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I own property along the river.

My children own property along the river.

My grandchildren own property along the river.

My parents, when they were alive, owned property along the river
as did my grandparents.

My grandparents came here with nothing.

They became a part of this community and purchased land.

They saw and believed in the possibility that one could make a decent
living in an area of environmental beauty.

They understood that a balance has to be struck between their own gain
and the good of the community. Some of you may know that my
grandfather is known as the person that kept Boeing here in Seattle by
giving Boeing 10 acres on which to build Plant 2.

I have been a part of this community for as long as I can remember.

When I was 9 or 10 I drove tractors on my father's farm. That is now the
Southcenter South complex on West Valley highway south of Strander
Blvd.

We've paid taxes that support the city for many generations. We don't
mind doing that as we get good roads, fire protection and police
protection.

We are not in this for a quick dollar.

We're in it for a reasonable rate of return on our investment in a
community that, we believe, has benefited from our involvement,
ownership and business development over the years as well as
benefiting us.

We're here because we want to be.

In that regard we share the same multi-generational history with the
community and commitment to the community as many others in this
room tonight.

EXHIBIT 16 DATE 7-13-09
PROJECT NAME
PA Recommended SFP
FILE NO 206-088

Sometimes one has to make choices between good environmental stewardship and economic growth in the community. The problems I see with the proposed SMP are not, repeat, not, in that category.

You will hear many viewpoints tonight. I don't plan on covering all the things I see that need to be improved in the SMP. I will only touch on one item that I believe does not help the environment. What it does do very well is to destroy both the opportunity for growth in the community and destroy a lot of the economic base that is already here. I believe that would be tragic for the community.

The item I wish to address is the re-letting of non-complying properties. There are two parts of it that are especially onerous. One is the 24 month time-limit on re-letting and the other is the requirement that a property be re-let for the same function even if it is zoned for a more general function.

First, the 24 month limit.

The original SPM said that if a non-complying property went vacant and was not re-leased within 6 months, it would have to meet the new SMP requirements including setback requirements.

I don't know where the 6-month timeframe came from and I bet you don't know either. Its just seemed like a nice round timeframe.

After community members voiced concerns about the time frame, it was changed to 24 months. Again a nice round number with no basis in fact. It is like telling someone if they can't sell their home in 4 months their certificate of occupancy will be revoked.

To pick just a couple of properties I saw on my way here, how long has the Levitz building been vacant? 3 years? 4 years? Longer? How about the Mervin's location in the mall?

You may say that those are exceptions, we have to deal with averages.

Yes, we do. What is the average? How long does it take to lease a property in our city and how does that compare with the proposed 24month time limit to lease?

Have you been given that information? I would bet not.

I've got the answer to that question and I'd like to share it with you. I contacted Mr. Matthew Gardner who prepared the report you've been given tonight and asked him if the average could be derived from the CB Richard Ellis information in the report. He said that it could if one took a

historical perspective. The reason one has to take a historical perspective is that we are currently experiencing a negative absorption of space, so it would seem that a property that comes up for lease would never find a tenant. But if we consider a longer time period- from 1st quarter 2004 through the 2nd quarter of 2009 we can get a good long term average. The absorption rate for that 5 year+ time frame is 66,000 sq. ft. per quarter. The space available is just over 1.6 million sq. ft. You do the math. 66,000 sq. ft. per quarter into 1.6 million sq. ft is 25 quarters or just over six years if no additional space comes onto the market. That seems in line with Levitz and Mervins. So on average it takes over 6 years to lease a space. The proposed SMP will trigger setback and sloping requirements that can't, repeat, can't be met in many cases in 24 months. These properties will go vacant. There will be no motive to maintain them. The community will lose businesses, jobs, and tax base. Setting a limit that is only 1/3rd of the AVERAGE time is onerous. Even if it were set to the average you are giving the property a 50/50 chance of getting leased in time. That's sure to attract businesses and investment in the community-huh.

The second item I'd like to address is the requirement that the properties that are within the SMP zone must be used for the same use as the former tenant. There are many, many examples of properties in the community on which this will result in a complete loss of use, again resulting in the loss of businesses, jobs and tax base. I'll give you just a couple of examples with which I'm familiar. The first is Boeing.

I happen to benefit from the fact that Boeing is in the community. I'm sure that the city benefits from their tax dollars also. Boeing leases many buildings from us. One is the ~~development center~~ ^{recreational} center. It's in our city. Not if, but when, Boeing moves (because it will happen eventually), what could we do with that building under the proposed rules? Under the proposed SMP we can lease it to someone with the same use. ~~There is no one with the same use.~~ The closest thing is the former Lockheed skunk-works facility. Under the proposed SMP rules, Tukwila would ~~lose not only the taxes on this 150,000 square foot building that couldn't be used at all because of the SMP but also the jobs, economic growth and sales taxes that would go with the building if it could be used.~~ Maybe you believe that Boeing won't ever move this facility or others in ~~the area.~~ Maybe you don't read the newspapers. Another quick Boeing

~~example. They have a recreation center on our property also.~~ If they close it or move it do you think another recreation facility will move in? As Emeril the cook would say-BAM! Another building vacant; un-usable. Lost business, lost jobs, lost taxes. Considering the uses Boeing makes of the properties they use, I don't believe that it is in the community's best interest to let the SMP dictate that these properties can't be used for anything other than airplane construction related functions- thereby losing any opportunity to replace the taxes Boeing pays by putting another type tenant in their place.

ITS ABOUT 100,000
THAT ~~ARE~~ ~~BEING~~ ~~USED~~ ~~AS~~
AFFECTED ARE BOEING 150,000
DEVELOPMENTAL CENTER
BAM! MORE JOBS & TAXES GOING AND WHO DO YOU SUGGEST WE LEASE THE MESSAGE SFTO TO

Another example, non-Boeing.

As city council members, you are probably aware that the US Postal Service's facility for sorting all the first-class mail in the region is in our town. If they move out, either because the current facility is not big enough, too big, or there is a technology change, do you think there will be another mail sorter that will take that building?

Do you know that the USPS had a renewal option on part of this property in 2007? They exercised the option. Do you know that they can bail out on this same part in 2017? Will they stay or will they go? I don't know. What I do know is that if they go and we can't find another "same type of tenant", there will be a 400,000 square foot empty building and the city will have less tax base and a lot fewer jobs.

There is a good balance that can be struck. It's my understanding that other cities have done so. But as proposed, parts of the SMP will do unprecedented economic harm to our community and tax base without benefiting the environment. As an individual that has always lived in the south-end area and that has a multi-generational interest in both the environmental and economic well-being of our community, I view this as a potential tragedy due to its unintended consequences.

Thank you for your attention.