises sold to it to the uses specified in subparagraph (c) above, or shall commence work on the improvements thereon to devote the premises to such use (if such activities have not previously been commenced under a lease). If Alaska Airlines fails to do either of the foregoing acts, the Port Commission may cancel the sale and return the money paid on the purchase price and title to the premises shall revert to the Port. This remedy shall be in addition to any other remedy under the terms

of the sale. Alaska Airlines shall not transfer title to the premises within one year from the date of purchase.

(f) As required by RCW 53.25.170, the use restrictions stated in subparagraph (c) above shall also be set forth in the Port's conveyance of title as covenants running with the land. In accordance with RCW Chapter 42.30, the Washington Open Public Meetings Act, all determinations that Alaska Airlines is in violation of one or more use restrictions shall only be made at an open public meeting of the Port Commission at which Alaska Airlines shall be given notice and opportunity to be heard and to submit a plan for correction in connection with any use restriction violation asserted at any time by the Port. For all situations the Port shall also give Alaska Airlines reasonable written notice and reasonable opportunity to cure any restriction or violation which has been finally determined to exist. Any violation of such covenants shall result in a right (but not duty) by the Port Commission in its discretion to forfeit the land. Without prejudice to its exercise of the foregoing statutory right, the Port expressly reserves (as alternative means of enforcement of the statutory requirement that the use restrictions shall be covenants running with the land) the right to seek a state or federal judicial and/or administrative order directing Alaska Airlines to comply with the use restrictions and/or, in the discretion of the Port Commission, the right to reacquire title to the premises from Alaska Airlines on Port payment of (i) the price paid to the Port by Alaska Airlines for the undeveloped land plus (ii) the fair market value at the time of such reacquisition of any and all improvements then on the land determined as provided in subparagraph (b) above.

Section 4. The following policy guidelines, consistent with those set forth above in Sections 2 and 3, shall govern any future property additions to Comprehensive Scheme Unit 21 applicable to the Sea-Tac Industrial Development District:

(a) The STIDD shall be developed, enlarged, and administered with the purpose and objective of encouraging long-term commitment of airlines to the Airport by concentrating land use in and adjacent to the Airport by businesses which provide airport and/or aviation support services or benefits.

(b) Port-owned real property from time to time situated in the STIDD will only be sold or leased for uses consistent with the policy objectives set forth in subparagraph (a) above. Examples of permitted uses include general offices, flight kitchens, flight training facilities, and other uses supporting airport and aviation services and typically benefiting from proximity to Seattle-Tacoma International Airport.

(c) All Port conveyances of real property situated from time to time in the STIDD will include appropriate use restrictions to assure compliance with the requirements then in effect of RCW 53.25.110 - .170 and the provisions of this Resolution as amended from time to time.

(d) All construction and other development in the STIDD shall comply with Port "Regulations for Tenant Construction at Sea-Tac International Airport" and with any further specific development guidelines which may be in effect at the time of the sale or during the term of the lease of individual parcels. In addition the Port shall reserve as covenants running with the land in connection with the sale or lease of every parcel within the STIDD appropriate aviation easement rights, including but not limited to restrictions on building heights

and electronic emissions, and the right of the Port and third parties to impact the parcel with aircraft noise.

(e) In addition to the appraised value of a parcel to be sold as provided in RCW 53.25.120 as amended, the purchaser shall also pay to the Port the negotiated reasonable value of any and all improvements constructed and/or paid for by the Port outside the boundaries of the parcel principally to serve the parcel, such as utility connections. In the event that the Port Commission elects to enforce through reacquisition use restriction violations in connection with a particular parcel sold by the Port, the repurchase price shall consist of (i) the price paid for the parcel and any improvements then situated thereon by the Port's purchaser plus (ii) any additional payment made by that purchaser to the Port pursuant to the provisions of the preceding sentence plus (iii) the fair market value, at the time of the Port's reacquisition of the parcel, of any and all improvements then on the land which had been added by owners subsequent to the Port, determined by appraisals as provided in RCW 53.25.120 as amended.

