AGENDA
DES MOINES CITY COUNCIL
REGULAR MEETING

City Council Chambers
21630 11th Avenue S, Suite C
Des Moines, Washington
Thursday, January 22, 2026 - 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CORRESPONDENCE NOT PREVIOUSLY RECEIVED BY COUNCIL

Correspondence

COMMENTS FROM THE PUBLIC

January 22, 2026 Public Comment Sign-Up Sheet

REGIONAL COMMITTEE REPORT

CITY MANAGER REPORT/PRESENTATIONS/BRIEFINGS

Item 1. **Police Promotions**
Sergeant Eric Morris
Sergeant Shay LaMarsh

Staff Presentation:
Ted Boe, Police Chief

Item 2. **Recognition of Rotary of Des Moines and Normandy Park's Burning Boat Event**

CONSENT AGENDA

Item 1. **Approval of Vouchers**
Motion:"I move to approve the payment vouchers through January 08, 2026 and payroll transfers through January 09, 2026 in the attached list and further described as follows:"

EFT Vendor Payments	#12945 - 13052	$ 920,216.49
Wires	#3203 - 3219	$ 329,074.79

Accounts Payable Checks	#167255 - 167276	$ 84,612.21
Payroll Checks	#20041 - 20044	$ 5,740.06
Payroll Advice	#16104 - 16266	$ 485,021.64
Payroll Checks	#20045	$ 4,722.94
Payroll Advice	#16267 - 16295	$ 107,119.01
Total Checks and Wires for A/P & Payroll:		$ 1,936,507.14

Item 2. **Approval of Minutes**
Motion: "I move to approve the minutes from the City Council Regular Meeting held on January 08, 2026."

Item 3. **Business License Model Ordinance Update - 2nd Reading**
Motion: "I move to enact Draft Ordinance No. 25-124, updating the City of Des Moines Business License Code."

Item 4. **North Hill Walkway Improvements Project– Right-of-Way Acquisitions**
Motion 1: "I move to approve and accept a fee simple acquisition of 2,438 SF and a temporary construction easement of 1,218 SF on Tax Parcel #294600-0285, owned by Katherine Orizotti, as well as provide compensation to the owner in the amount of $52,400.00 for said right-of-way acquisition, as well as damages in the amount of $57,100.00, for a total of $109,500.00 (rounded), and further authorize the City Manager to sign the fee simple acquisition, the temporary construction easement and Real Property Voucher Agreement substantially in the form as submitted."

Motion 2: "I move to approve and accept a fee simple acquisition of 1,289 SF and a temporary construction easement of 1,687 SF on Tax Parcel #294600-0191, owned by Daniel Keto, as well as provide compensation to the owner in the amount of $33,800 for said right-of-way acquisition, as well as damages in the amount of $25,620.00 for a total of $59,420.00 (rounded), and further authorize the City Manager to sign the fee simple acquisition, the temporary construction easement and Real Property Voucher Agreement substantially in the form as submitted.

Item 5. **State of Washington Department of Ecology 2025-2027 Water Quality Stormwater Capacity Grant Award**
Motion: "I move to accept the State of Washington Department of Ecology 2025-2027 Water Quality Stormwater Capacity Grant Award for the City of Des Moines and authorize the City Manager to sign the Grant Agreement substantially in the form as submitted."

Item 6. **2026-2027 Recycling Program Professional Services Contract**
Motion: "I move to approve the Agreement with Olympic Environmental Resources in an amount not to exceed $100,222.00, and authorize the City Manager to sign the Agreement substantially in the form as submitted."

Item 7. **Approval of Amendments to the Conservation Futures Interlocal Cooperation**
Motion 1: "I move to approve the Amendment #2 to the Conservation Futures Interlocal Cooperation Agreement between the City of Des Moines and King

County for Open Space Acquisition Projects, and further authorize the City Manager to sign said Interlocal Agreement Amendment substantially in the form as submitted."

Motion 2: "I move to approve the Amendment #3 to the Conservation Futures Interlocal Cooperation Agreement between the City of Des Moines and King County for Open Space Acquisition Projects, and further authorize the City Manager to sign said Interlocal Agreement Amendment substantially in the form as submitted."

Item 8. **Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lot Regulations Update - 2nd Reading**
Motion:"I move to adopt Draft Ordinance 25-117 adopting the Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lot Ordinance."

Item 9. **6th and 287th Storm Project Task Assignment Amendment**
Motion: "I move to approve the amendment to the 2024-2025 On-Call General Civil Engineering Services Task Assignment 2024-05 with Parametrix to complete design and permitting services for the 6th and 287th Storm Project in the amount of $86,000.00, and authorize the City Manager to sign said amendment in the form as submitted."

Item 10. **Des Moines Creek Estuary Project, On-Call General Engineering Services Task Assignment with Parametrix and Grant Awards**
Motion 1: "I move to accept the King County Flood Control District's Cooperative Watershed Management Grant Award in the amount of $210,000 for the Des Moines Creek Estuary Project and authorize the City Manager to sign the Grant Agreements substantially in the form as submitted."

Motion 2: "I move to accept the King County Flood Control District's Flood Reduction Grant Award in the amount of $150,000 for the Des Moines Creek Estuary Project and authorize the City Manager to sign the Grant Agreements substantially in the form as submitted."

Motion 3: "I move to approve the 2026-2027 On-Call General Civil Engineering Services Task Assignment 2026-01 with Parametrix to provide continued design and permitting services on the Des Moines Creek Estuary Project in the amount of $360,000.00 and authorize the City Manager to sign said Task Assignment substantially in the form as submitted."

UNFINISHED BUSINESS

Item 1. **Creation of Ad Hoc Franchise Committee**
Staff Presentation:
Tim George, City Attorney

Motion: "I move to re-establish the Ad Hoc Franchise Committee to assist with negotiations of utility franchise agreements expiring in June 2026."

NEW BUSINESS

Item 1. **Airport Advisory Committee 2026 Workplan**

Staff Presentation:
Rebecca Deming, Community Development Director

Motion: "I move to approve the Airport Advisory Committee 2026 Workplan as presented"

Item 2. **Public Defender Contract Update**
Staff Presentation:
Jeff Friend, Finance Director

Motion: "I move to approve the contract with Stewart MacNichols Harmell, Inc. P.S. for indigent public defense services for the period February 1, 2026 through January 31, 2028."

Item 3. **New Agenda Items for Consideration**

COUNCILMEMBER REPORTS - (4 minutes per Councilmember) - 30 minutes

PRESIDING OFFICER'S REPORT

EXECUTIVE SESSION
Pending Litigation Under RCW 42.30.110(1)(i) - 15 Minutes

NEXT MEETING DATE
February 05, 2026 City Council Study Session

ADJOURNMENT

Members of the public who wish to provide comment during the meeting via Zoom must register in advance. To register, please email cityclerk@desmoineswa.gov by 12:00 p.m. (noon) on the Wednesday before the meeting.

City Council meeting can be viewed live on the City's website, Comcast Channel 21/321, on the City's YouTube channel or via Zoom.

Projected Future Agenda Items

From:	Matt Haight
To:	_CityCouncil
Cc:	City Clerk; Rebecca Deming
Subject:	2025 01-20 MBAKS Comment Letter – Support for Draft Ordinance No. 25-117 - Unit Lot Subdivisions, Lot Splitting, and Substandard or Nonconforming Lots
Date:	Tuesday, January 20, 2026 9:42:29 AM
Attachments:	image001.png 2026 1-20 MBAKS Comment Letter - Support for Draft Ordinance No. 25 117.pdf

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Mayor Matsui and Councilmembers,

On behalf of the Master Builders Association of King and Snohomish Counties, I am pleased to submit our comments ahead of the January 22 City Council meeting regarding *Draft Ordinance No. 25-117.*

As outlined in the letter, MBAKS, representing nearly 2,500 members and the largest local homebuilders' association in the United States, strongly supports the City's efforts to adopt updates related to unit lot subdivisions, lot splitting, and substandard or nonconforming lots. These changes are essential for aligning with ESHB 5559 and E2SHB 1096 and for expanding access to fee-simple homeownership in Des Moines. The letter also offers recommendations for monitoring implementation and identifying potential opportunities to streamline review processes in the future to better support housing production.

We appreciate the City's leadership in proactively implementing these updates and advancing policies that support a more diverse and attainable housing supply.

Please don't hesitate to reach out if you have any questions or would like to discuss the comments further. I look forward to continued collaboration and to supporting your work on these important housing issues.

Thank you for your consideration,

Matt

MASTER BUILDERS ASSOCIATION of King and Snohomish Counties

Matt Haight | King County Government Affairs Manager
Master Builders Association of King and Snohomish Counties
p 425.460.8201 **c** 425.466.6311
335 116th Ave. SE, Bellevue, WA 98004

mbaks.com

- **Everyone deserves a place to call home.**

MASTER BUILDERS ASSOCIATION of King and Snohomish Counties

WEB MBAKS.COM | OFFICE 425.451.7920
335 116TH AVENUE SE | BELLEVUE, WASHINGTON 98004

January 20,2026

Des Moines City Council
21630 11th Ave S, Suite #C
Des Moines, WA 98198

Re: Support for Draft Ordinance No. 25-117 – Unit Lot Subdivisions, Lot Splitting, and Substandard/Nonconforming Lot Regulations Update

Dear Mayor Matsui & Councilmembers,

With nearly 2,500 members, the Master Builders Association of King and Snohomish Counties (MBAKS) is the largest and oldest local homebuilders' association in the United States. We believe everyone deserves a place to call home.

I am writing to express strong support for Draft Ordinance No. 25-117, which would add new chapters to the Des Moines Municipal Code related to Unit Lot Subdivisions and Lot Splitting, and update standards for substandard or nonconforming lots. These amendments are necessary to bring local regulations into compliance with ESHB 5559 and E2SHB 1096, adopted by the Washington State Legislature in 2025 to expand access to fee-simple homeownership and support increased housing supply across the state.

Ordinance Benefits: Expanding Housing Choices and Increasing Supply

- It allows unit lot subdivisions that enable multiple housing units—including middle housing and ADUs—to be sold as fee-simple homes by applying development standards at the parent-lot level rather than to each resulting unit lot.

- It creates a streamlined administrative path for lot splitting, allowing an existing residential lot to be divided into two conforming lots, with the option to complete review concurrently with a residential building permit.

- It updates regulations for substandard and nonconforming lots to allow them, when meeting applicable development requirements, to function as viable building sites, supporting infill housing opportunities.

Together, these updates strengthen Des Moines' ability to promote homeownership, support smaller and more attainable housing options, and help address the region's significant housing shortage.

Encouraging Ongoing Evaluation and Streamlining

MBAKS encourages the City to monitor the effectiveness of these new processes for Unit Lot Subdivisions once implemented. Across the region, jurisdictions adopting similar tools have found that extended comment periods and more complex short-plat review procedures, while well-intentioned, can unintentionally slow or discourage small-scale infill housing.

State law does not require additional discretionary public processes beyond what is needed for compliance with applicable development standards. Streamlined administrative pathways often:

- Improve predictability for homeowners and small home builders,
- Reduce unnecessary costs and delays, and
- Accelerate the creation of new fee-simple homeownership opportunities.

Given the ongoing local and national housing supply shortage, we respectfully suggest that the Council consider, whether future adjustments, such as reducing comment periods not required by statute, could further strengthen Des Moines' ability to support housing production while maintaining public transparency and regulatory compliance.

MBAKS appreciates the City of Des Moines' diligence in implementing state requirements ahead of statutory deadlines and advancing policies that meaningfully expand attainable homeownership opportunities. *Draft Ordinance 25-117* is a significant step forward in meeting the community's housing needs, and we urge its adoption.

Thank you for your thoughtful consideration of this important issue. MBAKS strives to be a resource for the City of Des Moines. If you have any questions, please feel free to contact me at mhaight@mbaks.com or 425.460.8201

Sincerely,

Matt Haight
King County Government Affairs Manager

CC: Rebecca Deming - Community Development Director

From:	sam sampace.com
To:	City Clerk; _CityCouncil; Michael Slevin; RDemming@DesMoinesWA.gov; Taria Keane
Cc:	Taylor Shanaman
Subject:	REALTORS Comments on Ord. 25-117
Date:	Wednesday, January 21, 2026 9:47:41 AM
Attachments:	REALTORS Letter - Des Moines ULS & Lot Splitting Jan 2026.pdf

Warning: Unusual sender <sam@sampace.com>
You don't usually receive emails from this address. Make sure you trust this sender before taking any actions.

Dear Mayor, Dep. Mayor, Councilmembers, Mgr. Keane & Directors:

I'm writing to you on behalf of the 6,000+ members of Seattle King County REALTORS to provide the Des Moines City Council the attached written comments in connection with the 2nd Reading of proposed ordinance 25-117 regarding Unit Lot Subdivisions, Lot Splitting and Non-Conforming/Sub-Standard lots regulations.

Thank you in advance for your consideration of our support for the city moving forward to address new state mandates regarding **Lot Splitting**, and **Unit Lot Subdivisions**.

We believe these additions to the city code will be important, and helpful, not only to address the challenges created by a not having enough homes for everyone who needs a place to live, but also for improving opportunities for **Home Ownership**.

Please do not hesitate to let me know if you have any questions, comments or concerns.

Sincerely,

SEATTLE KING COUNTY REALTORS®
Sam Pace

Housing Specialist
sam@sampace.com
(253) 569-2663

DATE: January 20, 2026

TO: Des Moines Mayor Matsui, Deputy Mayor Achziger & City Council Members
Katherine Caffrey, City Manager
Rebecca Deming, Director of Community Development
Michael Slevin, Director of Public Works
Taria Keane, City Clerk

DELIVERY: email to: CityClerk@DesMoinesWA.gov
CityCouncil@DesMoinesWA.gov
MSlevin@DesMoinesWA.gov
RDemming@DesMoinesWA.gov
TKeane@DesMoinesWA.gov

FROM: Sam Pace, Housing Specialist
Seattle King County REALTORS®
Sam@SamPace.com
(253) 569-2663

RE: **Unit Lot Subdivision, Lot Splitting, and Sub-standard & Non-conforming Lot Regulations Update – 2nd Reading of Draft Ordinance No. 25-117**

Dear Mayor Matsui, Deputy Mayor Achziger, Councilmembers, Manager Keane & Directors:

I am writing to you on behalf of our 6,000+ members of Seattle King County REALTORS® to provide written comments in connection with the City Council's 2nd Reading and consideration of Draft Ordinance No. 25-117 regarding Unit Lot Subdivisions, Lot Splitting, and Sub-Standard/Non-Conforming Lots.

We encourage the City Council to adopt proposed ordinance 25-117, and move forward to accommodate Unit Lot Subdivisions, Lot Splitting, and housing on Sub-Standard/Non-Conforming lots.

Housing Crisis

King County, and Washington state, are in a prolonged systemic housing crisis. We simply do not have enough housing units for everyone who needs a place to live:

> In fact, in December 2025, the NWMLS reported just 0.82 months of supply of homes for sale in MLS Area 120 (Des Moines/Redondo). A healthy real estate market requires a 4 to 6-month supply of listings.

The result is housing costs that continue to increase much faster than wages, and are far beyond the reach of too many households:

> Last month (December 2025), the countywide median sales price for single-family homes in King County was $899,950. In NWMLS area 120 (covering Des Moines/Redondo) it was $670,000.

The most recent annual median household income data we have seen indicates the annual AMI in the city of Des Moines is approximately $89,000. That is not sufficient to support a typical mortgage payment for any of those home prices.

Home Ownership

Most of the new multi-family housing that gets built in Washington state in the near-term will likely be apartments. Why? Because of the complexity, cost, and time associated with the current *subdivision* and *condominium* laws. Historically, those two processes have been, and continue to be, the primary alternatives for creating homeownership opportunities. But the time, cost, financial risk, and delay in receiving ROI required to bring "condominiums" to market are far more problematic than simply building apartments a developer can spin-off to REITS at 60% lease-up, thereby recouping their investment before proceeding to the next construction project.

While the construction of more apartments assists with the challenges of supply, they are largely ineffective in addressing the need for more homeownership opportunities.

In response, last year the Legislature passed Senate Bill 5559 regarding "**Unit Lot Subdivisions**." Stated simply, the changes mandated by SB 5559 will make it easier, and less costly, to provide new multi-family ***Homeownership Opportunities*** in multi-family townhome developments, without having to "condominiumize" the project.

Additionally, the 2025 Legislature passed Engrossed Second Substitute House Bill (E2SHB) 1096 related to **"Lot Splitting."**

Cities, towns, and counties are required to update their subdivision regulations to incorporate these processes within two years of the May 2025 effective date of the new legislation.

We strongly urge the city to adopt and implement SB 5559 and E2SHB 1096 at the earliest opportunity. Doing so will provide developers access to this enhanced opportunity to voluntarily increase homeownership opportunities Des Moines, and throughout King County.

More homeownership opportunities not only benefit would-be homeowners, they also help renters. How? By reducing the competition for rental units (by getting would-be homebuyers out of the rental market). And, the new homeownership units create additional opportunities for historically disadvantaged households to access the single most important opportunity to create inter-generational wealth, which is ownership of residential real estate.

Additional Background/Context

Senate Bill 5258, passed by the legislature in 2023, required all cities to include procedures in their short plat regulations for Unit Lot Subdivisions (ULS) that allow division of a "parent lot" into separately owned "unit lots."

Then, on Saturday, May 17, 2025, Governor Ferguson signed Senate Bill 5559 (supplementing SB 5258 passed in 2023) which further clarified and streamlined the process for Unit Lot Subdivisions within urban growth areas. The 2025 legislation requires the city to adopt/enact specifically-identified procedures for Unit Lot Subdivisions within two years of the effective date of the new law. As Des Moines city staff have correctly noted in their transmittal memo to the City Council:

> *"State law (RCW 58.17.060(3) and RCW 58.17.145) requires cities to revise their regulations as needed, within two years of the May 20, 2025 effective date, to conform with current unit lot subdivision and lot splitting requirements. No alternative courses of action are permitted under ESHB 5559 and E2SHB 1096. After the applicable deadline, cities must accept, process, and approve applications consistent with the new state legislation. "*

As you know, cities and counties in the Central Puget Sound Region were required to complete the periodic update of their Comprehensive Plans by December 31, 2024, in connection with housing bills passed by the Legislature in 2023. Additionally, they were required to update their development regulations by June 30th of last year. The progress of cities in meeting these statutory obligations continues to be uneven.

Over time, housing legislation passed in 2023 - including HB 1110 (Middle Housing), HB 1337 (Accessory Dwelling Units), and Senate Bill 5258 (Unit Lot Subdivisions) - will result in more dwelling units within cities, including Des Moines.

But absent the adoption and implementation of "*Lot Splitting*" and "*Unit Lot Subdivisions*" those new dwelling units are likely to be rentals, rather than homeownership opportunities.

The City Council's adoption of proposed ordinance 25-117 will help to ensure that more of the housing that Des Moines will accommodate will provide **Homeownership Opportunities**.

A New Resource to Assist Cities

As you may know, Seattle King County REALTORS® recently launched **"REALTORS + Housing"** which is a new website for tracking changes to housing policy among jurisdictions in the 4-county Central Puget Sound Region. Des Moines' changes to its development regulations to accommodate Middle Housing, ADUs, Lot Splitting and Unit Lot Subdivisions will be included on this new community-wide public resource.

We believe the new website our REALTORS® have launched will not only be a resource for buyers, sellers, developers, homebuilders, homeowners, and REALTORS®, but also for cities. More information is available at the following link, in the event it may be of interest and value to you:

> https://www.nwrealtor.com/2025/01/15/realtors-introduce-new-resource-for-tracking-changes-to-housing-policy/

We invite you to take a look.

Thank you for the opportunity provide these comments regarding the City's work to address the state mandates regarding Unit Lot Subdivisions and Lot Splitting.

Please do not hesitate to let me know if you have any questions, comments, or concerns.

Sincerely,
SEATTLE KING COUNTY REALTORS®
Sam Pace
Sam Pace, Housing Specialist

Sam@SamPace.com ◆ (253) 569-2663

cc: Taylor Shanaman, SKCR Director of Governmental & Public Affairs

CITY COUNCIL REGULAR MEETING

Speaker Sign-Up Sheet

January 22, 2026

NAME (PLEASE PRINT)	ADDRESS	TOPIC	PHONE/E-MAIL ADDRESS
Russ Higley	Redondo	Sirgill/Shark Way	206.715.0576
Victoria Andrews	DM	Flock cameras	206-870-4134
Jeff Gross	Des Moines	Rotary P'R schools	206-920-2672
MARIA GROSS	DES MOINES	ROTARY "	360-601-2164
Chris DeLaRosa	Des Moines	Flock	206 321-7021
Judy Granek	Des Moines	Flock	206 719 4761
Chuck Coleman	Des Moines	Sirgill	702-303-6700
TRACI BUXTON	Des Moines	Chamber	206-251-2719

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Approval of Vouchers**

ATTACHMENTS:
1. Approval of Vouchers

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Finance

DATE SUBMITTED:
January 13, 2026

CLEARANCES:

Purpose and Recommendation
Voucher transfers and expense reimbursement claims have been audited and certified by the auditing officer in compliance with RCW 42.24.080 and RCW 42.24.090.

Suggested Motion:

Motion:"I move to approve the payment vouchers through January 08, 2026 and payroll transfers through January 09, 2026 in the attached list and further described as follows:"

EFT Vendor Payments	#12945 - 13052	$ 920,216.49
Wires	#3203 - 3219	$ 329,074.79
Accounts Payable Checks	#167255 - 167276	$ 84,612.21
Payroll Checks	#20041 - 20044	$ 5,740.06
Payroll Advice	#16104 - 16266	$ 485,021.64
Payroll Checks	#20045	$ 4,722.94
Payroll Advice	#16267 - 16295	$ 107,119.01

Total Checks and Wires for A/P & Payroll:	$ 1,936,507.14

Background
City Council review and approval of voucher reports is a key internal control that promotes transparency, accountability, and public trust in the City's financial operations. By examining vouchers after expenditures have occurred, the Council provides independent oversight to confirm that payments were properly authorized, supported by appropriate documentation, and made in accordance with the adopted budget, City policies, and applicable laws. This review helps ensure public funds are used for their intended purposes, strengthens fiscal discipline, and reinforces the separation of duties between staff who process payments and the elected officials responsible for safeguarding taxpayer resources.

Discussion
The vouchers below have been reviewed and certified by individual departments and the City of Des Monies Auditing Officer.

Alternatives
N/A

Financial Impact
As described above.

Recommendation
Approval of vouchers.

Des Moines
WATERLAND CITY

Voucher Certification Approval
January 22, 2026
Auditing Officer Certification

Voucher transfers and expense reimbursement claims have been audited and certified by the auditing office in compliance with RCW 42.24.080 and RCW 42.24.090. A listing of these claims has been provided to the City Council.

On January 22, 2026 the Des Moines City Council unanimously approved for payment the vouchers through January 8, 2026 and payroll transfers through January 9, 2026 as detailed in the attached list.

The vouchers below have been reviewed and certified by individual departments and the City of Des Moines Auditing Officer:

Jeff Friend, Finance Director

			# From		# To	Amounts
Claims Vouchers:						
EFT's			12945		13052	920,216.49
Wires			3203		3219	329,074.79
AP Checks			167255		167279	84,612.21
Total Vouchers paid						**1,333,903.49**
Payroll Vouchers						
Payroll Checks	1/5/2026		20041		20044	5,740.06
Payroll Advice			16104		16266	485,021.64
Payroll Checks	1/9/2026		20045		20045	4,722.94
Payroll Check			16267		16295	107,119.01
Total Paychecks & Direct Deposits						**602,603.65**

Total checks and wires for A/P & Payroll	**1,936,507.14**

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Approval of Minutes**

ATTACHMENTS:
1. January 08, 2026 Draft Minutes

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
City Clerk

DATE SUBMITTED:
January 12, 2026

CLEARANCES:
City Clerk

Purpose and Recommendation

The purpose of this agenda item is for Council to review the minutes from the January 08, 2026 Regular City Council meetings.

Suggested Motion:

Motion: "I move to approve the minutes from the City Council Regular Meeting held on January 08, 2026."

Background

The City Clerk's Office has prepared action-format meeting minutes for City Council's consideration.

Discussion

Alternatives

The City Council may make corrections to errors and approve the meeting minutes as amended.

Financial Impact

Recommendation

Staff recommends Council approve the meeting minutes as presented.

MINUTES
DES MOINES CITY COUNCIL
REGULAR MEETING

City Council Chambers
21630 11th Avenue S, Suite C
Des Moines, Washington
Thursday, January 8, 2026 - 6:00 PM

CALL TO ORDER

City Clerk Taria Keane called the meeting to order at 6:00 PM.

PLEDGE OF ALLEGIANCE

The flag salute was led by City Clerk Taria Keane.

ROLL CALL

Council Present:
Councilmember Gene Achziger, Councilmember Pierre Blosse, Councilmember Robyn Desimone, Councilmember Yoshiko Grace Matsui, Councilmember JC Harris, Councilmember Jeremy Nutting, Councilmember Harry Steinmetz

Staff Present:
City Manager Katherine Caffrey; Assistant City Manager Adrienne Johnson-Newton; City Attorney Tim George; Police Chief Ted Boe; Director of Administrative Services Bonnie Wilkins; Harbormaster Scott Wilkins; Finance Director Jeff Friend; Assistant City Attorney Matthew Hutchins; City Prosecutor Tara Vaughn; Community Development Director Rebecca Deming; Planning & Development Services Manager Laura Techico; Public Works Director Mike Slevin; City Engineer Tommy Owen; IT Manager Chris Pauk; City Clerk Taria Keane; and Deputy City Clerk Sara Lee

CEREMONIAL SWEARING-IN OF NEWLY ELECTED COUNCILMEMBERS

- City Clerk Taria Keane called Councilmember Harry Steinmetz to the podium to be sworn in by Des Moines Citizen MaryEllen Laird.
- City Clerk Taria Keane called Councilmember Gene Achziger to the podium to be sworn in by Des Moines Citizen Jayme Quinn Wagner.
- City Clerk Taria Keane called Councilmember Pierre Blosse to the podium to be

sworn in by his partner Autumn Counts.
- City Clerk Taria Keane called Councilmember Robyn Desimone to the podium to be sworn in by her daughter Fabiana Desimone.

SELECTION OF MAYOR/DEPUTY MAYOR

City Clerk Taria Keane called for nominations for Mayor.

- Councilmember Jeremy Nutting nominated Councilmember Harry Steinmetz to serve as Mayor for the 2026-2027 term. Councilmember Harry Steinmetz declined the nomination.
- Councilmember Yoshiko Grace Matsui nominated Councilmember Gene Achziger to serve as Mayor for the 2026-2027 term. Councilmember Gene Achziger declined the nomination.
- Councilmember JC Harris nominated himself to serve as Mayor for the 2026-2027 term. Councilmember JC Harris accepted the nomination.
- Councilmember Harry Steinmetz nominated Councilmember Yoshiko Grace Matsui to serve as Mayor for the 2026-2027 term. Councilmember Yoshiko Grace Matsui accepted the nomination.

City Clerk Taria Keane asked if there were any other nominations.

Seeing none, City Clerk Taria Keane closed nominations and called for the vote.

- Councilmember Gene Achziger voted for Councilmember Yoshiko Grace Matsui.
- Councilmember Pierre Blosse voted for Councilmember Yoshiko Grace Matsui.
- Councilmember Robyn Desimone voted for Councilmember Yoshiko Grace Matsui.
- Councilmember Yoshiko Grace Matsui voted for Councilmember Yoshiko Grace Matsui
- Councilmember JC Harris voted for Councilmember JC Harris.
- Councilmember Jeremy Nutting abstained from the vote.
- Councilmember Harry Steinmetz voted for Councilmember Yoshiko Grace Matsui.

With a vote of 5-1-1, Councilmember Yoshiko Grace Matsui was elected as Mayor for the 2026-2027 term.

City Clerk Taria Keane turned the meeting over to Mayor Yoshiko Grace Matsui.

Mayor Yoshiko Grace Matsui called for nominations for Deputy Mayor.

- Councilmember Harry Steinmetz nominated Councilmember Gene Achziger to serve as Deputy Mayor for the 2026-2027 term. Councilmember Gene Achziger accepted the nomination.
- Councilmember Jeremy Nutting nominated Councilmember Harry Steinmetz to serve as Deputy Mayor for the 2026-2027 term. Councilmember Harry Steinmetz declined the nomination.

Mayor Yoshiko Grace Matsui asked if there were any other nominations.

Seeing none, Mayor Yoshiko Grace Matsui closed nominations and called for the vote.

- Councilmember Harry Steinmetz voted for Councilmember Gene Achziger.
- Councilmember Jeremy Nutting abstained from the vote.
- Councilmember JC Harris abstained from the vote.
- Councilmember Gene Achziger voted for Councilmember Gene Achziger.
- Councilmember Robyn Desimone voted for Councilmember Gene Achziger.
- Councilmember Pierre Blosse voted for Councilmember Gene Achziger.
- Mayor Yoshiko Grace Matsui voted for Councilmember Gene Achziger.

With a vote of 5-0-2, Councilmember Gene Achziger was elected as Deputy Mayor for the 2026-2027 term.

CORRESPONDENCE NOT PREVIOUSLY RECEIVED BY COUNCIL

- There was no additional correspondence beyond the emails already received by Council.

COMMENTS FROM THE PUBLIC

Item 1. **Comments from the Public Sign-Up Sheet**

- Chris DeLaRosa, Des Moines, Flock
- Judy Grande, Des Moines, Flock

CITY MANAGER REPORT/PRESENTATIONS/BRIEFINGS

Item 1. **City Manager Report PowerPoint**
Staff Presentation:
Katherine Caffrey, City Manager

City Manager Katherine Caffrey gave a PowerPoint Presentation update on the Burning Boat Festival and an update on the New Agenda Software.

CONSENT AGENDA

Item 1. **Approval of Vouchers**
Motion: "I move to approve the payment vouchers through December 22, 2025 and payroll transfers through December 19, 2025 in the attached list and further described as follows:"

EFT Vendor Payments	#12830 - 12944	$3,325,331.97
Wires	#3177 - 3202	$2,158,554.35
Accounts Payable Checks	#167202 - 167254	$209,346.70
Payroll Checks 12/5/2025	#20035 - 20038	$3,020.96
Payroll Advice 12/5/2025	#15785 - 15948	$515,432.62
Payroll Checks 12/19/2025	#20039 - 20040	$4,343.01
Payroll Advice 12/19/2025	#15949 - 16103	$495,738.11
Total Checks and Wires for A/P & Payroll:		$6,711,767.72

Item 2. **Approval of Minutes**
Motion: "I move to approve the minutes from the City Council Regular Meeting(s) held on November 13, December 04, and December 11, 2025."

Item 3. **South County Area Transportation Board Agreement**
Motion: "I move to approve the Agreement with South County Area Transportation Board for the 2026 to 2029 term, and authorize the City Manager to sign the Agreement substantially in the form as submitted."

Direction/Action
Motion made by Councilmember Jeremy Nutting to approve the Consent Agenda as read, seconded by Councilmember Harry Steinmetz.
Motion 7-0.

PUBLIC HEARING/CONTINUED PUBLIC HEARING

Item 1. **Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lot Regulations Update -1st Reading**
Staff Presentation:
Laura Techico, Planning and Development Services Manager

Motion:“I move to pass Draft Ordinance 25-117 to a second reading

on January 22, 2026."

At 6:21 p.m. Mayor Yoshiko Grace Matsui opened the Public Hearing.

Planning & Development Services Manager Laura Techico gave Council a PowerPoint Presentation Update on Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lot Regulations.

Public Comment

Mayor Yoshiko Grace Matsui asked 3 times if anyone wished to speak.
Seeing none, Mayor Yoshiko Grace Matsui asked the Council if they had any questions.

At 6:33 p.m. Mayor Yoshiko Grace Matsui closed the Public Hearing.

Direction/Action
Motion made by Councilmember Jeremy Nutting to pass Draft Ordinance 25-117 to a second reading on January 22, 2026, seconded by Councilmember Harry Steinmetz.
Motion 7-0.

At 6:34 p.m. Council took a 5 minute break and resumed the meeting at 6:39 p.m.

NEW BUSINESS

Item 1. **2026 City Council Calendar**
Staff Presentation:
Bonnie Wilkins, Director of Administrative Services

Motion: "I move to approve the 2026 City Council Calendar as presented."

Director of Administrative Services Bonnie Wilkins gave Council a PowerPoint presentation on the 2026 City Council Calendar.

Direction/Action
Motion made by Councilmember Jeremy Nutting to approve the 2026 City Council Calendar as presented, seconded by Councilmember Pierre Blosse.

Council recommended the following date changes, moving the May 28th meeting to May 21st, moving July 23rd to July 30th, and adding a meeting to November 19th.

Direction/Action
Motion made by Councilmember Jeremy Nutting to approve the 2026 City Council Calendar with date changes, seconded by Councilmember Harry Steinmetz.
Motion 7-0.

The main amended motion passed 7-0.

Item 2. **Planning Commission Appointment Process**
Staff Presentation:
Rebecca Deming, Community Development Director

Motion: "I move to direct staff to proceed with option # ____ for appointment of Planning Commissioners."

Community Development Director Rebecca Deming gave Council a PowerPoint presentation on the Planning Commission Appointment Process.

Direction/Action
Motion made by Councilmember Harry Steinmetz to direct staff to proceed with option# 2 for the appointment of Planning Commissioners, seconded by Councilmember Jeremy Nutting.
Motion 7-0.

Item 3. **Business License Model Ordinance Update - 1st Reading**
Staff Presentation:
Matt Hutchins, Assistant City Attorney

Motion: "I move to pass Draft Ordinance 25-124 to a second reading on the next available regular Council meeting agenda."

Assistant City Attorney Matt Hutchins gave Council a PowerPoint presentation on the Business License Model Ordinance Update.

Direction/Action
Motion made by Councilmember Jeremy Nutting to to pass Draft Ordinance 25-124 to a second reading on the next available regular Council Meeting agenda, seconded by Councilmember Harry Steinmetz.
Motion 7-0.

COUNCILMEMBER REPORTS

(4 minutes per Councilmember) - 30 minutes

COUNCILMEMBER HARRY STEINMETZ

- Burning Boat Festival
- Communication

COUNCILMEMBER JEREMY NUTTING

- Proposed Future Agenda Item — Flock Camera Presentation
  Council Supported

COUNCILMEMBER JC HARRIS

- Congratulated the Mayor and Deputy Mayor
- Flock Camera Program
- Sustainable Airport Master Plan (SAMP)

DEPUTY MAYOR GENE ACHZIGER

- Council Collaboration for 2026

COUNCILMEMBER ROBYN DESIMONE

- Excitement for New Year

COUNCILMEMBER PIERRE BLOSSE

- Thanked the Voters, Supporters, City Staff and Colleagues

PRESIDING OFFICER'S REPORT

MAYOR YOSHIKO GRACE MATSUI

- Thank you to Council
- Burning Boat Festival

EXECUTIVE SESSION

Property Acquisition under RCW 42.30.110(1)(b) - 10 Minutes

The Special Meeting was called to order by Mayor Yoshiko Grace Matsui at 7:30 p.m.

Roll Call
Council Present:
Councilmember Gene Achziger, Councilmember Pierre Blosse, Councilmember Robyn Desimone, Councilmember Yoshiko Grace Matsui, Councilmember JC Harris, Councilmember Jeremy Nutting, Councilmember Harry Steinmet

Others Present:
City Manager Katherine Caffrey, City Attorney Tim George

The purpose of the Special Meeting was to hold an Executive Session to discuss the Property Acquisition under RCW 42.30.110(1)(b).

The Executive Session was expected to last until 7:40 p.m.

The Special Meeting lasted 10 minutes and adjourned at 7:40 p.m.

NEXT MEETING DATE

January 22, 2026 City Council Regular Meeting

ADJOURNMENT

Direction/Action
Motion made by Councilmember Jeremy Nutting to adjoun, seconded by Councilmember Harry Steinmetz.
Motion 7-0.

The meeting adjourned at 7:43 p.m.

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Business License Model Ordinance Update - 2nd Reading**

ATTACHMENTS:
1. Draft ordinance 25-124

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Legal

DATE SUBMITTED:
January 09, 2026

CLEARANCES:
Finance
Community Development

Purpose and Recommendation

The purpose of this agenda item is for the Council to consider enacting Draft Ordinance 25-124, which would update the City of Des Moines Business License Code to incorporate amendments to the State of Washington's Model Ordinance.

Suggested Motion:

Motion: "I move to enact Draft Ordinance No. 25-124, updating the City of Des Moines Business License Code."

Background

Washington cities are permitted by the Legislature to license business activity for the purposes of regulation and revenue. The Des Moines Municipal Code requires any person or entity (with limited exemptions) conducting business within the City to obtain an annual general business license and to pay the applicable fee as set by resolution of the City Council. The City's general business license code is codified at DMMC chapter 5.04.

In 2017 the Legislature passed Engrossed House Bill 2005, codified at chapter 35.90 RCW, which imposed restrictions on cities' authority to impose general business licenses. Among other provisions, EHB 2005 required Washington cities, though the Association of Washington Cities, to develop a model ordinance on general business licenses by July 1, 2018 that included two mandatory provisions: (1) define "engaging in business within the city" and (2) provide for a minimum licensing threshold under

which a person would be relieved of the requirement to obtain the city's general business license if they did not have a physical location within the city. AWC published the final model ordinance in June 2018, and the City adopted these provision through Ordinance no. 1706. The City's threshold was set at $2,000, the minimum set out in the model ordinance.

In 2025, the model ordinance was updated to increase the minimum threshold from $2,000 to $4,000 per year. This update also provides an automatic update of the threshold every four years based on CPI. No changes were made to the definitions included in the model ordinance. Cities requiring a business license are required to implement this change.

The draft ordinance was introduced at the January 08, 2026 regular City Council meeting. After staff presentation, questions, and discussion, the Council passed the ordinance to a second reading on the January 22, 2026 consent agenda with a vote of 7-0.

Discussion

The proposed draft ordinance incorporates into the DMMC the change made to the model ordinance in 2025 – the minimum threshold at which the City can require a business license rather than a no-fee business registration for businesses without a physical location in the City increases from $2,000 to $4,000. This threshold will automatically increase every four years based on a formula provided in the model ordinance based on CPI. Adoption of these provisions is mandatory for the City under State law. Staff has ensured that this change has already been made in the FileLocal system for 2026 to maintain compliance with state law. No other changes are made.

Alternatives

The Council may:

1. Pass the draft ordinance as presented
2. Pass the draft ordinance with changes
3. Decline to pass the draft ordinance

Financial Impact

The number of business licensees who would be newly exempted by the higher threshold is believed to be 20 or fewer, which would result in a reduction in revenue less than $3000.

Recommendation

Staff recommends Council enact Draft Ordinance 25-124.

CITY COUNCIL'S FIRST DRAFT 01/09/2026

DRAFT ORDINANCE NO. 25-124

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON relating to business licensing, enacting a update to the business license code to adopt changes to the model ordinance and amending DMMC 5.04.020.

WHEREAS, the Legislature has given code cities the authority under RCW 35A.82.020 to license, regulate, and make inspection in regard to all places and kinds of business, production, commerce, entertainment, exhibition, and upon all occupations, trades and professions and any other lawful activity, and to impose excises for regulation or revenue of the same, and

WHEREAS, this authority granted by the Legislature is subject to limitations imposed from time to time by the Legislature, and

WHEREAS, the Des Moines City Council has provided for general business licenses and imposition of fees for obtaining such license, codified at chapter 5.04 DMMC, and

WHEREAS, in 2017 the Legislature passed Engrossed House Bill 2005 which required Washington cities, though the Association of Washington Cities to develop a model ordinance on general business licenses by July 1, 2018, and

WHEREAS, the City of Des Moines enacted Ordinance no. 1706 in 2018, adopting mandatory provisions of the model ordinance, including a minimum income threshold for requiring an out-of-city business license, and

WHEREAS, in 2025, the model ordinance was amended to increase the minimum threshold from $2,000 to $4,000, requiring the City to raise its threshold, and

WHEREAS, the City Council finds that the following amendment to Des Moines Municipal Code Chapter 5.04 is in the public interest now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. DMMC 5.04.020 and section 2 of Ordinance No. 39 as amended by section 1(A) of Ordinance No. 460 as amended by section 1 of Ordinance No. 863 as amended by section 6 of Ordinance No. 993 as amended by section 2 of Ordinance No. 1354 as amended by section 2 of Ordinance No. 1706 as amended by section 1 of Ordinance No. 1736 are each amended to read as follows:

License or license registration required – Transfer prohibited.

(1) It is unlawful for a person to engage in business within the City without first having secured a license to do so, or continue to engage in business after such license or license registration is revoked. Each business location shall be deemed a separate business.

(2) Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the City is equal to or less than $2,000 and who does not maintain a place of business within the City shall submit a business license registration to the Finance Director or the Finance Director's designee at no cost in lieu of obtaining a business license under this chapter. An approved business license registration submitted under this subsection shall fulfill the requirement to secure a business license set forth in subsection (1) of this section. The dollar threshold in this subsection does not apply to regulatory license requirements or activities that require a specialized permit.

Beginning January 1, 2026, the threshold amount is $4000. The threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest $100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-

eight-month period, a zero (0) percent increase will be used in computing the annual basis.

(3) A license issued under this chapter is valid only for operation of the specific business for which application is made and is not transferable to any other person.

(4) Each day that a person engages in business without a valid business license or license registration constitutes a separate offense and may be punished as such; except a person that assumes operation of a business that has a current valid license is allowed 30 days to make application for a business license in the name of the new operator, but only if there is no change in the nature or type of business conducted, location, or use of the business premises and there are no existing violations of federal, state, or local law.

Sec. 2. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

(2) If the provisions of this ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this ordinance is deemed to control.

Sec. 3. Effective date. This Ordinance shall take effect and be in full force thirty (30) days after its passage and approval in accordance with law.

PASSED BY the City Council of the City of Des Moines this ____ day of _____, 2026 and signed in authentication thereof this ____ day of _____, 2026.

_____
M A Y O R

APPROVED AS TO FORM:

_____
City Attorney

ATTEST:

_____
City Clerk

Published: _____

Effective Date: _____

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **North Hill Walkway Improvements Project– Right-of-Way Acquisitions**

ATTACHMENTS:
1. ROW Package - Parcel 2946000285
2. ROW Package - Parcel 2946000191
3. Legal Description and Exhibit - Parcel 2946000285
4. Legal Description and Exhibit - Parcel 2946000191
5. Orizotti Property Appraisal
6. Orizotti's Own Appraisal
7. Orizotti Admin Settlement
8. Keto Washo Appraisal Report
9. Keto Admin Settlement

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Public Works

DATE SUBMITTED:
January 12, 2026

CLEARANCES:
Finance
Public Works

Purpose and Recommendation

The purpose of this agenda item is to seek City Council approval for a fee simple acquisition and temporary construction easement on Tax Parcel #294600-0285 (Attachment 1) and Tax Parcel #294600-0191 (Attachment 2), to construct the North Hill Walkway Improvements Project. The following motion(s) will appear on the consent agenda:

Suggested Motion:

Motion 1: "I move to approve and accept a fee simple acquisition of 2,438 SF and a temporary construction easement of 1,218 SF on Tax Parcel #294600-0285, owned by Katherine Orizotti, as well as provide compensation to the owner in the amount of $52,400.00 for said right-of-way acquisition, as well as damages in the amount of $57,100.00, for a total of $109,500.00 (rounded), and further authorize the City Manager to sign the fee simple acquisition, the temporary construction easement and Real Property Voucher Agreement substantially in the form as submitted."

Motion 2: "I move to approve and accept a fee simple acquisition of 1,289 SF and a temporary construction easement of 1,687 SF on Tax Parcel #294600-0191, owned by Daniel Keto, as well as provide compensation to the owner in the amount of $33,800 for said right-of-way acquisition, as well as damages in the amount of $25,620.00 for a total of $59,420.00 (rounded), and further authorize the City Manager to sign the fee simple acquisition, the temporary construction easement and Real Property Voucher Agreement substantially in the form as submitted.

Background

In November 2011, the City completed the City of Des Moines Safe Routes to School Project Report. This report provided a summary of priority Safe Route to School projects for the five public elementary schools in the City. These projects were selected to enhance safety for students and families walking to school. The North Hill Elementary Walkway Improvements Project was one of the highest ranking projects Citywide.

The City of Des Moines's Comprehensive Transportation Plan identifies South 200th Street as a high priority pedestrian corridor that requires special attention in the form of pedestrian facilities and safety measures, due to its lack of existing curbs and sidewalks.

The completion of the North Hill Elementary Walkway Improvements Project will connect existing pedestrian facilities west of 8th Avenue South and north of South 200th Street, located along the frontages of North Hill Elementary and Maritime High School, to the recently improved sidewalk facilities constructed at the intersection of Des Moines Memorial Drive and South 200th Street under a joint project by the Cities of Des Moines and City of SeaTac. The project will improve pedestrian safety, promote non-motorized modes of transportation, and facilitate better access to bus stops located along South 200th Street for all users.

The project proposes to construct approximately 800 linear feet of sidewalk, curb and gutter, ADA curb ramps, bike lanes, storm drainage, and illumination. Structural earth retaining walls and handrail will also be installed as required along the project length. The project will include radar driver feedback signs in both directions to reduce vehicular operating speeds. The completion of this project will greatly enhance non-motorized and pedestrian safety within the North Hill neighborhood. Pedestrian improvements from the project will also encourage students to utilize a safe walking route to and from school.

At the October 19, 2023 City Council meeting, the City Council authorized a consultant agreement with Parametrix to provide engineering design and right-of-way acquisition services for the North Hill Elementary Walkway Improvements Project. At this meeting, the City Council also accepted the 2023-25 WSDOT Safe Routes to School Program grant for the Project in the amount of $3,000,000. The grant provides funding support to complete design, right-of-way acquisition, and construction for the project.

In order to facilitate the proposed improvements of the North Hill Walkway Improvements Project, the project team determined that the requested fee simple acquisitions and temporary construction easements, shown graphically on the Exhibits of Attachment 3 and 4, on Tax Parcel #294600-0285 and Tax Parcel #294600-0191, are necessary to secure property for placement of new curb and gutter, sidewalks, bike lanes and property restoration.

Discussion

Tax Parcel #294600 – 0285 Katherine Orizotti

The Project's right-of-way subconsultant to Parametrix, Epic Land Solutions Inc., was tasked by the City to prepare an Appraisal Report for before/after valuation of the Tax Parcel #294600-0285 (Attachment 5). The Appraisal Report determined that the Total Just Compensation of the proposed fee simple, temporary construction easement and impacted site improvements was $52,400.00. The property owner felt the offer was low and obtained their own appraisal (Attachment 6) then proposed a counter-offer of $145,000.00. City staff and the project's right-of-way consultant reviewed the owner's counter-offer and recommended an administrative settlement amount of $57,100.00, which bring the City's offer to a total of $109,500.00 (Attachment 7). The final City's offer consists of:

Fee simple acquisition:	$42,300
Temporary Construction Easement:	$4,100
Improvements (landscaping, tree, grass, asphalt):	$6,000
Administrative Settlement:	
+ Difference between City's appraisal report and property owner's appraisal report:	$22,100
+ Loss of existing on-site parking:	$35,000
Total Settlement Amount:	$109,500

Upon review, the property owner agreed with the City's administrative settlement and both parties have proposed to move toward a negotiated settlement.

Tax Parcel #294600 – 0191 Daniel Keto

The Project's subconsultant to Parametrix, Epic Land Solutions Inc., was tasked by the City to prepare an Appraisal Report for before/after valuation of the Tax Parcel #294600-0191 (Attachment 8). The Appraisal Report determined that the Total Just Compensation of the proposed fee simple, temporary construction easement and impacted site improvements was $33,800.00. The property owner felt the offer was lower than expected and submitted vacant land comparable for the City to review. The property owner proposed a counter-offer of $88,000 and requested the City to reinforce a parking area in the rear of the property to compensate for losing parking in front of the property. City staff and the consultant reviewed the owner's counter-offer and recommended an administrative settlement amount of $25,620, which brings the City's offer to a total of $59,420 (Attachment 9). The final City's offer consists of:

Fee simple acquisition:	$22,300
Temporary Construction Easement:	$5,500
Improvements (landscaping, block retaining wall, asphalt):	$6,000
Administrative Settlement:	
+ Difference between City's appraisal report and property owner's comparable:	$25,620
Total Settlement Amount:	$59,420

Upon review, the property owner agreed with the City's administrative settlement and both parties have proposed to move toward a negotiated settlement.

Parametrix's licensed surveyor prepared legal descriptions and Exhibits (Attachment 3 and 4) for the fee simple acquisitions and temporary construction easement acquisitions. These acquisitions will allow the City, and its assigns, to access, install and maintain the North Hill Walkway Improvements Project's proposed curb and gutter, sidewalks, bike lanes and property restoration.

Alternatives

The City Council could elect not to approve the proposed fee simple acquisitions and temporary construction easements. This will delay the City's North Hill Walkway Improvements Project construction schedule as the final design and alignment for the roadway requires the proposed acquisitions.

Financial Impact

The City's CIP Budget Worksheet include revenues to achieve full project funding and fund proposed fee simple acquisitions and temporary construction easements.

Recommendation

Staff recommends the adoption of the motion(s).

ENGINEERING

January 23, 2025

Katherine D. Orizotti and Mahlon T. Evans
801 S 200th ST
Des Moines, WA 98198

Offer Letter
Project: City of Des Moines North Hill Elementary Walkway Improvements
Assessor's Parcel No.: 294600-0285, File #108
Situs Address: 801 S 200th ST, Des Moines, WA 98198
Federal Aid No: N/A

Dear Katherine D. Orizotti and Mahlon T. Evans:

The City of Des Moines ("Agency") plans to proceed with the above-titled public project. The Project is being funded by the Safe Routes to School Grant and will improve safety in the corridor (S 200th Street, from 8th Ave S to 10th Pl S) by constructing 800 liner feet of sidewalk, curb and gutter, ADA curb ramps, bike lanes, radar feedback signs, improved storm drainage system, structural earth retaining walls. The completion of this project will greatly enhance non-motorized and pedestrian safety within the North Hill neighborhood. Pedestrian improvements from the project will also encourage students to utilize a safe walking route to and from school.

The purpose of this letter is to notify you of the following:

- The Agency's interest in acquiring your property and/or property rights for this project.
- The Agency's determination of just compensation for your property and/or property rights.
- The basic protections afforded to you by law.

As outlined below, the Agency has established an amount it believes is just compensation based on the estimated market value for your property.

The Agency's offer is as follows:

Land Conveyed Fee:	2438 SF	$42,446.00
Temporary Easement:	1218 SF	$4,101.00
Improvements:	tree, landscaping, grass, and asphalt. Depreciation is 40% for the asphalt and the landscaping	$5,976.00
Total Amount:		**$52,600.00 (Rounded)**

Your property has been examined by a qualified appraiser and appraisal reviewer who have carefully considered all the elements which contribute to the market value of your property. You, or your designated representative, were provided with an opportunity to accompany the appraiser and appraisal reviewers on all inspections of your property. By law, the appraisers and appraisal reviewers must disregard any general increase or decrease in value caused by the project.

If a mutually agreeable settlement is not reached, the Agency, acting in the public interest, will use its right of eminent domain to acquire property for public use. In conformity with the Washington State Constitution and laws, the Agency's legal counsel will file a condemnation suit to obtain a "Court Order of Public Use and Necessity", and a trial will be arranged to determine the just compensation to be paid for the property. This action is taken to ensure your rights as an individual property owner are protected. If a condemnation action is filed, you should consider consulting with an attorney to ensure that you receive appropriate representation.

You may wish to employ professional services to evaluate the Agency's offer. If you do so, we suggest that you employ well-qualified evaluators so that the resulting evaluation report will be useful to you in deciding whether to accept the Agency's offer. The Agency will reimburse up to $750.00 of your evaluation costs upon submission of the bills or paid receipts.

The Internal Revenue Service (IRS) requires that the Agency obtain your correct taxpayer identification number (TIN) or social security number (SSN) to report income paid to you as a result of this real estate transaction.

Payment for your property and/or property rights will be made available to you as soon as reasonably possible after acceptance of the Agency's offer, provided that there are not delays in closing the transaction. The date on which payment is made available to you is called the "payment date". On that date, the Agency becomes the owner of the property rights purchased and responsible for its control and management.

If you have personal property presently located on the property being acquired by the Agency that needs to be moved, the Agency will reimburse you for the cost of moving it through the Relocation Assistance program.

Enclosed please find the following:

- Transportation Needs and You Brochure (explaining the Right of Way acquisition process)
- A plan sheet showing the property rights needing to be acquired
- A copy of the valuation of your property
- The necessary legal documents for the transferring of the property or property rights.
- W-9 per IRS requirements

This letter has been sent to provide a concise statement of the Agency's offer and a summary of your rights. Please feel free to direct any questions you may have to the undersigned. Thank you for your time and consideration.

Sincerely,

Sara Johnson, Right of Way Agent
Epic land Solutions, Inc.
SjJohnson@EpicLand.com
(360) 860-6962

Enclosures

Acknowledgment of receipt of Offer Letter

Signature: _____ Date: 1/9/2026

Signature above does not mean acceptance or rejection of offer.

After recording return document to:

City of Des Moines
22865 26th Ave S
Des Moines, WA 98198

Document Title: Warranty Deed
Grantor(s): Katherine D. Orizotti and Mahlon T. Evans
Grantee(s): City of Des Moines
Legal Description: LTS 7-9 and N 16 Ft of LT 6, BLK 8, Grove Add., Town of Des Moines, V 4, PG 83, King County, WA
Additional Legal Description is on Page 3 and 4 of Document
Assessor's Tax Parcel Number: 294600-0285

WARRANTY DEED

City of Des Moines North Hill Elementary Walkway Improvements

The Grantor(s), **Katherine D. Orizotti and Mahlon T. Evans, a married couple** for and in consideration of the sum of TEN AND NO/100 ($10.00) Dollars, and other valuable consideration, hereby convey(s) and warrant(s) to the **CITY OF DES MOINES, a municipality of the State of Washington,** Grantee, the following described real property situated in King County, in the State of Washington, under the imminent threat of the Grantee's exercise of its rights of Eminent Domain:

For legal description and additional conditions
See Exhibit A and B attached hereto and made a part hereof.

Also, the undersigned hereby requests the Assessor and Treasurer of said County to set over to the remainder of the herein described Parcel "A" the lien of all unpaid taxes, if any, affecting the property hereby conveyed, as provided by RCW 84.60.070.

It is understood and agreed that delivery of this deed is hereby tendered and that the terms and obligations hereof shall not become binding upon the CITY OF DES MOINES unless and until accepted and approved hereon in writing for the CITY OF DES MOINES, by its

WARRANTY DEED
authorized agent.

Date: 1/9/2026

Katherine D. Orizotti

Mahlon T. Evans

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 9th day of January, 2026 before me personally appeared **Katherine D. Orizotti and Mahlon T. Evans** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

LAUREN KAY SASNETT
Notary Public
State of Washington
Commission # 141844
My Comm. Expires Feb 20, 2028

Notary Public in and for the State of Washington, residing at Burien WA
My commission expires 12/20/2028

Accepted and Approved

City of Des Moines

By:_____
Katherine Caffrey
City of Des Moines, City Manager

Date:_____

EXHIBIT A

RIGHT OF WAY ACQUISITION DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0285

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE EAST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET;

THENCE NORTH 87°00'54" WEST 84.40 FEET;

THENCE SOUTH 67°48'46" WEST 25.10 FEET TO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID WEST LINE NORTH 0°13'26" EAST 32.21 FEET TO THE NORTH LINE OF SAID PARCEL;

THENCE ALONG SAID NORTH LINE SOUTH 87°00'54" EAST 107.62 FEET TO THE POINT OF BEGINNING.

SAID PORTION CONTAINING 2438 SQUARE FEET, MORE OR LESS.

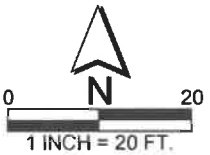
SITUATE IN KING COUNTY, STATE OF WASHINGTON

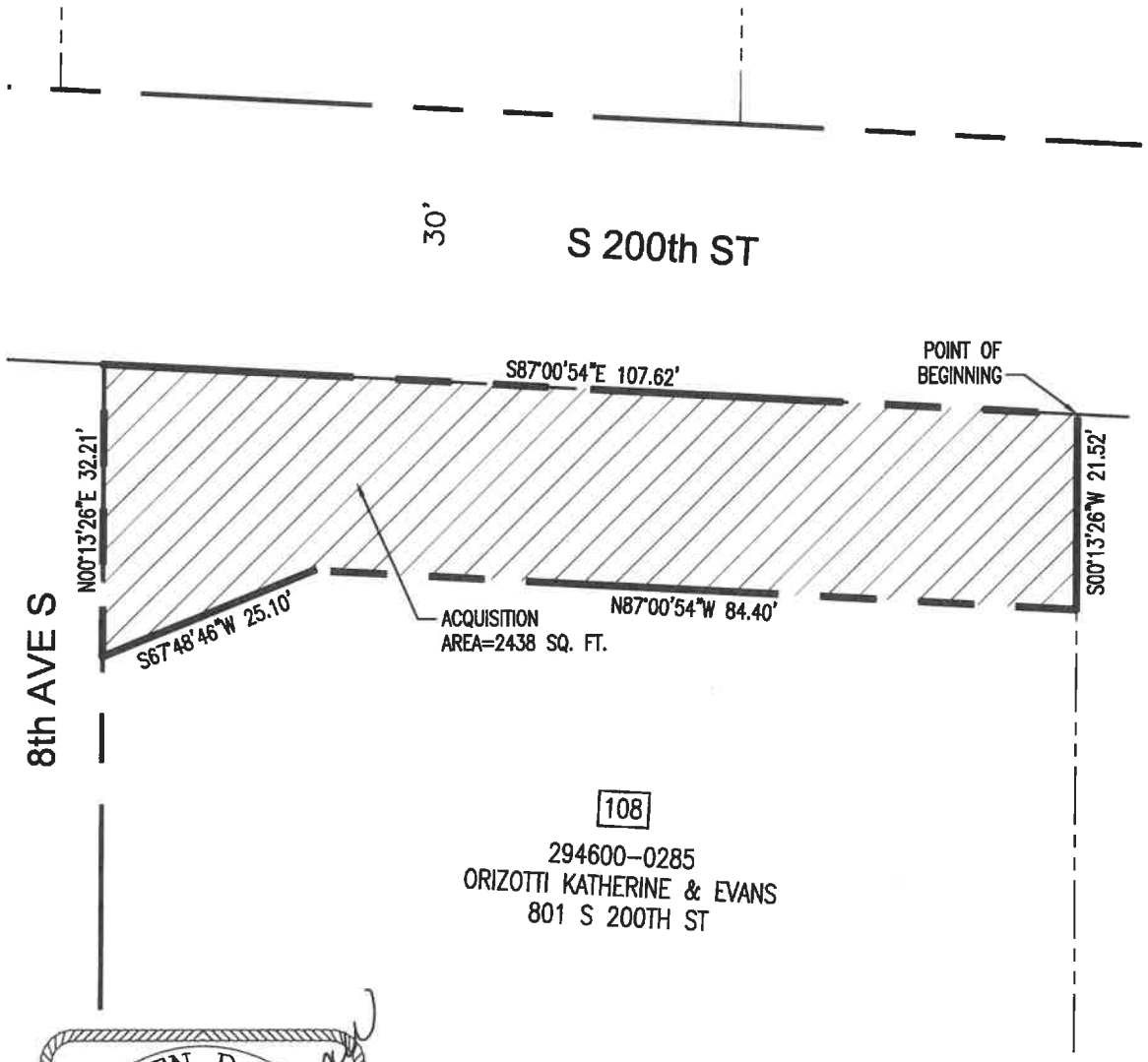
KATHLEEN R. SSOU
STATE OF W GTON
27133
REGISTERED
SSIONAL LAND SURVEYOR

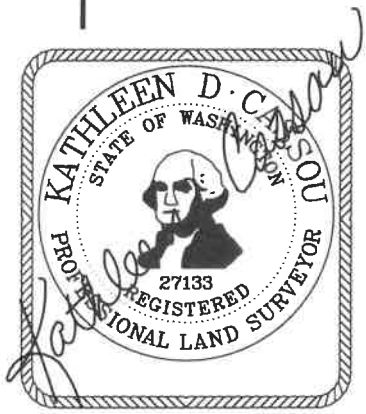
6/27/2024

EXHIBIT B

RIGHT OF WAY ACQUISITION AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0285







6/27/2024

LEGEND

108	IMPACTED PARCEL NUMBER
	RIGHT OF WAY ACQUISITION LIMIT
	RIGHT OF WAY ACQUISITION

HORIZONTAL DATUM
NAD83/11 NORTH ZONE

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

After recording return document to:

City of Des Moines
22865 26th Ave S
Des Moines, WA 98198

Document Title: Temporary Easement
Grantor(s): Katherine D. Orizotti and Mahlon T. Evans
Grantee(s): City of Des Moines
Legal Description: LTS 7-9 and N 16 Ft of LT 6, BLK 8, Grove Add., Town of Des Moines, V 4, PG 83, King County, WA Additional Legal Description is on Page 4 and 5 of Document
Assessor's Tax Parcel Number: 294600-0285

TEMPORARY EASEMENT

City of Des Moines North Hill Elementary Walkway Improvements

The Grantor(s), **Katherine D. Orizotti and Mahlon T. Evans, a married couple** for and in consideration of TEN AND NO/100 ($10.00) DOLLARS, and other valuable consideration, conveys and grants unto the **CITY OF DES MOINES, a municipality of the State of Washington,** and its assigns, Grantee, under the imminent threat of the Grantee's exercise of its right of Eminent Domain, the right, privilege and easement over, upon, and across the hereinafter described lands for the purpose of construction of the North Hill Elementary Walkway Improvements Project.

Said lands being situated in King County, State of Washington, and described in Exhibit A and B, attached hereto, and made a part hereof.

The term of this Temporary Easement shall commence on March 1, 2025, and shall terminate on February 28, 2027, hereinafter the "Term".

It is further agreed that this Temporary Easement may be extended by up to 1 year at the Grantee's option. The rate associated with this extension shall be at the same rate as the original Temporary Easement. The Grantee shall notify the Grantor in writing, and render payment, prior to exercising this option.

TEMPORARY EASEMENT

Grantee shall provide Grantor written notice no less than fourteen (14) days in advance of Grantee's intent to exercise its rights under this Temporary Easement.

It is understood and agreed that delivery of this temporary easement is hereby tendered and that the terms and obligations hereof shall not become binding upon the CITY OF DES MOINES unless and until accepted and approved hereon in writing for the CITY OF DES MOINES, by its authorized agent.

Dated: Jan. 12, 20 26

Katherine D. Orizotti

Mahlon T. Evans

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 12th day of January, 2026 before me personally appeared **Katherine D. Orizotti and Mahlon T. Evans,** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

CINDHY BENITEZ GALINDO
Notary Public
State of Washington
Commission # 206796
My Comm. Expires Apr 17, 2027

Notary Public in and for the State of Washington, residing at Seattle

My commission expires April 17, 2027

TEMPORARY EASEMENT

Accepted and Approved

City of Des Moines

By:_____
Katherine Caffrey
City of Des Moines, City Manager

Date:_____

EXHIBIT A

TEMPORARY CONSTRUCTION EASEMENT DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0285

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE EAST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 0°13'26" WEST 9.52 FEET;

THENCE NORTH 87°00'54" WEST 86.26 FEET;

THENCE SOUTH 67°48'35" WEST 12.27 FEET;

THENCE SOUTH 0°13'26" WEST 23.53 FEET;

THENCE NORTH 89°46'34" WEST 10.00 FEET TO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID PARCEL LINE NORTH 0°13'26" EAST 28.06 FEET;

THENCE NORTH 67°48'35" EAST 25.10 FEET;

THENCE SOUTH 87°00'54" EAST 84.40 FEET TO THE TRUE POINT OF BEGINNING.

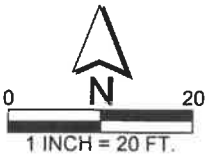
SAID PORTION CONTAINING 1218 SQUARE FEET, MORE OR LESS.

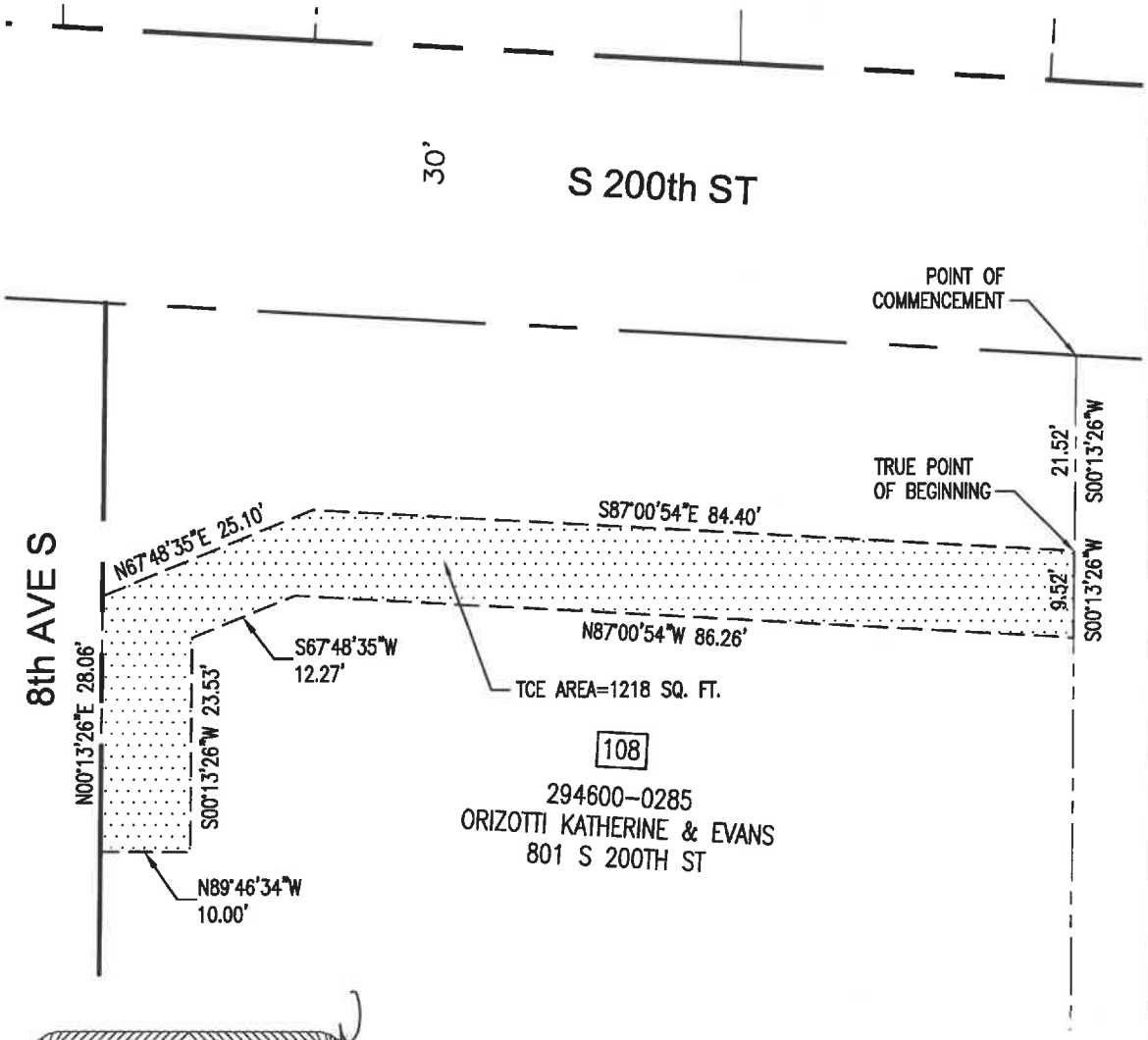
SITUATE IN KING COUNTY, STATE OF WASHINGTON

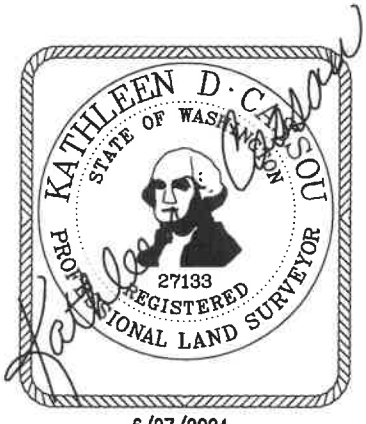
6/27/2024

EXHIBIT B

TEMPORARY CONSTRUCTION EASEMENT AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0285







6/27/2024

LEGEND

100	IMPACTED PARCEL NUMBER
	TEMPORARY CONSTRUCTION LIMIT
	TEMPORARY CONSTRUCTION EASEMENT (TCE)

HORIZONTAL DATUM
NAD83/11 NORTH ZONE

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

REAL PROPERTY VOUCHER

AGENCY NAME City of Des Moines 21650 11th Ave S Des Moines, WA 98198		I hereby certify under penalty of perjury that the items and amounts listed herein are proper charges against the Agency, that the same or any part thereof has not been paid, and that I am authorized to sign for the claimant.	
		SIGNATURE (IN INK) FOR EACH CLAIMANT	DATED
GRANTOR OR CLAIMANT (NAME, ADDRESS) **Katherine D Orizotti and Mahlon T Evans** **801 S. 200th St** **Des Moines, WA 98198**	TIN/SSN:	X	
PROJECT NO. AND TITLE North Hill Elementary Walkway Improvements		X	
FEDERAL AID NO. **N/A**	PARCEL NO. **294600-0285**		

In full, complete and final payment and settlement for the title or interest conveyed or released, as fully set forth in:	DATED	$ AMOUNT
LAND:		
Fee — **2438 SF @ $17.41/SF** +		**$42,446.00**
IMPROVEMENTS: Tree, landscaping, grass and asphalt +		**$5,976.00**
DAMAGES:		
Cost to Cure +		
Proximity +		
Temporary Construction Easement (TCE): 1218 SF @ $17.41/SF x 10% x 2 y +		**$3,885.00**
SPECIAL BENEFITS		
JC (Just Compensation) Amount		**$52,400.00 (R)**
REMAINDER:		
Uneconomic Remnant +		
Excess Acquisition +		
DEDUCTIONS:		
Amount Previously Paid		
Performance Bond		
Salvage Amount		
Pre Paid Rent		
Other		
ADMINISTRATIVE SETTLEMENT +		**$57,100.00**
STATUTORY EVALUATION ALLOWANCE +		
ESCROW FEE +		
REAL ESTATE EXCISE TAX +		
OTHER: +		

ACQUISITION AGENT	DATE	Voucher No.	TOTAL AMOUNT PAID
			$109,500.00 (R)
AUTHORIZED AGENT FOR AGENCY	DATE		

LPA-321 10/2014

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

Katherine Danielle Orizotti

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☑ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

5 Address (number, street, and apt. or suite no.). See instructions.

801 S. 200th Street

Requester's name and address (optional)

6 City, state, and ZIP code

Des Moines, WA 98198

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

[redacted]

Employer identification number

–

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** K Orizotti **Date** 1/9/2026

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

DES MOINES WASHINGTON
ENGINEERING

OBLIGATION AGREEMENT

November 10, 2025

Grantor: Katherine D. Orizotti and Mahlon T. Evans
Parcel ID: 294600-0285
Project: City of Des Moines North Hill Elementary Walkway Improvements
Situs Address: 801 S. 200th Street, Des Moines, WA 98198

It is understood and agreed that the City of Des Moines's performance of this agreement shall be a portion of the consideration for the concurrent real property transaction evidenced by that Warranty Deed and Temporary Construction Easement between Grantors and the City. The City of Des Moines agrees to:

1. Drainfield Protection
The City shall confirm that Project plans and construction will not impact the Grantor's existing drainfield. Any damage caused by the Project shall be repaired or replaced by the City at no cost to the Grantor. Following completion of the Project, if the Grantor modifies, expands, or replaces the septic system (including the drainfield or any related components), the City shall be held harmless and shall not be liable for any costs, damages, or impacts arising from such future work.

2. Curb Cuts
The City shall install new curb cuts approximately twenty (20) feet apart along the frontage of the Grantor's property, as shown on the approved plans. The City shall not perform any grading, excavation, or other work behind said curb cuts. All such improvements shall be completed in accordance with applicable City standards and specifications.

By signing this Obligation Agreement, the Grantor hereby grants to the City of Des Moines a Temporary Construction Easement (TCE) to allow construction personnel and equipment access upon, and adjacent to, said property to perform construction activities as necessary to the construction of the North Hill Elementary Walkway Improvements.

This agreement shall not be effective or binding until Grantors receive notice from the City accepting the conveyance of real property interests.

Grantors:

Katherine D. Onizotti — Date: 11/9/2026

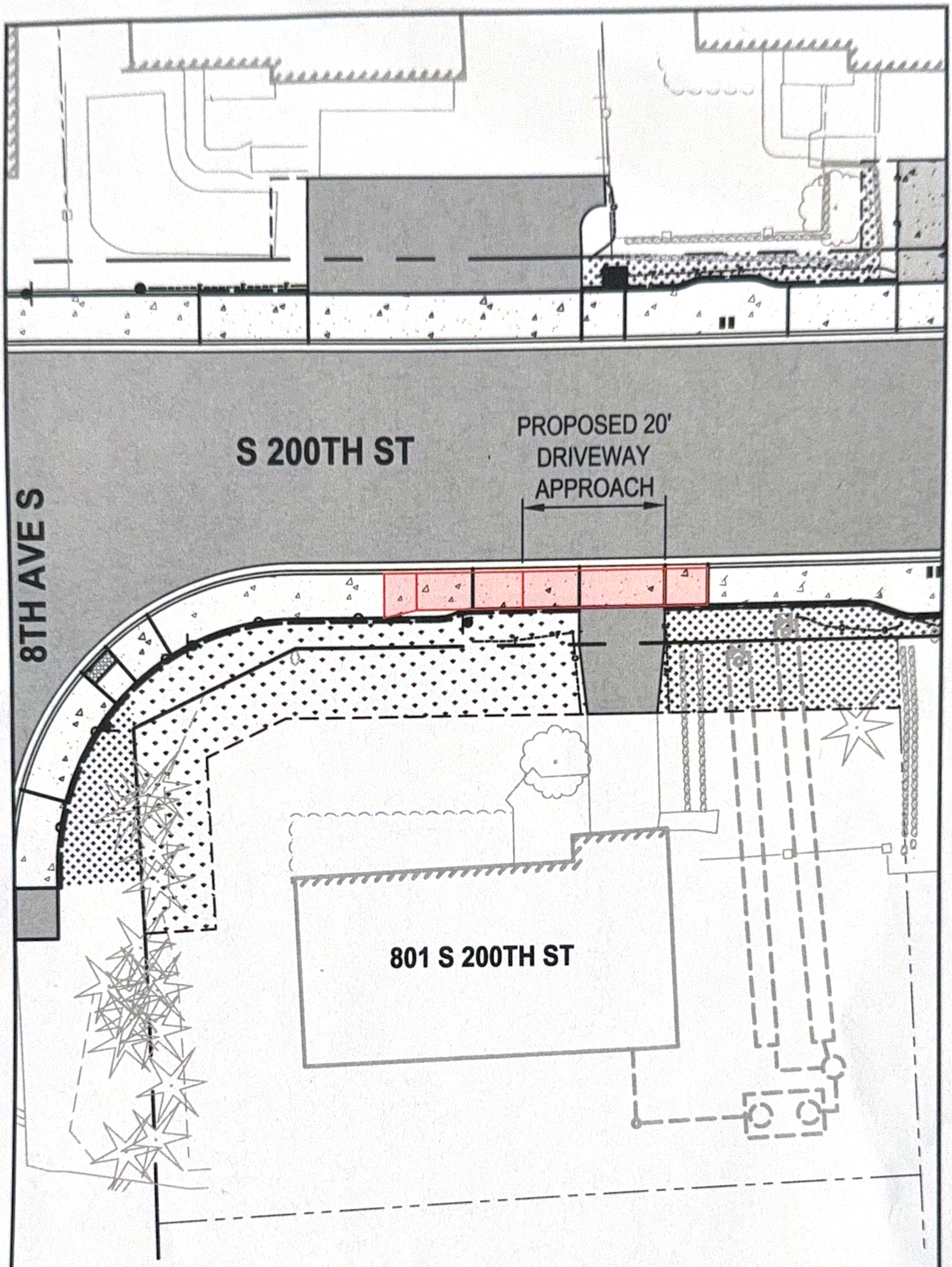
Mahlon T. Evans — Date: 11/9/2026

City of Des Moines

Sign: _____

Name: _____

Date: _____



Parametrix DATE: December 3, 2025 FILE: 801 S FIG

Epic Land Solutions, Inc.
Puget Sound Regional Office
1950 Black Lake Blvd SW, Suite B
Olympia, WA 98512
epicland.com

December 31, 2025

TO: City of Des Moines
22865 26th Ave S
Des Moines, WA 98198

FROM: Jessica Niella, Project Manager
By: Sara Johnson, Right of Way Agent

RE: **City of Des Moines North Hill Elementary Walkway Improvements**

Enclosed are the original signed documents:

File 110/ Keto

- Offer Letter
- WD – please sign, record and a copy sent to Epic
- WD REETA – please sign and record with the WD and a copy sent back to Epic
- TCE – please sign, record and a copy sent to Epic
- TCE REETA – please sign and record with the TCE and a copy sent back to Epic
- Real Property Voucher – please sign and return copy to Epic
- W-9
- Obligation Agreement
-

Please submit these documents for processing as appropriate.

If you have any questions, please feel free to contact me.

Thank you,

Sara Johnson
Right of Way Agent
Encl.

DES MOINES WASHINGTON
ENGINEERING

January 29, 2025

Daniel Keto & Naol Washo ET AL
901 S 200th ST
Des Moines, WA 98198

Offer Letter
Project: City of Des Moines North Hill Elementary Walkway Improvements
Assessor's Parcel No.: 294600-0191, File #110
Situs Address: 901 S 200th ST, Des Moines, WA 98198
Federal Aid No: N/A

Dear Daniel Keto & Naol Washo ET AL:

The City of Des Moines ("Agency") plans to proceed with the above-titled public project. The Project is being funded by the Safe Routes to School Grant and will improve safety in the corridor (S 200th Street, from 8th Ave S to 10th Pl S) by constructing 800 liner feet of sidewalk, curb and gutter, ADA curb ramps, bike lanes, radar feedback signs, improved storm drainage system, structural earth retaining walls. The completion of this project will greatly enhance non-motorized and pedestrian safety within the North Hill neighborhood. Pedestrian improvements from the project will also encourage students to utilize a safe walking route to and from school.

The purpose of this letter is to notify you of the following:

- The Agency's interest in acquiring your property and/or property rights for this project.
- The Agency's determination of just compensation for your property and/or property rights.
- The basic protections afforded to you by law.

As outlined below, the Agency has established an amount it believes is just compensation based on the estimated market value for your property.

The Agency's offer is as follows:

Land Conveyed Fee:	1,289 SF x $17.35/SF	$22,364.00
Temporary Easement: Active Construction: Pre-Commencement: Total Temporary Easement:	 1,687 SF x $17.35 x 8.50% x 2 years 1,687 SF x $17.35 x 3.00% x 0.44 year	 $4,975.81 $383.36 $5,362.00
Improvements: Landscaping Concrete Block Retaining Wall Asphalt Total Improvements:	 205 SF x $8.85/SF 20 SF x $12.39/SF - 50% 75 SF x $23.08/SF - 35% 710 SF x $7.68/SF - 45%	 $1,814.00 $124.00 $1,125.00 $2,999.00 $6,062.00
Total Amount:		**$33,800.00 (Rounded)**

Your property has been examined by a qualified appraiser and appraisal reviewer who have carefully considered all the elements which contribute to the market value of your property. You, or your designated representative, were provided with an opportunity to accompany the appraiser and appraisal reviewers on all inspections of your property. By law, the appraisers and appraisal reviewers must disregard any general increase or decrease in value caused by the project.

If a mutually agreeable settlement is not reached, the Agency, acting in the public interest, will use its right of eminent domain to acquire property for public use. In conformity with the Washington State Constitution and laws, the Agency's legal counsel will file a condemnation suit to obtain a "Court Order of Public Use and Necessity", and a trial will be arranged to determine the just compensation to be paid for the property. This action is taken to ensure your rights as an individual property owner are protected. If a condemnation action is filed, you should consider consulting with an attorney to ensure that you receive appropriate representation.

You may wish to employ professional services to evaluate the Agency's offer. If you do so, we suggest that you employ well-qualified evaluators so that the resulting evaluation report will be useful to you in deciding whether to accept the Agency's offer. The Agency will reimburse up to $750.00 of your evaluation costs upon submission of the bills or paid receipts.

The Internal Revenue Service (IRS) requires that the Agency obtain your correct taxpayer identification number (TIN) or social security number (SSN) to report income paid to you as a result of this real estate transaction.

Payment for your property and/or property rights will be made available to you as soon as reasonably possible after acceptance of the Agency's offer, provided that there are not delays in closing the transaction. The date on which payment is made available to you is called the "payment date". On that date, the Agency becomes the owner of the property rights purchased and responsible for its control and management.

If you have personal property presently located on the property being acquired by the Agency that needs to be moved, the Agency will reimburse you for the cost of moving it through the Relocation Assistance program.

Enclosed please find the following:

- Transportation Needs and You Brochure (explaining the Right of Way acquisition process)
- A plan sheet showing the property rights needing to be acquired
- A copy of the valuation of your property
- The necessary legal documents for the transferring of the property or property rights.
- W-9 per IRS requirements

This letter has been sent to provide a concise statement of the Agency's offer and a summary of your rights. Please feel free to direct any questions you may have to the undersigned. Thank you for your time and consideration.

Sincerely,

Sara Johnson, Right of Way Agent
Epic land Solutions, Inc.
SjJohnson@EpicLand.com
(360) 860-6962

Enclosures

Acknowledgment of receipt of Offer Letter

Signature: _____ Date: 12/15/2025

Signature above does not mean acceptance or rejection of offer.

After recording return document to:

City of Des Moines
21650 11th Ave S
Des Moines, WA 98198

Document Title: Warranty Deed
Grantor(s): Daniel Keto, Ayantu Salfago, Abdisa Washo and Naol Washo
Grantee(s): City of Des Moines
Legal Description: Grove Add to Des Moines E 14 Ft of 5-6-7-8 Blk 7 & Por of Vac ST Adj & W 12 Ft of Lots 5-6-7-8 BLK 6 & Por of Vac St Adj
Additional Legal Description is on Page 7 and 8 of Document
Assessor's Tax Parcel Number: 294600-0191

WARRANTY DEED

City of Des Moines North Hill Elementary Walkway Improvements

The Grantor(s), **Daniel Keto, a single man, Ayantu Salfago, a single woman, Abdisa Washo, a single man and Naol Washo, a single woman** for and in consideration of the sum of TEN AND NO/100 ($10.00) Dollars, and other valuable consideration, hereby convey(s) and warrant(s) to the **CITY OF DES MOINES, a municipality of the State of Washington,** Grantee, the following described real property situated in King County, in the State of Washington, under the imminent threat of the Grantee's exercise of its rights of Eminent Domain:

For legal description and additional conditions
See Exhibit A and B attached hereto and made a part hereof.

Also, the undersigned hereby requests the Assessor and Treasurer of said County to set over to the remainder of the herein described Parcel "A" the lien of all unpaid taxes, if any, affecting the property hereby conveyed, as provided by RCW 84.60.070.

It is understood and agreed that delivery of this deed is hereby tendered and that the terms and obligations hereof shall not become binding upon the CITY OF DES MOINES unless and until accepted and approved hereon in writing for the CITY OF DES MOINES, by its authorized agent.

WARRANTY DEED

Date: 12-15-2025

Daniel Keto

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 15th day of Dec, 2025 before me personally appeared **Daniel Keto** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that ~~they~~ he signed and sealed the same as ~~their~~ his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Sara Johnson
Notary Public
State of Washington
Commission Number 61638
My Commission Expires
October 1, 2029

Notary Public in and for the State of Washington, residing at Lakewood

My commission expires 10/1/2029

WARRANTY DEED

Date: 12-15-2025

Ayantu Salfago

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 15th day of Dec, 2025 before me personally appeared **Ayantu Salfago** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that ~~they~~ she signed and sealed the same as ~~their~~ her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Sara Johnson
Notary Public
State of Washington
Commission Number 61638
My Commission Expires
October 1, 2029

Notary Public in and for the State of Washington, residing at Lakewood

My commission expires 10/1/2029

WARRANTY DEED

Date: 12/24/25

Abdisa Washo

ACKNOWLEDGEMENT

STATE OF ~~WASHINGTON~~ Oregon

County of Multnomah

On this 24th day of Dec, 2025 before me personally appeared **Abdisa Washo** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

OFFICIAL STAMP
REBECCA JUNE LARKINS
NOTARY PUBLIC - OREGON
COMMISSION NO. 1049079
MY COMMISSION EXPIRES JUNE 11, 2028

Notary Public in and for the State of Oregon, ~~Washington,~~ residing at Portland OR

My commission expires June 11th, 2028

WARRANTY DEED

Date: 12-15-2025

Naol Washo

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 15th day of Dec, 2025 before me personally appeared **Naol Washo** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that ~~they~~ he signed and sealed the same as ~~their~~ his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Sara Johnson
Notary Public
State of Washington
Commission Number 61638
My Commission Expires
October 1, 2029

Notary Public in and for the State of Washington, residing at Lacewood
My commission expires 10/1/2029

Accepted and Approved

City of Des Moines

By:_____
Michael P. Slevin III, P.E.
City of Des Moines, Public Works Director

Date:_____

EXHIBIT A

RIGHT OF WAY ACQUISITION DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0191

THE EAST 14 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 7, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH VACATED STREETS ADJOINING AND THE WEST 12 FEET OF LOTS 5, 6, 7 AND 8 BLOCK 6, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

AND TOGETHER WITH VACATED STREETS ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE WEST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.50 FEET;

THENCE SOUTH 87°00'54" EAST 45.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 425.50 FEET AND A CENTRAL ANGLE OF 1°55'29" FOR AN ARC LENGTH OF 14.29 FEET TO THE EAST LINE OF SAID PARCEL;

THENCE ALONG SAID EAST LINE NORTH 0°13'26" EAST 21.26 FEET TO THE POINT OF BEGINNING.

SAID PORTION CONTAINING 1289 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON

6/27/2024

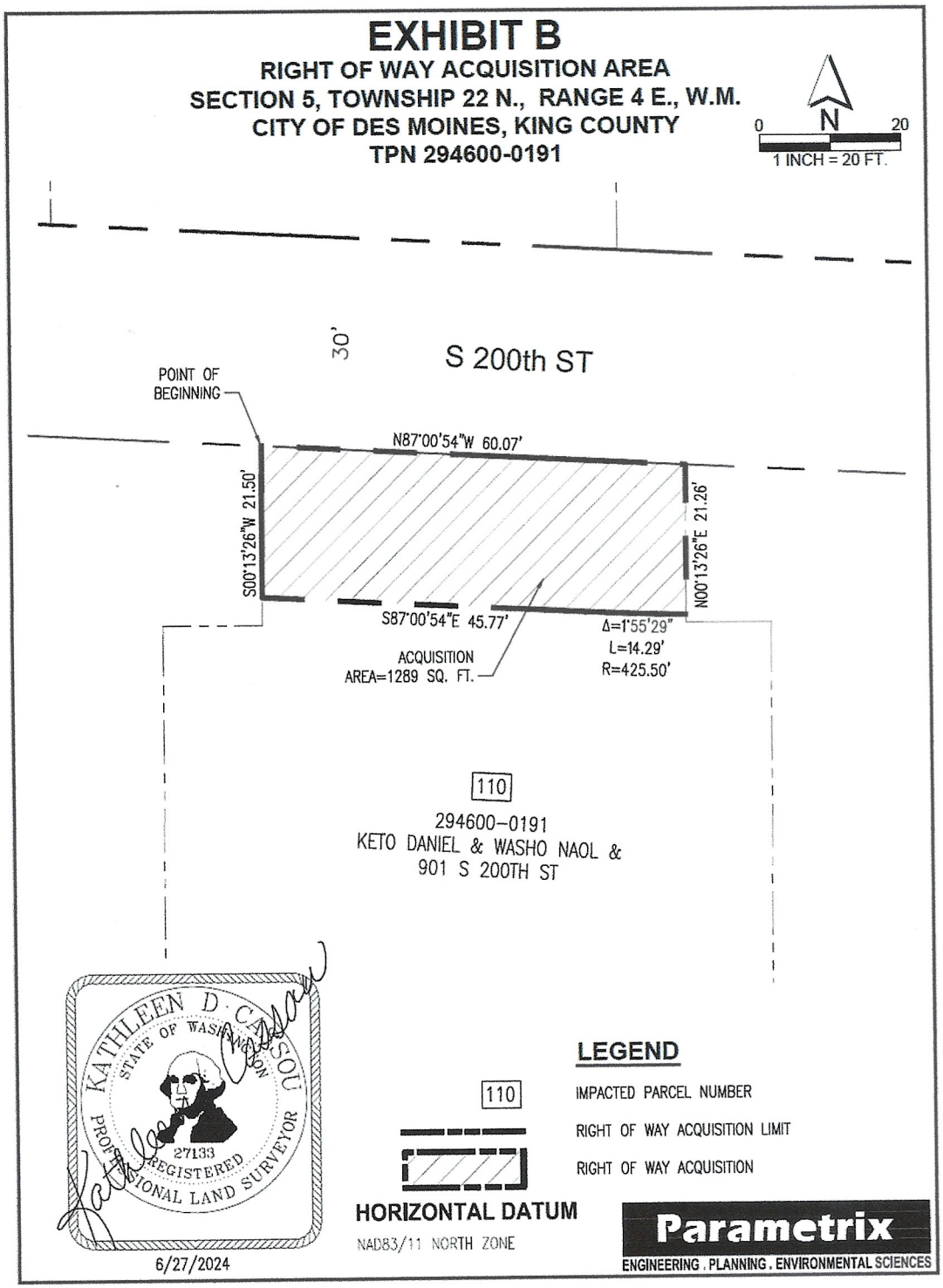


EXHIBIT B
RIGHT OF WAY ACQUISITION AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0191
N
0
20
1 INCH = 20 FT.
30'
S 200th ST
POINT OF BEGINNING
N87°00'54"W 60.07'
S00°13'26"W 21.50'
N00°13'26"E 21.26'
S87°00'54"E 45.77'
ACQUISITION AREA=1289 SQ. FT.
Δ=1°55'29"
L=14.29'
R=425.50'
110
294600-0191
KETO DANIEL & WASHO NAOL &
901 S 200TH ST
KATHLEEN D. CARLSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR
6/27/2024
LEGEND
110
IMPACTED PARCEL NUMBER
RIGHT OF WAY ACQUISITION LIMIT
RIGHT OF WAY ACQUISITION
HORIZONTAL DATUM
NAD83/11 NORTH ZONE
Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

After recording return document to:

City of Des Moines
22865 26th Ave S
Des Moines, WA 98198

Document Title: Temporary Easement
Grantor(s): Daniel Keto, Ayantu Salfago, Abdisa Washo and Naol Washo
Grantee(s): City of Des Moines
Grantee(s): City of Des Moines
Legal Description: Grove Add to Des Moines E 14 Ft of 5-6-7-8 Blk 7 & Por of Vac ST Adj & W 12 Ft of Lots 5-6-7-8 BLK 6 & Por of Vac St Adj
Additional Legal Description is on Page 7 and 8 of Document
Assessor's Tax Parcel Number: 294600-0191

TEMPORARY EASEMENT

City of Des Moines North Hill Elementary Walkway Improvements

The Grantor(s), **Daniel Keto, a single man, Ayantu Salfago, a single woman, Abdisa Washo, a single man and Naol Washo, a single woman** for and in consideration of TEN AND NO/100 ($10.00) DOLLARS, and other valuable consideration, conveys and grants unto the **CITY OF DES MOINES, a municipality of the State of Washington,** and its assigns, Grantee, under the imminent threat of the Grantee's exercise of its right of Eminent Domain, the right, privilege and easement over, upon, and across the hereinafter described lands for the purpose of construction of the North Hill Elementary Walkway Improvements Project.

Said lands being situated in King County, State of Washington, and described in Exhibit A and B, attached hereto, and made a part hereof.

The term of this Temporary Easement shall commence on November 1, 2025 and shall terminate on October 31, 2027, hereinafter the "Term".

It is further agreed that this Temporary Easement may be extended by up to 1 year at the Grantee's option. The rate associated with this extension shall be at the same rate as the original Temporary Easement. The Grantee shall notify the Grantor in writing, and render payment, prior to exercising this option.

TEMPORARY EASEMENT

Grantee shall provide Grantor written notice no less than fourteen (14) days in advance of Grantee's intent to exercise its rights under this Temporary Easement.

It is understood and agreed that delivery of this temporary easement is hereby tendered and that the terms and obligations hereof shall not become binding upon the CITY OF DES MOINES unless and until accepted and approved hereon in writing for the CITY OF DES MOINES, by its authorized agent.

Dated: 12-15-2025

Daniel Keto

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 15th day of Dec, 2025 before me personally appeared **Daniel Keto** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that ~~they~~ me signed and sealed the same as ~~their~~ his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Sara Johnson
Notary Public
State of Washington
Commission Number 61638
My Commission Expires
October 1, 2029

Notary Public in and for the State of Washington, residing at Lakewood
My commission expires 10/1/2029

TEMPORARY EASEMENT

Dated: 12-15-2025, _____

Ayantu Salfago

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 15th day of Dec, 2025 before me personally appeared **Ayantu Salfago** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that ~~they~~ she signed and sealed the same as ~~their~~ her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Sara Johnson
Notary Public
State of Washington
Commission Number 61638
My Commission Expires
October 1, 2029

Notary Public in and for the State of Washington, residing at Lakewood

My commission expires 10/1/2029

TEMPORARY EASEMENT

Dated: 12/31/25, ____

Abdisa Washo

ACKNOWLEDGEMENT

STATE OF ~~WASHINGTON~~ OREGON

County of CLACKAMAS

On this 31ST day of DECEMBER, 2025 before me personally appeared **Abdisa Washo** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

OFFICIAL STAMP
BRAD ALLEN MCKEE
NOTARY PUBLIC - OREGON
COMMISSION NO. 1039981
MY COMMISSION EXPIRES AUGUST 17, 2027

Brad Allen McKee

Notary Public in and for the State of OREGON

~~Washington~~, residing at TIGARD

My commission expires AUGUST 17, ~~2027~~ 2027

TEMPORARY EASEMENT

Dated: 12-15-2025, _____

Naol Washo

ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King

On this 15th day of Dec, 2025 before me personally appeared **Naol Washo** to me known or proven to be the individual described herein and who executed the foregoing instrument and acknowledged that ~~they~~ he signed and sealed the same as ~~their~~ his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Sara Johnson
Notary Public
State of Washington
Commission Number 61638
My Commission Expires
October 1, 2029

Notary Public in and for the State of Washington, residing at Lakewood
My commission expires 10/1/2029

Accepted and Approved

City of Des Moines

By:_____
Michael P. Slevin III, P.E.
City of Des Moines, Public Works Director

Date:_____

TEMPORARY EASEMENT

EXHIBIT A

TEMPORARY CONSTRUCTION EASEMENT DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0191

THE EAST 14 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 7, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH VACATED STREETS ADJOINING AND THE WEST 12 FEET OF LOTS 5, 6, 7 AND 8 BLOCK 6, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

AND TOGETHER WITH VACATED STREETS ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE WEST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 87°00'54" EAST 45.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 425.50 FEET AND A CENTRAL ANGLE OF 1°55'29" FOR AN ARC LENGTH OF 14.29 FEET TO THE EAST LINE OF SAID PARCEL;

THENCE ALONG SAID EAST LINE SOUTH 0°13'26" WEST 1.12 FEET;

THENCE SOUTH 89°49'40" EAST 12.00 FEET;

THENCE SOUTH 0°13'26" WEST 19.56 FEET;

THENCE SOUTH 89°50'38" WEST 38.23 FEET;

THENCE NORTH 0°09'22" WEST 2.81 FEET;

THENCE NORTH 89°06'18" WEST 47.76 FEETTO THE WEST LINE OF SAID PARCEL;

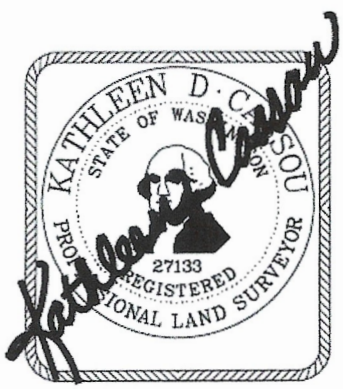
THENCE ALONG SAID WEST LINE NORTH 0°13'26" EAST 16.11 FEET;

THENCE SOUTH 89°58'55" EAST 14.00 FEET;

THENCE NORTH 0°13'26" EAST 4.04 FEET TO THE TRUE POINT OF BEGINNING.

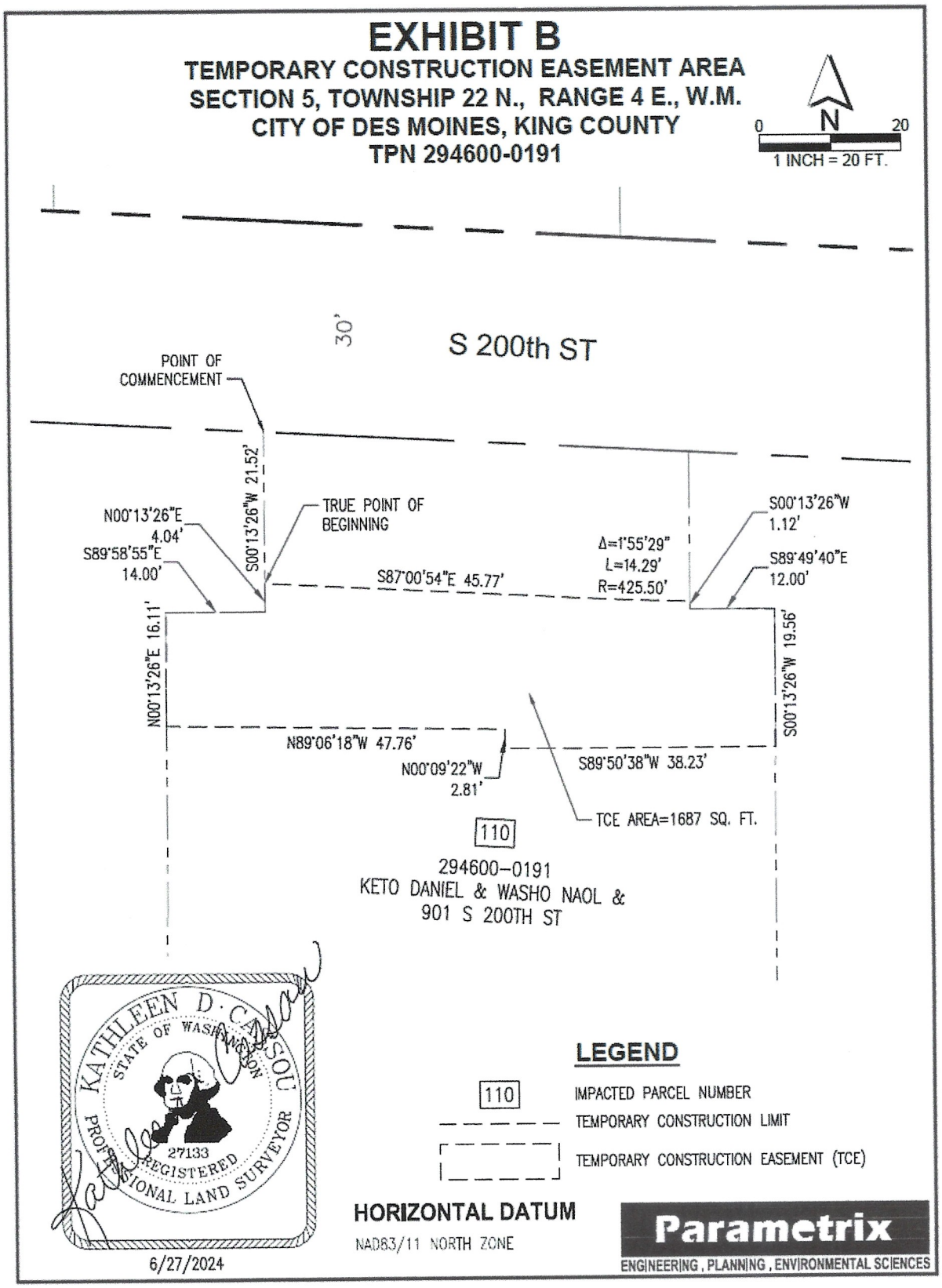
SAID PORTION CONTAINING 1687 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON



6/27/2024

TEMPORARY EASEMENT



Department of Revenue
Washington State

Form 84 0001a

Real Estate Excise Tax Affidavit (RCW 82.45 WAC 458-61A)

Only for sales in a single location code on or after July 1, 2024.
This affidavit will not be accepted unless all areas on all pages are fully and accurately completed.
This form is your receipt when stamped by cashier. *Please type or print.*

Reset form

☐ Check box if partial sale, indicate % _____ sold.

List percentage of ownership acquired next to each name.

1 Seller/Grantor

Name Daniel Keto, a single man, Ayantu Salfago, a single woman
Abdisa Washo, a single man and Naol Washo, a single woman
Mailing address 901 S. 200th St
City/state/zip Seattle, WA 98198
Phone (including area code) [redacted]

2 Buyer/Grantee

Name City of Des Moines, a municipality of the State of Washington
Mailing address 21650 11th Ave. S
City/state/zip Des Moines, WA 98198
Phone (including area code) [redacted]

3 Send all property tax correspondence to: ☐ Same as Buyer/Grantee
Name Same as Grantor
Mailing address _____
City/state/zip _____

List all real and personal property tax parcel account numbers	Personal property?	Assessed value(s)
294600-0191	☐	$ 644,000.00
	☐	$ 0.00
	☐	$ 0.00

4 Street address of property 901 S. 200th St, Seattle, WA 98198
This property is located in Des Moines *(for unincorporated locations please select your county)*
☐ Check box if any of the listed parcels are being segregated from another parcel, are part of a boundary line adjustment or parcels being merged.
Legal description of property (if you need more space, attach a separate sheet to each page of the affidavit).

See attached legal

5 11 - Household, single family units
Enter any additional codes _____
(see back of last page for instructions)

Was the seller receiving a property tax exemption or deferral under RCW 84.36, 84.37, or 84.38 (nonprofit org., senior citizen or disabled person, homeowner with limited income)? ☐ Yes ☑ No

Is this property predominately used for timber (as classified under RCW 84.34 and 84.33) or agriculture (as classified under RCW 84.34.020) and will continue in it's current use? **If yes and the transfer involves multiple parcels with different classifications, complete the predominate use calculator (see instructions)** ☐ Yes ☑ No

6 Is this property designated as forest land per RCW 84.33? ☐ Yes ☑ No

Is this property classified as current use (open space, farm and agricultural, or timber) land per RCW 84.34? ☐ Yes ☑ No

Is this property receiving special valuation as historical property per RCW 84.26? ☐ Yes ☑ No

If any answers are yes, complete as instructed below.

(1) NOTICE OF CONTINUANCE (FOREST LAND OR CURRENT USE)
NEW OWNER(S): To continue the current designation as forest land or classification as current use (open space, farm and agriculture, or timber) land, **you must sign on (3) below**. The county assessor must then determine if the land transferred continues to qualify and will indicate by signing below. If the land no longer qualifies or you do not wish to continue the designation or classification, it will be removed and the compensating or additional taxes will be due and payable by the seller or transferor at the time of sale (RCW 84.33.140 or 84.34.108). Prior to signing (3) below, you may contact your local county assessor for more information.

This land: ☐ does ☑ does not qualify for continuance.

_____ _____
Deputy assessor signature Date

(2) NOTICE OF COMPLIANCE (HISTORIC PROPERTY)
NEW OWNER(S): To continue special valuation as historic property, **sign (3) below**. If the new owner(s) doesn't wish to continue, all additional tax calculated pursuant to RCW 84.26, shall be due and payable by the seller or transferor at the time of sale.

(3) NEW OWNER(S) SIGNATURE

_____ _____
Signature Signature
_____ _____
Print name Print name

7 List all personal property (tangible and intangible) included in selling price.

If claiming an exemption, enter exemption code and reason for exemption. *See dor.wa.gov/REET for exemption codes*
Exemption No. (sec/sub) WAC 458-61A-206
Reason for exemption
Transfer to Government under imminent threat of eminent domain.

Type of document Temporary Construction Easement
Date of document _____

Gross selling price	15,774.00
*Personal property (deduct)	0.00
Exemption claimed (deduct)	15,774.00
Taxable selling price	0.00
Excise tax: state	
Less than $525,000.01 at 1.1%	0.00
From $525,000.01 to $1,525,000 at 1.28%	0.00
From $1,525,000.01 to $3,025,000 at 2.75%	0.00
Above $3,025,000 at 3%	0.00
Agricultural and timberland at 1.28%	0.00
Total excise tax: state	0.00
0.0050 Local	0.00
*Delinquent interest: state	0.00
Local	0.00
*Delinquent penalty	0.00
Subtotal	0.00
*State technology fee	5.00
Affidavit processing fee	5.00
Total due	10.00

A MINIMUM OF $10.00 IS DUE IN FEE(S) AND/OR TAX
*SEE INSTRUCTIONS

8 I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT

Signature of grantor or agent Jessica Niella
Name (print) Jessica Niella
Date & city of signing Vancouver, WA 1/5/2026

Signature of grantee or agent _____
Name (print) _____
Date & city of signing _____

Perjury in the second degree is a class C felony which is punishable by confinement in a state correctional institution for a maximum term of five years, or by a fine in an amount fixed by the court of not more than $10,000, or by both such confinement and fine (RCW 9A.72.030 and RCW 9A.20.021(1)(c)).

To ask about the availability of this publication in an alternate format for the visually impaired, please call 360-705-6705. Teletype (TTY) users may use the WA Relay Service by calling 711.

REV 84 0001a (06/03/24) THIS SPACE TREASURER'S USE ONLY COUNTY TREASURER

Print on legal size paper.

REAL PROPERTY VOUCHER

AGENCY NAME City of Des Moines 21650 11th Ave S Des Moines, WA 98198	I hereby certify under penalty of perjury that the items and amounts listed herein are proper charges against the Agency, that the same or any part thereof has not been paid, and that I am authorized to sign for the claimant. SIGNATURE (IN INK) FOR EACH CLAIMANT X	DATED 12/15/25
GRANTOR OR CLAIMANT (NAME, ADDRESS) **Ayantu Salfago** **901 S. 200th St** **Des Moines, WA 98198** TIN/SSN:	**Ayantu Salfago**	
PROJECT NO. AND TITLE City of Des Moines North Hill Elementary Walkway Improvements		
FEDERAL AID NO. **N/A** PARCEL NO. **294600-0191**		

In full, complete and final payment and settlement for the title or interest conveyed or released, as fully set forth in:	DATED	$ AMOUNT
LAND:		
Fee	**1,289 SF @ $17/SF**	**$22,364.00**
Temporary Construction Easement (TCE):	**1,687 SF @ $.04/SF x 8.50% x 2 years = $4,975.81** **1,687 SF @ $.04/SF x 3.00% x 0.44 years=$386.36** +	**$5,362.00**
IMPROVEMENTS:		
Landscaping	**205 SF @ $8.85/SF = $1,814.00**	
Concrete	**20 SF @ $12.39/SF - 50% = $124.00**	
Block Retaining Wall	**75 SF @ $ 23.08/SF - 35% = $1,125.00**	
Asphalt	**710 SF @ $7.68/SF - 45% = $2,999.00**	
	+	**$6,062.00**
DAMAGES:		
Cost to Cure	+	
Proximity	+	
	+	
SPECIAL BENEFITS		
JC (Just Compensation) Amount		**$33,800.00 (R)**
REMAINDER:		
Uneconomic Remnant	+	
Excess Acquisition	+	
DEDUCTIONS:		
Amount Previously Paid		
Performance Bond		
Salvage Amount		
Pre Paid Rent		
Other		
ADMINISTRATIVE SETTLEMENT	+	**$25,620.00**
STATUTORY EVALUATION ALLOWANCE	+	
ESCROW FEE	+	
REAL ESTATE EXCISE TAX	+	
OTHER:	+	

ACQUISITION AGENT	DATE	Voucher No.	TOTAL AMOUN PAID
	12/15/2025		**$59,420.00 (R)**
AUTHORIZED AGENT FOR AGENCY	DATE		

LPA-321 10/2014

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.) Naol Daniel Washo

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☒ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.
901 S 200th St

Requester's name and address (optional)

6 City, state, and ZIP code
Des Moines WA 98198

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
[redacted]

or

Employer identification number
[ ][ ] – [ ][ ][ ][ ][ ][ ][ ]

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person [signature] Date 12-15-2025

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

EPIC
Land Solutions, Inc.

Puget Sound Regional Office
1950 Black Lake Blvd, Suite B
Olympia, WA 98512
epicland.com

December 18, 2025

To: **City of Des Moines**

From: **Christine Nickerson, V.P. Northwest, Epic Land Solutions**
Jessica Niella, Sr. Project Manager, Epic Land Solutions
Sara Johnson, Right of Way Agent, Epic Land Solutions

RE: **Administrative Settlement**
Project: City of Des Moines North Hill Elementary Walkway Improvements
Property Owner: Keto (File 110)
Situs Address: 901 S 200th ST, Des Moines, WA 98198

Just Compensation: $33,800.00
Administrative Settlement: $25,620.00
Settlement Amount: $59,420.00

Background:

The City of Des Moines is planning to improve walkways to North Hill Elementary School. These improvements will provide accessibility to all pedestrians, including those with limited mobility, and ensure that everyone can safely navigate the area.

The property in question is located at 901 S 200th ST, Des Moines, WA 98198. It features a SFR on a lot approximately 9,800 square feet in size. The project requires a permanent easement of 1,289 square feet and a temporary construction easement of 1687 square feet.

An Appraisal was completed on January 3, 2025, valuing the right of way dedication, temporary construction easement and Improvements at $33,800.00 (rounded). On January 29, 2025, the offer package was sent to the property owners, Daniel Keto and Naol Washo ET AL, via certified mail. Mr. Keto, said that the amount offered was lower than expected and felt they should receive compensation of an additional $50,000.00 for a total amount of $88,800.00. In additional Mr. Keto has asked for the rear property to be reinforced with asphalt as he feels he will be losing valuable parking in front of the home. Originally the City had agreed to reinforce the rear parking but did not have comparables to justify the increased price. Mr. Keto has refused to accept the offer from the City without the monetary increase to $88,800.00. Mr. Keto has now sent comparables for the City to

consider with his counteroffer. After much back and forth with Mr. Keto, he has refused to accept anything less than the $88,800.00 but has agreed to remove his requirement for the rear parking improvements. Therefore, Mr. Keto is strictly asking for the monetary value of $88,800.00. After several months of negotiations and notification that the City would be hiring an Attorney, the final offer was presented to the Mr. Keto based on the highest comparable that Mr. Keto provided at $33.86/sf. Mr. Keto was also advised to obtain his own valuation as well as seek legal counsel to help understand the offer from the City. We presented the final offer of $59,420.00. This offer was presented and accepted by Mr. Keto.

Justification:

Market Evidence:
Owner-provided comparables supported a significantly higher valuation than the appraisal, with the highest comparable at $33.86 per square foot.
The final settlement reflects consideration of these comparables while remaining below the owner's initial demand, ensuring fiscal responsibility.

Avoidance of Litigation:
Continued negotiations indicated that litigation was likely if the City adhered strictly to the appraised value.
An administrative settlement avoids court costs, attorney fees, and project delays, which could exceed the additional settlement amount.

Public Interest and Project Timeliness:
The walkway improvement project serves a critical public safety and accessibility function for North Hill Elementary School.
Delays caused by condemnation proceedings would negatively impact project schedules and increase overall costs.

Compliance with WSDOT Guidance:
Washington State allows administrative settlements when supported by documented justification, including market data, negotiation history, and cost-benefit analysis.
The settlement amount is reasonable, prudent, and consistent with the principle of fair and equitable treatment of property owners.

Conclusion:

I recommend that the administrative settlement of $25,620.00 be approved. The landowner has been fairly cooperative and is trying to be fair and reasonable. The increase is justified and appears to be a reasonable and productive step towards the successful completion of this project.

Recommended:

By: _____ 12/29/2025

Sara Johnson, Right of Way Agent **Date**
Epic Land Solutions

Approved:

By: _____, P.E. 29 DEC 2025

City of Des Moines **Date**

Department of Revenue
Washington State

Form 84 0001a

Real Estate Excise Tax Affidavit (RCW 82.45 WAC 458-61A)

Only for sales in a single location code on or after July 1, 2024.
This affidavit will not be accepted unless all areas on all pages are fully and accurately completed.
This form is your receipt when stamped by cashier. *Please type or print.*

Reset form

☐ Check box if partial sale, indicate % _____ sold.

List percentage of ownership acquired next to each name.

1 Seller/Grantor

Name Daniel Keto, a single man, Ayantu Salfago, a single woman
Abdisa Washo, a single man and Naol Washo, a single woman

Mailing address 901 S. 200th St

City/state/zip

Phone (including area code) [redacted]

2 Buyer/Grantee

Name City of Des Moines, a municipality of the State of Washington

Mailing address 21650 11th Ave. S

City/state/zip

Phone (including area code) [redacted]

3 Send all property tax correspondence to: ☐ Same as Buyer/Grantee

Name Same as Grantor

Mailing address

City/state/zip

List all real and personal property tax parcel account numbers	Personal property?	Assessed value(s)
294600-0191	☐	$ 644,000.00
	☐	$ 0.00
	☐	$ 0.00

4 Street address of property 901 S. 200th St, Seattle, WA 98198

This property is located in Des Moines *(for unincorporated locations please select your county)*

☐ Check box if any of the listed parcels are being segregated from another parcel, are part of a boundary line adjustment or parcels being merged.

Legal description of property (if you need more space, attach a separate sheet to each page of the affidavit).

See attached legal

5 11 - Household, single family units

Enter any additional codes

(see back of last page for instructions)

Was the seller receiving a property tax exemption or deferral under RCW 84.36, 84.37, or 84.38 (nonprofit org., senior citizen or disabled person, homeowner with limited income)? ☐ Yes ☑ No

Is this property predominately used for timber (as classified under RCW 84.34 and 84.33) or agriculture (as classified under RCW 84.34.020) and will continue in it's current use? **If yes and the transfer involves multiple parcels with different classifications, complete the predominate use calculator (see instructions)** ☐ Yes ☑ No

6 Is this property designated as forest land per RCW 84.33? ☐ Yes ☑ No

Is this property classified as current use (open space, farm and agricultural, or timber) land per RCW 84.34? ☐ Yes ☑ No

Is this property receiving special valuation as historical property per RCW 84.26? ☐ Yes ☑ No

If any answers are yes, complete as instructed below.

(1) NOTICE OF CONTINUANCE (FOREST LAND OR CURRENT USE)
NEW OWNER(S): To continue the current designation as forest land or classification as current use (open space, farm and agriculture, or timber) land, **you must sign on (3) below**. The county assessor must then determine if the land transferred continues to qualify and will indicate by signing below. If the land no longer qualifies or you do not wish to continue the designation or classification, it will be removed and the compensating or additional taxes will be due and payable by the seller or transferor at the time of sale (RCW 84.33.140 or 84.34.108). Prior to signing (3) below, you may contact your local county assessor for more information.

This land: ☐ does ☑ does not qualify for continuance.

Deputy assessor signature _____ Date _____

(2) NOTICE OF COMPLIANCE (HISTORIC PROPERTY)
NEW OWNER(S): To continue special valuation as historic property, **sign (3) below**. If the new owner(s) doesn't wish to continue, all additional tax calculated pursuant to RCW 84.26, shall be due and payable by the seller or transferor at the time of sale.

(3) NEW OWNER(S) SIGNATURE

Signature _____ Signature _____

Print name _____ Print name _____

7 List all personal property (tangible and intangible) included in selling price.

If claiming an exemption, enter exemption code and reason for exemption. *See dor.wa.gov/REET for exemption codes*

Exemption No. (sec/sub) WAC 458-61A-206

Reason for exemption

Transfer to Government under imminent threat of eminent domain.

Type of document Temporary Construction Easement

Date of document

Gross selling price	15,774.00
*Personal property (deduct)	0.00
Exemption claimed (deduct)	15,774.00
Taxable selling price	0.00
Excise tax: state	
Less than $525,000.01 at 1.1%	0.00
From $525,000.01 to $1,525,000 at 1.28%	0.00
From $1,525,000.01 to $3,025,000 at 2.75%	0.00
Above $3,025,000 at 3%	0.00
Agricultural and timberland at 1.28%	0.00
Total excise tax: state	0.00
0.0050 Local	0.00
*Delinquent interest: state	0.00
Local	0.00
*Delinquent penalty	0.00
Subtotal	0.00
*State technology fee	5.00
Affidavit processing fee	5.00
Total due	10.00

A MINIMUM OF $10.00 IS DUE IN FEE(S) AND/OR TAX
*SEE INSTRUCTIONS

8 I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT

Signature of grantor or agent Jessica Niella

Name (print) Jessica Niella

Date & city of signing Vancouver, WA 1/5/2026

Signature of grantee or agent _____

Name (print) _____

Date & city of signing _____

Perjury in the second degree is a class C felony which is punishable by confinement in a state correctional institution for a maximum term of five years, or by a fine in an amount fixed by the court of not more than $10,000, or by both such confinement and fine (RCW 9A.72.030 and RCW 9A.20.021(1)(c)).

To ask about the availability of this publication in an alternate format for the visually impaired, please call 360-705-6705. Teletype (TTY) users may use the WA Relay Service by calling 711.

REV 84 0001a (06/03/24) THIS SPACE TREASURER'S USE ONLY COUNTY TREASURER

Print on legal size paper.

EXHIBIT A

RIGHT OF WAY ACQUISITION DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0285

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE EAST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET;

THENCE NORTH 87°00'54" WEST 84.40 FEET;

THENCE SOUTH 67°48’46” WEST 25.10 FEET TO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID WEST LINE NORTH 0°13’26” EAST 32.21 FEET TO THE NORTH LINE OF SAID PARCEL;

THENCE ALONG SAID NORTH LINE SOUTH 87°00'54" EAST 107.62 FEET TO THE POINT OF BEGINNING.

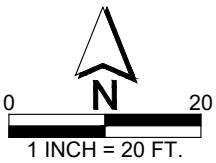
SAID PORTION CONTAINING 2438 SQUARE FEET, MORE OR LESS.

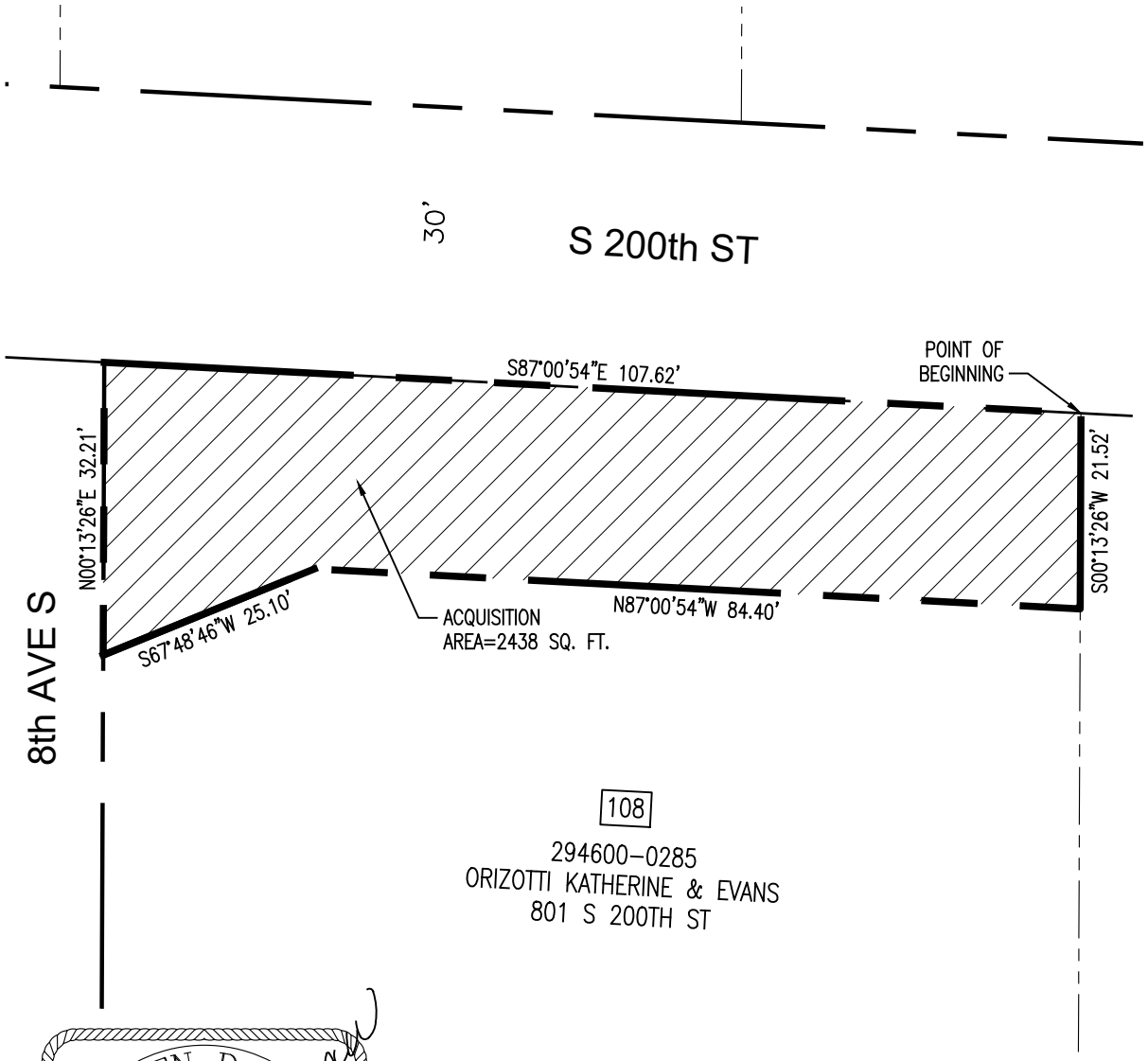
SITUATE IN KING COUNTY, STATE OF WASHINGTON

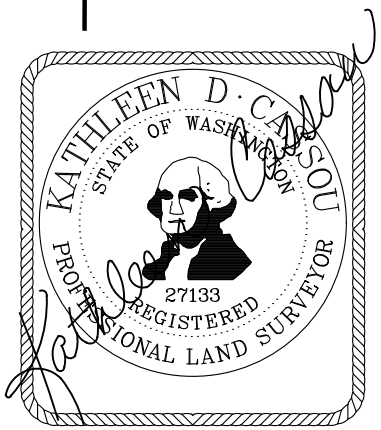
6/27/2024

EXHIBIT B

RIGHT OF WAY ACQUISITION AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0285







6/27/2024

LEGEND

108	IMPACTED PARCEL NUMBER
	RIGHT OF WAY ACQUISITION LIMIT
	RIGHT OF WAY ACQUISITION

HORIZONTAL DATUM

NAD83/11 NORTH ZONE

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

EXHIBIT A

TEMPORARY CONSTRUCTION EASEMENT DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0285

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE EAST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 0°13’26” WEST 9.52 FEET;

THENCE NORTH 87°00’54” WEST 86.26 FEET;

THENCE SOUTH 67°48’35” WEST 12.27 FEET;

THENCE SOUTH 0°13’26” WEST 23.53 FEET;

THENCE NORTH 89°46’34” WEST 10.00 FEET TO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID PARCEL LINE NORTH 0°13’26” EAST 28.06 FEET;

THENCE NORTH 67°48’35” EAST 25.10 FEET;

THENCE SOUTH 87°00’54” EAST 84.40 FEET TO THE TRUE POINT OF BEGINNING.

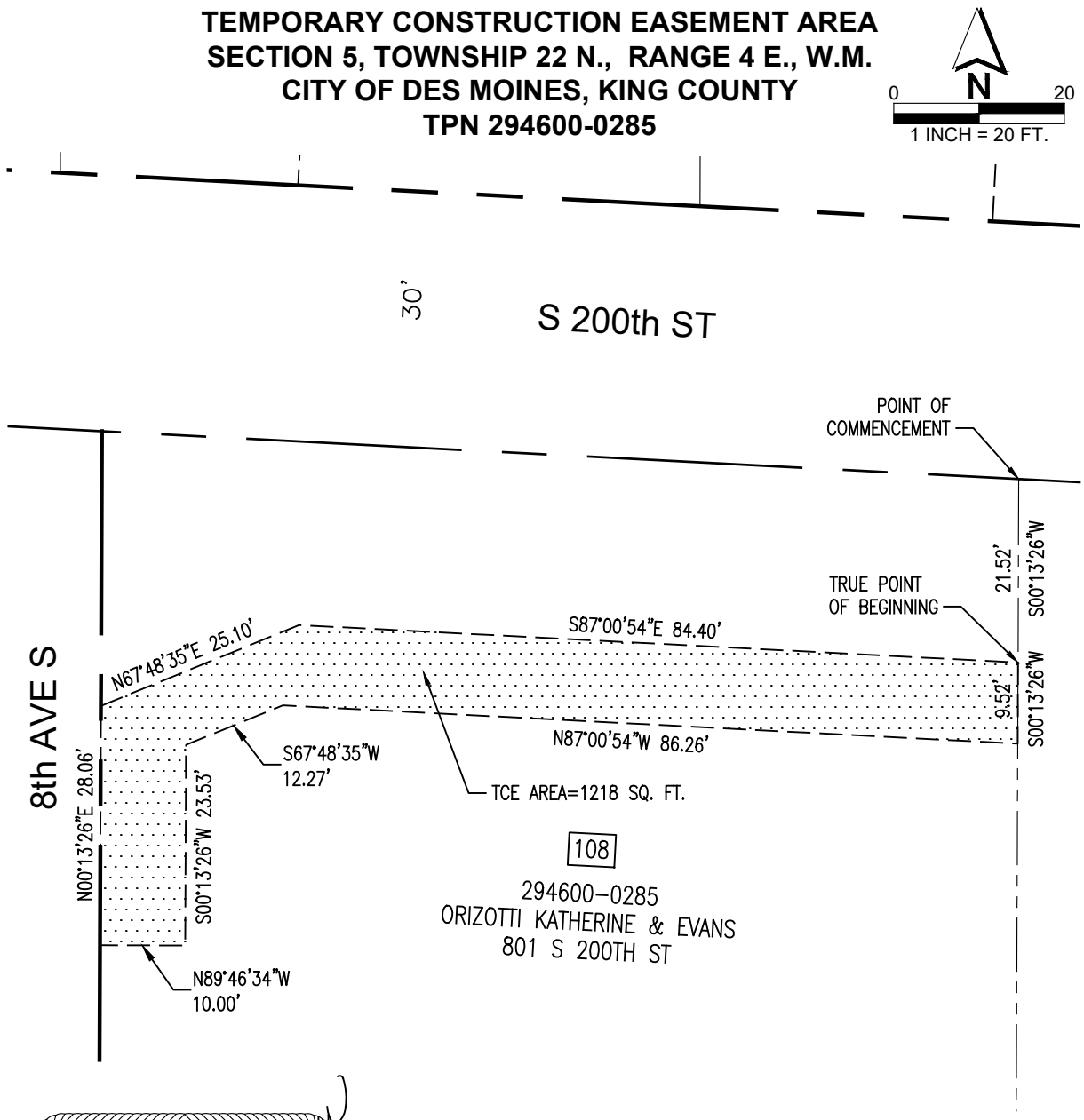
SAID PORTION CONTAINING 1218 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON

6/27/2024

EXHIBIT B

TEMPORARY CONSTRUCTION EASEMENT AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0285



KATHLEEN D. CARLSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR

6/27/2024

LEGEND

100	IMPACTED PARCEL NUMBER
— — — —	TEMPORARY CONSTRUCTION LIMIT
	TEMPORARY CONSTRUCTION EASEMENT (TCE)

HORIZONTAL DATUM
NAD83/11 NORTH ZONE

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

EXHIBIT A

RIGHT OF WAY ACQUISITION DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0191

THE EAST 14 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 7, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH VACATED STREETS ADJOINING AND THE WEST 12 FEET OF LOTS 5, 6, 7 AND 8 BLOCK 6, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

AND TOGETHER WITH VACATED STREETS ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE WEST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.50 FEET;

THENCE SOUTH 87°00’54" EAST 45.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 425.50 FEET AND A CENTRAL ANGLE OF 1°55'29" FOR AN ARC LENGTH OF 14.29 FEET TO THE EAST LINE OF SAID PARCEL;

THENCE ALONG SAID EAST LINE NORTH 0°13’26” EAST 21.26 FEET TO THE POINT OF BEGINNING.

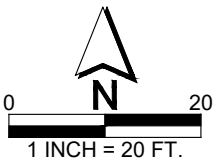
SAID PORTION CONTAINING 1289 SQUARE FEET, MORE OR LESS.

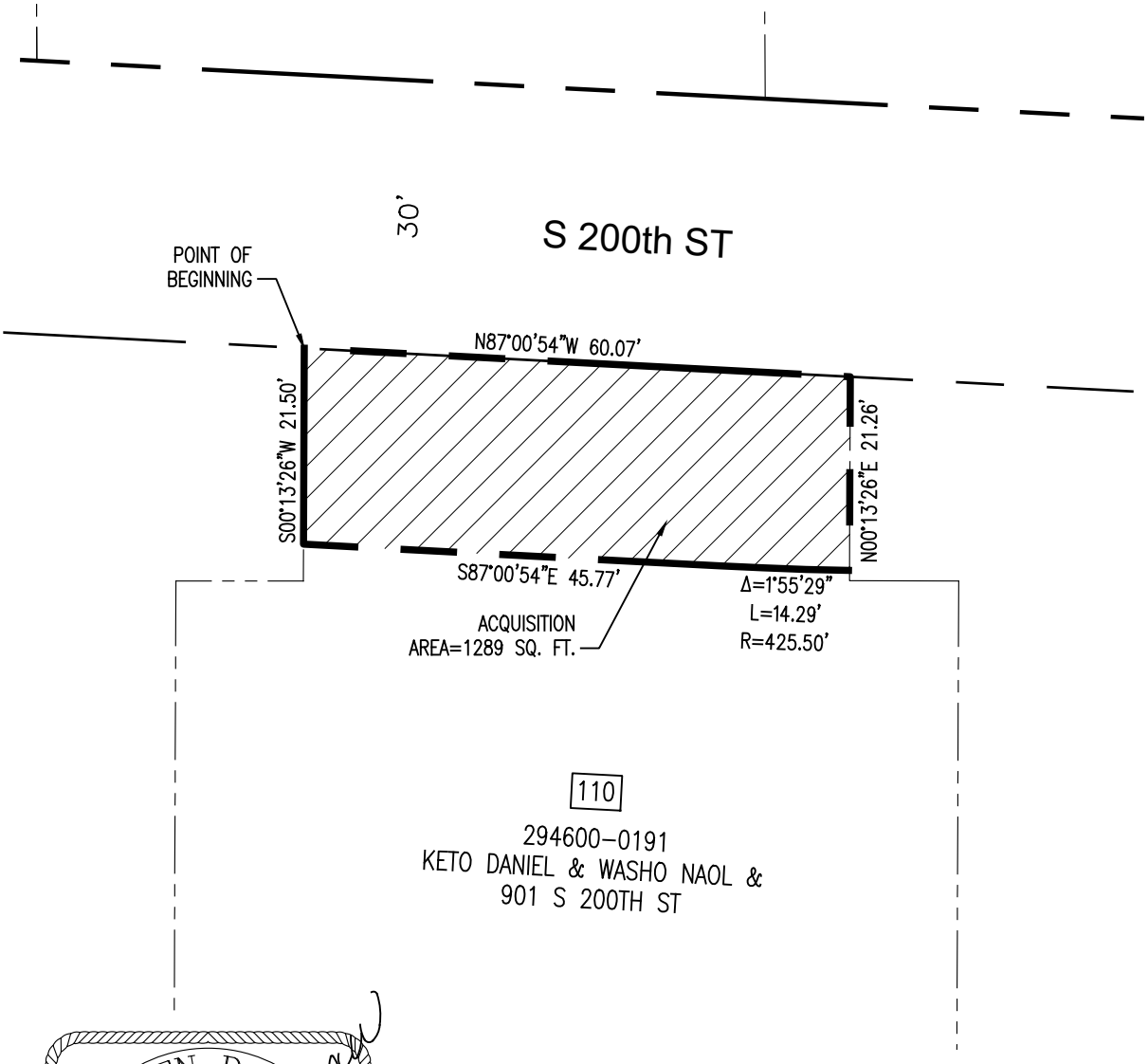
SITUATE IN KING COUNTY, STATE OF WASHINGTON

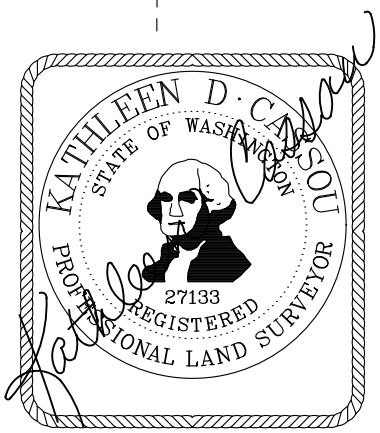
6/27/2024

EXHIBIT B

RIGHT OF WAY ACQUISITION AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0191







6/27/2024

LEGEND

110	IMPACTED PARCEL NUMBER
	RIGHT OF WAY ACQUISITION LIMIT
	RIGHT OF WAY ACQUISITION

HORIZONTAL DATUM

NAD83/11 NORTH ZONE

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

EXHIBIT A

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SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0191

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THENCE SOUTH 87°00’54” EAST 45.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 425.50 FEET AND A CENTRAL ANGLE OF 1°55'29" FOR AN ARC LENGTH OF 14.29 FEET TO THE EAST LINE OF SAID PARCEL;

THENCE ALONG SAID EAST LINE SOUTH 0°13’26” WEST 1.12 FEET;

THENCE SOUTH 89°49’40” EAST 12.00 FEET;

THENCE SOUTH 0°13’26” WEST 19.56 FEET;

THENCE SOUTH 89°50’38” WEST 38.23 FEET;

THENCE NORTH 0°09’22” WEST 2.81 FEET;

THENCE NORTH 89°06’18” WEST 47.76 FEETTO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID WEST LINE NORTH 0°13’26” EAST 16.11 FEET;

THENCE SOUTH 89°58’55” EAST 14.00 FEET;

THENCE NORTH 0°13’26” EAST 4.04 FEET TO THE TRUE POINT OF BEGINNING.

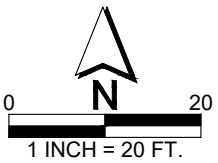
SAID PORTION CONTAINING 1687 SQUARE FEET, MORE OR LESS.

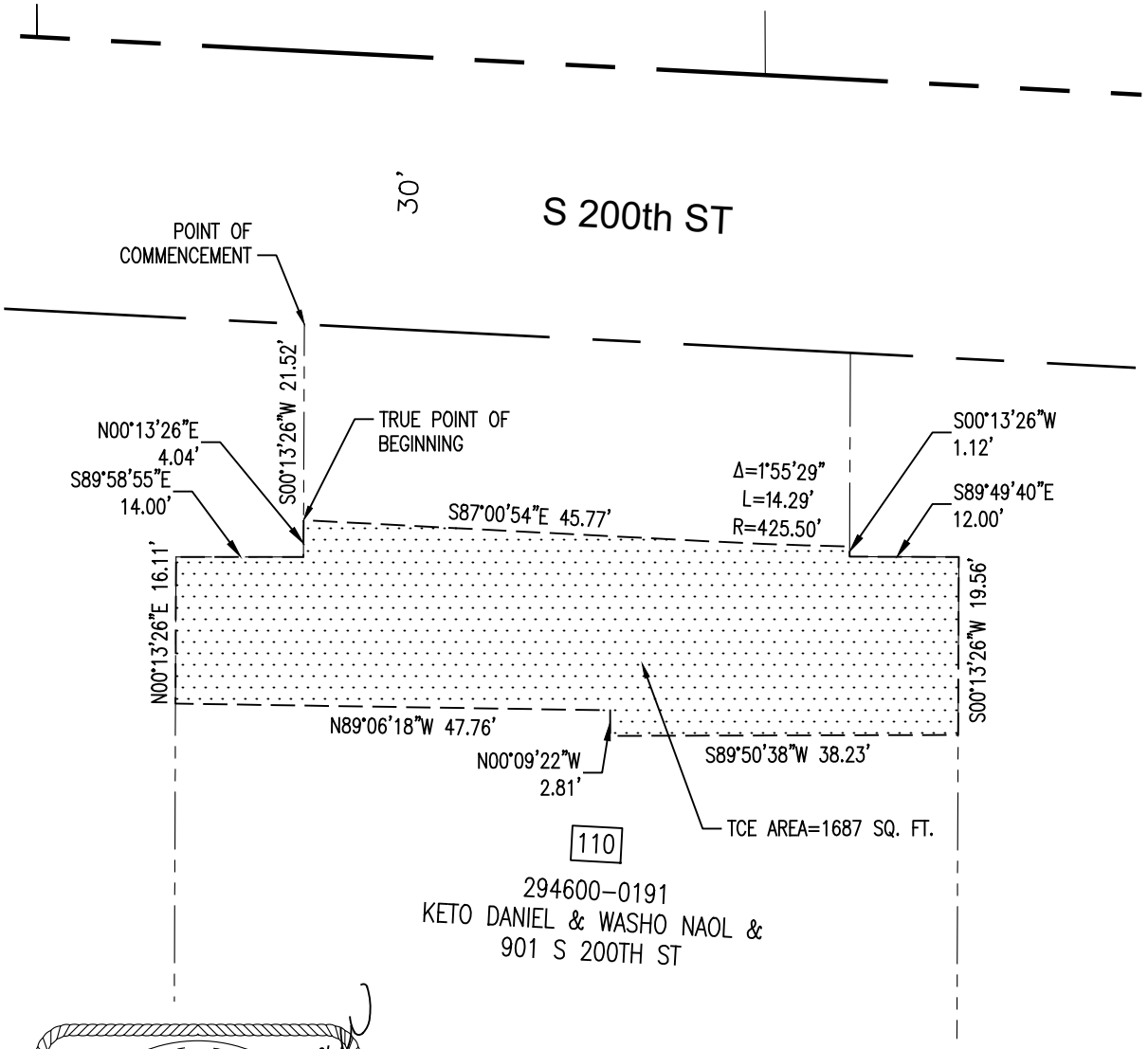
SITUATE IN KING COUNTY, STATE OF WASHINGTON

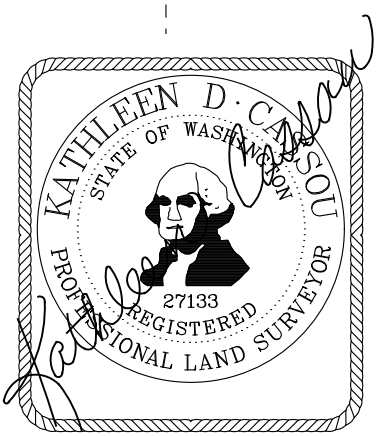
6/27/2024

EXHIBIT B

TEMPORARY CONSTRUCTION EASEMENT AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0191







6/27/2024

LEGEND

110	IMPACTED PARCEL NUMBER
— — — —	TEMPORARY CONSTRUCTION LIMIT
	TEMPORARY CONSTRUCTION EASEMENT (TCE)

HORIZONTAL DATUM

NAD83/11 NORTH ZONE

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

TVG THE VALUATION GROUP

Parametrix/City of Des Moines - North Hill Elementary Walkway Improvements Project

Orizotti Property Appraisal

David E. Balfour, MAI & Sam A. Karpeles, MAI
The Valuation Group
24925 SW Garden Acres Road, Sherwood, OR 97140
TVG File 24092-108

Epic Land Solutions
Attn: Jessica Niella, Senior Project Manager
10300 SE Greenburg Road, Suite 370
Tigard, OR 97223

January 3, 2025

Dear Ms. Niella, Senior Project Manager:
In accordance with your request, our firm has completed an appraisal of the following property:

Situs	801 S 200th St, Des Moines, WA 98198
Agency Project No.	25
Agency File No.	108

The appraisal assignment **scope of work** is summarized in Section 1 of the appraisal report.

A summary of the taking/proposed acquisition(s), as well as a summary of my investigation and analysis of relevant information relative to the proposed partial acquisition(s) is stated in the tabulation on the following page.

The opportunity to be of service is sincerely appreciated. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

David E. Balfour, MAI
President, The Valuation Group
Washington Certified Appraiser 1102402
Expiration Date: October 17, 2025
Email Address: Dave@thevalue-group.com

Sam A. Karpeles, MAI
The Valuation Group
Washington Certified Appraiser 20107006
Expiration Date: February 16, 2026
Email Address: Sam@thevalue-group.com

Before Situation Fair Market Value:	$175,000	**excluding site improvements*
After Situation Fair Market Value:	$132,554	
Difference in Value	**($42,446)**	
Adjustment for Temporary Ease.:	($3,885)	
Adjustment for Site Improvements:	($5,976)	
Total Compensation:	($52,307)	
Rounded	**$52,400**	

Allocation Sheet

Land Acquisitions:

Parcel	Acquisition	Area (SF)	Compensation
1	ROW Dedication	2,438	$42,446
2	TCE	1,218	$3,885
Total:			**$46,331**

Site Improvements in Take	$5,976
Value of Take (Land & Improvements)	**$52,307**
Damages to Remainder:	
Incurable:	----
Curable:	$0
Total Damages:	**$0**
Special Benefits:	----
Net Damages:	**$0**
Fair Market Value:	$52,307
Rounded:	**$52,400**

1. Preliminary Data

Property Owner Contact: In accordance with law, a notice of appraisal letter was sent to subject ownership. The following dates and response notes should be noted:

Date of Mailing:	August 23, 2024
Owner Response:	Co-Inspection Requested
Parties:	Kate Orizotti
Phone:	[redacted]
Email:	[redacted]
Co-inspection Date:	9/20/2024; Kate Orizotti and Sam A. Karpeles, MAI

Larger Parcel Determination

Relative to eminent domain appraisal assignments, a determination of larger parcel must be made. The sources of larger parcel definition and elements have been summarized below.

Larger Parcel is defined in the *Uniform Appraisal Standards for Federal Land Acquisitions* (UASFLA 2016), as follows (Section 4.3.3):

> "The tract or tracts of land that possess a unity of ownership and have the same, or an integrated, highest and best use."

As part of the scope of work, the appraisers must determine the subject property impacted by the proposed acquisition(s) in order to establish the fair market value (just compensation) of the taking. In condemnation, the larger parcel is the property that has unity of ownership, and unity of use. These are the conditions that establish the larger parcel for consideration of severance damages.

The larger parcel consists of one parcel (legally described herein) as no surrounding parcels exhibit unity of ownership.

Legal Description

The subject is legally described as follows:

Subdivision	Grove Addition to the Town of Des Moines, Block 8
Lot	North 16 feet of Lot 6 and all of Lot 7-9 & Por Vac Alley
Parcel Number	294600-0285

Client/Intended User

This appraisal report has been prepared for the exclusive use and benefit of:

Client	Epic Land Solutions
Intended User	Epic Land Solutions / Parametrix for the City of Des Moines

All other parties do not have a client relationship with the appraisers and may not rely upon the assignment results. This report is incomplete and cannot be relied upon without the Letter of Transmittal.

All persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept all attached restrictions, certifications, assumptions, and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report; they are a preface to any certification, definition, fact or analysis and are intended to establish as a matter of record that the function of this appraisal is to provide an estimate of present market value for the subject property based upon the appraisers' observations. This appraisal report is an economic study to estimate market value as defined herein. An appraisal is not an engineering report, survey, or environmental assessment; expertise in these areas, among others, is not implied.

Dates of Significance

Inspection Date	September 20, 2024
Effective Date	September 20, 2024
Date of Report	January 3, 2025

Property Rights Appraised

Unless stated otherwise in the report, the property rights appraised constitute the fee simple interest, which is defined as follows:

> *"A title that signifies ownership of all the rights in a parcel of real property, subject only to the limitations of the four powers of government."*

Scope of Assignment/Appraisal Problem

The scope of services to be provided has been defined in an appraisal engagement summary contract and is discussed below:

The report is compliant with both USPAP and Washington State Department of Transportation (WSDOT) Standards as set forth in the WSDOT R/W Manual Chapter 4, the WSDOT Appraisal Report Guide, and Federal Regulations as defined in 49 CFR part 24. The **purpose of this appraisal assignment** is to (1) develop and support a "before situation" fair market value estimate for the subject property disregarding any project influence. Concurrently, an "after situation" fair market value estimate (2) is to be developed and supported for the remainder property. The before and after value opinions are then to be compared in order to develop and support the value diminishment attributable to the project acquisitions. Additionally, the appraisers are to (3) allocate damages or special benefits, if any, to the remaining real property and property rights.

- It should be noted that the appraisers confirmed with the client that considering that in the subject circumstance, the site improvements on the subject property are not impacted/damaged by the proposed acquisitions, the appraisers have utilized a **before and after strip-taking report format**.

The **intended use** of this appraisal is to provide a supportable fair market value opinion to the client.

In the event of conflict or dispute in determining correct appraisal procedures that are not addressed in the standards noted above, the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) will be the determining authority.

Under 49 CFR, WSDOT is required to take an active role in developing the scope of work. However, it is the ultimate responsibility of the appraisers to develop a complete Scope of Work and produce a credible appraisal report. The appraiser's SCOPE of WORK is included in Section 5 of the report. The report must adhere to the WSDOT and Federal Standards as described above and the specific task assignment for this parcel. The task assignment for this report must be included in the report or addendum.

Public Law 91-646 (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970) and Washington State RCW 8.26.180 both require that the owner or owner's representative be given an opportunity to accompany the appraisers during the inspection of the property. "If the appraisers are advised that the property owner is represented by legal counsel, all owner contact and property inspections must be arranged through the owner's attorney, unless the attorney specifically authorizes the appraisers to make direct contact with the owner". As discussed in the letter of transmittal, this requirement has been met by the appraisers.

The ***scope of inspection*** consisted of an exterior viewing of the subject together with a review of aerial exhibits available through public and proprietary resources. All of the comparables cited herein were viewed from the adjoining right(s)-of-way.

Relative to the appraisal problem and vacant land valuation, the relevant ***scope of analysis*** is the Sales Comparison Approach. Inasmuch as the subject land type is not commonly purchased for ground-lease income producing purposes, the Income Approach is not relevant or meaningful to this assignment. Furthermore, there is an inadequate amount of rental rate and capitalization rate data from which to support a reliable and relevant Income Approach methodology. Similarly, land cannot be created, thus the Cost Approach is relevant only to the extent of estimating the contributory value of the site improvements (if any).

The ***scope of resource*** utilized to develop the market data used to support the compensation estimate expressed herein included the local Multiple Listing Service, CoStar, First American Title, DataTree, county assessment records and market participant relationships.

Hypothetical Conditions

Hypothetical conditions assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property, or about conditions external to the property, such as market conditions or trends. It should be noted that the use of hypothetical conditions

may affect assignment results. The appraisal report is based upon the following hypothetical conditions:

- State and Federal standards require the appraisers to disregard any decrease or increase in the fair market value of the subject caused by the project.
- The after-situation analysis of the remainder concluded herein has been predicated upon the hypothetical condition that the project has been completed as proposed on the project construction plan set provided to the appraisers which has been included herein.

Extraordinary Assumptions

Extraordinary assumptions are those which must be introduced into the assignment for purposes of reasonable analysis and are assumed to be correct. If any are subsequently found to be incorrect or unsupportable, the compensation estimate concluded herein may require revision.

- The market value estimate concluded herein has **not** been based upon any extraordinary assumptions.

Assignment Conditions

The appraisal assignment results are based upon the following:

1. The property description supplied to the appraiser(s) is assumed to be correct.

2. No survey of the property has been made or reviewed by the appraiser(s), and no responsibility is assumed in connection with such matters. Illustrative material, including maps and plot plans, utilized in this report are included only to assist the reader in visualizing the property. Property dimensions and sizes are considered to be approximate.

3. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated.

4. Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraiser(s);

5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is assumed to under responsible, financially sound ownership and competent management.

6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render the property more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies which may be required to discover them.

7. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s). However, the

appraiser(s) is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value conclusions in this report are predicated on the assumption that there are no such materials on or in the property that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and value conclusions in this report are null and void should any hazardous material be discovered.

8. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser(s) reserves the right to alter, amend, revise, or rescind any opinions of value based upon any subsequent environmental impact studies, research, or investigation.

9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report.

10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined and considered in this report.

11. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based.

12. The appraiser(s) will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made.

13. Possession of this report, or a copy thereof, does not carry with it the right to publication. It may not be used for any purpose by any person other than the client without the written consent of the appraiser(s), and in any event, only with properly written qualification and only in its entirety.

14. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media without written consent and approval of the appraiser(s). Nor shall the appraiser(s), client, firm, or professional organization of which the appraiser(s) is a member be identified without the written consent of the appraiser(s).

15. The liability of the appraiser(s), employees, and subcontractors is limited to the client only. There is no accountability, obligation. or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The

appraiser(s) is in no way responsible for any costs incurred to discover or correct any deficiencies of the property.

16. It is assumed that the public project which is the object of this report will be constructed in the manner proposed on the most recent right of way plan prior to the appraisal date and in the foreseeable future.

17. Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions

Relevant Definitions

The following definitions cited in the *Dictionary of Real Estate Appraisal* published by the Appraisal Institute (2022) and the *Washington Department of Transportation Right-of-Way Manual* are relevant to this assignment and report:

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis.

Fee Simple Title

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

The definition of ***fair market value*** is defined in the *Washington Department of Transportation Right-of-Way Manual* as follows:

> *"Fair Market Value" is the amount in cash which a well-informed buyer, willing but not obliged to buy the property, would pay, and which a well-informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted and might in reason be applied (Washington Pattern Instruction 150.08).*

Exposure Time Estimate

Reasonable exposure time is defined in the latest edition of USPAP as the "estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." It is a retrospective opinion based upon analysis of past events assuming a

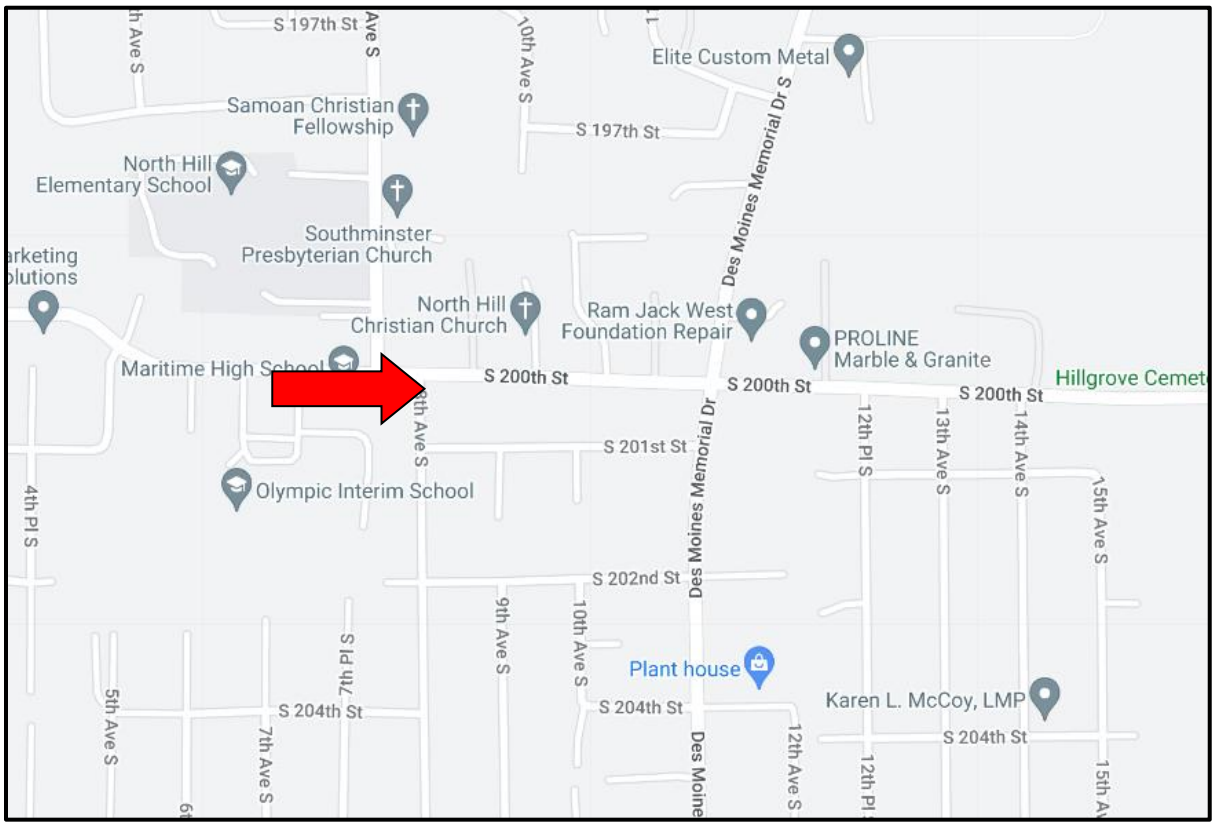
competitive and open market. It is important to note that the concept of reasonable exposure time encompasses adequate, sufficient and reasonable time, as well as effort. It is therefore a function of price, time, and use, and not an isolated estimate of time alone. The term applies to circumstances wherein a property may be overpriced or under-marketed and is different for various types of real estate and under various market conditions. Reasonable exposure time is inextricably linked to the type of real estate and its value range.

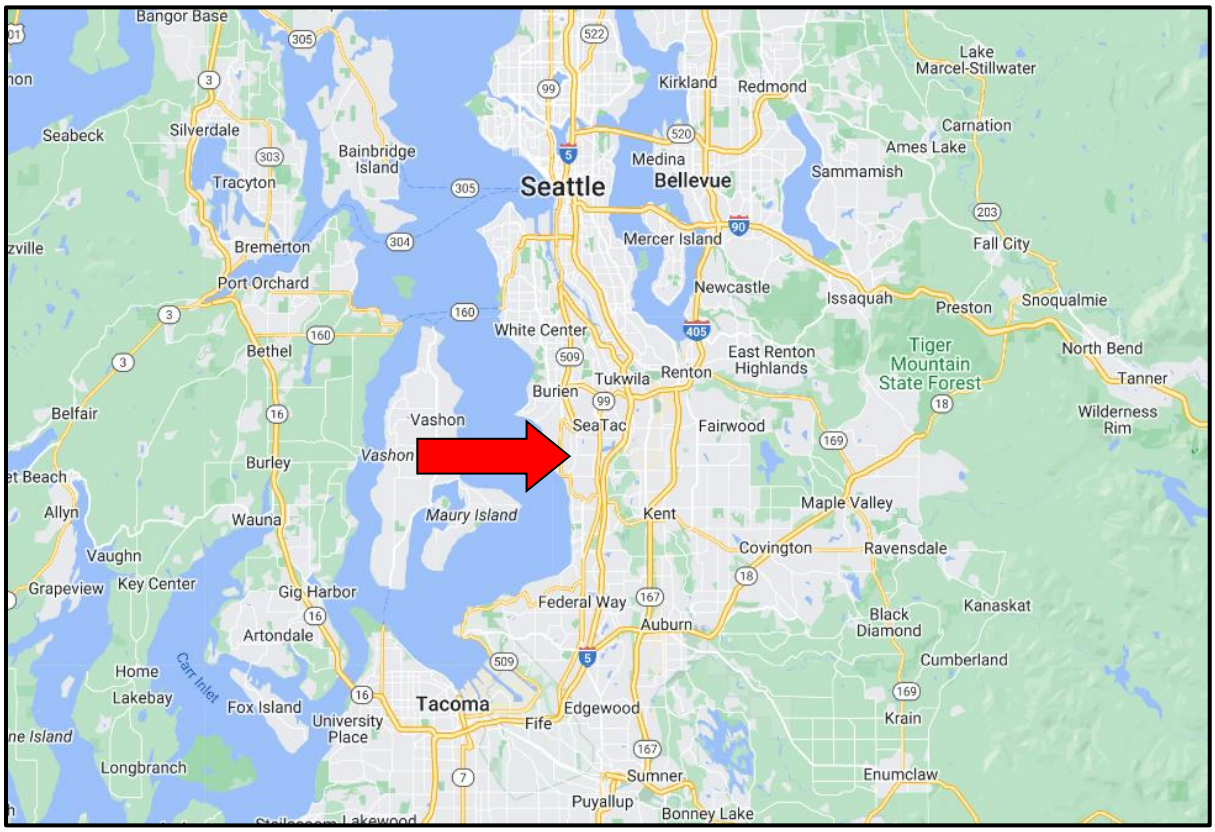
A review of the subject property type and relevant market data exhibited marketing periods of up to 3 months in some circumstances. The typical and average marketing period was roughly 1 month. Given all considerations, a marketing period of roughly 1 month appears reasonable and supportable for the subject.

Marketing Time Estimate

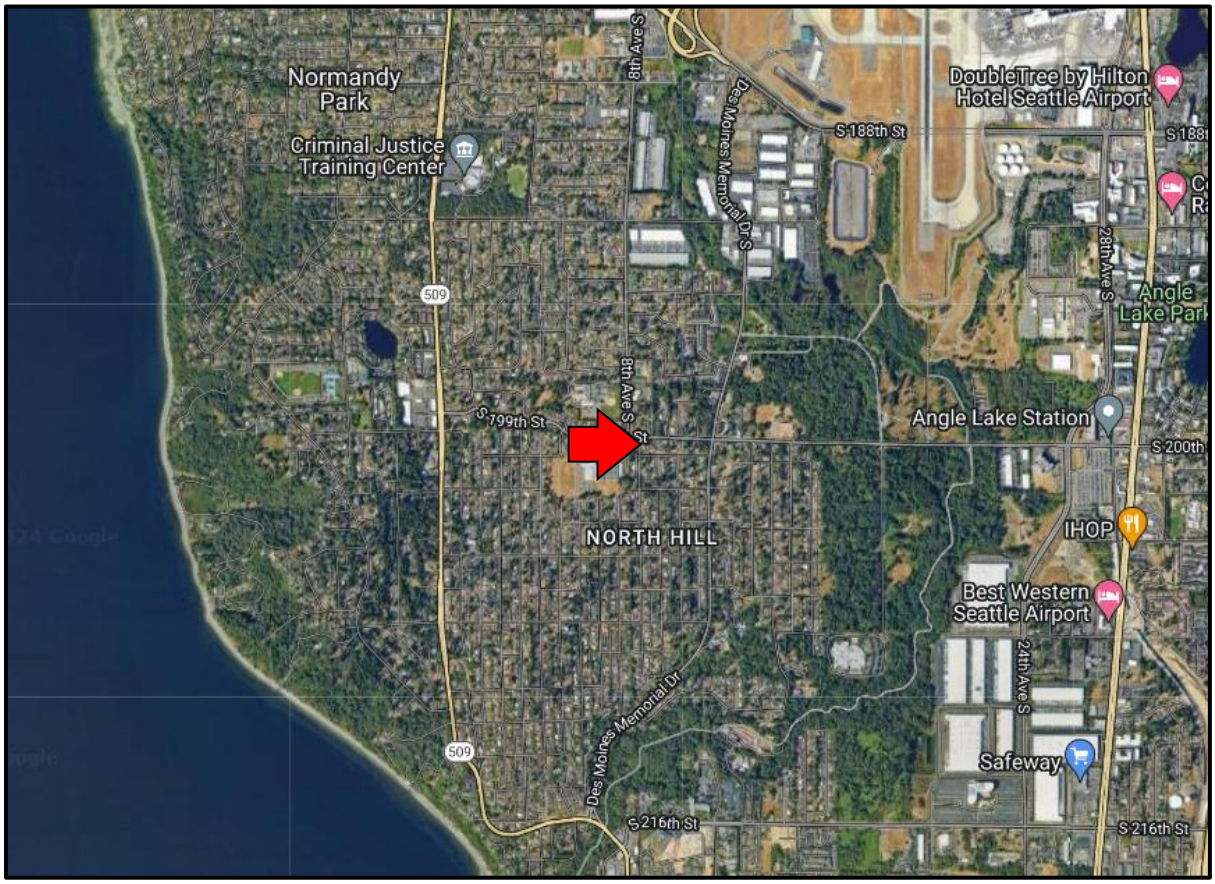
Marketing time is an opinion of the length of time necessary to sell real property at market value immediately after the effective valuation date of the appraisal. It is not intended to be a prediction of a date of sale but is an integral part of the appraisal assignment. Inasmuch as a relatively stable market environment is forecasted for the near term, it is the opinion of the appraisers that a 1-month marketing time estimate is reasonable for the subject site as-if vacant.

2. Subject Exhibits and Photographs





Location Maps



Aerial Photographs

SUBJECT PHOTOGRAPHS

1. East view of acquisition areas

2. East view of acquisition areas

SUBJECT PHOTOGRAPHS

3. East view of acquisition areas

4. South view of acquisition areas

SUBJECT PHOTOGRAPHS

5. Southeast view of acquisition areas

6. South view of acquisition areas

SUBJECT PHOTOGRAPHS

7. Southeast view of acquisition areas

8. East view of acquisition areas

SUBJECT PHOTOGRAPHS

9. East view of acquisition areas

10. Southeast view of acquisition areas

SUBJECT PHOTOGRAPHS

11. East view of acquisition areas

12. Southwest view of acquisition areas

SUBJECT PHOTOGRAPHS

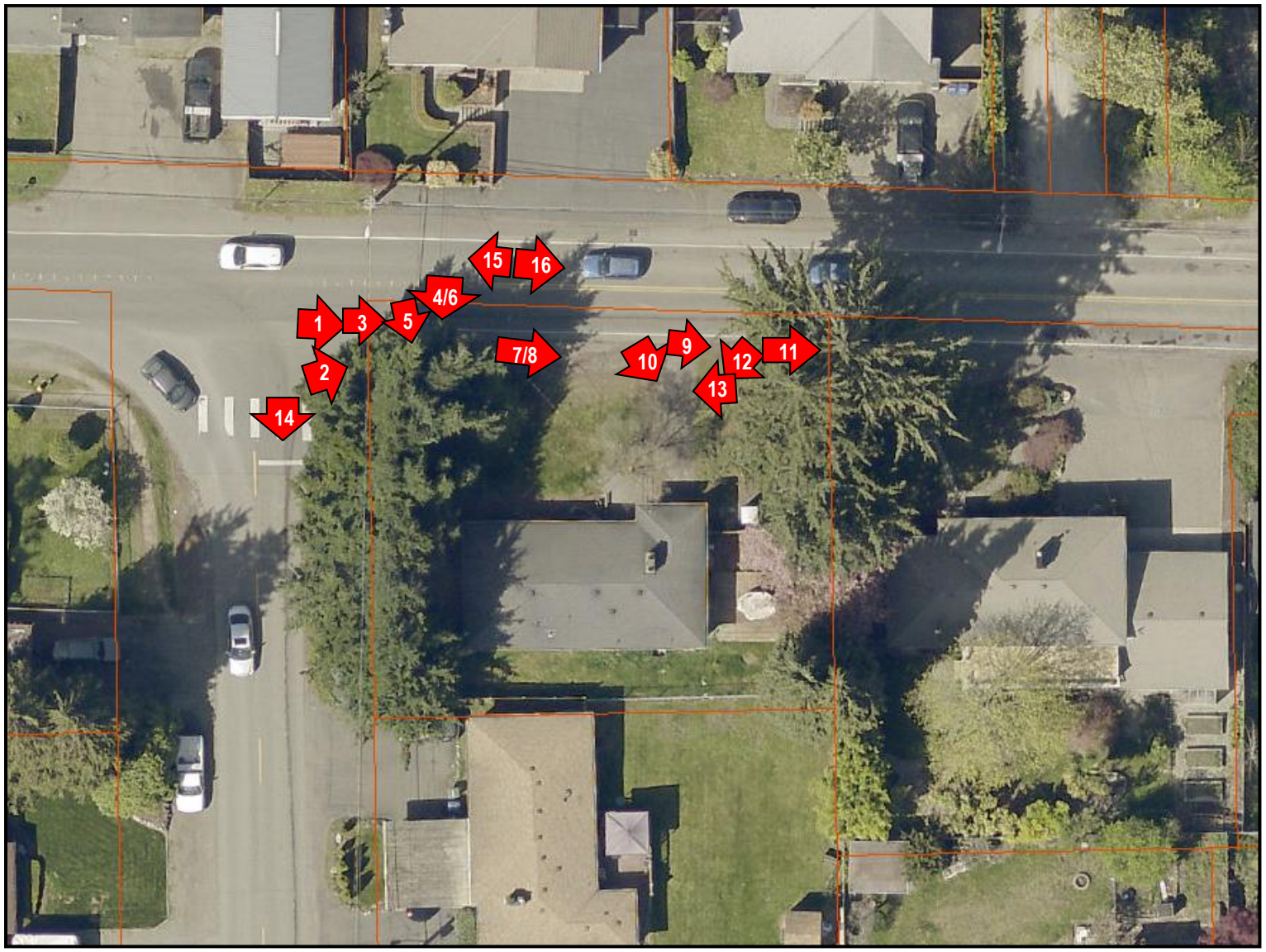
13. West view of acquisition areas

14. South street scene along 8th Ave (subject left)

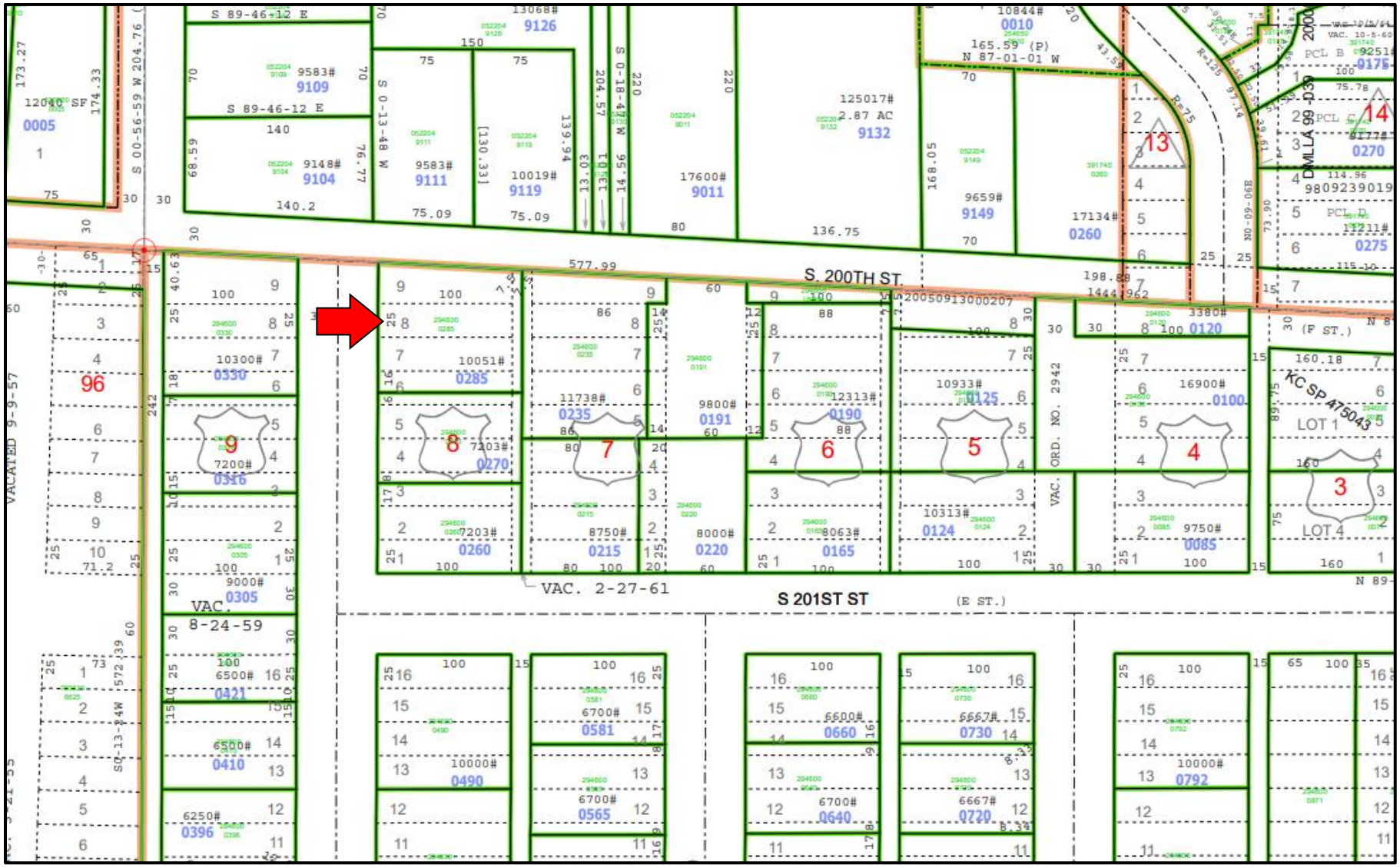
SUBJECT PHOTOGRAPHS

15. West street scene along 200th Street (subject left)

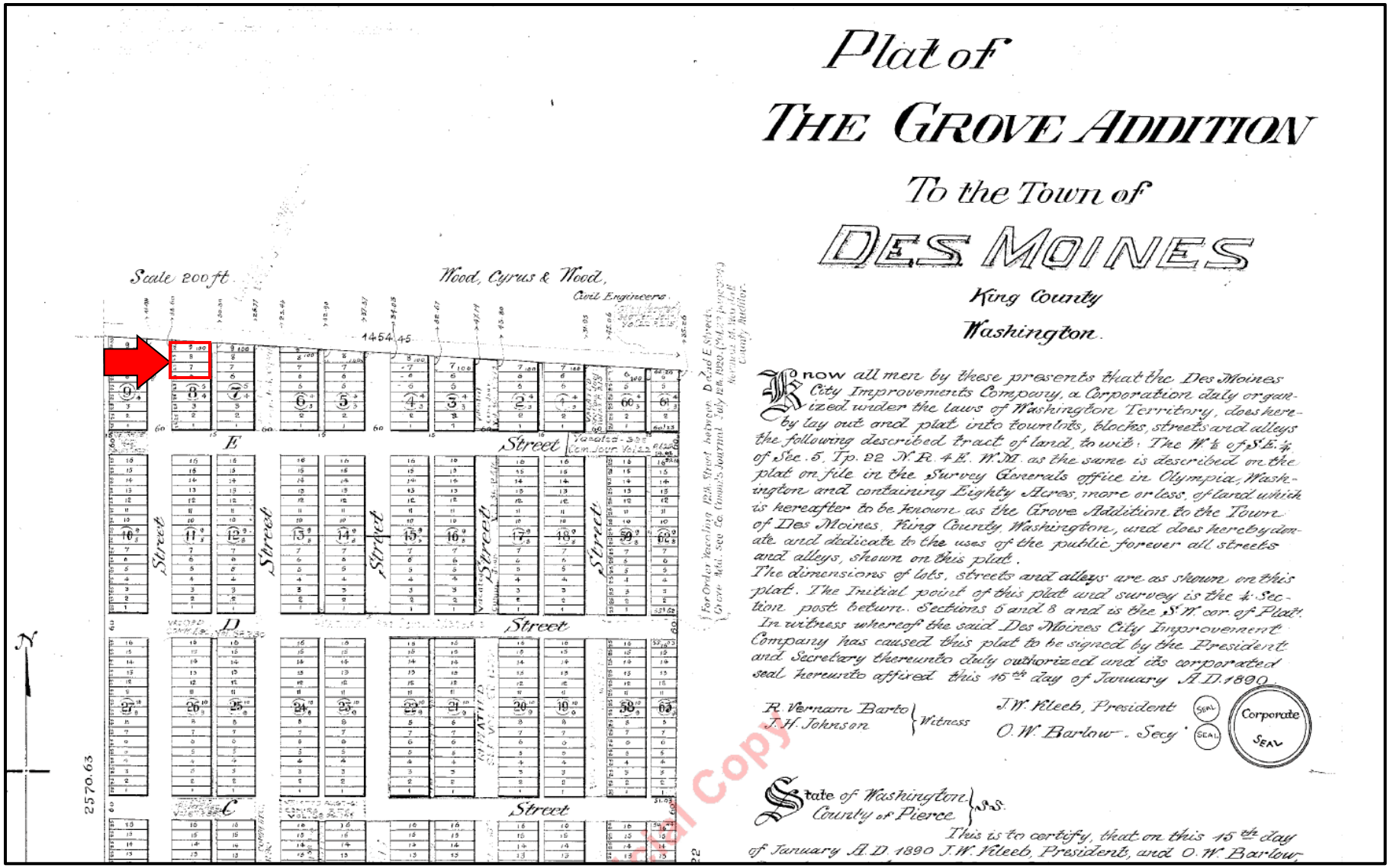
16. East street scene along 200th Street (subject right)



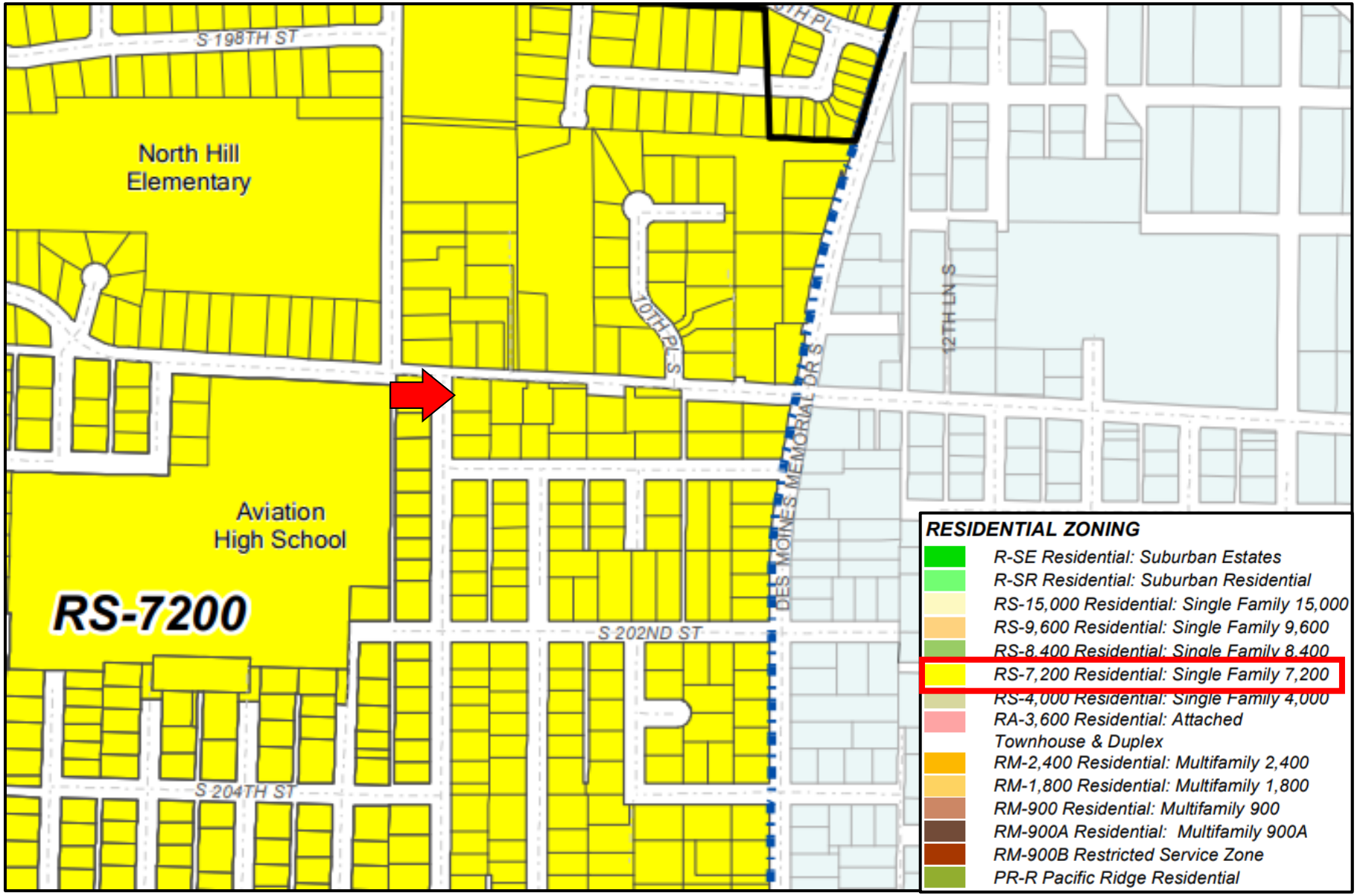
Subject Photograph Location Exhibit



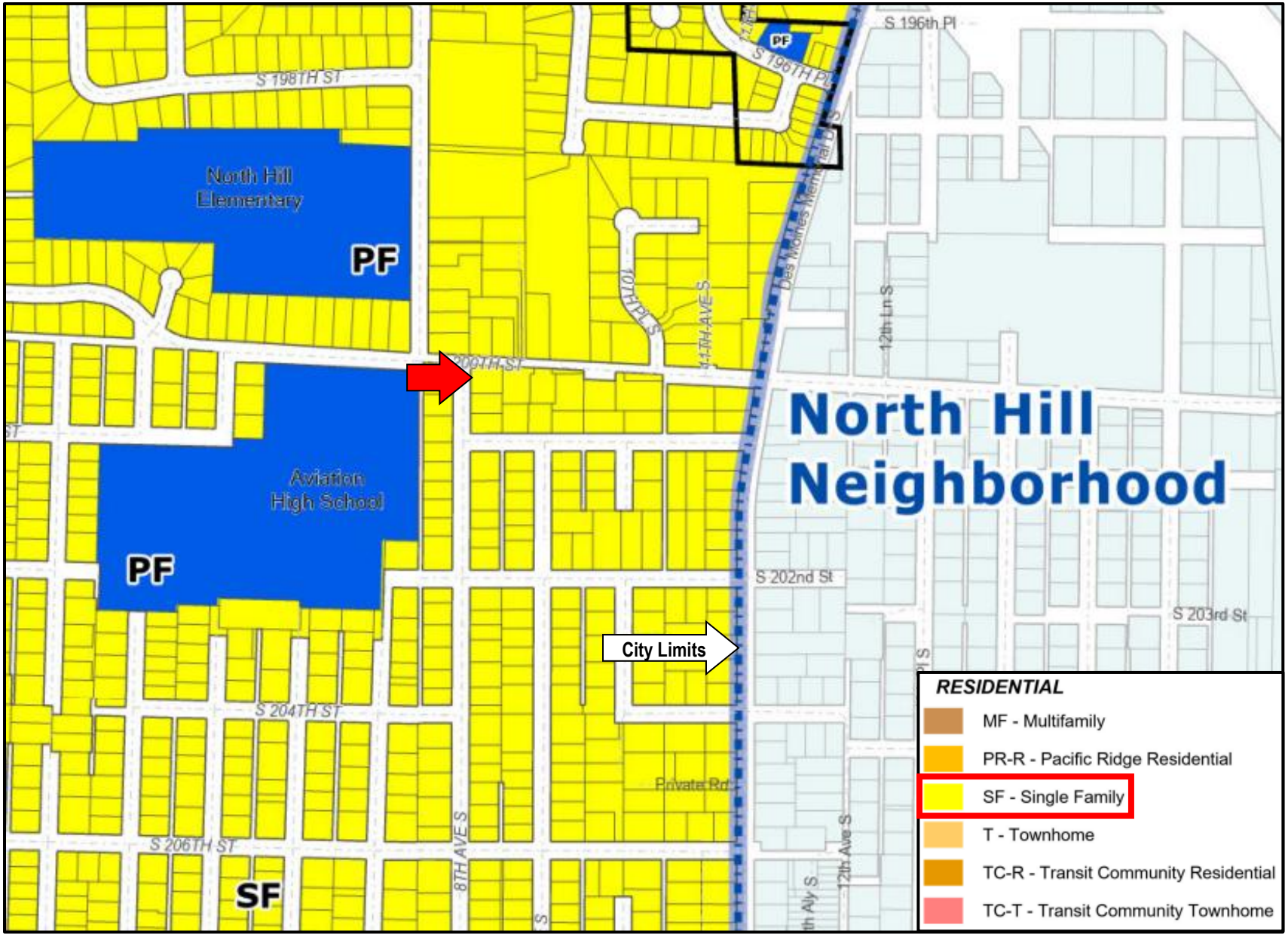
Assessor Map



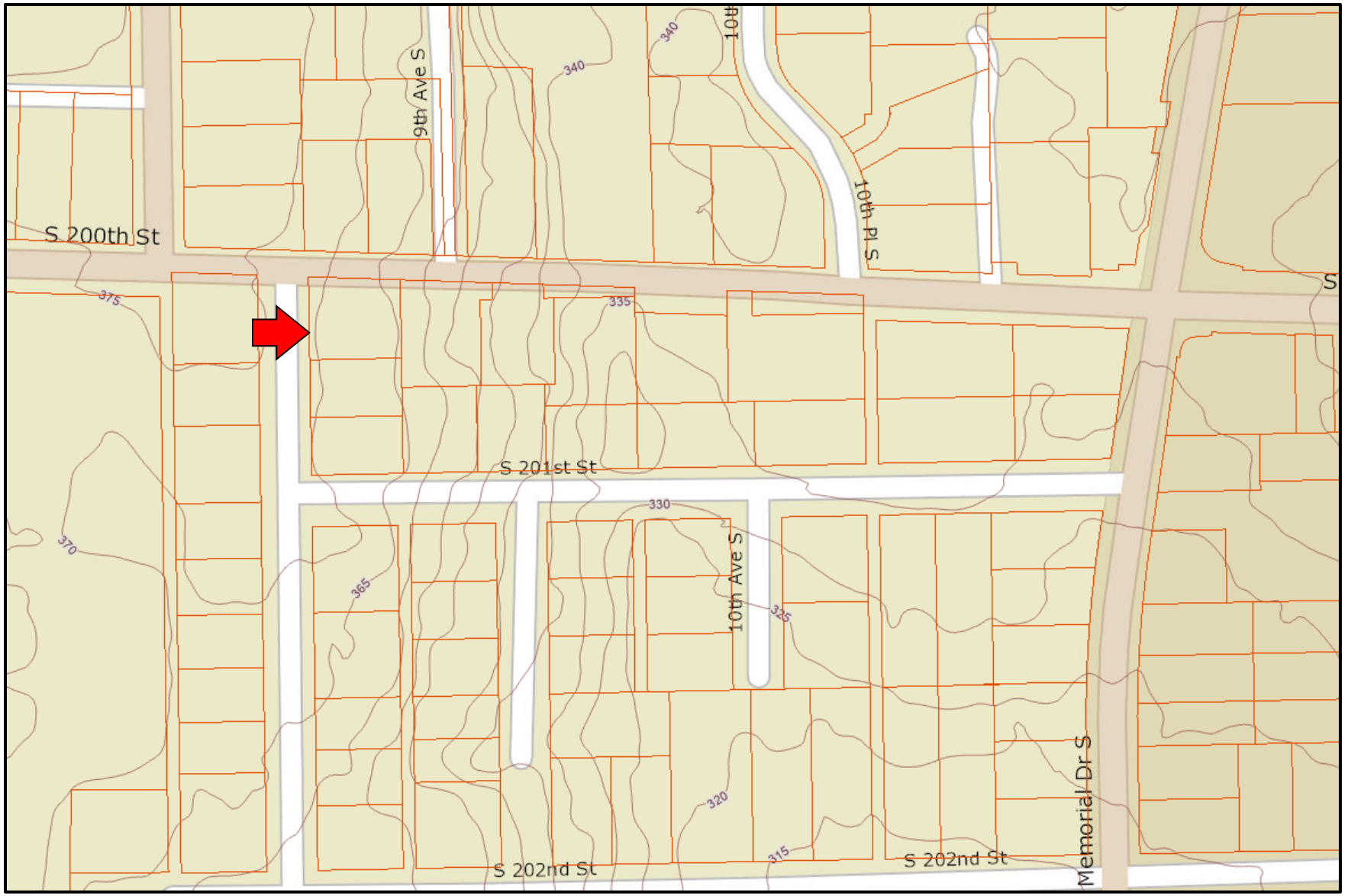
The Grove Addition to the Town of Des Moines Plat Map



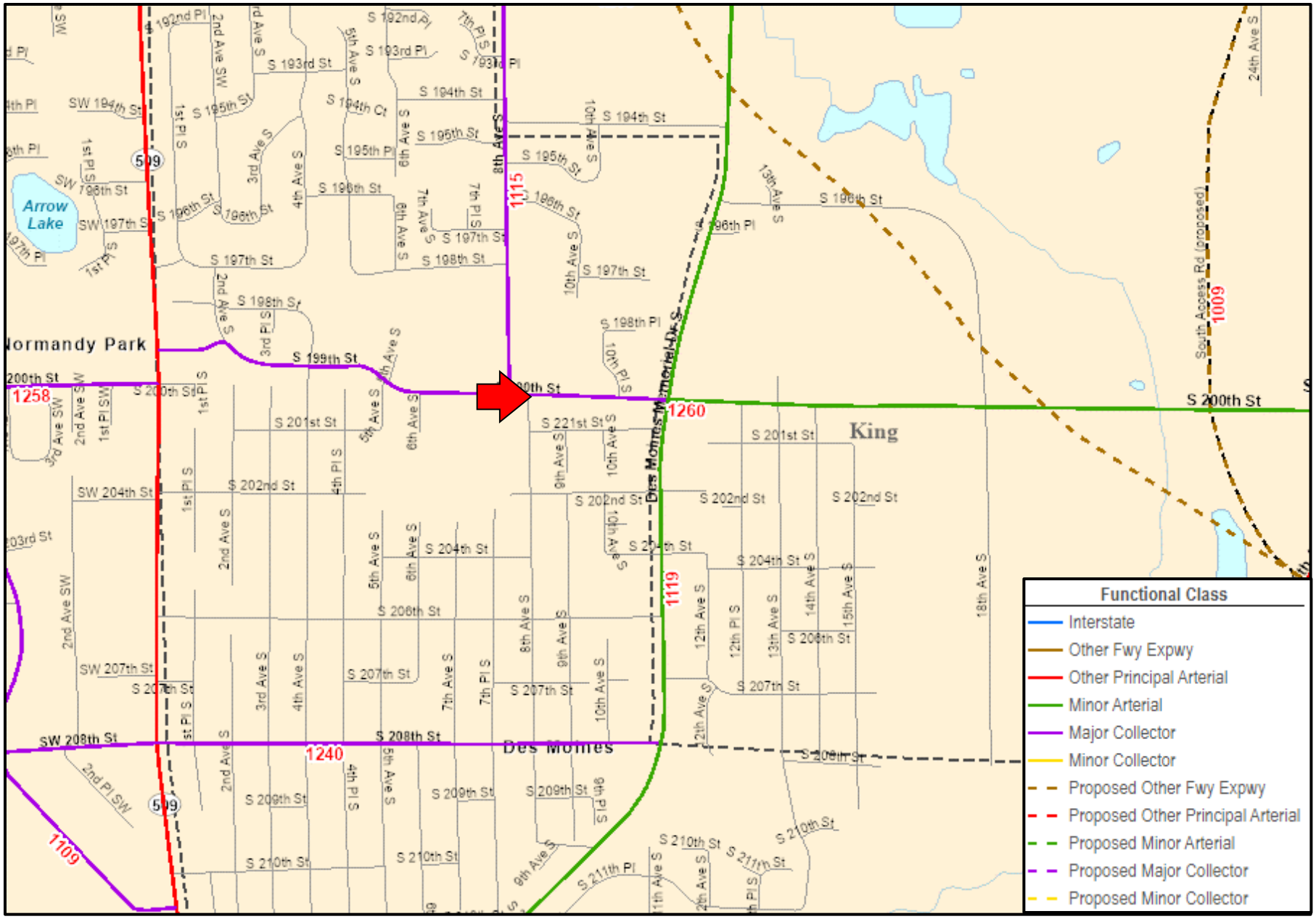
City of Des Moines Zoning Map



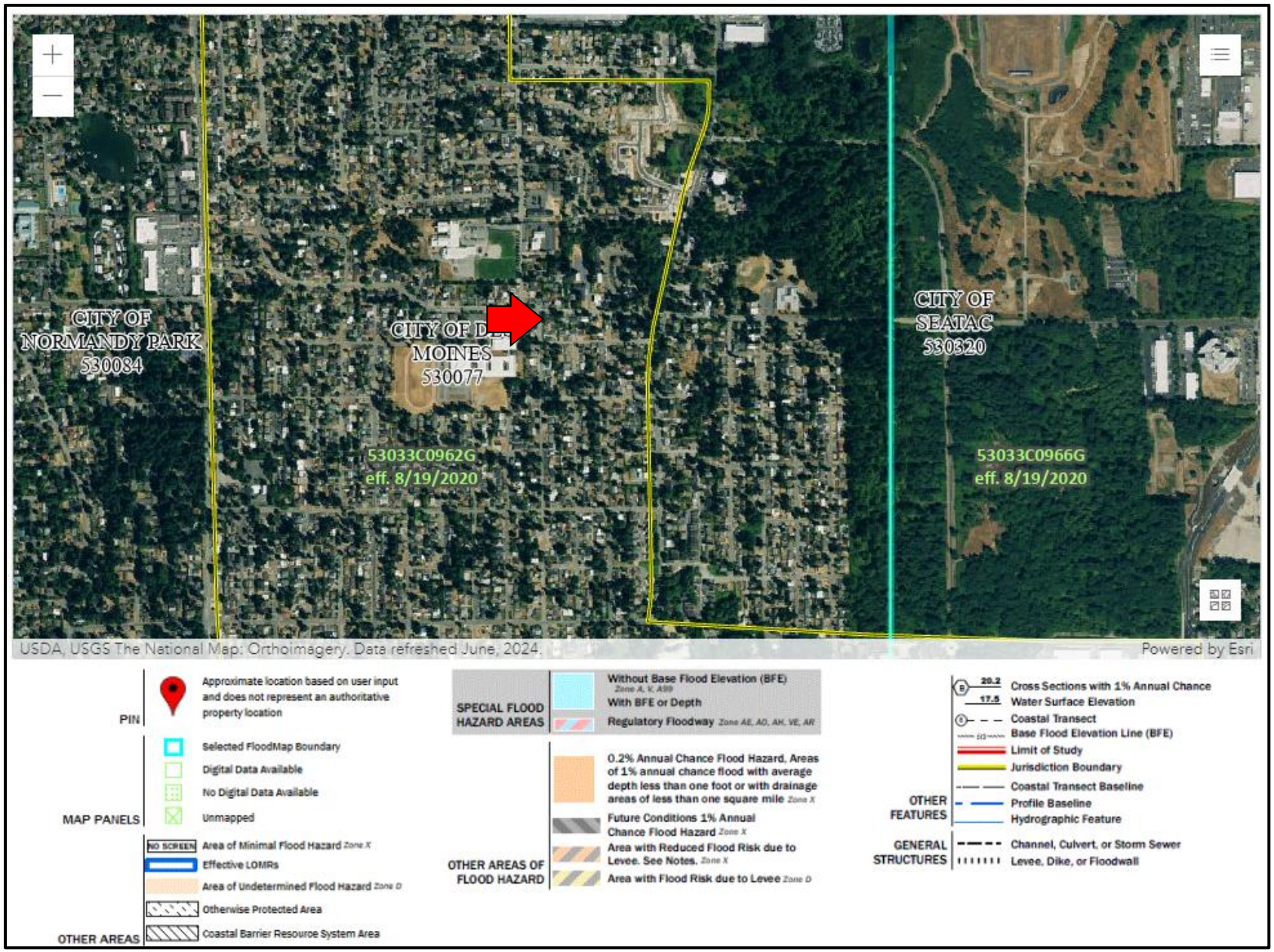
City of Des Moines Comprehensive Plan Map



King County Topography Map



WSDOT Functional Classification Map



FEMA Flood Hazard Map

3. Subject Property Description

Property Ownership

Subject Vested Owner:	Katherine D. Orizotti and Mahlon T. Evans, a married couple
Ownership Confirmation Source:	WFG National Title Insurance Company
Commitment for Title Insurance No.:	3153353-6078342
Effective Date:	June 26, 2024

Marketing History

The following tabulation provides a summary of sale transactions of the subject property preceding the valuation date (if any):

5-Year Delineation of Title:	Yes, non-arm's length
Most Recent Sale Date:	June 25, 2021
Sale Document No.:	2021-0629002001
Price (Consideration):	$475,000
Grantor:	Banks Eric Evans III, a single person
Grantee:	Katherine D. Orizotti and Mahlon T. Evans, a married couple

5-Year Sale History: Subject ownership purchased the subject property in June 2021 for $475,000. It appears that the property was not publicly marketed. Additionally, the sale price included the subject land component and existing improvements. Thus, the sale cannot be related to the vacant land value determination herein.