(f) All purchasers from the Port shall be subject to the use restrictions running with the land and have the procedural protections in the manner provided with regard to Alaska Airlines in Section 3 above.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof held March 27, , 1984 and duly

authenticated in open session by the signatures of the Commissioners and the seal of the Commission.

Henry T. Simonson
Jack B. Bluff
Jim Wright
Ivar Haglund

Port Commissioners

Alaska Airlines

P.O. Box 68900
Seattle, Washington 98168

Telephone (206) 433-3200
Telex 32 8723

March 14, 1984

Mr. Vernon L. Ljungren
Director of Aviation
Port of Seattle
P.O. Box 68727
Seattle, WA 98168

Subject: Alaska Airlines Training Center

Dear Mr. Ljungren:

This letter will serve to highlight some additional information regarding the impact of the proposed new training facility for Alaska Airlines on property to be purchased from the Port of Seattle, immediately south of Sea-Tac International Airport. We have previously submitted to the Port extensive documentation on this project as well as the proposed new aircraft hangar, as part of the application for approval of industrial development bonds.

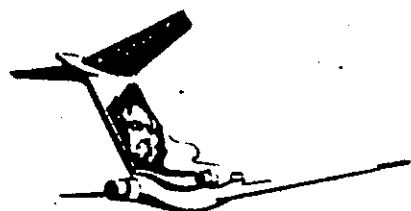
Specifically, the training center will consolidate Alaska's scattered training operations which are presently conducted in several locations, both here in Seattle and in the case of pilot training, at other locations throughout the country. The project, which is currently contemplated to be approximately 50,000 square feet at a total project cost of \$6,000,000, will have a very positive impact upon the Port of Seattle facilities at Sea-Tac and the surrounding area.

It is anticipated that approximately 15 new full time positions for instructors and technicians will result from this facility. This number will undoubtedly increase in years to come as Alaska's overall training requirements increase in accordance with our forecasted growth.

The project will also support the local community by keeping in Seattle the flight crews which currently travel to such diverse locations as Los Angeles, Denver or Atlanta for flight simulator training.

Finally, during the construction period, jobs will be created in the various construction trades.

As discussed previously, this project is an integral part of Alaska's overall growth at our Seattle home base, which includes a \$170,000,000 capital investment in new aircraft, the \$12,000,000 hangar project,



Alaska Airlines

Mr. V. L. Ljungren
March 14, 1984
Page Two

a substantial increase in gate requirements at Sea-Tac, the \$3,000,000 reservations building expansion currently underway, and other related expenditures.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

ALASKA AIRLINES, INC.

Clifford T. Argue

Clifford T. Argue
Assistant Vice President
Properties & Facilities

CTA:jk

PORT OF SEATTLE
NOTICE OF PUBLIC HEARING
Date of Hearing March 27, 1984

NOTICE IS HEREBY GIVEN that during the regular public meeting of the Port Commission of the Port of Seattle commencing at 2:00 p.m. on Tuesday, March 27, 1984, at the public meeting room of the Port Commission, on the third floor of the Pier 66 Bell Street Terminal, Seattle, Washington, there will be a public hearing for the purpose of considering whether or not to provide for any sale of all or any part of unimproved real property located within the boundaries of Seattle-Tacoma International Airport generally at the intersection of 28th Avenue South and South 188th street. The following described property is currently part of Unit 18 of the Port's Comprehensive Scheme applicable to said Airport but is not currently used for Airport purposes:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 33, AS ESTABLISHED PURSUANT TO KING COUNTY SUPERIOR COURT CAUSE NUMBER 635681; THENCE NORTH $3^{\circ}11'34''$ EAST ALONG THE EAST LINE OF SAID SUBDIVISION A DISTANCE OF 640.91 FEET; THENCE PERPENDICULAR TO SAID EAST LINE, NORTH $86^{\circ}48'26''$ WEST A DISTANCE OF 280.00 FEET; THENCE SOUTH $36^{\circ}04'38''$ WEST A DISTANCE OF 80.00 FEET; THENCE SOUTH $69^{\circ}48'58''$ WEST A DISTANCE OF 280.00 FEET; THENCE SOUTH $15^{\circ}00'00''$ EAST A DISTANCE OF 450.00 FEET; THENCE SOUTH $2^{\circ}17'50''$ WEST, PERPENDICULAR TO THE SOUTH LINE OF SAID SUBDIVISION, A DISTANCE OF 42.00 FEET TO SAID SOUTH LINE; THENCE SOUTH $87^{\circ}42'10''$ EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 439.35 FEET TO THE POINT OF BEGINNING.