Easements and Encumbrances

The appraisers were provided with a Commitment for Title Insurance that identified multiple easements and encumbrances impacting the subject property. These easements and encumbrances can be viewed in the CTI exhibit that is included in the appraisal report addenda.

None of the easements/encumbrances are detrimental to the subject market position and do not prevent competitive or functional use of the subject property. This is evident by the current use and development of the subject property. Given the scope of the appraisal assignment, the appraisers have reviewed the title report in an attempt to identify existing easements/encumbrances that the proposed acquisition area(s) would specifically overlap or that would influence the fair market value of the larger parcel. A review of the recorded exception documents, metes and bounds descriptions, and legal maps **did not** clearly depict that the proposed acquisition area(s) will overlap with any existing easements/encumbrances.

A current survey to identify all title report exceptions is strongly recommended to the client.

It should be noted that the northerly +/-8 feet of the subject is utilized for the 200th Street right-of-way and is improved with an asphalt roadway. However, an easement for this use was not identified in the CTI. The location of the existing roadway improvements and supporting property rights impacting the subject should be investigated by the client.

Present Use of the Subject

The subject represents a single-family residence.

Occupancy Profile

Based upon information available to the appraisers, the subject property is owner-occupied. No income or lease information was provided to the appraisers.

Courthouse/Assessor Data

The following exhibit provides a summary of the subject assessor data:

TAX ROLL HISTORY

Account	Valued Year	Tax Year	Omit Year	Levy Code	Appraised Land Value ($)	Appraised Imps Value ($)	Appraised Total Value ($)	New Dollars ($)	Taxable Land Value ($)	Taxable Imps Value ($)	Taxable Total Value ($)	Tax Value Reason
294600028509	2024	2025		1126	168,000	341,000	509,000	0	168,000	341,000	509,000	
294600028509	2023	2024		1126	152,000	305,000	457,000	0	152,000	305,000	457,000	
294600028509	2022	2023		1126	146,000	350,000	496,000	0	146,000	350,000	496,000	
294600028509	2021	2022		1126	120,000	281,000	401,000	0	120,000	281,000	401,000	
294600028509	2020	2021		1126	105,000	246,000	351,000	0	105,000	246,000	351,000	

Improvements Description

The following tabulation provides a summary of the subject improvements based upon information available to the appraisers:

Source(s):	Assessor Records
Structure(s):	Single-family residence (3 bed x 1.5 bath)
Year Built	1957
Improved Area	1,430 SF
Site Improvements	Concrete, fencing, landscaping, natural vegetation

It should be noted that the appraisers did not inspect the interior of the improvements. Based upon an exterior viewing of the improvements, and observed condition, it appears that the highest and best use as improved is that of retaining the existing improvements.

Site Description

The following tabulation provides a summary of the subject site based upon information available to the appraisers:

Site Area	0.23 Acres (10,051 SF)
Maximum Width	+/- 100 feet
Maximum Depth	+/- 91 feet
Topography	Gently sloping
Elevation	+/-365' to +/- 370' ASL
Sensitive Lands	None
FEMA Flood Zone	"X" – Minimal Flood Risk
Average Daily Traffic Count	Not Available

Key Site Characteristics include:

- As a vacant land tract, the subject represents a residential homesite. The subject site dimensions and characteristics are competitive and can support various residential layouts and uses.
- While the subject has a reported site area of 10,051 square feet, the north +/-8 feet of the site is currently improved as part of the 200th Street right-of-way and thus the subject has a usable depth of 85 and a resulting usable site area of +/-9,250 square feet.
- Additionally, the subject has side-sloping topography. On a vacant basis, this results in the need for additional grading, foundation, and/or retaining wall costs.
- The subject is located along 200th Street, which, at the subject location, is considered a major collector and commuting route. SR509 is located 0.5-mile west, SR99 is located 1 mile east, and Interstate 5 is located 1.75 miles east. Downtown Des Moines and Des Moines Beach are located 2.25 miles south.
- The site is a legal lot of record that can support a residence on an outright basis. The subject zone allows residential development at a minimum lot size of 7,200 square feet, thus, development of more than one homesite is not legally allowed.
    - It should be noted that while the subject consists of multiple underlying lots part of the original Grove Addition Plat, ownership cannot reestablish these lots due to their site size below the minimum lot area imposed by the zone.
- The subject is situated one block east of the Olympic Interim School site, which houses different schools within the Highline School District while the primary school buildings are under construction or being renovated. Additionally, North Hill Elementary School is located one block north.

- The Seattle-Tacoma International Airport is located 0.9-mile northeast (straight line) which results in air traffic noise in the subject market area.

In summary, the subject represents a competitive homesite but exhibits roadway exposure along a commuting route.

Access

As of the valuation date, access is obtained by the subject at the following locations onsite:

Access No. 1:	S 200th St at subject northeast corner

Infrastructure and Utilities

Based upon information available to the appraisers, the following utility infrastructure information is relevant to the subject property:

Public services	Available
Private Well/Septic:	N/A

Based upon information provided to the appraisers, there are no utility capacity issues in the area that would prevent development of the subject.

Zoning

The following information provides a summary of the subject zoning and comprehensive plan designations:

Jurisdiction:	City of Des Moines
Zoning:	RS-7,200 Residential: Single Family 7,200
Comp Plan Designation:	SF; Single-Family
Uses Permitted:	The principal objective and purpose to be served by this zone and its application is to create a living environment of the highest standards for single-family dwellings. Other related uses contributing directly to a complete living environment are considered compatible and therefore also permitted. A further related consideration is to make it possible to more efficiently and economically design, install, and maintain all physical public service facilities in terms of size and capacity to adequately and permanently meet needs resulting from a defined intensity of land use. Permitted uses include single-family dwelling units, libraries, cemeteries, and other public uses. As to development standards, the minimum lot size is 7,200 SF with a minimum lot width of 60 feet. The residential density per acre is 0.20. The minimum setback requirements are 20 feet for front yard, 5-10 feet for side yard, and 10-20 feet for rear yard. The maximum height is 30 feet.

Soil Conditions

A geotechnical report was not provided by the client. It has been assumed there are no adverse soil conditions which would affect the marketability of the subject.

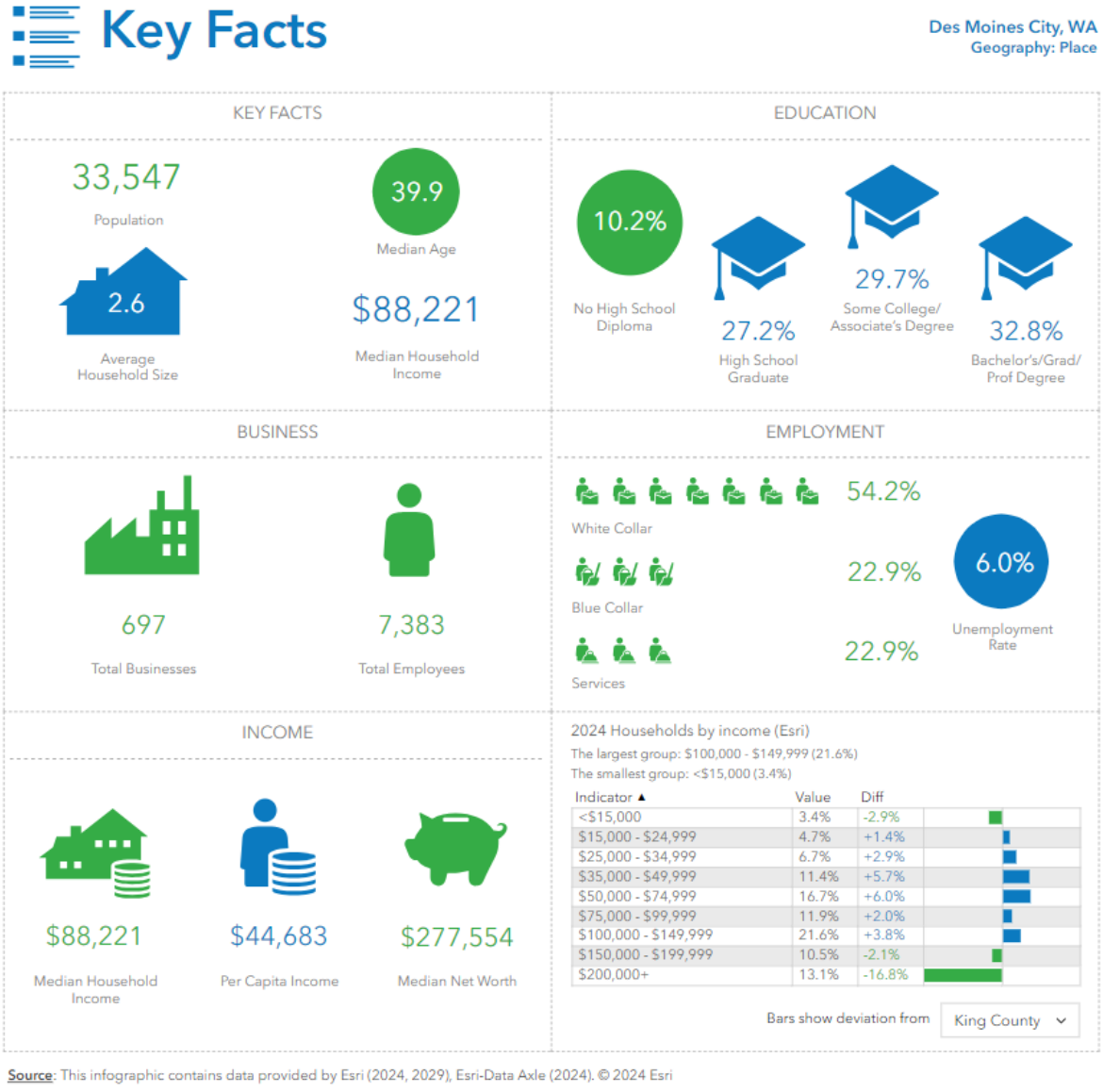
Environmental Issues

An Environmental Assessment was not provided by the client. It has been assumed there are no adverse environmental issues which would affect the marketability of the subject.

4. Market Analysis

The following information and tabulation chart provides a demographic and income profile of the subject's market area.

Market Area Analyzed: City of Des Moines
Source: ESRI Statistical Data



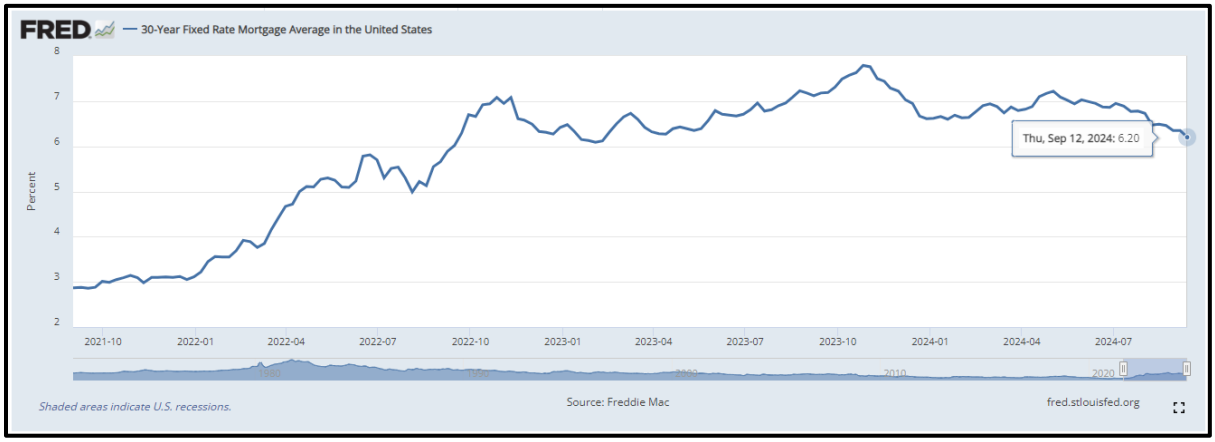
The following tabulation provides a summary of the employment in King County published by the State of Washington Employment Department:

Employment and unemployment, not seasonally adjusted
King County

	2024		2023		2022		2021	
	August	July	August	July	August	July	August	July
Civilian Labor Force	1,339,876	1,329,569	1,354,892	1,354,228	1,322,707	1,325,640	1,276,930	1,278,998
Employment	1,277,742	1,264,427	1,305,244	1,305,858	1,277,830	1,280,396	1,225,198	1,220,340
Unemployment	62,134	65,142	49,648	48,370	44,877	45,244	51,732	58,658
Unemployment Rate	4.6%	4.9%	3.7%	3.6%	3.4%	3.4%	4.1%	4.6%

It should be noted that there are current world events as of the valuation date that must be identified including the Coronavirus Pandemic and Russia's invasion of Ukraine (February 2022), with inflation spikes attributable to these events as well as monetary policy in response to the events which has led the United States Federal Reserve to tighten monetary policy which will impact lending conditions. Since March 2022, the Federal Reserve has issued 11 rate hikes which is the most aggressive interest rate increase policy since the 1980s.

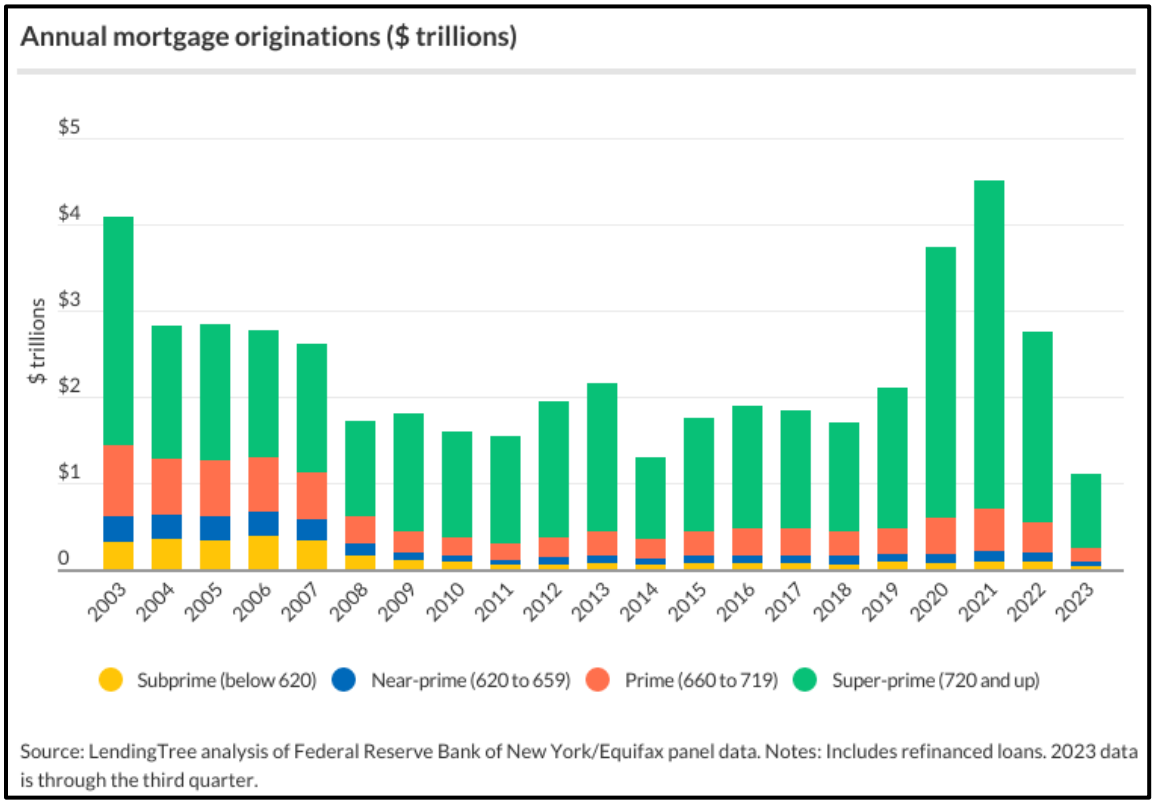
To demonstrate the impact of increases in mortgage interest rates, the appraisers have included the following exhibit provided by the St. Louis Federal Reserve tracking 30-year mortgage rates:



To demonstrate this impact, the appraiser has completed an analysis comparing the September 2024 average home price of the local residential market based upon the average interest rate of 2021 and the current interest rate as of the effective date of value. The down payment of 17 percent is based upon the average downpayment in the State of Washington as of 2023 (Source: Forbes). The resulting monthly mortgage cost difference is $800, which equates to $9,600 annually. At a maximum debt-to-income ratio allowance of 45 percent, this results in the need for an increase in annual income for the borrower of $21,333. The following tabulation provides a comparison of the interest rate impacts:

Sale Price	$615,000	----
Loan (80%)	$492,000	----
Term	30	----
Interest Rate	3.55%	6.20%
Monthly Payment	$2,243	$3,043
Difference	----	($800)
Annual Cost	----	($9,600)
45% Dept:Income Ratio	----	($21,333)

The consequence of the increase in interest rates (borrowing costs) is that annual mortgage originations have significantly declined. The following exhibit published by LendingTree and the Federal Reserve Bank of New York/Equifax Panel shows that 2023 loan originations (including refinances) are at a 20-year low through the 2nd quarter of 2023.

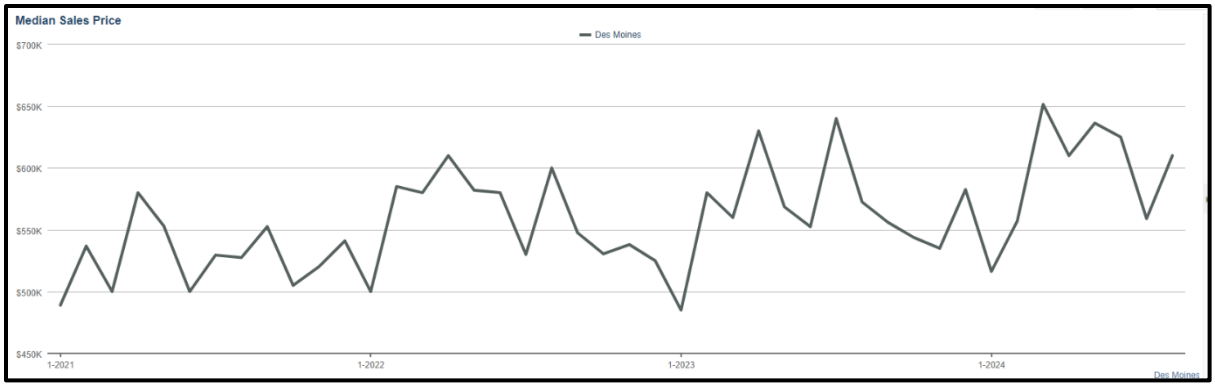


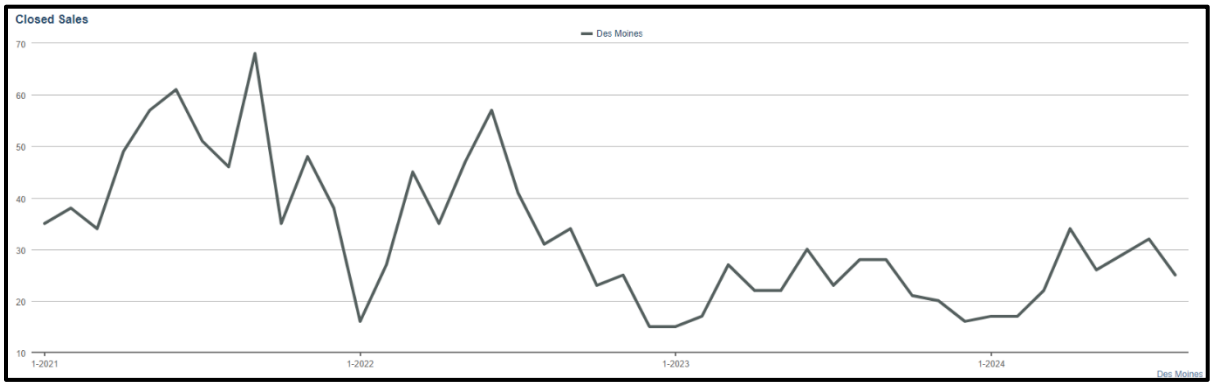
In summary, as of the valuation date there are no clearly measurable impacts to real estate values in the subject market area, these situations must continue to be monitored by the appraisers, client, and market participants.

Market Analysis

The subject competes within the following real estate market:

Market Segment:	Residential
Market Area Analyzed:	NWMLS Area 120 (Des Moines / Redondo)
Source:	NWMLS





The subject market has exhibited a fluctuating inventory trend over the past three years, however, a pullback in sales volume can be observed since early 2023 as a result of increasing interest rates. Volume only slightly rebounded in 2024. Similarly, median sale price has been volatile but has experienced a general increase (slight) from early 2023 to present. In summary, it is apparent that while the increase in interest rates has caused a leveling of trends, the market appears to be stable. Nonetheless, the market conditions must continue to be monitored by the appraisers and client.

In summary, real estate pricing must continue to be monitored considering the recent increase in market headwinds. Overall, the subject does not experience any adverse locational characteristics. The subject location benefits from employment opportunities, multiple transportation routes and support services, adequately funded schools, and more. The market should continue to be monitored by the appraisers and client. Nonetheless, there remains demand for residential properties in the subject market area.

5. Highest and Best Use

Highest and Best Use represents an analytical process wherein the physical, legal, social and economic constraints placed upon the property are examined for the purpose of defining that use, which is possible and, concurrently, most financially productive. Inasmuch as potential development activity generally falls within a relatively broad range of legal alternatives, the conclusion of highest and best use is largely influenced by the availability of data, depth of research and observed development by the appraisers. It is essentially a refinement process wherein the broadest range of possible uses are identified and then examined for legal appropriateness, as well as complementation to the neighborhood and the wealth maximization of the property owner.

Highest and Best Use as-if Vacant

Given the physical, legal, financial, and maximally productive tests of highest and best use analysis, the highest and best use of the subject property as-if vacant is that of developing the subject site with one single-family detached residence (homesite). This represents the maximally productive use of the subject lot based upon its legal, physical and financial feasibility characteristics.

The appraisers are influenced to a vertical build value threshold for the subject of roughly $765,000 based upon comparable new homes in the subject market area. This is supported by the recently developed Blueberry Lane subdivision located one block north of the subject. The lots in the development are roughly the same size as the subject's usable area. The finished homes so far have ranged in price from $799,990 to $938,605, and an average of +/-$850,000. These lots are superior to the subject given their significantly superior privacy. Therefore, a lot value estimate below the bottom of the new development range is supported.

Highest and Best Use as Improved

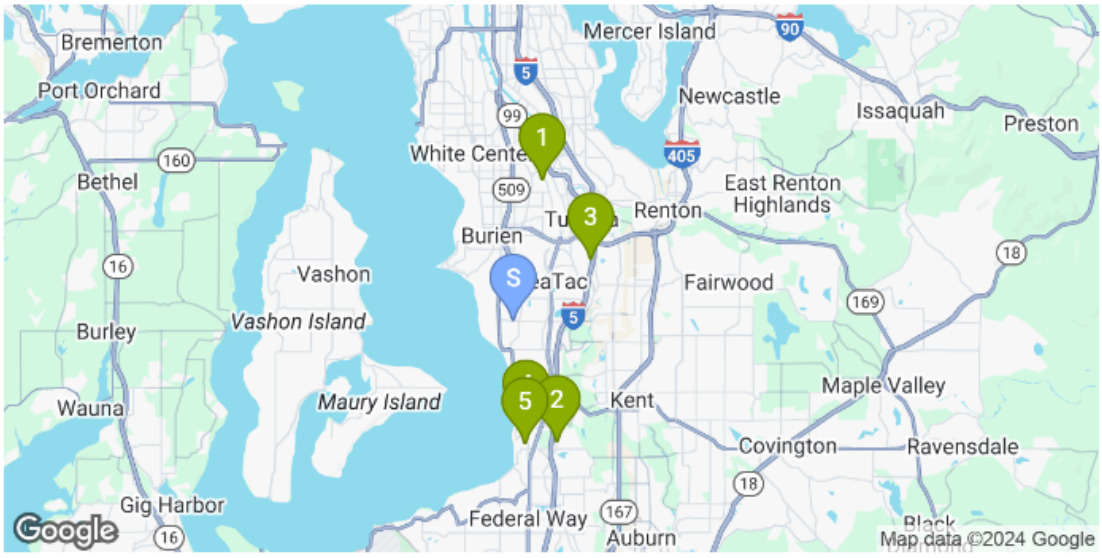
The subject is improved with a single-family residence that appears to be in competitive condition. Although, it should be noted that the appraisers did not inspect the interior of the subject improvements.

The existing residential use is permitted, while also being physically supported by the subject site. There does not appear to be a more maximally productive use of the subject property that would justify razing the existing improvements at this time. Thus, the highest and best use of the subject as improved is continued use of the existing residence.

6. Land Valuation

The Sales Comparison Approach is relevant to valuation of the subject property inasmuch as a diligent examination of the marketplace revealed transactions of properties similar to the subject in physical and legal characteristics. The approach is universally applicable to virtually all types of property as long as the comparative data is adequate.

A review of recent sale transactions occurring in the subject market area revealed the following sales that were deemed to be the most meaningful and similar to the subject property.



#	Property Name	Sale Date	Land SF	Sale Price	Analysis Sale Price	Analysis SP / Land SF
1	Kaer Property	5/31/2024	7,615	$165,000	$165,000	$21.67
2	Singh & Saini Property	7/9/2024	10,212	$180,000	$180,000	$17.63
3	Cary Lang Construction Property	10/20/2023	7,000	$194,500	$194,500	$27.79
4	Evergreen Housing Property	4/8/2024	7,733	$200,000	$200,000	$25.86
5	Gakhal Property	9/29/2023	24,300	$155,000	$205,000	$8.44

Land Sale #1 - Kaer Property

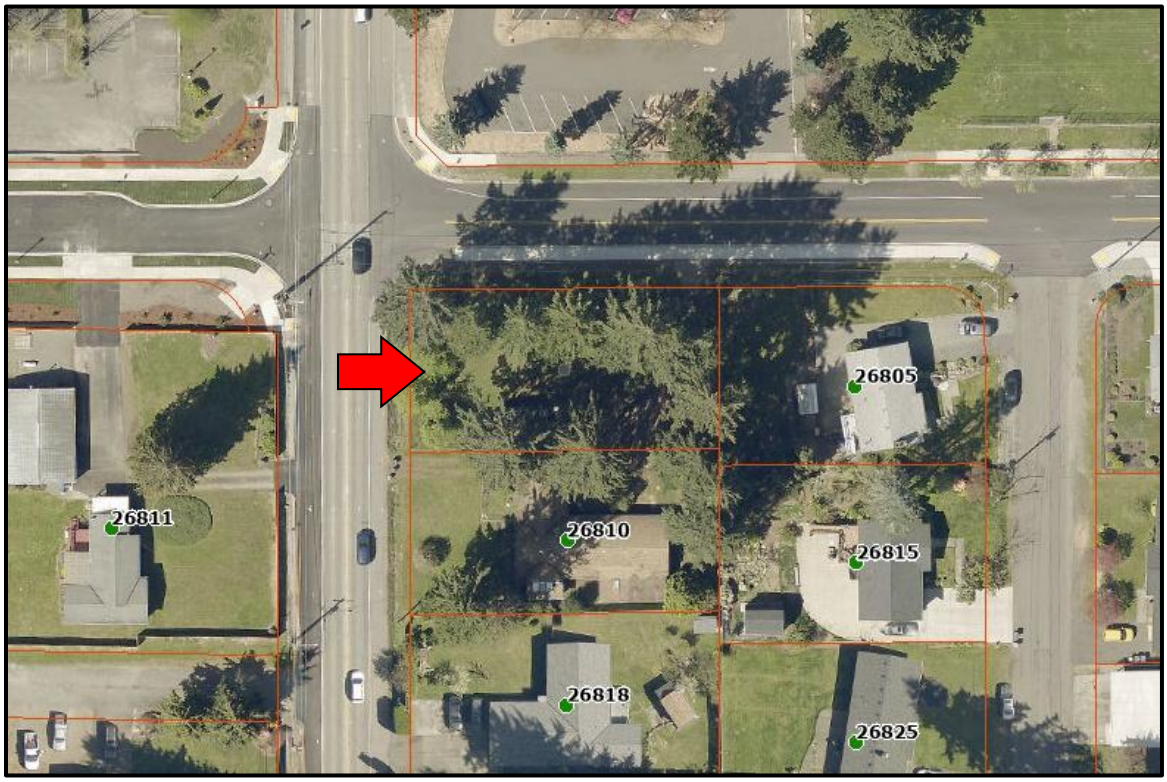
Property Information	
Property Name	Kaer Property
Property Class	Land
Address	12045 24th Ave S, Burien, WA 98168
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	3826000760
SF / Acres	7,615 / 0.1748
Site Dimensions	60' x 130'
Zoning Code	RS-7,200; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	05/31/2024
Sale Price	$165,000
Sale Status	Closed
Property Rights Convey Method	Fee Simple
Seller	Miller
Buyer	Kaur
Reference Number	2024-0531000547
Time on Market	3
Time on Market Period Type	Days
Sale Remarks	The site was purchased by neighbor who is planning on constructing a spec-home onsite. The broker believed that site could support a vertical build capacity of roughly $750,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Terrance Mack - Listing Broker
Sale Confirmed With Phone Number	253-442-4975
Sale Confirmation Date	09/03/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-c3dc6520-14fd-4a4f-838e-af5c698c8d00
Analysis Sale Price	$165,000
Sale Price per Acre	$943,936
Sale Price per SF Land	$21.67
Analysis Sale Price per Acre	$943,936
Analysis Sale Price per SF Land	$21.67

12045
12047

Land Sale #2 - Singh & Saini Property

Property Information	
Property Name	Singh & Saini Property
Property Class	Land
Address	North of 26810 Military Rd, Kent, WA 98032
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	7968600005
SF / Acres	10,212 / 0.2344
Zoning Code	SR-6; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	07/09/2024
Sale Price	$180,000
Sale Status	Closed
Property Rights Convey Method	Fee Simple
Seller	Rizvi and Khan
Buyer	Singh and Saini
Reference Number	2024-0709000662
Time on Market	1
Time on Market Period Type	Months
Sale Remarks	Buyers plan on constructing a personal residence onsite. The site is located at the intersection of two collector streets. The estimated vertical build capacity was $800,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Elizabeth Waloweek - Listing Broker
Sale Confirmed With Phone Number	253-217-6173
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-81fa8a17-79eb-4f86-b128-c2314f291e37
Analysis Sale Price	$180,000
Sale Price per Acre	$767,918
Sale Price per SF Land	$17.63
Analysis Sale Price per Acre	$767,918
Analysis Sale Price per SF Land	$17.63

26810


26805
26811
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26825

Land Sale #3 - Cary Lang Construction Property

Property Information	
Property Name	Cary Lang Construction Property
Property Class	Land
Address	5315 S 166th St, Tukwila, WA 98188
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	8858800041
SF / Acres	7,000 / 0.1607
Site Dimensions	85' x 100'
Zoning Code	LDR; Residential
Shape	Square
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	10/20/2023
Sale Price	$194,500
Sale Status	Closed
Seller	Gorjance
Buyer	Cary Lang Construction, Inc.
Reference Number	2023-1020000735
Time on Market	5
Time on Market Period Type	Days
Sale Remarks	The site benfitted from privacy but was square-shaped which limited its vertical build potential to roughly $850,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	David Knight - Listing Broker
Sale Confirmed With Phone Number	253-631-9545
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-b286904e-17cb-4f1d-ba23-44e52b2eb59e
Analysis Sale Price	$194,500
Sale Price per Acre	$1,210,330
Sale Price per SF Land	$27.79
Analysis Sale Price per Acre	$1,210,330
Analysis Sale Price per SF Land	$27.79

16604
16612

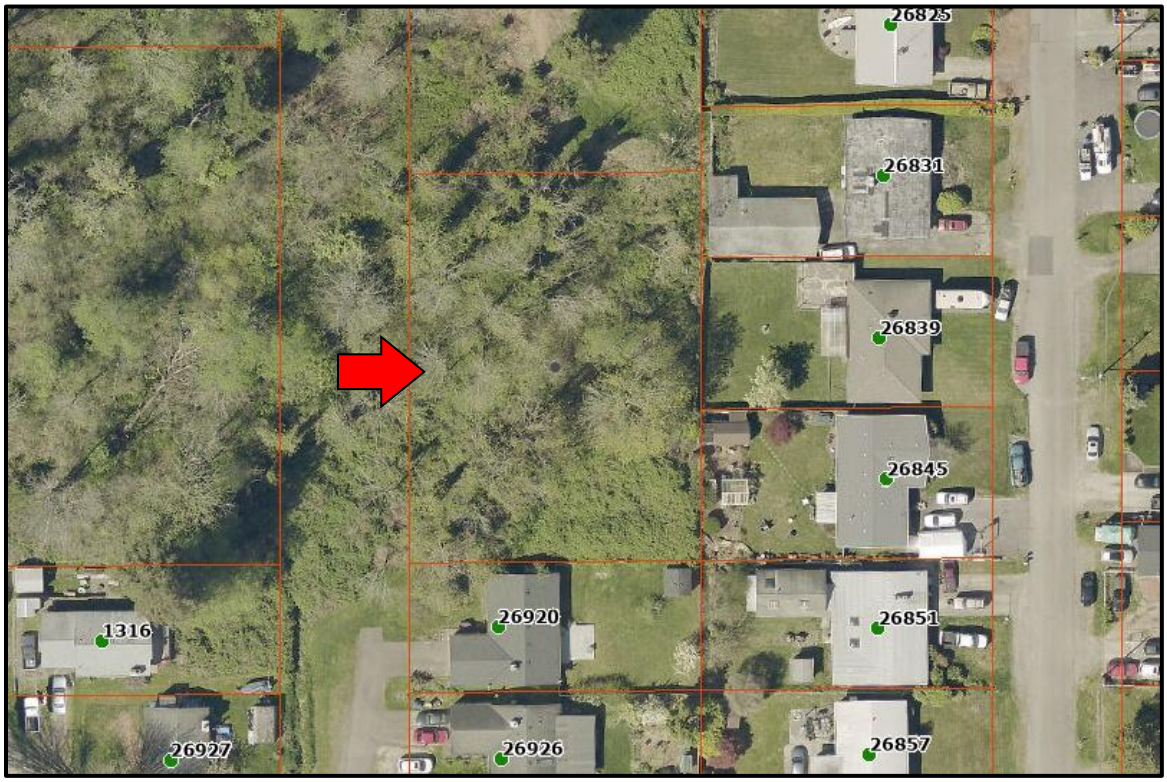
Land Sale #4 - Evergreen Housing Property

Property Information	
Property Name	Evergreen Housing Property
Property Class	Land
Address	14th Pl S, Des Moines, WA 98198
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	6918100010
SF / Acres	7,733 / 0.1775
Zoning Code	RS-7200; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	04/08/2024
Sale Price	$200,000
Sale Status	Closed
Seller	Petersen
Buyer	Evergreen Housing LLC
Reference Number	2024-0408000620
Time on Market	3
Time on Market Period Type	Months
Sale Remarks	The buyer is a local builder who is planning on constructing a home with an estimated retail value of +/-$900,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Mchiela Boukalis - Listing Broker
Sale Confirmed With Phone Number	206-799-5538
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-5b7859fa-7579-425d-bda8-99d3777d8dcc
Analysis Sale Price	$200,000
Sale Price per Acre	$1,126,761
Sale Price per SF Land	$25.86
Analysis Sale Price per Acre	$1,126,761
Analysis Sale Price per SF Land	$25.86

1417
1437
1443

Land Sale #5 - Gakhal Property

Property Information	
Property Name	Gakhal Property
Property Class	Land
Address	269 Claremont Ave, Des Moines, WA 98198
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	9536600985
SF / Acres	24,300 / 0.5579
Zoning Code	RS-7200; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	Utilities will require a short extension from the neighboring property.
Transaction Information	
Sale Date	09/29/2023
Sale Price	$155,000
Sale Status	Closed
Seller	Azevedo
Buyer	Gakhal
Reference Number	2023-0929000598
Time on Market	4
Time on Market Period Type	Days
Sale Remarks	Extension of access and utilities required by buyer at an estimated cost of $50,000. Broker believed the vertical build value potential of the site was around $900,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Vanessa Betancourt - Listing Broker
Sale Confirmed With Phone Number	425-931-0677
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-83962908-6f16-41d5-b3ff-15c50c784183
Expenditures after Purchase Adjustment	$50,000
Analysis Sale Price	$205,000
Sale Price per Acre	$277,828
Sale Price per SF Land	$6.38
Analysis Sale Price per Acre	$367,449
Analysis Sale Price per SF Land	$8.44


26825
26831
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26851
26927
26926
26857

Adjustments to the Comparable Data:
The comparable sales exhibited sale date range from September 2023 to July 2024. In regard to market trend, the comparable data did not show any clear correlation between sale date and sale price. Rather, amenity, location, site size, and roadway exposure / privacy, are the primary determinants of value. Thus, the comparable sales do not warrant a market trend adjustment. In summary, the sale comparables have not been adjusted for market conditions.

Summary of Comparable Sales Analysis:
The land comparable sales bracket and capture the subject characteristics as well as the overall development capacity. The following qualitative analysis has been applied to the subject:

- **Comparable 1** ($165,000) is similar in roadway exposure but the subject is superior in size and building envelope and thus is superior in vertical build pricing capacity. Therefore, this site establishes a lower value threshold for the subject.

- **Comparable 2** ($180,000) is similar in roadway exposure and location but superior in usable site area and topography. Therefore, this sale establishes an upper value threshold.

- **Comparable 3 through 5** ($194,500 - $205,000) are all either similar in size or larger with more private locations and also superior vertical build capacities. Therefore, these sales all establish upper value thresholds for the subject.

Overall, the appraisers are influenced to a fair market value indication for the subject between the pricing gate established by Comparable 1 and 2.

Summary of Land Value:
Overall, considering the subject's location, tract size, roadway exposure, zoning, and overall development capacity, the appraisers are influenced to a fair market value indication of **$175,000/SF, or $17.41/SF** for the subject **as-if vacant**.

The price per square foot indication is supported by those of the comparable data.

The comparable lot cost ratios ranged from 22 to 22.88 percent and averaged 22.48 percent. At a vertical build estimate of $765,000 for the subject property results in a lot cost ratio of 22.22 percent, which is support by the comparable range and average.

Reconcile FMV to 5-Year Sale History: As previously discussed, the 2021 purchase of the subject property included both land and improvement value components and is thus not relevant to relate to the value estimate as-if vacant.

7. Detailed Description of the Taking

Description of the Project and Proposed Taking(s)

In order to support the proposed project, the following partial acquisition(s) of the subject are deemed necessary:

EXHIBIT A

RIGHT OF WAY ACQUISITION DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0285

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE EAST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET;

THENCE NORTH 87°00'54" WEST 84.40 FEET;

THENCE SOUTH 67°48'46" WEST 25.10 FEET TO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID WEST LINE NORTH 0°13'26" EAST 32.21 FEET TO THE NORTH LINE OF SAID PARCEL;

THENCE ALONG SAID NORTH LINE SOUTH 87°00'54" EAST 107.62 FEET TO THE POINT OF BEGINNING.

SAID PORTION CONTAINING 2438 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON

KATHLEEN R. [illegible]SSOU
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR
6/27/2024

Exhibit A

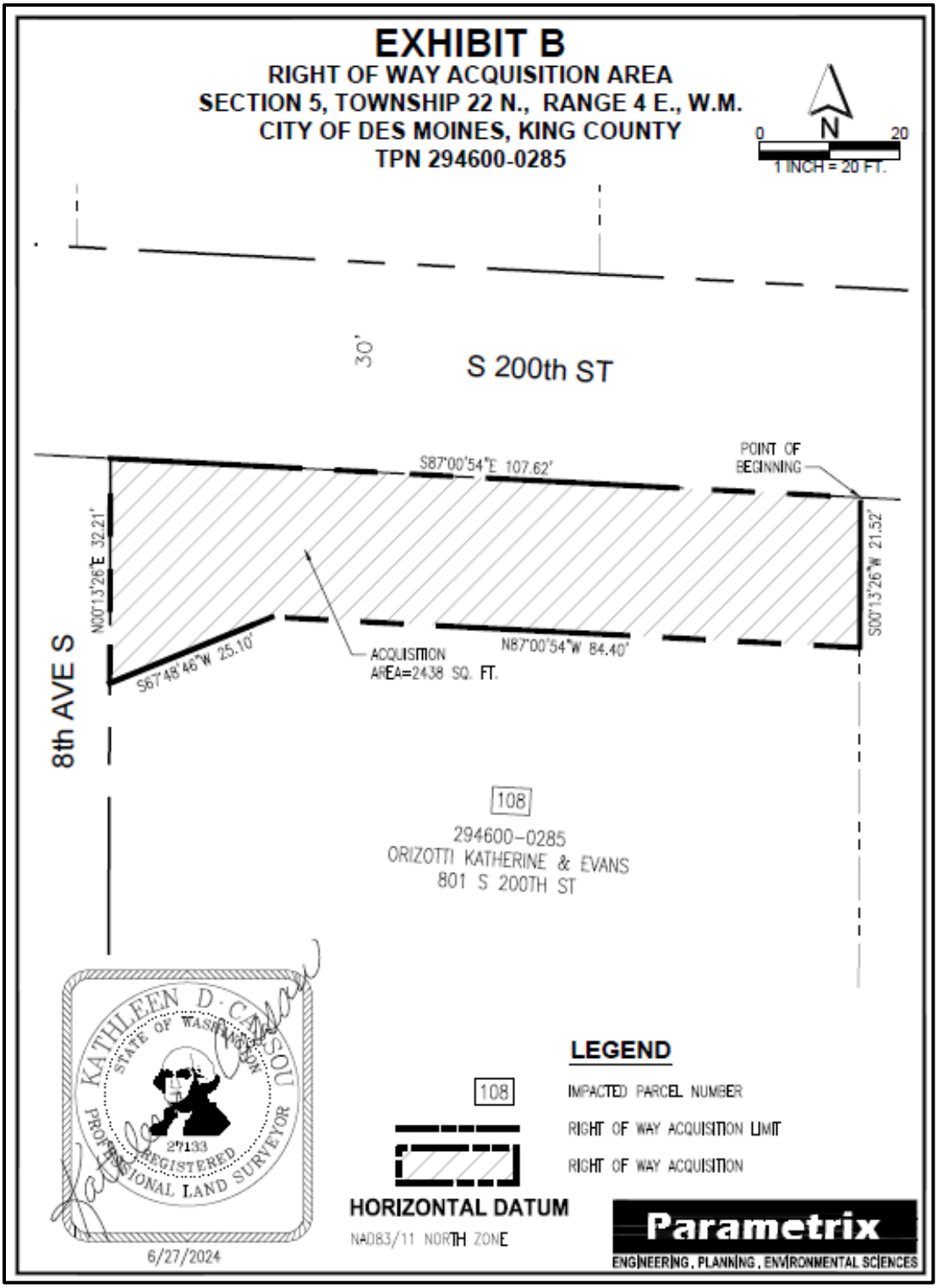


EXHIBIT B
RIGHT OF WAY ACQUISITION AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0285
N
0
20
1 INCH = 20 FT.
30'
S 200th ST
S87°00'54"E 107.62'
POINT OF BEGINNING
N00°13'26"E 32.21'
S00°13'26"W 21.52'
S67°48'46"W 25.10'
ACQUISITION AREA=2438 SQ. FT.
N87°00'54"W 84.40'
8th AVE S
108
294600-0285
ORIZOTTI KATHERINE & EVANS
801 S 200TH ST
KATHLEEN D. CLARKSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR
6/27/2024
LEGEND
108 IMPACTED PARCEL NUMBER
RIGHT OF WAY ACQUISITION LIMIT
RIGHT OF WAY ACQUISITION
HORIZONTAL DATUM
NAD83/11 NORTH ZONE
Parametrix
ENGINEERING, PLANNING, ENVIRONMENTAL SCIENCES

Exhibit B

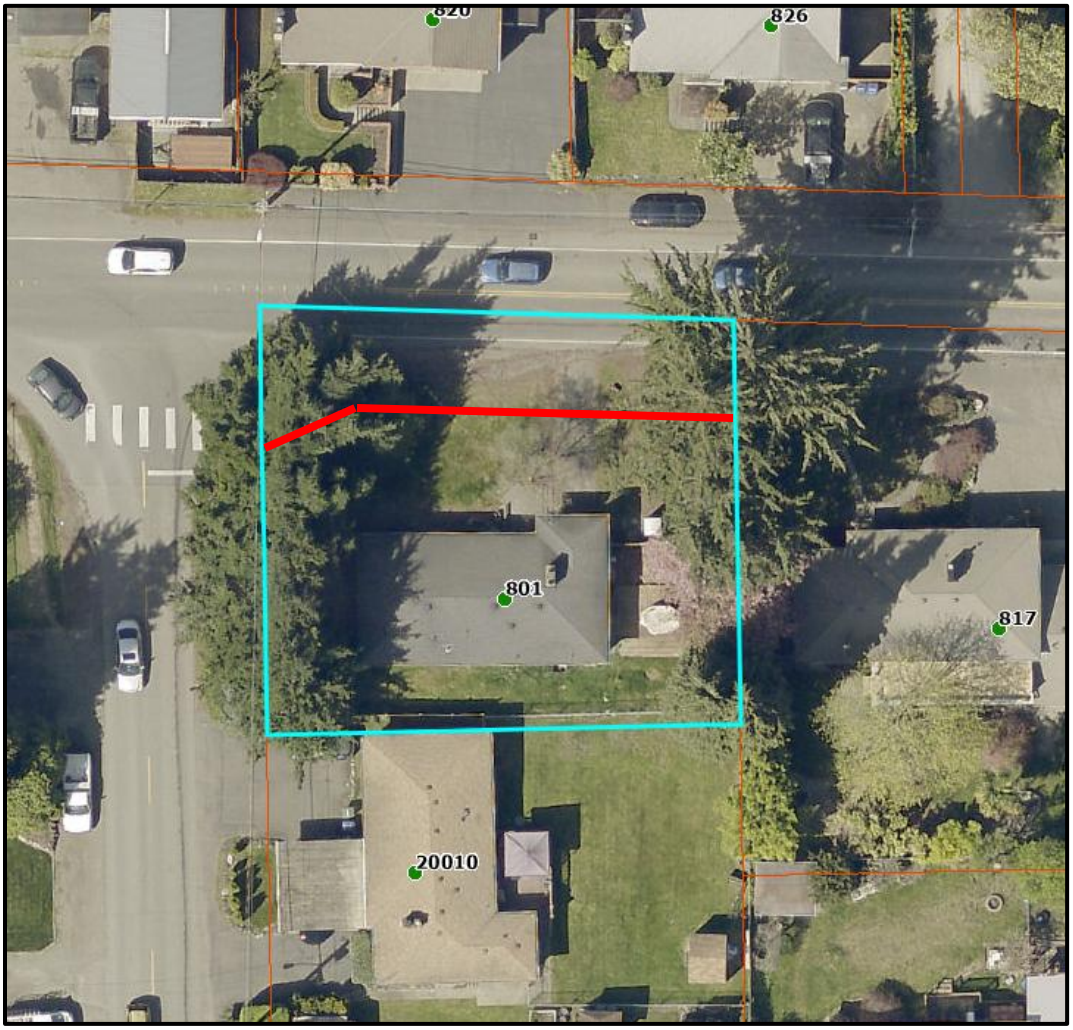


Exhibit B Aerial with Overlay (Approximate R/W acquisition boundary / Created by the Appraisers)

EXHIBIT A

TEMPORARY CONSTRUCTION EASEMENT DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0285

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE EAST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 0°13'26" WEST 9.52 FEET;

THENCE NORTH 87°00'54" WEST 86.26 FEET;

THENCE SOUTH 67°48'35" WEST 12.27 FEET;

THENCE SOUTH 0°13'26" WEST 23.53 FEET;

THENCE NORTH 89°46'34" WEST 10.00 FEET TO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID PARCEL LINE NORTH 0°13'26" EAST 28.06 FEET;

THENCE NORTH 67°48'35" EAST 25.10 FEET;

THENCE SOUTH 87°00'54" EAST 84.40 FEET TO THE TRUE POINT OF BEGINNING.

SAID PORTION CONTAINING 1218 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON

6/27/2024

Exhibit A

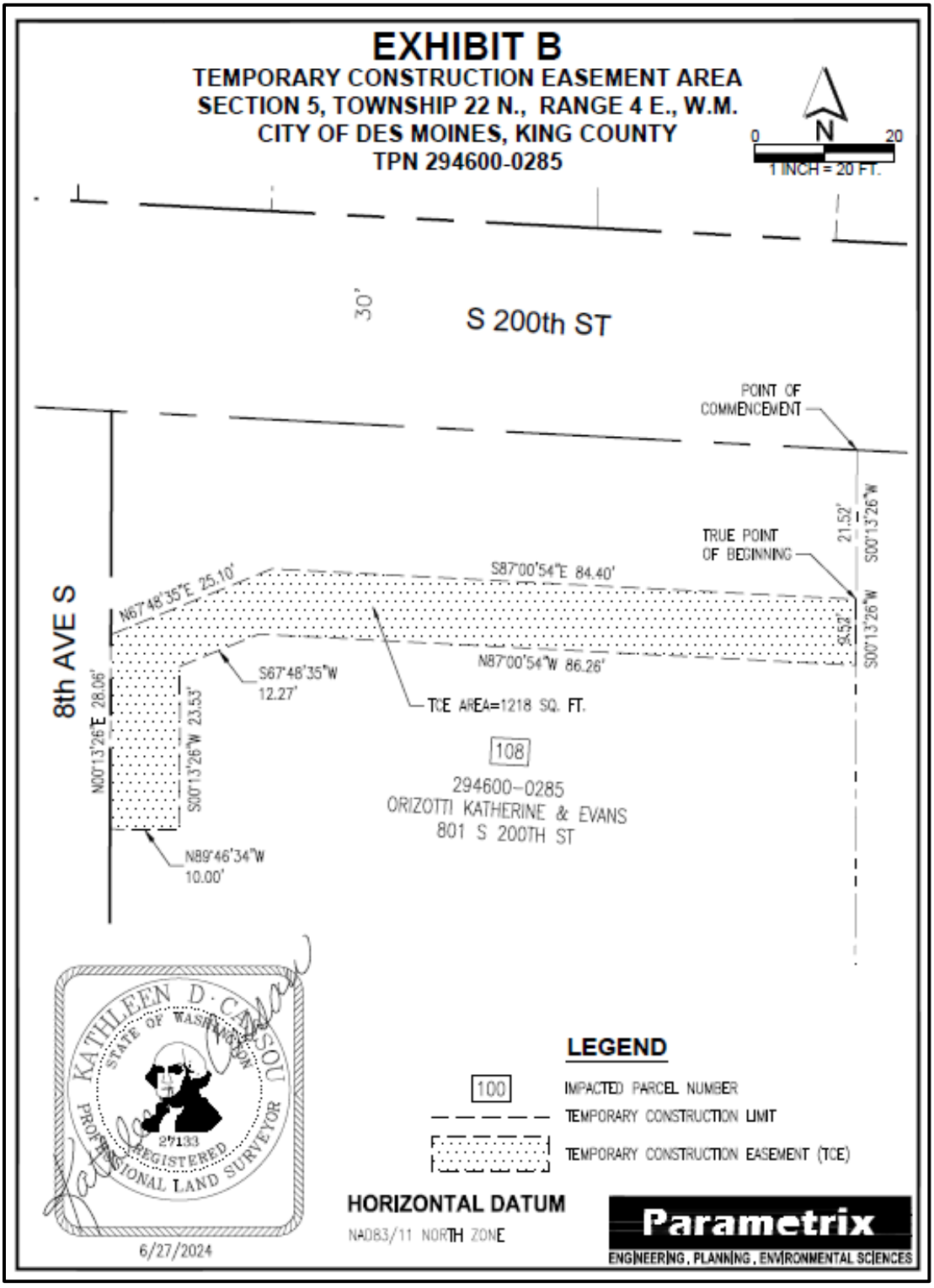


EXHIBIT B
TEMPORARY CONSTRUCTION EASEMENT AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0285
N
0
20
1 INCH = 20 FT.
30'
S 200th ST
POINT OF COMMENCEMENT
TRUE POINT OF BEGINNING
21.52'
S00°13'26"W
S87°00'54"E 84.40'
N87°00'54"W 86.26'
35.58'
S00°13'26"W
8th AVE S
N67°48'35"E 25.10'
S67°48'35"W 12.27'
N00°13'26"E 28.06'
S00°13'26"W 23.53'
N89°46'34"W 10.00'
TCE AREA=1218 SQ. FT.
108
294600-0285
ORIZOTTI KATHERINE & EVANS
801 S 200TH ST
KATHLEEN D. CARLSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR
6/27/2024
LEGEND
100 IMPACTED PARCEL NUMBER
TEMPORARY CONSTRUCTION LIMIT
TEMPORARY CONSTRUCTION EASEMENT (TCE)
HORIZONTAL DATUM
NAD83/11 NORTH ZONE
Parametrix
ENGINEERING, PLANNING, ENVIRONMENTAL SCIENCES

Exhibit B

CITY OF DES MOINES
NORTH HILL ELEMENTARY
WALKWAY IMPROVEMENTS
RIGHT OF WAY PLANS

VICINITY MAP
NOT TO SCALE

PARCEL INFORMATION:

PARCEL NUMBER	ASSESSOR PARCEL#	ADDRESS	ZONING USE CODE	ZONE DESCRIPTION
100	520920-0005	654 S 200TH ST	RS-7200	SINGLE FAMILY
101	052204-9104	802 S 200TH ST	RS-7200	SINGLE FAMILY
102	052204-9111	820 S 200TH ST	RS-7200	SINGLE FAMILY
103	052204-9119	829 S 200TH ST	RS-7200	SINGLE FAMILY
104	052204-9126	19923 8TH AVE S	RS-7200	SINGLE FAMILY
105	052204-9129	19913 8TH AVE S	RS-7200	SINGLE FAMILY
106	052204-9011	902 S 200TH ST	RS-7200	SINGLE FAMILY
107	294900-0330	20003 8 TH AVE S	RS-7200	SINGLE FAMILY
108	294900-0285	801 S 200TH ST	RS-7200	SINGLE FAMILY
109	294900-0235	817 S 200TH ST	RS-7200	SINGLE FAMILY
110	294900-0191	901 S 200TH ST	RS-7200	SINGLE FAMILY
111	052204-9132	909 S 200TH ST	RS-7200	CHURCH
112	397140-0260	920 S 200TH ST	RS-7200	SINGLE FAMILY
113	294900-0190	905 S 200TH ST	RS-7200	SINGLE FAMILY
114	294900-0100	1001 S 200TH ST	RS-7200	SINGLE FAMILY
115	294900-0120	XXX S 200TH ST	RS-7200	SINGLE FAMILY
116	052204-9061	19815 8TH AVE S	RS-7200	SINGLE FAMILY
117	052204-9105	XXX 8TH AVE S	RS-7200	CHURCH
118	052204-9062	19804 8TH AVE S	RS-7200	SINGLE FAMILY
119	052204-9149	916 S 200TH ST	RS-7200	SINGLE FAMILY

CONTACT INFORMATION:

CITY MANAGER
TM REMBE

ACTING PUBLIC WORKS DIRECTOR
TOMMY OWEN, P.E., PTOE

ACTING CITY ENGINEER
KHA LI, P.E.

MAYOR
TRACI BUXTON

CITY COUNCIL
DEVE ACHIDEV
JC HARRIS
MATT MAHONEY
YOSHIKO GRACE MATSUI
JEREMY NUTTING

ENGINEER
AUSTIN PEARCE

SURVEYOR
JUSTIN EMERY, PLS

APPROVED FOR CONSTRUCTION

TOMMY OWEN, PE., PTOE — DATE
ACTING PUBLIC WORKS DIRECTOR

WRITTEN DESCRIPTION OF THE PROJECT:

THE CITY OF DES MOINES REQUESTED THAT PARAMETRIX PREPARE RIGHT-OF-WAY PLANS FOR THE TCE BOUNDARIES FOR THE NORTH HILL ELEMENTARY WALKWAY IMPROVEMENTS PROJECT ALONG APPROXIMATELY 800 FEET OF S 200TH ST, FROM 8TH AVE S TO 10TH PLACES. THE PROJECT WILL REQUIRE PARTIAL ACQUISITION OF REAL PROPERTY, AND TEMPORARY EASEMENTS AND WILL IMPROVE SAFETY IN THE CORRIDOR AT THE INTERSECTION OF 200TH ST AND 8TH AVE S BY CONSTRUCTING 3 ADA-COMPLIENT CURB RAMPS, MARKED CROSSINGS, ILLUMINATION FOR MARKED CROSSINGS, AND AT S 200TH ST, FROM 8TH AVE S TO 10TH PL S, 6-FOOT SIDEWALK WITH CURB & GUTTER ALONG BOTH SIDES, 32 ADA COMPLIENT CURB RAMPS (3 INTERSECTION CURB RAMPS AND 29 DRIVEWAY/SIDEWALK RAMPS), MARKED BIKE RAMPS, AND AT THE INTERSECTION OF 8TH AVE S AND NORTH SCHOOL ENTRANCE DRIVEWAY 2 RECTANGULAR RAPID FLASHING BEACONS (RRFBs) ON EACH SIDE OF 8TH AVE S, CURB RAMPS, MEDIAN REFUGE ISLAND AND RESTRIPING LANE CONFIGURATIONS, MARKED CROSSINGS, AND ILLUMINATION FOR MARKED CROSSINGS

RIGHT OF WAY NOTES

RIGHT OF WAY DETERMINATIONS FOR THIS PLAN SET, WERE MADE BY ANALYZING A COMBINATION OF EXISTING RIGHT OF WAY PLANS, TOGETHER WITH RECORDED SURVEYS, SUBDIVISION PLATS, DEEDS & DEDICATIONS, AND FOUND MONUMENTS. ALL MEASUREMENTS SHOWN ARE IN U.S. SURVEY FEET, GROUND DISTANCES.

REVISIONS	DATE	BY

DESIGNED: S. SHARPE
DRAWN: S. SHARPE
CHECKED:
APPROVED:

ONE INCH AT FULL SCALE; IF NOT, SCALE ACCORDINGLY
FILE NAME: 214-1792-046-ROW
JOB No.: 214-1792-046
DATE: JUNE 2024

JUSTIN SCOTT EMERY — 7/01/2024

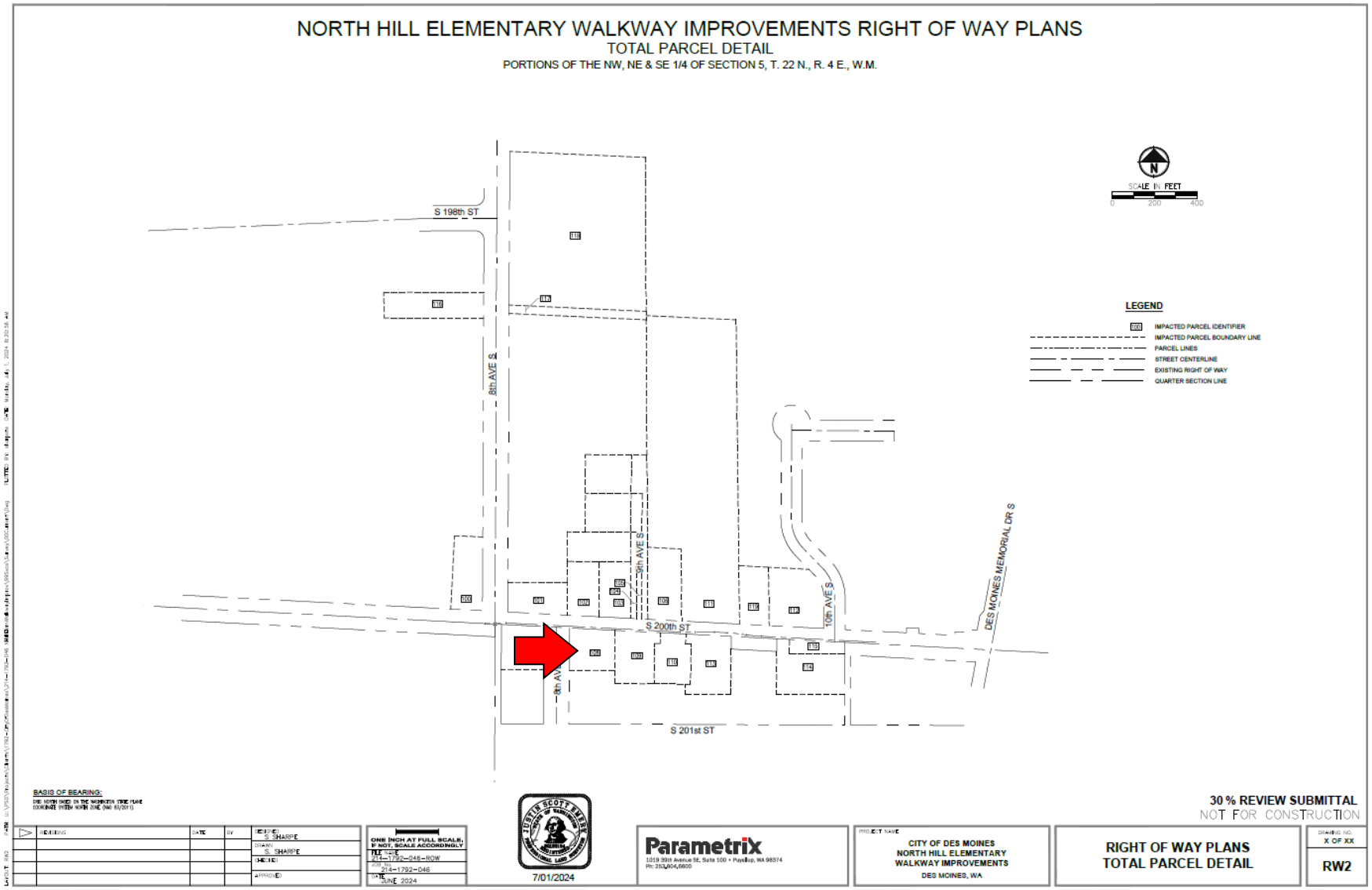
Parametrix
1019 39th Avenue SE, Suite 100 • Puyallup, WA 98374
Ph: 253.604.6600

PROJECT NAME: CITY OF DES MOINES NORTH HILL ELEMENTARY WALKWAY IMPROVEMENTS
DES MOINES, WA

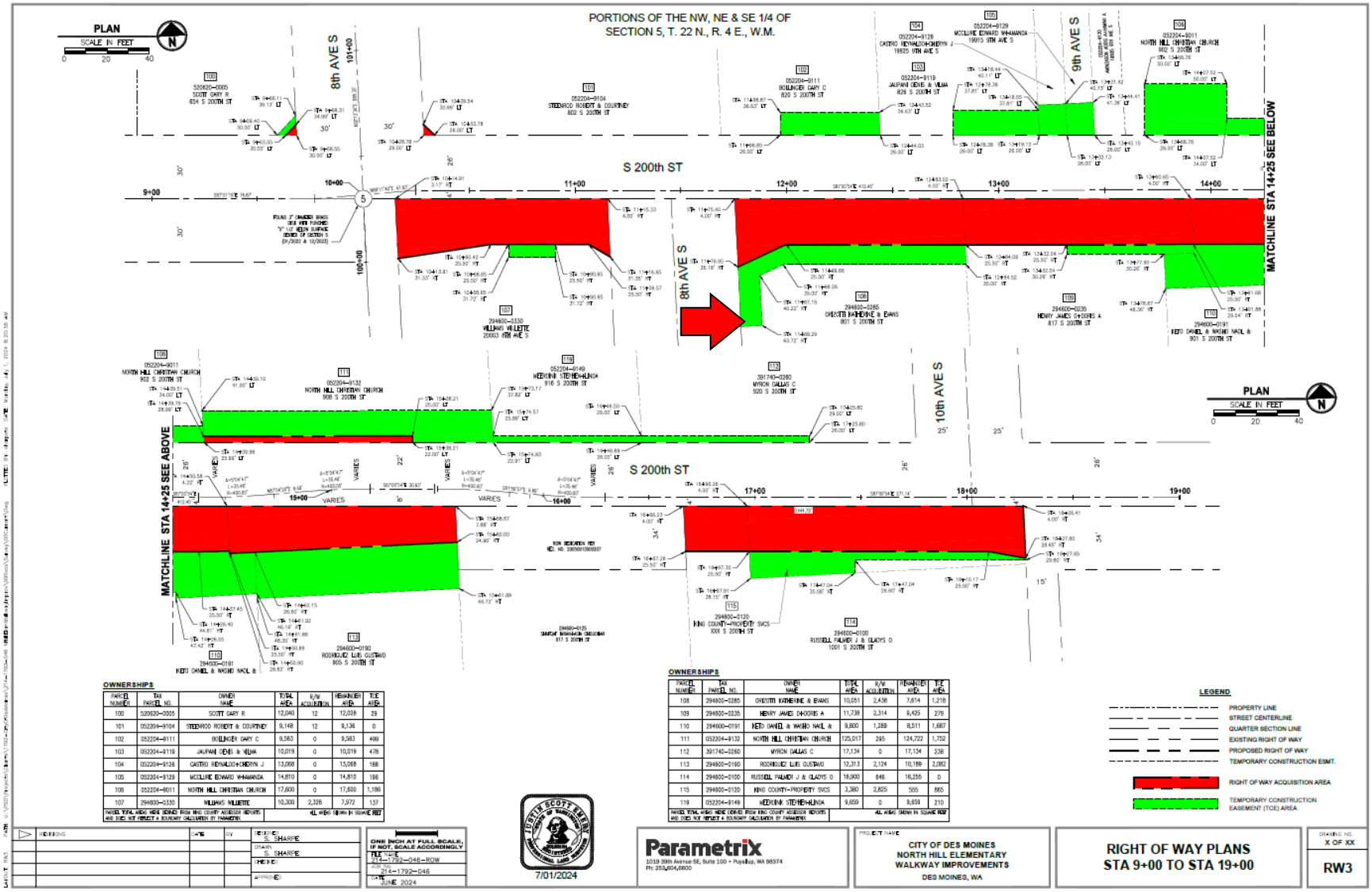
RIGHT OF WAY PLANS COVER SHEET

DRAWING NO.: X OF XX
RW1

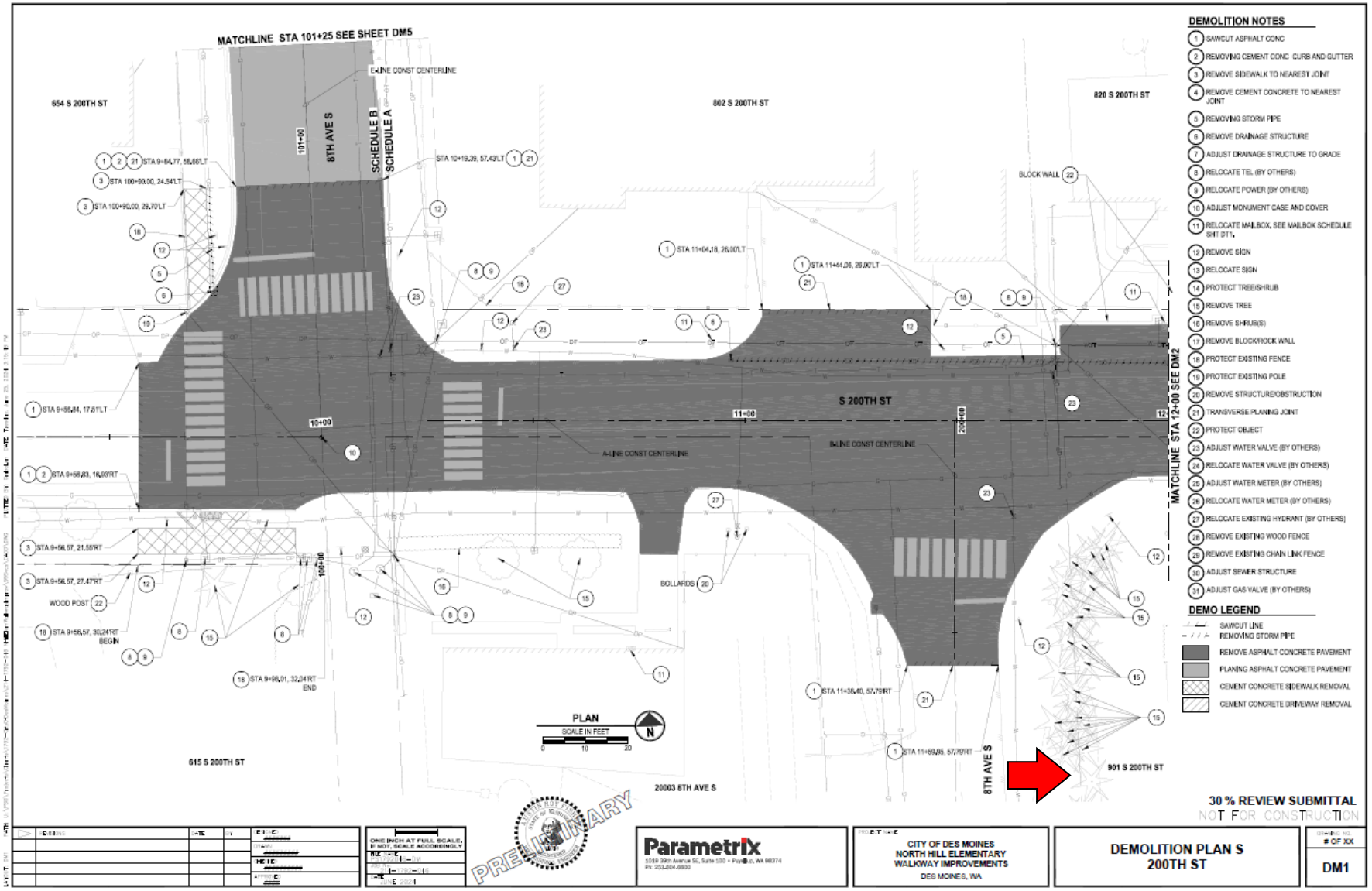
Construction Plans – Cover Sheet



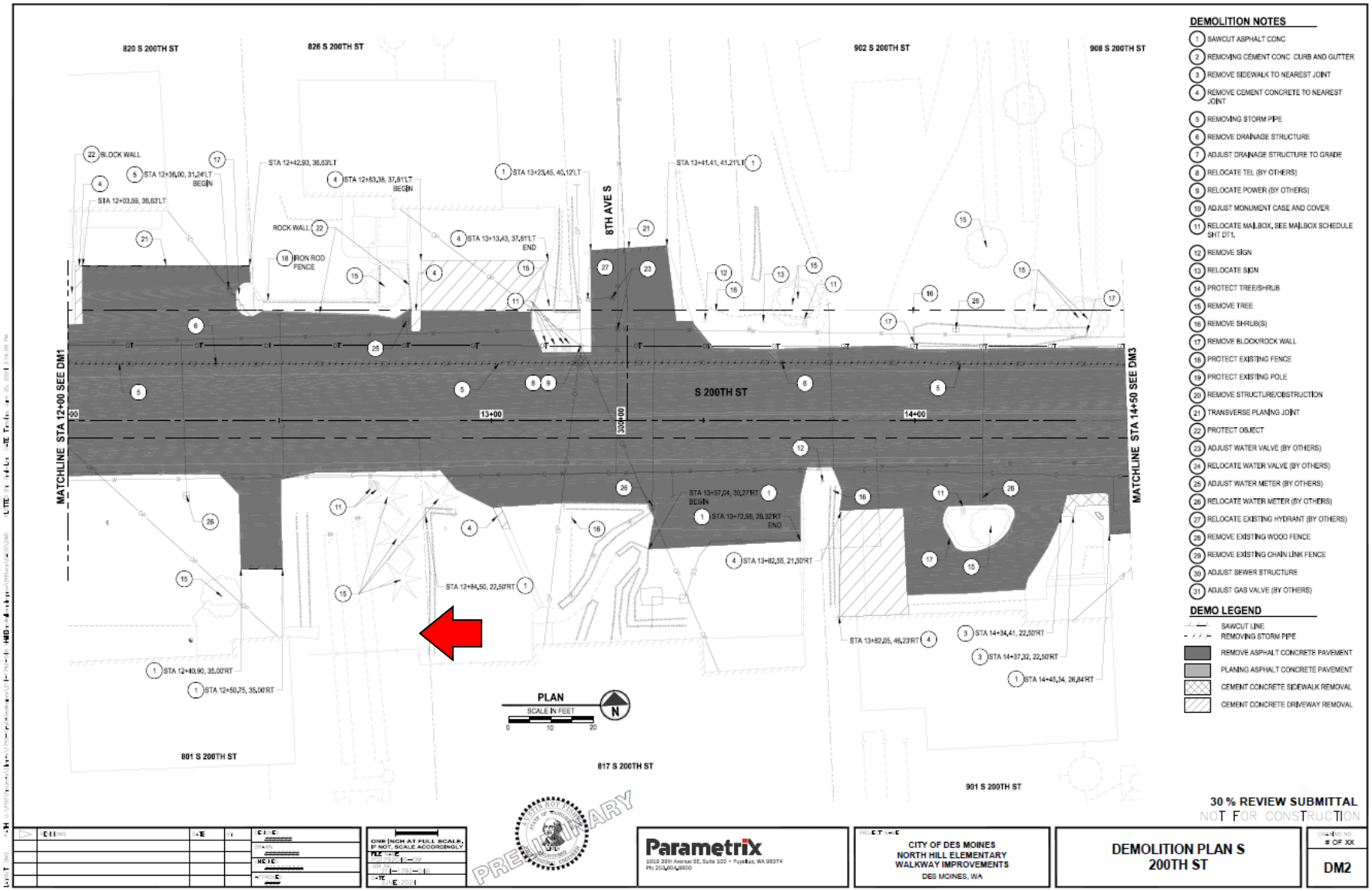
Construction Plans – Total Parcel Detail



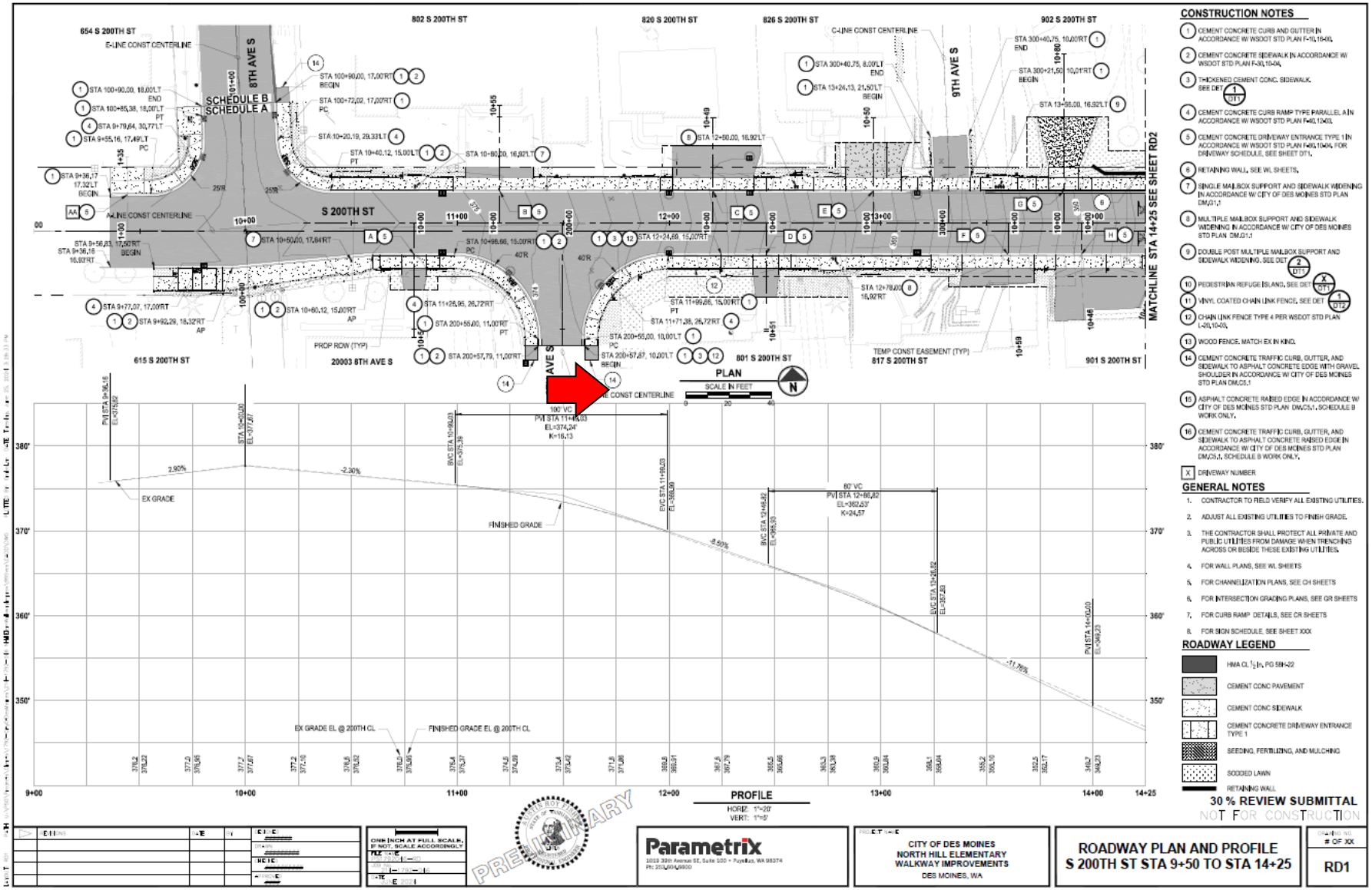
Construction Plans – Right of Way Plans



Construction Plans – Demolition Plan



Construction Plans – Demolition Plan



Construction Plans – Roadway and Plan Profile

Detailed Description of the Proposed Taking(s)

Description of Parcel 1:

Acquisition Type:	Right-of-Way Acquisition
Size of Acquisition:	2,438 SF
Purpose of Acquisition:	To support public improvements.
Acquisition width:	Maximum of +/-32 feet
Improvements to be Constructed:	According to the construction plans, the project will be constructing roadway and sidewalk improvements within the acquisition area. The Parcel 1 acquisition area will establish and align the 200th Street right-of-way with existing rights-of-way to the west and east.
Existing Easement Overlap:	As previously discussed, there are no existing easements which the proposed acquisition area will overlap based upon information available to the appraisers.

Discussion of Existing Property Rights in the Before Situation:

As previously discussed, there are no known encumbrances impacting the proposed acquisition area. Although the acquisition area is currently improved and utilized as the 200th Street right-of-way and not physically utilized by subject ownership, ownership nonetheless appears to own 100 percent of the property rights of this site area. This has been assumed by the appraisers herein.

Discussion of Property Rights Acquired:

The acquisition is equivalent to a fee simple estate acquisition or 100 percent of property rights.

Discussion of Property Rights Retained and Value Impact:

Subject ownership will not retain any ownership rights and thus, the value impact of the proposed acquisition represents a **100 percent** fee simple estate acquisition of the existing property rights.

Fair Market Value of Parcel 1:

The following tabulation provides a summary of the proposed acquisition area's fair market value estimate as of the valuation date:

Fair Market Value of Proposed Acquisition

Acquisition	Exceptions	Area (SF)	Fee Value/SF	Value Impact	FMV
Parcel 1	None	2,438	$17.41	100.00%	**$42,446**

Description of Parcel 2:

Acquisition Type:	Temporary Construction Easement (TCE)
Term Length:	2 Years (3/1/2025 to 2/28/2027)
	Pre-Commencement Period of 9/20/2024 (effective date of report) to 3/1/2025 (5.32 months).
Size of Acquisition:	1,218 SF
Purpose of Acquisition:	To support reconstruction of the subject driveway approach.
Acquisition width:	+/-20 feet
Improvements to be Constructed:	None. Temporary easement.
Existing Easement Overlap:	None

Discussion of Existing Property Rights in the Before Situation:

As previously discussed, there are no known encumbrances impacting the proposed acquisition area.

Discussion of Property Rights Acquired:

The TCE property rights acquired are those necessary for construction purposes during a project. At completion of the project or temporary easement term, whichever is sooner, all before situation property rights will revert back to subject ownership.

It should be noted that the TCE has a reported active construction term of March 1, 2025, to February 28, 2027. Additionally, the TCE results in a pre-commencement period of 5.32 months, or 44.33 percent of a year (effective date of report of September 20, 2024, to February 28, 2025). Thus, the appraisers must determine an appropriate rate of return for the periods of (1) active construction and (2) pre-commencement period.

It should be noted that the project anticipates an active construction period of 8 months.

Discussion of Property Rights Retained and Value Impact of TCE:

Relative to the active construction period, the standard of care regarding a fair market value estimate of the temporary easement is to select a reasonable rate of return for the subject site area and applying it to the term length of the easement. When estimating a reasonable lease rate for the subject property type, the appraisers analyzed local market rate of return expectations. Research completed by the appraiser revealed that the rate of return expectations (capitalization rates) have increased since 2022. The following tabulation provides a summary of 2023 and 2024 lease rates of return which exhibit an average of 7.9 percent. This exceeds the common average of 6.5 percent observed prior to 2023. It should be noted that there was minimal ground lease data available in the market area.

Ground Lease Rate of Return Survey				
Lessee	**Use**	**Location**	**Date**	**ROR/Land**
Casino	Commercial	Kennewick, Washington	2022	8.4%
*Available**	*Commercial*	*Vancouver, Washington*	*2024*	*8.6%*
*Available**	*Commercial*	*Vancouver, Washington*	*2024*	*14.1%*
Kleen Car Wash	Commercial	Vancouver, Washington	2024	*5.5%*
DND	Commercial	Ridgefield, Washington	2024	*6.9%*
DND	Commercial	Ridgefield, Washington	2024	8.9%
DND	Commercial	Vancouver, Washington	2024	8.6%
*Available**	*Commercial*	*Kennewick, Washington*	*2023*	*6.5%*
Coffee	Commercial	Pasco, Washington	2024	6.0%
DND	Commercial	Tacoma, Washington	2024	6.6%
ARCO	Commercial	Lake Stevens, Washington	2024	5.9%
Wendy's / Starbucks	Commercial	Shelton, Washington	2024	5.7%
McDonalds	Commercial	Auburn, Washington	2023	4.0%
*Available**	*Commercial*	*Bonney Lake, Washington*	*2024*	*4.9%*
*Available**	*Commercial*	*Marysville, Washington*	*2024*	*16.0%*
*Available**	*Commercial*	*Mercer Island, Washington*	*2024*	*7.0%*
DND	Commercial	Kennewick, Washington	2024	8.7%

*Italicized ground lease site is an available listing as of the date of report.

Rate of Return Selection: Given that the temporary easement will be utilized for the purpose of constructing project improvements, the appraiser has utilized a rate of return near the midpoint of the market range, or **8.5 percent** (rounded up to the nearest half percentage), for the active construction period of the temporary construction easement.

Relative to the pre-commencement period, a rate of return that is less than the active construction period must be determined given that subject ownership has use rights of the acquisition areas until the start of active construction. Thus, a rate of less than 8.5 percent annually is reasonable to conclude. However, property rights are being granted and thus a rate of more than 0 percent is absolute.

To further delineate an appropriate rate of return, the appraisers reviewed Washington State municipal bonds which exhibited terms of up to 15 years and rates of 3.5 to 4.25 percent with most being roughly 4 percent. Given the short-term nature of this pre-commencement period, the appraisers are influenced to a rate of return just below this range, or **3 percent** annually, for the pre-commencement period.

The following tabulation provides a summary of the temporary construction easement fair market value calculations as of the valuation date based upon the existing ownership rights, previously concluded land value, rental/lease rate, and term length of the temporary easement.

Fair Market Value of Parcel 2:

The following tabulation provides a summary of the proposed acquisition area's fair market value estimate as of the valuation date:

Fair Market Value of Proposed Acquisition

Acquisition	Exception	Area (SF)	Fee Value/SF	Rate of Return	Term (Yr.)	FMV
Active Const.	None	1,218	$17.41	8.50%	2.0	$3,604.91
Pre-Commencement	None	1,218	$17.41	3.00%	0.44	$279.91
Parcel 2	**----**	**1,218**	**----**	**----**	**----**	**$3,885**

8. Valuation of Improvements Located within the Taking

When acquiring any interest in real property, the appraisers shall consider buildings, structures, or other improvements located upon the real property to be acquired. The value of any improvements should be based on contributory value to the real property being appraised.

In the case of a partial acquisition, any impact on the market value of the improvements located on the remainder shall also be considered. Any (value contributing) improvements located within the acquisition areas are to be compensated for, whereas improvements located within the existing right-of-way are to be disregarded.

Improvements in Existing ROW: While the subject property boundary is situated within the 200th Street right-of-way, and while ownership technically has property rights to this area, it is apparent that the asphalt roadway is owned and maintained by the City of Des Moines. Therefore, the appraisers have not included the roadway improvements as site improvements with contributory value to the subject property. Additionally, a large portion of the subject trees along the west boundary are in the existing right-of-way, based upon the construction plan set, and have therefore been excluded herein.

Project Obligations / Improvements to be Protected: The following project obligations are relevant to the subject:

- All improvements impacted within the TCE area will be replaced by the project.
- The mailbox will be relocated by the project.
- A portion of the subject drain field is situated in the Parcel 2 acquisition area and will be protected in place.

Contributory Value Estimate of Improvements Taken: The following tabulation provides a summary of improvements within the proposed acquisition area that will be taken and not replaced in-kind or protected:

Contibutory Value Estimate of Improvements Located Within the Acquisition Area(s)										
Improvement	**Qty**	**Unit**	**Cost**	**Local M**	**Current M**	**RCN / Unit**	**Source**	**RCN**	**Depreciation Deduction**	**FMV Contribution**
Tree	13	Ea.	$ 271.00	1.06	1.22	$ 350.46	MVS 66/8	$4,555.98	0%	$4,556
Landscaping	80	SF	$ 6.84	1.06	1.22	$ 8.85	MVS 66/8	$708.00	0%	$708
Grass	150	SF	$ 0.82	1.06	1.22	$ 1.06	MVS 66/8	$159.00	0%	$159
Asphalt	120	SF	$ 5.94	1.06	1.22	$ 7.68	MVS 66/2	$921.60	40%	$553
Total										**$5,976**

Source: Marshall Valuation Service (40 Pacifica, Ste 900, Irvine, CA / 800-544-2678)

Non-value Contributing Site Improvements: As previously discussed, the appraisers have not considered the roadway improvements within the 200th Street travel lanes to be value-contributing to the subject.

Personal Property: None observed.

Cost-to-Cure Items: The site improvements within the Parel 1 acquisition area cannot be replaced onsite and thus do not require a cost-to-cure estimate. Furthermore, the site improvements in Parcel 2 will be protected in-place and/or replaced as part of the project. Thus, a cost-to-cure analysis is not applicable to the appraisal assignment.

9. Detailed Description of the Remainder Property

The following information provides a summary of the remainder property:

Access:	Unchanged. The project will be constructing a concrete curb along 200th Street with a single driveway curb cut for the subject where the existing driveway is situated.
Zoning:	Unchanged.
Site area:	Decrease by the size of the Parcel 1 acquisition area. No supportable damages.
Improvements:	No supportable damages.
Highest and Best Use:	Unchanged.

10. Damages to the Remainder Property

Damages to Remaining Improvements

The subject is improved with a residence that will remain unchanged in functionality and highest and best use and will be unimpacted by the proposed acquisition area. The property will have adequate and reasonable access in the after situation, similar to that of the before situation.

As to the proximity of the proposed sidewalk, competing properties in the market area exhibit proximity ranges of 10 to 20 feet which brackets the subject after situation circumstance. Thus, there is no basis to claim that the proximity of the proposed sidewalk will result in damages to the remainder.

Therefore, there is no supportable basis for damages to the subject improvements.

Damages to Remaining Land

In the after situation, the subject is in conformance with all development code requirements. The subject highest and best use, development capacity, and functionality all remain unchanged in the before and after situation. Therefore, there is no supportable basis for damages to the subject remaining land.

Explanation of Increase of Value to the Remainder Property

There are no special benefits or increases in value to the remainder property as a result of the proposed project and acquisitions based upon information available to the appraisers.

11. Residential Personalty/Realty Report

Item	Owner	Tenant	Realty	Personalty	Salvage Value for Realty
Land	x		x		
Building	The appraisers did not inspect the interior of the building improvements, which will not be impacted by the proposed project.				
HVAC					
Stove					
Refrigerator					
Hot Water Heater					
Other Heat Source:					
Wood Burning Stove					
Pellet Stove					
Window Coverings					
Drapes					
Blinds					
Floor Coverings					
Carpeting					
Vinyl					
Wood					
Other (List)					
Landscaping	x		x		
Outdoor lighting	x		x		
Hot tub	N/A				

Certificate of Appraisal

The undersigned certify that, to the best of our knowledge and belief:

The statements of fact contained in this report are true and correct.

Sam A. Karpeles, MAI inspected the subject property and the comparables as cited in the sale data sheets herein from adjoining rights-of-way. David E. Balfour, MAI reviewed the photographs taken by Mr. Karpeles of the subject and sale comparables, as well as County and Google Earth mapping data. Mr. Balfour, MAI did not physically inspect the subject or comparable data.

The undersigned has performed services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

The undersigned has no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

The undersigned has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. The engagement in this assignment was not contingent upon developing or reporting predetermined results.

Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

No other parties provided significant professional contribution to the appraisal assignment.

As of the date of this report, David E. Balfour, MAI has completed the requirements of the continuing education program as a Designated Member of the Appraisal Institute.

As of the date of this report, Sam A. Karpeles, MAI has completed the requirements of the continuing education program as a Designated Member of the Appraisal Institute.

David E. Balfour, MAI
President, The Valuation Group
Washington Certified Appraisers 1102402
Expiration Date: October 17, 2025
Email Address: Dave@thevalue-group.com

Sam A. Karpeles, MAI
The Valuation Group
Washington Certified Appraisers 20107006
Expiration Date: February 16, 2026
Email Address: Sam@thevalue-group.com

Limiting Conditions and Assumptions

General Assumptions

This appraisal is based on the following general assumptions, except as otherwise noted in the report.

- The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and can be utilized at its highest and best economic use.
- There are no existing judgments or pending or threatened litigation that could affect the value of the property.
- There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there are no environmental regulation violations or actionable conditions.
- The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
- All information furnished by others, including proprietary third-party resources, is believed to be reliable, but no warranty is given for its accuracy.

Limiting Conditions

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

- The appraisers and client agree that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of appraisers services. The appraisers and client agree that to the fullest extent permitted by applicable law, each party's and its personnel's maximum aggregate and joint liability to the other party for claims and causes of action relating the appraisers services shall be limited to the higher of $25,000 or the total of fees and costs charged by appraisers for the services that are the subject of the claim(s) or cause(s) of action. This limitation of liability extends to all types of claims or causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence or negligent misrepresentation on the part of either party or its personnel, but excluding claims/causes of action for intentionally fraudulent conduct, criminal conduct or intentionally caused injury. The personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel," as used in this paragraph, means the respective party's staff, employees, contractors, members, partners and shareholders. Appraisers and client agree that they have each been free to negotiate different terms than stated above or contract with other parties.
- Client shall defend, indemnify and hold harmless, Portland Valuation Group Inc. (DBA as The Valuation Group), its agents, officers and employees from and against any and all claims, demands and judgments (including attorney fees) made or recovered against them arising out of or resulting from Client's (including its employees, agents and

subcontractors) negligent act or willful misconduct as to this assignment and obligations imposed upon the Client by this relationship. Additionally, Client agrees to defend, indemnify and hold harmless Portland Valuation Group Inc. (DBA as The Valuation Group) from any third party claims regardless of any negligent act by Client.

- The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
- No changes in any federal, state or local laws, regulations or codes are anticipated.
- No environmental impact or hazardous material studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies.
- We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
- The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
- Information, estimates and opinions contained in the report and obtained from third party sources are assumed to be reliable and have not been independently verified.
- If applicable to the assignment, any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value as defined in the appraisal and do not constitute predictions of future operating results.
- No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
- We have assumed that no extreme fluctuations in economic cycles will occur subsequent to the valuation date.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

- Publicly available flood maps noted in the appraisal report have been relied upon as to the subject property being located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
- The appraisers are not a building or environmental inspector. The appraisers do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
- Portland Valuation Group Inc. (DBA as The Valuation Group), an independently owned and operated company, has prepared the appraisal for the specific purpose stated in the report. The intended use of the appraisal is stated in the Description of Scope of Work section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided.
- The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as they may elect; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the appraisers.
- The appraisers may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing, except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.
- The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits or other legislative or administrative authority, local, state, federal and/or private entity or organization have been, or can be, obtained or renewed for any use considered in the value estimate.
- The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
- The market value estimated, and the costs used, are as of the date of value estimate. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

12. Addenda

Exhibit A: Appraiser Qualifications

Exhibit B: Inspection Notification Letter

Exhibit C: Assessor Information

Exhibit D: Commitment for Title Insurance

Exhibit A

DAVID E. BALFOUR, MAI

The Valuation Group

Real Estate Valuation Services

Dave@thevalue-group.com

503-330-8697

David E. Balfour, MAI is a Certified General Appraiser and owner of The Valuation Group (a subsidiary of Portland Valuation Group Inc.). Since 2012 Mr. Balfour has focused his appraisal practice primarily upon public acquisition and eminent domain work. Mr. Balfour is a licensed appraiser in both Oregon and Washington while being experienced as an expert witness. Mr. Balfour has gained competence in a variety of appraisal assignments such as public acquisitions, eminent domain, federal land acquisitions (Yellow Book), estate planning, litigation support and testimony across multiple property types.

PROFESSIONAL DESIGNATIONS & CREDENTIALS

State of Oregon
Certified General Real Estate Appraiser (Cert. No. C001256)
Oregon Department of Transportation (ODOT) Qualified Appraiser
Oregon Real Estate Broker Pre-License Training

State of Washington
Certified General Real Estate Appraiser (Cert. No. 1102402)
Washington Department of Transportation (WSDOT) Qualified Appraiser and Review Appraiser

State of Idaho
Certified General Real Estate Appraiser (Cert. No. 5612)
Idaho Department of Transportation (ITD) Qualified Appraiser and Review Appraiser

MEMBERSHIPS AND AFFILIATIONS

Member of The Appraisal Institute
International Right of Way Association
American Public Works Association
American Society of Farm Managers & Rural Appraisers
Portland Business Journal 40 Under 40

EDUCATION

Linfield College – McMinnville, Oregon – *Bachelor of Science in Finance* – 2012

PROFESSIONAL SERVICES

Appraisal & Appraisal Review
Market Research/Development Land Site Analysis
Expert Witness Testimony/Litigation Support (condemnation & private party)

PROFESSIONAL CONTRIBUTIONS

Greater Oregon Chapter of the Appraisal Institute: Outstanding Candidate Award – 2016
IRWA Chapter 3 Professional of the Year Award - 2019
IRWA Chapter 3 President – 2021-2022
Seminar Group – 2019 & 2021 Faculty for the Oregon Eminent Domain Seminar
APWA Presenter – 2023 Faculty for the APWA Spring 2023 Seminar

STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION

WASHINGTON STATE DEPARTMENT OF LICENSING

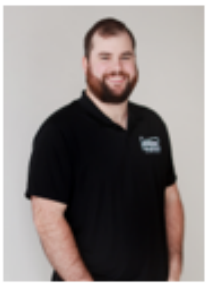
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER

DAVID ENGELDINGER BALFOUR

1102402	09/13/2016	10/17/2025
License Number	Issue Date	Expiration Date

Marcus J Glasper, Director



SAM A. KARPELES, MAI
The Valuation Group
Real Estate Valuation Services

Sam@thevalue-group.com
971-235-6263

Sam A. Karpeles, MAI is a Certified General Appraiser and employee of The Valuation Group (A subsidiary of Portland Valuation Group Inc). Since April 2017 Mr. Karpeles has gained experience in a variety of assignments such as public acquisitions, federal land acquisitions (Yellow Book), charitable remainders, estate planning, shopping centers, office, retail, and industrial buildings, vacant land, special purpose properties, single-family residences, multifamily properties, and residential subdivisions. Mr. Karpeles is a licensed appraiser in both Oregon and Washington.

PROFESSIONAL CREDENTIALS

State of Oregon
Certified General Real Estate Appraiser (License No.: C001420)

State of Washington
Certified General Real Estate Appraiser (Cert. No. 20107006)
Washington Department of Transportation (WSDOT) Qualified Appraiser

MEMBERSHIPS AND AFFILIATIONS

Member of The Appraisal Institute
International Right of Way Association
American Society of Farm Managers
& Rural Appraisers

EDUCATION

Oregon State University – Corvallis, Oregon (2008-2013)

- Bachelor of Science
- Naval Reserve Officer Training Corps Scholarship Recipient

PROFESSIONAL SERVICES

Appraisal & Appraisal Review
Market Research/Development Land Site Analysis
Condemnation Valuation/Offer Evaluation
Uniform Appraisal Standards for Federal Land Acquisitions ("Yellow Book")

PROFESSIONAL CONTRIBUTIONS

IRWA Chapter 3 Vice President – 2023 to Present

STATE OF WASHINGTON
DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A
LICENSING
CERTIFIED GENERAL REAL ESTATE APPRAISER
SAM KARPELES
20107006
License Number
07/29/2020
Issue Date
02/16/2026
Expiration Date
Marcus J Glasper, Director

(R/4/23)

Exhibit B

TVG THE VALUATION GROUP
24925 SW Garden Acres Rd
Sherwood, Oregon 97140
Voice: (503) 477-4148 *erin@thevalue-group.com*

Orizotti/Evans
801 S 200th St
Des Moines, WA 98198

August 23, 2024

Re: Notice of Appraisal Inspection

To Whom It May Concern:

The Valuation Group has been engaged to conduct real estate valuation services by the following client(s) relative to the identified public improvement project for the property(s) that appear to be in your ownership based upon a review of county assessor records:

Appraisal Type	Partial Acquisition
Client	Epic Land Solutions, Inc.
Project Name	Parametrix/City of Des Moines – North Hill Elementary Walkway Improvements
County	King
Assessor Account	294600-0285

State law requires that written notice be given prior to conducting a physical inspection of the property. The purpose of this letter is to provide this notice as well as offer you the opportunity to accompany the appraiser at the time of inspection.

If you would like to inspect the property with the appraiser, please contact the Project & Research Coordinator at erin@thevalue-group.com. Unless a specific appointment is made, I will inspect the proposed acquisition areas from the adjoining right-of-way in the following weeks.

Sincerely,

David E. Balfour, MAI
WA Certified Appraiser 1102402
TVG File Number 24092-108

Please check appropriate box and fill in information:

☐ I hereby waive my notification right and decline co-inspection with the appraiser; or

☐ Please contact me at _____(phone/email) to schedule a co-inspection.

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Certified Mail Fee
$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic)
☐ Certi
☐ Adul
☐ Adul

Postage
$
Total Pc
$

Sent To

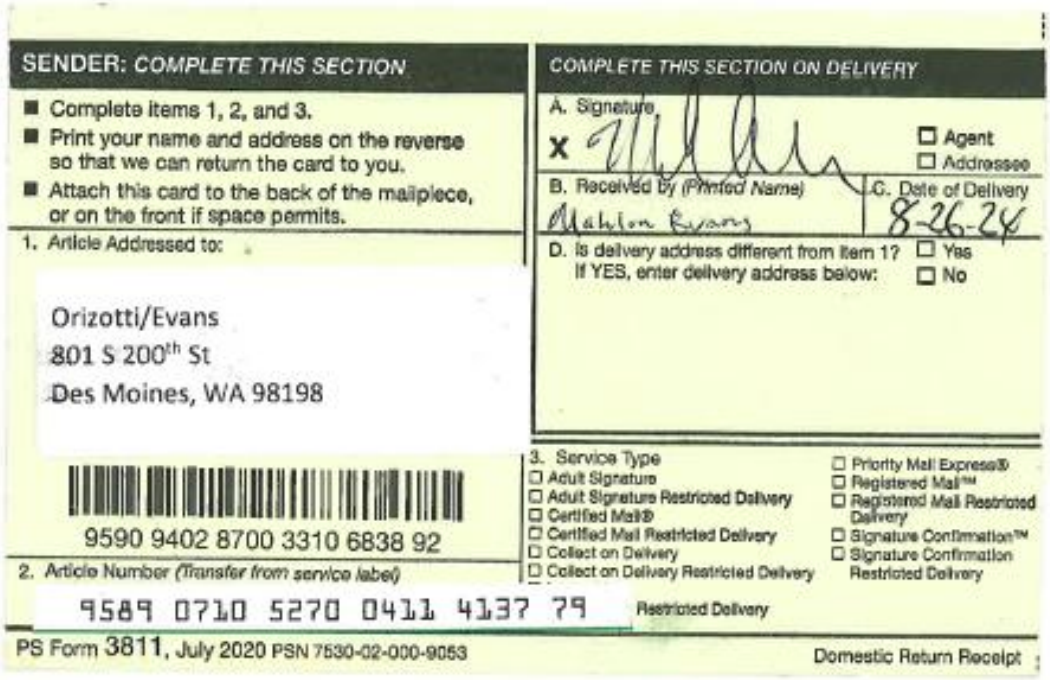
Orizotti/Evans
801 S 200th St
Des Moines, WA 98198

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

9589 0710 5270 0411 4137 79



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Orizotti/Evans
801 S 200th St
Des Moines, WA 98198

9590 9402 8700 3310 6838 92

2. Article Number (Transfer from service label)
9589 0710 5270 0411 4137 79

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name)
Mahlon Evans

C. Date of Delivery
8-26-24

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery
Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

From: Kate Orizotti [redacted]
Sent: Thursday, August 29, 2024 3:33 PM
To: Erin Burns <Erin@thevalue-group.com>
Subject: Orizotti/Evans North Hill Rlementary Walkway Improvements Project

Hello,

Attached is the response for the Appraisal Inspection. We look forward to scheduling with you.

Kate and Mahlon Evans

Kate Orizotti, Principal
[redacted]
Phone: [redacted]

Right-click or tap and hold here to download pictures. To help protect your privacy, Outlook prevented automatic download of this picture from the Internet.

Our Mission: *Our Lady of the Lake Catholic School is a welcoming and inclusive community committed to a tradition of excellence through nurturing **hearts**, inspiring **minds**, and igniting **spirits**.*

Hi Katie,

Our appraiser Sam Karpeles is planning on driving up to Washington to do the inspections for this project this **Friday September 20th**. The inspection usually takes anywhere from 15 minutes to half an hour.

We have a couple time options for you to accompany him on his inspection. He can meet you onsite either **9am**, **11am**, or **noon**. Please let us know if either of those options work for you.

Thank you!

Maria Friesen *(She/Her)*
Project & Research Coordinator
P: 503-477-4148
maria@thevalue-group.com NEW EMAIL (MARIA@OREGONVALUE.COM STILL OPERATIONAL)
24925 SW Garden Acres Road, Sherwood, OR 97140
TVG THE VALUATION GROUP WE ARE OPERATING UNDER A NEW NAME!

Re: Orizotti/Evans North Hill Elementary Walkway Improvements Project

KO Kate Orizotti [redacted]
To Maria Friesen
Cc [redacted]

Reply | Reply All | Forward
Wed 9/18/2024 10:11 AM

You replied to this message on 9/18/2024 10:27 AM.
Click here to download pictures. To help protect your privacy, Outlook prevented automatic download of some pictures in this message.

Hi Maria,

9 am on Friday works for me.

Thank you!

Kate Orizotti, Principal
[redacted]
Phone: [redacted]

Right-click or tap and hold here to download pictures. To help protect your privacy, Outlook prevented automatic download of this picture from the Internet.

Our Mission: *Our Lady of the Lake Catholic School is a welcoming and inclusive community committed to a tradition of excellence through nurturing **hearts**, inspiring **minds**, and igniting **spirits**.*

Exhibit C

ADVERTISEMENT

PARCEL DATA

Parcel	294600-0285
Name	ORIZOTTI KATHERINE & EVANS
Site Address	801 S 200TH ST 98198
Residential Area	088-002 (SW Appraisal District)
Property Name	

Jurisdiction	DES MOINES
Levy Code	1126
Property Type	R
Plat Block / Building Number	8
Plat Lot / Unit Number	6-7-8-9
Quarter-Section-Township-Range	SE-6 -22-4

Legal Description

GROVE ADD TO DES MOINES N 16 FT OF 6 & ALL 7-8-9 & POR VAC ALLEY
PLat Block: 8
Plat Lot: 6-7-8-9

LAND DATA

Highest & Best Use As If Vacant	SINGLE FAMILY
Highest & Best Use As Improved	PRESENT USE
Present Use	Single Family(Res Use/Zone)
Land SqFt	10,051
Acres	0.23

Percentage Unusable	
Unbuildable	NO
Restrictive Size Shape	NO
Zoning	R3-7200
Water	WATER DISTRICT
Sewer/Septic	PRIVATE
Road Access	PUBLIC
Parking	
Street Surface	PAVED

Views

Rainier	
Territorial	
Olympics	
Cascades	
Seattle Skyline	
Puget Sound	
Lake Washington	
Lake Sammamish	
Lake/River/Creek	
Other View	

Waterfront

Waterfront Location	
Waterfront Footage	0
Lot Depth Factor	0
Waterfront Bank	
Tide/Shore	
Waterfront Restricted Access	
Waterfront Access Rights	NO
Poor Quality	NO
Proximity Influence	NO

Designations

Historic Site	
Current Use	(none)
Nbr Bldg Sites	
Adjacent to Golf Fairway	NO
Adjacent to Greenbelt	NO
Other Designation	NO
Deed Restrictions	NO
Development Rights Purchased	NO
Easements	NO
Native Growth Protection Easement	NO
DNR Lease	NO

Nuisances

Topography	
Traffic Noise	MODERATE
Airport Noise	
Power Lines	NO
Other Nuisances	NO

Problems

Water Problems	NO
Transportation Concurrency	NO
Other Problems	NO

Environmental

Environmental	NO

BUILDING

Building Number	1
Year Built	1957
Year Renovated	0
Stories	1
Living Units	1

Click the camera to see more pictures.

Reference Links

- Residential Physic Inspection Areas
- King County Taxin Districts Codes an Levies (PDF)
- King County Tax Links
- Property Tax Advis
- Washington State Department of Revenue (External link)
- Washington State Board of Tax Appe (External link)
- Board of Appeals/Equalizati
- Districts Report
- iMap
- Recorder's Office

Scanned images o surveys and other map documents

Scanned images o plats

- Housing Availabilit Dashboard

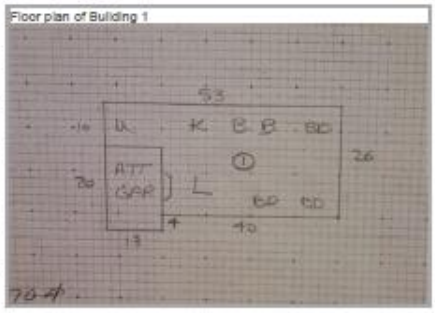
Notice mailing date: 08/15/2024

ADVERTISEME

Grade	7 Average
Grade Variant	0
Condition	Good
Basement Grade	
1st Floor	1,170
1/2 Floor	0
2nd Floor	0
Upper Floor	0
Finished Basement	0
Total Finished Area	1,170
Total Basement	0
Basement Garage	0
Unfinished 1/2	0
Unfinished Full	0
AGLA	1,170
Attached Garage	260
Bedrooms	3
Full Baths	1
3/4 Baths	0
1/2 Baths	1
Heat Source	Oil
Heat System	Forced Air
Deck Area SqFt	360
Open Porch SqFt	0
Enclosed Porch SqFt	0
Brick/Stone	0
Fireplace Single Story	1
Fireplace Multi Story	0
Fireplace Free Standing	0
Fireplace Additional	0
AddnlCost	0
Obsolescence	0
Net Condition	0
Percentage Complete	0
Daylight Basement	
View Utilization	

Picture of Building 1

Floor plan of Building 1



TAX ROLL HISTORY

Account	Valued Year	Tax Year	Omit Year	Levy Code	Appraised Land Value ($)	Appraised Imps Value ($)	Appraised Total Value ($)	New Dollars ($)	Taxable Land Value ($)	Taxable Imps Value ($)	Taxable Total Value ($)	Tax Value Reason
2946000285	2024	2025		1126	168,000	341,000	509,000	0	168,000	341,000	509,000	
2946000285	2023	2024		1126	152,000	305,000	457,000	0	152,000	305,000	457,000	
2946000285	2022	2023		1126	146,000	350,000	496,000	0	146,000	350,000	496,000	
2946000285	2021	2022		1126	120,000	281,000	401,000	0	120,000	281,000	401,000	
2946000285	2020	2021		1126	105,000	246,000	351,000	0	105,000	246,000	351,000	
2946000285	2019	2020		1126	100,000	238,000	338,000	0	100,000	238,000	338,000	
2946000285	2018	2019		1126	86,000	243,000	329,000	0	86,000	243,000	329,000	
2946000285	2017	2018		1126	82,000	215,000	297,000	0	82,000	215,000	297,000	
2946000285	2016	2017		1126	75,000	170,000	245,000	0	75,000	170,000	245,000	
2946000285	2015	2016		1126	70,000	154,000	224,000	0	70,000	154,000	224,000	
2946000285	2014	2015		1126	66,000	143,000	209,000	0	66,000	143,000	209,000	
2946000285	2013	2014		1126	60,000	99,000	159,000	0	43,000	100,000	143,000	FS
2946000285	2012	2013		1126	73,000	98,000	171,000	0	43,000	100,000	143,000	FS
2946000285	2011	2012		1126	80,000	105,000	185,000	0	43,000	100,000	143,000	FS
2946000285	2010	2011		1126	88,000	114,000	202,000	0	43,000	100,000	143,000	FS
2946000285	2009	2010		1126	88,000	121,000	209,000	0	43,000	100,000	143,000	FS
2946000285	2008	2009		1126	72,000	182,000	254,000	0	43,000	100,000	143,000	FS
2946000285	2007	2008		1126	69,000	162,000	231,000	0	43,000	100,000	143,000	FS
2946000285	2006	2007		1126	62,000	141,000	203,000	0	43,000	100,000	143,000	FS
2946000285	2005	2006		1126	58,000	131,000	189,000	0	43,000	100,000	143,000	FS
2946000285	2004	2005		1126	55,000	123,000	178,000	0	43,000	100,000	143,000	FS
2946000285	2003	2004		1126	52,000	116,000	168,000	0	43,000	100,000	143,000	FS

2946000285	2002	2003		1140	50,000	109,000	159,000	0	43,000	100,000	143,000	FS
2946000285	2001	2002		1140	43,000	112,000	155,000	0	43,000	100,000	143,000	FS
2946000285	2000	2001		1140	43,000	100,000	143,000	0	43,000	100,000	143,000	
2946000285	1999	2000		1140	41,000	83,000	124,000	0	41,000	83,000	124,000	
2946000285	1998	1999		1140	40,000	75,000	115,000	0	40,000	75,000	115,000	
2946000285	1997	1998		1140	0	0	0	0	40,000	69,000	109,000	
2946000285	1996	1997		1140	0	0	0	0	37,000	61,000	98,000	
2946000285	1994	1995		1139	0	0	0	0	37,000	61,000	98,000	
2946000285	1992	1993		3950	0	0	0	0	52,800	56,100	108,900	
2946000285	1990	1991		3950	0	0	0	0	31,800	56,100	87,900	
2946000285	1988	1989		3950	0	0	0	0	18,800	40,800	59,600	
2946000285	1986	1987		3950	0	0	0	0	19,800	36,800	56,600	
2946000285	1984	1985		3950	0	0	0	0	22,000	36,300	58,300	
2946000285	1982	1983		3950	0	0	0	0	22,000	36,300	58,300	

SALES HISTORY

Excise Number	Recording Number	Document Date	Sale Price	Seller Name	Buyer Name	Instrument	Sale Reason
3128883	20210826002001	6/25/2021	$475,000.00	EVANS BANKS ERIC III	ORIZOTTI KATHERINE D+EVANS MAHLON T	Warranty Deed	None
2717886	20160310001248	3/2/2015	$200,000.00	FLOYD MARIAN E	EVANS BANKS ERIC III	Statutory Warranty Deed	None

REVIEW HISTORY

PERMIT HISTORY

Permit Number	Permit Description	Type	Issue Date	Permit Value	Issuing Jurisdiction	Reviewed Date
BLD2022-1378	Remove load bearing wall and replace with beam,	Remodel	1/31/2023	$5,000	DES MOINES	9/13/2023
BLD2022-1340	REMODEL - Replace kitchen sink, dishwasher and dishwasher in new location,		12/12/2022	$0	DES MOINES	9/13/2023
BLD2022-1339	Modify electrical for remodel,		12/12/2022	$0	DES MOINES	9/13/2023
BLD2015-0266	125amp panel change. (not service upgrade). Install circuit for garage door opener. Swap out some plugs inside home.,		3/11/2015	$0	DES MOINES	9/27/2017
BLD2013-0782	INSTALL GROUNDING AND UNDERGROUND RACEWAYS. INSTALL A 120/240 VOLT PEDESTAL SERVICE AND TWO 15 AMP RECEPTACLE CIRCUITS FOR COMMUNICATIONS CABINET,		8/22/2013	$2,650	DES MOINES	6/3/2014

HOME IMPROVEMENT EXEMPTION

New Search Property Tax Bill Map This Property Glossary of Terms Area Report Print Property Detail

ADVERTISEMENT

Exhibit D

WFG National Title Insurance Company
a Williston Financial Group company

Katherine Orizott and Evans Orizott

Reference: **Katherine Orizott**

Order No.: 24-161481

Liability:	$1,000.00
Charge:	$250.00
Tax:	$25.88
Total:	$275.88

SUBDIVISION GUARANTEE

Subject to the Exclusions from Coverage, the limits of liability and other provisions of the Conditions and Stipulations hereto annexed and made a part of this Guarantee, and subject to the further exclusion and limitation that no guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule A or with respect to the validity, legal effect or priority of any matter shown therein. WFG National Title Insurance Company a corporation herein called the Company,

GUARANTEES

the Assured named in Schedule A against actual monetary loss or damage not exceeding the liability amount stated herein which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

Dated: **June 26, 2024**

Issued By:
WFG National Title Company of Washington, LLC, as Issuing Agent for WFG National Title Insurance Company

By: _____
Authorized Signature

WFG NATIONAL TITLE INSURANCE COMPANY

By: _____
Steve Ozonian, President/CEO

ATTEST: _____
Joseph V. McCabe, EVP/General Counsel/Secretary

SUBDIVISION GUARANTEE

SCHEDULE A

Guarantee No.:	**3153353-6078342**	Liability:	**$1,000.00**
Date of Guarantee:	**June 26, 2024**	Fee:	**$250.00**

1. Name of Assured:

   EPIC LAND SOLUTIONS, INC.

2. Date of Guarantee:

   June 26, 2024

3. The assurances referred to on the face page hereof are:

   a. That according to those public records which, under the recording laws, impart constructive notice of matters affecting title to the following described land:

      See Exhibit "A" attached hereto and made a part hereof

   b. Title to the estate or interest in the land is vested in:

      Katherine D. Orizotti and Mahlon T. Evans, a married couple

   c. The estate or interest in the land which is covered by the Guarantee is:

      Fee Simple

Subject to the Exceptions shown below, which are not necessarily shown in order of their priority.

EXCEPTIONS

1. (A) UNPATENTED MINING CLAIMS; (B) RESERVATIONS OR EXCEPTIONS IN PATENTS OR IN ACTS AUTHORIZING THE ISSUANCE THEREOF; (C) INDIAN TREATY OR ABORIGINAL RIGHTS, INCLUDING, BUT NOT LIMITED TO, EASEMENTS OR EQUITABLE SERVITUDES; OR, (D) WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT THE MATTERS EXCEPTED UNDER (A), (B), (C) OR (D) ARE SHOWN BY THE PUBLIC RECORDS.

2. Taxes and charges, together with interest, penalty and statutory foreclosure costs, if any, after delinquency:
   Tax Year: 2024
   Tax Type: County
   Tax ID No.: 2946000285
   Taxing Entity: King County Treasurer
   Total Annual Tax: $5,697.69
   First Installment: $2,848.85
   First Installment Status: Paid
   First Installment Due/Paid Date: April 30, 2024
   First Installment Delinquent Date: May 1, 2024
   Second Installment: $2,848.85
   Second Installment Status: Due
   Second Installment Due/Paid Date: October 31, 2024
   Second Installment Delinquent Date: November 1, 2024
   Notes: View Taxes

3. Local improvement assessments, if any, levied by the City of Des Moines.

4. Deed of Trust and the terms and conditions thereof:
   Grantor: Katherine D. Orizotti and Mahlon T. Evans, a Married Couple
   Trustee: Jet Closing, Inc

Lender/Beneficiary: Penrith Home Loans Llc and MERS solely as Nominee for Penrith Home Loans Llc
Original Amount: $444,000.00
Dated: June 11, 2021
Recorded: June 29, 2021
Recording No.: 20210629002002

5. Lien for unpaid assessment for homeowners' or condominium association dues, if any, provided by covenants.

6. Easement rights and maintenance agreements, if any, for utilities which may have been granted in vacated streets and alleys prior to their vacation.

7. All matters, including the terms and provisions thereof, if any, disclosed by the plat of Grove Addition to the Town of Des Moines.

8. Easement and the terms and conditions thereof affecting a portion of said premises,
as recorded under 9306251586 of Official Records.
In Favor of: Port of Seattle, a Washington State Municipal Corporation
For: Avigation Easement

9. Notice and the terms and conditions thereof, given by Marian E. Floyd,
recorded on July 29, 2014, in 20140729000227, of Official Records,
regarding: Notice of Operation and Maintenance Requirements for Nonconforming on-site sewage system.

10. Resolution and the terms and provisions thereof, recorded as 20140106000375, of Official Records.

EXHIBIT "A"

LEGAL DESCRIPTION

LOTS 7, 8 AND 9, AND THE NORTH 16 FEET OF LOT 6, BLOCK 8, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH THE WEST HALF OF VACATED ALLEY ADJOINING;

Tax Account No(s): 2946000285

SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. *Except to the extent* that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.

(b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.

(c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.

2. *Notwithstanding* any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.

(b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.

(c) The identity of any party shown or referred to in Schedule A.

(d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

GUARANTEE CONDITIONS AND STIPULATIONS

1. **Definition of Terms.**

The following terms when used in the Guarantee mean:

(a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.

(b) "land": the land described or referred to in Schedule (A)(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.

(c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(e) "date": the effective date.

2. **Notice of Claim to be Given by Assured Claimant.**

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

3. **No Duty to Defend or Prosecute.**

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

(a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.

(c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.

(d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

5. Proof of Loss or Damage.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

6. Options to Pay or Otherwise Settle Claims: Termination of Liability.

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

7. Determination and Extent of Liability.

This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

(a) the amount of liability stated in Schedule A or in Part 2;

(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon; or

(c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance assured against by this Guarantee.

8. Limitation of Liability.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.

(c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

9. Reduction of Liability or Termination of Liability.

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

10. Payment of Loss.

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

11. Subrogation Upon Payment or Settlement.

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

12. Arbitration.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is $2,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

13. Liability Limited to This Guarantee; Guarantee Entire Contract.

(a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.

(c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

14. Notices, Where Sent.

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 12909 SW 68th Pkwy., Suite 350, Portland, OR 97223. WFG National Title Insurance Company's telephone number is (800) 334-8885. Email address: claims@wfgnationaltitle.com.

Williston Financial Group Privacy Notice

Williston Financial Group LLC, WFG National Title Insurance Company, and each of the affiliates listed below (collectively "WFG" or the "WFG Family") believe it is important to protect your privacy and confidences. We recognize and respect the privacy expectations of our customers. We believe that making you aware of how we collect information about you, how we use that information, and with whom we share that information will form the basis for a relationship of trust between us. This Privacy Notice provides that explanation. We reserve the right to change this Privacy Notice from time to time.

WFG's primary business is providing appraisal, title insurance, and escrow services for the sale or refinance of real property. This can be a complicated process involving multiple parties, many of whom have been selected by our customers, each filling a specialized role. In part, you have hired WFG to coordinate and smooth the passage of the information necessary for an efficient settlement or closing.

In the course of this process, WFG collects a significant amount of personal and identifying information about the parties to a transaction, including sensitive items that include but are not limited to: your contact information, including email addresses, Social Security numbers, driver's license, and other identification numbers and information; financial, bank and insurance information; information about past and proposed mortgages and loans; information about properties you currently or previously owned; your mortgage application package; and the cookie, IP address, and other information captured automatically by computer systems.

Much of this information is gathered from searches of public land, tax, court and credit records to make certain that any liens, challenges or title defects are addressed properly. Some of the information that is collected is provided by you or the computer systems you use. We also may receive information from real estate brokers and agents, mortgage brokers and lenders, and others working to facilitate your transaction, as well as information from public, private or governmental databases including credit bureaus, 'no-fly' lists, and terrorist 'watch lists'.

What Information is Shared?

WFG DOES NOT SELL any of your information to non-affiliated companies for marketing or any other purpose.

However, some of the same information does get shared with persons inside and outside the WFG Family in order to facilitate and complete your transaction.

For example:

However, some of the same information does get shared with persons inside and outside the WFG Family in order to facilitate and complete current and future transactions.

For example:

- Information, draft documents, and closing costs will pass back and forth between WFG and your mortgage broker and lender to facilitate your transaction.
- Information, including purchase agreements and amendments, will pass back and forth between WFG and the real estate agents and brokers, the mortgage brokers and lenders, the lawyers and accountants, and others involved in facilitating the transaction.
- WFG may order property searches and examinations from title searchers, abstractors and title plants.
- WFG may use third parties to obtain tax information, lien information, payoff information, and condominium or homeowners' association information.
- Third parties may be engaged to prepare documents in connection with your transaction.
- Surveys, appraisals, and inspections may be ordered.
- Within the WFG Family of companies, we may divide up the work to handle each closing in the most efficient manner possible and to meet specific legal and licensing requirements. Certain parts of your closing (for example a search or disbursement) may be handled by another division or company within the WFG Family.

- When it is time for signatures, your complete closing package may be sent to a notary, remote online notary, or notary service company who will arrange to meet with you to sign documents. The notary will, in turn, send signed copies back to us along with copies of your driver's license or other identity documents, usually by mail, UPS, Federal Express or another courier service.
- Your deed, mortgage and other documents required to perfect title will be recorded with the local recorder of deeds.
- In some cases, we use an outside service to coordinate the recording or electronic-recording of those instruments, and they will receive copies of your deeds, mortgages and other recordable documents to process, scan and send on to the recording office.
- Information within your title policy may be shared with WFG National Title Insurance Company title policy issuing agents to facilitate future financial transactions involving your property.
- Various government agencies get involved. The law requires us to provide certain information to the IRS, the U.S. Department of the Treasury, local and state tax authorities, and other regulatory and governmental agencies.
- **WFG title policy issuing agents only**: personal information provided by you may be shared with a third party for the purposes of facilitating training to obtain CE/CLE credits.

You have a choice in the selection of a mortgage broker, lender, real estate broker or agent and others that make up your 'transaction team.' Information flows to and from the members of the transaction team you have selected to facilitate an efficient transaction for you.

When WFG selects and engages a third party provider, we limit the scope of the information shared with that third party to the information reasonably necessary for that service provider to provide the requested services. With most, we have entered into agreements in which they expressly commit to maintain a WFG customer's information in strict confidence and use the information only for purposes of providing the requested services, clearing title, preventing fraud and addressing claims under our title insurance policies.

How does WFG use your Information?

We may use your personal information in a variety of ways, including but not limited to:

- Provide the products, services and title insurance you have requested, and to close and facilitate your transaction.
- Provide and use historic transaction information to facilitate future financial transactions.
- Coordinate and manage the appraisal process.
- Handle a claim or provide other services relating to your title insurance policies.
- Create, manage, and maintain your account.
- Operate and improve WFG's applications and websites, including WFG MyHome®, WFG's secure communication and transaction portal. Your information is used for access management, payment processing, site administration, internal operations, troubleshooting, data analysis, testing, research, and for statistical purposes.
- Respond to your requests, feedback or inquiries.
- Comply with laws, regulations, and other legal requirements.
- Comply with relevant industry standards and our policies, including managing WFG's risk profile through reinsurance.
- Protect and enforce your rights and the rights of other users against unlawful activity, including identity theft and fraud.
- Protect and enforce our collective rights arising under any agreements entered into between WFG and you or any other third party.
- Protect the integrity and maintain security of our applications, websites, and products.
- Operate, evaluate, and improve our business.
- Provide you with information about products, services, and promotions from WFG or third parties that may interest you.
- **WFG title policy issuing agents only**: Provide you with a training platform to obtain CE/CLE credits

How Do We Store and Protect Your Personal Information?

Although no system can guarantee the complete security of your personal information, we will use our best efforts to maintain commercially reasonable technical, organizational, and physical safeguards, consistent with applicable law, to protect your personal information and our systems and sites from malicious intrusions or hacking.

How Long Do We Keep Your Personal Information?

We keep your personal information for as long as necessary to comply with the purpose for which it was collected, our business needs, and our legal and regulatory obligations. We may store some personal information indefinitely. If we dispose of your personal information, we will do so in a way that is secure and appropriate to the nature of the information subject to disposal.

Computer Information

When you access a WFG website, or communicate with us by e-mail, we may automatically collect and store more information than you are expressly providing when you fill out a survey or send an email. This may include:

- Your IP Address.
- Your email address, your alias and, social media handles.
- The type of browser and operating system you use.
- The time of your visit.
- The pages of our site you visit.
- Cookies.

In order to provide you with customized service, we make use of Web browser cookies. Cookies are files that help us identify your computer and personalize your online experience. You may disable cookies on your computer, but you may not be able to download online documents or access certain websites unless cookies are enabled.

The technical information we collect is used for administrative and technical purposes and to prevent fraud and provide identity verification. For instance, we may use it to count the number of visitors to our website and determine the most popular pages. We may also use it to review types of technology you are using, determine which link brought you to our website, assess how our advertisements on other websites are working, help with maintenance, and improve our customers' experience.

We may compare information gathered on previous visits to verify that we are interacting with the same parties and not a potential imposter.

If we ask you to fill out any forms or surveys, we will use the information we receive only for the specific purposes indicated in those forms or surveys.

The information you and your transaction team send us in emails or attached to an email, or provide through any of our online tools, is used for purposes of providing title, escrow and appraisal management services and used for the purposes described above.

In addition to the above, if you use an eClosing platform to sign your real estate transaction additional information may be collected. This may include:

- Your IP address.
- Your location.
- Your email address and your alias.
- The type of browser and operating system you use.
- The time of your visit.
- Your biometrics.
- Your image.
- Video recording of your transaction signing.
- Transaction metadata.
- Cookies.

Links to Third Party Sites

Our Applications and Websites may contain links to third-party websites and services. Please note that these links are provided for your convenience and information, and the websites and services may operate independently from us and have their own privacy policies or notices, which we strongly suggest you review. This Privacy Notice applies to WFG's applications and websites only.

Do Not Track

Because there is not an industry-standard process or defined criteria to permit a user to opt-out of tracking their online activities ("Do Not Track"), our websites do not currently change the way they operate based upon detection of a Do Not Track or similar signal. Likewise, we cannot assure that third parties are not able to collect information about your online activities on WFG websites or applications.

Social Media Integration

Our applications, websites, and products contain links to and from social media platforms. You may choose to connect to us through a social media platform, such as Facebook, Twitter, Google, etc. When you do, we may collect from the social media platform additional information from or about you, such as your screen names, profile picture, contact information, contact list, and the profile pictures of your contacts. The social media platforms may also collect information from you.

When you click on a social plug-in, such as Facebook's "Like" button, Twitter's "tweet" button, or the Google+, that particular social network's plug-in will be activated and your browser will directly connect to that provider's servers. Your action in clicking on the social plug-in causes information to be passed to the social media platform.

We do not have control over the collection, use and sharing practices of social media platforms. We therefore encourage you to review their usage and disclosure policies and practices, including their data security practices, before using social media platforms.

How Can You "Opt-Out?"

We do not sell your information; therefore there is no need to opt-out of such reselling. Under various laws, you can opt-out of the sharing of your information for more narrow purposes. For additional detail, consult the Links under the "Legal" Notices attached below.

The "Legal" Notices

To comply with various federal and state laws, we are required to provide more complete legal notices and disclosures – see links below. The state-specific statutes referenced therein may also give residents of those states additional rights and remedies.

Privacy Notice for California Residents - https://national.wfgnationaltitle.com/privacy-notice-california

Privacy Notice for Oregon Residents - https://national.wfgnationaltitle.com/privacy-notice-oregon

How to Contact Us

If you have any questions about WFG's privacy notice or how we protect your information, please contact WFG:

- By email: Consumerprivacy@willistonfinancial.com
- By telephone: 833-451-5718
- By fax: 503-974-9596
- By mail: 12909 SW 68th Pkwy, Suite 350, Portland, OR 97223

WFG FAMILY

WILLISTON FINANCIAL GROUP LLC

WFG NATIONAL TITLE INSURANCE COMPANY

WFG LENDER SERVICES, LLC

WFGLS TITLE AGENCY OF UTAH, LLC

WFG NATIONAL TITLE COMPANY OF WASHINGTON, LLC

WFG NATIONAL TITLE COMPANY OF CALIFORNIA

WFG NATIONAL TITLE COMPANY OF TEXAS, LLC D/B/A WFG NATIONAL TITLE COMPANY

UNIVERSAL TITLE PARTNERS, LLC

VALUTRUST SOLUTIONS, LLC

MYHOME, A WILLISTON FINANCIAL GROUP COMPANY, LLC (formerly known as WILLISTON ENTERPRISE SOLUTIONS & TECHNOLOGY, LLC)

WFG NATIONAL TITLE COMPANY OF CLARK COUNTY, WA, LLC, D/B/A WFG NATIONAL TITLE

Rev 12.20.2022

Rev. 12/2022

FACTS	WHAT DOES WILLISTON FINANCIAL GROUP DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: • Social Security number and other government identification information • Your name, address, phone, and email • Information about the property, any liens and restrictions • Financial Information including credit history and other debt • Financial account information, including wire transfer instructions.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Williston Financial Group chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Williston Financial Group share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

To limit our sharing	• Call 833-451-5718—our menu will prompt you through your choice(s) • Visit us online: http://bit.ly/WFGsConsumerPrivacyInformationRequestPage or e-mailing us at consumerprivacy@willistonfinancial.com • Mail the form below Please note: If you are a new customer, we can begin sharing your information from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.
Questions?	Call 833-451-5718 or Email consumerprivacy@willistonfinancial.com

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Who we are	
Who is providing this notice	Williston Financial Group, LLC and its affiliates and subsidiaries as listed below:
What we do	
How does Williston Financial Group protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We limit access to your information to employees that need to use the information to process or protect transaction. We take industry standard (IPSEC) measures to protect against malicious intrusions or hacking
How does Williston Financial Group collect my personal information?	We collect your personal information, for example, when you • Apply for insurance • Engage us to provide appraisal, title and escrow services • Give us your contact information • Provide your mortgage information • Show your driver's license We also collect your personal information from others, such as real estate agents and brokers, mortgage brokers, lenders, credit bureaus, affiliates, and others
Why can't I limit all sharing?	Federal law gives you the right to limit only • sharing for affiliates' everyday business purposes—information about your creditworthiness • affiliates from using your information to market to you • sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your policy.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. Our affiliates include companies with a common corporate identity, including those listed below.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. Nonaffilliates we share with can include real estate agents and brokers, mortgage brokers, lenders, appraisers, abstractors and title searchers and others as appropriate to facilitate your transaction.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. Williston Financial Group does not jointly market.
Other important information	
As a resident or citizen of certain states, we may have to provide additional state specific privacy notices and you may have rights other than as set forth above. The links below will provide state specific information: **Privacy Notice for California Residents** - https://national.wfgnationaltitle.com/privacy-notice-california **Privacy Notice for Oregon Residents** - https://national.wfgnationaltitle.com/privacy-notice-oregon	

Appraisal Report

Property Type:
Diminution in value resulting from
partial take and TCE acquisitions.

Located at:
801 S 200th St
Des Moines, WA 98168

Prepared For:
Helsell Fetterman, LLP
Client

Contact:
Michael Spence
Attorney at Law

Effective Date:
March 18, 2025

Job No.:
C25-052

Prepared By:
Patrick M. Lamb, MAI
WA State General Certified Appraiser
Certification No. 1101646

LHL APPRAISAL ASSOCIATES, INC.
EST. 1916

Letter of Transmittal

April 17, 2025

Helsell Fetterman, LLP
c/o Michael Spence, Attorney at Law
206-686-2176
mspence@helsell.com

RE: Diminution in value resulting from partial take and TCE acquisitions impacting the site located at 801 S 200th St, Des Moines, WA 98168.

Dear Mr. Spence,

The purpose of this report is to determine the diminution in value resulting from the loss of property rights associated with a partial take and temporary construction easement acquisitions required for the City of Des Moines North Hill Elementary Walkway improvement project.

The diminution in value is determined by the mathematical difference between (1) the fair market value of the subject property in the before situation prior to the acquisitions as of the effective date of March 18, 2025; (2) the fair market value of the subject property in the after state under the hypothetical condition that the proposed acquisitions are completed on the same effective date, while also considering the impacts from temporary construction easements; and (3) additional damages and/or special benefits, if any, to the remaining real property and property rights. The intended use of this report is to assist the client with negotiations in lieu of condemnation.

In the "As Is" state, the subject property is improved with a single-family residence containing 3-bedrooms, 1.5 bathrooms and 1,170 square foot (SF) SF of net rentable area (NRA), originally constructed in 1957. Additional site improvements include landscaping, asphalt driveway and mature trees. The underlying site is a rectangular shaped parcel containing 10,051 SF (0.23 acres) of land area.

According to the diagrams and documents provided, in the hypothetical after state, the City of Des Moines will acquire a 2,438 SF portion of the subject property in fee, spanning the northern boundary, along S 200th St.

Additionally, the City of Des Moines will acquire a 1,218 SF Temporary Construction Easement (TCE) situated directly south of the fee acquisition area. According to the Temporary Easement document, the TCE term is said to begin on March 1, 2025, and end on February 28, 2027. For the purpose of this appraisal, however, the TCE is assumed to commence as of the effective date of the appraisal, with an active and exclusive construction term of 24 months. The term may be extended by up to 12 months at the same rate as the original term.

Resulting from our investigation and analysis, the final opinion of the diminution in value resulting from the take and TCE, as of the effective date March 18, 2025 (date of site visit), are reported as follows:

Final Reconciliation of Value	
Appraisal Premise	**Indication**
Opinion of Value Before the Acquisition	$229,500
Opinion of Value After the Acquisition	$173,900
Value Difference, Rounded	**$55,600**
Plus Impacts from Tempoarary Construction Easement (Pg. 68)	*$22,400*
Plus Cost to Restore Site Improvements (Pg. 69)	*$15,000*
Final Opinion of Diminution in Value, Rounded	**$93,000**

The Appraisal Report analyzes real property components and fixtures that are typically included in the transfer of like kind property. The report does not include items of equipment, stock, inventory, tools, furniture, or any other items, movable or immovable, of a personal nature. To the best of our ability and knowledge, this appraisal was performed according to the appropriate guidelines set forth in Standards 1 and 2 of the Uniform Standards of Professional Appraisal Practices (USPAP), as well as the Code of Professional Ethics of the Appraisal Institute.

If you have any questions or require additional information at this time, please do not hesitate to contact us. Your attention is directed to the following pages of data and analysis from which, in part, the above value conclusion was derived. Thank you for the opportunity to be of service.

Provided by;

Patrick M. Lamb, MAI
WA State General Certified Appraiser
Certification No. 1101646

Phone: (206) 838-1216
E-Mail: plamb@lhlappraisal.com

Certification

We certify that, to the best of our knowledge and belief:

i. The statements of fact contained in this report are true and correct.

ii. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

iii. We have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

iv. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

v. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

vi. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

vii. Our analyses, or opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

viii. Patrick M. Lamb, MAI (WA State Certification No. 1101646) did not inspected the subject property, performed research and analysis, and wrote the report contained herein. Eric Hagen (WA State Certified Appraisal Trainee No. 20121031) personally inspected the subject property, and contributed to research, analysis, and report writing and presentation.

ix. No one else provided significant Professional Appraisal assistance to the person(s) signing this certification.

x. As of the reporting date, April 17, 2025, the certification of the signing licensed appraisers are up to date with the State of Washington Appraisal Licensing Division.

xi. We certify that, to the best of our knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

xii. Possession of this report, a copy, or any part thereof does not carry with it the right of publication.

xiii. Neither all, nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected) shall be used for any purposes by anyone but the client specified in the report, without the previous written consent of the Appraiser. Nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the express written consent and approval of the undersigned.

xiv. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

xv. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

xvi. As of the date of this report, I (Patrick M. Lamb, MAI) have completed the continuing education program for Designated Members of the Appraisal Institute.

xvii. We have not performed any services, as an appraiser or in any other capacity, of the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Certification as of the reporting date, April 17, 2025;

Patrick M. Lamb, MAI
WA State General Certified Appraiser
Certification No. 1101646

Phone: (206) 838-1216
E-Mail: plamb@lhlappraisal.com

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Summary of Salient Facts

Client:	Helsell Fetterman, LLP
Intended Use:	The use of this report is to assist the client with negotiations in lieu of condemnation. This report is not intended for any other use.
Intended Users:	Helsell Fetterman, LLP is the only intended user of this report. No other party is intended to use this report.
Purpose of Appraisal:	The purpose of this report is to determine the diminution in value resulting from the loss of property rights associated with a partial take and temporary construction easement acquisitions.
Property Appraised:	Parcel located generally at street address 801 S 200th St, Des Moines, WA 98168.
Effective Date of Value:	March 18, 2025 (date of site visit).
Date of site visit	March 18, 2025 (date of site visit).
Completion / Reporting Date:	April 17, 2025.
Zoning:	RS-7,200, (Single-Family Residential), by the City of Des Moines.
Tax Parcel Number(s):	294600-0285.
Site Size Before:	10,051 SF (0.23 acres).
Site Size After :	7,613 SF (0.17 acres).
Fee Acquisition:	2,438 SF (0.056 acres).
Temp. Construction Easement:	1,218 SF (0.028 acres).
H & B Use, Prior to Acquisition:	
"As Vacant"	Single-family residential development.
"As Improved"	Single-family residence.
H & B Use, After Acquisition:	
"As Vacant"	Single-family residential development.
"As Improved"	Single-family residence.

Subject Photographs Section

(Taken March 18, 2025)

Photo Location Map

1. Street view facing east on S 200th St

Photo Location Map

2. Street view facing west on S 200th St

Photo Location Map

3. Street view facing south on 8th Ave S

Subject Photographs Section

(Taken March 18, 2025)

Photo Location Map

4. Subject property

Photo Location Map

5. Subject residence

Photo Location Map

6. Subject grass parking area

Subject Photographs Section

(Taken on March 18, 2025)

Photo Location Map	7. Acquisition area facing west
Photo Location Map	8. Acquisition area facing west
Photo Location Map	9. Acquisition area facing east

Subject Photographs Section

(Taken on March 18, 2025

Photo Location Map	10. Acquisition area facing east
Photo Location Map	11. Acquisition area facing east
Photo Location Map	12. Acquisition area facing west (trees in acquisition area)

Subject Photographs Section

(Taken on March 18, 2025

Photo Location Map	13. Acquisition area facing north (trees in acquisition area)
Photo Location Map	14. Acquisition area facing north (trees in acquisition area)
Photo Location Map	15. Acquisition area facing southwest (trees in acquisition area)

Subject Photographs Section

(Taken on March 18, 2025

Photo Location Map

16. Trees in northwest corner and lining western boundary of subject

Photo Location Map

17. Acquisition area facing north

Photo Location Map

18. Northwest corner of acquisition area facing east

Project Summary

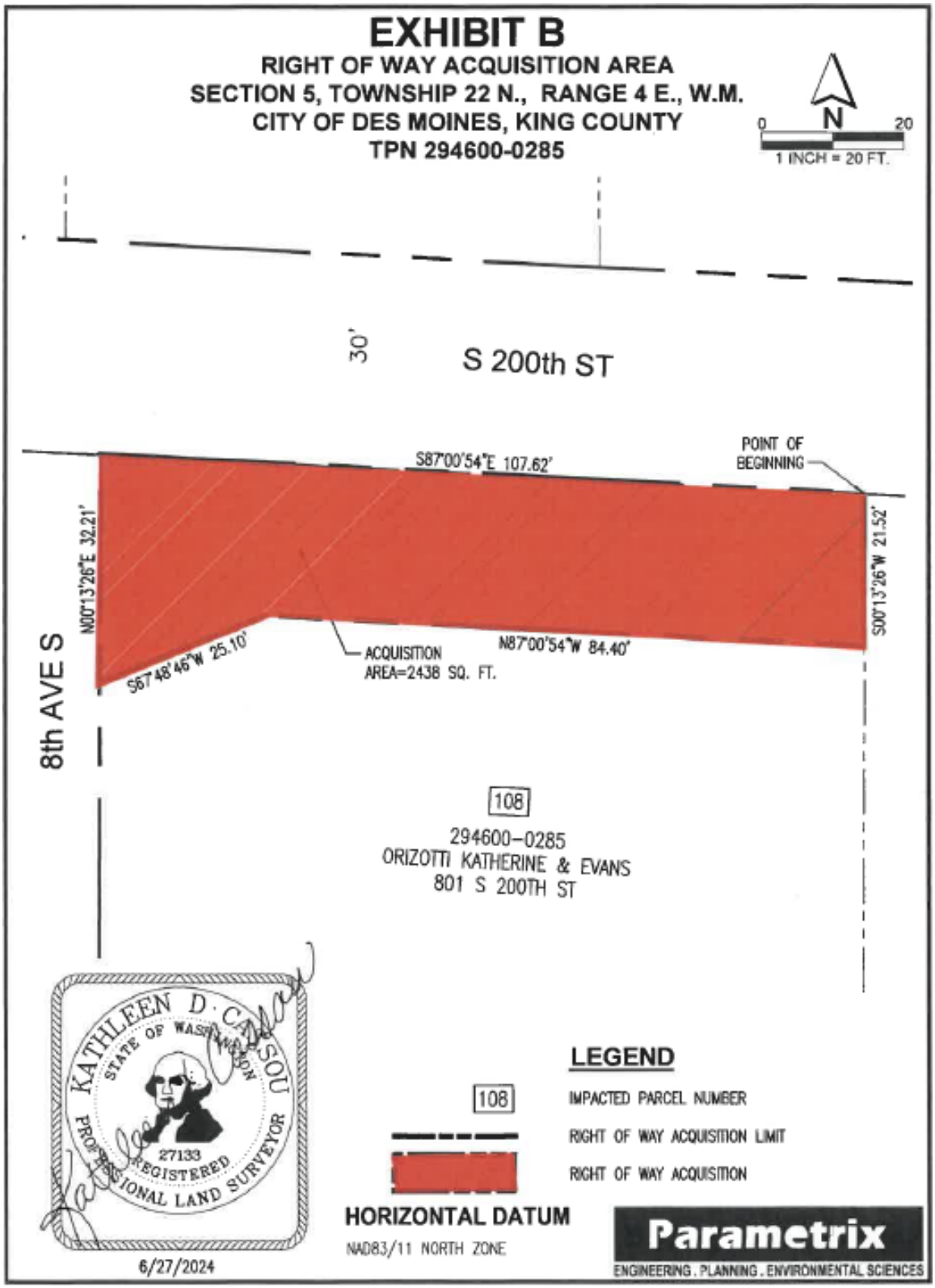
Summary of City of Des Moines North Hill Elementary Walkway Improvements Project

The North Hill Elementary Walkway Improvements Project aims to enhance pedestrian safety along approximately 800 feet of S 200th Street, from 8th Avenue S to 10th Place S. To achieve this, the City of Des Moines will construct ADA-compliant curb ramps at three intersections, a 6-foot-wide sidewalk with curb and gutter on both sides of the corridor, 29 driveway/sidewalk ramps, and marked bike ramps. The project also includes marked pedestrian crossings with illumination and, at the intersection of 8th Avenue S and the North Hill Elementary School entrance, two rectangular rapid flashing beacons (RRFBs), one on each side of 8th Ave S.

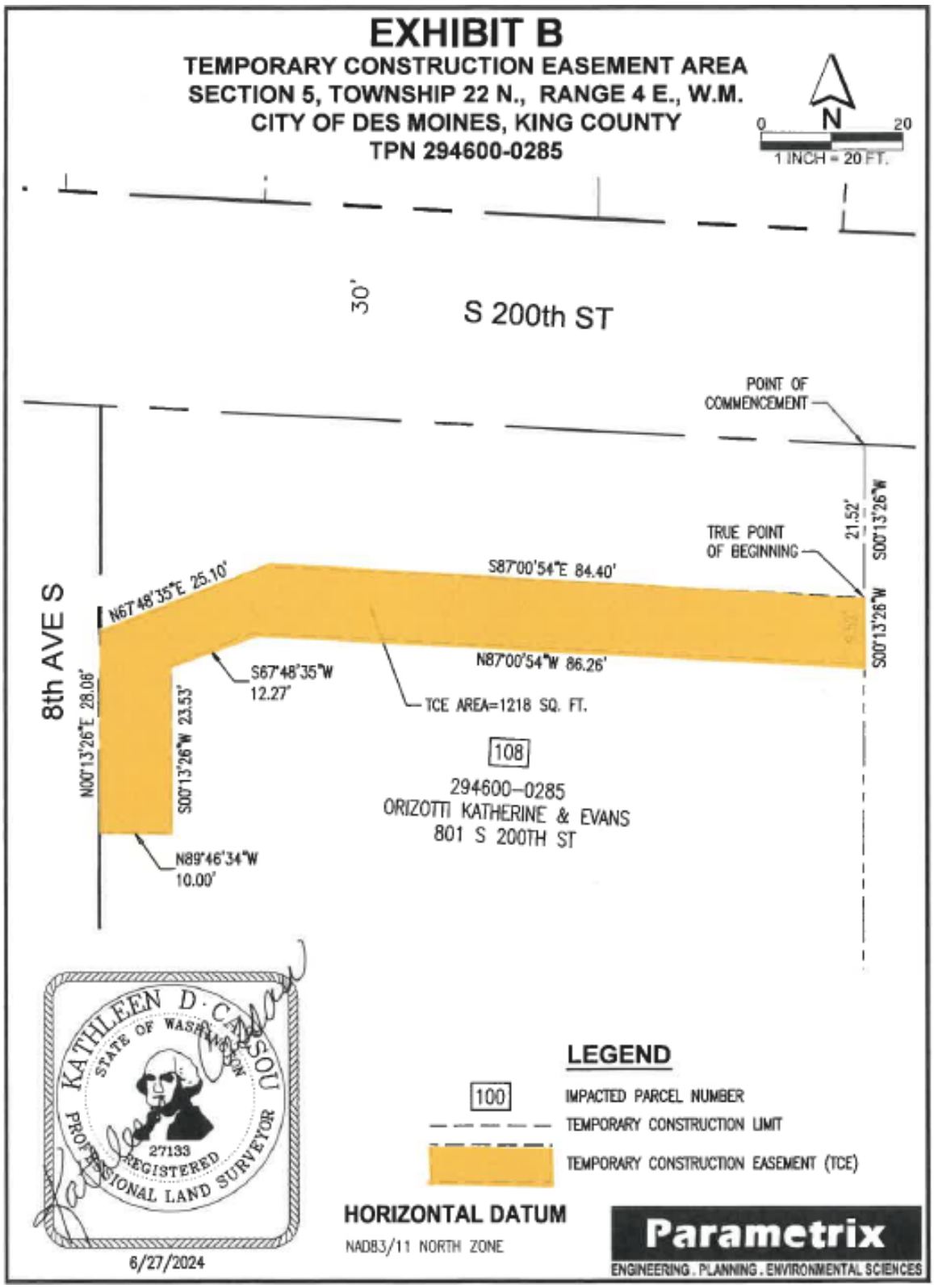
Summary of Proposed Acquisition

According to the diagrams and documents provided, in the hypothetical after state, the City of Des Moines will acquire a 2,438 SF portion of the subject property in fee, spanning the northern boundary, along S 200th St.

Additionally, the City of Des Moines will acquire a 1,218 SF Temporary Construction Easement (TCE) situated directly south of the fee acquisition area. According to the Temporary Easement document, the TCE term is said to begin on March 1, 2025, and end on February 28, 2027. For the purpose of this appraisal, however, the TCE is assumed to commence as of the effective date of the appraisal, with an active and exclusive construction term of 24 months. The term may be extended by up to 12 months at the same rate as the original term. The partial take and TCE are displayed in the following diagrams:



Right of Way Acquisition Area



Temporary Construction Easement Area

Property Identification

Ostensible Owner

Katherine Orizotti and Mahlon Evans
801 S 200th St
Des Moines, WA 98198

Property Address

801 S 200th St
Des Moines, WA 98168

Assessed Valuation & Taxes

The King County Assessor's Office assesses all real property within the County and levies taxes based on full assessed value. A three-year history of the subject's assessed value, property taxes, and levy rate is displayed below:

Year	Land Assessment	Improved Assessment	Taxable Value	Property Tax Principal	Additional Fees	Levy Rate	Taxes $/SF (Land)
2025	$168,000	$341,000	$509,000	$5,439.75	$599.44	10.6871	$0.54
2024	$152,000	$305,000	$457,000	$5,315.20	$382.49	11.6306	$0.53
2023	$146,000	$350,000	$496,000	$5,337.20	$366.31	10.7605	$0.53

The 2025 real estate taxes for the subject property are reported at $5,439.75 with a levy rate of 10.6871 (per $1,000 of assessment). The property is charged $599.44 in additional fees, which represents 6.71% of the total tax bill. Presently, King County indicates that all property taxes are current.

Legal Descriptions

The subject site is legally described as follows: *GROVE ADD TO DES MOINES N 16 FT OF 6 & ALL 7-8-9 & POR VAC ALLEY PLAT BLOCK: 8 PLAT LOT: 6-7-8-9.*

Effective Date

This appraisal report, its analysis, research, and the final opinion of market value, are specifically applicable to the effective date of value as of March 18, 2025 (date of site visit).

Completion / Reporting Date

The completion date of this report is April 17, 2025.

Delineation of Title

No title actions are known to have occurred during the three years preceding the effective or reporting date of this report.

Marketing History

No listings are known to have occurred during the three years preceding the effective or reporting date of this report.

Purpose & Use

The purpose of this report is to determine the diminution in value resulting from the loss of property rights associated with a partial take and temporary construction easement acquisitions.

The diminution in value is determined by the mathematical difference between (1) the fair market value of the subject property in the before situation prior to the acquisitions as of the effective date of March 18, 2025; (2) the fair market value of the subject property in the after state under the hypothetical condition that the proposed acquisitions are completed on the same effective date, while also considering the impacts from temporary construction easements; and (3) additional damages and/or special benefits, if any, to the remaining real property and property rights. The intended use of this report is to assist the client with negotiations in lieu of condemnation.

Definition of Fair Market Value

"Fair Market Value" is defined as; the amount in cash which a well -informed buyer, willing but not obliged to buy the property, would pay, and which a well -informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted and might in reason be applied (Washington Pattern Instruction 150.08).

Property Rights Appraised

The property rights being appraised in both the Before and After states are fee simple interest subject to the temporary construction easement rights to be acquired plus damages.

Bundle of Rights

Property ownership rights have been compared to a large bundle of sticks, with each stick representing a different portion of the rights of ownership. From this idea came the phrase 'bundle of rights'. Today, we recognize that the so-called 'bundle of rights' rights to the ownership of land actually consist of many different rights. Examples include (1) the right to occupy the property, (2) the right to sell it, (3) the right to exclude others from it, (4) the right to borrow against it, and (5) the right to convey ownership by inheritance or gift. The right to refuse to exercise any of these rights is often cited as another example within the bundle of rights.

Fee Simple Interest

Fee Simple Interest is defined as "An absolute ownership, unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat." (The Dictionary of Real Estate Appraisal, 7th edition, 2022 Page 85).

Extraordinary Assumptions

Extraordinary assumption an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP, 2024 ed.) Special Note: The use of extraordinary assumptions may affect the assignment results.

Hypothetical Conditions

Hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if: use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; and use of the hypothetical condition results in a credible analysis. (USPAP, 2024 ed.)

- The opinion of value in the after state relies on the hypothetical condition that any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired is disregarded.

- The opinion of value in the after situation is based on a hypothetical condition that the proposed acquisitions are completed as of the effective date of value. The use of these hypothetical conditions may affect the assignment results.

Appraisal Development & Reporting Process

This Appraisal Report is presented in a narrative format; as such, it presents detailed discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the defined scope of work, needs of the client, and for the intended use.

Investigation Methodology

The scope of appraisal is designed to give the reader an understanding of the assumptions relied upon during the appraisal process. The scope of this assignment included (1) defining the appraisal engagement, (2) inspecting the subject property and comparable properties where appropriate, (3) generating detailed notes regarding the subject real property, (4) collection and analysis of all relevant data, (5) research of current costs for and sales of similar properties, (6) investigating current market conditions and trends for comparable properties, and (7) developing indicated market value conclusions.

Sources of Information

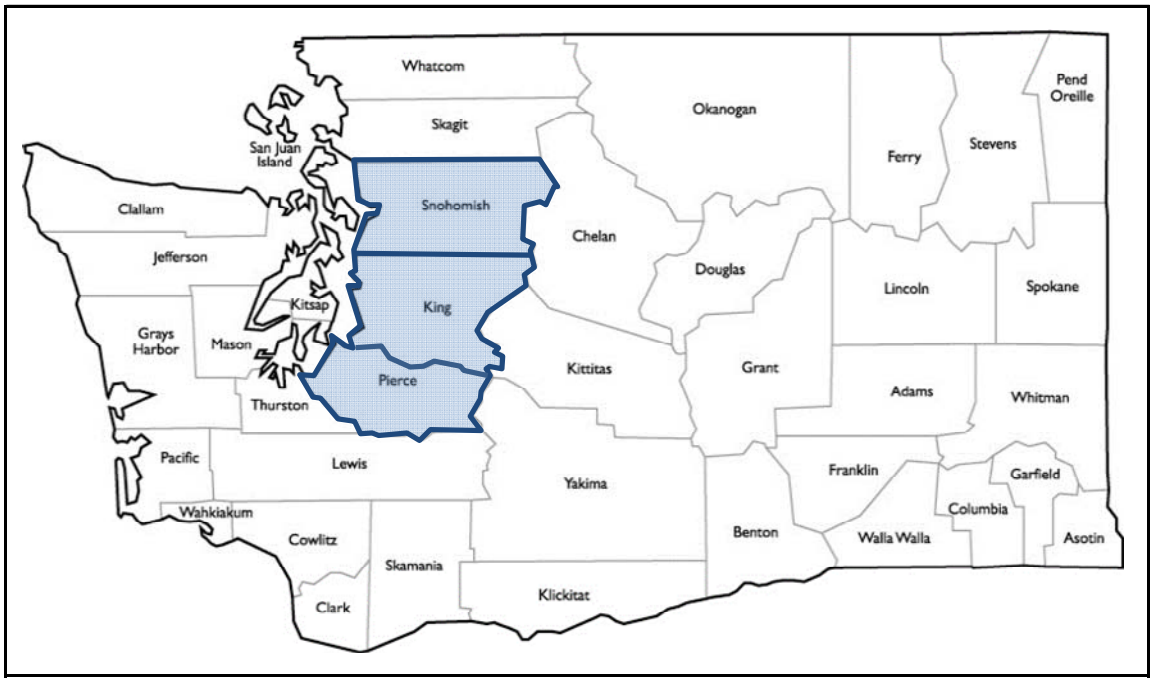
Information about the subject property was gathered from a variety of sources, including King County public records (assessor and recorder’s office records), City of Des Moines Planning & Development Services. Comparable sales were located from a variety of sources, including the Northwest Multiple Listing Service, the Commercial Broker’s Association, Costar, and through leads provided by local market participants (verified through deeds on file with King County). Where possible, comparable sales were further verified with parties directly or secondarily related to the transactions.

Market Description

Regional Overview: Greater Seattle Metropolitan Area

The subject site is located within the Greater Seattle Metropolitan Area (SMA) in King County. The Seattle Metropolitan area essentially consists of King, Pierce and Snohomish counties. These counties are in the middle of a five-county area often referred to as the Central Puget Sound Region.

The U.S. Census Bureau defines the metropolitan area as the Seattle–Tacoma–Bellevue, WA Metropolitan Statistical Area, with a 2020 census population of 4,018,025, making it the 15th largest United States Metropolitan Statistical Area. The population as of April 1, 2024, per the Washington State Office of Financial Management was 4,197,800, representing an 4.5% increase since the 2020 census. A diagram of the SMA is displayed below:



Supporting the SMA's population growth is the aerospace sector led by Boeing, the technology sector led by Microsoft and Amazon, forestry sector led by Weyerhaeuser and the area is also supported by a thriving biotech industry as well as major cancer research centers such as Fred Hutchinson.

In addition, the ports of Seattle and Tacoma joined forces to unify management of marine cargo facilities and business to strengthen the Puget Sound gateway and attract more marine cargo and jobs to the region. The Northwest Seaport Alliance is the first of its kind in North America. The influence of the Ports has a positive effect on the SMA's employment and economy with increased container traffic from overseas markets and tourism. Trends indicate that the SMA is likely to continue to experience increases in both population and economic activity.

County Overview: King County

King County is bordered to its north by Snohomish County and Pierce County to its south. Puget Sound lies to the west and the Cascade Mountains to the east. King County has points at sea level and a high point of nearly 8,000 feet. The largest cities within King County include Seattle, Bellevue, Kent, Renton, and Federal Way. In terms of population, King County is the largest in the State of Washington and 14th most populous in the United States. About two-thirds of the county's population lives in the city's suburbs. King County ranks among the 100 highest-income counties in the United States.

Transportation

Major interstate highway systems of note within King County include Interstate 5 and Interstate 405, the primary north-south routes, and Interstate 90 and Highway 520, the primary east-west routes. These routes connect the cities within the county and to other counties, states, and Canada. Public transportation options available to King County include regional public transit provided by King County Metro, as well as ferry service, which links the county with counties located on the Olympic Peninsula. Washington State Ferries, a division of the Washington Department of Transportation offers ferry service that links Kingston with Edmonds, Bremerton & Bainbridge Island with downtown Seattle, and Vashon Island with the ferry terminal at Fauntleroy in West Seattle.

Seattle-Tacoma International Airport is located south of Seattle. The airport is the primary hub for Alaska Airlines, with headquarters located near the airport, and its regional subsidiary Horizon Air. The airport has service to destinations throughout North America, Europe, the Middle East and East Asia.

Industries & Employment

Lumber played a major role in King County's early history, especially before the Great Seattle Fire of 1889. In recent decades, the region was highly dependent on the aerospace industry. Aerospace still plays an important role, but a much smaller percentage of workers have specialized in the industry over the past 10 years.

Throughout the 1990s, the county underwent extraordinary gains in employment, population, and wages. Despite the county's increasing cost of living, especially in housing, the high-tech job boom lured well-educated newcomers to the area. The county continues to hold a strong national reputation as a hub for information technology development.

Major industry sectors in King County with more than 100,000 estimated jobs include professional, scientific, and technical services; retail trade; healthcare; leisure and hospitality; and government. Of these, government employment continues to face looming budget reductions.

Population

According to the Washington State Office of Financial Management, King County had a population of 2,378,100 as of April 1, 2024, which is an increase of 4.8% from the 2020 Census population of 2,269,675.

Local Market Overview: City of Des Moines

The City of Des Moines is mainly a residential community situated along the shore of the Puget Sound in southern King County, roughly 13 miles south of downtown Seattle. The city is one of the few points along the immediate Puget Sound shoreline where the topography facilitates access to the water. Des Moines is a long and narrow city, being approximately 6.3 miles long and 2.1 wide and covering 4,340 acres. It has roughly six miles of shoreline, which include public beaches, natural areas, waterfront parks and a city operated 900-slip marina.

Des Moines is located midway between Seattle and Tacoma and is positioned between Interstate 5 and the Puget Sound. It is bordered by the City of Normandy Park, Sea Tac and Burien to the north, Kent to the east, Federal Way to the south and Puget Sound to the west. SeaTac International Airport is less than a half mile to the north of the city's boundary. Des Moines is easily accessible from Interstate 5 and Pacific Highway South (State Route 99). Access to Interstate 5 (I-5) is approximately 1.8 miles southeast of the subject. Pacific Highway South is 2 blocks west of I-5, which is a major north-south arterial that runs through Seattle and Everett to the north and Tacoma to the south.

Employment Trends

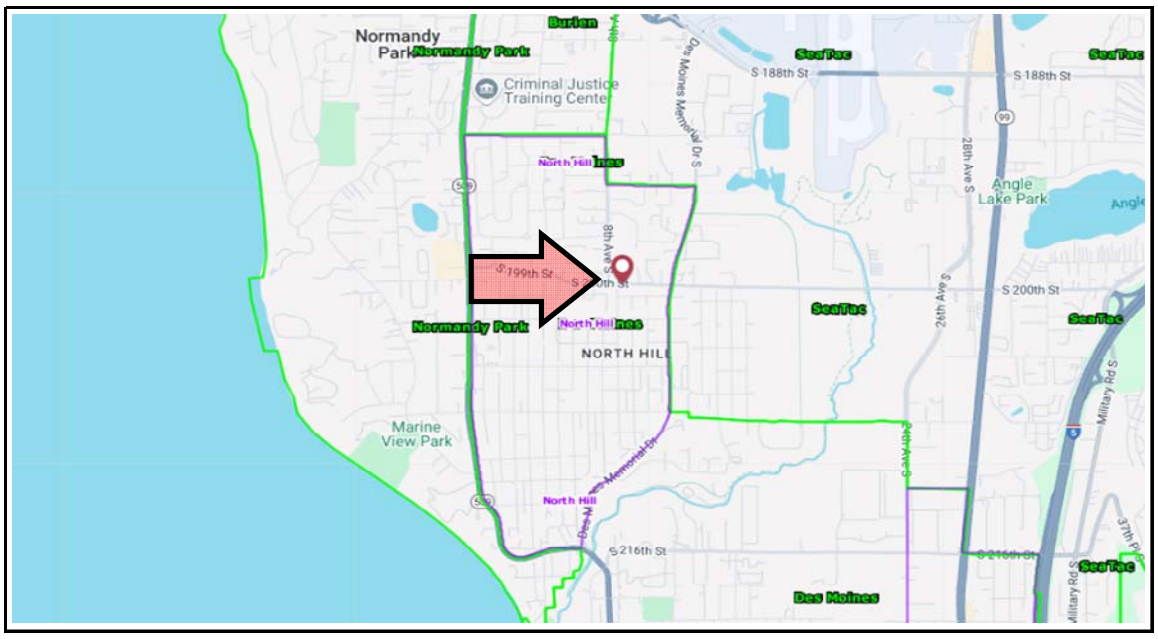
As of December 2024, the unemployment rate (not seasonally adjusted) for Des Moines was 3.5%. This is lower than Washington State's rate of 4.3% and national rate of 4.1%. The City's rate has decreased 0.5% since December 2023 and 0.3% since December 2022. Over the past 5 years, Des Moines has followed the same general trends as the state and nation. However, the rate has typically been below both. Furthermore, the December 2024 total employment in Des Moines is 17,318. This is up from 16,942 in December 2023 and represents an annual increase of 2.2%.

Population

According to the Washington State Office of Financial Management, Des Moines had a population of 33,400 as of April 1, 2024, which is an increase of 1.6% from the 2020 Census population of 32,888.

Immediate Market Overview: North Hill

North Hill in Des Moines, Washington, is a quiet residential neighborhood known for its charming single-family homes and close-knit community. The area offers convenient access to local businesses, restaurants, and essential services along Pacific Highway South (Highway 99) and nearby Marine View Drive. North Hill is served by the Highline School District, with schools like North Hill Elementary and Mount Rainier High School providing educational options for families in the area. A map of the North Hill neighborhood is displayed below:



Located just over 15 miles south of Downtown Seattle, North Hill offers a manageable commute of around 25–30 minutes via I-5 or Highway 509. The neighborhood is bordered by South 200th Street to the north, Marine View Drive to the west, 1st Avenue South to the east, and South 216th Street to the south.

North Hill residents enjoy access to several parks and outdoor spaces. Des Moines Beach Park, just minutes away, features beach access, picnic areas, trails, and a scenic boardwalk along Puget Sound. Nearby Highline SeaTac Botanical Garden and North SeaTac Park offer green spaces for walking, birdwatching, and outdoor recreation. The area also benefits from views of the water and the Olympic Mountains on clear days.

For commuters, the Angle Lake Station, part of Sound Transit's Link light rail system, is located just east of North Hill. The station provides a direct connection to Sea-Tac Airport and downtown Seattle, with travel times to the city center averaging around 30 minutes. The station features a park-and-ride garage, bike facilities, and frequent light rail service, making it a convenient option for residents who prefer public transportation. As Sound Transit continues to expand, the region's accessibility and transit options are set to improve further.

Market Area Conclusion

The subject market area provides good access to transportation linkages such as Interstate 5, State Route 99 and State Route 509. The nearby Angle Lake Link Light Rail station provides a direct transit option to Sea-Tac Airport and downtown Seattle, enhancing regional mobility. In addition, North Hill offers close proximity to major employment hubs, schools, shopping centers, community services, and a variety of parks and recreational amenities. Its strategic location and well-rounded infrastructure make North Hill a highly accessible and livable community within the greater Des Moines area.

As of December 2024, the unemployment rate (not seasonally adjusted) for Des Moines was 3.5%. This is lower than Washington State's rate of 4.3% and national rate of 4.1%. The area has a stable economic base with attractive amenities. It is anticipated that this area will continue to be desirable as growth and development increase in the County and in the Puget Sound Region.

The real estate market is currently navigating through a period of significant turbulence and uncertainty. Since mid-2022, a sharp tightening of monetary policy has played a major role in slowing down transactions across most property types. As interest rates climbed, the cost of borrowing surged, which cooled down demand from buyers. By the end of 2024, however, the Federal Reserve made a notable move by cutting the federal interest rate by 100 basis points, sparking hopes of a slight rebound in the market as borrowing costs decreased. Despite this rate cut, the overall market remains cautious.