EXCEPT EXISTING RIGHT OF WAYS FOR 28th AVENUE SOUTH AND SOUTH 192ND STREET.

SUBJECT TO AN EASEMENT FOR UNDERGROUND UTILITIES OVER THE NORTH 15.00 FEET OF SAID PARCEL.

THE EAST 80.00 FEET AND SOUTH 42.00 FEET, MEASURED AT RIGHT ANGLES OF SAID PARCEL TO BE RESERVED FOR FUTURE ROAD RIGHT OF WAY.

The public hearing will consider all aspects of the proposed sale, including without limitation environmental aspects; whether any sale should either be immediate, or included in a lease-out by the Port of all or a portion of the property; and whether any sale should be unrestricted or subject to use restrictions including Port repurchase rights. The hearing

will also consider whether any sale should be accomplished pursuant to RCW 53.08.096 on the basis that the property is no longer needed for Port purposes and should be removed as surplus from the Comprehensive Scheme; or whether the property should be transferred to a new or existing Industrial Development Unit of the Port's Comprehensive Scheme pursuant to RCW Chapter 53.25 to be held for subsequent sale thereafter subject to industrial use restrictions pursuant to the provisions of RCW 53.25.110 - .170 then in effect.

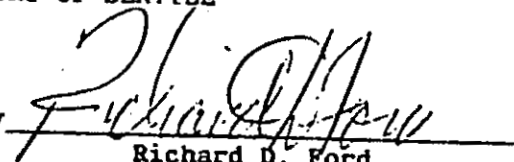
Maps, plans and other data regarding the proposed modifications to the Port's Comprehensive Scheme, including a letter from Alaska Airlines as to the economic and other advantages to the Port and to the residents of King County of a Port lease with purchase option to Alaska Airlines so that it may construct facilities on the property, are now on file at the offices of the Real Estate Department of the Port of Seattle on the fourth floor of said Bell Street Terminal and will be available at said hearing. Persons requesting further information may contact Patti Burkland at the Port of Seattle Real Estate Department, 382-3363.

At said hearing the Port Commission will hear from all persons including other prospective lessees/purchasers desiring to speak with regard to the above described immediate or future sale of the specified Port-owned real property, the above-described alternative proposed amendments to the Port's Comprehensive Scheme, and a Commission Resolution accomplishing the foregoing.

DATED: March 16, 1984.