Investors are also navigating the uncertainty carefully, with many opting to sit on the sidelines or exploring other asset classes, but real estate remains an attractive investment for those seeking long-term value. Looking ahead, there is cautious optimism. The reduced rates are expected to increase demand, though the affordability challenge continues to be a major hurdle. Even as conditions shift, the market is expected to remain in a delicate balancing act as buyers, sellers, and investors all adjust to the new landscape.

Subject Site Maps

Plat Map

Aerial View

Site Description – Before Acquisition

General Location

Please refer to the preceding subject photographs and site maps above. The subject is located at 801 S 200th St, Des Moines, WA 98168 in King County. The census tract number is 287.00. The range/township/section number is 04-22-05-SE.

Abutting Property Uses

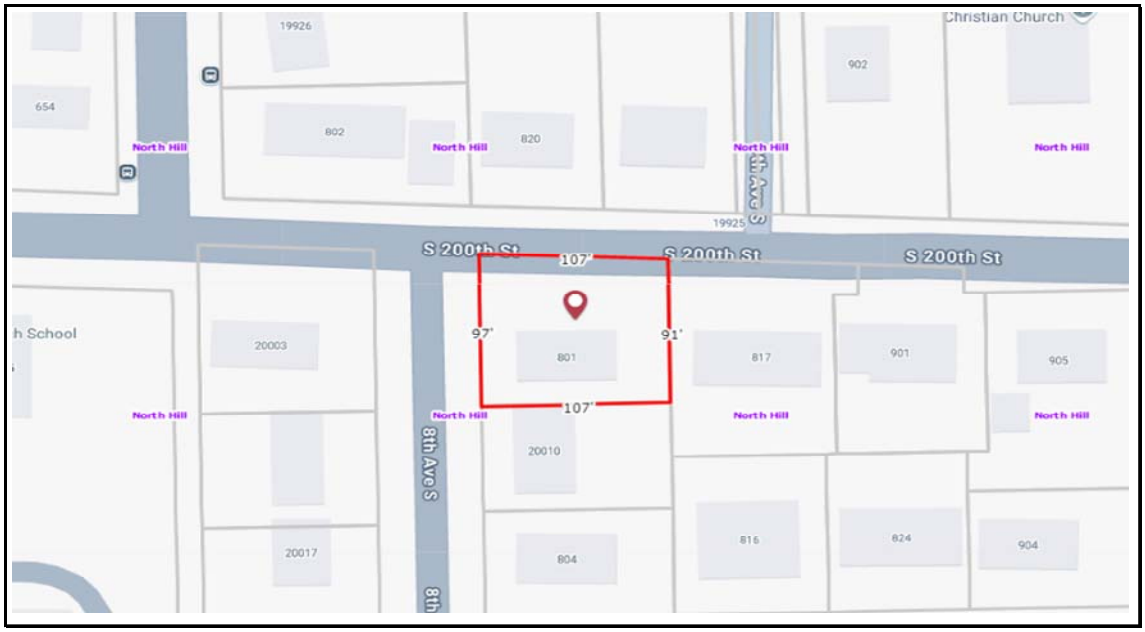
The overall character of the immediate neighborhood is primarily residential, made up of single-family homes, many built in the mid-20th century. The surrounding properties sit on moderately sized lots with mature landscaping. Non-residential uses in the immediate vicinity include the North Hill Elementary School, Wels High School, Olympic Interim School and the Southminster Presbyterian Church. The following diagram displays the surrounding uses:

Ingress/Egress & Access

Ingress/egress to the site is average. Access to the site is provided by a driveway situated on the south side of S 200th St. The site offers convenient access to major transportation linkages and public transit. The property is located approximately 1.2 miles from the Angle Lake Station, part of Sound Transit's Link light rail system, which provides direct service to Sea-Tac Airport and downtown Seattle. This station is easily reachable by a short drive or a 20–25 minute walk. The site is also well-connected to Interstate 5, accessible via the South 200th Street exit (Exit 151), and State Route 509, which is undergoing expansion to enhance regional connectivity and provide improved access between I-5 and the Sea-Tac Airport area.

Site Size & Shape

The subject property contains a generally rectangular shaped parcel with approximately 10,051 SF (0.23 acres) of land area. The subject site is 107 feet long on the south side, 107 feet long on the north side, 97 feet long on the west side and 91 feet long on the east side. A map outlining the subject site dimensions is displayed below:

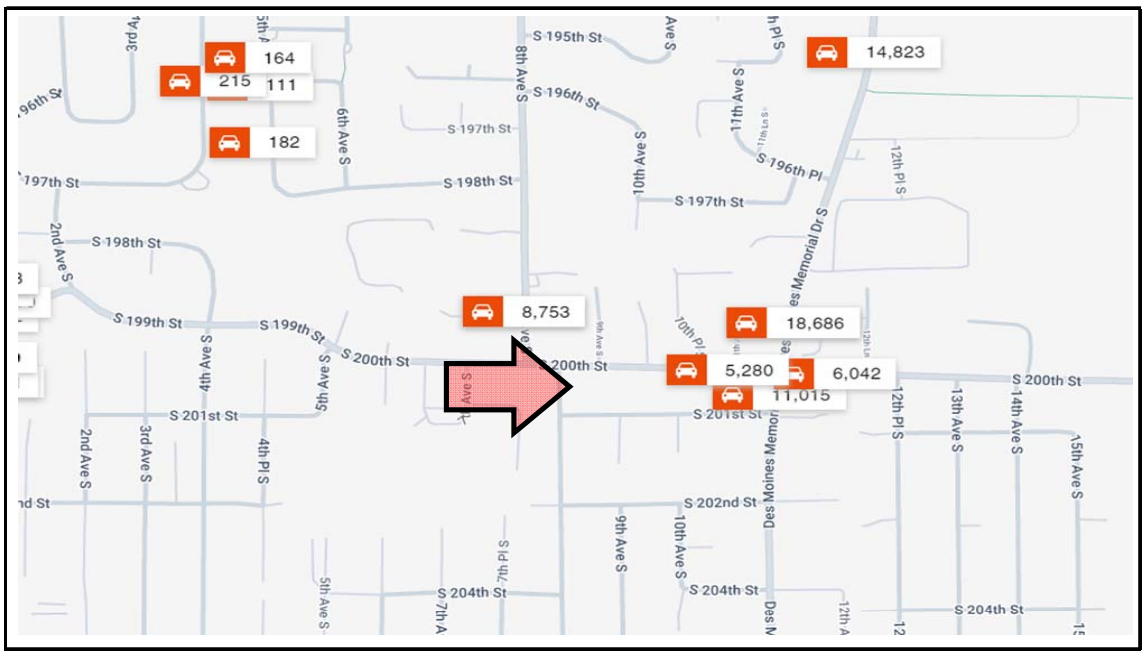


Frontage, Street Improvements & Traffic Counts

The subject site is a corner lot, with roughly 107 linear feet of frontage along S 200th St, which is asphalt paved, two-way, two-lane street, improved with streetlights. The street functions as an arterial leading to State Route 509, State Route 99 and Interstate 5.

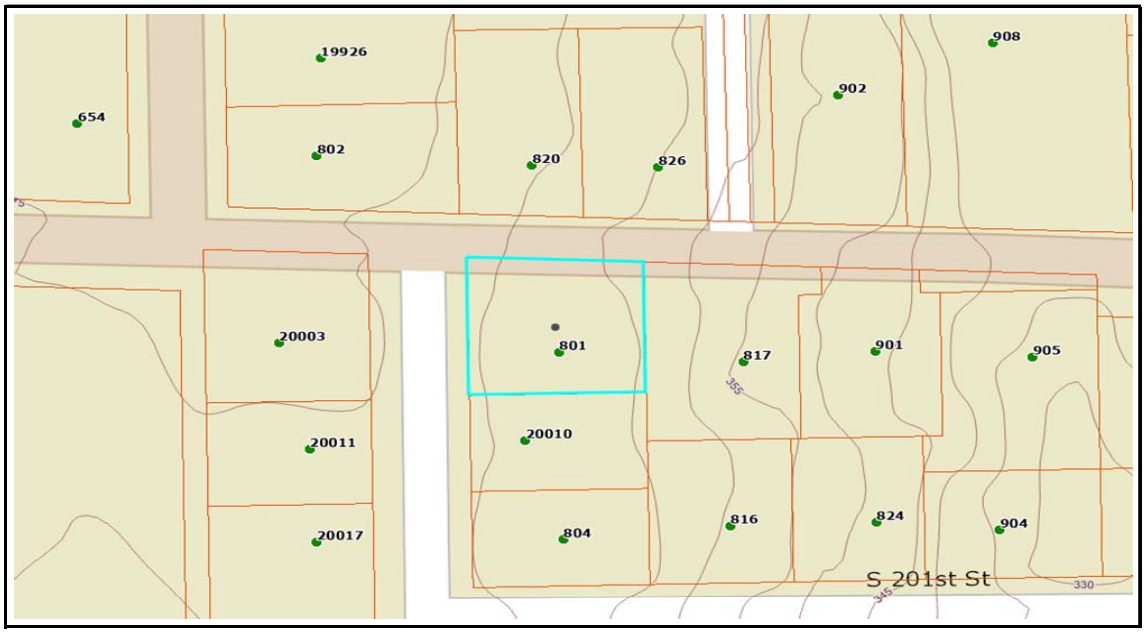
The subject also contains roughly 97 linear feet of frontage along 8th Ave S, which is an asphalt paved, two-way, two-lane street, only improved with drainage ditches. The street functions as a local access road.

According to Costar, S 200th St receives over 5,000 average daily vehicle trips (ADT). There are no reported traffic counts for 8th Ave S near the subject, and is assumed to be nominal. The map on the following page displays traffic counts for the surrounding neighborhood:



Topography

The topography of site is generally level to slightly sloping. Total elevation change is roughly 5 feet with the high point located in the western boundary of the site and the low point on the eastern boundary of the site. A topography map for the immediate area is displayed below:



Utilities

All public utilities are available at the site. The utility providers are identified below:

- Municipal Water: Highline Water District
- Sanitary Sewer: Midway Sewer District
- Electricity: Puget Sound Energy
- Natural Gas: Puget Sound Energy
- Landline Phone, Cable Television, & Internet: Lumen & Xfinity

Drainage & Wetlands

During the inspection, the property appeared to be well drained with no noticeable standing or pooling surface water. A review of US Department of Fish & Wildlife wetlands map indicated that there are no nearby sensitive areas of concern. A wetlands map for the immediate area is displayed below.

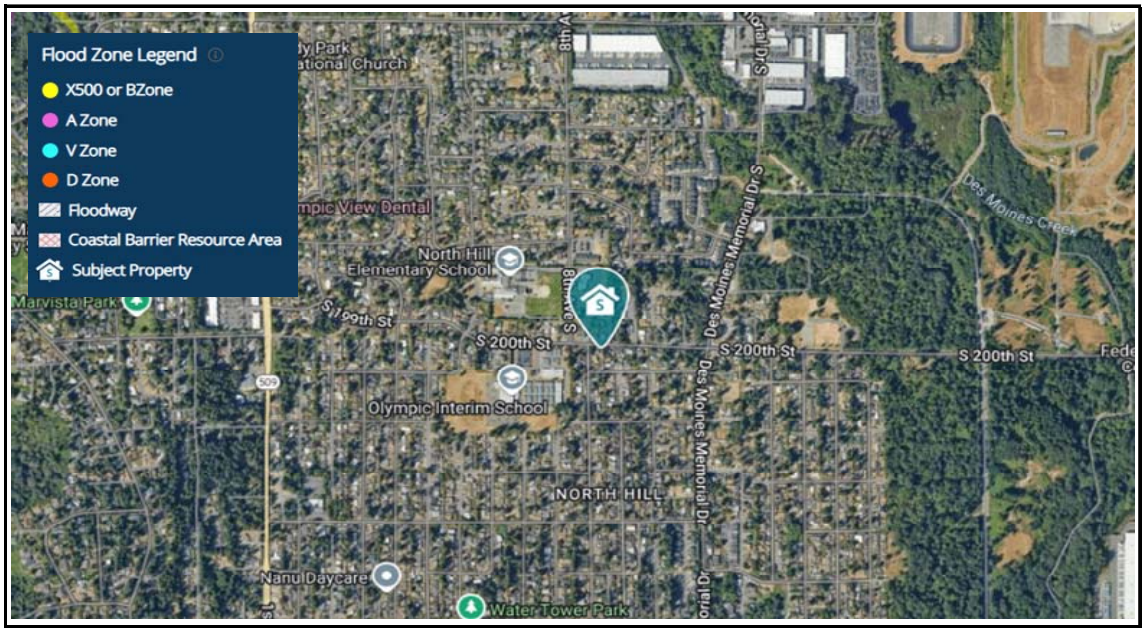
Easements & Encroachments

A title report was provided to the appraiser, which revealed the site is only encumbered with normal utility service lines with no apparent adverse conditions or encroachments. A review of public records and a visual inspection of the site revealed no obvious encroachments or adverse easements. For purposes of this appraisal, the subject property is assumed to be free from any adverse easements, restrictions, or encroachments.

Flood Plain

According to panel number 530077-0962G, dated August 19, 2020, of FEMA Flood Insurance Rate Maps the site is located in a zone X (Unshaded). These are minimal risk areas outside the 1-percent and 0.2-percent-annual-chance floodplains. No BFEs or base flood depths are shown within these zones.

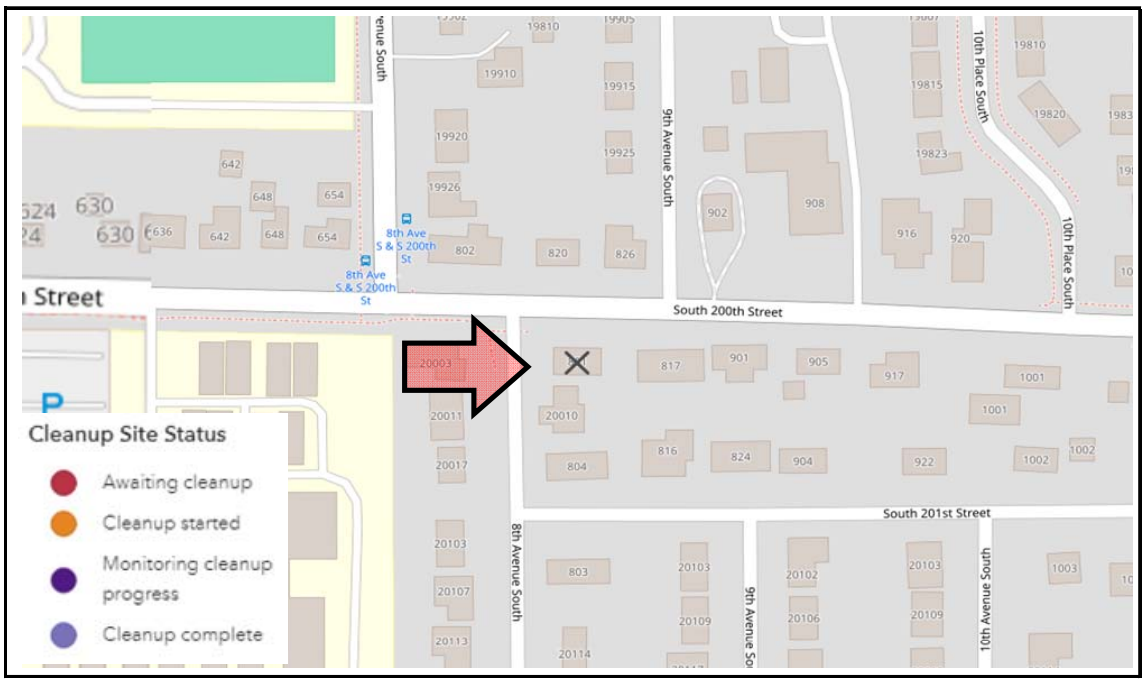
The appraiser is not an expert in this field and has relied on the FEMA Service Center for flood information in this report. The FEMA flood map below shows the flood risk for the subject and the surrounding neighborhood:



No flood damage was noted during the site inspection, nor is the appraiser aware of any reported floods in the area. However, if there is a question as to the potential hazards of this flood zone we advise the client/reader to retain the services of a qualified, independent engineer or contractor to determine the potential flood hazard to the existing site and improvements prior to making a business decision.

Environmental Issues

A review of The Washington State Department of Ecology toxic cleanup map indicated that there are no immediately adjacent environmental areas of concern in the area, as displayed below:



No hazardous substances or other adverse environmental conditions are known to exist on the subject site. It is possible that areas of contamination exist that have not been detected. The value opinion is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

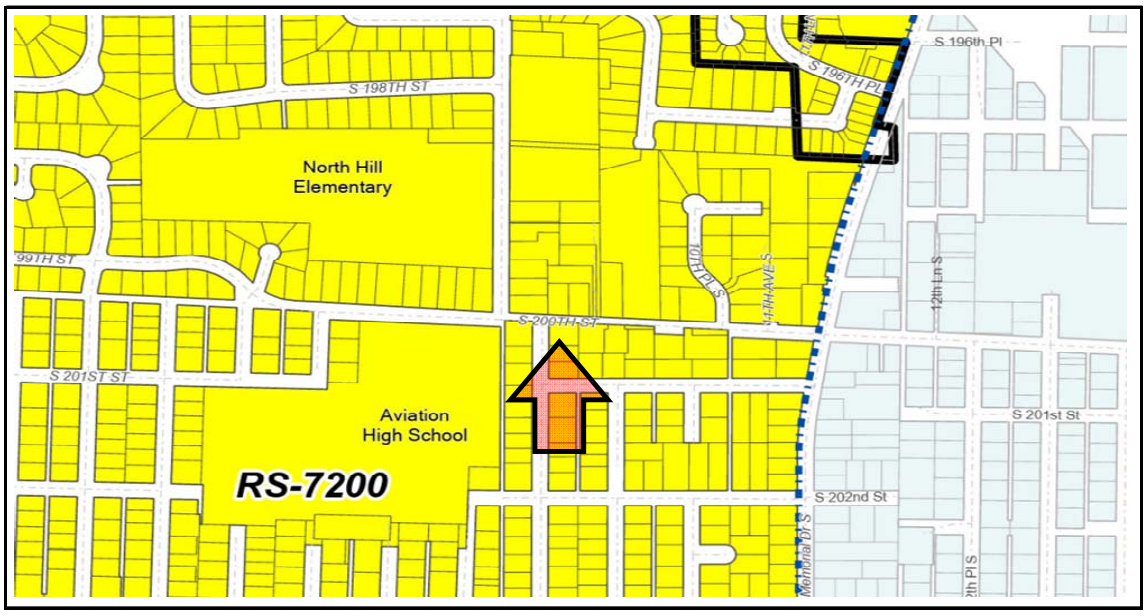
Seismic Hazards

The greater Puget Sound area falls under Seismic Design Category D, which include structures of ordinary occupancy that could experience very strong shaking (MMI VIII) and important structures that could experience MMI VII shaking. Structures must be designed to resist seismic forces. Only structural systems capable of providing good performance are permitted. Nonstructural components that could cause injury must be provided with seismic restraint. Nonstructural systems required for life safety protection must be demonstrated to be capable of post-earthquake functionality. Special construction quality assurance measures are required.

Zoning & Land Use

The subject site is zoned RS-7,200 by the City of Des Moines. The primary purpose of this zoning is to establish and maintain a high-quality living environment for single-family dwellings. This includes ensuring that residential areas are developed with appropriate standards for lot size, building placement, and open spaces, thereby promoting the health, safety, and general welfare of the community. The following is a list of some of the key development criteria of the RS-7,200, Single-Family Residential zone:

Setbacks:	
Front:	20 feet
Side:	5 feet
Rear:	20 feet
Density:	1 dwelling unit per 7,200 SF
Minimum Lot Size:	7,200 SF
Maximum Lot Coverage:	35%
Building Height:	30 feet



In sum, the legally permissible uses for the subject site, if vacant, include a variety of single-family use development options allowed under the current zoning. The subject's existing use is a legal conforming use of the site.

Site Productivity Conclusion

The subject site is primarily suited for single-family residential uses. The overall property productivity is considered average. The property benefits from its close proximity to major transportation linkages as well as other nearby community amenities, community support services, shopping, schools, surrounding residential neighborhoods and recreation/park amenities.

Description of Improvements

the subject property is improved with a single-family residence containing 3-bedrooms, 1.5 bathrooms and 1,170 square foot (SF) SF of net rentable area (NRA), originally constructed in 1957. Additional site improvements include landscaping, asphalt driveway and mature trees.

As the purpose of the report is to determine the diminution in value resulting from acquisitions across a portion of the subject site, it is rare to find an adequately sized sample of market transactions (land or improved) with a similar degree of encumbrance that clearly reflects the impact on value.

As a general practice, partial takes and easements like this are valued separately at the legal and physical effect upon the individual areas, and not at standardized percentages of the whole property value. Thus, it is not necessary to value the improvement contribution.

Marketability Analysis

Introduction

This section evaluates the subject's marketability as a single-family residence. A marketability study is a microeconomic analysis that focuses on the marketability of a specific property or class of properties. It typically examines the market segment in which the property is likely to generate demand. Marketability studies are valuable for determining the property's highest and best use, evaluating development proposals, and projecting an appropriate tenant mix.

In this process, we investigate how the property will be absorbed, sold, or leased given the current or anticipated market conditions. The study takes into consideration several factors, including an overview of the market area, the balance of supply and demand, the profile of potential tenants or users, and, ultimately, the marketability conclusion for the subject property

Market Area Overview

North Hill in Des Moines, Washington, is a quiet residential neighborhood known for its charming single-family homes and close-knit community. The area offers convenient access to local businesses, restaurants, and essential services along Pacific Highway South (Highway 99) and nearby Marine View Drive. North Hill is served by the Highline School District, with schools like North Hill Elementary and Mount Rainier High School providing educational options for families in the area.

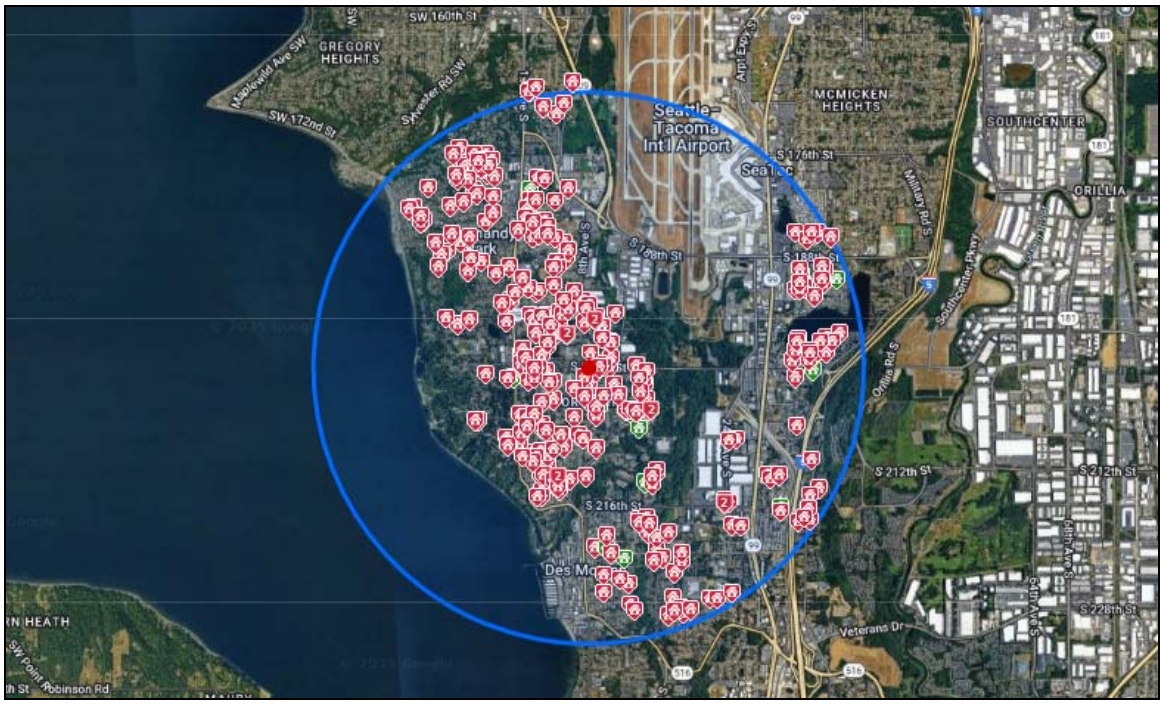
The subject market area provides good access to transportation linkages such as Interstate 5, State Route 99 and State Route 509. The nearby Angle Lake Link Light Rail station provides a direct transit option to Sea-Tac Airport and downtown Seattle, enhancing regional mobility. In addition, North Hill offers close proximity to major employment hubs, schools, shopping centers, community services, and a variety of parks and recreational amenities. Its strategic location and well-rounded infrastructure make North Hill a highly accessible and livable community within the greater Des Moines area.

Market Area Delineation

The competitive market area is defined by an area in which similar properties effectively compete with the subject in the minds of probable and potential purchasers and users. The subject's market is best delineated using the following criteria:

Highest & Best Use:	Single family homes (excluding condos and manufactured homes)
Building Size:	No restrictions
Building Age:	No restrictions
Site Size:	5,000 SF to 15,000 SF
Location:	2-mile radius

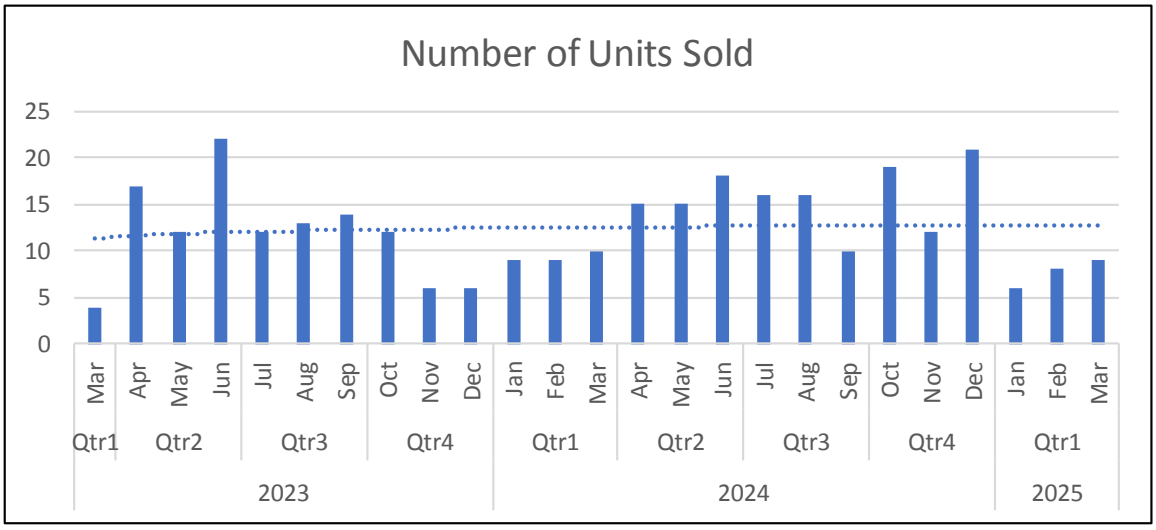
Search Radius Diagram



Inferred Demand Analysis

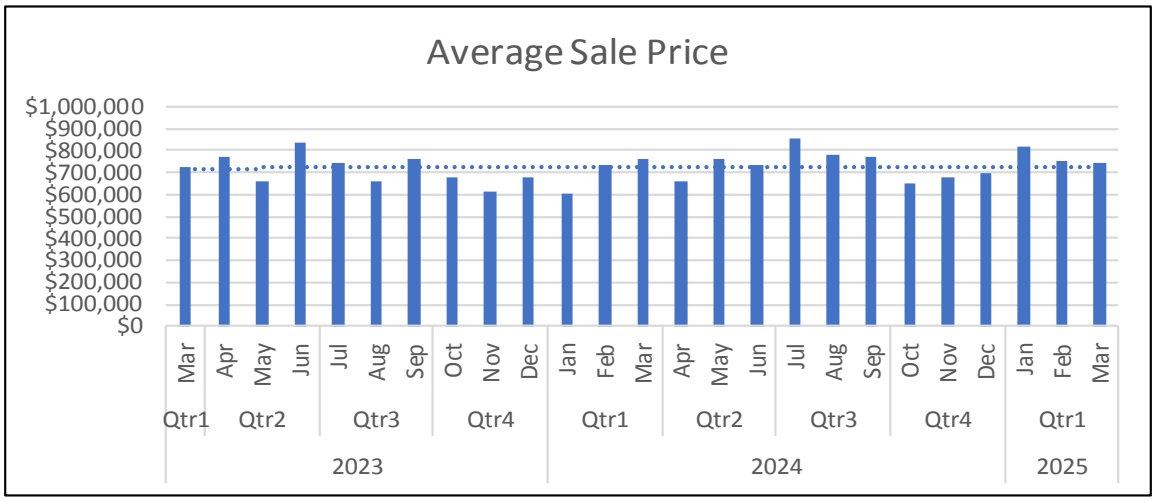
We examined the residential market characteristics of the subject's competitive market utilizing archived statistics through the Northwest Multiple Listing Service (NWMLS). The data set includes all single-family residences that meet our defined search parameter criteria within the defined market area over the last two years months. Based on these search parameters, there were 311 closed sales and 13 active listings. A summary of the sales activity is displayed below:

Sales Volume



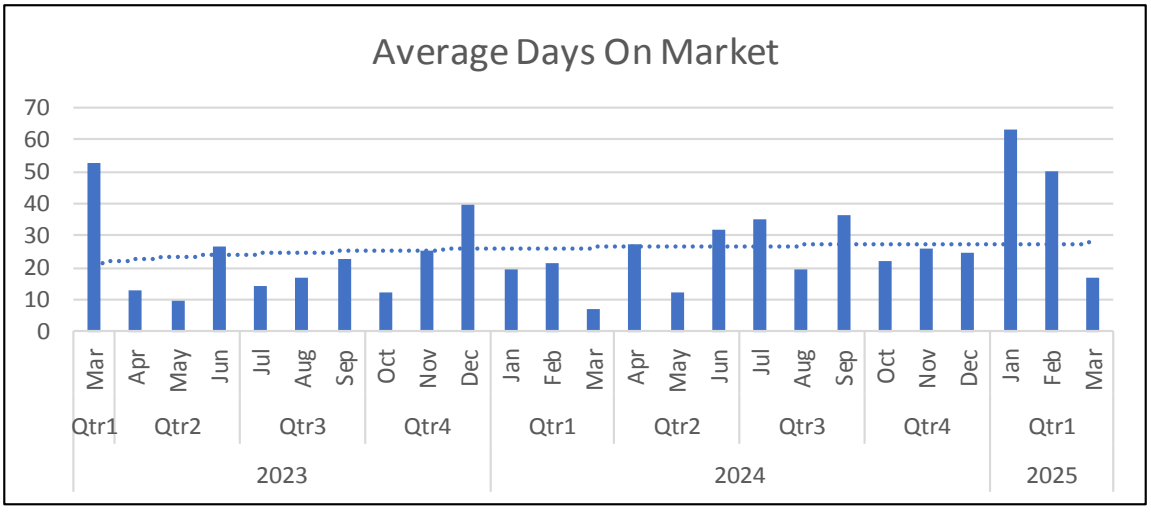
The number of units sold reflects an overall upward trend over the survey period, with seasonal declines in the winter months and upticks during summer months. The number of units sold over the survey period reflects an absorption rate of 12.96 units per month, and the current 13 active listings represent a 1-month inventory.

Average Sale Price



The survey reflects a nominal upward trend in average sale price within the last 24 months of the effective date. Sales occurring within the last 12 to 24 months had a median sale price of $649,975, while sales within the last 12 months had a median sale price of $659,000. This represents a 1.39% increase.

Average Days on Market



The survey reflects a relatively stable and consistent trend for days on market with normal season fluctuations. The median days on market for the survey period was 7. There are currently 13 actively listed homes, reporting a median DOM of 14 days. Per our general market survey, properties sold within the last 12 months spent on average 22 days on the market and are receiving 101.4% of asking price.

Marketability Conclusion

Overall, the local market has experienced nominal price increases in single-family homes over the last year. Sales occurring within the last 12 to 24 months had a median sale price of $649,975, while sales within the last 12 months had a median sale price of $659,000, which is an increase of 1.39% increase. The number of units sold over the survey period reflects an absorption rate of 12.96 units per month. Moreover, the average days on market for the survey period was 7 days.

Relative to the segmented market, the subject property has average marketability. This is supported by the market conditions observed in this submarket, and due in part to the subject's location and physical characteristics.

Highest & Best Use Analysis

The concept of highest and best use is fundamental to analysis and valuation of any real property. We use the following industry standard terms when referring to highest and best use. Refer to their respective sections for their definitions. Highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The highest and best use must meet the following four criteria. The use must be:

- Legally permissible
- Physically possible
- Financially feasible
- Maximally productive

These criteria must usually be considered sequentially. The highest and best use analysis must address the type of use that will not only produce the greatest future benefit to the owner, but will have a strong probability of achievement.

Highest & Best Use - As Vacant

Highest and best use of land (or site) as if vacant is defined as the use, among all reasonable alternative uses, that yields the highest present land value, after payments are made for the other three classical agents of production (capital, coordination and labor). The use of a property is based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

Legally Permissible

Legal constraints on land can include leases, zoning and building codes, and deed and environmental restrictions. We are unaware of any long term regulatory impacts, atypical building codes, deeds, or environmental restrictions that would inhibit development

The subject site is zoned RS-7,200 by the City of Des Moines. The primary purpose of this zoning is to establish and maintain a high-quality living environment for single-family dwellings. This includes ensuring that residential areas are developed with appropriate standards for lot size, building placement, and open spaces, thereby promoting the health, safety, and general welfare of the community.

In sum, the legally permissible uses for the subject site, if vacant, include a variety of single-family development options allowed under the current zoning. It is not anticipated that the zoning for the subject will change in the near future that would impact the legally permissible development options.

Physically Possible

In analyzing the physically possible options for development, it is necessary to observe not only what is legally permissible but also the actual physical characteristics of the subject site, such as its size, access, shape, soils condition, and general topography. The following is a list of physical characteristics of the subject lot.

Site Size:	10,051 SF (0.23 acres)
Access:	Average
Soils condition:	Assumed to be adequate
Location:	Average
Shape:	Rectangular
Topography:	Level to slightly sloping

There are no significant physical characteristics that would negatively impact any development on the site. All public utilities are immediately available to serve the property. The subject neighborhood is improved with mainly single-family use properties. Considering the above, it is physically possible to build all legally permissible uses as long as the size and configuration conform to zoning and use restrictions.

Financially Feasible

This section of Highest and Best Use analysis determines which use of the subject property as if vacant could produce the highest or most profitable return and create the highest value through the overall property. Implied within these definitions is recognition of the contribution of that specific use to the community environment or to community development goals, in addition to wealth maximization of individual property owners.

Two primary criteria must be considered when discussing feasible use. The first is a relationship involving cost versus benefit. For a property to be financially feasible, benefits must equal or exceed the cost of construction. The property must return entrepreneurial profit to the developer or the property is not feasible to build. The second determinant of financial feasibility is to test the property's ability to generate sufficient income to support its overall operation and to absorb any vacant space in a reasonable period of time. Analyzing the financial feasibility for a new development under current market conditions reveals that development of many of the identified uses on the subject site would likely produce positive cash flow and an adequate return to the cost of the investment.

A primary factor in predicting the continued demand for single family homes is the availability and cost of mortgage funds for a potential purchaser. According to Freddie Mac in their weekly survey dated April 10, 2025, "The average 30-year fixed-rate mortgage continues to trend down, remaining under 7% for the twelfth consecutive week. As purchase applications continue to climb, the spring homebuying season is shaping up to look more favorable than last year." The following chart displays national average mortgage rates for week of April 10, 2025:

Given these factors and the location of the subject property in an area characterized by single-family residential uses, the most feasible and thus the highest and best use of the subject would likely call for single-family residential use development. Such a development would presumably produce the highest net return to the site over the longest period.

Maximally Productive

The maximally productive use, as vacant, is that use, from the financially feasible uses, that provides the highest rate of return (or value). Single-family residential development is legally permissible, physically possible, and a financially feasible use. Therefore, it is maximally productive and reflects the highest and best use of the subject as if vacant.

Highest & Best Use - As Improved

The subject property is improved with a single-family residence containing 3-bedrooms, 1.5 bathrooms and 1,170 square foot (SF) SF of net rentable area (NRA), originally constructed in 1957. Additional site improvements include landscaping, asphalt driveway and mature trees.

Legally Permissible

The subject's existing single-family use conforms to the surrounding neighborhood uses and is a legal conforming use of the site. Therefore, in the event the subject was destroyed by fire or natural disaster, it could likely be rebuilt to the exact specification.

Physically Possible

The existing improvements are considered a legal, conforming use and are in average condition with no signs of deferred maintenance. The five possible options for the subject as improved are: Demolition; Remain "as improved"; Renovation; Addition; or Conversion to a different use.

Demolition to a different use is not likely since the structure has a substantial contribution to value, whereas demolition would eliminate the current contribution to the property. Conversion to another use and performing an addition are not likely as a result of the current use having adequate contribution and meet the typical needs of users in the market. Renovation is not viable at this time either, as the subject is in average condition and is functional in design. The current improvements are adequate and meet the needs of large segments of the market.

The fifth option to remain "as improved", by elimination of the other options, is considered to be the highest and best use of the site.

Financially Feasible

The improvements have value in excess of the underlying land value. Furthermore, the existing buildings have the potential to generate a positive net operating income and is therefore considered to be financially feasible.

Maximally Productive

The maximally productive use, as vacant, is that use, from the financially feasible uses, that provides the highest rate of return (or value). Single-family residential development is legally permissible, physically possible, and a financially feasible use. Therefore, it is maximally productive and reflects the highest and best use of the subject as if vacant.

Most Probable Purchaser

The most probable purchaser of the site in the current state as a single-family home would be to owner users.

Exposure Time

Exposure time is an opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2024 ed.).

Exposure time is a function of price, time, and use, anticipated market conditions, and differs for various types of real estate and under various market conditions. Exposure time is a function of price, time, and use, anticipated market conditions, and differs for various types of real estate and under various market conditions. The comparable land sales have sale prices ranging from $180,000 to $225,000, and report exposure times ranging from 5 days to 111 days with an average of 7 days. Exposure time is a function of price, time, and use, anticipated market conditions, and differs for various types of real estate and under various market conditions. Based on the transactions of development site analyzed within local market area, exposure time for subject would have been under 30 days.

Marketing Time

Marketing time is defined as “An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal.” (The Dictionary of Real Estate Appraisal, 7th edition, Appraisal Institute, 2022, Page 116).

Considering the above, it appears that the subject will appeal to a wide range of potential buyers. Interviews with owners of properties similar to the subject, and with real estate brokers indicate continued demand for this type of product.

These factors contribute to the uncertain and challenging conditions in the current real estate market. Thus, the projected marketing time is estimated to be under 30 days to sell the property. The estimated marketing time for the property is based on several key assumptions:

Pricing at Appraised Values: The seller is expected to list the property for sale at or near the appraised value determined in this appraisal report. This assumption reflects the starting point for the marketing process.

Effective Marketing: The property will be marketed by a professional and experienced real estate firm or staff that specializes in selling similar types of properties. This assumption ensures that the property will receive adequate exposure to potential buyers.

Financing Availability: Reasonable and affordable financing options will be available to prospective purchasers. This factor is crucial, as financing plays a significant role in many real estate transactions.

Interest Rate Considerations: Given recent increases in interest rates, property owners may need to adjust their pricing strategies, potentially by lowering prices or buying down interest rates to attract buyers. This assumption acknowledges the impact of interest rate changes on property sales.

Economic Stability: It is assumed that both the local and national economies will remain stable throughout the next year. Economic stability is a significant driver of real estate market conditions.

These assumptions collectively contribute to the estimated marketing time for the property, reflecting the conditions and factors that are likely to affect the property's sale in the current market environment.

Valuation of Property Section – Appraisal Methodology

The valuation process involves gathering information pertinent to the subject and the valuation procedure. This data is accumulated from the market and applied toward a value conclusion involving three valuation approaches. The value indications of the cost, sales comparison and income approaches establish a range from which a final opinion of value is formed through the process of reconciliation.

The first step in the cost approach is to form an opinion of the subject site value. Then the estimated reproduction cost of the improvements is developed. This step is followed by the application of depreciation for losses in value due to physical wear and tear and any possible functional deficiencies or negative external influences. The total of these estimates, the depreciated cost of the improvements, and an allowance for site improvements and site value represents the value of the property by the cost approach.

Sales comparison involves the collection of sales and listing data of properties that are similar to the subject property. These sales are compared to the subject, and adjustments are applied to the sales prices of the comparables to arrive at an indication of most probable price for the subject. If a comparable is inferior to the subject, a positive dollar or percentage adjustment is applied to the comparable sale price. If a comparable is superior to the subject, a negative dollar or percentage adjustment is applied.

In the income approach, current rental income is forecast for the subject property by comparison to comparable rental properties and examination of the subject's past performance. The resulting operating income is converted into a value indication by an applicable and supportable capitalization method.

The three approaches are interrelated. Each requires the gathering and analysis of data that pertains to the property being appraised. From the approaches applied, the appraiser develops separate indications of value for the property being appraised. To complete the valuation process, the appraiser integrates the information drawn from market research, data analysis, and the application of the approaches to reach a value conclusion.

Methodology Applicable to the Scope of Work

In valuing the subject in the before and after acquisition states, only the Land Sales Approach is developed. As the purpose of the report is to determine the diminution in value resulting from acquisitions across a portion of the subject site, it is rare to find an adequately sized sample of market transactions (land or improved) with a similar degree of encumbrance that clearly reflects the impact on value.

As a general practice, partial takes and easements like this are valued separately at the legal and physical effect upon the individual areas, and not at standardized percentages of the whole property value. Thus, it is not necessary to value the improvement contribution.

Land Sales Comparison Approach - Before Acquisition

Overview

Sales comparison may be used to value land that is actually vacant or land that is being considered as though vacant for appraisal purposes. Sales comparison is the most common technique for valuing land, and it is the preferred method when comparable sales are available. To apply this method, data on sales of similar parcels of land is collected, analyzed, compared, and adjusted to provide a value indication for the site being appraised. In the comparison process, the similarity or dissimilarity of the parcels is considered. If the comparable property is inferior to the subject property, a positive adjustment is applied to the comparable sales price. Conversely, if the comparable is superior to the subject, a negative adjustment is applied to the comparable sales price.

Following the principle of substitution, an investor should not be expected, under normal circumstances, to purchase a property for more than the price at which he could purchase a comparable competing property. The appraiser, therefore, must analyze sales of competing properties and ascertain the elements of comparison that can be applied to the subject. These components, when adjusted for differences, indicate a value estimate for the subject property.

Analysis of Adjustments

Where necessary, adjustments are applied for property rights conveyed, financing terms, conditions of sale, expenditures made immediately after sale, or non-realty items. Marketing time has been discussed above. In general, the adjustments are based on judgement formed from numerous reports completed in our office to estimate what a typical purchaser will pay for differences in similarity between the subject and any comparable property. In addition, our judgement is formed from previous conversations with builders, Realtors, and related professionals in order to establish trends in building and marketing. The adjustments are not solely derived through quantitative analysis techniques, such as paired sale or regression analysis, as the data does not exist in a manner that would provide reliable results.

The following is a discussion of the physical and non-physical elements of comparison that may apply to the process of comparing sales of improved properties to the property being appraised:

Property Rights Conveyed	The sales price of a property may be influenced by what rights are transferred versus those reserved to the seller. A fee simple absolute or any lesser interest can legally be conveyed.
Financing	Financing can cause prices to be inflated when below market interest rates or higher than typical loan-to-value ratios are available; buyers have additional incentive to pay prices above those of cash or typically financed transaction.

Condition of Sale

Sales prices of comparable sales can be influenced by the conditions of the sale. Higher sales prices are the result of a motivated buyer such as an adjacent owner. Conversely, a motivated seller such as a bank desiring to dispose of non-bank real estate owned facilitates lower sales prices.

Location

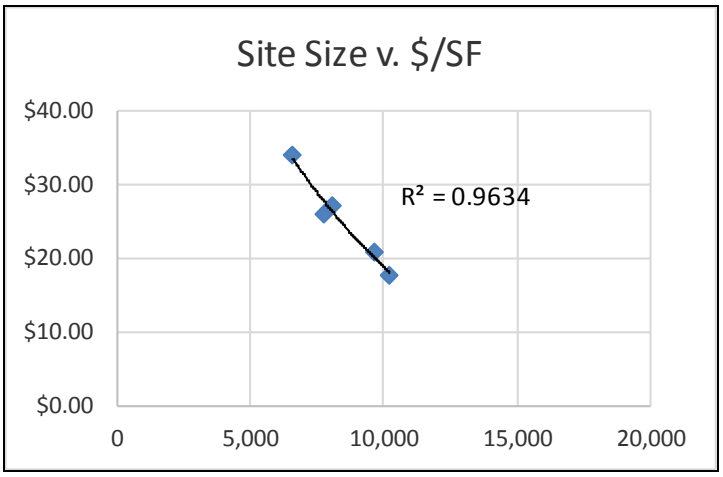
Location is a primary factor in the valuation of real estate. The relative position of a property to competitive properties and other value influences in its market area; the time-distance relationships, or linkages, between a property or neighborhood and all other possible origins and destinations of people going to or coming from the property or neighborhood.

Demographics

A property's surroundings in terms of its demographics are also important to consider when comparing sales of commercial properties to the property being appraised. This element includes population, density of population, population growth or decline rate, per-capita income levels and their rates of change, and employment/unemployment levels.

Property Size

Often value of a property is almost directly proportional to its size, assuming all other things are equal. That is, the smaller the site, the higher the value per unit, and vice versa. This is because smaller properties are within the means of more investors, often causing more competitive bidding and higher unit values. The following scatter plot demonstrates the relationship between site size and price per square foot for the comparable sales:



Prior to adjustments, the trend line and coefficient of determination (R^2) supports the need for a diminishing unit value adjustment based on site size.

The data set, however, does not solely isolate the contribution of the size, as other factors are likely influencing the results of the scatter plot to some degree. As such, a quantifiable adjustment will reasonably be less than the higher end of the range to account for these other factors.

Relative to the subject's size, adjustments of 5% per 1,500-SF difference in size are reasonably supported.

Market Conditions

The date of comparable sales is relevant in determining present sale prices. Sale prices are influenced by a variety of factors including local and national economic housing policies, economic cycles, mortgage interest rates, population demographics, all of which have a potential impact on the demand for similar properties.

Overall, the local market has experienced nominal price increases in single-family homes over the last year. Sales occurring within the last 12 to 24 months had a median sale price of $649,975, while sales within the last 12 months had a median sale price of $659,000, which is an increase of 1.39% increase. The number of units sold over the survey period reflects an absorption rate of 12.96 units per month. Moreover, the average days on market for the survey period was 7 days.

Based on current market trends, a 1.0% annual market condition adjustment is reasonably supported.

Site Improvements

Site improvements, or a lack thereof, can have a large impact on the price per lot. They include the streets, available utilities, sidewalks, curb and gutter, street lighting, and storm drainage. If the improvements are not installed, or are in a state of partial completion, market participants would require a value incentive to pursue the project. Adjustments are applied accordingly based on the typical buyers reaction to the possible added cost to development.

Entitlements

Entitlements, in the context of ownership, use, and/or development of real property, the right to receive governmental approvals for zoning and construction permits. These rights can enhance the underlying land value if the designs are desirable to other developers in the market. Typically, more specialized plans reduce the marketability of the entitlements.

Potential for Utilities	The potential for utilities such as water wells, septic systems, or even municipal services is a primary consideration for land developers. Access to utilities is a primary factor in determining the potential use for expanded commercial development. Adjustments are applied accordingly based on the typical buyers reaction to the possible added cost to development.
Ingress/Egress & Access	The ability to physically and legally access a site is also a primary factor in determining the potential use for expanded commercial development.
Zoning	This adjustment category is to ascertain the difference due to the various zoning classifications, allowed density, and/or permits already procured. Depending on location, properties with similar zoning could have dramatically different uses. Where density and use differences occur, adjustments will be made.
Development Potential	Development potential is directly impacted by the size of the site, relative to the floor to area ratio. Larger sites and size with higher zoning allowances have the opportunity to increase scale and maximize floor area, and parking allowances, while smaller sites are relatively limited.
Topography & Shape	Consideration is given to shape, topography, and how they impact the potential development utility of the site compared to the subject. Adjustments are applied accordingly based on the typical buyers reaction to the possible added cost to development.
Assemblage Premium	The appraisal profession defines assemblage as, “The combining of two or more parcels, usually but not necessarily contiguous, into one ownership or use; the process that creates plottage value.” Plottage is “the increment of value created when two or more sites are combined to create greater utility.” Comparable transaction that were influenced by assemblage premiums are adjusted accordingly.
Interim Improvements	Some of the Comparables are improved with interim use structures that are near or at the end of their economic lives, regardless of the remaining physical life. The value of the underlying land has exceeded the contribution of the improvements. Thus, the highest and best use of these sales, along with the subject property, is for redevelopment. Any interim contribution offsets with demolition costs.

Parameters of Search

A search has been performed throughout the subject's delineated market area for comparable land transactions. The results are derived using the following criteria:

Highest & Best Use:	Single-family Development Sites
Zoning:	RS-7,200 or similar zoning
Transaction Elements:	Closed Transactions
Time Frame:	3 years from effective date
Site Size:	5,000 SF to 15,000 SF
Location:	5-mile radius.
Databases:	NWMLS

Based on these search parameters, we were able to identify a reasonably sized data pool for the comparative analysis. The selected sales are believed to be reasonable and reliable value indicators for the subject property.

Unit of Measurement

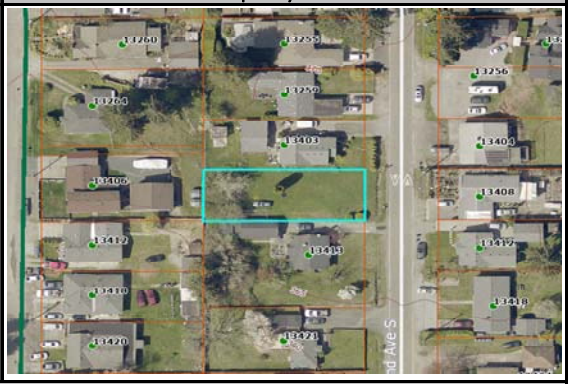
The final conclusion will be based on the $/SF of land area unit of measurement, which is typical for analyzing land sales in the subject's market area.

Summary Sales Chart

The chart below summarizes the unadjusted comparable land sales data, followed by detailed property sale profiles and a location map:

No.	Address	Zoning	Sales Date	Site Size (SF)	Topography	Sale/ List Price	$/SF
1	XXX 2nd Ave S Burien, WA 98168	RS-7200, Burien	02/24/25	6,600	Level	$225,000	$34.09
2	XXX 138th St Burien, WA 98168	RS-7200, Burien	01/24/25	9,636	Level	$200,000	$20.76
3	XXX 13 th Ave S Des Moines, WA 98198	RS-7200, Des Moines	10/04/24	8,100	Level	$220,000	$27.16
4	XXX Military Rd S Kent, WA 98032	SR-6, Kent	07/08/24	10,212	Level	$180,000	$17.63
5	XXX 14th Place S Des Moines, WA 98198	RS-7200, Des Moines	04/05/24	7,733	Level	$200,000	$25.86
Subj	**801 S 200th St Des Moines, WA 98168**	**RS-7,200, Des Moines**	**N/A**	**10,051**	**Level**	**N/A**	**N/A**

Property Statistics:	Comparable No.	1	Closed Sale
Street Address	City	State	Zip Code
XXX 2nd Ave S	Burien	WA	98168

Property Info		Property Photo
Dist. From Subject	4.1 miles north	
Parcel No.	144640-0690	
Site Area (SF)	6,600	
Site Area (Acres)	0.15	
Assessed Value	$201,000	
Property Type	Vacant	
Zoning	RS-7200, Burien	
Utilities	In Street	
Topography	Level	
Site Restrictions	None Noted	
Other	Interior Lot	

Transaction Info			
Date of Sale	02/24/25	Sale Price	$225,000
Days on Market	7	Property Rights Adj.	$0
Buyer	K Brothers Construction In	Financing Terms Adj.	$0
Seller	Andrew Mulcahy	Conditions of Sale Adj.	$0
Doc. Number	20250225000532	Expend. After Sale Adj.	$0
Instrument	Statutory Warranty Deed	Market Condition Adj.	$0
Property Rights	Fee Simple	Adjusted Sale Price	$225,000
Financing	Cash or Cash Equivalent	Net Price/SF	$34.09
Condition of Sale	Arms Length		
Legal Description:	*CEDARHURST DIV #1 PLat Block: 3 Plat Lot: 36*		

Comments

This comparable is the closed sale of a vacant single-family development site located roughly 4.1 miles north miles of the subject in the Evansville neighborhood of Burien. Topography of the site is level, cleared and ready for development. All public utilities are available in the street. The site is zoned RS-7200 (Single Family Residential, 1 dwelling units per 7,200 SF) by the City of Burien. Minimum lot size within this zoning district is 7,200 SF. A review of Burien permitting did not reveal any permit applications prior to or following the sale. Relative to the subject, a downward adjustment is applied to reflect the smaller site size. Physical % of sale price adjustments are displayed below:

Physical Adjustments

Location	Site Area	Zoning	Topography
Similar	Smaller	Similar	Similar
0.0%	-10.0%	0.0%	0.0%
Site Restrictions	**Site Improvements**	**Utilities**	**Other**
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%

Gross Adjust. Factor	10.0%	Net Phys. Adjust.	-10.0%
Final Adjusted $/SF			$30.68

Contact	Office	Number
Dustin B Keeth	Windermere West Metro	(206) 227-2300

Property Statistics:	Comparable No.	2	Closed Sale
Street Address	City	State	Zip Code
XXX 138th St	Burien	WA	98168

Property Info		Property Photo
Dist. From Subject	4.0 miles north	
Parcel No.	280320-0065	
Site Area (SF)	9,636	
Site Area (Acres)	0.22	
Assessed Value	$211,000	
Property Type	Vacant	
Zoning	RS-7200, Burien	
Utilities	In Street	
Topography	Level	
Site Restrictions	None Noted	
Other	Interior Lot	

Transaction Info			
Date of Sale	01/24/25	Sale Price	$200,000
Days on Market	5	Property Rights Adj.	$0
Buyer	Evergreen Housing	Financing Terms Adj.	$0
Seller	Tinnie Corporation	Conditions of Sale Adj.	$0
Doc. Number	20250129000262	Expend. After Sale Adj.	$0
Instrument	Bargain & Sale Deed	Market Condition Adj.	$167
Property Rights	Fee Simple	Adjusted Sale Price	$200,167
Financing	Cash or Cash Equivalent	Net Price/SF	$20.77
Condition of Sale	Arms Length		
Legal Description:	*GLENVIEW TERRACE ADD PLat Block: 2 Plat Lot: 7*		

Comments

This comparable is the closed sale of a vacant single-family development site located roughly 4.0 miles north of the subject in the Hiline neighborhood of Burien. Topography of the site is level, cleared and ready for development. All public utilities are available in the street.The site is zoned RS-7200 (Single Family Residential, 1 dwelling units per 7,200 SF) by the City of Burien. This zoning allows for single-family residential development with minimum lot size of 7,200 SF. A review of Burien permitting did not reveal any submitted or approved permits prior to the sale. Following the sale, on March 28, 2025, building permit application (BLD25-0896) was submitted for the construction of a new single-family residence and building permit application (BLD25-0897) was submitted for the construction of a new DADU. Relative to the subject, no physical adjustments are warranted. Physical % of sale price adjustments are displayed below:

Physical Adjustments

Location	Site Area	Zoning	Topography
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%
Site Restrictions	**Site Improvements**	**Utilities**	**Other**
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%

Gross Adjust. Factor	0.1%	Net Phys. Adjust.	0.0%
Final Adjusted $/SF			$20.77

Contact	Office	Number
Brian Steiner	Windermere Real Estate Co.	(206) 280-6713

Property Statistics:	Comparable No.	3	Closed Sale
Street Address	City	State	Zip Code
XXX 13 th Ave S	Des Moines	WA	98198

Property Info		Property Photo
Dist. From Subject	4.3 miles south	
Parcel No.	953660-0878	
Site Area (SF)	8,100	
Site Area (Acres)	0.19	
Assessed Value	$168,000	
Property Type	Vacant	
Zoning	RS-7200, Des Moines	
Utilities	In Street	
Topography	Level	
Site Restrictions	None Noted	
Other	Interior Lot	

Transaction Info			
Date of Sale	10/04/24	Sale Price	$220,000
Days on Market	7	Property Rights Adj.	$0
Buyer	Alexandru Scolnic & Kristin	Financing Terms Adj.	$0
Seller	Debbie Cady	Conditions of Sale Adj.	$0
Doc. Number	20241015000013	Expend. After Sale Adj.	$0
Instrument	Statutory Warranty Deed	Market Condition Adj.	$917
Property Rights	Fee Simple	Adjusted Sale Price	$220,917
Financing	Cash or Cash Equivalent	Net Price/SF	$27.27
Condition of Sale	Arms Length		
Legal Description:	*WOODMONT BEACH PLat Block: 37 Plat Lot: 7*		

Comments

This comparable is the closed sale of a vacant single-family development site located roughly 4.3 miles south of the subject in the Woodmont Beach neighborhood of Des Moines. Topography of the site is level and mostly cleared and ready for development. The western and eastern portions of the site contain mature trees. All public utilities are available in the street. Although desnated, 13th Ave S is not fully developed, and ends near the southeast corner of the site. The site is zoned RS-7200 (Single Family Residential, 1 dwelling units per 7,200 SF) by the City of Des Moines. This zoning allows for single-family residential development with minimum lot size of 7,200 SF. A review of Des Moines permitting did not reveal any submitted or approved permits prior to the sale. Following the sale, on February 17, 2025, a building permit application (BLD2025-0175) was submitted for the construction of a new single-family residence. Relative to the subject, a downward adjustment is applied to reflect the smaller site size. Physical % of sale price adjustments are displayed below:

Physical Adjustments

Location	Site Area	Zoning	Topography
Similar	Smaller	Similar	Similar
0.0%	-5.0%	0.0%	0.0%
Site Restrictions	**Site Improvements**	**Utilities**	**Other**
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%

Gross Adjust. Factor	#DIV/0!	Net Phys. Adjust.	-5.0%
Final Adjusted $/SF			$25.91

Contact	Office	Number
Mark R. Barron	Windermere Real Estate Co.	(206) 550-1755

Property Statistics:	Comparable No.	4	Closed Sale
Street Address	City	State	Zip Code
XXX Military Rd S	Kent	WA	98032

Property Info		Property Photo
Dist. From Subject	4.5 miles south	
Parcel No.	796860-0005	
Site Area (SF)	10,212	
Site Area (Acres)	0.23	
Assessed Value	$124,000	
Property Type	Vacant	
Zoning	SR-6, Kent	
Utilities	In Street	
Topography	Level	
Site Restrictions	None Noted	
Other	Corner Lot	

Transaction Info			
Date of Sale	07/08/24	Sale Price	$180,000
Days on Market	44	Property Rights Adj.	$0
Buyer	Balvir Singh, Bhupinder Sin	Financing Terms Adj.	$0
Seller	Rabiya Zizvi & Shahid Khan	Conditions of Sale Adj.	$0
Doc. Number	20240709000662	Expend. After Sale Adj.	$0
Instrument	Statutory Warranty Deed	Market Condition Adj.	$1,200
Property Rights	Fee Simple	Adjusted Sale Price	$181,200
Financing	Cash or Cash Equivalent	Net Price/SF	$17.74
Condition of Sale	Arms Length		
Legal Description:	*STAR VISTA ADD PLat Block: Plat Lot: 1*		

Comments

This comparable is the closed sale of a vacant single-family development site located roughly 4.5 miles south of the subject in Kent. Topography of the site is level, with mature trees located around the boundaries of the site. All public utilities are available in the street.The site is zoned SR-6 (Single Family Residential, 6 dwelling units per one acre) by the City of Kent. This zoning allows for single-family residential development with minimum lot size of 7,260 SF. A review of Kent permitting did not reveal any submitted or approved permits prior to the sale. Relative to the subject, no physical adjustments are warranted. Physical % of sale price adjustments are displayed below:

Physical Adjustments

Location	Site Area	Zoning	Topography
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%
Site Restrictions	**Site Improvements**	**Utilities**	**Other**
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%

Gross Adjust. Factor	0.0%	Net Phys. Adjust.	0.0%
Final Adjusted $/SF			$17.74

Contact	Office	Number
Elizabeth Waloweek	Better Properties Kent	(253) 217-6173

Property Statistics:	Comparable No.	5	Closed Sale
Street Address	City	State	Zip Code
XXX 14th Place S	Des Moines	WA	98198

Property Info		Property Photo
Dist. From Subject	3.7 miles south	
Parcel No.	691810-0010	
Site Area (SF)	7,733	
Site Area (Acres)	0.18	
Assessed Value	$171,000	
Property Type	Vacant	
Zoning	RS-7200, Des Moines	
Utilities	In Street	
Topography	Level	
Site Restrictions	None Noted	
Other	Corner Lot	

Transaction Info			
Date of Sale	04/05/24	Sale Price	$200,000
Days on Market	111	Property Rights Adj.	$0
Buyer	Evergreen Housing LLC	Financing Terms Adj.	$0
Seller	Verl Petersen	Conditions of Sale Adj.	$0
Doc. Number	20240408000620	Expend. After Sale Adj.	$0
Instrument	Statutory Warranty Deed	Market Condition Adj.	$1,833
Property Rights	Fee Simple	Adjusted Sale Price	$201,833
Financing	Cash or Cash Equivalent	Net Price/SF	$26.10
Condition of Sale	Arms Length		

Legal Description: *PROVIDENTIAL SOUNDVIEW ESTATES PLat Block: Plat Lot: 1*

Comments

This comparable is the closed sale of a vacant single-family development site located roughly 3.7 miles south of the subject in the Woodmont Beach neighborhood of Des Moines. Topography of the site is level, cleared and ready for development. All public utilities are available in the street. The site is zoned RS-7200 (Single Family Residential, 1 dwelling units per 7,200 SF) by the City of Des Moines. This zoning allows for single-family residential development with minimum lot size of 7,200 SF. A review of Des Moines permitting did not reveal any submitted or approved permits prior to the sale. Following the sale, on 6/18/24, a building permit application (BLD2024-0878) was submitted for the construction of a new single-family residence. Relative to the subject, a downward adjustment is applied to reflect the smaller site size. Physical % of sale price adjustments are displayed below:

Physical Adjustments

Location	Site Area	Zoning	Topography
Similar	Smaller	Similar	Similar
0.0%	-5.0%	0.0%	0.0%
Site Restrictions	**Site Improvements**	**Utilities**	**Other**
Similar	Similar	Similar	Similar
0.0%	0.0%	0.0%	0.0%

Gross Adjust. Factor	0.0%	Net Phys. Adjust.	-5.0%
Final Adjusted $/SF			$24.80

Contact	Office	Number
Michiela Boukalis	Keller Williams Realty PS	(206) 799-5538

Land Sales Adjustment Grid

Land Sale Adjustment Grid					
	Sale 1	**Sale 2**	**Sale 3**	**Sale 4**	**Sale 5**
Address	XXX 2nd Ave S Burien, WA 98168	XXX 138th St Burien, WA 98168	XXX 13 th Ave S Des Moines, WA 98198	XXX Military Rd S Kent, WA 98032	XXX 14th Place S Des Moines, WA 98198
Sale date	2/24/2025	1/24/2025	10/4/2024	7/8/2024	4/5/2024
Site Size (SF)	6,600	9,636	8,100	10,212	7,733
Sale Price	**$225,000**	**$200,000**	**$220,000**	**$180,000**	**$200,000**
Transactional Adjustments					
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment	$0	$0	$0	$0	$0
Adjusted Price	$225,000	$200,000	$220,000	$180,000	$200,000
Financing Terms	Cash or Cash Equivalent	Cash or Cash Equivalent	Cash or Cash Equivalent	Cash or Cash Equivalent	Cash or Cash Equivalent
Adjustment	$0	$0	$0	$0	$0
Adjusted Price	$225,000	$200,000	$220,000	$180,000	$200,000
Conditions of Sale	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length
Adjustment	$0	$0	$0	$0	$0
Adjusted Price	$225,000	$200,000	$220,000	$180,000	$200,000
Expenditures After Purchase	None	None	None	None	None
Adjustment	$0	$0	$0	$0	$0
Adjusted Price	$225,000	$200,000	$220,000	$180,000	$200,000
Market Conditions	0 Months Prior	1 Months Prior	5 Months Prior	8 Months Prior	11 Months Prior
Adjustment	$0	$167	$917	$1,200	$1,833
Adjusted Sale Price	**$225,000**	**$200,167**	**$220,917**	**$181,200**	**$201,833**
Net Price/SF	$34.09	$20.77	$27.27	$17.74	$26.10
Physical Adjustments					
Location	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Site Area	Smaller	Similar	Smaller	Similar	Smaller
Adjustment	-10.0%	0.0%	-5.0%	0.0%	-5.0%
Zoning	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Topography	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Site Restrictions	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Site Improvements	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Other	Similar	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
Net Physical Adjustments	-10.0%	0.0%	-5.0%	0.0%	-5.0%
Final Adjusted $/SF	**$30.68**	**$20.77**	**$25.91**	**$17.74**	**$24.80**
Total Net Adjustments (% of SP)	-10.0%	0.1%	-4.6%	0.7%	-4.1%
Total Gross Adjustments (% of SP)	10.0%	0.1%	5.4%	0.7%	6.0%

Land Sales Comparable Map

Reconciliation of Value- Before

In performing this approach, we relied on five closed sales and one pending sale of vacant or interim use redevelopment sites located in reasonable proximity to the subject. The primary characteristics of adjustment involve Site Area, Zoning, Topography, Site Restrictions, Site Improvements, and Utilities. Each comparable, following adjustments, displays similar functional utility and overall property productivity as the subject.

Weight distribution is based on the elements of comparison, which can be both non-physical and physical characteristics. Non-physical elements include real property rights, financing terms, conditions of sales and expenditures made after purchase. Gross Adjustment Factors (GAF), take into account the absolute sum of the physical adjustments made to each comparable. Typically, comparables with fewer adjustment factors are more similar to the subject than those having higher adjustments and are ultimately given more weight.

All comparable sales reflected similar transactional conditions, including fee simple property rights, cash or cash equivalent financing terms, and arm's length transactions, requiring no adjustments in these areas. Additionally, no adjustments are applied for market conditions given the nominal appreciation in sales prices over the past year.

In terms of physical characteristics, the comparables were generally consistent with the subject property, particularly regarding zoning, topography, site restrictions, site improvements, and utility availability. Comparables 1, 3 and 5 are adjusted downward to account for their smaller site size.

The value indication of the subject site before the acquisitions, as of the effective date March 18, 2025, is displayed as follows:

Fee Simple Land Value Indication, Before Acquisition			
Comparable Sales	**Adj $ Indications**	**% Weight**	**$ Indication**
Land Comp 1	$30.68	10%	$3.07
Land Comp 2	$20.77	25%	$5.19
Land Comp 3	$25.91	20%	$5.18
Land Comp 4	$17.74	25%	$4.44
Land Comp 5	$24.80	20%	$4.96
Sum of Value Weighted Average		**100%**	**$22.84**
Subject Site Area (SF)	10,051	X $/SF	$229,549
Opinion of Fee Simple Land Value Before Acquisition, Rounded			**$229,500**

Supplemental Underlying Land Value (Assessor Allocation)

As a test of reasonableness, an analysis of the underlying land value based on the assessor's allocation method was also performed. The allocation method assumes that similar houses in similar locations have a similar land/value ratios. The procedure is as follows, 1) Locate comparable whole property sale, 2) Determine the ratio of the land assessment to the total property assessment, and 3) Apply the land assessment ratio to the comparable sales price to determine the allocated land value.

The allocation method is best used when there are insufficient comparable land sales. Allocation is usually more reliable when the improvements are relatively new. As the improvements age, the land/property ratio increases. Remodeled older improvements may distort ratios when compared to non-remodeled older properties. The chart below displays the comparable sales located within 0.5 miles of the subject, sold within 6 months of the effective date:

Comparable Whole Properties								
Comp #	Address	Year Built	Above Grade	Bed/Bath	Site Size	Sale Date	$/SF	Sale Price
1	20228 8th Ave S Des Moines, WA 98198	1954	1,200	3-bed/1-bath	9,138	2/25/2025	$425.00	$510,000
2	20228 14th Avenue S SeaTac, WA 98198	1954	1,010	3-bed/2-bath	8,000	12/23/2024	$504.95	$510,000
3	20212 14th Ave S SeaTac, WA 98198	1954	1,540	3-bed/1.5-bath	8,000	11/6/2024	$388.96	$599,000
4	20128 1st Place S Des Moines, WA 98198	1955	1,650	3-bed/1.75-bath	7,500	10/18/2024	$324.24	$535,000
Sub	**801 S 200th St Des Moines, WA 98168**	**1957**	**1,170**	**3-bed/1.5-bath**	**10,051**	**NA**	**NA**	**NA**

The following diagram outlines the analysis to determine the land allocation:

Comp	Address	Sales Price	% Imp	% Land	Land Allocation	Land SF	$/SF	Weight	$/SF Indication
1	20228 8th Ave S	$510,000	61%	39%	$201,047	9,138	$22.00	10%	$2.20
2	20228 14th Avenue S	$510,000	66%	34%	$175,939	8,000	$21.99	30%	$6.60
3	20212 14th Ave S	$599,000	68%	32%	$193,147	8,000	$24.14	30%	$7.24
4	20128 1st Place S	$535,000	68%	32%	$169,399	7,500	$22.59	30%	$6.78
Sum of Weighted Averages								**100.00%**	**$22.82**
Subject Site Area (SF)							10,051	X $/SF	$229,332

The subject's 2025 King County assessment attributes 67% to the improvements and 33% to the land. The comparable sales within the analysis have similar allocation ratios to the subject, and with Comparables 2, 3 and 4 being the most similar. The comparable sales have a $/SF of underlying land indication ranging from $21.99 to $24.14, with a weighted average of $22.82/SF. The opinion of fee simple land value within the Land Sales Comparison Approach is $22.84/SF, which is within the range, placing near the weighted average of the Assessor Allocation analysis.

Property Valuation – After Acquisition

Description of Proposed Acquisitions

According to the diagrams and documents provided, in the hypothetical after state, the City of Des Moines will acquire a 2,438 SF portion of the subject property in fee, spanning the northern boundary, along S 200th St.

Additionally, the City of Des Moines will acquire a 1,218 SF Temporary Construction Easement (TCE) situated directly south of the fee acquisition area. According to the Temporary Easement document, the TCE term is said to begin on March 1, 2025, and end on February 28, 2027. For the purpose of this appraisal, however, the TCE is assumed to commence as of the effective date of the appraisal, with an active and exclusive construction term of 24 months. The term may be extended by up to 12 months at the same rate as the original term.

Description of Remainder

In the remainder, the subject site will be encumbered a temporary construction easement. The physical characteristics of the site will be altered to accommodate the planned improvement project, with the removal of various site improvements will not be replaced. These site improvements include buffer trees, landscaping, lawn area, and portions of the asphalt driveway. Additionally, the physical site size will be reduced from 10,051 SF (0.23 acres) to 7,613 SF (0.17 acres).

The subject property will continue to have frontage along the same arterials. The zoning and the highest and best use of the property will be unchanged from the before situation, which is for continued single-family residential use.

Summary of Land Sales Approach- After

In the after state, the subject property productivity will remain the same as the before state. However, the 2,438 SF partial take will reduce the site size from 10,051 SF to 7,613 SF. Within this analysis, the same set of comparables and adjustments, previously relied on to establish the value of the underlying fee value in the before state are used to establish the value of the land area in the after state.

The value indication of the subject site after the acquisitions, as of the effective date March 18, 2025, is displayed as follows:

Fee Simple Land Value Indication, After Acquisition			
Comparable Sales	**Adj $ Indications**	**% Weight**	**$ Indication**
Land Comp 1	$30.68	10%	$3.07
Land Comp 2	$20.77	25%	$5.19
Land Comp 3	$25.91	20%	$5.18
Land Comp 4	$17.74	25%	$4.44
Land Comp 5	$24.80	20%	$4.96
Sum of Value Weighted Average		**100%**	**$22.84**
Subject Site Area (SF)	7,613	X $/SF	$173,869
Opinion of Fee Simple Land Value After Acquisition, Rounded			**$173,900**

Impact to Remainder (Temporary Construction Easement)

The City of Des Moines will acquire a 1,218 SF Temporary Construction Easement (TCE) situated directly south of the fee acquisition area. According to the Temporary Easement document, the TCE term is said to begin on March 1, 2025, and end on February 28, 2027. For the purpose of this appraisal, however, the TCE is assumed to commence as of the effective date of the appraisal, with an active and exclusive construction term of 24 months. The term may be extended by up to 12 months at the same rate as the original term.

According to Washington Pattern Jury Instruction (WPI) 150.06.02, "Just compensation for temporary occupancy of property means the reasonable cost of restoring the property to a condition equally valuable as the condition before the occupancy, plus the fair market rental value of the occupied property for the term of occupancy, plus any appropriate reduction in rent during the occupancy on contiguous property in the same ownership and devoted to the same use, caused by the temporary occupancy, plus any permanent loss in the value of the occupied property, or contiguous property in the same ownership and devoted to the same use, caused by the temporary occupancy."Breaking this instruction down:

1. Reasonable Cost of Restoring the Property: The first item of compensation is "the reasonable cost of restoring the property to a condition equally valuable as the condition before the occupancy."

2. Fair Market Rent for Occupied Property: The second item of compensation is "the fair market rental value of the occupied property for the term of occupancy." In this case, rent will be applied to the 24-month active construction period and potential 12-month active extension option.

3. Reduction in Rent on Contiguous Property During Occupancy: Referring again to Washington Pattern Jury Instruction (WPI) 150.06.02, the final items of compensation are "any appropriate reduction in rent during the occupancy on contiguous property in the same ownership and devoted to the same use, caused by the temporary occupancy, plus any permanent loss in the value of the occupied property, or contiguous property in the same ownership and devoted to the same use, caused by the temporary occupancy."

   Rent discounts are typical for construction nuisances, such as the one impacting the subject property during the 24-month TCE active construction period, and potential 12-month active extension option.

4. Permanent Loss in Value as a Result of Temporary Occupancy: Lastly, there is no permanent loss in value as a result of the temporary occupancy.

Fair Market Rent for Occupied Property

As a primary valuation methodology, we have valued the fee simple interest of the occupied land area and applied a market rate-of-return in order to convert value into market rental payments. The analysis of the underlying land value is based on direct market sales comparisons, presented in the following section.

Summary of Land Value

Within this analysis, the same set of comparables and adjustments previously relied on to establish the value of the underlying fee value in the before state are used to establish the value of the land area encumbered by the temporary construction easement. The fee value in the before state is concluded at $22.84/SF of land area..

Land Rental Rate

In order to determine the value impact of the temporary occupation, we estimate market rental payments for the proposed easement area by applying an appropriate land capitalization rate (aka land rental rate) to the concluded unit land value. Surveyed land capitalization rates range Land Rental Rate. In order to determine the value impact of the temporary occupation, we estimate market rental payments for the proposed easement area by applying an appropriate land capitalization rate (aka land rental rate) to the concluded unit land value. Surveyed land capitalization rates on a broad spectrum range from 6% to 9%. In general, the rate to be applied to the value of the property is strongly influenced by a number of factors, including length of lease term, nature and value of any improvements to be constructed on property by lessee, market conditions at lease commencement, escalation clauses, and nature of the tenant.

As supplemental support, the following table summarizes prevailing land lease capitalization and discount rates. The former reflect initial rates of return on appraised values for vacant land proposed for development. They do not address increases in land lease payments or the reversion but may include percentage rent. The latter are internal rates of return being achieved by landowners on improved properties. As such, they include changes in land lease payments, percentage rent where applicable, and the reversion of the entire property at the termination of the lease. Total lease terms range from 40 to 99 years, while fixed rent periods range from one to 10 years. Generally, short-term (1-3 years) fixed rent periods auto-adjust based on a national reference rate such as the Consumer Price Index, while long-term (5-10 years) fixed rent periods are based on appraised values but are often subject to negotiation and/or arbitration.

Average risk property types range in Land Capitalization Rates from 8.66% to 11.28% with a central tendency of 9.88% for all property types. The chart below, retrieved from Realty Rates Investor Survey (Q1 2024), display capitalization and discount rates for land leases:

RealtyRates.com INVESTOR SURVEY - 1st Quarter 2025* LAND LEASES						
	Capitalization Rates			Discount Rates		
Property Type	Min.	Max.	Avg.	Min.	Max.	Avg.
Apartments	4.26%	11.16%	8.66%	6.86%	11.66%	9.66%
Golf	4.96%	16.32%	10.37%	7.56%	16.82%	11.37%
Health Care/Senior Housing	4.96%	12.37%	9.77%	7.56%	12.87%	10.77%
Industrial	4.81%	12.16%	9.27%	7.41%	12.66%	10.27%
Lodging	5.16%	16.20%	9.32%	7.76%	16.70%	10.32%
Mobile Home/RV Park	4.86%	14.80%	10.32%	7.46%	15.30%	11.32%
Office	4.81%	13.06%	9.24%	7.41%	13.56%	10.24%
Restaurant	5.27%	18.14%	11.00%	7.87%	18.64%	12.00%
Retail	4.52%	12.26%	9.51%	7.12%	12.76%	10.51%
Self-Storage	4.81%	12.26%	9.99%	7.41%	12.76%	10.99%
Special Purpose	5.20%	18.32%	11.28%	7.68%	20.24%	10.89%
All Properties	4.26%	18.32%	9.88%	6.86%	18.64%	10.74%

*4th Quarter 2024 Data

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In comparison to the subject TCE impacts, factors influencing a rate on the lower end of the range include the fact that easements will not interfere with highest and best use or the owner's property. Factors arguing for a higher rate include the relative short term of the TCE relative to the sample ground leases survey parameters, as well as the uncertainty surrounding the construction window.

Land Market Rent Indications

Active Construction Use Period

Accounting for all factors influencing the rate of return, a land lease rate at the lower end of the range for average land capitalization rates for all property types at 9.00% per year (0.67%/Month) best reflects the impact for the occupation. As such, the estimated rent for use of the TCE, in the form of a single lump sum payment for the 24 month of active construction period is displayed below:

Components of Value	Fee $/SF	RoR (Mo.)	Rent/SF/Mo	TCE Area (SF)	Rent/Mo	Months	Sum of TCE Rent
TCE (Construction) - Exclusive & Active	$22.84	0.75%	$0.17	1,218	$209	24	$5,007

Additionally, the TCE allows for a 12-month extension of the active-use period, which could be executed at any time. The Temporary Easement document provided, states that the extension period will be the same rate as the original term. However, given the uncertainty related to the activation of the extension, the sum is not included in the Final Value Indication for the TCE. The estimated rent for use of the TCE, in the form of a single lump sum payment for the 12-month active construction period is displayed below:

Components of Value	Fee $/SF	RoR (Mo.)	Rent/SF/Mo	TCE Area (SF)	Rent/Mo	Months	Sum of TCE Rent
TCE Extension Option - Active	$22.84	0.75%	$0.17	1,218	$209	12	$2,504

Temporary Damages to the Remainder

Referring again to Washington Pattern Jury Instruction (WPI) 150.06.02, the final items of compensation are *"any appropriate reduction in rent during the occupancy on contiguous property in the same ownership and devoted to the same use, caused by the temporary occupancy, plus any permanent loss in the value of the occupied property, or contiguous property in the same ownership and devoted to the same use, caused by the temporary occupancy."*

The next item of compensation for temporary damages to the remainder involves reduction in rent. If the temporary occupancy will cause "any appropriate reduction in rent during the occupancy on contiguous property in the same ownership" then additional compensation should be calculated. Overall, if the property rent reduction exceeds the fair market rental value of the occupied property, any additional increment would be an element of just compensation, classified as temporary damage to the remainder.

Single-Family Residential Market Rent

A search has been performed throughout the subject's delineated market area for comparable rental properties. The results are derived using the following criteria:

Current Use:	Single Family Residential (3-bed, 1 to 2-bath)
Transaction Elements:	Closed lease
Space Size:	500 to 1,500 SF of NRA
Time Frame:	2 years from effective date
Location:	5-mile radius
Databases:	NWMLS.

Based on these search parameters, we were able to identify a reasonably sized data pool for the comparative analysis. The selected rent comparables are believed to be reasonable and reliable market rent indicators for the subject property. Those considered the best indicators for the subject are summarized below:

Comparable Rental Properties								
Comp #	Address	Year Built	NRA (SF)	Bed/Bath	Site Size	Date Rented	$/SF	Rent/Month
1	13631 26th Place S SeaTac, WA 98168	1977	1,220	3-bed/2-bath	9,333	1/21/2025	$2.30	$2,800
2	12819 12th Ave S Burien, WA 98168	1954	1,270	3-bed/1-bath	7,439	1/7/2025	$2.60	$3,300
3	14730 56th S Tukwila, WA 98168	1965	1,330	3-bed/2-bath	9,600	10/6/2024	$2.26	$3,000
4	24810 23rd Ave S Kent, WA 98032	1959	970	3-bed/1-bath	8,435	5/13/2024	$2.89	$2,800
5	18424 2nd Ave S Burien, WA 98148	1954	1,140	3-bed/1-bath	8,407	10/4/2023	$2.46	$2,800
6	19609 4th Ave S Des Moines, WA 98148	1954	1,320	3-bed/1.75-bath	9,750	9/13/2023	$2.20	$2,900
Sub	**801 S 200th St Des Moines, WA 98168**	**1957**	**1,170**	**3-bed/1.5-bath**	**10,051**	**NA**	**NA**	**NA**

The survey indicates a rental range from $2,800/Month to $3,300/Month and $2.26/SF/Mo to $2.89/SF/Mo, with an average of $2,933/Month and ($2.45/SF/Mo).

The subject's rental rate would reasonably fall near the average rate of the comparabes given its age, net rentable area, and bathroom count. As such, the indicated market rental rate for the subject is $2,900/Month.

Reduction in Rent on Contiguous Property During Occupancy

Typical rent discounts for construction nuisances, such as the one impacting the subject property during the TCE construction period, typically fall between 10% and 25%. The TCE encumbers a large portion of the subject's front yard, as well as the subject's on-site parking and access, severely limiting the use of this space. As such, it is reasonable that the rent discount for the subject property would place at the high end of the range at 25%. Utilizing the subject's market rent indication of $2,900/Month, the resulting discount is $725/Month. Over the 24-month construction period the temporary rent loss to the remainder is $17,400.

Reduction in Rent on Contiguous Property During Occupancy (TCE Extension Option)

The same analysis is applied for the potential 12-month extension of the active-use period, which could be executed at any time. Given the uncertainty related to the activation of the extension, the sum is not included in the Final Value Indication for the TCE. Over the 12-month extension period the temporary rent loss to the remainder is $8,700.

Summary of Findings- Final Value Indications (TCE)

The purpose of this appraisal is to estimate the value impact due to the placement of the TCE, as well as the temporary damages impacting the remainder including the a reasonable rent reduction in the contiguous property over the occupied period.

Resulting from our investigation and analysis, the final opinion of the TCE impact as of March 18, 2025 is displayed below:

TCE Final Value Indications							
Components of Value	**Fee $/SF**	**RoR (Mo.)**	**Rent/SF/Mo**	**TCE Area (SF)**	**Rent/Mo**	**Months**	**Sum of TCE Rent**
TCE (Construction) - Active	$22.84	0.75%	$0.17	1,218	$209	24	$5,007
Temporary Rent Loss to Remainder					$725	24	$17,400
Total							*$22,407*
Final Opinion of TCE Impact, Rounded							**$22,400**

The following chart displays the Opinion of TCE Impact given the activation of the option to extend the active construction period by 12 months. However, given the uncertainty related to the activation of the extension, this opinion is not included in the Final Opinion of Diminution in Value.

TCE Final Value Indications - Extension Option							
Components of Value	**Fee $/SF**	**RoR (Mo.)**	**Rent/SF/Mo**	**TCE Area (SF)**	**Rent/Mo**	**Months**	**Sum of TCE Rent**
TCE Extension Option - Active	$22.84	0.75%	$0.17	1,218	$70	12	$2,504
Temporary Rent Loss to Remainder (Extension)					$725	12	$8,700
Total							*$11,204*
Final Opinion of TCE Impact, Rounded							**$11,200**

Impact to Remainder (Cost to Cure Site Improvements)

In the remainder, there appears to be potential damages due to the impact of the improvement project in the form of removal or destruction of existing site improvements. It is reasonable that the owner would be compensated the cost of restoring these site improvements.

Reasonable Cost of Restoring the Property (Site Improvements)

The acquisition will impact portions of the subject site containing mature buffer trees, landscaping, lawn, and portions of the asphalt driveway. Cost figures for these site improvements are provided by Marshall Valuation Services (MVS).

According to MVS, medium-sized box trees (24"–36") cost between $615 and $1,620, averaging $1,000 each. These trees are larger and more mature than smaller 20" box trees, and would restore a sense of screening lost from removing existing buffer trees. To compensate the owner, the low-end cost of $615 per tree is applied for the 13 buffer trees.

Asphalt paving (2") ranges from $2.87 to $4.24 per square foot, with an additional $0.67 to $0.85 per SF for each extra inch. Smaller pours under 100 SF typically cost 25% more. A high-end rate of $5.94/SF is applied for the 120 SF of 4" asphalt.

Sodded lawns cost between $0.82 and $2.30 per SF, averaging $1.37. This average is applied to the 450 SF of lawn affected by the acquisition.

Landscaping for small areas ranges from $6.84 to $12.05 per SF, with an average of $9.10. This average cost is applied for the 80 SF of landscaping impacted.

After accounting for current cost and local cost multipliers and adding entrepreneurial incentive of 15%, the contribution value of the site improvements are summarized in the following table:

Site Improvements						
Item	Units	$/Unit	Current Costs	Local Multipliers	Total	Value
Buffer Trees (Avg. Medium)	13	$615.00	1.06	1.22	$795.32	$10,339
Asphalt (4")	120	$5.94	1.06	1.22	$7.68	$922
Lawn (Avg. Sodded)	450	$1.37	1.06	1.22	$1.77	$797
Landscaping (Avg. Small)	80	$9.10	1.06	1.22	$11.77	$941
Subtotal						$13,000
15% Enrepreneurial Profit						$1,950
Total						$14,950
Total Rounded						**$15,000**

Summary of Findings- Final Value Indications

Resulting from our investigation and analysis, the final opinion of the diminution in value, as of the effective date March 18, 2025, are reported as follows:

Final Reconciliation of Value	
Appraisal Premise	**Indication**
Opinion of Value Before the Acquisition	$229,500
Opinion of Value After the Acquisition	$173,900
Value Difference, Rounded	**$55,600**
Plus Impacts from Tempoarary Construction Easement (Pg. 68)	*$22,400*
Plus Cost to Restore Site Improvements (Pg. 69)	*$15,000*
Final Opinion of Diminution in Value, Rounded	**$93,000**

General Assumptions & Limiting Conditions

In the appraisal process, a variety of general assumptions and limiting conditions are relied upon. The following is a description of those used in this analysis:

1. By this notice, all persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report, they are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value indication for the subject property based upon the appraiser's observations as to the subject property and real estate market. This appraisal is not an engineering, construction, legal or architectural study nor a survey. Expertise in these areas, among others, is not implied.

2. The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

3. The appraiser(s) have inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural, or other components. We have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate assumes that there are no such conditions that would cause a loss of value, other than those specifically cited herein.

4. The appraisal is based on the assumption that there are no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures, which would render it more or less valuable. The appraiser and firm have no responsibility for any such conditions or for any expertise and engineering to discover them.

5. No specific soil bearing tests were furnished or made as a part of this report; however, soil stability and bearing capacity are assumed to be sufficient to permit development.

6. All dimensions and legal descriptions are assumed to be correct as supplied and/or found through available records. Any maps, sketches, reproductions or photographs included in this report are for illustration and as an aid for visualizing the property only.

7. All information as found in data furnished or in public records is deemed reliable. If any errors are found, the right is reserved to modify the conclusions reached.

8. This report is based on the premise that the title to the property is good and merchantable, and that there are no liens, clouds or encumbrances against the title. No responsibility is assumed for matters that are legal in nature.

9. Any liens or encumbrances that may now exist have been disregarded, and the property has been appraised as though free of indebtedness and as though no delinquency in payment of general taxes and special assessments exist.

10. It is assumed that the property that is the subject of this report will be under prudent and competent ownership and management, neither inefficient nor super-efficient.

11. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used. The values assigned to improvement shown in this report are in proportion to the contribution said improvements make to the value of the property as a whole.

12. The value premises cited in this report are considered foundational and basic to the value opinions reported herein, and the right is hereby reserved by the appraiser to alter, revise and/or rescind any of these said value opinions should subsequent or additional data be found, or in the event the conditions are modified to any extent.

13. Possession of this report, or any portion or copy thereof, does not carry with it the right to publication, nor may the same be used for any purpose by anyone but the client without the prior written consent and approval of the appraiser, and in any event only in its entirety.

14. Employment to make this appraisal does not require testimony in court unless mutually satisfactory arrangements are made in advance.

15. The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

16. In cases of appraisals involving the capitalization of income benefits, the estimate of fair market value is a reflection of such benefits and the appraiser's interpretation of income yields and other factors derived from market information. Such estimates are as of the date of the estimate of value only; they are thus subject to change as the market and value is naturally dynamic.

17. Appraisal reports that contain a valuation relating to an estimate in land that is less than the whole fee simple estate are subject to the following: "the value reported for such estates relates to a fractional interest only in the real estate involved and the value of the fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole".

18. Appraised values that relate to geographical portions of a large parcel or tract of real estate are subject to the following: "the value reported for such geographical portion relates to such portion only and should not be construed as applying with equal validity to other portions of the larger parcel or tract. The value reported for such geographical portion plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as an entity".

19. The appraiser assumes that a purchaser is aware that (1) this appraisal on the subject property does not serve as a warranty on the condition of the property, (2) it is the responsibility of the purchaser to examine the property carefully and to take all necessary precautions before signing a purchase contract, and (3) any estimate for repairs is a non warranted opinion of the appraiser unless otherwise stated.

20. If this appraisal is prepared in conformance with the plans and specifications provided to your appraiser it assumes completion in a workmanlike manner. The appraiser cannot be held

responsible for unforeseeable events that alter market conditions prior to completion or effective date of the opinion.

21. Where a Discounted Cash Flow Analysis has been used it has been prepared on the basis of information and assumptions stipulated in this report. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon the occurrence of other future events that cannot be assured. Therefore, the actual results achieved may vary from the projections made and such variation may be material.

22. Prior to entering into an agreement to perform any assignment, an appraiser must carefully consider the knowledge and experience that will be required to complete the assignment competently; or disclose any lack of specific knowledge or experience to the client, and take all steps necessary or appropriate to complete the assignment competently. Your appraisers have both the knowledge and experience required to complete this assignment competently.

23. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property. The value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if so desired.

24. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or the firm with which they are connected, or any reference to the Appraisal Institute or the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media or any other public means of communications without prior written consent and approval of the appraiser.

25. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

26. The federal government has enacted legislation, referred to as Megan's Law, which encourages states to disclose to the public the whereabouts of convicted child molesters within the community. These individuals may be transient and therefore the situation may change periodically. While the appraiser has no knowledge of any offenders residing nearby the subject property, the scope of this assignment did not include any investigation into this matter. The client is advised to consult with local law enforcement officials about this issue. The appraiser assumes no responsibility for any issues related to Megan's Law.

27. There are a wide variety of detrimental conditions that can impact property values. These include, but are not limited to: non-market motivations, future temporary disruptions, stigmas, convicted criminals who reside in the neighborhood, neighborhood nuisances, future unannounced

surrounding developments, structural and engineering conditions, construction conditions, soils and geo-technical issues, environmental conditions, endangered species and natural conditions. The appraiser has inspected the subject property on a level that is consistent with the typical responsibilities of the appraisal profession; however, the appraiser does not have the expertise of market analysts, soils, structural or environmental engineers, scientists, specialists, urban planners and specialists in these various fields. Unless otherwise stated within the report, the appraiser assumes no responsibilities for the impact that the variety of detrimental conditions may cause.

28. The liability of Lamb Hanson Lamb Appraisal Associates, Inc., its Associate Appraisers and employees is limited to the client only. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall makes such party aware of al limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in case of lawsuit (brought by lender, partner, or part owner in any form of ownership, tenant or any other party), any and all awards, settlements, or cost, regardless of outcome; the client will hold Lamb Hanson Lamb Appraisal Associates, Inc. and its Associate Appraisers harmless and indemnify Lamb Hanson Lamb, Appraisal Associates, Inc. in connection therewith. Acceptance of and/or use of this appraisal report by client or any third party is prima facie evidence that the user understands and agrees to these conditions.

29. Lamb Hanson Lamb Appraisal Associates, Inc. shall use ordinary care in performing all work, but under no circumstances shall Lamb Hanson Lamb Appraisal Associates, Inc., its directors, officers, employees or agents be liable to the client for any special, incidental or consequential damages arising out of or in connection with this appraisal or the performance or nonperformance thereof, whether in contract, tort (including strict liability and negligence), or otherwise, including without limitation, loss of profits or loss of revenues, even if Lamb Hanson Lamb Appraisal Associates, Inc. has been advised of the possibility of such damages.

30. Privacy Notice: Pursuant to the Gramm-leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

31. Types of Nonpublic Personal Information We Collect: In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

32. Parties to Whom We Disclose Information: We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

33. A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

34. Confidentiality and Security: We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In

order to protect your non public personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information. Please feel free to call us at any time if you have any questions about the confidentiality of the information that you provide to us.

Appraiser Qualifications & Supporting Data Addendum

LHL APPRAISAL ASSOCIATES, INC.
EST. 1916

Patrick M. Lamb, MAI

WA State General Certified Appraiser (1101646)

PROFESSIONAL PROFILE

Patrick M. Lamb, MAI currently stands as President/CEO of Lamb Hanson Lamb Appraisal Associates, Inc. (LHL). This makes him the fourth consecutive generation of his family to operate a local appraisal firm, and the third consecutive generation of Appraisal Institute designated members. His father Michael B. Lamb, MAI/SRA and grandfather Berkley A. Lamb, SRA both served as past presidents of the local chapter.

Mr. Lamb is a Washington State General Certified appraiser and has been providing valuation services since 2001. He holds a bachelor's degree from the University of Washington in Business Administration. He is involved in performing a full spectrum of commercial and residential appraisal services to clients located throughout Western Washington and the Greater Pacific Northwest.

In addition to providing strategic direction and service to clients, Patrick also performs technical components of the firm's valuation projects, conducts interviews, reviews appraiser's work, composes appraisal reports and ensures compliance with latest guidelines. He manages and performs complex assignments involving multiple locations and/or financial interests. His education background and experience in valuation encompasses all major appraisal disciplines. Lastly, Mr. Lamb acts as the firms primary supervisor and has successfully mentored 3 appraisers through their MAI designations, 12 trainees through the state certification process, (9 General Certified Appraisers and 3 Residential Certified Appraiser), and is currently training 3 trainees.

PROFESSIONAL DESIGNATIONS/ CERTIFICATIONS

2011: Designated Member of the Appraisal Institute (MAI)
2004: Certified General Real Estate Appraiser, Washington License No. 27011-1101646,

AWARDS

2013: Presidents Award- Seattle Chapter of the Appraisal Institute

ORGANIZATIONAL ROLES AND AFFILIATIONS

Elected Chapter Director, AI Seattle Chapter, 2018

Appointed as Program Chair, AI Seattle Chapter, 2014
Moderator: Green Construction Panel
Moderator: Micro-housing Panel
Moderator: Modular Construction Panel
Moderator: Tax Appeal & Procedure Panel

Appointed as Region 1 Candidate Guidance Liaison, AI National, 2014-2015
Candidate Guidance Chair, AI Seattle Chapter, 2012-2013
LDAC Representative (Leadership Development and Advisory Council), 2013, 2014 & 2015

RMA (Risk Management Association) Young Professional Group (YP). Served as communications chair, programs chair, golf tournament chair, vice chairman, and chairman. As chairman, he acted as the liaison with the main Puget Sound RMA Chapter board.

Mr. Lamb has also served on the Rainier Rotary Board as membership chair, the Florentine HOA board, Tower 39 Board, and on LHL's corporate board. Other affiliations include Washington State CPA's, WSBA Young Lawyer Division, Bellevue Breakfast Roundtable, Belden Group, Community Association Institute (CAI), Financial Planning Service Group, West Seattle Chamber, the International Right of Way Association, Member RMA (Risk Management Association), Member of Association of Washington Businesses (AWB), and City Club.

Most recently, Mr. Lamb has been elected to the Board of Governors of Seattle CityClub, a non-partisan, nonprofit education organization dedicated to informing citizens and building community leadership in the greater Seattle region.

SPEAKING ENGAGEMENTS

2016:	Appraisal Institute Civic Health, An Engaged Membership Matter
2015:	Judge, Jury & Executioner. Explore the Appraisers Role as Arbitrator
2015:	Belden Club: What's it all work Insider Look at Real Property & Business Appraisal.
2015:	WA State Bar Association Real Property Probate & Trust, Midyear Conference.
2014:	Seattle Chapter Fall Conference: Technology Trends impacting Appraisers.
2013:	Small Business Administration (SBA) Seminar: Improvements appraisal engagements, and establishing better expectations of scope of work.
2012:	Key Bank, Commercial Banking Argosy Cruise, General Appraisal Topics
2010:	Risk Management Association (RMA), Presentation on Fundamental Market Analysis, Recovery Prediction Techniques for Residential Housing Market, CE luncheon.
2009:	Risk Management Association (RMA), Young Professionals Event: Appraisal Industry Update and Overview.
2009:	Risk Management Association (RMA), Participated as Expert Guest on National Conference Call discussing current appraisal Issues, CE.

WORK EXPERIENCE

2001- Present- Lamb Hanson Lamb Appraisal Associates, Inc.

EDUCATION

2001 University of Washington - Bachelor of Arts. Business Management.
2001 University of Washington – Minor Political Science

COURSE WORK/ SEMINARS (Last 10 yrs)

2024: 7-hour USPAP Update, Mckissock
2024: Complex properties, Mckissock
2023: Appraisal Institute Seattle Chapter Fall Conference, Seattle, WA
2022: Appraisal of Assisted Living Facilities, Mckissock
2022: 2022-2023 7-hour National USPAP Update, Mckissock
2022: Business Practices and Ethics, Appraisal Institute
2021: Appraiser's Guide to Expert Witnessing, Appraisal Institute
2020: The-Basics-of-Expert-Witness-for-Commercial-Appraisers, McKissock
2020: USPAP-Update-Course-for-Non-Residential-Real-Property, Mckissock
2020: Land-Subject-to-Ground-Leases, Mckissock
2018: Advanced Hotel Appraising – Full Service Hotels, Mckissock
2018: Basic Hotel Appraising – Limited Service Hotels Mckissock
2018: 2018-2019 7-hour USPAP Update, Mckissock
2017: Appraisal Institute Seattle Chapter Fall Conference, Seattle, WA
2017: Uniform Appraisal Standards of Federal Land Acquisitions: Practical Applications
2016: USPAP 2016-2017 Update, Appraisal Institute, WA
2016: Appraisal Institute Seattle Chapter Fall Conference, Seattle, WA
2016: Business Practices and Ethics, Appraisal Institute, WA
2015: Appraisal Institute Seattle Chapter Fall Conference, Seattle, WA
2014: Valuation of Railway Corridors, Appraisal Institute, Webinar.
2015 Appraisal Institute LDAC Conference, Washington DC
2014 The Valuation of Partial Acquisitions, IRWA, Seattle, WA
2014 USPAP 2014 Update, McKissock, Online
2014 Appraisal Institute LDAC Conference, Washington DC
2014 Defining Micro Apartments - Development, Planning, and Financing
2014 Evaluating Post Occupancy Energy Performance on Green-Built Structures
2013 Appraisal Institute Seattle Chapter Fall Conference, Seattle, WA
2013 Appraisal Institute Seattle Chapter Candidate Advisor Course
2012 Appraisal Institute National Conference, Coronado, CA
2012 Marketability Studies: Advanced Considerations and Applications, Coronado, CA
2012 Common Errors/Misconceptions in Yellow Book Assignments, Coronado, CA
2012 Going Concern Issues in Hospitality Valuation, Coronado, CA
2012 Risk Management Association, Analyzing Business Tax Returns, Seattle, WA
2012 Appraisal Institute, Fundamentals of Separating Real, Personal Property, and Intangible Business Assets, San Francisco, CA
2011 American Bankers Association, Going Concern Appraisals: Understanding Allocation of Tangible and Intangible Assets, National Teleconference, Chicago IL.

TESTIMONY/ DEPOSITOIN

Date	Engagement	Location	Client	Property	Case Purpose
2023	Court Jury Testimony, Deposition	Snohomish County Superior Court, No. 22-2-06310-31	Socius Law Group, LLC	Entitled land	DIV entitlements discrepancy.
2023	Zoom Testimony, Deposition	HONORABLE JUDGE STANLEY J. RUMBAUGH TRIAL START DATE: APRIL 18, 2023 NO. 20-2-08614-8	Tim Petrie timwpetrie@gmail.com	Intersection of 216th Street E & 146th Ave E (Right-of Way Easement) Graham, WA.	Easement expansion dispute
2022	Zoom Testimony	Kind County Superior Court,	Goldberg Jones	Single Family Home 3940 SW Kenyon St Seattle, WA 98136	Marital Dissolution Value Dispute
2021	Arbitration Zoom Testimony	Arbitration	McGavick Graves, P.S	Multiple	Marital Dissolution Value Dispute
2020	Court Zoom Testimony	Pierce County Judge Ronald B. Leighton #18-2-12870-1	Favros Law	Tacoma Industrial	Value Dispute
2019	2nd Deposition/Trial Pending	King County	Helsell Fetterman, LLP	Lynnwood retail partial take	Eminent Domain
2019	1st Deposition/Trial Pending	King County	Helsell Fetterman, LLP	Lynnwood retail partial take	Eminent Domain
2019	Pending	King County	Pivotal Law Group	Shoreline retail partial take	Eminent Domain
2018	Deposition	King County	Fallon McKinley & Wakefield, PLLC	Chimney Apartment	Insurance Fire Loss Dispute
2018	Settled	King County	Gillaspy & Rhode, PLLC	Lake Hills Village Mixed Use Center	Construction Defect
2016	Binding Arbitration	Offices of Judge Paris Kallas	Mutual of Enumclaw	Dante's Pub, Fire loss	Insurance Loss Dispute
2016	Deposition/ Pre-trial settlement	Law Offices	Soos Creek Water and Sewer Dist.	Wetland encumbered Land	Partial take, easements
2016	Deposition/ Court Testimony	Pierce County Superior Court	Lisa Wolford	Industrial Site	Marital Dissolution
2015	Deposition/ Court Testimony	King County Superior Court	Roi & Ye v. Federal Way	Vacant Land w/ Wetland buffer	Eminent Domain
2015	Deposition/ Court Testimony	Federal District Court, Tacoma	APES, Mike Mazza	Industrial Site	Value Dispute
2015	Court Testimony	Snohomish County Superior Court	THOMPSONREUTER c/o Wells Fargo	SFR	Value Dispute
2015	Deposition, Arbitration	Seattle, Private Arbitration	Kay Alton	Vashon Sand & Gravel	Binding Arbitration
2015	Deposition	King County	Integrative Family Law	SFR	Marital Dissolution

PROPERTY TYPES APPRAISED

Lodging

- Hotel
- Motel
- Interval Ownership (timeshares)

Sports & Recreation

- Athletic Clubs
- Golf Courses
- Bowling Alleys
- Marinas
- Arenas

Consumer Services

- Convenience Stores
- Lube Centers
- Restaurants (full and quick serve)
- Shopping Malls and Lifestyle Centers
- Bank Branches

Healthcare & Senior Housing

- Hospitals
- Surgical and Imaging Centers
- Rehabilitation Centers and Skilled Nursing Centers
- Assisted Living Facilities
- Independent Living Facilities
- Continuing Care Retirement Communities (CCRC's)

Other Specialized Assets

- Day Care Centers
- Educational Facilities
- Specialized Manufacturing
- Student Housing
- Group Homes
- Multi-Family (Affordable Housing)

Commercial Property Types	Reporting Uses	Other Uses
• Office Buildings • Corporate & Industrial Parks • Public & Private Projects • Shopping Malls • Hospitals & Medical Centers • Hotels/Motels • Destination Resorts • Auto Service Stations • Auto Dealerships • Restaurants • Golf Courses • Marinas • Developable Land • Partial Entitlements	• Loan Underwriting • Marital Dissolution • Litigation Support • Insurance Dispute • Eminent Domain Takings • Municipal Assessment • Relocations • Foreclosures • Bankruptcy • Estates & Probate • Retrospective Appraisals	• Feasibility & Land Use Studies • Market Analysis • Portfolio Analysis • Highest & Best Use Analysis • Cost Analysis • Ad Valorem / Tax Appeal • Environmental Impact • Historical Landmark Impact • Class Actions • Replacement Reserve

• Multi-Family Projects • Retirement & Nursing Homes • Agricultural Lands • Government Buildings		Studies • Studies

Residential Property Types	Reporting Uses	Other Uses
• Single Family Homes • Green Built Homes • Two to Four Multi-Family Dwellings • Multi-Million Dollar Homes • Waterfront & View • Condominiums • Vacant land • Complex Residential	• Loan Underwriting • Marital Dissolution • Litigation Support • Insurance Dispute • Eminent Domain Takes • Municipal Assessment • Relocations • Foreclosures • Bankruptcy • Estates & Probate • Retrospective Dates	• Feasibility & Land Use Studies • Portfolio Analysis • Highest & Best Use Cost Analysis • Ad Valorem / Tax Appeal • Environmental Impact • Historic Landmarks

STATE CERTIFICATE

STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION

WASHINGTON STATE DEPARTMENT OF LICENSING

THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER SUPERVISOR

PATRICK M LAMB

1101646 License Number

11/09/2004 Issue Date

08/29/2026 Expiration Date

Marcus J Glasper, Director

(R/4/23)

Puget Sound Regional Office
1950 Black Lake Blvd, Suite B
Olympia, WA 98512
epicland.com

December 15, 2025

To: **City of Des Moines**

From: **Christine Nickerson, V.P. Northwest, Epic Land Solutions**
Jessica Niella, Sr. Project Manager, Epic Land Solutions
Sara Johnson, Right of Way Agent, Epic Land Solutions

RE: **Administrative Settlement**
Project: City of Des Moines North Hill Elementary Walkway Improvements
Property Owner: Orizotti (File 108)
Situs Address: 801 S 200th ST, Des Moines, WA 98198

Just Compensation: $52,400.00
Settlement Amount: $109,500.00
Administrative Settlement: $57,100.00

Background:

The City of Des Moines is planning to improve walkways to North Hill Elementary School. These improvements will provide accessibility to all pedestrians, including those with limited mobility, and ensure that everyone can safely navigate the area.

The property in question is located at 801 S 200th ST, Des Moines, WA 98198. It features a SFR on a lot approximately 10,051 square feet in size. The project requires a permanent easement of 2,438 square feet and a temporary construction easement of 1,218 square feet.

An Appraisal was completed on January 3, 2025, valuing the right of way dedication, temporary construction easement and Improvements at $52,400.00 (rounded). On January 29, 2025, the offer package was sent to the property owners, Katherine D. Orizotti and Mahlon T. Evans via certified mail. During our initial contact with Ms. Orizotti, she notified me that she would be obtaining her own appraisal and she is having an attorney review the documents. Ms. Orizotti informed me that she had a lot of questions regarding the project and how the valuation was determined etc. After several months of discussions with their Attorney, they presented a counteroffer of $145,000.00. The appraisal provided showed the value of $93,000.00 for the acquisition, temporary easement and improvements.

Justification:

The property owner's appraisal, prepared by Lamb Appraisal, valued the land between $17.63 and $34.09 per square foot, which is significantly higher than the City's original valuation. While the City's appraisal estimated the total compensation at $52,400, the owner's appraisal concluded a value of $93,000 for the permanent easement, temporary construction easement, and associated improvements. This discrepancy reflects differences in methodology, comparable sales selection, and interpretation of market conditions.

Several factors support an administrative settlement:

Market Variability and Appraisal Differences
Real estate valuation inherently involves professional judgment. The property owner's appraisal demonstrates that reasonable experts can arrive at different conclusions based on comparable sales and adjustments. The proposed settlement acknowledges this variability without conceding to the full counteroffer of $145,000.

Cost Avoidance and Public Interest
Proceeding to condemnation would require legal filings, court appearances, and potentially expert testimony, resulting in substantial additional costs for the City—often exceeding the proposed settlement amount. An administrative settlement avoids these expenses and accelerates project delivery, which is critical for improving pedestrian safety near North Hill Elementary School.

Project Timeliness and Community Benefit
Delays caused by litigation could postpone construction, impacting students and families who rely on safe, accessible walkways. The settlement ensures that the project remains on schedule, aligning with the City's commitment to public safety and ADA compliance.

Owner Cooperation and Good Faith Negotiation
The property owners have engaged in the process, obtained their own appraisal, and worked through legal counsel. Their willingness to negotiate demonstrates good faith. Meeting them at a reasonable midpoint fosters positive community relations and reduces the risk of adversarial proceedings.

Reasonableness of Proposed Amount
The recommended increase of $57,100.00 brings the total compensation to $109,500.00, which matches the owner's appraisal and reflects fair market value for the rights being acquired. This amount is defensible, prudent, and consistent with industry standards for administrative settlements.

Conclusion:

I recommend that the administrative settlement of $57,100.00 be approved. The landowner has been fairly cooperative and is trying to be fair and reasonable. The increase is justified and appears to be a reasonable and productive step towards the successful completion of this project.

Recommended:

By: _____ _____

Sara Johnson, Right of Way Agent **Date**
Epic Land Solutions

Approved:

By: _____ 19DEC2025

City of Des Moines **Date**

TVG THE VALUATION GROUP

Parametrix/City of Des Moines - North Hill Elementary Walkway Improvements Project

Keto, Salfago & Washo Property Appraisal

David E. Balfour, MAI & Sam A. Karpeles, MAI
The Valuation Group
24925 SW Garden Acres Road, Sherwood, OR 97140

TVG File 24092-110

Epic Land Solutions
Attn: Jessica Niella, Senior Project Manager
10300 SE Greenburg Road, Suite 370
Tigard, OR 97223

January 3, 2025

Dear Ms. Niella, Senior Project Manager:
In accordance with your request, our firm has completed an appraisal of the following property:

Situs	901 S 200th St, Des Moines, WA 98198
Agency Project No.	25
Agency File No.	110

The appraisal assignment **scope of work** is summarized in Section 1 of the appraisal report.

A summary of the taking/proposed acquisition(s), as well as a summary of my investigation and analysis of relevant information relative to the proposed partial acquisition(s) is stated in the tabulation on the following page.

The opportunity to be of service is sincerely appreciated. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

David E. Balfour, MAI
President, The Valuation Group
Washington Certified Appraiser 1102402
Expiration Date: October 17, 2025
Email Address: Dave@thevalue-group.com

Sam A. Karpeles, MAI
The Valuation Group
Washington Certified Appraiser 20107006
Expiration Date: February 16, 2026
Email Address: Sam@thevalue-group.com

Before Situation Fair Market Value:	$170,000	**excluding site improvements*
After Situation Fair Market Value:	$147,636	
Difference in Value	**($22,364)**	
Adjustment for Temporary Ease.:	($5,362)	
Adjustment for Site Improvements:	($6,062)	
Total Compensation:	($33,788)	
Rounded	**$33,800**	

Allocation Sheet

Land Acquisitions:

Parcel	Acquisition	Area (SF)	Compensation
1	ROW Dedication	1,289	$22,364
2	TCE	1,687	$5,362
Total:			**$27,726**

Site Improvements in Take	$6,062
Value of Take (Land & Improvements)	**$33,788**

Damages to Remainder:	
Incurable:	----
Curable:	$0
Total Damages:	**$0**
Special Benefits:	----
Net Damages:	**$0**
Fair Market Value:	$33,788
Rounded:	**$33,800**

1. Preliminary Data

Property Owner Contact: In accordance with law, a notice of appraisal letter was sent to subject ownership. The following dates and response notes should be noted:

Date of Mailing:	August 23, 2024
Owner Response:	No Response
Parties:	----
Phone:	----
Email:	----
Inspection Date:	9/20/2024

Larger Parcel Determination

Relative to eminent domain appraisal assignments, a determination of larger parcel must be made. The sources of larger parcel definition and elements have been summarized below.

Larger Parcel is defined in the *Uniform Appraisal Standards for Federal Land Acquisitions* (UASFLA 2016), as follows (Section 4.3.3):

> "The tract or tracts of land that possess a unity of ownership and have the same, or an integrated, highest and best use."

As part of the scope of work, the appraisers must determine the subject property impacted by the proposed acquisition(s) in order to establish the fair market value (just compensation) of the taking. In condemnation, the larger parcel is the property that has unity of ownership, and unity of use. These are the conditions that establish the larger parcel for consideration of severance damages.

The larger parcel consists of one parcel (legally described herein) as no surrounding parcels exhibit unity of ownership.

Legal Description

The subject is legally described as follows:

Subdivision	Grove Addition to the Town of Des Moines
Lot	The East 14 feet of lots 5-8 of Block 7 together with vacated streets adjoining and the west 12 feet of lots 5-8 of Block 6
Parcel Number	294600-0191

Client/Intended User

This appraisal report has been prepared for the exclusive use and benefit of:

Client	Epic Land Solutions
Intended User	Epic Land Solutions / Parametrix / City of Des Moines

All other parties do not have a client relationship with the appraisers and may not rely upon the assignment results. This report is incomplete and cannot be relied upon without the Letter of Transmittal.

All persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept all attached restrictions, certifications, assumptions, and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report; they are a preface to any certification, definition, fact or analysis and are intended to establish as a matter of record that the function of this appraisal is to provide an estimate of present market value for the subject property based upon the appraisers' observations. This appraisal report is an economic study to estimate market value as defined herein. An appraisal is not an engineering report, survey, or environmental assessment; expertise in these areas, among others, is not implied.

Dates of Significance

Inspection Date	September 20, 2024
Effective Date	September 20, 2024
Date of Report	January 3, 2025

Property Rights Appraised

Unless stated otherwise in the report, the property rights appraised constitute the fee simple interest, which is defined as follows:

> *"A title that signifies ownership of all the rights in a parcel of real property, subject only to the limitations of the four powers of government."*

Scope of Assignment/Appraisal Problem

The scope of services to be provided has been defined in an appraisal engagement summary contract and is discussed below:

The report is compliant with both USPAP and Washington State Department of Transportation (WSDOT) Standards as set forth in the WSDOT R/W Manual Chapter 4, the WSDOT Appraisal Report Guide, and Federal Regulations as defined in 49 CFR part 24. The **purpose of this appraisal assignment** is to (1) develop and support a "before situation" fair market value estimate for the subject property disregarding any project influence. Concurrently, an "after situation" fair market value estimate (2) is to be developed and supported for the remainder property. The before and after value opinions are then to be compared in order to develop and support the value diminishment attributable to the project acquisitions. Additionally, the appraisers are to (3) allocate damages or special benefits, if any, to the remaining real property and property rights.

- It should be noted that the appraisers confirmed with the client that considering that in the subject circumstance, the site improvements on the subject property are not

impacted/damaged by the proposed acquisitions, the appraisers have utilized a **before and after strip-taking report format**.

The **intended use** of this appraisal is to provide a supportable fair market value opinion to the client.

In the event of conflict or dispute in determining correct appraisal procedures that are not addressed in the standards noted above, the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) will be the determining authority.

Under 49 CFR, WSDOT is required to take an active role in developing the scope of work. However, it is the ultimate responsibility of the appraisers to develop a complete Scope of Work and produce a credible appraisal report. The appraiser's SCOPE of WORK is included in Section 5 of the report. The report must adhere to the WSDOT and Federal Standards as described above and the specific task assignment for this parcel. The task assignment for this report must be included in the report or addendum.

Public Law 91-646 (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970) and Washington State RCW 8.26.180 both require that the owner or owner's representative be given an opportunity to accompany the appraisers during the inspection of the property. "If the appraisers are advised that the property owner is represented by legal counsel, all owner contact and property inspections must be arranged through the owner's attorney, unless the attorney specifically authorizes the appraisers to make direct contact with the owner". As discussed in the letter of transmittal, this requirement has been met by the appraisers.

The ***scope of inspection*** consisted of an exterior viewing of the subject together with a review of aerial exhibits available through public and proprietary resources. All of the comparables cited herein were viewed from the adjoining right(s)-of-way.

Relative to the appraisal problem and vacant land valuation, the relevant ***scope of analysis*** is the Sales Comparison Approach. Inasmuch as the subject land type is not commonly purchased for ground-lease income producing purposes, the Income Approach is not relevant or meaningful to this assignment. Furthermore, there is an inadequate amount of rental rate and capitalization rate data from which to support a reliable and relevant Income Approach methodology. Similarly, land cannot be created, thus the Cost Approach is relevant only to the extent of estimating the contributory value of the site improvements (if any).

The ***scope of resource*** utilized to develop the market data used to support the compensation estimate expressed herein included the local Multiple Listing Service, CoStar, First American Title, DataTree, county assessment records and market participant relationships.

Hypothetical Conditions

Hypothetical conditions assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property, or about conditions external to the property, such as market conditions or trends. It should be noted that the use of hypothetical conditions may affect assignment results. The appraisal report is based upon the following hypothetical conditions:

- State and Federal standards require the appraisers to disregard any decrease or increase in the fair market value of the subject caused by the project.
- The after-situation analysis of the remainder concluded herein has been predicated upon the hypothetical condition that the project has been completed as proposed on the project construction plan set provided to the appraisers which has been included herein.

Extraordinary Assumptions

Extraordinary assumptions are those which must be introduced into the assignment for purposes of reasonable analysis and are assumed to be correct. If any are subsequently found to be incorrect or unsupportable, the compensation estimate concluded herein may require revision.

- The market value estimate concluded herein has **not** been based upon any extraordinary assumptions.

Assignment Conditions

The appraisal assignment results are based upon the following:

1. The property description supplied to the appraiser(s) is assumed to be correct.

2. No survey of the property has been made or reviewed by the appraiser(s), and no responsibility is assumed in connection with such matters. Illustrative material, including maps and plot plans, utilized in this report are included only to assist the reader in visualizing the property. Property dimensions and sizes are considered to be approximate.

3. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated.

4. Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraiser(s);

5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is assumed to under responsible, financially sound ownership and competent management.

6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render the property more or less valuable. No responsibility is

assumed for such conditions or for arranging for engineering studies which may be required to discover them.

7. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s). However, the appraiser(s) is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value conclusions in this report are predicated on the assumption that there are no such materials on or in the property that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and value conclusions in this report are null and void should any hazardous material be discovered.

8. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser(s) reserves the right to alter, amend, revise, or rescind any opinions of value based upon any subsequent environmental impact studies, research, or investigation.

9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report.

10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined and considered in this report.

11. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based.

12. The appraiser(s) will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made.

13. Possession of this report, or a copy thereof, does not carry with it the right to publication. It may not be used for any purpose by any person other than the client without the written consent of the appraiser(s), and in any event, only with properly written qualification and only in its entirety.

14. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media without written consent and approval of the appraiser(s). Nor shall the appraiser(s), client, firm, or professional organization of which the appraiser(s) is a member be identified without the written consent of the appraiser(s).

15. The liability of the appraiser(s), employees, and subcontractors is limited to the client only. There is no accountability, obligation. or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser(s) is in no way responsible for any costs incurred to discover or correct any deficiencies of the property.

16. It is assumed that the public project which is the object of this report will be constructed in the manner proposed on the most recent right of way plan prior to the appraisal date and in the foreseeable future.

17. Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions

Relevant Definitions

The following definitions cited in the *Dictionary of Real Estate Appraisal* published by the Appraisal Institute (2022) and the *Washington Department of Transportation Right-of-Way Manual* are relevant to this assignment and report:

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis.

Fee Simple Title

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

The definition of ***fair market value*** is defined in the *Washington Department of Transportation Right-of-Way Manual* as follows:

> *"Fair Market Value" is the amount in cash which a well-informed buyer, willing but not obliged to buy the property, would pay, and which a well-informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted and might in reason be applied (Washington Pattern Instruction 150.08).*

Exposure Time Estimate

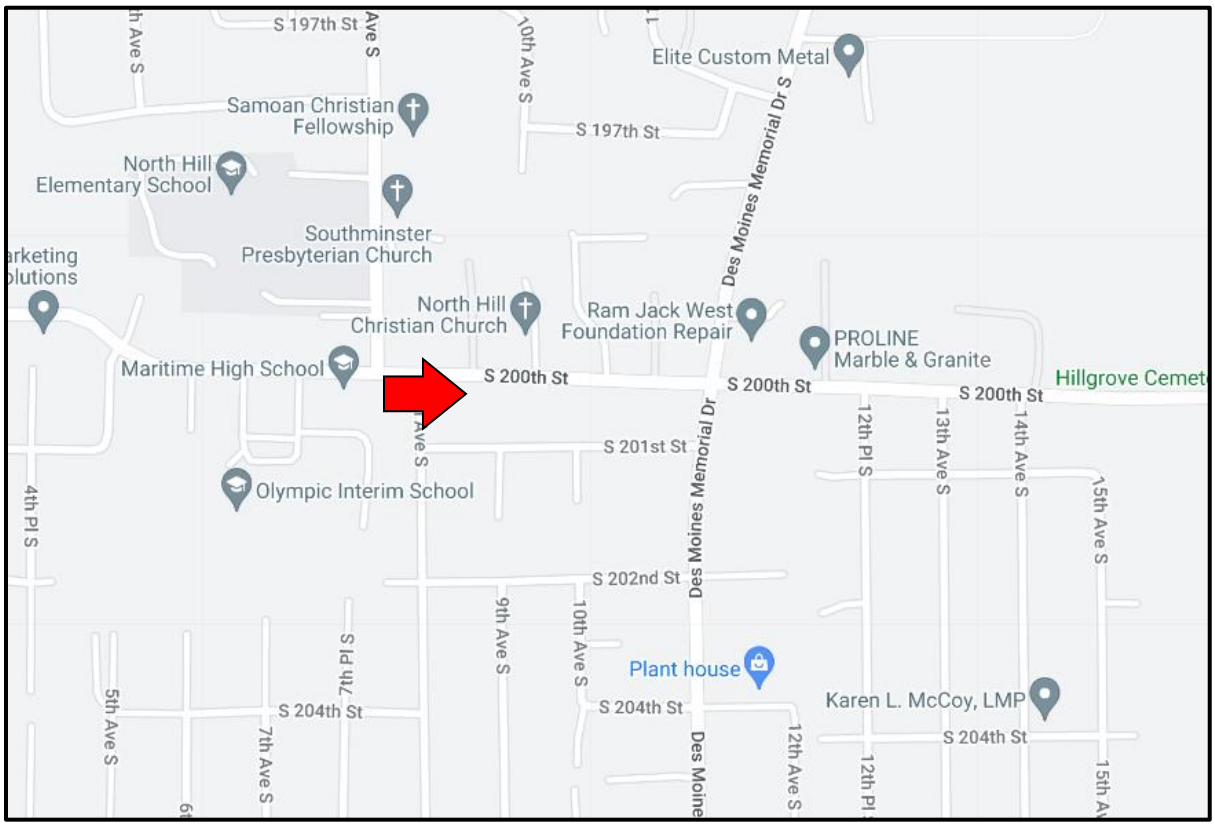
Reasonable exposure time is defined in the latest edition of USPAP as the "estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." It is a retrospective opinion based upon analysis of past events assuming a competitive and open market. It is important to note that the concept of reasonable exposure time encompasses adequate, sufficient and reasonable time, as well as effort. It is therefore a function of price, time, and use, and not an isolated estimate of time alone. The term applies to circumstances wherein a property may be overpriced or under-marketed and is different for various types of real estate and under various market conditions. Reasonable exposure time is inextricably linked to the type of real estate and its value range.

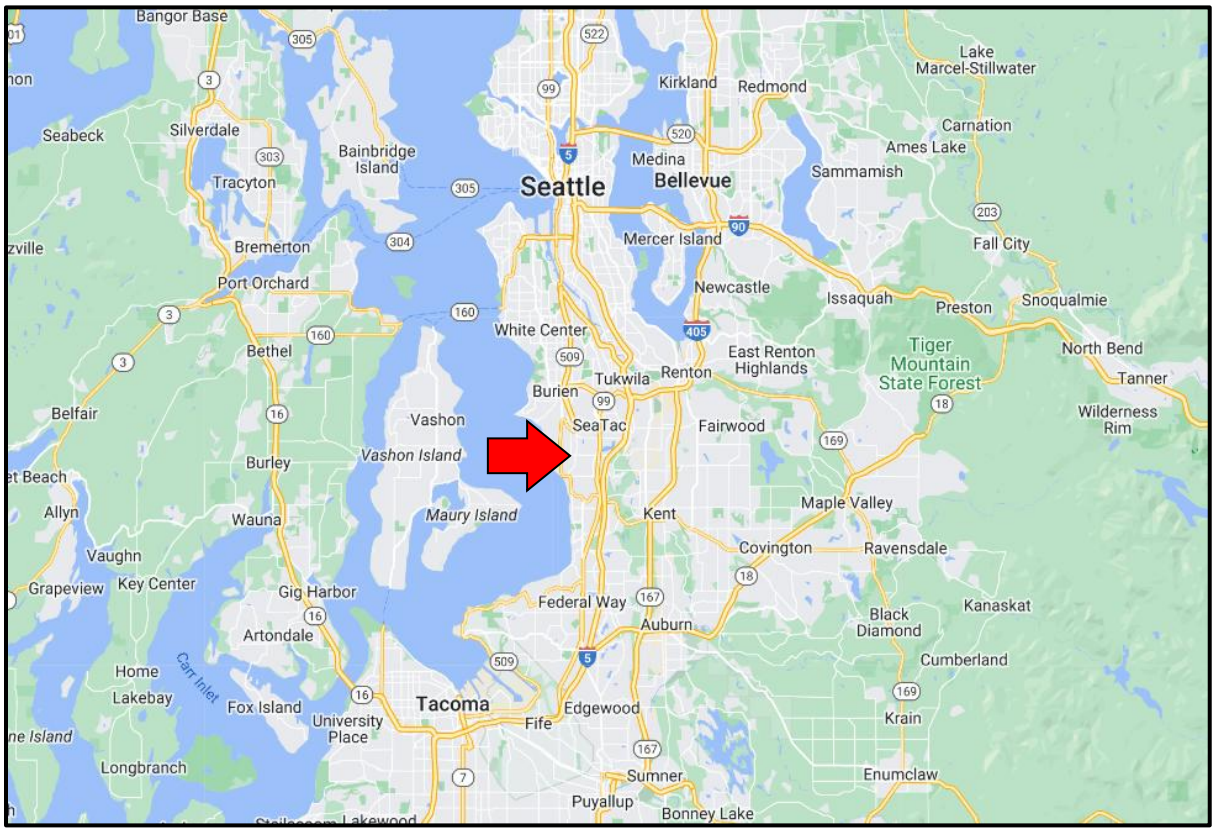
A review of the subject property type and relevant market data exhibited marketing periods of up to 3 months in some circumstances. The typical and average marketing period was roughly 1 month. Given all considerations, a marketing period of roughly 1 month appears reasonable and supportable for the subject.

Marketing Time Estimate

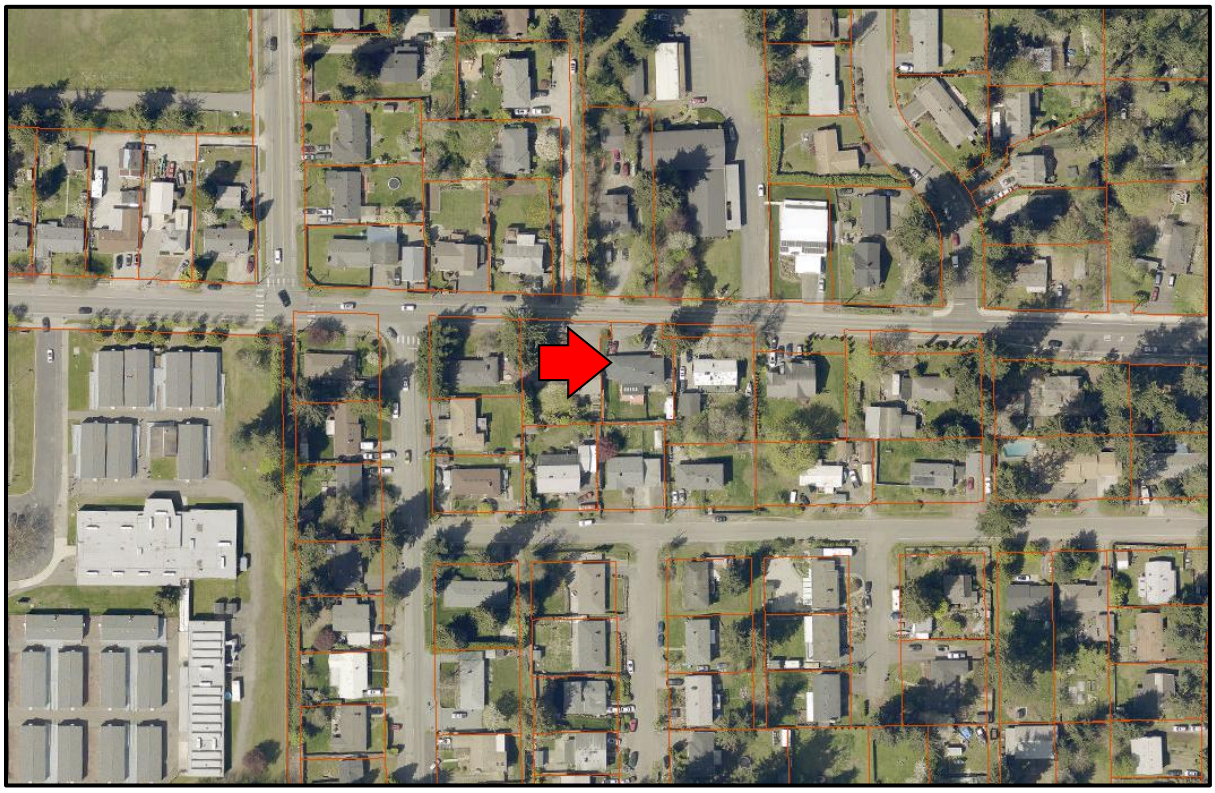
Marketing time is an opinion of the length of time necessary to sell real property at market value immediately after the effective valuation date of the appraisal. It is not intended to be a prediction of a date of sale but is an integral part of the appraisal assignment. Inasmuch as a relatively stable market environment is forecasted for the near term, it is the opinion of the appraisers that a 1-month marketing time estimate is reasonable for the subject site as-if vacant.

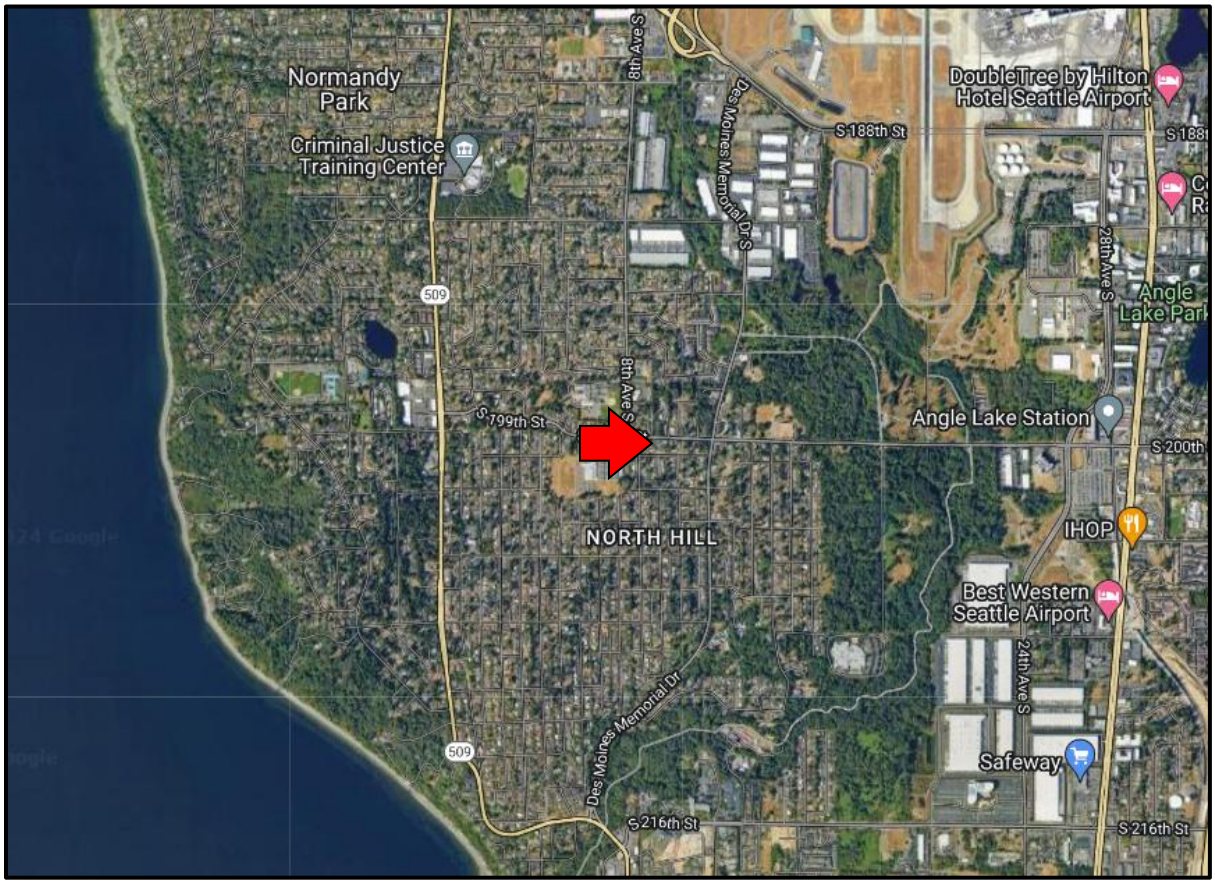
2. Subject Exhibits and Photographs





Location Maps





Aerial Photographs

SUBJECT PHOTOGRAPHS

East view of acquisition areas

East view of acquisition areas

SUBJECT PHOTOGRAPHS

South view of acquisition areas (subject left of stakes)

South view of acquisition areas and residence

SUBJECT PHOTOGRAPHS

East view of acquisition areas

East view of acquisition areas

SUBJECT PHOTOGRAPHS

West view of acquisition areas

South view of acquisition areas (subject right of painted line)

SUBJECT PHOTOGRAPHS

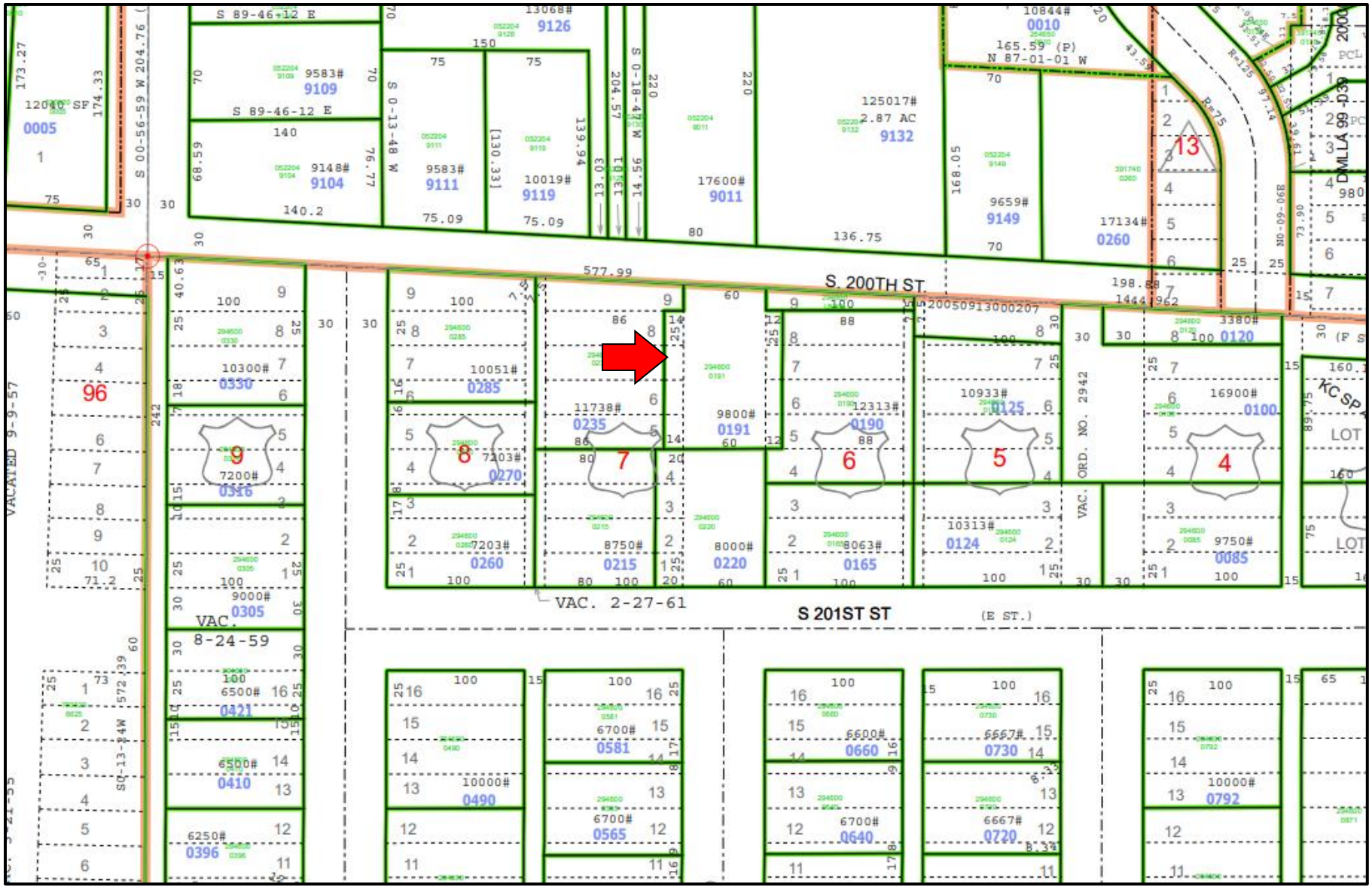
Southwest view of acquisition areas

West view of acquisition areas

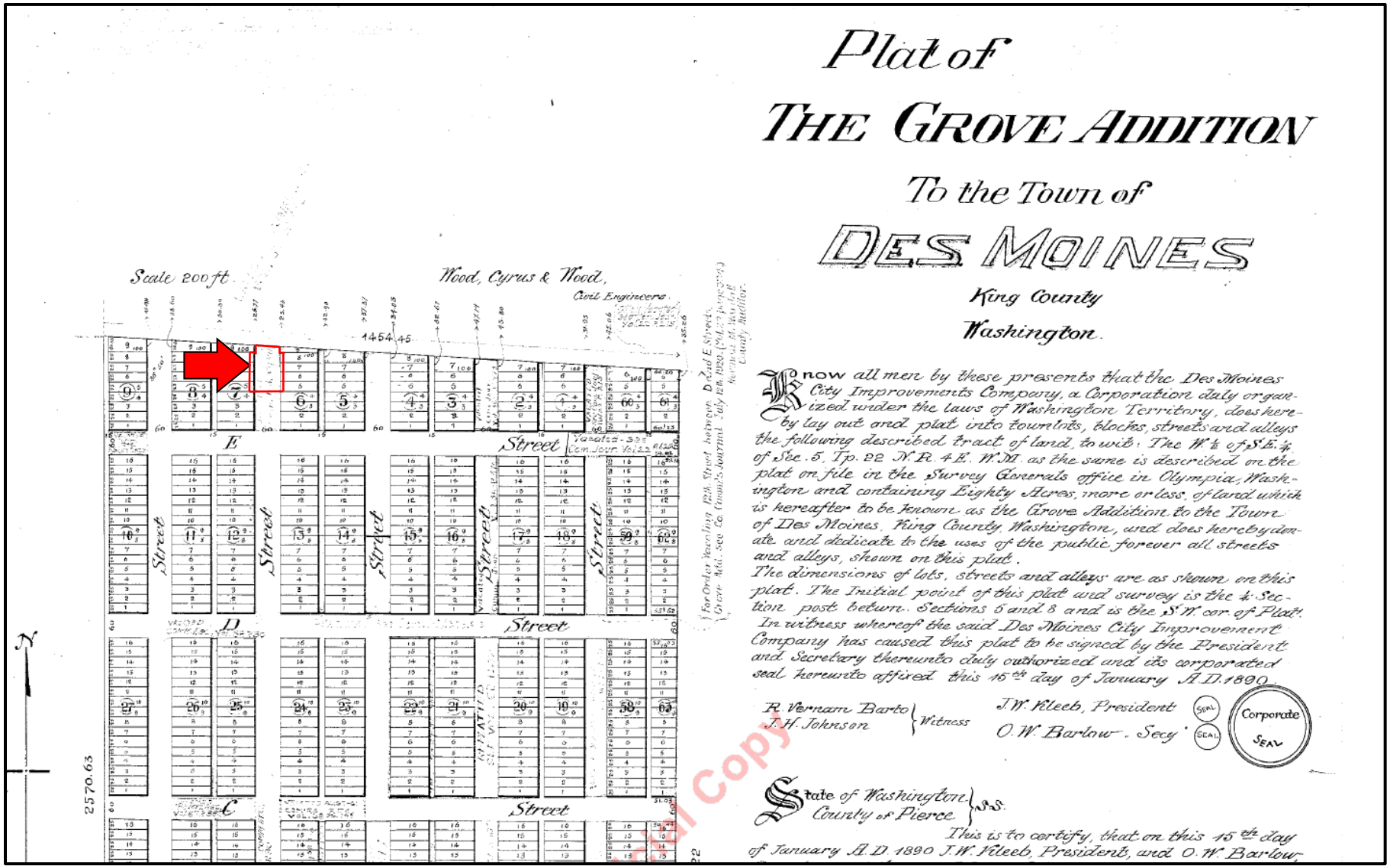
SUBJECT PHOTOGRAPHS

West street scene along 200th Street

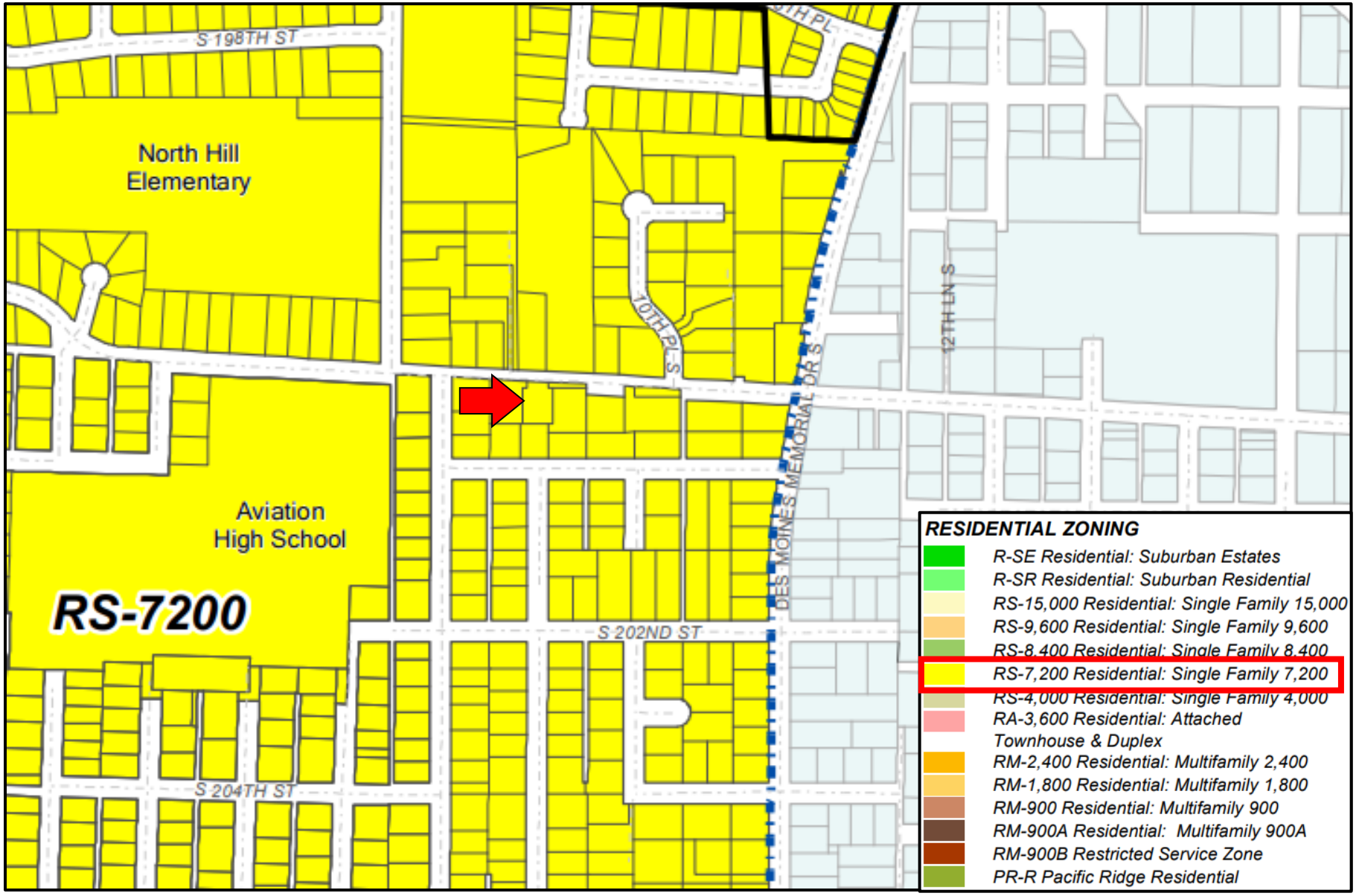
East street scene along 200th Street



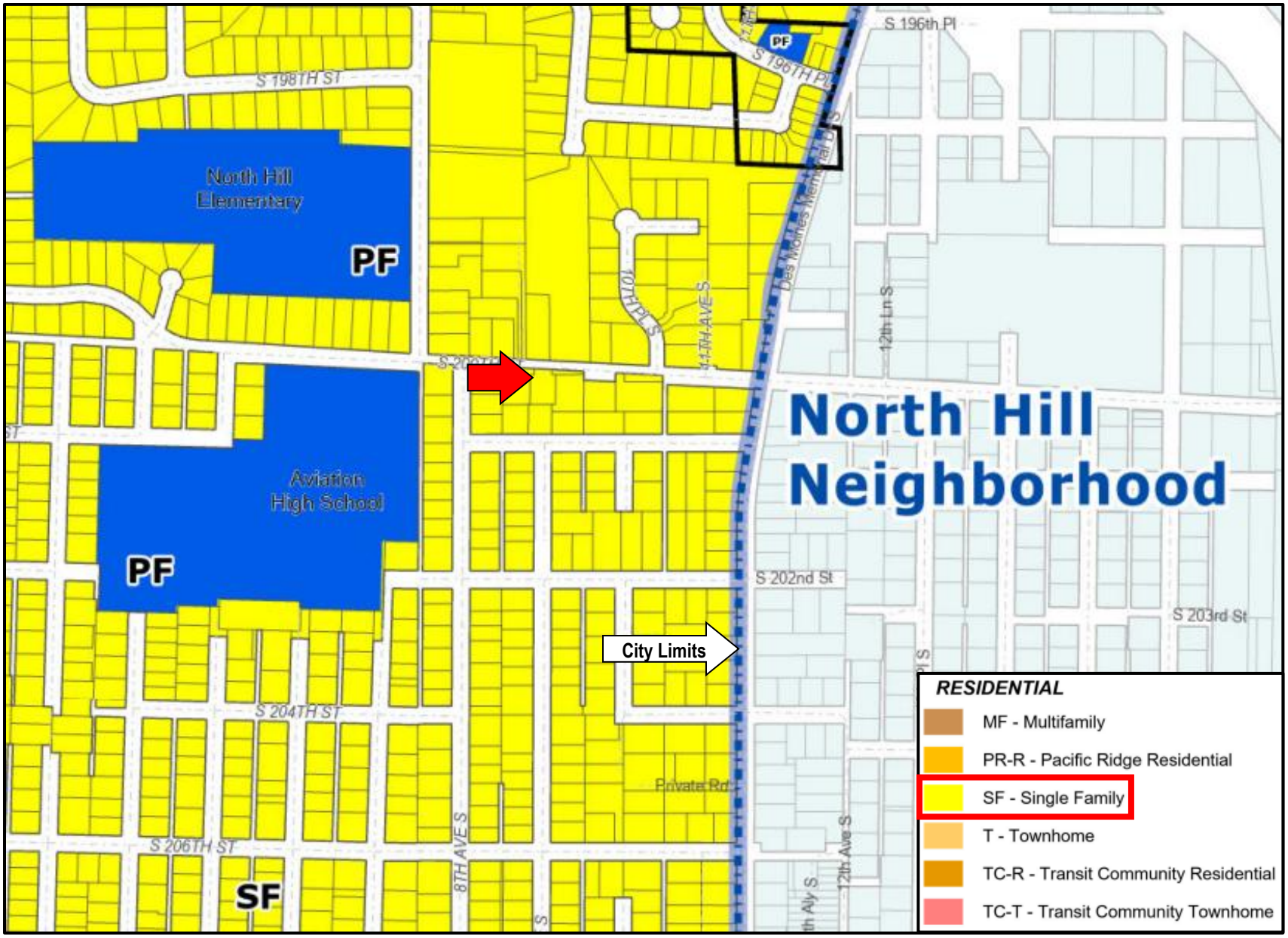
Assessor Map



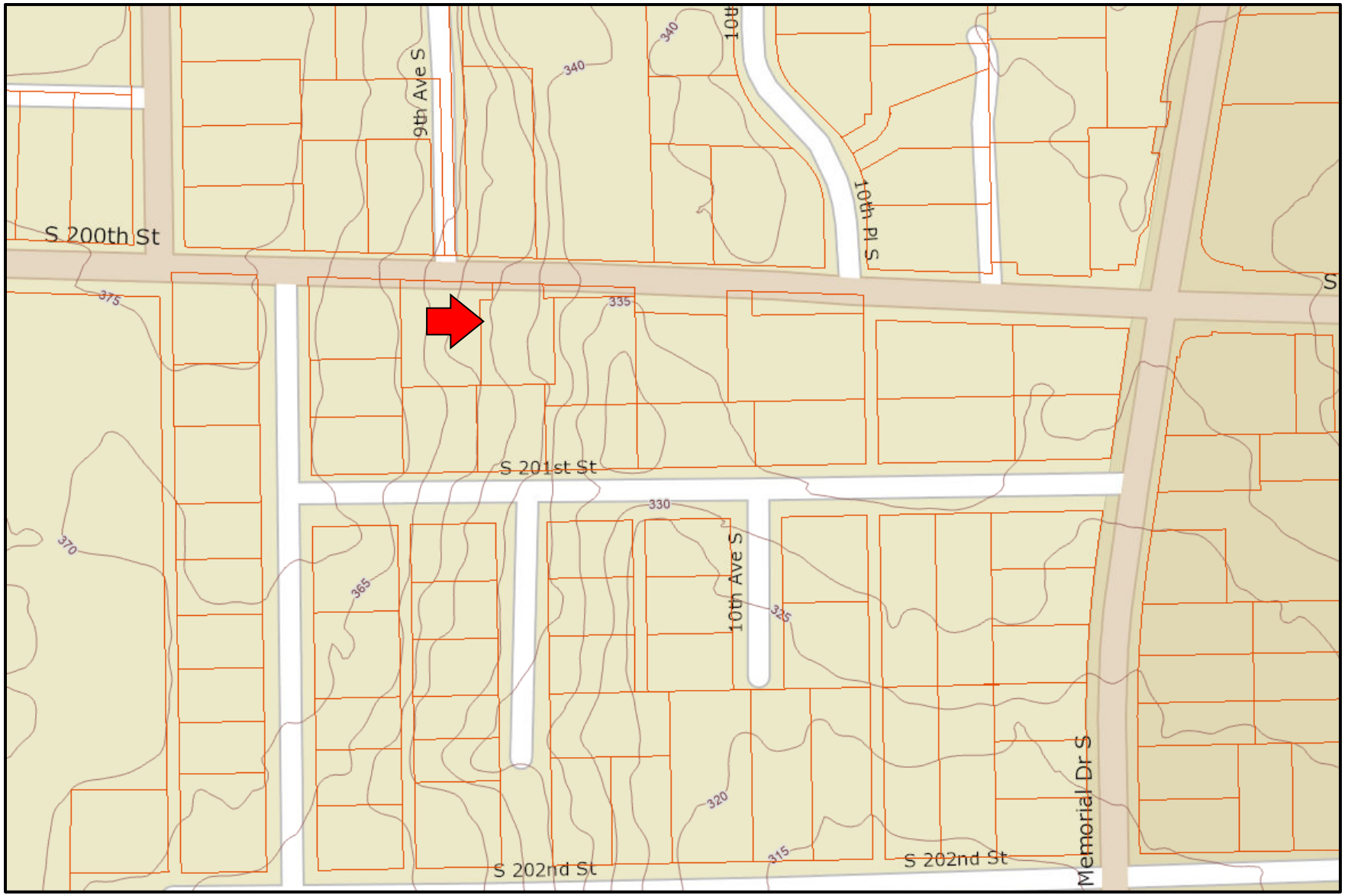
The Grove Addition to the Town of Des Moines Plat Map



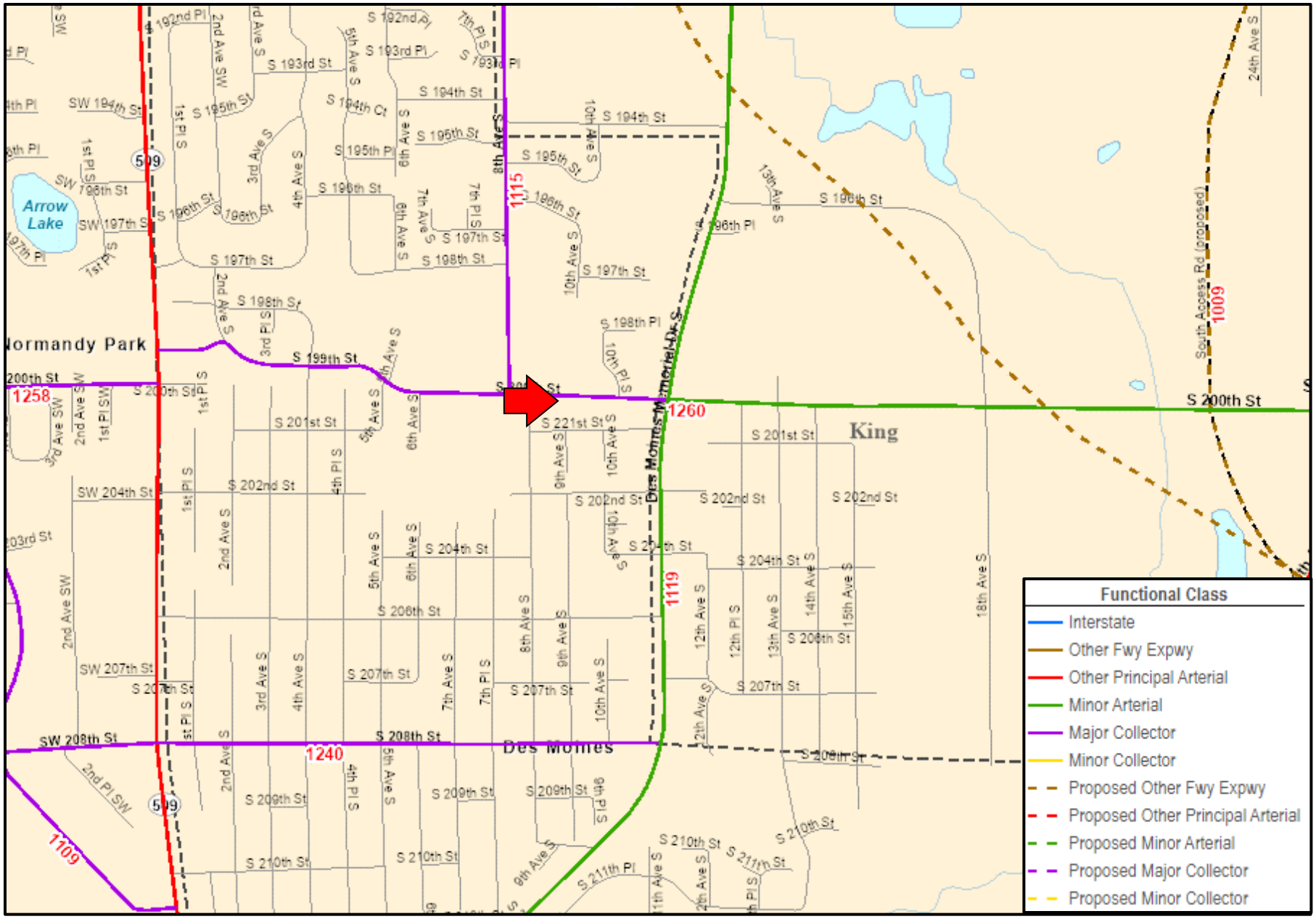
City of Des Moines Zoning Map



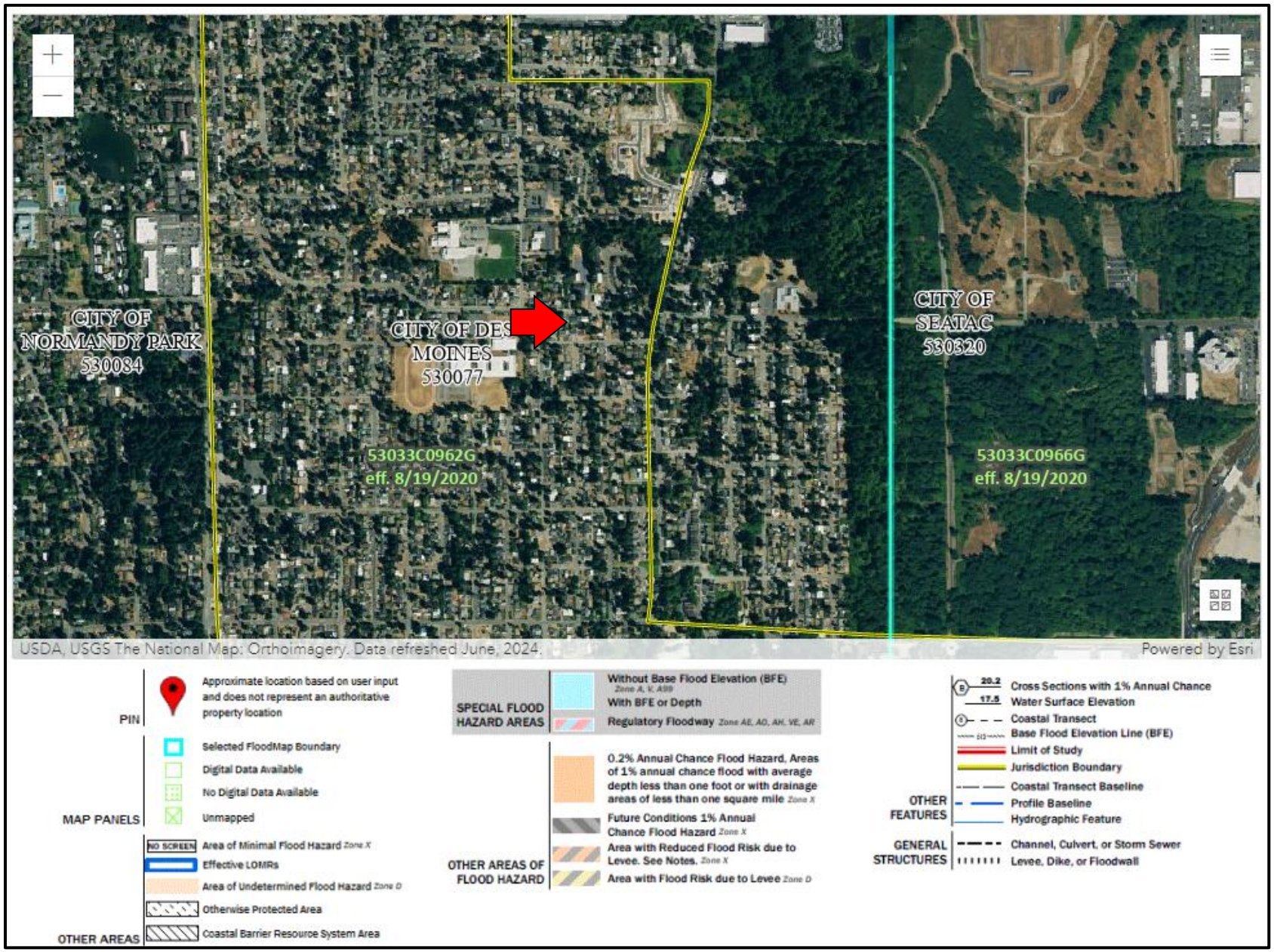
City of Des Moines Comprehensive Plan Map



King County Topography Map



WSDOT Functional Classification Map



FEMA Flood Hazard Map

3. Subject Property Description

Property Ownership

Subject Vested Owner:	Daniel Keto, a single man, Ayantu Salfago, a single woman, Abdisa Washo, a single man and Naol Washo, a single woman
Ownership Confirmation Source:	WFG National Title Insurance Company
Commitment for Title Insurance No.:	3153353-6078344
Effective Date:	June 26, 2024

Marketing History

The following tabulation provides a summary of sale transactions of the subject property preceding the valuation date (if any):

5-Year Delineation of Title:	Yes, arms-length
Most Recent Sale Date:	October 18, 2019
Sale Document No.:	2019-1021001087
Price (Consideration):	$450,000
Grantor:	Ngoc-Tuyet Thi Nguyen, an unmarried person
Grantee:	Daniel Keto, a single man, Ayantu Salfago, a single woman, Abdisa Washo, a single man and Naol Washo, a single woman

5-Year Sale History: Subject ownership purchased the subject property in October 2019 for $450,000. It was marketed for 9 days by local broker Ken Luu (John L. Scott / 206-992-1688) and included the subject land component and existing improvements. Thus, the sale cannot be related to the vacant land value determination herein.

Easements and Encumbrances

The appraisers were provided with a Commitment for Title Insurance that identified multiple easements and encumbrances impacting the subject property. These easements and encumbrances can be viewed in the CTI exhibit that is included in the appraisal report addenda.

None of the easements/encumbrances are detrimental to the subject market position and do not prevent competitive or functional use of the subject property. This is evident by the current use and development of the subject property. Given the scope of the appraisal assignment, the appraisers have reviewed the title report in an attempt to identify existing easements/encumbrances that the proposed acquisition area(s) would specifically overlap or that would influence the fair market value of the larger parcel. A review of the recorded exception documents, metes and bounds descriptions, and legal maps **did not** clearly depict that the proposed acquisition area(s) will overlap with any existing easements/encumbrances.

A current survey to identify all title report exceptions is strongly recommended to the client.

It should be noted that the northerly +/-5 feet of the subject is utilized for the 200th Street right-of-way and is improved with an asphalt roadway. However, an easement for this use was not identified in the CTI. The location of the existing roadway improvements and supporting property rights impacting the subject should be investigated by the client.

Present Use of the Subject

The subject represents a single-family residence.

Occupancy Profile

Based upon information available to the appraisers, the subject property is owner-occupied. No income or lease information was provided to the appraisers.

Courthouse/Assessor Data

The following exhibit provides a summary of the subject assessor data:

TAX ROLL HISTORY

Account	Valued Year	Tax Year	Omit Year	Levy Code	Appraised Land Value ($)	Appraised Imps Value ($)	Appraised Total Value ($)	New Dollars ($)	Taxable Land Value ($)	Taxable Imps Value ($)	Taxable Total Value ($)	Tax Value Reason
294600019102	2024	2025		1126	168,000	489,000	657,000	0	168,000	489,000	657,000	
294600019102	2023	2024		1126	152,000	438,000	590,000	0	152,000	438,000	590,000	
294600019102	2022	2023		1126	146,000	495,000	641,000	44,000	146,000	495,000	641,000	
294600019102	2021	2022		1126	120,000	367,000	487,000	0	120,000	367,000	487,000	

Improvements Description

The following tabulation provides a summary of the subject improvements based upon information available to the appraisers:

Source(s):	Assessor Records
Structure(s):	Single-family residence (3 bed x 1.5 bath)
Year Built	1957
Improved Area	2,640 SF
Site Improvements	Concrete, fencing, landscaping, natural vegetation

It should be noted that the appraisers did not inspect the interior of the improvements. Based upon an exterior viewing of the improvements, and observed condition, it appears that the highest and best use as improved is that of retaining the existing improvements.

Site Description

The following tabulation provides a summary of the subject site based upon information available to the appraisers:

Site Area	9,800 SF (0.22 Acres)
Usable Site Area	+/-9,125 SF
Maximum Width	+/-86 feet
Maximum Depth	+/-120 feet
Topography	Slightly Sloping
Elevation	+/-340' to 355 'ASL
Sensitive Lands	None
FEMA Flood Zone	"X" – Minimal Flood Risk
Average Daily Traffic Count	Not Available

Key Site Characteristics include:

- As a vacant land tract, the subject represents a residential homesite. The subject site dimensions and characteristics are competitive and can support various residential layouts and uses.
- While the subject has a reported site area of 9,800 square feet, the north +/-5 feet of the site is currently improved as part of the 200th Street right-of-way and thus the subject has a usable depth of 120 feet and a resulting usable site area of +/-9,125 square feet.
- Additionally, the subject has side-sloping topography. On a vacant basis, this results in the need for additional grading, foundation, and/or retaining wall costs.
- The subject is located along 200th Street, which, at the subject location, is considered a major collector and commuting route. SR509 is located 0.5-mile west, SR99 is located 1 mile east, and Interstate 5 is located 1.75 miles east. Downtown Des Moines and Des Moines Beach are located 2.25 miles south.
- The site is a legal lot of record that can support a residence on an outright basis. The subject zone allows residential development at a minimum lot size of 7,200 square feet, thus, development of more than one homesite is not legally allowed.
    - It should be noted that while the subject consists of multiple underlying lots part of the original Grove Addition Plat, ownership cannot reestablish these lots due to their site size below the minimum lot area imposed by the zone.
- The subject is situated one block east of the Olympic Interim School site, which houses different schools within the Highline School District while the primary school buildings are under construction or being renovated. Additionally, North Hill Elementary School is located one block north.
- The Seattle-Tacoma International Airport is located 0.9-mile northeast (straight line) which results in air traffic noise in the subject market area.

In summary, the subject represents a competitive homesite but exhibits roadway exposure along a commuting route.

Access

As of the valuation date, the subject obtains access to 200th Street at the site's northwest corner, midpoint along the north boundary, and northeast corner. It should be noted that the northwest and midpoint access points form a semi-open frontage driveway. Additionally, the driveway situated at the northeast corner appears to be situated halfway on the subject and halfway on the east adjoining parcel.

Infrastructure and Utilities

Based upon information available to the appraisers, the following utility infrastructure information is relevant to the subject property:

Public services	Water Available / No Sewer Available
Private Well/Septic:	Septic System

The subject property is within the Highline Water District and obtains water service from a waterline within the 200th Street right-of-way. As to sewer service, while the subject is within the Midway Sewer District, there is no sewer infrastructure within the adjoining right-of-way to support sewer connection. As confirmed with the district, the nearest line is located roughly 1,300 feet northeast of the subject. While extension could physically occur, it is not feasible at this time. Nonetheless, as evidenced by the current use of the subject, as well as confirmation by the sewer district, onsite septic systems can be supported. This is reportedly common for the area.

Zoning

The following information provides a summary of the subject zoning and comprehensive plan designations:

Jurisdiction:	City of Des Moines
Zoning:	RS-7,200 Residential: Single Family 7,200
Comp Plan Designation:	SF; Single-Family
Uses Permitted:	The principal objective and purpose to be served by this zone and its application is to create a living environment of the highest standards for single-family dwellings. Other related uses contributing directly to a complete living environment are considered compatible and therefore also permitted. A further related consideration is to make it possible to more efficiently and economically design, install, and maintain all physical public service facilities in terms of size and capacity to adequately and permanently meet needs resulting from a defined intensity of land use.

Permitted uses include single-family dwelling units, libraries, cemeteries, and other public uses.

As to development standards, the minimum lot size is 7,200 SF with a minimum lot width of 60 feet. The residential density per acre is 0.20. The minimum setback requirements are 20 feet for front yard, 5-10 feet for side yard, and 10-20 feet for rear yard. The maximum height is 30 feet.

Soil Conditions

A geotechnical report was not provided by the client. It has been assumed there are no adverse soil conditions which would affect the marketability of the subject.

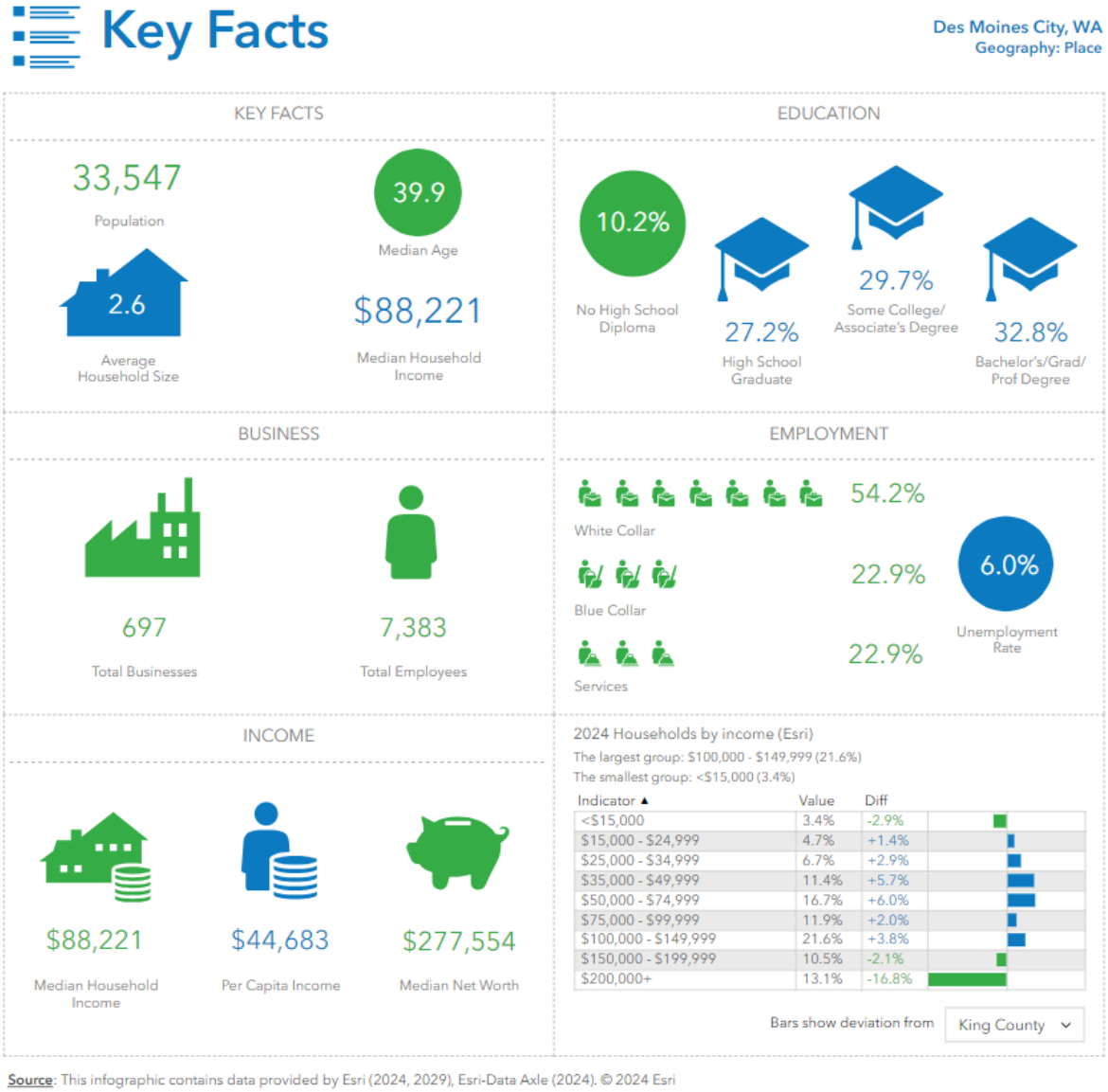
Environmental Issues

An Environmental Assessment was not provided by the client. It has been assumed there are no adverse environmental issues which would affect the marketability of the subject.

4. Market Analysis

The following information and tabulation chart provides a demographic and income profile of the subject's market area.

Market Area Analyzed: City of Des Moines
Source: ESRI Statistical Data



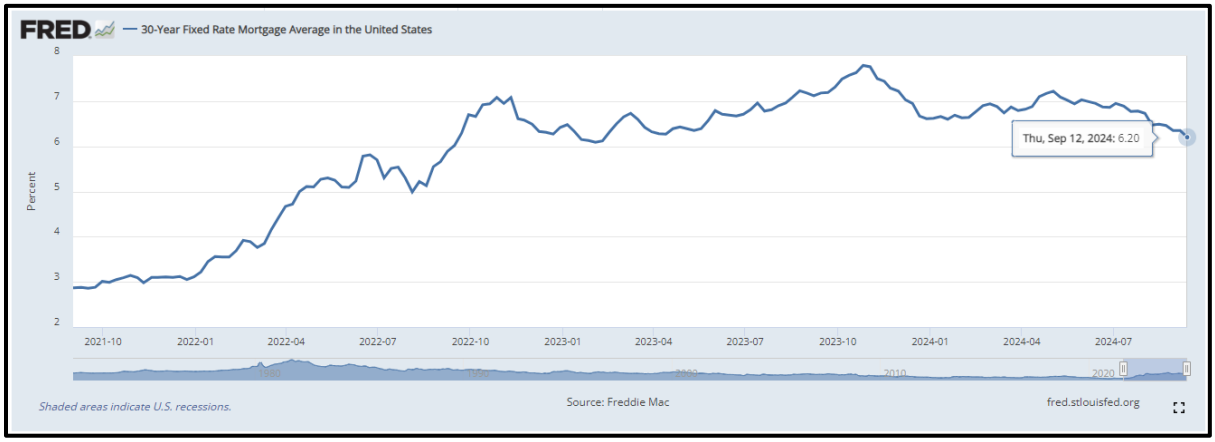
The following tabulation provides a summary of the employment in King County published by the State of Washington Employment Department:

Employment and unemployment, not seasonally adjusted
King County

	2024		2023		2022		2021	
	August	July	August	July	August	July	August	July
Civilian Labor Force	1,339,876	1,329,569	1,354,892	1,354,228	1,322,707	1,325,640	1,276,930	1,278,998
Employment	1,277,742	1,264,427	1,305,244	1,305,858	1,277,830	1,280,396	1,225,198	1,220,340
Unemployment	62,134	65,142	49,648	48,370	44,877	45,244	51,732	58,658
Unemployment Rate	4.6%	4.9%	3.7%	3.6%	3.4%	3.4%	4.1%	4.6%

It should be noted that there are current world events as of the valuation date that must be identified including the Coronavirus Pandemic and Russia's invasion of Ukraine (February 2022), with inflation spikes attributable to these events as well as monetary policy in response to the events which has led the United States Federal Reserve to tighten monetary policy which will impact lending conditions. Since March 2022, the Federal Reserve has issued 11 rate hikes which is the most aggressive interest rate increase policy since the 1980s.

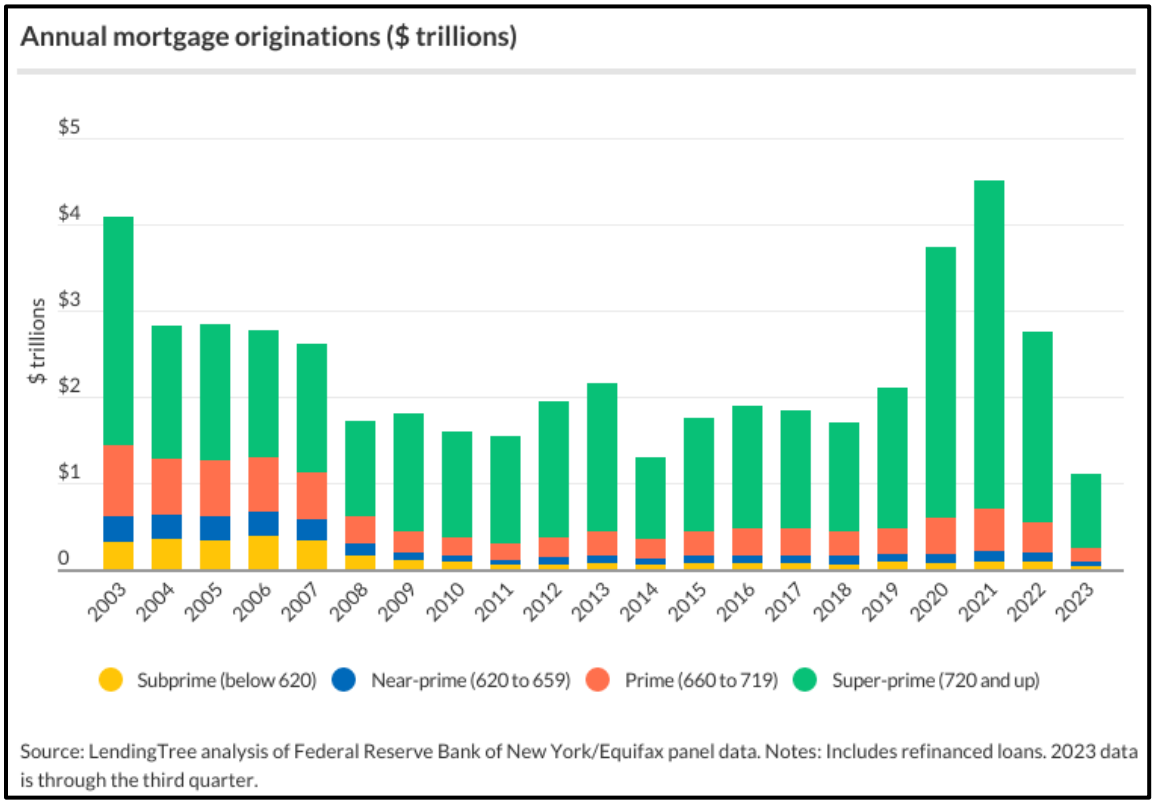
To demonstrate the impact of increases in mortgage interest rates, the appraisers have included the following exhibit provided by the St. Louis Federal Reserve tracking 30-year mortgage rates:



To demonstrate this impact, the appraiser has completed an analysis comparing the September 2024 average home price of the local residential market based upon the average interest rate of 2021 and the current interest rate as of the effective date of value. The down payment of 17 percent is based upon the average downpayment in the State of Washington as of 2023 (Source: Forbes). The resulting monthly mortgage cost difference is $800, which equates to $9,600 annually. At a maximum debt-to-income ratio allowance of 45 percent, this results in the need for an increase in annual income for the borrower of $21,333. The following tabulation provides a comparison of the interest rate impacts:

Sale Price	$615,000	----
Loan (80%)	$492,000	----
Term	30	----
Interest Rate	3.55%	6.20%
Monthly Payment	$2,243	$3,043
Difference	----	($800)
Annual Cost	----	($9,600)
45% Dept:Income Ratio	----	($21,333)

The consequence of the increase in interest rates (borrowing costs) is that annual mortgage originations have significantly declined. The following exhibit published by LendingTree and the Federal Reserve Bank of New York/Equifax Panel shows that 2023 loan originations (including refinances) are at a 20-year low through the 2nd quarter of 2023.