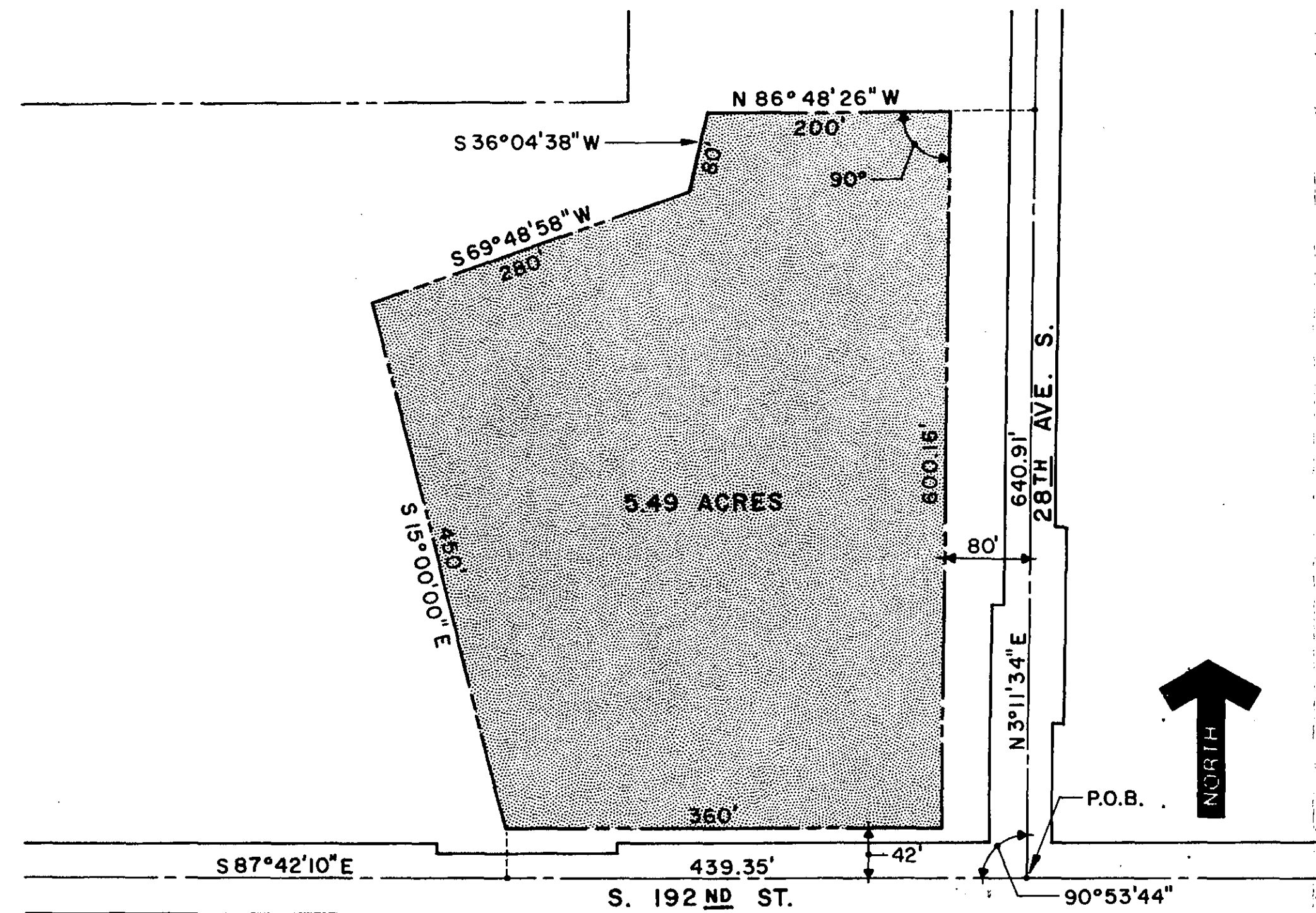
PORT OF SEATTLE

By



Richard D. Ford
Executive Director

ALASKA AIRLINES FLIGHT SIMULATOR SITE



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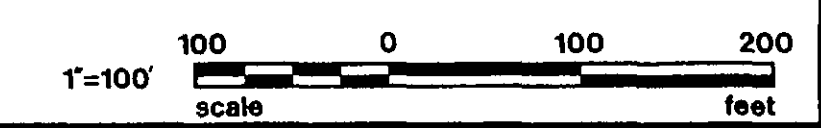
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2-152



REVISIONS						
DESCRIPTION	APP'D.	NO.	DATE	BY	DESCRIPTION	APP'D.



PROJECT ENGINEER
JOHN M. FISHER
 DESIGNER
JIM BOYD
 DRAWN BY:
M.A. CORPUZ
 APPROVED BY:
John M. Fisher

SCALE: NOTED
 DATE: 3-23-84
 CHECKED BY:

PORT OF SEATTLE
SEA-TAC INTERNATIONAL AIRPORT
ALASKA AIRLINES FLIGHT
SIMULATOR SITE RESOLUTION 2928
EXHIBIT C

WORK ORDER NO.
D-3201
 CONSULTANT'S NO.
 PORT OF SEATTLE NO.
PM-STIA-164

NOTE: If the microfilmed drawing is LESS clear than this notice, it is due to the