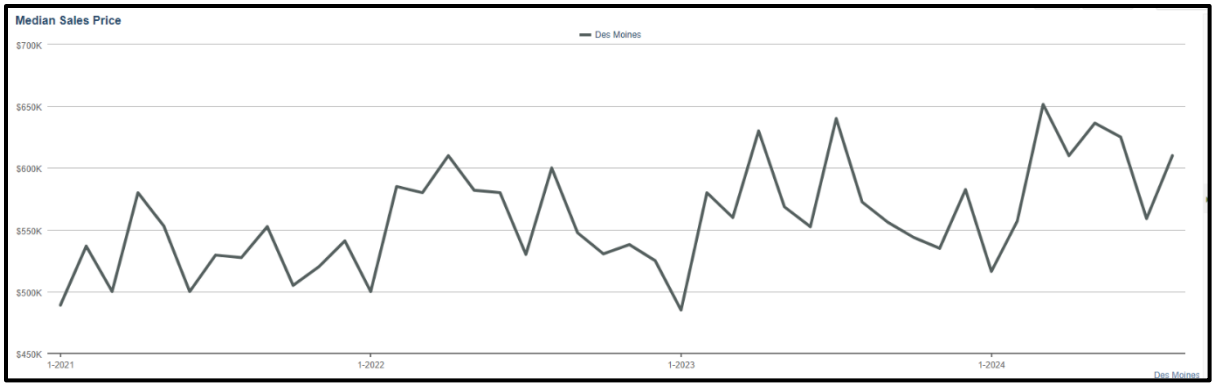


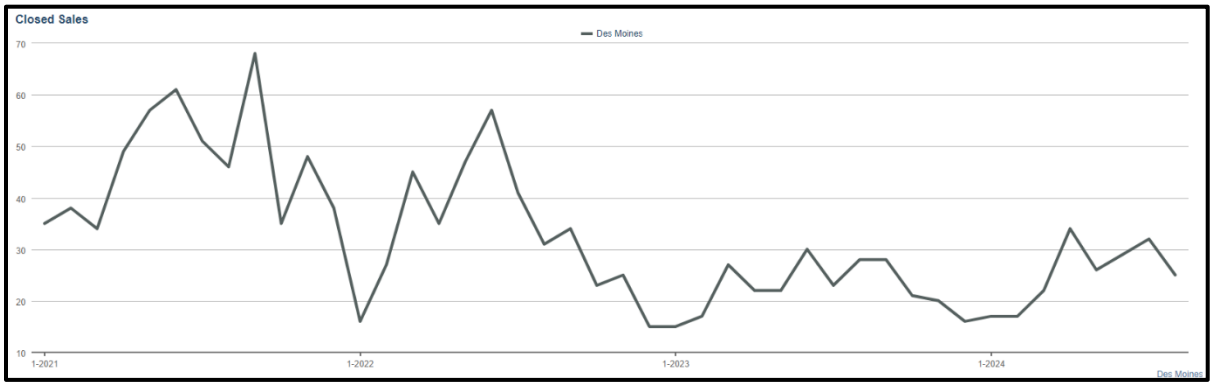
In summary, as of the valuation date there are no clearly measurable impacts to real estate values in the subject market area, these situations must continue to be monitored by the appraisers, client, and market participants.

Market Analysis

The subject competes within the following real estate market:

Market Segment:	Residential
Market Area Analyzed:	NWMLS Area 120 (Des Moines / Redondo)
Source:	NWMLS





The subject market has exhibited a fluctuating inventory trend over the past three years, however, a pullback in sales volume can be observed since early 2023 as a result of increasing interest rates. Volume only slightly rebounded in 2024. Similarly, median sale price has been volatile but has experienced a general increase (slight) from early 2023 to present. In summary, it is apparent that while the increase in interest rates has caused a leveling of trends, the market appears to be stable. Nonetheless, the market conditions must continue to be monitored by the appraisers and client.

In summary, real estate pricing must continue to be monitored considering the recent increase in market headwinds. Overall, the subject does not experience any adverse locational characteristics. The subject location benefits from employment opportunities, multiple transportation routes and support services, adequately funded schools, and more. The market should continue to be monitored by the appraisers and client. Nonetheless, there remains demand for residential properties in the subject market area.

5. Highest and Best Use

Highest and Best Use represents an analytical process wherein the physical, legal, social and economic constraints placed upon the property are examined for the purpose of defining that use, which is possible and, concurrently, most financially productive. Inasmuch as potential development activity generally falls within a relatively broad range of legal alternatives, the conclusion of highest and best use is largely influenced by the availability of data, depth of research and observed development by the appraisers. It is essentially a refinement process wherein the broadest range of possible uses are identified and then examined for legal appropriateness, as well as complementation to the neighborhood and the wealth maximization of the property owner.

Highest and Best Use as-if Vacant

Given the physical, legal, financial, and maximally productive tests of highest and best use analysis, the highest and best use of the subject property as-if vacant is that of developing the subject site with one single-family detached residence (homesite). This represents the maximally productive use of the subject lot based upon its legal, physical and financial feasibility characteristics.

The appraisers are influenced to a vertical build value threshold for the subject of roughly $765,000 based upon comparable new homes in the subject market area. This is supported by the recently developed Blueberry Lane subdivision located one block north of the subject. The lots in the development are roughly the same size as the subject's usable area. The finished homes so far have ranged in price from $799,990 to $938,605, and an average of +/-$850,000. These lots are superior to the subject given their significantly superior privacy. Therefore, a lot value estimate below the bottom of the new development range is supported.

Highest and Best Use as Improved

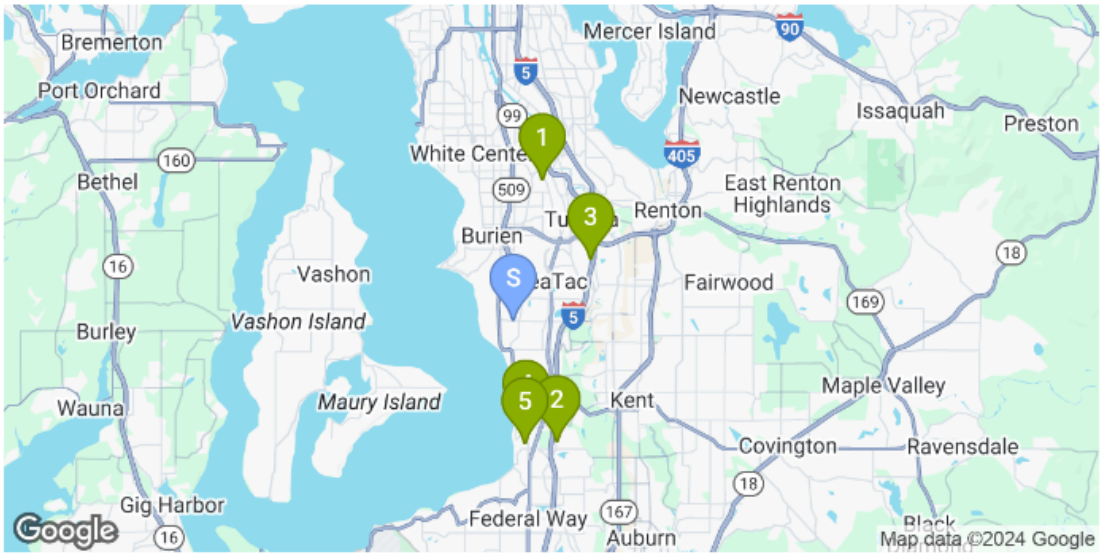
The subject is improved with a single-family residence that appears to be in competitive condition. Although, it should be noted that the appraisers did not inspect the interior of the subject improvements.

The existing residential use is permitted, while also being physically supported by the subject site. There does not appear to be a more maximally productive use of the subject property that would justify razing the existing improvements at this time. Thus, the highest and best use of the subject as improved is continued use of the existing residence.

6. Land Valuation

The Sales Comparison Approach is relevant to valuation of the subject property inasmuch as a diligent examination of the marketplace revealed transactions of properties similar to the subject in physical and legal characteristics. The approach is universally applicable to virtually all types of property as long as the comparative data is adequate.

A review of recent sale transactions occurring in the subject market area revealed the following sales that were deemed to be the most meaningful and similar to the subject property.



#	Property Name	Sale Date	Land SF	Sale Price	Analysis Sale Price	Analysis SP / Land SF
1	Kaer Property	5/31/2024	7,615	$165,000	$165,000	$21.67
2	Singh & Saini Property	7/9/2024	10,212	$180,000	$180,000	$17.63
3	Cary Lang Construction Property	10/20/2023	7,000	$194,500	$194,500	$27.79
4	Evergreen Housing Property	4/8/2024	7,733	$200,000	$200,000	$25.86
5	Gakhal Property	9/29/2023	24,300	$155,000	$205,000	$8.44

Land Sale #1 - Kaer Property

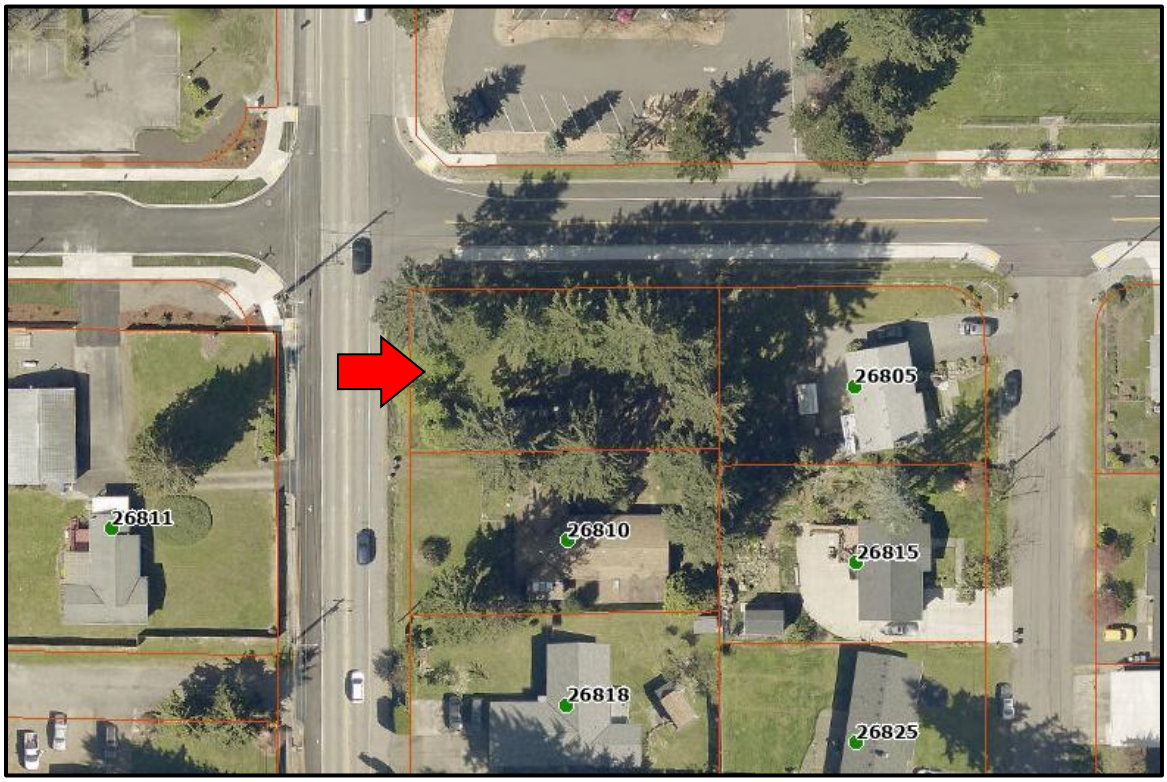
Property Information	
Property Name	Kaer Property
Property Class	Land
Address	12045 24th Ave S, Burien, WA 98168
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	3826000760
SF / Acres	7,615 / 0.1748
Site Dimensions	60' x 130'
Zoning Code	RS-7,200; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	05/31/2024
Sale Price	$165,000
Sale Status	Closed
Property Rights Convey Method	Fee Simple
Seller	Miller
Buyer	Kaur
Reference Number	2024-0531000547
Time on Market	3
Time on Market Period Type	Days
Sale Remarks	The site was purchased by neighbor who is planning on constructing a spec-home onsite. The broker believed that site could support a vertical build capacity of roughly $750,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Terrance Mack - Listing Broker
Sale Confirmed With Phone Number	253-442-4975
Sale Confirmation Date	09/03/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-c3dc6520-14fd-4a4f-838e-af5c698c8d00
Analysis Sale Price	$165,000
Sale Price per Acre	$943,936
Sale Price per SF Land	$21.67
Analysis Sale Price per Acre	$943,936
Analysis Sale Price per SF Land	$21.67

12045
12047

Land Sale #2 - Singh & Saini Property

Property Information	
Property Name	Singh & Saini Property
Property Class	Land
Address	North of 26810 Military Rd, Kent, WA 98032
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	7968600005
SF / Acres	10,212 / 0.2344
Zoning Code	SR-6; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	07/09/2024
Sale Price	$180,000
Sale Status	Closed
Property Rights Convey Method	Fee Simple
Seller	Rizvi and Khan
Buyer	Singh and Saini
Reference Number	2024-0709000662
Time on Market	1
Time on Market Period Type	Months
Sale Remarks	Buyers plan on constructing a personal residence onsite. The site is located at the intersection of two collector streets. The estimated vertical build capacity was $800,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Elizabeth Waloweek - Listing Broker
Sale Confirmed With Phone Number	253-217-6173
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-81fa8a17-79eb-4f86-b128-c2314f291e37
Analysis Sale Price	$180,000
Sale Price per Acre	$767,918
Sale Price per SF Land	$17.63
Analysis Sale Price per Acre	$767,918
Analysis Sale Price per SF Land	$17.63

26810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Land Sale #3 - Cary Lang Construction Property

Property Information	
Property Name	Cary Lang Construction Property
Property Class	Land
Address	5315 S 166th St, Tukwila, WA 98188
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	8858800041
SF / Acres	7,000 / 0.1607
Site Dimensions	85' x 100'
Zoning Code	LDR; Residential
Shape	Square
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	10/20/2023
Sale Price	$194,500
Sale Status	Closed
Seller	Gorjance
Buyer	Cary Lang Construction, Inc.
Reference Number	2023-1020000735
Time on Market	5
Time on Market Period Type	Days
Sale Remarks	The site benfitted from privacy but was square-shaped which limited its vertical build potential to roughly $850,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	David Knight - Listing Broker
Sale Confirmed With Phone Number	253-631-9545
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-b286904e-17cb-4f1d-ba23-44e52b2eb59e
Analysis Sale Price	$194,500
Sale Price per Acre	$1,210,330
Sale Price per SF Land	$27.79
Analysis Sale Price per Acre	$1,210,330
Analysis Sale Price per SF Land	$27.79

16604
16612

Land Sale #4 - Evergreen Housing Property

Property Information	
Property Name	Evergreen Housing Property
Property Class	Land
Address	14th Pl S, Des Moines, WA 98198
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	6918100010
SF / Acres	7,733 / 0.1775
Zoning Code	RS-7200; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	All public utilities are available and deemed adequate.
Transaction Information	
Sale Date	04/08/2024
Sale Price	$200,000
Sale Status	Closed
Seller	Petersen
Buyer	Evergreen Housing LLC
Reference Number	2024-0408000620
Time on Market	3
Time on Market Period Type	Months
Sale Remarks	The buyer is a local builder who is planning on constructing a home with an estimated retail value of +/-$900,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Mchiela Boukalis - Listing Broker
Sale Confirmed With Phone Number	206-799-5538
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-5b7859fa-7579-425d-bda8-99d3777d8dcc
Analysis Sale Price	$200,000
Sale Price per Acre	$1,126,761
Sale Price per SF Land	$25.86
Analysis Sale Price per Acre	$1,126,761
Analysis Sale Price per SF Land	$25.86

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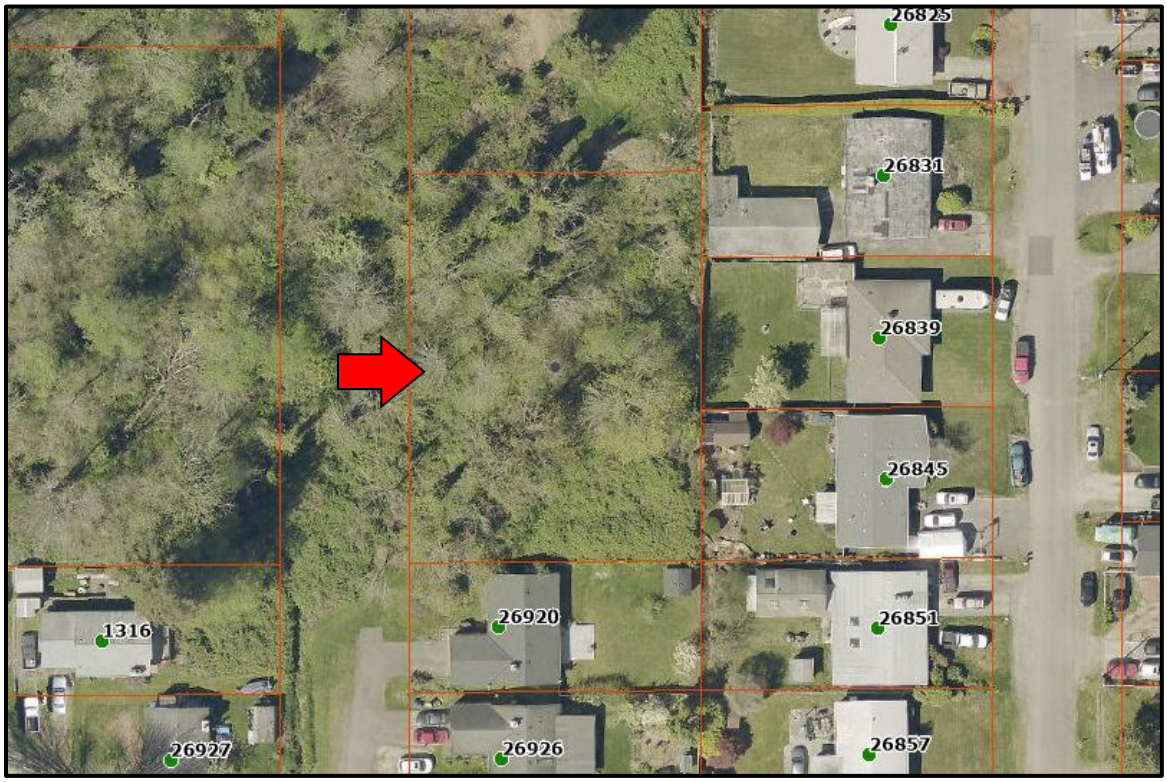
Land Sale #5 - Gakhal Property

Property Information	
Property Name	Gakhal Property
Property Class	Land
Address	269 Claremont Ave, Des Moines, WA 98198
County	King
Property Type & Sub-Type	Housing / Single Unit
Site Information - Main	
Parcel Identifier	9536600985
SF / Acres	24,300 / 0.5579
Zoning Code	RS-7200; Residential
Shape	Rectangular
Topography	Basically Level
Utilities Description	Utilities will require a short extension from the neighboring property.
Transaction Information	
Sale Date	09/29/2023
Sale Price	$155,000
Sale Status	Closed
Seller	Azevedo
Buyer	Gakhal
Reference Number	2023-0929000598
Time on Market	4
Time on Market Period Type	Days
Sale Remarks	Extension of access and utilities required by buyer at an estimated cost of $50,000. Broker believed the vertical build value potential of the site was around $900,000.
Confirmation Verification	Directly Confirmed
Confirmation Classification	Confirmed with Party Related to the Transaction
Sale Confirmed By	Dave E. Balfour, MAI & Sam A. Karpeles, MAI
Sale Confirmed With	Vanessa Betancourt - Listing Broker
Sale Confirmed With Phone Number	425-931-0677
Sale Confirmation Date	09/17/2024
Inspection Date	09/20/2024
Sale ID	RQ-SALE-ID-83962908-6f16-41d5-b3ff-15c50c784183
Expenditures after Purchase Adjustment	$50,000
Analysis Sale Price	$205,000
Sale Price per Acre	$277,828
Sale Price per SF Land	$6.38
Analysis Sale Price per Acre	$367,449
Analysis Sale Price per SF Land	$8.44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Adjustments to the Comparable Data:
The comparable sales exhibited sale date range from September 2023 to July 2024. In regard to market trend, the comparable data did not show any clear correlation between sale date and sale price. Rather, amenity, location, site size, and roadway exposure / privacy, are the primary determinants of value. Thus, the comparable sales do not warrant a market trend adjustment. In summary, the sale comparables have not been adjusted for market conditions.

Summary of Comparable Sales Analysis:
The land comparable sales bracket and capture the subject characteristics as well as the overall development capacity. The following qualitative analysis has been applied to the subject:

- **Comparable 1** ($165,000) is similar in roadway exposure but the subject is superior in size and building envelope and thus is superior in vertical build pricing capacity. Therefore, this site establishes a lower value threshold for the subject.

- **Comparable 2** ($180,000) is similar in roadway exposure and location but superior in usable site area and topography. Therefore, this sale establishes an upper value threshold.

- **Comparable 3 through 5** ($194,500 - $205,000) are all either similar in size or larger with more private locations and also superior vertical build capacities. Therefore, these sales all establish upper value thresholds for the subject.

Overall, the appraisers are influenced to a fair market value indication for the subject between the pricing gate established by Comparable 1 and 2.

Summary of Land Value:
Overall, considering the subject's location, tract size, roadway exposure, zoning, and overall development capacity, the appraisers are influenced to a fair market value indication of **$170,000/SF, or $17.35/SF** for the subject **as-if vacant**.

The price per square foot indication is supported by those of the comparable data.

The comparable lot cost ratios ranged from 22 to 22.88 percent and averaged 22.48 percent. At a vertical build estimate of $765,000 for the subject property results in a lot cost ratio of 22.22 percent, which is support by the comparable range and average.

Reconcile FMV to 5-Year Sale History: As previously discussed, the October 2019 purchase of the subject property included both land and improvement value components and is thus not relevant to relate to the value estimate as-if vacant.

7. Detailed Description of the Taking

Description of the Project and Proposed Taking(s)

In order to support the proposed project, the following partial acquisition(s) of the subject are deemed necessary:

EXHIBIT A

RIGHT OF WAY ACQUISITION DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0191

THE EAST 14 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 7, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH VACATED STREETS ADJOINING AND THE WEST 12 FEET OF LOTS 5, 6, 7 AND 8 BLOCK 6, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

AND TOGETHER WITH VACATED STREETS ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE WEST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.50 FEET;

THENCE SOUTH 87°00'54" EAST 45.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 425.50 FEET AND A CENTRAL ANGLE OF 1°55'29" FOR AN ARC LENGTH OF 14.29 FEET TO THE EAST LINE OF SAID PARCEL;

THENCE ALONG SAID EAST LINE NORTH 0°13'26" EAST 21.26 FEET TO THE POINT OF BEGINNING.

SAID PORTION CONTAINING 1289 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON

KATHLEEN D. CARSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR

6/27/2024

Exhibit A

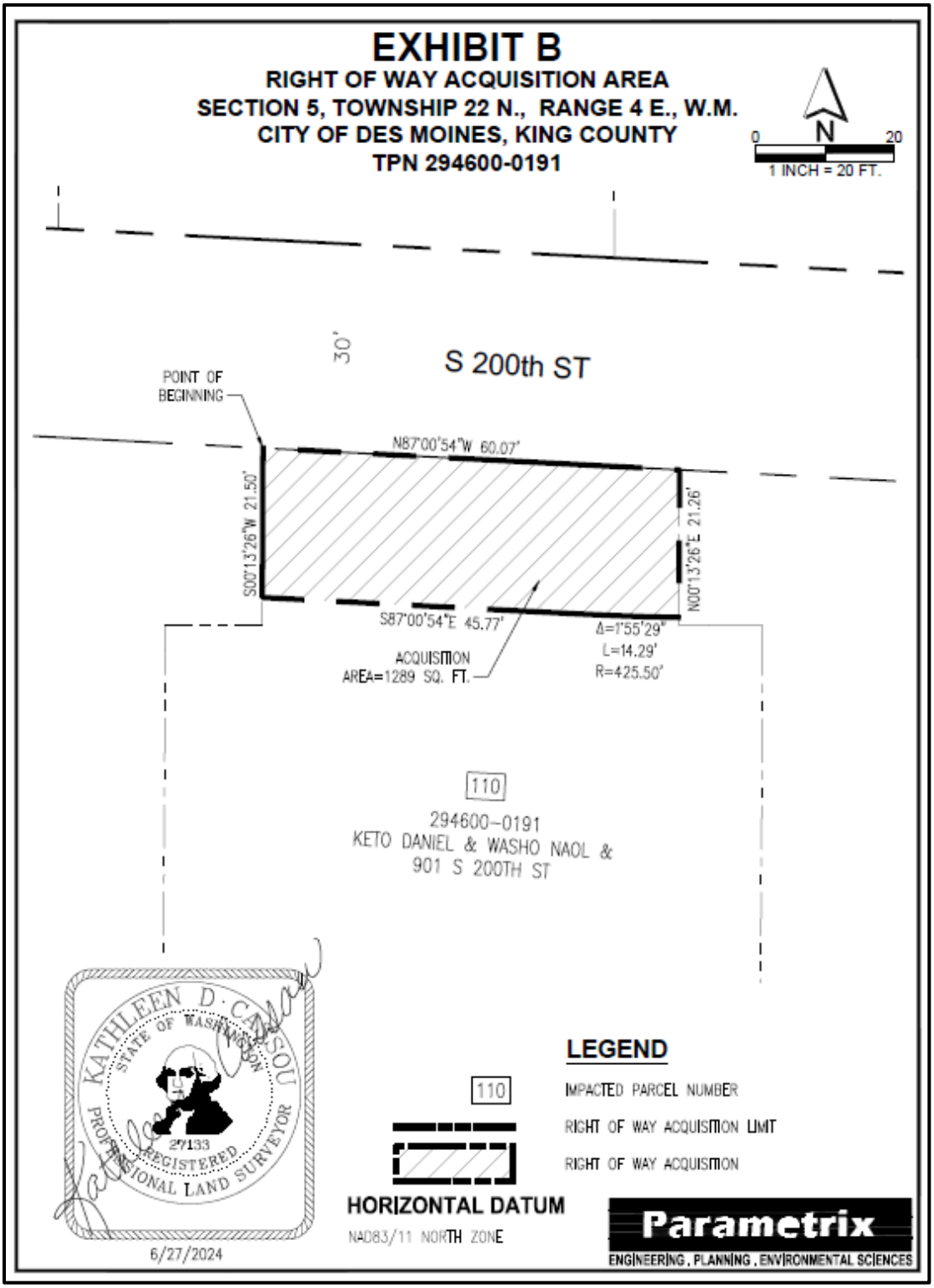
EXHIBIT B
RIGHT OF WAY ACQUISITION AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0191
N
0
20
1 INCH = 20 FT.
30'
S 200th ST
POINT OF BEGINNING
N87°00'54"W 60.07'
S00°13'26"W 21.50'
N00°13'26"E 21.26'
S87°00'54"E 45.77'
ACQUISITION AREA=1289 SQ. FT.
Δ=1°55'29"
L=14.29'
R=425.50'
110
294600-0191
KETO DANIEL & WASHO NAOL &
901 S 200TH ST
KATHLEEN D. CARLSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR
6/27/2024
LEGEND
110
IMPACTED PARCEL NUMBER
RIGHT OF WAY ACQUISITION LIMIT
RIGHT OF WAY ACQUISITION
HORIZONTAL DATUM
NAD83/11 NORTH ZONE
Parametrix
ENGINEERING, PLANNING, ENVIRONMENTAL SCIENCES

Exhibit B

Exhibit B Aerial with Overlay (Approximate R/W acquisition boundary)

EXHIBIT A

TEMPORARY CONSTRUCTION EASEMENT DESCRIPTION
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN-294600-0191

THE EAST 14 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 7, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

TOGETHER WITH VACATED STREETS ADJOINING AND THE WEST 12 FEET OF LOTS 5, 6, 7 AND 8 BLOCK 6, GROVE ADDITION TO THE TOWN OF DES MOINES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 83, IN KING COUNTY, WASHINGTON;

AND TOGETHER WITH VACATED STREETS ADJOINING, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PARCEL, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF SOUTH 200TH STREET;

THENCE ALONG THE WEST LINE OF SAID PARCEL SOUTH 0°13'26" WEST 21.52 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 87°00'54" EAST 45.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 425.50 FEET AND A CENTRAL ANGLE OF 1°55'29" FOR AN ARC LENGTH OF 14.29 FEET TO THE EAST LINE OF SAID PARCEL;

THENCE ALONG SAID EAST LINE SOUTH 0°13'26" WEST 1.12 FEET;

THENCE SOUTH 89°49'40" EAST 12.00 FEET;

THENCE SOUTH 0°13'26" WEST 19.56 FEET;

THENCE SOUTH 89°50'38" WEST 38.23 FEET;

THENCE NORTH 0°09'22" WEST 2.81 FEET;

THENCE NORTH 89°06'18" WEST 47.76 FEETTO THE WEST LINE OF SAID PARCEL;

THENCE ALONG SAID WEST LINE NORTH 0°13'26" EAST 16.11 FEET;

THENCE SOUTH 89°58'55" EAST 14.00 FEET;

THENCE NORTH 0°13'26" EAST 4.04 FEET TO THE TRUE POINT OF BEGINNING.

SAID PORTION CONTAINING 1687 SQUARE FEET, MORE OR LESS.

SITUATE IN KING COUNTY, STATE OF WASHINGTON

6/27/2024

Exhibit A

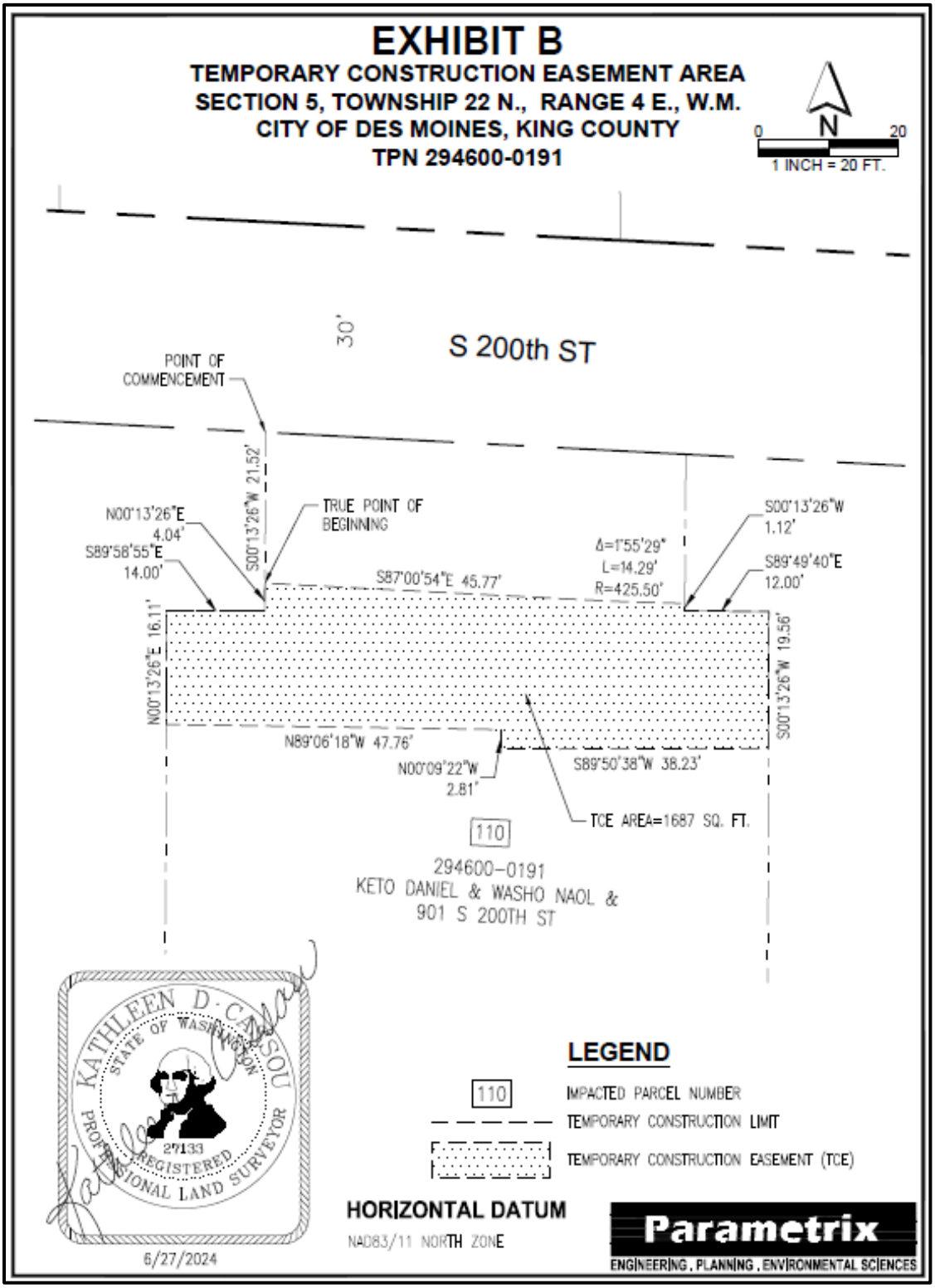
EXHIBIT B
TEMPORARY CONSTRUCTION EASEMENT AREA
SECTION 5, TOWNSHIP 22 N., RANGE 4 E., W.M.
CITY OF DES MOINES, KING COUNTY
TPN 294600-0191
N
0
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1 INCH = 20 FT.
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S 200th ST
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TRUE POINT OF BEGINNING
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TCE AREA=1687 SQ. FT.
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294600-0191
KETO DANIEL & WASHO NAOL &
901 S 200TH ST
KATHLEEN D. CARLSON
STATE OF WASHINGTON
27133
REGISTERED
PROFESSIONAL LAND SURVEYOR
6/27/2024
LEGEND
110 IMPACTED PARCEL NUMBER
TEMPORARY CONSTRUCTION LIMIT
TEMPORARY CONSTRUCTION EASEMENT (TCE)
HORIZONTAL DATUM
NAD83/11 NORTH ZONE
Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

Exhibit B

CITY OF DES MOINES
NORTH HILL ELEMENTARY
WALKWAY IMPROVEMENTS
RIGHT OF WAY PLANS

PARCEL INFORMATION:

PARCEL NUMBER	ASSESSOR PARCEL#	ADDRESS	ZONING USE CODE	ZONE DESCRIPTION
100	520820-0005	654 S 200TH ST	RS-7200	SINGLE FAMILY
101	052204-9104	802 S 200TH ST	RS-7200	SINGLE FAMILY
102	052204-9111	820 S 200TH ST	RS-7200	SINGLE FAMILY
103	052204-9119	829 S 200TH ST	RS-7200	SINGLE FAMILY
104	052204-9126	19923 8TH AVE S	RS-7200	SINGLE FAMILY
105	052204-9129	19913 8TH AVE S	RS-7200	SINGLE FAMILY
106	052204-9011	902 S 200TH ST	RS-7200	SINGLE FAMILY
107	294900-0330	20003 8 TH AVE S	RS-7200	SINGLE FAMILY
108	294900-0285	801 S 200TH ST	RS-7200	SINGLE FAMILY
109	294900-0235	817 S 200TH ST	RS-7200	SINGLE FAMILY
110	294900-0191	901 S 200TH ST	RS-7200	SINGLE FAMILY
111	052204-9132	909 S 200TH ST	RS-7200	CHURCH
112	397140-0260	920 S 200TH ST	RS-7200	SINGLE FAMILY
113	294900-0190	905 S 200TH ST	RS-7200	SINGLE FAMILY
114	294900-0100	1001 S 200TH ST	RS-7200	SINGLE FAMILY
115	294900-0120	XXX S 200TH ST	RS-7200	SINGLE FAMILY
116	052204-9061	19815 8TH AVE S	RS-7200	SINGLE FAMILY
117	052204-9105	XXX 8TH AVE S	RS-7200	CHURCH
118	052204-9062	19804 8TH AVE S	RS-7200	SINGLE FAMILY
119	052204-9149	916 S 200TH ST	RS-7200	SINGLE FAMILY

VICINITY MAP
NOT TO SCALE

CONTACT INFORMATION:

CITY MANAGER
TIM MERRIE

ACTING PUBLIC WORKS DIRECTOR
TOMMY OWEN, P.E., PTOE

ACTING CITY ENGINEER
KHA LI, P.E.

MAYOR
TRACI BUXTON

CITY COUNCIL
DEVE ACHUDEV
JC HARRIS
MATT MAHONEY
YOSHIKO GRACE MATSUI
JEREMY NUTTING

ENGINEER
AUSTIN FRAKER

SURVEYOR
JUSTIN SHERY, PLS

APPROVED FOR CONSTRUCTION

TOMMY OWEN, PE., PTOE
ACTING PUBLIC WORKS DIRECTOR

DATE

WRITTEN DESCRIPTION OF THE PROJECT:

THE CITY OF DES MOINES REQUESTED THAT PARAMETRIX PREPARE RIGHT-OF-WAY PLANS FOR THE TCE BOUNDARIES FOR THE NORTH HILL ELEMENTARY WALKWAY IMPROVEMENTS PROJECT ALONG APPROXIMATELY 800 FEET OF S 200TH ST, FROM 8TH AVE S TO 10TH PLACES. THE PROJECT WILL REQUIRE PARTIAL ACQUISITION OF REAL PROPERTY, AND TEMPORARY EASEMENTS AND WILL IMPROVE SAFETY IN THE CORRIDOR AT THE INTERSECTION OF 200TH ST AND 8TH AVE S BY CONSTRUCTING 3 ADA-COMPLIENT CURB RAMPS, MARKED CROSSINGS, ILLUMINATION FOR MARKED CROSSINGS, AND AT S 200TH ST, FROM 8TH AVE S TO 10TH PL S, 6-FOOT SIDEWALK WITH CURB & GUTTER ALONG BOTH SIDES, 32 ADA COMPLIENT CURB RAMPS (3 INTERSECTION CURB RAMPS AND 29 DRIVEWAY/SIDEWALK RAMPS), MARKED BIKE RAMPS, AND AT THE INTERSECTION OF 8TH AVE S AND NORTH SCHOOL ENTRANCE DRIVEWAY 2 RECTANGULAR RAPID FLASHING BEACONS (RRFBs) ON EACH SIDE OF 8TH AVE S, CURB RAMPS, MEDIAN REFUGE ISLAND AND RESTRIPING LANE CONFIGURATIONS, MARKED CROSSINGS, AND ILLUMINATION FOR MARKED CROSSINGS

RIGHT OF WAY NOTES

RIGHT OF WAY DETERMINATIONS FOR THIS PLAN SET, WERE MADE BY ANALYZING A COMBINATION OF EXISTING RIGHT OF WAY PLANS, TOGETHER WITH RECORDED SURVEYS, SUBDIVISION PLATS, DEEDS & DEDICATIONS, AND FOUND MONUMENTS. ALL MEASUREMENTS SHOWN ARE IN U.S. SURVEY FEET, GROUND DISTANCES.

REVISIONS	DATE	BY

DESIGNED: S. SHARPE
DRAWN: S. SHARPE
CHECKED:
APPROVED:

ONE INCH AT FULL SCALE; IF NOT, SCALE ACCORDINGLY
FILE NAME: 214-1792-046-ROW
JOB No.: 214-1792-046
DATE: JUNE 2024

JUSTIN SCOTT SHERY — STATE OF WASHINGTON — 21810 — REGISTERED PROFESSIONAL LAND SURVEYOR
7/01/2024

Parametrix
1019 39th Avenue SE, Suite 100 • Puyallup, WA 98374
Ph: 253.604.6600

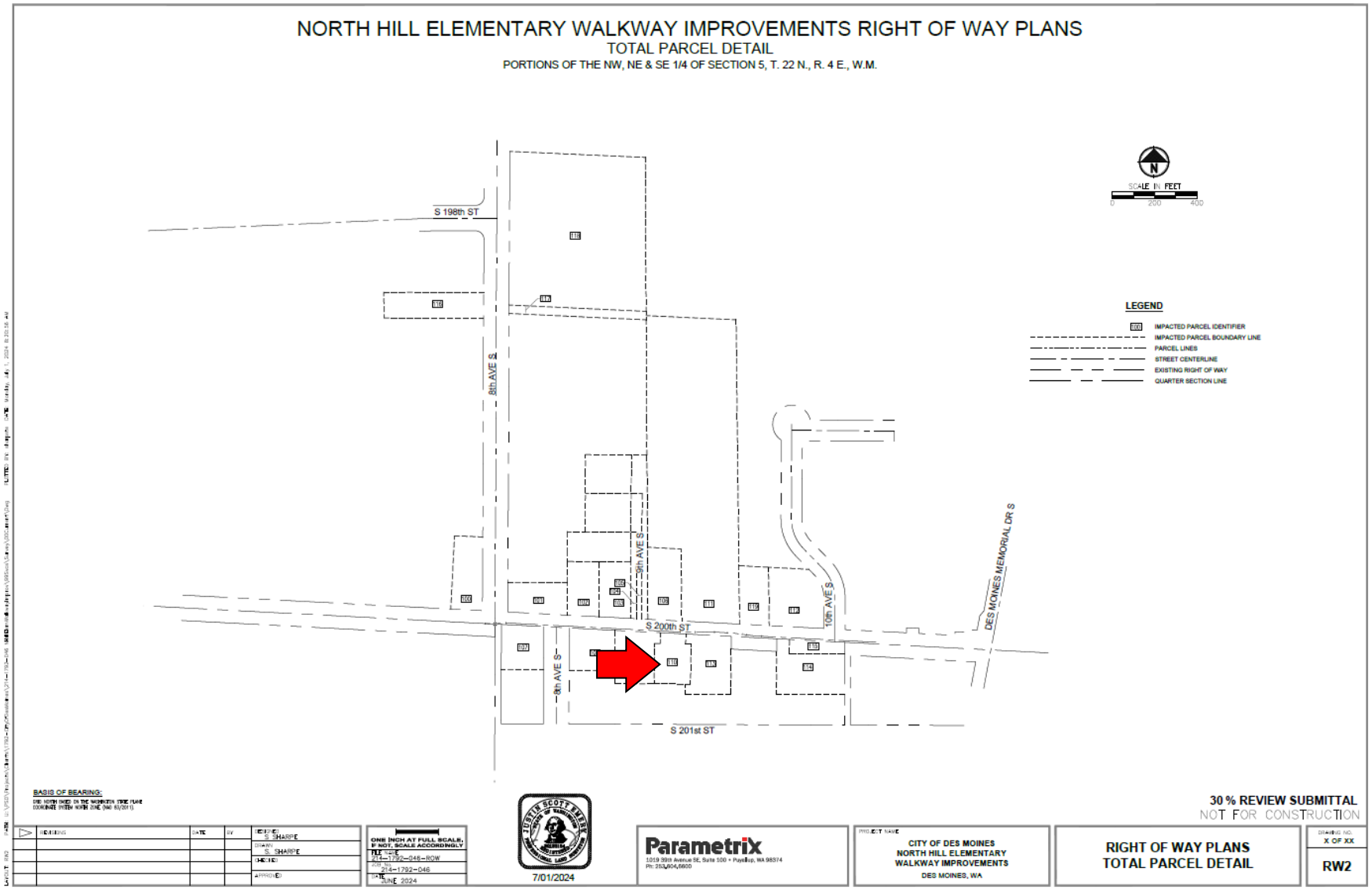
PROJECT NAME: CITY OF DES MOINES NORTH HILL ELEMENTARY WALKWAY IMPROVEMENTS
DES MOINES, WA

RIGHT OF WAY PLANS COVER SHEET

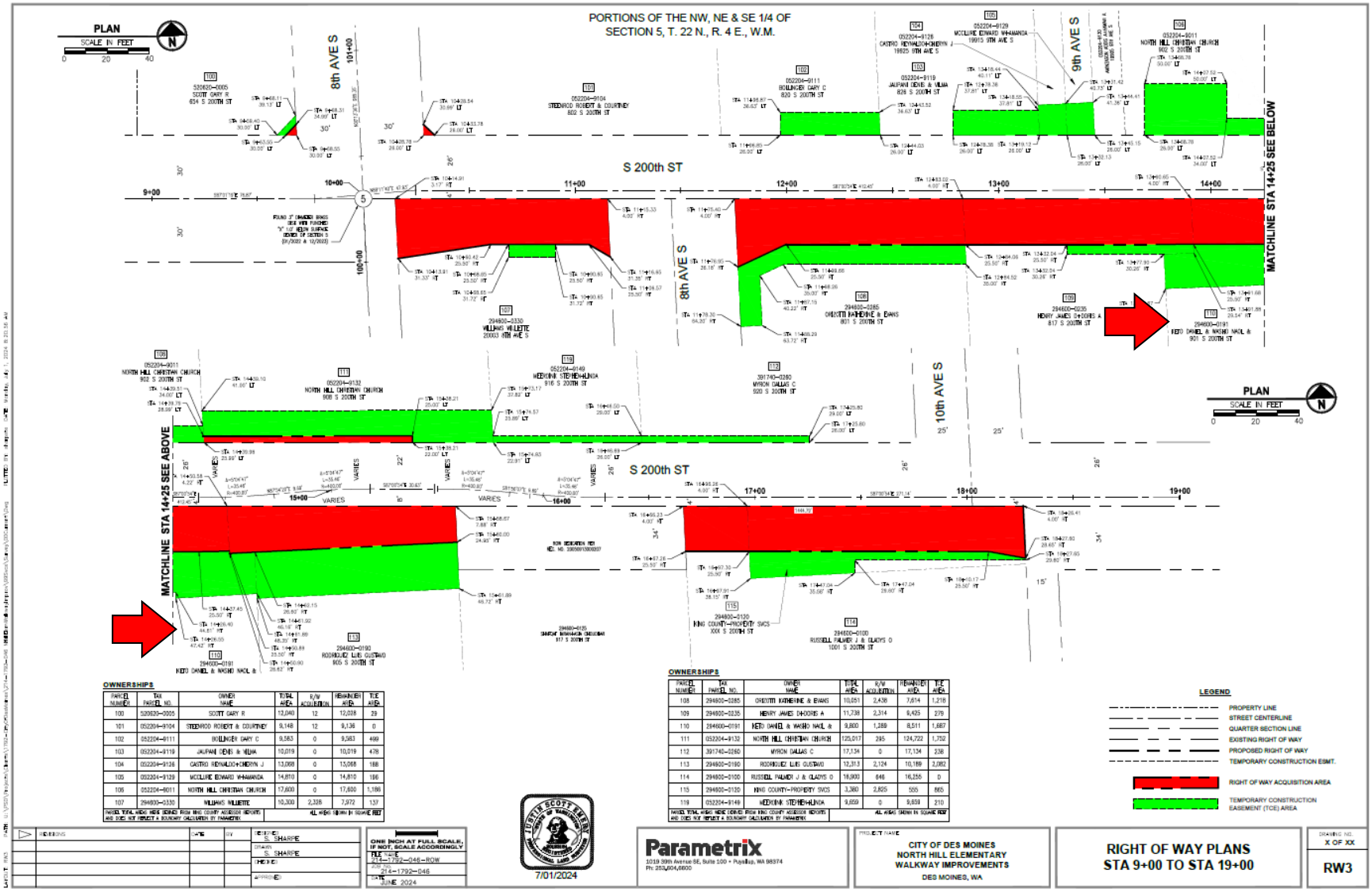
DRAWING NO.: X OF XX
RW1

LAYOUT: COVER | PLOTTED BY: dhayes | DATE: Monday, July 1, 2024 8:20:55 AM

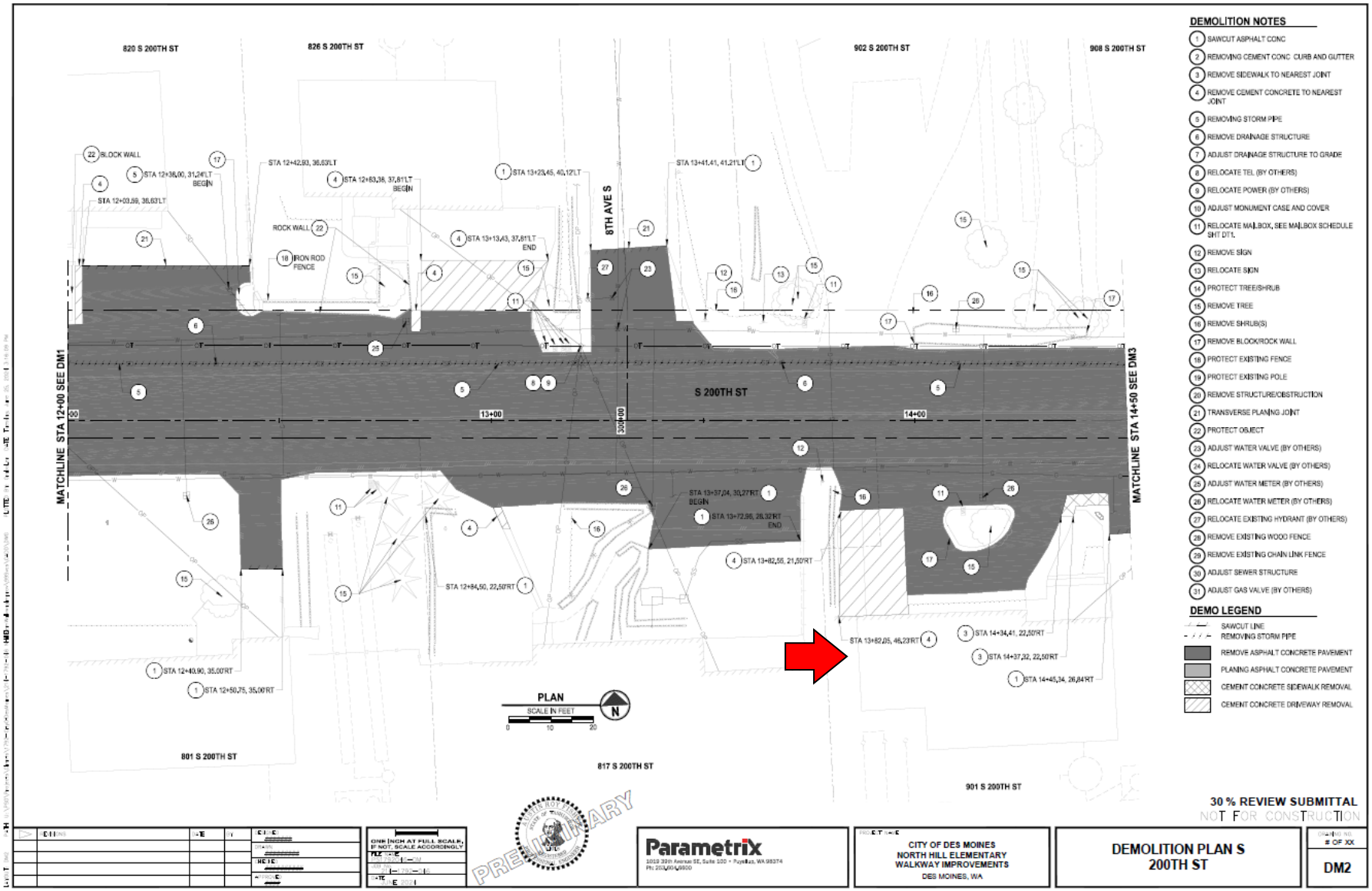
Construction Plans – Cover Sheet



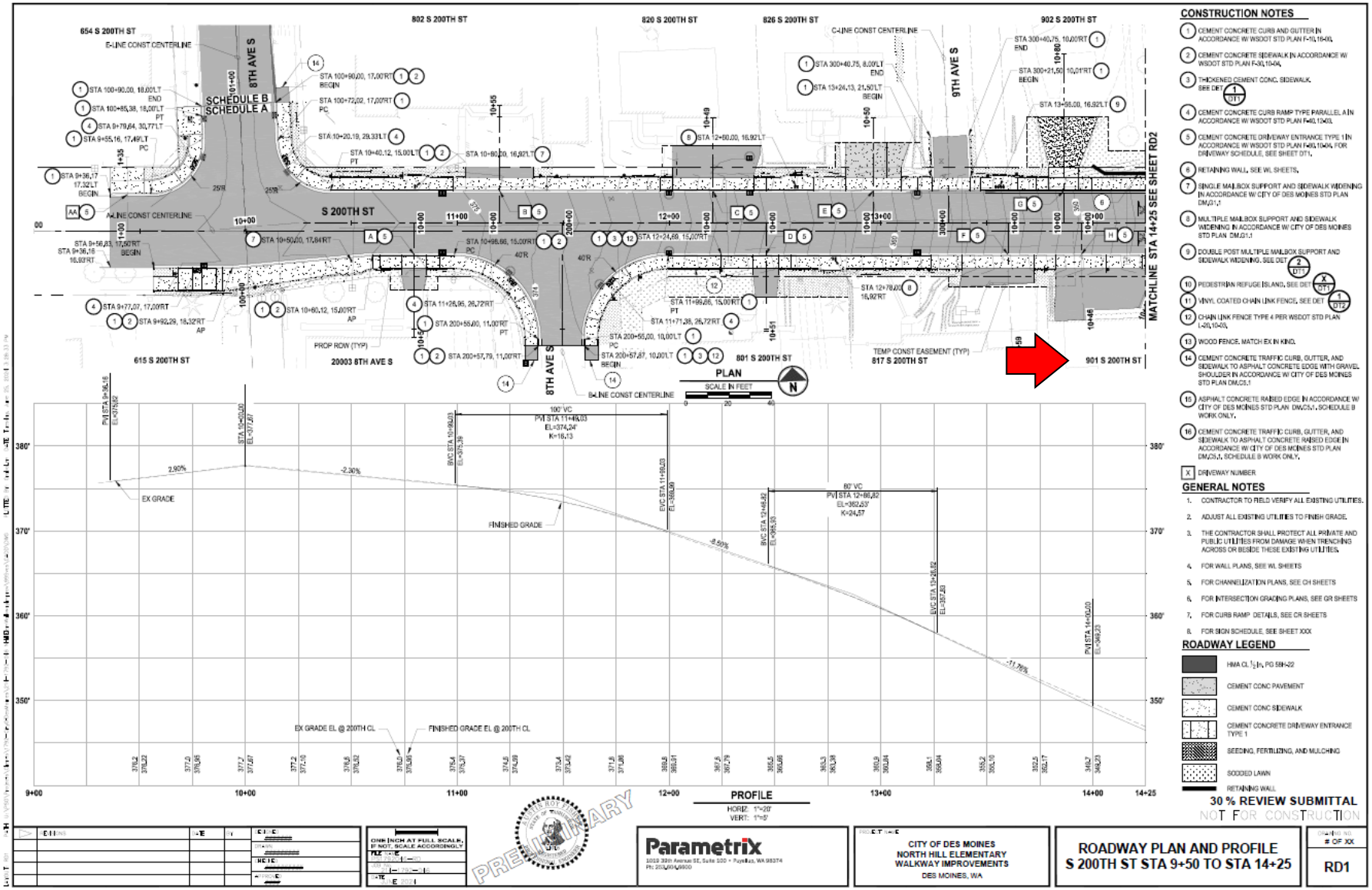
Construction Plans – Total Parcel Detail



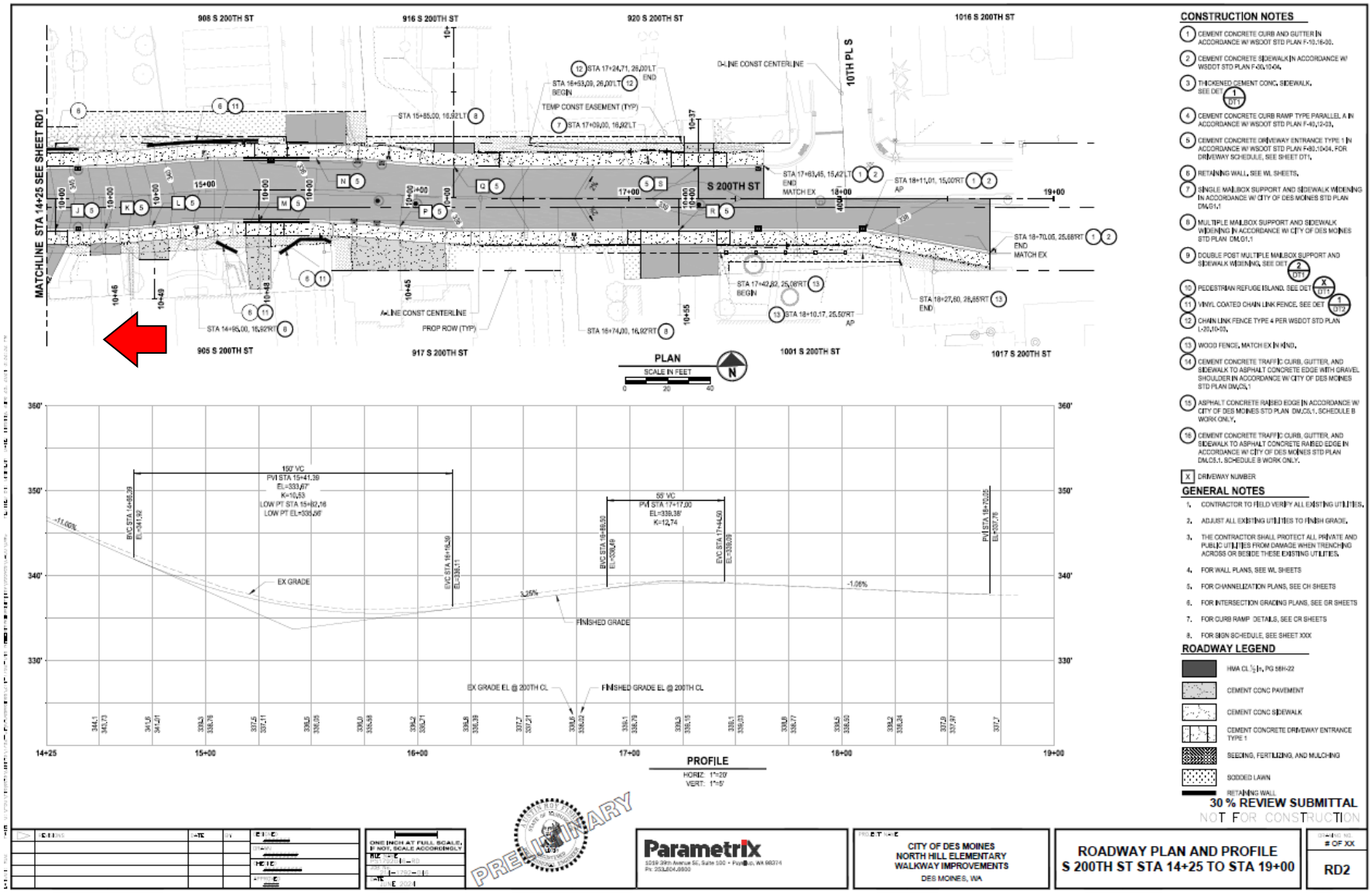
Construction Plans – Right of Way Plans



Construction Plans – Right of Way Plans



Construction Plans – Right of Way Plans



Construction Plans – Right of Way Plans

Detailed Description of the Proposed Taking(s)

Description of Parcel 1:

Acquisition Type:	Right-of-Way Acquisition
Size of Acquisition:	1,289 SF
Purpose of Acquisition:	To support public improvements.
Acquisition width:	Maximum of +/-21 feet
Improvements to be Constructed:	According to the construction plans, the project will be constructing roadway and sidewalk improvements within the acquisition area. The Parcel 1 acquisition area will establish and align the 200th Street right-of-way with existing rights-of-way to the west and east.
Existing Easement Overlap:	As previously discussed, there are no existing easements which the proposed acquisition area will overlap based upon information available to the appraisers.

Discussion of Existing Property Rights in the Before Situation:

As previously discussed, there are no known encumbrances impacting the proposed acquisition area. Although the acquisition area is currently improved and utilized as the 200th Street right-of-way and not physically utilized by subject ownership, ownership nonetheless appears to own 100 percent of the property rights of this site area. This has been assumed by the appraisers herein.

Discussion of Property Rights Acquired:

The acquisition is equivalent to a fee simple estate acquisition or 100 percent of property rights.

Discussion of Property Rights Retained and Value Impact:

Subject ownership will not retain any ownership rights and thus, the value impact of the proposed acquisition represents a **100 percent** fee simple estate acquisition of the existing property rights.

Fair Market Value of Parcel 1:

The following tabulation provides a summary of the proposed acquisition area's fair market value estimate as of the valuation date:

Fair Market Value of Proposed Acquisition

Acquisition	Exceptions	Area (SF)	Fee Value/SF	Value Impact	FMV
Parcel 1	None	1,289	$17.35	100.00%	**$22,364**

Description of Parcel 2:

Acquisition Type:	Temporary Construction Easement (TCE)
Term Length:	2 Years (3/1/2025 to 2/28/2027)
	Pre-Commencement Period of 9/20/2024 (effective date of report) to 3/1/2025 (5.32 months).
Size of Acquisition:	1,687 SF
Purpose of Acquisition:	To support reconstruction of the subject driveway approach.
Acquisition width:	+/-20 feet
Improvements to be Constructed:	None. Temporary easement.
Existing Easement Overlap:	None

Discussion of Existing Property Rights in the Before Situation:

As previously discussed, there are no known encumbrances impacting the proposed acquisition area.

Discussion of Property Rights Acquired:

The TCE property rights acquired are those necessary for construction purposes during a project. At completion of the project or temporary easement term, whichever is sooner, all before situation property rights will revert back to subject ownership.

It should be noted that the TCE has a reported active construction term of March 1, 2025, to February 28, 2027. Additionally, the TCE results in a pre-commencement period of 5.32 months, or 44.33 percent of a year (effective date of report of September 20, 2024, to February 28, 2025). Thus, the appraisers must determine an appropriate rate of return for the periods of (1) active construction and (2) pre-commencement period.

It should be noted that the project anticipates an active construction period of 8 months.

Discussion of Property Rights Retained and Value Impact of TCE:

Relative to the active construction period, the standard of care regarding a fair market value estimate of the temporary easement is to select a reasonable rate of return for the subject site area and applying it to the term length of the easement. When estimating a reasonable lease rate for the subject property type, the appraisers analyzed local market rate of return expectations. Research completed by the appraiser revealed that the rate of return expectations (capitalization rates) have increased since 2022. The following tabulation provides a summary of 2023 and 2024 lease rates of return which exhibit an average of 7.9 percent. This exceeds the common average of 6.5 percent observed prior to 2023. It should be noted that there was minimal ground lease data available in the market area.

Ground Lease Rate of Return Survey				
Lessee	**Use**	**Location**	**Date**	**ROR/Land**
Casino	Commercial	Kennewick, Washington	2022	8.4%
*Available**	*Commercial*	*Vancouver, Washington*	*2024*	*8.6%*
*Available**	*Commercial*	*Vancouver, Washington*	*2024*	*14.1%*
Kleen Car Wash	Commercial	Vancouver, Washington	2024	*5.5%*
DND	Commercial	Ridgefield, Washington	2024	*6.9%*
DND	Commercial	Ridgefield, Washington	2024	8.9%
DND	Commercial	Vancouver, Washington	2024	8.6%
*Available**	*Commercial*	*Kennewick, Washington*	*2023*	*6.5%*
Coffee	Commercial	Pasco, Washington	2024	6.0%
DND	Commercial	Tacoma, Washington	2024	6.6%
ARCO	Commercial	Lake Stevens, Washington	2024	5.9%
Wendy's / Starbucks	Commercial	Shelton, Washington	2024	5.7%
McDonalds	Commercial	Auburn, Washington	2023	4.0%
*Available**	*Commercial*	*Bonney Lake, Washington*	*2024*	*4.9%*
*Available**	*Commercial*	*Marysville, Washington*	*2024*	*16.0%*
*Available**	*Commercial*	*Mercer Island, Washington*	*2024*	*7.0%*
DND	Commercial	Kennewick, Washington	2024	8.7%

*Italicized ground lease site is an available listing as of the date of report.

Rate of Return Selection: Given that the temporary easement will be utilized for the purpose of constructing project improvements, the appraiser has utilized a rate of return near the midpoint of the market range, or **8.5 percent** (rounded up to the nearest half percentage), for the active construction period of the temporary construction easement.

Relative to the pre-commencement period, a rate of return that is less than the active construction period must be determined given that subject ownership has use rights of the acquisition areas until the start of active construction. Thus, a rate of less than 8.5 percent annually is reasonable to conclude. However, property rights are being granted and thus a rate of more than 0 percent is absolute.

To further delineate an appropriate rate of return, the appraisers reviewed Washington State municipal bonds which exhibited terms of up to 15 years and rates of 3.5 to 4.25 percent with most being roughly 4 percent. Given the short-term nature of this pre-commencement period, the appraisers are influenced to a rate of return just below this range, or **3 percent** annually, for the pre-commencement period.

The following tabulation provides a summary of the temporary construction easement fair market value calculations as of the valuation date based upon the existing ownership rights, previously concluded land value, rental/lease rate, and term length of the temporary easement.

Fair Market Value of Parcel 2:
The following tabulation provides a summary of the proposed acquisition area's fair market value estimate as of the valuation date:

Fair Market Value of Proposed Acquisition

Acquisition	Exception	Area (SF)	Fee Value/SF	Rate of Return	Term (Yr.)	FMV
Active Const.	None	1,687	$17.35	8.50%	2.0	$4,975.81
Pre-Commencement	None	1,687	$17.35	3.00%	0.44	$386.36
Parcel 2	**----**	**1,687**	**----**	**----**	**----**	**$5,362**

8. Valuation of Improvements Located within the Taking

When acquiring any interest in real property, the appraisers shall consider buildings, structures, or other improvements located upon the real property to be acquired. The value of any improvements should be based on contributory value to the real property being appraised.

In the case of a partial acquisition, any impact on the market value of the improvements located on the remainder shall also be considered. Any (value contributing) improvements located within the acquisition areas are to be compensated for, whereas improvements located within the existing right-of-way are to be disregarded.

Improvements in Existing ROW: While the subject property boundary is situated within the 200th Street right-of-way, and while ownership technically has property rights to this area, it is apparent that the asphalt roadway is owned and maintained by the City of Des Moines. Therefore, the appraisers have not included the roadway improvements as site improvements with contributory value to the subject property.

Project Obligations / Improvements to be Protected: The following project obligations are relevant to the subject:

- All improvements impacted within the TCE area will be replaced by the project.
    - However, the exception to this is the landscape island within the proposed Parcel 1 and 2 acquisition areas per the construction plan set. Thus, the appraisers have included compensation for the entire landscape island that straddles the Parcel 1 and 2 acquisition areas.
- The mailbox will be relocated by the project.

Contributory Value Estimate of Improvements Taken: The following tabulation provides a summary of improvements within the proposed acquisition area that will be taken and not replaced in-kind or protected:

Contibutory Value Estimate of Improvements Located Within the Acquisition Area(s)											
Improvement	**Parcel**	**Qty**	**Unit**	**Cost**	**Local M**	**Current M**	**RCN / Unit**	**Source**	**RCN**	**Depreciation Deduction**	**FMV Contribution**
Landscaping	1	205	SF	$ 6.84	1.06	1.22	$ 8.85	MVS 66/8	$1,814.25	0%	$1,814
Concrete	1	20	SF	$ 9.58	1.06	1.22	$ 12.39	MVS 66/2	$247.80	50%	$124
Block Retaining Wall	1	75	SF	$ 17.85	1.06	1.22	$ 23.08	MVS 66/4	$1,731.00	35%	$1,125
Asphalt	1	710	SF	$ 5.94	1.06	1.22	$ 7.68	MVS 66/2	$5,452.80	45%	$2,999
Total											**$6,062**

Source: Marshall Valuation Service (40 Pacifica, Ste 900, Irvine, CA / 800-544-2678)

Non-value Contributing Site Improvements: As previously discussed, the appraisers have not considered the roadway improvements within the 200th Street travel lanes to be value-contributing to the subject.

Personal Property: None observed.

Cost-to-Cure Items: The site improvements within the Parel 1 acquisition area cannot be replaced onsite and thus do not require a cost-to-cure estimate. Furthermore, the site improvements in Parcel 2 will be protected in-place and/or replaced as part of the project. Thus, a cost-to-cure analysis is not applicable to the appraisal assignment.

9. Detailed Description of the Remainder Property

The following information provides a summary of the remainder property:

Access:	Unchanged.
Zoning:	Unchanged.
Site area:	Decrease by the size of the Parcel 1 acquisition area. No supportable damages.
Improvements:	No supportable damages.
Highest and Best Use:	Unchanged.

10. Damages to the Remainder Property

Damages to Remaining Improvements

The subject is improved with a single-family residence that will remain unchanged in functionality and highest and best use and will be unimpacted by the proposed acquisition areas.

The subject access characteristics in the after situation will be modified as a result of the project. In the before situation, the garage is situated roughly 30 feet from the existing travel lane. In the after situation, the project will be constructing a new driveway with a reduced distance from the garage to the back edge of the new sidewalk of +/-24 feet. While the boundary is moving closer to the garage door, it is apparent that ownership still has the ability to support parking of large vehicles, including full size trucks which are typically roughly 21 feet in length. Furthermore, the minimum setback requirement of the City of Des Moines Development Code for attached garages is 20 feet. Finally, a review of various newly constructed residences in the subject submarket revealed that multiple housing projects exhibit driveways that are less than 18 to 20 feet in depth.

Thus, the length of most vehicles, as well as competing properties and the City of Des Moines Development Code all lead the appraiser to conclude that the subject driveway in the after situation is adequate and competitive in both depth and width to competing properties in the marketplace.

Lastly, as to the proximity of the proposed sidewalk, competing properties in the market area exhibit proximity ranges of 10 to 20 feet which brackets the subject after situation circumstance. Thus, there is no basis to claim that the proximity of the proposed sidewalk will result in damages to the remainder.

Therefore, there is no supportable basis for damages to the subject improvements.

Damages to Remaining Land

In the after situation, the subject is in conformance with all development code requirements. The subject highest and best use, development capacity, and functionality all remain unchanged in the before and after situation. Therefore, there is no supportable basis for damages to the subject remaining land.

Explanation of Increase of Value to the Remainder Property

There are no special benefits or increases in value to the remainder property as a result of the proposed project and acquisitions based upon information available to the appraisers.

Certificate of Appraisal

The undersigned certify that, to the best of our knowledge and belief:

The statements of fact contained in this report are true and correct.

Sam A. Karpeles, MAI inspected the subject property and the comparables as cited in the sale data sheets herein from adjoining rights-of-way. David E. Balfour, MAI reviewed the photographs taken by Mr. Karpeles, MAI of the subject and sale comparables, as well as King County and Google Earth mapping data. Mr. Balfour, MAI did not physically inspect the subject or comparable data.

The undersigned has performed services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

The undersigned has no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

The undersigned has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. The engagement in this assignment was not contingent upon developing or reporting predetermined results.

Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

No other parties provided significant professional contribution to the appraisal assignment.

As of the date of this report, David E. Balfour, MAI has completed the requirements of the continuing education program as a Designated Member of the Appraisal Institute.

As of the date of this report, Sam A. Karpeles, MAI has completed the requirements of the continuing education program as a Designated Member of the Appraisal Institute.

David E. Balfour, MAI
President, The Valuation Group
Washington Certified Appraisers 1102402
Expiration Date: October 17, 2025
Email Address: Dave@thevalue-group.com

Sam A. Karpeles, MAI
The Valuation Group
Washington Certified Appraisers 20107006
Expiration Date: February 16, 2026
Email Address: Sam@thevalue-group.com

Limiting Conditions and Assumptions

General Assumptions

This appraisal is based on the following general assumptions, except as otherwise noted in the report.

- The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and can be utilized at its highest and best economic use.
- There are no existing judgments or pending or threatened litigation that could affect the value of the property.
- There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there are no environmental regulation violations or actionable conditions.
- The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
- All information furnished by others, including proprietary third-party resources, is believed to be reliable, but no warranty is given for its accuracy.

Limiting Conditions

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

- The appraisers and client agree that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of appraisers services. The appraisers and client agree that to the fullest extent permitted by applicable law, each party's and its personnel's maximum aggregate and joint liability to the other party for claims and causes of action relating the appraisers services shall be limited to the higher of $25,000 or the total of fees and costs charged by appraisers for the services that are the subject of the claim(s) or cause(s) of action. This limitation of liability extends to all types of claims or causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence or negligent misrepresentation on the part of either party or its personnel, but excluding claims/causes of action for intentionally fraudulent conduct, criminal conduct or intentionally caused injury. The personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel," as used in this paragraph, means the respective party's staff, employees, contractors, members, partners and shareholders. Appraisers and client agree that they have each been free to negotiate different terms than stated above or contract with other parties.
- Client shall defend, indemnify and hold harmless, Portland Valuation Group Inc. (DBA as The Valuation Group), its agents, officers and employees from and against any and all claims, demands and judgments (including attorney fees) made or recovered against them arising out of or resulting from Client's (including its employees, agents and

subcontractors) negligent act or willful misconduct as to this assignment and obligations imposed upon the Client by this relationship. Additionally, Client agrees to defend, indemnify and hold harmless Portland Valuation Group Inc. (DBA as The Valuation Group) from any third party claims regardless of any negligent act by Client.

- The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
- No changes in any federal, state or local laws, regulations or codes are anticipated.
- No environmental impact or hazardous material studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies.
- We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
- The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
- Information, estimates and opinions contained in the report and obtained from third party sources are assumed to be reliable and have not been independently verified.
- If applicable to the assignment, any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value as defined in the appraisal and do not constitute predictions of future operating results.
- No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
- We have assumed that no extreme fluctuations in economic cycles will occur subsequent to the valuation date.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

- Publicly available flood maps noted in the appraisal report have been relied upon as to the subject property being located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
- The appraisers are not a building or environmental inspector. The appraisers do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
- Portland Valuation Group Inc. (DBA as The Valuation Group), an independently owned and operated company, has prepared the appraisal for the specific purpose stated in the report. The intended use of the appraisal is stated in the Description of Scope of Work section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided.
- The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as they may elect; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the appraisers.
- The appraisers may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing, except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.
- The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits or other legislative or administrative authority, local, state, federal and/or private entity or organization have been, or can be, obtained or renewed for any use considered in the value estimate.
- The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
- The market value estimated, and the costs used, are as of the date of value estimate. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

11. Addenda

Exhibit A: Appraiser Qualifications

Exhibit B: Inspection Notification Letter

Exhibit C: Assessor Information

Exhibit D: Commitment for Title Insurance

Exhibit A

DAVID E. BALFOUR, MAI

The Valuation Group

Real Estate Valuation Services

Dave@thevalue-group.com

503-330-8697

David E. Balfour, MAI is a Certified General Appraiser and owner of The Valuation Group (a subsidiary of Portland Valuation Group Inc.). Since 2012 Mr. Balfour has focused his appraisal practice primarily upon public acquisition and eminent domain work. Mr. Balfour is a licensed appraiser in both Oregon and Washington while being experienced as an expert witness. Mr. Balfour has gained competence in a variety of appraisal assignments such as public acquisitions, eminent domain, federal land acquisitions (Yellow Book), estate planning, litigation support and testimony across multiple property types.

PROFESSIONAL DESIGNATIONS & CREDENTIALS

State of Oregon
Certified General Real Estate Appraiser (Cert. No. C001256)
Oregon Department of Transportation (ODOT) Qualified Appraiser
Oregon Real Estate Broker Pre-License Training

State of Washington
Certified General Real Estate Appraiser (Cert. No. 1102402)
Washington Department of Transportation (WSDOT) Qualified Appraiser and Review Appraiser

State of Idaho
Certified General Real Estate Appraiser (Cert. No. 5612)
Idaho Department of Transportation (ITD) Qualified Appraiser and Review Appraiser

MEMBERSHIPS AND AFFILIATIONS

Member of The Appraisal Institute
International Right of Way Association
American Public Works Association
American Society of Farm Managers & Rural Appraisers
Portland Business Journal 40 Under 40

EDUCATION

Linfield College – McMinnville, Oregon – *Bachelor of Science in Finance* – 2012

PROFESSIONAL SERVICES

Appraisal & Appraisal Review
Market Research/Development Land Site Analysis
Expert Witness Testimony/Litigation Support (condemnation & private party)

PROFESSIONAL CONTRIBUTIONS

Greater Oregon Chapter of the Appraisal Institute: Outstanding Candidate Award – 2016
IRWA Chapter 3 Professional of the Year Award - 2019
IRWA Chapter 3 President – 2021-2022
Seminar Group – 2019 & 2021 Faculty for the Oregon Eminent Domain Seminar
APWA Presenter – 2023 Faculty for the APWA Spring 2023 Seminar

STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION

THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

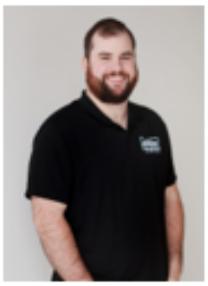
WASHINGTON STATE DEPARTMENT OF LICENSING

CERTIFIED GENERAL REAL ESTATE APPRAISER

DAVID ENGELDINGER BALFOUR

1102402	09/13/2016	10/17/2025
License Number	Issue Date	Expiration Date

Marcus J Glasper, Director



SAM A. KARPELES, MAI
The Valuation Group
Real Estate Valuation Services

Sam@thevalue-group.com
971-235-6263

Sam A. Karpeles, MAI is a Certified General Appraiser and employee of The Valuation Group (A subsidiary of Portland Valuation Group Inc). Since April 2017 Mr. Karpeles has gained experience in a variety of assignments such as public acquisitions, federal land acquisitions (Yellow Book), charitable remainders, estate planning, shopping centers, office, retail, and industrial buildings, vacant land, special purpose properties, single-family residences, multifamily properties, and residential subdivisions. Mr. Karpeles is a licensed appraiser in both Oregon and Washington.

PROFESSIONAL CREDENTIALS

State of Oregon
Certified General Real Estate Appraiser (License No.: C001420)

State of Washington
Certified General Real Estate Appraiser (Cert. No. 20107006)
Washington Department of Transportation (WSDOT) Qualified Appraiser

MEMBERSHIPS AND AFFILIATIONS

Member of The Appraisal Institute
International Right of Way Association
American Society of Farm Managers
& Rural Appraisers

EDUCATION

Oregon State University – Corvallis, Oregon (2008-2013)

- Bachelor of Science
- Naval Reserve Officer Training Corps Scholarship Recipient

PROFESSIONAL SERVICES

Appraisal & Appraisal Review
Market Research/Development Land Site Analysis
Condemnation Valuation/Offer Evaluation
Uniform Appraisal Standards for Federal Land Acquisitions ("Yellow Book")

PROFESSIONAL CONTRIBUTIONS

IRWA Chapter 3 Vice President – 2023 to Present

STATE OF WASHINGTON
DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A
LICENSING
CERTIFIED GENERAL REAL ESTATE APPRAISER
SAM KARPELES
20107006
License Number
07/29/2020
Issue Date
02/16/2026
Expiration Date
Marcus J Glasper, Director

(R/4/23)

Exhibit B

TVG THE VALUATION GROUP
24925 SW Garden Acres Rd
Sherwood, Oregon 97140
Voice: (503) 477-4148 *erin@thevalue-group.com*

Daniel Keto / Naol Washo
901 S 200th St
Des Moines, WA 98198

August 23, 2024

Re: Notice of Appraisal Inspection

To Whom It May Concern:

The Valuation Group has been engaged to conduct real estate valuation services by the following client(s) relative to the identified public improvement project for the property(s) that appear to be in your ownership based upon a review of county assessor records:

Appraisal Type	Partial Acquisition
Client	Epic Land Solutions, Inc.
Project Name	Parametrix/City of Des Moines – North Hill Elementary Walkway Improvements
County	King
Assessor Account	294600-0191

State law requires that written notice be given prior to conducting a physical inspection of the property. The purpose of this letter is to provide this notice as well as offer you the opportunity to accompany the appraiser **at the time of inspection**.

If you would like to inspect the property with the appraiser, please contact the Project & Research Coordinator at erin@thevalue-group.com. Unless a specific appointment is made, I will inspect the proposed acquisition areas from the adjoining right-of-way in the following weeks.

Sincerely,

David E. Balfour, MAI
WA Certified Appraiser 1102402
TVG File Number 24092-110

Please check appropriate box and fill in information:

☐ I hereby waive my notification right and decline co-inspection with the appraiser; or

☐ Please contact me at _____(phone/email) to schedule a co-inspection.

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and Fees
$

Sent To
Daniel Keto / Naol Washo

Street and Apt. No., or PO Box No.
901 S 200th St

City, State, ZIP+4®
Des Moines, WA 98198

PS Form 3800, January 2023 PSN 7530-02-000-0047 See Reverse for Instructions

9589 0710 5270 0411 4138 16

TVG THE VALUATION GROUP
24925 SW Garden Acres Road
Sherwood, OR 97140

CERTIFIED MAIL®

PORTLAND OR RPDC 972
23 AUG 2024 PM 6 L

9589 0710 5270 0411 4138 16

$9.64⁰
US POSTAGE
FIRST-CLASS
FROM 97225
08/23/2024
stamps endicia

N/C
8-26-24

Daniel Keto / Naol Washo
901 S 200th St
Des Moines, WA 98198

NIXIE 980 DE 1 0009/16/24
RETURN TO SENDER
UNCLAIMED
UNABLE TO FORWARD

98198-410240NC
97140>9561

BC: 97140956125 *1614-10986-23-47

Exhibit C

ADVERTISEMENT

New Search Property Tax Bill Map This Property Glossary of Terms Area Report Print Property Detail

PARCEL DATA

Parcel	294600-0191
Name	KETO DANIEL & WASHO NAOL &
Site Address	901 S 200TH ST 98198
Residential Area	088-002 (SW Appraisal District)
Property Name	

Jurisdiction	DES MOINES
Levy Code	1126
Property Type	R
Plat Block / Building Number	6 &
Plat Lot / Unit Number	5-6-7-8
Quarter-Section-Township-Range	SE-6 -22-4

Legal Description

GROVE ADD TO DES MOINES E 14 FT OF 5-6-7-8 BLK 7 & POR OF VAC ST ADJ & W 12 FT OF LOTS 5-6-7-8 BLK 6 & POR OF VAC ST ADJ
PLat Block: 6 &
Plat Lot: 5-6-7-8

LAND DATA

Highest & Best Use As If Vacant	SINGLE FAMILY
Highest & Best Use As Improved	PRESENT USE
Present Use	Single Family(Res Use/Zone)
Land SqFt	9,800
Acres	0.22

Percentage Unusable	
Unbuildable	NO
Restrictive Size Shape	NO
Zoning	RS-7200
Water	WATER DISTRICT
Sewer/Septic	PRIVATE
Road Access	PUBLIC
Parking	
Street Surface	PAVED

Views

Rainier	
Territorial	
Olympics	
Cascades	
Seattle Skyline	
Puget Sound	
Lake Washington	
Lake Sammamish	
Lake/River/Creek	
Other View	

Waterfront

Waterfront Location	
Waterfront Footage	0
Lot Depth Factor	0
Waterfront Bank	
Tide/Shore	
Waterfront Restricted Access	
Waterfront Access Rights	NO
Poor Quality	NO
Proximity Influence	NO

Designations

Historic Site	
Current Use	(none)
Nbr Bldg Sites	
Adjacent to Golf Fairway	NO
Adjacent to Greenbelt	NO
Other Designation	NO
Deed Restrictions	NO
Development Rights Purchased	NO
Easements	NO
Native Growth Protection Easement	NO
DNR Lease	NO

Nuisances

Topography	
Traffic Noise	MODERATE
Airport Noise	
Power Lines	NO
Other Nuisances	NO

Problems

Water Problems	NO
Transportation Concurrency	NO
Other Problems	NO

Environmental

Environmental	NO

BUILDING

Building Number	1
Year Built	1957
Year Renovated	0
Stories	1

Click the camera to see more pictures.

Reference Links

- Residential Physic Inspection Areas
- King County Taxin Districts Codes an Levies (.PDF)
- King County Tax Links
- Property Tax Advis
- Washington State Department of Revenue (External link)
- Washington State Board of Tax Appe (External link)
- Board of Appeals/Equalizati
- Districts Report
- iMap
- Recorder's Office
- Scanned images o surveys and other map documents
- Scanned images o plats
- Housing Availabilit Dashboard

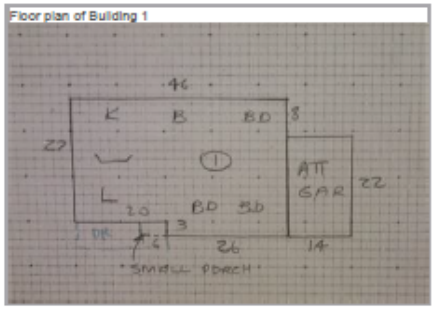
Notice mailing date: 08/15/2024

ADVERTISEME

Living Units	1
Grade	7 Average
Grade Variant	0
Condition	Good
Basement Grade	6 Low Average
1st Floor	1,320
1/2 Floor	0
2nd Floor	0
Upper Floor	0
Finished Basement	1,320
Total Finished Area	2,640
Total Basement	1,320
Basement Garage	0
Unfinished 1/2	0
Unfinished Full	0
AGLA	1,320
Attached Garage	310
Bedrooms	3
Full Baths	1
3/4 Baths	1
1/2 Baths	0
Heat Source	Gas
Heat System	Forced Air
Deck Area SqFt	370
Open Porch SqFt	50
Enclosed Porch SqFt	220
Brick/Stone	0
Fireplace Single Story	0
Fireplace Multi Story	1
Fireplace Free Standing	0
Fireplace Additional	1
AddnlCost	0
Obsolescence	0
Net Condition	0
Percentage Complete	0
Daylight Basement	YES
View Utilization	

Picture of Building 1

Floor plan of Building 1



TAX ROLL HISTORY

Account	Valued Year	Tax Year	Omit Year	Levy Code	Appraised Land Value ($)	Appraised Imps Value ($)	Appraised Total Value ($)	New Dollars ($)	Taxable Land Value ($)	Taxable Imps Value ($)	Taxable Total Value ($)	Tax Value Reason
2946000191 02	2024	2025		1126	168,000	489,000	657,000	0	168,000	489,000	657,000	
2946000191 02	2023	2024		1126	152,000	438,000	590,000	0	152,000	438,000	590,000	
2946000191 02	2022	2023		1126	146,000	495,000	641,000	44,000	146,000	495,000	641,000	
2946000191 02	2021	2022		1126	120,000	367,000	487,000	0	120,000	367,000	487,000	
2946000191 02	2020	2021		1126	105,000	321,000	426,000	0	105,000	321,000	426,000	
2946000191 02	2019	2020		1126	100,000	310,000	410,000	0	100,000	310,000	410,000	
2946000191 02	2018	2019		1126	86,000	277,000	363,000	0	86,000	277,000	363,000	
2946000191 02	2017	2018		1126	82,000	246,000	328,000	0	82,000	246,000	328,000	
2946000191 02	2016	2017		1126	75,000	195,000	270,000	0	75,000	195,000	270,000	
2946000191 02	2015	2016		1126	70,000	176,000	246,000	0	70,000	176,000	246,000	
2946000191 02	2014	2015		1126	66,000	163,000	229,000	0	66,000	163,000	229,000	
2946000191 02	2013	2014		1126	60,000	114,000	174,000	0	60,000	114,000	174,000	
2946000191 02	2012	2013		1126	73,000	114,000	187,000	0	73,000	114,000	187,000	
2946000191 02	2011	2012		1126	80,000	122,000	202,000	0	80,000	122,000	202,000	
2946000191 02	2010	2011		1126	88,000	133,000	221,000	0	88,000	133,000	221,000	
2946000191 02	2009	2010		1126	88,000	141,000	229,000	0	88,000	141,000	229,000	
2946000191 02	2008	2009		1126	72,000	240,000	312,000	0	72,000	240,000	312,000	
2946000191 02	2007	2008		1126	69,000	215,000	284,000	0	69,000	215,000	284,000	
2946000191 02	2006	2007		1126	62,000	188,000	250,000	0	62,000	188,000	250,000	
2946000191 02	2005	2006		1126	58,000	175,000	233,000	0	58,000	175,000	233,000	
2946000191 02	2004	2005		1126	55,000	164,000	219,000	0	55,000	164,000	219,000	

2946000	19102	2003	2004		1126	52,000	154,000	206,000	0	52,000	154,000	206,000	
2946000	19102	2002	2003		1140	50,000	145,000	195,000	0	50,000	145,000	195,000	
2946000	19102	2001	2002		1140	38,000	136,000	174,000	0	38,000	136,000	174,000	
2946000	19102	2000	2001		1140	38,000	124,000	162,000	0	38,000	124,000	162,000	
2946000	19102	1999	2000		1140	37,000	107,000	144,000	0	37,000	107,000	144,000	
2946000	19102	1998	1999		1140	36,000	97,000	133,000	0	36,000	97,000	133,000	
2946000	19102	1997	1998		1140	0	0	0	0	36,000	89,000	125,000	
2946000	19102	1996	1997		1140	0	0	0	0	37,000	72,300	109,300	
2946000	19102	1994	1995		1139	0	0	0	0	37,000	72,300	109,300	
2946000	19102	1992	1993		3950	0	0	0	0	51,000	60,300	111,300	
2946000	19102	1990	1991		3950	0	0	0	0	30,700	60,300	91,000	
2946000	19102	1988	1989		3950	0	0	0	0	20,500	49,800	70,300	
2946000	19102	1986	1987		3950	0	0	0	0	21,600	44,800	66,400	
2946000	19102	1984	1985		3950	0	0	0	0	24,000	44,400	68,400	
2946000	19102	1982	1983		3950	0	0	0	0	24,000	44,400	68,400	

SALES HISTORY

Excise Number	Recording Number	Document Date	Sale Price	Seller Name	Buyer Name	Instrument	Sale Reason
3018388	20191021001087	10/18/2019	$450,000.00	NGUYEN NGOC-TUYET THI	KETO DANIEL+WASHO NAOL+ET AL	Statutory Warranty Deed	None
2624083	20111223001750	12/14/2011	$160,000.00	FANNIE MAE	NGUYEN NGOC-TUYET THI	Bargain and Sales Deed	Other
2614031	20111014001046	10/12/2011	$0.00	NORTHWEST TRUSTEE SERVICES INC	FEDERAL NATIONAL MORTGAGE ASSOCIATION	Trustees' Deed	Foreclosure
912930	198812031688	11/26/1986	$71,400.00	SORRELL MICHAEL J	STANAWAY DAN W+CYNTHIA D	Warranty Deed	None

REVIEW HISTORY

PERMIT HISTORY

HOME IMPROVEMENT EXEMPTION

New Search Property Tax Bill Map This Property Glossary of Terms Area Report Print Property Detail

ADVERTISEMENT

Exhibit D

WFG National Title Insurance Company
a Williston Financial Group company

Daniel Keto and Naol Washo
901 S 200th St
Des Moines, WA 98198

Reference: **Daniel Keto**

Order No.: 24-161483

Liability:	$1,000.00
Charge:	$250.00
Tax:	$25.88
Total:	$275.88

SUBDIVISION GUARANTEE

Subject to the Exclusions from Coverage, the limits of liability and other provisions of the Conditions and Stipulations hereto annexed and made a part of this Guarantee, and subject to the further exclusion and limitation that no guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule A or with respect to the validity, legal effect or priority of any matter shown therein. WFG National Title Insurance Company a corporation herein called the Company,

GUARANTEES

the Assured named in Schedule A against actual monetary loss or damage not exceeding the liability amount stated herein which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

Dated: **June 26, 2024**

Issued By:
WFG National Title Company of Washington, LLC, as Issuing Agent for WFG National Title Insurance Company

By: _____
Authorized Signature

WFG NATIONAL TITLE INSURANCE COMPANY

By: _____
Steve Ozonian, President/CEO

ATTEST: _____
Joseph V. McCabe, EVP/General Counsel/Secretary

SUBDIVISION GUARANTEE

SCHEDULE A

Guarantee No.:	**3153353-6078344**	Liability:	**$1,000.00**
Date of Guarantee:	**June 26, 2024**	Fee:	**$250.00**

1. Name of Assured:

   EPIC LAND SOLUTIONS, INC.

2. Date of Guarantee:

   June 26, 2024

3. The assurances referred to on the face page hereof are:

   a. That according to those public records which, under the recording laws, impart constructive notice of matters affecting title to the following described land:

      See Exhibit "A" attached hereto and made a part hereof

   b. Title to the estate or interest in the land is vested in:

      Daniel Keto, a single man, Ayantu Salfago, a single woman, Abdisa Washo, a single man and Naol Washo, a single woman

   c. The estate or interest in the land which is covered by the Guarantee is:

      Fee Simple

Subject to the Exceptions shown below, which are not necessarily shown in order of their priority.

EXCEPTIONS

1. (A) UNPATENTED MINING CLAIMS; (B) RESERVATIONS OR EXCEPTIONS IN PATENTS OR IN ACTS AUTHORIZING THE ISSUANCE THEREOF; (C) INDIAN TREATY OR ABORIGINAL RIGHTS, INCLUDING, BUT NOT LIMITED TO, EASEMENTS OR EQUITABLE SERVITUDES; OR, (D) WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT THE MATTERS EXCEPTED UNDER (A), (B), (C) OR (D) ARE SHOWN BY THE PUBLIC RECORDS.

2. Taxes and charges, together with interest, penalty and statutory foreclosure costs, if any, after delinquency:
   Tax Year: 2024
   Tax Type: County
   Tax ID No.: 2946000191
   Taxing Entity: King County Treasurer
   Total Annual Tax: $7,399.40
   First Installment: $3,699.70
   First Installment Status: Paid
   First Installment Due/Paid Date: April 30, 2024
   First Installment Delinquent Date: May 1, 2024
   Second Installment: $3,699.70
   Second Installment Status: Due
   Second Installment Due/Paid Date: October 31, 2024
   Second Installment Delinquent Date: November 1, 2024
   Notes: View Taxes

3. Local improvement assessments, if any, levied by the City of Des Moines.

4. Deed of Trust and the terms and conditions thereof:

Grantor: Daniel Keto, a single man and Ayantu Salfago,a single woman and Abdisa Washo, a single man and Naol Washo, a single woman.
Trustee: WFG National Title Company
Lender/Beneficiary: CrossCountry Mortgage, LLC and MERS solely as Nominee for CrossCountry Mortgage, LLC
Original Amount: $441,849.00
Dated: October 18, 2019
Recorded: October 21, 2019
Recording No.: 20191021001089

5. Easement rights and maintenance agreements, if any, for utilities which may have been granted in vacated streets and alleys prior to their vacation.

6. Easement and the terms, conditions and provisions thereof, as disclosed by that certain instrument recorded as 9707180321, of Official Records.
For: Avigation for Seattle-Tacoma International Airport
In favor of: Port of Seattle

7. Resolution 13-9-4A and the terms and provisions thereof, recorded in 20140106000375, of Official Records.

8. Notice and the terms and conditions thereof, given by Ngoc-Tuyet Thi Nguyen, recorded on October 21, 2019, in 20191021001086, of Official Records, regarding: On-site sewage system operation and maintenance requirements.

EXHIBIT "A"

LEGAL DESCRIPTION

THE EAST 14 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 7, GROVE ADDITION TO THE TOWN OF DES MOINES, AS PER PLAT RECORDED IN VOLUME 4 OF PLATS, PAGE 83, RECORDS OF KING COUNTY AUDITOR;

TOGETHER WITH VACATED STREETS ADJOINING AND THE WEST 12 FEET OF LOTS 5, 6, 7 AND 8, BLOCK 6, GROVE ADDITION TO THE TOWN OF DES MOINES, AS PER PLAT RECORDED IN VOLUME 4 OF PLATS, PAGE 83, RECORDS OF KING COUNTY AUDITOR;

AND TOGETHER WITH VACATED STREETS ADJOINING;

Tax Account No(s): 2946000191

Puget Sound Regional Office
1950 Black Lake Blvd, Suite B
Olympia, WA 98512
epicland.com

December 18, 2025

To: **City of Des Moines**

From: **Christine Nickerson, V.P. Northwest, Epic Land Solutions**
Jessica Niella, Sr. Project Manager, Epic Land Solutions
Sara Johnson, Right of Way Agent, Epic Land Solutions

RE: **Administrative Settlement**
Project: City of Des Moines North Hill Elementary Walkway Improvements
Property Owner: Keto (File 110)
Situs Address: 901 S 200th ST, Des Moines, WA 98198

Just Compensation: $33,800.00
Administrative Settlement: $25,620.00
Settlement Amount: $59,420.00

Background:

The City of Des Moines is planning to improve walkways to North Hill Elementary School. These improvements will provide accessibility to all pedestrians, including those with limited mobility, and ensure that everyone can safely navigate the area.

The property in question is located at 901 S 200th ST, Des Moines, WA 98198. It features a SFR on a lot approximately 9,800 square feet in size. The project requires a permanent easement of 1,289 square feet and a temporary construction easement of 1687 square feet.

An Appraisal was completed on January 3, 2025, valuing the right of way dedication, temporary construction easement and Improvements at $33,800.00 (rounded). On January 29, 2025, the offer package was sent to the property owners, Daniel Keto and Naol Washo ET AL, via certified mail. Mr. Keto, said that the amount offered was lower than expected and felt they should receive compensation of an additional $50,000.00 for a total amount of $88,800.00. In additional Mr. Keto has asked for the rear property to be reinforced with asphalt as he feels he will be losing valuable parking in front of the home. Originally the City had agreed to reinforce the rear parking but did not have comparables to justify the increased price. Mr. Keto has refused to accept the offer from the City without the monetary increase to $88,800.00. Mr. Keto has now sent comparables for the City to

consider with his counteroffer. After much back and forth with Mr. Keto, he has refused to accept anything less than the $88,800.00 but has agreed to remove his requirement for the rear parking improvements. Therefore, Mr. Keto is strictly asking for the monetary value of $88,800.00. After several months of negotiations and notification that the City would be hiring an Attorney, the final offer was presented to the Mr. Keto based on the highest comparable that Mr. Keto provided at $33.86/sf. Mr. Keto was also advised to obtain his own valuation as well as seek legal counsel to help understand the offer from the City. We presented the final offer of $59,420.00. This offer was presented and accepted by Mr. Keto.

Justification:

Market Evidence:
Owner-provided comparables supported a significantly higher valuation than the appraisal, with the highest comparable at $33.86 per square foot.
The final settlement reflects consideration of these comparables while remaining below the owner's initial demand, ensuring fiscal responsibility.

Avoidance of Litigation:
Continued negotiations indicated that litigation was likely if the City adhered strictly to the appraised value.
An administrative settlement avoids court costs, attorney fees, and project delays, which could exceed the additional settlement amount.

Public Interest and Project Timeliness:
The walkway improvement project serves a critical public safety and accessibility function for North Hill Elementary School.
Delays caused by condemnation proceedings would negatively impact project schedules and increase overall costs.

Compliance with WSDOT Guidance:
Washington State allows administrative settlements when supported by documented justification, including market data, negotiation history, and cost-benefit analysis.
The settlement amount is reasonable, prudent, and consistent with the principle of fair and equitable treatment of property owners.

Conclusion:

I recommend that the administrative settlement of $25,620.00 be approved. The landowner has been fairly cooperative and is trying to be fair and reasonable. The increase is justified and appears to be a reasonable and productive step towards the successful completion of this project.

Recommended:

By: _____ ___0/12/2026_____

Sara Johnson, Right of Way Agent **Date**
Epic Land Solutions

Approved:

By: _____ _____

City of Des Moines **Date**

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **State of Washington Department of Ecology 2025-2027 Water Quality Stormwater Capacity Grant Award**

ATTACHMENTS:
1. Water Quality Stormwater Capacity Agreement No. WQSWCAP-2527-DeMSWD-00192

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Engineering

DATE SUBMITTED:
January 07, 2026

CLEARANCES:
Public Works
Finance

Purpose and Recommendation

The purpose of this agenda item is to seek City Council acceptance of the State of Washington Department of Ecology Grant Agreement (Attachment 1). For Fiscal Years 2025-2027, the Department of Ecology has offered the City of Des Moines a $120,000 grant to be used in support of National Pollutant Discharge Elimination System, commonly referred to as NPDES, permit required activities. The following motion will appear on the Consent Agenda:

Suggested Motion:

Motion: "I move to accept the State of Washington Department of Ecology 2025-2027 Water Quality Stormwater Capacity Grant Award for the City of Des Moines and authorize the City Manager to sign the Grant Agreement substantially in the form as submitted."

Background

On January 17, 2007, the Department of Ecology issued to the City of Des Moines the NPDES Western Washington Phase II Municipal Stormwater Permit, which regulates discharges to all waters under the jurisdiction of the United States and requires the City to develop programs to prevent and prohibit pollutant discharges to the City's stormwater system, surface waters, and groundwater. The City is currently operating under the August 1, 2024 version of this permit.

As a part of the State's Local Governments Stormwater Grants Program, the City has received a $120,000 grant offer from Ecology to be used for NPDES permit implementation activities. This grant program is offered every two (2) years to each Phase II jurisdiction to assist with the costs associated with implementing the Stormwater Management Program.

The City has been awarded nine previous grants from the Local Governments Stormwater Grants Program ($75,000 for 2007-2009, $50,000 for 2010, $197,425 for 2011-2013, $170,000 for 2013-2015, $25,000 for 2015-2017, $50,000 for 2017-2019, $50,000 for 2019-2021, $50,000 for 2021-2023, and $130,000 for 2023-2025).

Discussion

In previous years, grant funds have been used to cover staff costs for developing drainage inventory maps, preparing planning documents and manuals, purchasing field equipment such as pipe camera systems and GPS PDAs (personal digital assistants) used for field mapping, implementing the CityWorks software program for managing maintenance to the drainage system and tracking associated costs, as well as several software upgrades to the mapping system. During the grant term, staff will review the program's needs with the emphasis that grant funds be used toward one-time expense items rather than ongoing expenses of the program.

Alternatives

If the City were to not accept this grant offer, the funds will be made available to other jurisdictions.

Financial Impact

The $120,000 operation grant does not require a local funding match and expenses are eligible for funding from July 1, 2025 through March 31, 2027.

Recommendation

Staff recommends adoption of the motion.

Agreement No. WQSWCAP-2527-DeMSWD-00192

WATER QUALITY STORMWATER CAPACITY AGREEMENT

BETWEEN

THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

CITY OF DES MOINES

This is a binding Agreement entered into by and between the state of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY," and City of Des Moines, hereinafter referred to as the "RECIPIENT," to carry out with the provided funds activities described herein.

GENERAL INFORMATION

Project Title:	2025-2027 Biennial Stormwater Capacity Grant
Total Cost:	$120,000.00
Total Eligible Cost:	$120,000.00
Ecology Share:	$120,000.00
Recipient Share:	$0.00
The Effective Date of this Agreement is:	07/01/2025
The Expiration Date of this Agreement is no later than:	03/31/2027
Project Type:	Capacity Grant

Project Short Description:
This project will assist Phase I and II Permittees in implementation or management of municipal stormwater programs.

Project Long Description:
N/A

Overall Goal:
This project will improve water quality in the State of Washington by reducing stormwater pollutants discharged to state water bodies.

RECIPIENT INFORMATION

Organization Name: City of Des Moines

Federal Tax ID: 91-6016496
UEI Number: NY7AZ9H2VK25

Mailing Address: 21650 11th Ave S
Des Moines, WA 98198

Physical Address: 21650 11th Ave S
Des Moines, Washington 98198

Organization Email: towen@desmoineswa.gov
Organization Fax: (206) 870-6596

Contacts

Project Manager	Michael Posey Engineering Technician 21650 11th Ave S Des Moines, Washington 98198 Email: mposey@desmoineswa.gov Phone: (206) 870-6870
Billing Contact	Jackson Sweigart Principal Accountant 21650 11th Ave S Des Moines, Washington 98198 Email: jsweigart@desmoineswa.gov Phone: (206) 870-6870
Authorized Signatory	Tyler Austin Beekley Surface Water Manager 21650 11th Ave S Des Moines, Washington 98098 Email: tbeekley@desmoineswa.gov Phone: (206) 870-6869

ECOLOGY INFORMATION

Mailing Address: Department of Ecology
Water Quality
PO BOX 47600
Olympia, WA 98504-7600

Physical Address: Water Quality
300 Desmond Drive SE
Lacey, WA 98503

Contacts

Project Manager	Kyle Graunke PO Box 47600 Olympia, Washington 98504-7600 Email: kygr461@ecy.wa.gov Phone: (360) 628-3890
Financial Manager	Kyle Graunke PO Box 47600 Olympia, Washington 98504-7600 Email: kygr461@ecy.wa.gov Phone: (360) 628-3890

AUTHORIZING SIGNATURES

RECIPIENT agrees to furnish the necessary personnel, equipment, materials, services, and otherwise do all things necessary for or incidental to the performance of work as set forth in this Agreement.

RECIPIENT acknowledges that they had the opportunity to review the entire Agreement, including all the terms and conditions of this Agreement, Scope of Work, attachments, and incorporated or referenced documents, as well as all applicable laws, statutes, rules, regulations, and guidelines mentioned in this Agreement. Furthermore, the RECIPIENT has read, understood, and accepts all requirements contained within this Agreement.

This Agreement contains the entire understanding between the parties, and there are no other understandings or representations other than as set forth, or incorporated by reference, herein.

No subsequent modifications or amendments to this agreement will be of any force or effect unless in writing, signed by authorized representatives of the RECIPIENT and ECOLOGY and made a part of this agreement. ECOLOGY and RECIPIENT may change their respective staff contacts without the concurrence of either party.

This Agreement shall be subject to the written approval of Ecology's authorized representative and shall not be binding until so approved.

The signatories to this Agreement represent that they have the authority to execute this Agreement and bind their respective organizations to this Agreement.

IN WITNESS WHEREOF: the parties hereto, having read this Agreement in its entirety, including all attachments, do agree in each and every particular and have thus set their hands hereunto.

Washington State
Department of Ecology

By: _____

Jon Kenning, PhD Date

Water Quality

Program Manager

Template Approved to Form by
Attorney General's Office

City of Des Moines

By: _____

Tyler Austin Beekley Date

Surface Water Manager

SCOPE OF WORK

Task Number: 1 **Task Cost:** $0.00

Task Title: Project Administration/Management

Task Description:
A. The RECIPIENT shall carry out all work necessary to meet ECOLOGY grant or loan administration requirements. Responsibilities include, but are not limited to: Maintenance of project records; submittal of requests for reimbursement and corresponding backup documentation; progress reports; and the EAGL (Ecology Administration of Grants and Loans) recipient closeout report (including photos, if applicable). In the event that the RECIPIENT elects to use a contractor to complete project elements, the RECIPIENT shall retain responsibility for the oversight and management of this funding agreement.

B. The RECIPIENT shall keep documentation that demonstrates the project is in compliance with applicable procurement, contracting, and interlocal agreement requirements; permitting requirements, including application for, receipt of, and compliance with all required permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items. This documentation shall be available upon request.

C. The RECIPIENT shall maintain effective communication with ECOLOGY and maintain up-to-date staff contact information in the EAGL system. The RECIPIENT shall carry out this project in accordance with any completion dates outlined in this agreement.

Task Goal Statement:
Properly managed and fully documented project that meets ECOLOGY's grant and loan administrative requirements.

Task Expected Outcome:
* Timely and complete submittal of requests for reimbursement, quarterly progress reports, and Recipient Closeout Report.
* Properly maintained project documentation.

Project Administration/Management

Deliverables

Number	Description	Due Date
1.1	Progress Reports that include descriptions of work accomplished, project challenges or changes in the project schedule. Submitted at least quarterly.	
1.2	Recipient Closeout Report (EAGL Form).	

SCOPE OF WORK

Task Number: 2 **Task Cost:** $120,000.00

Task Title: Permit Implementation

Task Description:
Conduct work related to implementation of municipal stormwater National Pollutant Discharge Elimination System (NPDES) permit requirements. If the RECIPIENT is out of compliance with the Municipal Stormwater National Pollutant Discharge Elimination System (NPDES) permit, the RECIPIENT will use funds to attain compliance where applicable. The following is a list of elements projects may include:

1) Public education and outreach activities, including stewardship activities.
2) Public involvement and participation activities.
3) Illicit discharge detection and elimination (IDDE) program activities, including:
   a) Mapping of municipal separate storm sewer systems (MS4s).
   b) Staff training.
   c) Activities to identify and remove illicit stormwater discharges.
   d) Field screening procedures.
   e) Complaint hotline database or tracking system improvements.
4) Activities to support programs to control runoff from new development, redevelopment, and construction sites, including:
   a) Development of an ordinance and associated technical manual or update of applicable codes.
   b) Inspections before, during, and upon completion of construction, or for post-construction long-term maintenance.
   c) Training for plan review or inspection staff.
   d) Participation in applicable watershed planning effort.
5) Pollution prevention, good housekeeping, and operation and maintenance program activities, such as:
   a) Inspecting and/or maintaining the MS4 infrastructure.
   b) Developing and/or implementing policies, procedures, or stormwater pollution prevention plans at municipal properties or facilities. 6) Annual reporting activities.
7) Establishing and refining stormwater utilities, including stable rate structures.
8) Water quality monitoring to implement permit requirements for a Water Cleanup Plan (Total Maximum Daily Load (TMDL)). Note that any monitoring funded by this program requires submittal of a Quality Assurance Project Plan (QAPP) that ECOLOGY approves prior to awarding funding for monitoring. Monitoring must directly meet a Phase I or II permit requirement.
9) Structural stormwater controls program activities (Phase I permit requirement).
10) Source control for existing development (Phase I permit requirement), including:
   a) Inventory and inspection program.
   b) Technical assistance and enforcement.
   c) Staff training.
11) Equipment purchases that result directly in improved permit compliance. Equipment purchases must be specific to implementing a permit requirement (such as a vactor truck) rather than general use (such as a pick-up truck). Equipment purchases over $5,000.00 must be pre-approved by ECOLOGY.

Documentation of all tasks completed is required. Documentation may include field reports, dates and number of inspections conducted, dates of trainings held and participant lists, number of illicit discharges investigated and removed, summaries of planning, stormwater utility or procedural updates, annual reports, copies of approved QAPPs, summaries of structural or source control activities, summaries of how equipment purchases have increased or

improved permit compliance.

Ineligible expenses include capital construction projects, incentives or give-a-ways, grant application preparation, Technology Assessment Protocol - Ecology (TAPE) review for proprietary treatment systems, or tasks that do not support Municipal Stormwater Permit implementation.

Task Goal Statement:
This task will improve water quality in the State of Washington by reducing the pollutants delivered by stormwater to lakes, streams, and the Puget Sound by implementing measures required by Phase I and II NPDES permits.

Task Expected Outcome:
RECIPIENTs will implement measures required by Phase I and II NPDES permits.

Permit Implementation

Deliverables

Number	Description	Due Date
2.1	Documentation of tasks completed	

BUDGET

Funding Distribution EG260252

NOTE: *The above funding distribution number is used to identify this specific agreement and budget on payment remittances and may be referenced on other communications from ECOLOGY. Your agreement may have multiple funding distribution numbers to identify each budget.*

Funding Title: 2025-2027 Stormwater Capacity Grant
Funding Type: Grant
Funding Effective Date: 07/01/2025 Funding Expiration Date: 03/31/2027
Funding Source:

Title: Model Toxics Control Stormwater Account (MTCSA)

Fund: FD
Type: State
Funding Source %: 100%
Description: MTCSA

Approved Indirect Costs Rate: Approved State Indirect Rate: 30%
Recipient Match %: 0%
InKind Interlocal Allowed: No
InKind Other Allowed: No
Is this Funding Distribution used to match a federal grant? No

2025-2027 Stormwater Capacity Grant	Task Total
Permit Implementation	$ 120,000.00
	Total: $ 120,000.00

Funding Distribution Summary

Recipient / Ecology Share

Funding Distribution Name	Recipient Match %	Recipient Share	Ecology Share	Total
2025-2027 Stormwater Capacity Grant	0.00 %	$ 0.00	$ 120,000.00	$ 120,000.00
Total		**$ 0.00**	**$ 120,000.00**	**$ 120,000.00**

AGREEMENT SPECIFIC TERMS AND CONDITIONS

N/A

SPECIAL TERMS AND CONDITIONS

GENERAL FEDERAL CONDITIONS

If a portion or all of the funds for this agreement are provided through federal funding sources or this agreement is used to match a federal grant award, the following terms and conditions apply to you.

A. CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION:

1. The RECIPIENT/CONTRACTOR, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT/CONTRACTOR is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT/CONTRACTOR shall provide immediate written notice to ECOLOGY if at any time the RECIPIENT/CONTRACTOR learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact ECOLOGY for assistance in obtaining a copy of those regulations.
4. The RECIPIENT/CONTRACTOR agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
5. The RECIPIENT/CONTRACTOR further agrees by signing this agreement, that it will include this clause titled

"CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

6. Pursuant to 2CFR180.330, the RECIPIENT/CONTRACTOR is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
7. RECIPIENT/CONTRACTOR acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
8. RECIPIENT/CONTRACTOR agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to ECOLOGY before requests for reimbursements will be approved for payment. RECIPIENT/CONTRACTOR must run a search in <http://www.sam.gov> and print a copy of completed searches to document proof of compliance.

B. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) REPORTING REQUIREMENTS:

CONTRACTOR/RECIPIENT must complete the FFATA Data Collection Form (ECY 070-395) and return it with the signed agreement to ECOLOGY.

Any CONTRACTOR/RECIPIENT that meets each of the criteria below must report compensation for its five top executives using the FFATA Data Collection Form.

- Receives more than $30,000 in federal funds under this award.
- Receives more than 80 percent of its annual gross revenues from federal funds.
- Receives more than $25,000,000 in annual federal funds.

Ecology will not pay any invoices until it has received a completed and signed FFATA Data Collection Form. Ecology is required to report the FFATA information for federally funded agreements, including the required Unique Entity Identifier in www.sam.gov <http://www.sam.gov/> within 30 days of agreement signature. The FFATA information will be available to the public at www.usaspending.gov <http://www.usaspending.gov/>.

For more details on FFATA requirements, see www.fsrs.gov <http://www.fsrs.gov/>.

C. FEDERAL FUNDING PROHIBITION ON CERTAIN TELECOMMUNICATIONS OR VIDEO SURVEILLANCE SERVICES OR EQUIPMENT:

As required by 2 CFR 200.216, federal grant or loan recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

1. Procure or obtain;
2. Extend or renew a contract to procure or obtain; or
3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment, video surveillance services or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232 <https://www.govinfo.gov/content/pkg/PLAW-115publ232/pdf/PLAW-115publ232.pdf>, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

Recipients, subrecipients, and borrowers also may not use federal funds to purchase certain prohibited equipment, systems, or services, including equipment, systems, or services produced or provided by entities identified in section 889, are recorded in the System for Award Management (SAM) <https://sam.gov/SAM/> exclusion list.

GENERAL TERMS AND CONDITIONS

Pertaining to Grant and Loan Agreements With the state of Washington, Department of Ecology

GENERAL TERMS AND CONDITIONS
For DEPARTMENT OF ECOLOGY GRANTS and LOANS
07/01/2023 Version

1. ADMINISTRATIVE REQUIREMENTS

a) RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans – EAGL Edition." (https://fortress.wa.gov/ecy/publications/SummaryPages/2301002.html)
b) RECIPIENT shall complete all activities funded by this Agreement and be fully responsible for the proper management of all funds and resources made available under this Agreement.
c) RECIPIENT agrees to take complete responsibility for all actions taken under this Agreement, including ensuring all subgrantees and contractors comply with the terms and conditions of this Agreement. ECOLOGY reserves the right to request proof of compliance by subgrantees and contractors.
d) RECIPIENT's activities under this Agreement shall be subject to the review and approval by ECOLOGY for the extent and character of all work and services.

2. AMENDMENTS AND MODIFICATIONS

This Agreement may be altered, amended, or waived only by a written amendment executed by both parties. No subsequent modification(s) or amendment(s) of this Agreement will be of any force or effect unless in writing and signed by authorized representatives of both parties. ECOLOGY and the RECIPIENT may change their respective staff contacts and administrative information without the concurrence of either party.

3. ACCESSIBILITY REQUIREMENTS FOR COVERED TECHNOLOGY

The RECIPIENT must comply with the Washington State Office of the Chief Information Officer, OCIO Policy no. 188, Accessibility (https://ocio.wa.gov/policy/accessibility) as it relates to "covered technology." This requirement applies to all products supplied under the Agreement, providing equal access to information technology by individuals with disabilities, including and not limited to web sites/pages, web-based applications, software systems, video and audio content, and electronic documents intended for publishing on Ecology's public web site.

4. ARCHAEOLOGICAL AND CULTURAL RESOURCES

RECIPIENT shall take all reasonable action to avoid, minimize, or mitigate adverse effects to archaeological and historic archaeological sites, historic buildings/structures, traditional cultural places, sacred sites, or other cultural resources, hereby referred to as Cultural Resources.
The RECIPIENT must agree to hold harmless ECOLOGY in relation to any claim related to Cultural Resources discovered, disturbed, or damaged due to the RECIPIENT's project funded under this Agreement.
RECIPIENT shall:
a) Contact the ECOLOGY Program issuing the grant or loan to discuss any Cultural Resources requirements for their project:
• Cultural Resource Consultation and Review should be initiated early in the project planning process and must be completed prior to expenditure of Agreement funds as required by applicable State and Federal requirements.
* For state funded construction, demolition, or land acquisitions, comply with Governor Executive Order 21-02, Archaeological and Cultural Resources.
• For projects with any federal involvement, comply with the National Historic Preservation Act of 1966 (Section 106).

b) If required by the ECOLOGY Program, submit an Inadvertent Discovery Plan (IDP) to ECOLOGY prior to implementing any project that involves field activities. ECOLOGY will provide the IDP form.
RECIPIENT shall:
• Keep the IDP at the project site.
• Make the IDP readily available to anyone working at the project site.
• Discuss the IDP with staff, volunteers, and contractors working at the project site.
• Implement the IDP when Cultural Resources or human remains are found at the project site.
c) If any Cultural Resources are found while conducting work under this Agreement, follow the protocol outlined in the project IDP.
• Immediately stop work and notify the ECOLOGY Program, who will notify the Department of Archaeology and Historic Preservation at (360) 586-3065, any affected Tribe, and the local government.
d) If any human remains are found while conducting work under this Agreement, follow the protocol outlined in the project IDP.
• Immediately stop work and notify the local Law Enforcement Agency or Medical Examiner/Coroner's Office, the Department of Archaeology and Historic Preservation at (360) 790-1633, and then the ECOLOGY Program.
e) Comply with RCW 27.53, RCW 27.44, and RCW 68.50.645, and all other applicable local, state, and federal laws protecting Cultural Resources and human remains.

5. ASSIGNMENT
No right or claim of the RECIPIENT arising under this Agreement shall be transferred or assigned by the RECIPIENT.

6. COMMUNICATION
RECIPIENT shall make every effort to maintain effective communications with the RECIPIENT's designees, ECOLOGY, all affected local, state, or federal jurisdictions, and any interested individuals or groups.

7. COMPENSATION
a) Any work performed prior to effective date of this Agreement will be at the sole expense and risk of the RECIPIENT. ECOLOGY must sign the Agreement before any payment requests can be submitted.
b) Payments will be made on a reimbursable basis for approved and completed work as specified in this Agreement.
c) RECIPIENT is responsible to determine if costs are eligible. Any questions regarding eligibility should be clarified with ECOLOGY prior to incurring costs. Costs that are conditionally eligible require approval by ECOLOGY prior to expenditure.
d) RECIPIENT shall not invoice more than once per month unless agreed on by ECOLOGY.
e) ECOLOGY will not process payment requests without the proper reimbursement forms, Progress Report and supporting documentation. ECOLOGY will provide instructions for submitting payment requests.
f) ECOLOGY will pay the RECIPIENT thirty (30) days after receipt of a properly completed request for payment.
g) RECIPIENT will receive payment through Washington State's Office of Financial Management's Statewide Payee Desk. To receive payment you must register as a statewide vendor by submitting a statewide vendor registration form and an IRS W-9 form at website, https://ofm.wa.gov/it-systems/statewide-vendorpayee-services. If you have questions about the vendor registration process, you can contact Statewide Payee Help Desk at (360) 407-8180 or email PayeeRegistration@ofm.wa.gov.
h) ECOLOGY may, at its sole discretion, withhold payments claimed by the RECIPIENT if the RECIPIENT fails to satisfactorily comply with any term or condition of this Agreement.
i) Monies withheld by ECOLOGY may be paid to the RECIPIENT when the work described herein, or a portion thereof, has been completed if, at ECOLOGY's sole discretion, such payment is reasonable and approved according to this Agreement, as appropriate, or upon completion of an audit as specified herein.

j) RECIPIENT must submit within thirty (30) days after the expiration date of this Agreement, all financial, performance, and other reports required by this Agreement. Failure to comply may result in delayed reimbursement.

8. COMPLIANCE WITH ALL LAWS

RECIPIENT agrees to comply fully with all applicable federal, state and local laws, orders, regulations, and permits related to this Agreement, including but not limited to:

a) RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.

b) RECIPIENT agrees to be bound by all applicable federal and state laws, regulations, and policies against discrimination.

c) RECIPIENT certifies full compliance with all applicable state industrial insurance requirements.

d) RECIPIENT agrees to secure and provide assurance to ECOLOGY that all the necessary approvals and permits required by authorities having jurisdiction over the project are obtained. RECIPIENT must include time in their project timeline for the permit and approval processes.

ECOLOGY shall have the right to immediately terminate for cause this Agreement as provided herein if the RECIPIENT fails to comply with above requirements.

If any provision of this Agreement violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

9. CONFLICT OF INTEREST

RECIPIENT and ECOLOGY agree that any officer, member, agent, or employee, who exercises any function or responsibility in the review, approval, or carrying out of this Agreement, shall not have any personal or financial interest, direct or indirect, nor affect the interest of any corporation, partnership, or association in which he/she is a part, in this Agreement or the proceeds thereof.

10. CONTRACTING FOR GOODS AND SERVICES

RECIPIENT may contract to buy goods or services related to its performance under this Agreement. RECIPIENT shall award all contracts for construction, purchase of goods, equipment, services, and professional architectural and engineering services through a competitive process, if required by State law. RECIPIENT is required to follow procurement procedures that ensure legal, fair, and open competition.

RECIPIENT must have a standard procurement process or follow current state procurement procedures. RECIPIENT may be required to provide written certification that they have followed their standard procurement procedures and applicable state law in awarding contracts under this Agreement.

ECOLOGY reserves the right to inspect and request copies of all procurement documentation, and review procurement practices related to this Agreement. Any costs incurred as a result of procurement practices not in compliance with state procurement law or the RECIPIENT's normal procedures may be disallowed at ECOLOGY's sole discretion.

11. DISPUTES

When there is a dispute with regard to the extent and character of the work, or any other matter related to this Agreement the determination of ECOLOGY will govern, although the RECIPIENT shall have the right to appeal decisions as provided for below:

a) RECIPIENT notifies the funding program of an appeal request.

b) Appeal request must be in writing and state the disputed issue(s).

c) RECIPIENT has the opportunity to be heard and offer evidence in support of its appeal.

d) ECOLOGY reviews the RECIPIENT's appeal.

e) ECOLOGY sends a written answer within ten (10) business days, unless more time is needed, after concluding the

review.
The decision of ECOLOGY from an appeal will be final and conclusive, unless within thirty (30) days from the date of such decision, the RECIPIENT furnishes to the Director of ECOLOGY a written appeal. The decision of the Director or duly authorized representative will be final and conclusive.
The parties agree that this dispute process will precede any action in a judicial or quasi-judicial tribunal.
Appeals of the Director's decision will be brought in the Superior Court of Thurston County. Review of the Director's decision will not be taken to Environmental and Land Use Hearings Office.
Pending final decision of a dispute, the RECIPIENT agrees to proceed diligently with the performance of this Agreement and in accordance with the decision rendered.
Nothing in this Agreement will be construed to limit the parties' choice of another mutually acceptable method, in addition to the dispute resolution procedure outlined above.

12. ENVIRONMENTAL DATA STANDARDS

a) RECIPIENT shall prepare a Quality Assurance Project Plan (QAPP) for a project that collects or uses environmental measurement data. RECIPIENTS unsure about whether a QAPP is required for their project shall contact the ECOLOGY Program issuing the grant or loan. If a QAPP is required, the RECIPIENT shall:
• Use ECOLOGY's QAPP Template/Checklist provided by the ECOLOGY, unless ECOLOGY Quality Assurance (QA) officer or the Program QA coordinator instructs otherwise.
• Follow ECOLOGY's Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies, July 2004 (Ecology Publication No. 04-03-030).
• Submit the QAPP to ECOLOGY for review and approval before the start of the work.
b) RECIPIENT shall submit environmental data that was collected on a project to ECOLOGY using the Environmental Information Management system (EIM), unless the ECOLOGY Program instructs otherwise. The RECIPIENT must confirm with ECOLOGY that complete and correct data was successfully loaded into EIM, find instructions at: http://www.ecy.wa.gov/eim.
c) RECIPIENT shall follow ECOLOGY's data standards when Geographic Information System (GIS) data is collected and processed. Guidelines for Creating and Accessing GIS Data are available at: https://ecology.wa.gov/Research-Data/Data-resources/Geographic-Information-Systems-GIS/Standards. RECIPIENT, when requested by ECOLOGY, shall provide copies to ECOLOGY of all final GIS data layers, imagery, related tables, raw data collection files, map products, and all metadata and project documentation.

13. GOVERNING LAW

This Agreement will be governed by the laws of the State of Washington, and the venue of any action brought hereunder will be in the Superior Court of Thurston County.

14. INDEMNIFICATION

ECOLOGY will in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.
To the extent that the Constitution and laws of the State of Washington permit, each party will indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this Agreement.

15. INDEPENDENT STATUS

The employees, volunteers, or agents of each party who are engaged in the performance of this Agreement will continue to be employees, volunteers, or agents of that party and will not for any purpose be employees, volunteers, or agents of the other party.

16. KICKBACKS

RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Agreement to give up any part of the compensation to which he/she is otherwise entitled to or receive any fee, commission, or gift in return for award of a subcontract hereunder.

17. MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MWBE)

RECIPIENT is encouraged to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated under this Agreement.
Contract awards or rejections cannot be made based on MWBE participation; however, the RECIPIENT is encouraged to take the following actions, when possible, in any procurement under this Agreement:
a) Include qualified minority and women's businesses on solicitation lists whenever they are potential sources of goods or services.
b) Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
c) Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
d) Use the services and assistance of the Washington State Office of Minority and Women's Business Enterprises (OMWBE) (866-208-1064) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

18. ORDER OF PRECEDENCE

In the event of inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable federal and state statutes and regulations; (b) The Agreement; (c) Scope of Work; (d) Special Terms and Conditions; (e) Any provisions or terms incorporated herein by reference, including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; (f) Ecology Funding Program Guidelines; and (g) General Terms and Conditions.

19. PRESENTATION AND PROMOTIONAL MATERIALS

ECOLOGY reserves the right to approve RECIPIENT's communication documents and materials related to the fulfillment of this Agreement:
a) If requested, RECIPIENT shall provide a draft copy to ECOLOGY for review and approval ten (10) business days prior to production and distribution.
b) RECIPIENT shall include time for ECOLOGY's review and approval process in their project timeline.
c) If requested, RECIPIENT shall provide ECOLOGY two (2) final copies and an electronic copy of any tangible products developed.
Copies include any printed materials, and all tangible products developed such as brochures, manuals, pamphlets, videos, audio tapes, CDs, curriculum, posters, media announcements, or gadgets with a message, such as a refrigerator magnet, and any online communications, such as web pages, blogs, and twitter campaigns. If it is not practical to provide a copy, then the RECIPIENT shall provide a description (photographs, drawings, printouts, etc.) that best represents the item.
Any communications intended for public distribution that uses ECOLOGY's logo shall comply with ECOLOGY's graphic requirements and any additional requirements specified in this Agreement. Before the use of ECOLOGY's logo contact ECOLOGY for guidelines.
RECIPIENT shall acknowledge in the communications that funding was provided by ECOLOGY.

20. PROGRESS REPORTING

a) RECIPIENT must satisfactorily demonstrate the timely use of funds by submitting payment requests and progress

reports to ECOLOGY. ECOLOGY reserves the right to amend or terminate this Agreement if the RECIPIENT does not document timely use of funds.
b) RECIPIENT must submit a progress report with each payment request. Payment requests will not be processed without a progress report. ECOLOGY will define the elements and frequency of progress reports.
c) RECIPIENT shall use ECOLOGY's provided progress report format.
d) Quarterly progress reports will cover the periods from January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be submitted within thirty (30) days after the end of the quarter being reported.
e) RECIPIENT must submit within thirty (30) days of the expiration date of the project, unless an extension has been approved by ECOLOGY, all financial, performance, and other reports required by the Agreement and funding program guidelines. RECIPIENT shall use the ECOLOGY provided closeout report format.

21. PROPERTY RIGHTS

a) Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property under this Agreement, the RECIPIENT may copyright or patent the same but ECOLOGY retains a royalty free, nonexclusive, and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property, and to authorize others to use the same for federal, state, or local government purposes.
b) Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish ECOLOGY information; present papers, lectures, or seminars involving information supplied by ECOLOGY; or use logos, reports, maps, or other data in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to ECOLOGY.
c) Presentation and Promotional Materials. ECOLOGY shall have the right to use or reproduce any printed or graphic materials produced in fulfillment of this Agreement, in any manner ECOLOGY deems appropriate. ECOLOGY shall acknowledge the RECIPIENT as the sole copyright owner in every use or reproduction of the materials.
d) Tangible Property Rights. ECOLOGY's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans," shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by ECOLOGY in the absence of state and federal statutes, regulations, or policies to the contrary, or upon specific instructions with respect thereto in this Agreement.
e) Personal Property Furnished by ECOLOGY. When ECOLOGY provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to ECOLOGY prior to final payment by ECOLOGY. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, then ECOLOGY shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.
f) Acquisition Projects. The following provisions shall apply if the project covered by this Agreement includes funds for the acquisition of land or facilities:
1. RECIPIENT shall establish that the cost is fair value and reasonable prior to disbursement of funds provided for in this Agreement.
2. RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this Agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses intended by this Agreement.
g) Conversions. Regardless of the Agreement expiration date, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed under this Agreement to uses other than those for which assistance was originally approved without prior written approval of ECOLOGY. Such approval may be conditioned upon payment to ECOLOGY of that portion of the proceeds of the sale, lease, or other conversion or encumbrance which monies granted pursuant to this Agreement bear to the total acquisition, purchase, or construction costs of such property.

22. RECORDS, AUDITS, AND INSPECTIONS

RECIPIENT shall maintain complete program and financial records relating to this Agreement, including any engineering documentation and field inspection reports of all construction work accomplished.
All records shall:
a) Be kept in a manner which provides an audit trail for all expenditures.
b) Be kept in a common file to facilitate audits and inspections.
c) Clearly indicate total receipts and expenditures related to this Agreement.
d) Be open for audit or inspection by ECOLOGY, or by any duly authorized audit representative of the State of Washington, for a period of at least three (3) years after the final grant payment or loan repayment, or any dispute resolution hereunder.
RECIPIENT shall provide clarification and make necessary adjustments if any audits or inspections identify discrepancies in the records.
ECOLOGY reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing or inadequate records may be considered cause for termination.
All work performed under this Agreement and any property and equipment purchased shall be made available to ECOLOGY and to any authorized state, federal or local representative for inspection at any time during the course of this Agreement and for at least three (3) years following grant or loan termination or dispute resolution hereunder.
RECIPIENT shall provide right of access to ECOLOGY, or any other authorized representative, at all reasonable times, in order to monitor and evaluate performance, compliance, and any other conditions under this Agreement.

23. RECOVERY OF FUNDS

The right of the RECIPIENT to retain monies received as reimbursement payments is contingent upon satisfactory performance of this Agreement and completion of the work described in the Scope of Work.
All payments to the RECIPIENT are subject to approval and audit by ECOLOGY, and any unauthorized expenditure(s) or unallowable cost charged to this Agreement shall be refunded to ECOLOGY by the RECIPIENT.
RECIPIENT shall refund to ECOLOGY the full amount of any erroneous payment or overpayment under this Agreement.
RECIPIENT shall refund by check payable to ECOLOGY the amount of any such reduction of payments or repayments within thirty (30) days of a written notice. Interest will accrue at the rate of twelve percent (12%) per year from the time ECOLOGY demands repayment of funds.
Any property acquired under this Agreement, at the option of ECOLOGY, may become ECOLOGY's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

24. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.

25. STATE ENVIRONMENTAL POLICY ACT (SEPA)

RECIPIENT must demonstrate to ECOLOGY’s satisfaction that compliance with the requirements of the State Environmental Policy Act (Chapter 43.21C RCW and Chapter 197-11 WAC) have been or will be met. Any reimbursements are subject to this provision.

26. SUSPENSION

When in the best interest of ECOLOGY, ECOLOGY may at any time, and without cause, suspend this Agreement or any portion thereof for a temporary period by written notice from ECOLOGY to the RECIPIENT. RECIPIENT shall resume performance on the next business day following the suspension period unless another day is specified by ECOLOGY.

27. SUSTAINABLE PRACTICES

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is fully encouraged to implement sustainable practices and to purchase environmentally preferable products under this Agreement.

a) Sustainable practices may include such activities as: use of clean energy, use of double-sided printing, hosting low impact meetings, and setting up recycling and composting programs.

b) Purchasing may include such items as: sustainably produced products and services, EPEAT registered computers and imaging equipment, independently certified green cleaning products, remanufactured toner cartridges, products with reduced packaging, office products that are refillable, rechargeable, and recyclable, 100% post-consumer recycled paper, and toxic free products.

For more suggestions visit ECOLOGY's web page, Green Purchasing, https://ecology.wa.gov/Regulations-Permits/Guidance-technical-assistance/Sustainable-purchasing.

28. TERMINATION

a) For Cause

ECOLOGY may terminate for cause this Agreement with a seven (7) calendar days prior written notification to the RECIPIENT, at the sole discretion of ECOLOGY, for failing to perform an Agreement requirement or for a material breach of any term or condition. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Failure to Commence Work. ECOLOGY reserves the right to terminate this Agreement if RECIPIENT fails to commence work on the project funded within four (4) months after the effective date of this Agreement, or by any date mutually agreed upon in writing for commencement of work, or the time period defined within the Scope of Work.

Non-Performance. The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this Agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of ECOLOGY, to perform any obligation required of it by this Agreement, ECOLOGY may refuse to pay any further funds, terminate in whole or in part this Agreement, and exercise any other rights under this Agreement. Despite the above, the RECIPIENT shall not be relieved of any liability to ECOLOGY for damages sustained by ECOLOGY and the State of Washington because of any breach of this Agreement by the RECIPIENT. ECOLOGY may withhold payments for the purpose of setoff until such time as the exact amount of damages due ECOLOGY from the RECIPIENT is determined.

b) For Convenience

ECOLOGY may terminate for convenience this Agreement, in whole or in part, for any reason when it is the best interest of ECOLOGY, with a thirty (30) calendar days prior written notification to the RECIPIENT, except as noted below. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Non-Allocation of Funds. ECOLOGY's ability to make payments is contingent on availability of funding. In the event funding from state, federal or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to the completion or expiration date of this Agreement, ECOLOGY, at its sole discretion, may elect to terminate the Agreement, in whole or part, or renegotiate the Agreement, subject to new funding limitations or conditions. ECOLOGY may also elect to suspend performance of the Agreement until ECOLOGY determines the funding insufficiency is resolved. ECOLOGY may exercise any of these options with no notification or restrictions, although ECOLOGY will make a reasonable attempt to provide notice.

In the event of termination or suspension, ECOLOGY will reimburse eligible costs incurred by the RECIPIENT through the effective date of termination or suspension. Reimbursed costs must be agreed to by ECOLOGY and the RECIPIENT. In no event shall ECOLOGY's reimbursement exceed ECOLOGY's total responsibility under the Agreement and any amendments.

If payments have been discontinued by ECOLOGY due to unavailable funds, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination.
RECIPIENT's obligation to continue or complete the work described in this Agreement shall be contingent upon availability of funds by the RECIPIENT's governing body.

c) By Mutual Agreement
ECOLOGY and the RECIPIENT may terminate this Agreement, in whole or in part, at any time, by mutual written agreement.

d) In Event of Termination
All finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, reports or other materials prepared by the RECIPIENT under this Agreement, at the option of ECOLOGY, will become property of ECOLOGY and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.
Nothing contained herein shall preclude ECOLOGY from demanding repayment of all funds paid to the RECIPIENT in accordance with Recovery of Funds, identified herein.

29. THIRD PARTY BENEFICIARY
RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this Agreement, the state of Washington is named as an express third party beneficiary of such subcontracts with full rights as such.

30. WAIVER
Waiver of a default or breach of any provision of this Agreement is not a waiver of any subsequent default or breach, and will not be construed as a modification of the terms of this Agreement unless stated as such in writing by the authorized representative of ECOLOGY.

End of General Terms and Conditions

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **2026-2027 Recycling Program Professional Services Contract**

ATTACHMENTS:
1. Draft Agreement between the City of Des Moines and Olympic Environmental Resources for the 2026-2027 Des Moines Recycling Program

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Public Works

DATE SUBMITTED:
January 7, 2026

CLEARANCES:
Community Development
Public Works
Finance

Purpose and Recommendation

The purpose of this agenda item is to provide information, enabling the Council to take action on the contracting of professional services for the City's Recycling Program for the service period of 2026-2027.

Suggested Motion:

Motion: "I move to approve the Agreement with Olympic Environmental Resources in an amount not to exceed $100,222.00, and authorize the City Manager to sign the Agreement substantially in the form as submitted."

Background

Recycling Grants

The City uses a combination of three grants from King County and the State of Washington to sponsor recycling and collection events for Des Moines residents. The King County Solid Waste Division Waste Reduction and Recycling Grant (WRR) has been applied for and would be effective from January 1, 2026 through December 31, 2026. This grant provides funding to further the development and/or enhancement of local waste reduction and recycling projects and for broader resource conservation projects that integrate with waste reduction and recycling programs and services. The Seattle & King County Public Health Local Hazardous Waste Management Plan Grant (LHWMP) will be applied for and would be effective from January 1, 2026 through March 31, 2027. These grant funds are allocated to implement hazardous waste

programs and/or services. The WA Department of Ecology Solid Waste Management Local Solid Waste Financial Assistance Agreement (LSWFA) is effective July 1, 2025 through June 30, 2027. These grant funds are allocated to provide regional solutions and intergovernmental cooperation, prevent or minimize environmental contamination through planning and project implementation, and to comply with state and local solid and hazardous waste management plans and laws. In the event that expected grant funds don't become available, the project budget will be reduced accordingly.

Professional Services Contract

Staff is requesting Council to authorize the City Manager to sign a contract for professional services for planned residential recycling events in 2026 and 2027. Specifically, a contract between the City of Des Moines and Olympic Environmental Resources (OER) is requested to be approved (Attachment 1). Under the consultant contract, OER will be the event coordinator for all City residential recycling and collection events through December 2027 as well as assist in the preparation of 2028-2029 recycling grant applications and prepare written reports and reimbursement requests after each collection event for the grantors.

Discussion

For the 2026-2027 Recycling Program, the City will sponsor two residential recycling collection events per year, one in the Spring and one in the Fall. The Spring and Fall Events have proven to be very popular among Des Moines residents because they provide a local site to recycle materials that are not accepted by the curbside recycling program. Residents will be able to recycle items including bulky wood, CFC appliances, ferrous and non-ferrous metals, reusable textiles, reusable household goods, tires, lead-acid batteries, alkaline batteries, porcelain toilets and sinks, cardboard, propane tanks, electronic and computer equipment and mattresses. Additional items continue to be explored as the number and type of materials collected curbside have increased under the solid waste contract with Recology King County. For the 2026 and 2027 events, OER will assist the City with the purchase of rain barrels/compost bins made from recycled materials and distribute for a user fee of $25-$30 each.

Since 2000, the City has negotiated a contract with Olympic Environmental Resources (OER) to be the Recycling Event coordinator. The 2024-2025 contract with OER expired on December 31, 2025. The estimated budget for the 2026-2027 Recycling Program is for up to $100,222.00 depending on grant funding. Should expected grant funds not become available, the contract budget will be reduced accordingly.

Alternatives

1. The City Council may authorize the City Manager to sign the Professional Services Contract for the 2026-2027 Recycling Program between the City of Des Moines and Olympic Environmental Resources.
2. The City Council may decline to authorize the City Manager to sign the Professional Services Contract with Olympic Environmental Resources. (Not recommended).

3. The City Council may continue this Agenda Item and request that staff provides additional information on the OER Professional Services Contract. Continuance of this item may result in loss of grant funds for the 2026-2027 grant cycle. (Not recommended).

Financial Impact

As the contract with Olympic Environmental Resources is funded by grants, there will be no fiscal impact to the City related to the consulting contract.

Recommendation

Staff recommends that the City Council choose Alternative 1, thereby authorizing the City Manager to sign the 2026-2027 OER Professional Services Contract substantially in the form as submitted.

AGREEMENT BETWEEN THE CITY OF DES MOINES AND OLYMPIC ENVIRONMENTAL RESOURCES FOR THE 2026-2027 DES MOINES RECYCLING PROGRAM

THIS AGREEMENT, entered into as of this __2nd__ day of December, 2025, is by and between the CITY OF DES MOINES, a Washington municipal corporation, hereinafter referred to as the "City", and OLYMPIC ENVIRONMENTAL RESOURCES, hereinafter referred to as the "Contractor".

In consideration of the covenants and conditions set forth below, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to retain the Contractor to provide professional services for the 2026-2027 Recycling Program for the residents of the City as set forth below.

2. Scope of Work. Contractor agrees to furnish all materials, labor and other incidentals and to perform all services and work as described in this Agreement and the Contract Documents, which consist of this Agreement and the following Attachment A, which is by this reference incorporated herein:

Attachment A: Scope of Work – 2026/27 Recycling Collection Events and Bin/Barrel Sales

The following provisions modify and/or supersede any contrary language found in Attachment A, which shall remain in full force and effect except as expressly modified below:

- The City may call upon the Contractor for additional services that will be negotiated at that time; and,
- The Contractor will ensure compliance with applicable State Prevailing Wage Rates, which are set by the Washington Department of Labor and Industries.

3. Project Schedule. Contractor agrees to hold the Residential Recycling Collection Events in the parking area of the Des Moines Marina or another suitable location during March and October/November 2026 and 2027. All bin and barrel sales will be held in conjunction with the Recycling Collection Events.

4. Payment. As full and adequate consideration for all work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work, the Contractor shall be paid a maximum amount of **$100,222.00.** (**one hundred thousand, two hundred, and twenty-two dollars**) pending receipt of 2026-2027 Local Hazardous Waste Management Plan, King County Waste Reduction and Recycling, and WA State Department of Ecology grant funds. At the completion of any task described in the Scope of Work, the Contractor will submit an invoice to the City's designated representative. The invoice must include documentation of all work performed, vendor's billings, and receipts of

purchase. Payment shall be made through the City's ordinary payment process, and shall be considered timely if made within 30 days of receipt of a properly completed invoice.

5. City Administrative Costs. The Contractor agrees to reduce the total contract amount by up ten percent to account for City staff involvement in overseeing recycling activities and programs.

6. Insurance. By the date of execution of this Contract, the Contractor and its Subcontractors, if authorized, shall procure and maintain for the duration of this Contract, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of work hereunder by the Contractor, its agents, representative, employees, and/or subcontractors. The Contractor or subcontractor shall pay the cost of such insurance. By requiring such minimum insurance, the City shall not be deemed or construed to have assessed the risks that may be applicable to the Contractor under this contract. The Contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintains greater limits and/or broader coverage. Coverage should also include Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required for this work by applicable Federal Law. Any deductibles or self-insured retention must be declared to, and approved by, the City. The deductible and/or self-insured retention of the policies shall not limit or apply to the Contractor's liability to the City and shall be the sole responsibility of the Contractor.

The Contractor and its Subcontractors shall secure and maintain in force throughout the duration of this Agreement, insurance coverage sufficient to satisfy the following minimums:

Comprehensive Commercial General Liability:
$1,000,000 combined single limit per occurrence.
$2,000,000 aggregate.

The Contractor's Subcontractors shall secure and maintain in force throughout the duration of this Agreement, insurance coverage sufficient to satisfy the following minimums:

Commercial Automobile Liability:
$1,000,000 combined single limit per accident for bodily injury and property damage.

The Contractor's Subcontractor(s) that accept batteries and petroleum-based products shall name the City of Des Moines and its officials, officers, agents, and employees as an additional named insured and shall provide a certificate of insurance and policy endorsements to the City. The Contractor's Subcontractor(s) are required to carry the following insurance coverage sufficient to satisfy the following minimums:

Pollution Legal Liability Insurance:
$1,000,000 per occurrence.

$2,000,000 aggregate.

The Contractor's general liability policies shall name the City of Des Moines and its officials, officers, agents and employees as an additional named insured. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete certified copies of all required insurance policies at any time. A thirty (30) days advance written notice to the City is required in the event the insurer for the Contractor or the insurer for any subcontractor to the Contractor cancels or modifies the policy. Certificates of coverage, as set forth in this section shall be delivered to the City within fifteen (15) days of execution of this Agreement.

7. Performance Standards. Contractor's services, and all duties incidental or necessary thereto, shall be conducted and performed diligently and competently and in accordance with professional standards of conduct and performance, and consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

8. Modification. No change, alteration, modification, or addition to this Agreement will be effective unless it is in writing and properly signed by both parties.

9. Independent Contractor Status. The Contractor is considered an independent Contractor who shall at all times perform its duties and responsibilities and carry out all services as an independent Contractor and shall never represent or construe its status to be that of an agent or employee of the City, nor shall the Contractor be eligible for any employee benefits.

The Contractor acknowledges that all mandatory deductions, charges and taxes imposed by any and all federal, state, and local laws and regulations shall be the sole responsibility of the Contractor. The Contractor represents and warrants that all such deductions, charges and taxes imposed by law and/or regulations upon the Contractor are, and will remain, current. If the City is assessed, liable or responsible in any manner for those deductions, charges or taxes, the Contractor agrees to indemnify and hold the City harmless from those costs, including attorney's fees.

The Contractor shall provide, at its sole expense, all materials, manpower, equipment and utility services, and other necessities to perform fully and timely its duties and services under this Agreement, unless otherwise specified in writing.

The Contractor, at its sole expense, shall obtain and keep in force any and all necessary licenses, permits, and tax certificates. The Contractor shall maintain all necessary insurance as specified in Section 6 to protect Contractor from losses and claims which may arise out of or result from performance of duties related to this Agreement, including Worker's Compensation and general liability, and others as may be required in writing.

The Contractor shall comply with all applicable federal, state and local laws, ordinances, rules and regulations, and shall assist the City in complying with all conditions concerning grants and other federal assistance under the laws of the City of Des Moines, King County, the State of Washington, and the United States of America. Contractor shall obtain a business license under Des Moines Municipal Code § 5.04.020 and shall pay business and occupation taxes as required by Des Moines Municipal Code § 3.84.060.

10. Business Licenses. The Contractor shall obtain, at its own expense, all permits and licenses required by the City or any other governmental authority and maintain the same in full force and effect during the terms of this Agreement.

13. Assignment. The Contractor shall not assign, subcontract, delegate, or transfer any obligation, interest or claim to or under this Agreement or for any of the compensation due it hereunder, in whole or in part, except as authorized in writing by the City.

12. Indemnification. The Contractor and its Subcontractors shall defend, indemnify and hold the City, King County, City of Seattle or the State of Washington (when any funds for this Contract are provided by King County, City of Seattle or the State of Washington) its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

The Contractor shall protect, indemnify and save harmless the City and its officers, agents and employees from and against any and all claims, costs, and/or losses whatsoever occurring or resulting from (1) the Contractor's failure to pay any such compensation, wages, benefits or taxes; and/or (2) the supplying to the Contractor of work, services, materials, and/or supplies by Contractor employees or other suppliers in connection with or in support of the performance of this Contract.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

13. Amendments and Termination. Amendments to this agreement must be in writing and be signed by authorized representatives of each party hereto. Either party may terminate this agreement with thirty (30) days' written notice provided to the individuals set forth in Section 21 below. Upon receipt of the notice of termination, no additional services shall be performed beyond the fifth day following the notice unless the parties agree in writing to a later stop work date. The City shall only be responsible for the payment of services as provided under the terms of this Contract.

14. Alternative Dispute Resolution. Any dispute, controversy or claim arising out of or relating to this agreement, including any question regarding breach, termination or invalidity thereof, shall be resolved by arbitration in Seattle, Washington in accordance with the American Arbitration Association, or Judicial Dispute Resolution which rules are deemed to be incorporated by reference into this clause. The maximum number of arbitrators shall be three in any claim, suit, action or other proceeding relating in any way to this agreement or any claims arising out of this agreement, except as otherwise ordered. All arbitration fees shall be borne equally by the parties and the parties shall pay their own attorneys' fees and costs.

15. Applicable Law and Jurisdiction. This Agreement shall be governed by the laws of the State of Washington. Although the agreed to and designated primary dispute resolution method is arbitration as set forth above, in the event any claim, dispute or action arising from or relating to this agreement cannot be submitted to arbitration, then it shall be commenced exclusively in the King County Superior Court or the United States District Court, Western District of Washington as appropriate. The prevailing party in any such action before the courts shall be entitled to recover its costs of suit and reasonable attorneys' fees.

16 Unenforceable Clauses: If one or more of the clauses of this Agreement is found to be unenforceable, illegal or contrary to public policy, the Agreement will remain in full force and effect except for the clauses that are unenforceable, illegal or contrary to public policy.

17. Severability. Should any term, provision, condition or other portion of this Agreement or its application be held to be inoperative, invalid or unenforceable, and the remainder of this Agreement still fulfills its purposes, the balance of this Agreement or its application or other circumstances shall not be affected thereby and shall continue in full force and effect.

18. Waiver. The waiver by either party of any breach of any terms, conditions, or provision of the Agreement shall not be deemed a waiver of such term, condition, or provision or any subsequent breach of the same or any condition or provision of this Agreement.

19. Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

20. Time of Essence. The Contractor acknowledges the importance to the City of the City's project schedule and agrees to put forth reasonable efforts in performing the services with due diligence under this Agreement in a manner consistent with that schedule as attached hereto. The City understands, however, that the Contractor's performance must be governed by sound professional practices.

21. Notices. Any Notice required or permitted to be given under this Agreement shall be deemed sufficient if given in writing and deposited into any post office as first-class, postage prepaid, certified mail, return receipt requested, and addressed to:

City of Des Moines:

Technical Matters
Laura Techico, Principal Planner
21630 13th Ave. S., Suite D
Des Moines, WA 98198
Phone: 206-870-6595
Fax: 206-870-6544
Email: ltechico@desmoineswa.gov

Company:

Contractual Matters
Paul Devine
Olympic Environmental Resources
4715 SW Walker St
Seattle, WA 98116
Phone: 206-938-8262
Email: pauldevine@msn.com

Technical Matters
Paul Devine, same

22. Concurrent Originals. This Agreement may be signed in counterpart originals.

23. Ratification and Confirmation. Any acts consistent with the authority and prior to the effective date of this Agreement are hereby ratified and confirmed.

24. Entire Agreement: This Agreement constitutes the complete and final agreement of the parties, replaces and supersedes all oral and/or written proposals and agreements heretofore made on the subject matter, and may be modified only by a writing signed by both parties. Each party hereby acknowledges receipt of a copy of this Agreement executed by both parties.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF DES MOINES

By_____
Katherine Caffrey
City Manager
City of Des Moines

Dated_____

CONTRACTOR

By_____
Paul M. Devine
General Manager
Olympic Environmental Resources

Dated December 2, 2025

APPROVED AS TO FORM:

_____

City
Attorney

Dated_____

Attachment A
Des Moines-OER 2026-27 Contract Scope of Work

TASK ONE – Residential Recycling Collection Events

In 2026 and 2027, Olympic Environmental Resources (OER) will implement one spring and one fall Residential Recycling Collection Event. A total of four or more events will be implemented. Event hours will be 9:00 a.m. to 3:00 p.m. The parking lot at the Des Moines Marina or other suitable location will be the site of the events. Materials collected at the events will be bulky wood, CFC appliances*, appliances, ferrous and non-ferrous metals*, tires*, lead acid batteries, alkaline batteries, porcelain toilets and sinks*, propane tanks*, TV sets and computer monitors**, electronic and computer equipment, and mattresses*. Other materials, such as paint***, may be added if budget permits.

Schedule – 2026 and 2027 – Spring Event – March, April; Fall Event – October, November.

Subcontractors – Triton Excavation, All Battery Sales and Service, Liberty Tire, Uptekk Recycling., E-Waste, Girard Resources, DTG Recycle, Recology, as well as flyer production/distribution and supply and rental vendors.

***The consultant/subcontractors will charge a user fee to offset the cost of collecting and recycling these items.**
****TV set and computer monitor collection will be paid for by the Washington Materials Management & Financing Authority.**
*****Paint collection will be paid for by the Washington State PaintCare Program.**

Cost: $91,222.00

Estimated Costs	2026	2027	TOTAL
Management/Staffing/Admin/Graphics	$18,949.88	$18,949.88	$37,899.76
Event Staff Costs	$6,000.00	$6,000.00	$12,000.00
Collection/Hauling Costs			
Wood Waste	$1,000.00	$1,000.00	$2,000.00
Scrap Metal, Appliances, material hauling, etc.	$6,000.00	$6,000.00	$12,000.00
Tires	$1,800.00	$1,800.00	$3,600.00
Batteries	$1,300.00	$1,400.00	$2,700.00
Other Materials	$1,000.00	$1,000.00	$2,000.00
Printing/Mailing*	$7,000.00	$7,000.00	$14,000.00
Event Supplies	$600.00	$600.00	$1,200.00
Other Expenses - rentals, etc	$1,911.12	$1,911.12	$3,822.24
TOTALS	$45,561.00	$45,661.00	$91,222.00

*Event flyers will be sent to all Des Moines single-family households.

TASK TWO – Purchase Products Made From Recycled Materials

In order to support the recycling industry and close the recycling loop, OER will assist the City with the purchase products made from recycled materials. Doing so will support recycling collection programs and help ensure the success of the recycling industry. The City will support recycling programs by purchasing items such as recycle content rain barrels, compost bins, and worm bins for distribution to City residents. OER will distribute the rain barrels, compost bins, and worm bins at City Recycling Collection Events. OER will assist the City with the purchase of rain barrel, compost bins, and worm bins and grant reimbursement of project costs. Residents will be charged a user fee of $25-$30 for each rain barrel, compost bin, and worm bin.

Schedule – 2026 and 2027. Total cost: $9,000.00 ($4,500.00 each year).

Total Cost: $100,222.00.

2026/27 Des Moines Recycling Grants

The King County Health Department Local Hazardous Waste Management Plan Grant	
2026 grant total - estimate	$14,000.00
2027 grant total - estimate	$14,200.00
Subtotal	**$28,200.00**
The King County Waste Reduction and Recycling Grant Program	
2026 grant total	$19,981.00
2027 grant total	$19,981.00
Subtotal	**$39,962.00**
The Washington State Department of Ecology Grant	
2026 grant total	$20,560.00
2027 WA State Dept of Ecology CPG Grant + 7/1/27-12/31/27 - estimate	$21,500.00
Subtotal	**$42,060.00**

TOTAL: $110,222.00

Total OER Costs	**$100,222.00**
City staff costs for event oversight ($10,000.00)	**$ 10,000.00**

TOTAL: $110,222.00*

*The project budget is estimated based on grant funds both available and expected. In the event that expected grant funds don't come available or are reduced, the project budget will be reduced accordingly.

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Approval of Amendments to the Conservation Futures Interlocal Cooperation**

ATTACHMENTS:
1. King County Conservation Futures – Interlocal Cooperation Agreement
2. King County Conservation Futures – Interlocal Cooperation Agreement Amendment #2 Policy
3. King County Conservation Futures – Interlocal Cooperation Agreement Amendment #3 Grant Award
4. Acquisition Parcel Map

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Public Works

DATE SUBMITTED:
January 9, 2026

CLEARANCES:
Public Works
Finance

Purpose and Recommendation

The purpose of this agenda item is to seek City Council acceptance of the King County Conservation Futures Interlocal Cooperation Agreement amendments for the purposes updating agreement policy (Attachment #2) and accepting additional proceeds made available for Wooton Park open space acquisition (Attachment #3). The open space acquisition parcels are shown in the map included as Attachment #4. The following motions will appear on the Consent Calendar:

Suggested Motion:

Motion 1: "I move to approve the Amendment #2 to the Conservation Futures Interlocal Cooperation Agreement between the City of Des Moines and King County for Open Space Acquisition Projects, and further authorize the City Manager to sign said Interlocal Agreement Amendment substantially in the form as submitted."

Motion 2: "I move to approve the Amendment #3 to the Conservation Futures Interlocal Cooperation Agreement between the City of Des Moines and King County for Open Space Acquisition Projects, and further authorize the City Manager to sign said Interlocal Agreement Amendment substantially in the form as submitted."

Background

An Interlocal Cooperation Agreement (Attachment #1) between King County and the City of Des Moines was entered into on December 10th, 2019 for conservation futures-funded open space acquisition projects. Specifically, this original agreement was used for the funding of property acquisition related to the Midway Park expansion project in 2020. This same agreement can be utilized by amendment as a mechanism for funding future acquisition projects within Des Moines.

In 2024, City of Des Moines staff, with the goal of expanding Wooton Park and conserving open space, applied for Conservation Futures Tax (CFT) funding for the purchase of a parcel [Tax Parcel# 3222049183] adjacent to Wooton Park. The CFT grant was awarded to Des Moines to support the purchase of this parcel in the amount of $159,750.00. After being awarded the funding, the purchase was not able to proceed forward as the City and the property owner were unable to agree on a purchase price.

In early 2025, another opportunity for open space preservation adjacent to Wooton Park was identified when two parcels [Tax Parcels# 3222049019 & 3222049019] to the southeast of Wooton Park were listed on the real estate market with an asking price of $890,000. Together these parcels contain 16.44 acres of undeveloped tree canopy. CFT grant administrators confirmed that the City could transfer the funding secured in 2024 for the purchase of these new parcels and could apply for additional funding under the 2026 funding cycle.

On February 16, 2025 the City of Des Moines signed a Purchase and Sale Agreement with the property owner contingent on appraisal valuation and grant award. After the Purchase and Sale Agreement was signed, continued negotiations with the property owner based on appraisal valuations resulted in an agreed purchase price of $425,000. On July 7, 2025 the City of Des Moines received confirmation from the CFT grant administrator that Des Moines is recommended for an additional awarded amount of $177,000.00.

With the grant funding, a total of $336,750.00, and 25% match obligation from the Surface Water Utility, Council approved the purchase of the parcels at the September 25, 2025 Council meeting. As both parties agreed to a purchase price of $425,000.00 and were under a Purchase and Sale Agreement, it was recommended to proceed with the parcel acquisition before grant funds were received and seek reimbursement in 2026.

Discussion

Motion 1:

Amendment #2 to the Conservation Futures Interlocal Cooperation Agreement adds policy changes to the original Agreement. These policy changes add clarifying language to Section 5.2 “Use of Proceeds”, Section 6.1 “Matching Requirements”, and Section 6.4 “Maintenance in Perpetuity”. In all other respects, the terms, conditions, duties and obligations of both parties remain the same as agreed to in the Interlocal Cooperation Agreement as previously amended.

Motion 2:
Amendment #3 to the Conservation Futures Interlocal Cooperation Agreement adds Exhibit 1 to the original Agreement which allocates 2025 and 2026 levy proceeds to the City of Des Moines for open space acquisition. Proceeds will be used to reimburse the City for the purchase of the 16.44 acres of open space adjacent to Wooten Park. The 25% required match comes from the City's Surface Water Utility Funds and allocation funding was authorized in King County Ordinance 20023.

2025 Allocation	
Wooton Park Open Space	$159,750
Site Stabilization	$15,000
2026 Allocation	
Wooton Park Open Space	$177,000
TOTAL	**$351,750**

Alternatives
The City Council could elect not to approve the agreement amendments and direct staff to reject grant funding. This is not recommended as the Surface Water Utility does not have the full acquisition cost budgeting and no other funding sources have been targeted at this time.

Financial Impact
The purchase price of the property was $425,000.00. The CFT grant funds will provide partial funding for acquisition of this parcel at $336,750.00 the remaining $58,250.00 will be funded by the Surface Water Utility under Capital project SWCIP0037.

Recommendation
Staff recommends approval of the proposed motion.

INTERLOCAL COOPERATION AGREEMENT
BETWEEN KING COUNTY AND THE CITY OF DES MOINES
FOR CONSERVATION FUTURES-FUNDED
OPEN SPACE ACQUISITION PROJECTS

THIS INTERLOCAL COOPERATION AGREEMENT is a grant agreement entered into between the CITY OF DES MOINES ("City") and KING COUNTY ("County").

Article I. Recitals

On February 27, 1989, the King County Council passed Ordinance 8867, which established a process to allocate the proceeds of the Conservation Futures Fund.

On September 21, 1989, the King County Council passed Ordinance 9128, which established a Conservation Futures Levy Fund to provide for the receipt and disbursement of Conservation Futures tax levy proceeds and established conditions for use of the Fund, including conditions covering allowable cost and expenses.

On July 21, 2003, the King County Council passed Ordinance 14714, authorizing funding allocation procedures for King County Conservation Futures tax levy collections and amending Ordinance 8867, Section 2, as amended.

The Conservation Futures Advisory Committee has recommended an allocation of Conservation Futures proceeds to specific projects from the Conservation Futures Levy Fund following notification to the cities that proceeds were available, provision of an opportunity for the cities to respond and receipt by the committee of requests for funding, all pursuant to Ordinance 8867, as amended by Ordinance 14714.

Starting in 1990 and through 2017, the King County Executive, as authorized by the King County Council, executed Interlocal Cooperation Agreements with the cities of Auburn, Bellevue, Black Diamond, Bothell, Burien, Carnation, Covington, Des Moines, Duvall, Enumclaw, Federal Way, Issaquah, Kenmore, Kent, Kirkland, Lake Forest Park, Mercer Island, Milton, Newcastle, Normandy Park, North Bend, Pacific, Redmond, Renton, Sammamish, Seattle, Shoreline, Snoqualmie and Tukwila, and Vashon Park District. Many of these agreements were amended over time to add new projects.

The existing Interlocal Cooperation Agreements remain in place with an indefinite term for the projects for which Conservation Futures proceeds were disbursed. The agreements require the properties to be maintained as open space in perpetuity.

The King County Council, by Ordinance 18978, has approved a new Interlocal Cooperation Agreement for future projects in order to add terms for the use of bond proceeds for certain projects, achieve consistency between the agreement and the King County Code, and make other technical changes.

Pursuant to chapter 39.34 RCW, the parties agree to the following:

Article II. Definitions

1. Open Space

The term "open space" or "open space land" means: (a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly; or (b) any land area, the preservation of which in its present use would (i) conserve and enhance natural or scenic resources, or (ii) protect streams or water supply, or (iii) promote conservation of soils, wetlands, beaches or tidal marshes,

or (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife reserves, natural reservations or sanctuaries or other open space, or (v) enhance recreational activities, or (vi) preserve historic sites, or (vii) preserve visual quality along highway, road, and street corridors or scenic vistas, or (viii) retain in its natural state tracts of land of not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification, or (c) any land meeting the definition of farms and agricultural conservation under subsection (8) of RCW 84.34.020. As a condition of granting open space classification, the legislative body may not require public access on land classified under (b) (iii) of this subsection for the purpose of promoting conservation of wetlands.

2. Project

The term "Project" means the specific projects described in Exhibit A or added by follow-on amendments to disburse proceeds pursuant to Section 8.2 of this agreement.

3. Conservation Futures

The term "Conservation Futures" means developmental rights which may be acquired by purchase, gift, grant, bequest, devise, lease or otherwise, except by eminent domain, and may consist of fee simple or any lesser interest, development right, easement, covenant, or other contractual right necessary to protect, preserve, maintain, improve restore, limit future use of, or otherwise conserve open space land, all in accordance with chapter 84.34 RCW and K.C.C. chapter 26.12.

Article III. Purpose of the Agreement

The purpose of this agreement is to create a cooperative arrangement between the City and the County relating to the Project and to define the terms and conditions governing both parties' obligations created by this agreement.

Article IV. Term of Agreement

This agreement shall be continued in full force and effect and binding upon the parties hereto upon execution of the agreement by both parties. The terms of the agreement shall be indefinite. The agreement will be terminated if the City is unable or unwilling: 1) to expend the proceeds provided through this agreement; 2) to satisfy the matching requirements contained in this agreement; and 3) upon reimbursement by the City to the County of all unexpended proceeds provided by the County pursuant to this agreement in the manner and amounts described below and payment of all amounts due pursuant to Section 8.1.

Article V. Conditions of Agreement

Section 5.1 -- Project Descriptions. Proceeds available pursuant to this agreement may be used only for the Projects listed in Exhibit A, such substituted Projects as may be approved by the County as set forth below, or Projects added by follow-on amendments to disburse proceeds pursuant to Section 8.2 of this agreement. All County funded Projects must meet open space criteria as described in chapter 84.34 RCW and K.C.C. chapter 26.12.

Section 5.2 -- Use of Proceeds. Proceeds provided to the City pursuant to this agreement as well as moneys provided by the City as match pursuant to this agreement may be used only to pay capital costs related to property acquisition. Those costs include

appraisals, title searches, negotiations, administrative overhead, and the cost of actual acquisition or purchase options, and all other costs meeting the requirements of K.C.C. 26.12.010. The City shall have the property valued by an appraisal performed by an independent state-certified real estate appraiser with a current general real estate appraiser license, and reviewed by an independent state-certified general real estate appraiser. In requesting reimbursement of proceeds for the Project, the City shall demonstrate to the County compliance with this Section 5.2. Proceeds utilized pursuant to this agreement may not be used to purchase land obtained through the exercise of eminent domain.

Section 5.3 -- Completion/Substitution/Deletion of Projects. The City shall complete the Project described in Section 5.1 of this Agreement within a two year period from the effective date of the County ordinance appropriating funding for the Project. If the City does not meet this two year requirement, unless the City demonstrates to the Advisory Committee a compelling reason for continuance of CFT funding for the Project beyond the two-year limit or a reprogramming request is timely approved as provided for below, the County shall be released from any obligation to fund the Project, and the County in its sole discretion may reallocate such proceeds for other projects in other jurisdictions. The City may submit specific requests for project reprogramming to the County for its approval within the two year period. All projects proposed for reprogramming must meet open space criteria as described in chapter 84.34 RCW and K.C.C. chapter 26.12, be submitted for recommendation by the County's Advisory Committee or its successor, and be approved by action of the King County Council. All

reprogramming requests shall be submitted to the County's Department of Natural Resources and Parks, Open Space Acquisitions Unit, or its successor.

Section 5.4 -- Eminent Domain. If any Project requires the exercise of eminent domain to acquire the property, all proceeds provided pursuant to this agreement plus accrued interest on such proceeds shall be reprogrammed as provided in this agreement or repaid to the County.

Article VI. Responsibilities of the City

Section 6.1 -- Matching Requirements. Except for acquisitions of property interests in opportunity areas, as defined by K.C.C. 26.12.003, any Project funded by Conservation Futures Levy proceeds shall be supported by the City in which the Project is located with a matching contribution, which is no less than the amount of Conservation Futures Levy proceeds allocated to the Project. This contribution may be in the form of cash, land match with a valuation verified by an appraisal by an independent state-certified real estate appraiser with a current general real estate appraiser license, or the cash value, excluding King County conservation futures contributions, of other open spaces acquired within the previous two years from the date of submittal of the application by the City. The appraisal, to be reviewed, shall have been performed within two years of the application deadline set for the annual allocation of conservation futures tax levy proceeds under which the Property received funding. Properties considered as land match or cash value of other open space acquisitions should be directly linked to the property under application. Any City match, other than cash, shall require County

approval. County approval and County acceptance of the City's match will be transmitted in writing to the City by the County's Designated Representative.

Section 6.2 -- Reporting. All proceeds received pursuant to this agreement and accrued interest therefrom will be accounted for separately from all other City moneys, accounts and moneys. Until the property described in the Project is acquired and all proceeds provided pursuant to this agreement have been expended, the City shall provide the reports required by K.C.C. 26.12.035.

Section 6.3 -- Disposition of Remaining Proceeds. If the City does not expend all proceeds obligated to be provided through this agreement and no substitute project is requested or approved as to the excess proceeds, such proceeds, if held by the City, shall be refunded to the County. For purposes of this section, "proceeds" shall include all moneys obligated to be provided by the County plus interest accrued by the City on such moneys. Any proceeds in excess of those required to be provided by the County for the actual costs of the Project shall remain with the County for use in its sole discretion.

Section 6.4 -- Maintenance in Perpetuity. Except as provided in this Section 6.4,the City, and any successor in interest, agree to maintain properties acquired with proceeds provided pursuant to this agreement as open space in perpetuity and, as required by the County, to include in the real property records notice of this restriction. Projects carried out by the City in whole or in part with funds provided for under the terms of this agreement shall not be transferred or conveyed except by agreement with an agency or nonprofit organization as defined in K.C.C. 26.12.003, which shall provide that the land

or interest in land shall be continued to be used for the purposes of K.C.C. chapter 26.12, and in strict conformance with the uses authorized under chapter 84.34 RCW.

The City shall not change the status or use of properties acquired with proceeds provided pursuant to this agreement unless the City provides equivalent lands or cash in exchange for the land to be changed to a different use. The land shall be valued in its changed status or use, and not based upon its value as open space, and the replacement land or payment amount must be approved by the County. If requested by the County, at its own cost the City will provide the County an appraisal performed within the previous year by an independent state-certified real estate appraiser with a current general real estate appraiser license. The value established by the appraisal will not be binding on the County. If the County approves replacement land, the City shall complete the replacement within one year of approval. If the County approves cash reimbursement, the City shall pay the County within 90 days of approval.

Section 6.5 – Tax Covenants. The City acknowledges that proceeds provided by the County for a Project may be proceeds of tax-exempt bonds (the "Bonds") subject to certain requirements of the Internal Revenue Code of 1986, as amended (the "Tax Code"), including any implementing regulations and any administrative or judicial interpretations. The City will comply with Tax Code requirements, including those set forth in Exhibit B, which is incorporated herein, applicable to Bond-financed Projects identified in Exhibit A, which is incorporated herein, as well as Bond-financed Projects identified in subsequent amendments to this agreement.

Article VII. Responsibilities of the County

Subject to the terms of this agreement, the County will provide Conservation Futures Tax Levy proceeds in the amounts and for the Projects identified in Exhibit A as well as in those amounts and for those Projects identified in subsequent amendments to this agreement. The City may request additional proceeds; however, the County has no obligation to provide proceeds to the City in excess of the amount shown in Exhibit A. The County assumes no obligation for future support of the Project described herein except as expressly set forth in this agreement.

Article VIII. Other Provisions

Section 8.1 -- Hold Harmless and Indemnification.

A. The County assumes no responsibility for the payment of any compensation, fees, wages, benefits or taxes to or on behalf of the City, its employees, contractors or others by reason of this agreement. The City shall protect, indemnify and save harmless the County, its officers, agents and employees from any and all claims, cost and whatsoever occurring or resulting from: 1) the City's failure to pay any compensation, fees, wages, benefits or taxes; and 2) the supplying to the City of works services, materials or supplies by City employees or agents or other contractors or suppliers in connection with or in support of performance of this agreement.

B. The City further agrees that it is financially responsible for and will repay the County all indicated amounts following an audit exception, which occurs due to the negligent or intentional acts of this agreement by the City, its officer, employees, agent or representatives arising out of the performance of the terms of this agreement.

C. The City shall protect, indemnify and save harmless the County from any and all costs, claims, judgments, or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of the City, its officers, employees or agents in the performance of its obligations under the terms of this agreement. For the purposes of this agreement only, the City agrees to waive the immunity granted it for industrial insurance claims pursuant to Title 51 RCW to the extent necessary to extend its obligations under this paragraph to any claim, demand, or cause of action brought by or on behalf of any employee, including judgments, awards and costs arising therefrom including attorney's fees.

D. To the extent permitted by law, and except to the extent caused by the sole negligence of the County, the City agrees, at its expense, to pay, and to indemnify and hold the County, its officers, employees or agents harmless of, from and against, any and all claims, damages, demands, losses, liens, liabilities, penalties, fines, taxes, lawsuits and other proceedings and costs and expenses (including attorneys' fees) of every conceivable kind, character or nature whatsoever, arising directly or indirectly from or out of, or in any way connected with any examination or audit of any Bond issued to finance or refinance costs of any Bond-financed Project identified in Exhibit A as well as Bond-financed Projects identified in subsequent amendments to this agreement by the Internal Revenue Service, or any determination by the Internal Revenue Service or a court of competent jurisdiction that the interest on any such Bond is or should be subject to federal income taxation; provided, however, that the City shall not be liable for any payment made by the County with respect to any settlement of any such examination or

audit, or of any other proceeding related thereto, entered into without the consent of the City.

Section 8.2 -- Amendment. The parties reserve the right to amend or modify this agreement. Amendments or modifications to disburse proceeds approved by the County Council must be by written instrument signed by the parties substantially in the form of Exhibit C. Other amendments also must be approved by the respective City and County Councils.

Section 8.3 -- Contract Waiver. No waiver by either party of any term or condition of this agreement shall be deemed or construed to be a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach whether of the same or different provision of this agreement. No waiver shall be effective unless made in writing.

Section 8.4 -- Entirety. This agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated are excluded. This agreement merges and supersedes all prior negotiations, representations and agreements between the parties relating to the Project and constitutes the entire agreement between the parties. The parties recognize that time is of the essence in the performance of the provisions of this agreement.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have signed their names in the spaces set forth below:

KING COUNTY

Dow Constantine
King County Executive

Date: 12/10/2019
Acting under the authority of
Ordinance 18978

Approved as to form:

Amy Eiden per
Dan Satterberg
King County Prosecuting Attorney

CITY OF DES MOINES

Michael Matthias
City Manager

Date: 11.18.19
Acting under the authority of
Ordinance 18978

Approved as to form:

Tim George
City Attorney

EXHIBIT A

2020 CONSERVATION FUTURES LEVY
CITY OF DES MOINES ALLOCATION

Jurisdiction	Project	Allocation
Des Moines	Midway Park	$675,900
	TOTAL	**$675,900**

Project Description:

Project #1136975: Des Moines – Midway Park Expansion
The City of Des Moines' Midway Park Expansion project proposes to add 0.38 acres (parcels 2156400363, 2156400364) on the west side of its existing 1.58 acre park, with a vision to add additional parcels in the future. The proposed additions are a vacant and a developed parcel on the west side. This project was determined to be an opportunity area project eligible for a match waiver (see Section 6.1 of the ILA), so the local funding match requirement was waived. Project funding was authorized in King County Ordinance 18987.

Is this a Bond-financed Project? Yes

EXHIBIT B

Tax Covenants

The City acknowledges that proceeds provided by the County for the Project may be proceeds of Bonds subject to certain requirements of the Tax Code. The City will take all actions with respect to the Project, and proceeds received for the Project, necessary to assure the exclusion of interest on the Bonds from the gross income of the owners of the Bonds, including but not limited to the following:

(a) Expenditure of Proceeds. The City will expend proceeds of the Bonds received from the County for capital expenditures for federal income tax purposes within the meaning of Section 1.150-1(b) of the Tax Code. Bond proceeds may be expended to pay, or reimburse the City for, Project capital expenditures or to repay interim indebtedness incurred for capital expenditures of the Project.

(b) Notice. The City will provide notice of action taken or planned to issue any tax-exempt indebtedness, including bonds, bank loans, or other tax-exempt indebtedness, to finance Project costs.

(c) Treatment as Grant.

(1) The City is a governmental entity possessing substantial taxing, eminent domain and police powers and constituting a political subdivision of the State.

(2) The City is not acting as an agent of the County.

(3) The grant of proceeds for the Project does not impose any obligation or condition to directly or indirectly repay any amount to the County (excluding obligations or conditions intended solely to assure expenditure of the transferred moneys in accordance with the governmental purpose of the transfer).

(4) The grant is required to be used for open space as required under Article II but does not impose any conditions relating to the use of the Project or other property of the City by the County or any of its agencies or authorities.

(5) This agreement is a grant agreement.

(d) Limitations on Disposition of Project. The City will not sell or otherwise dispose of any components of the Project without prior approval by the County and compliance with timeframes for completion of land replacement or cash reimbursement as provided in Section 6.4.

(e) Record Retention. The City will retain its records of all accounting and monitoring it carries out with respect to the Bond proceeds received and with respect to the

Project for at least three years after the Bonds mature or are redeemed as provided in the amendment granting such Bond proceeds to the City.

(f) Cooperation. The City will provide tax certificates when and as requested by the County or County's bond counsel in order to establish or maintain the tax-exempt status of the Bonds. The City will cooperate in any audit of the Bonds by the Internal Revenue Service, including disclosure of any record, contracts and other materials relating to the Bond proceeds received by the City and the Project.

EXHIBIT C

AMENDMENT TO THE CONSERVATION FUTURES INTERLOCAL COOPERATION AGREEMENT BETWEEN KING COUNTY AND THE CITY OF _____ FOR OPEN SPACE ACQUISITION PROJECTS

Preamble

The King County Council, through Ordinance 9128, has established a Conservation Futures Levy Fund and appropriated proceeds to King County and certain cities. This amendment is entered into to provide for the allocation of additional proceeds made available for open space acquisition.

THIS AMENDMENT is entered into between the CITY OF _____ and KING COUNTY, and amends and attaches to and is part thereof of the existing Interlocal Cooperation Agreement entered into between the parties on the _____ day of (Month), (Year), as previously amended.

The parties agree to the following amendment:

The Interlocal Cooperation Agreement is hereby amended by adding Exhibit 1, attached hereto.

In all other respects, the terms, conditions, duties and obligations of both parties shall remain the same as agreed to in the Interlocal Cooperation Agreement as previously amended.

Once fully executed, this Amendment shall be incorporated into the existing Interlocal Cooperation Agreement as if fully set forth, and shall become Amendment __.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have signed their names in the spaces set forth below:

KING COUNTY

_____
Dow Constantine
King County Executive

Date: _____

Approved as to form:

CITY OF _____

_____
Mayor

Date: _____

Approved as to form:

Dan Satterberg King County Prosecuting Attorney	City Attorney

EXHIBIT 1

[YEAR] CONSERVATION FUTURES LEVY PROCEEDS
CITY OF _____ ALLOCATION

Jurisdiction	Project Name (Project Number)	Allocation
[City Name]	[Project Name] ([Project Number])	$
	TOTAL	**$**

Project Description:

[Project Number] [City Name] – [Project Name]
[Project Description used in legislation approving proceeds]

Is this a Bond-financed Project?

AMENDMENT TO THE CONSERVATION FUTURES INTERLOCAL COOPERATION AGREEMENT BETWEEN KING COUNTY AND THE CITY OF DES MOINES FOR OPEN SPACE ACQUISITION PROJECTS

The King County Council, through Ordinance 9128, has established a Conservation Futures Levy Fund and appropriated proceeds to King County and certain cities. This amendment is entered into to provide for policy updates.

THIS AMENDMENT is entered into between the CITY OF DES MOINES and KING COUNTY, and amends and attaches to and is part thereof of the existing Interlocal Cooperation Agreement entered into between the parties on the 10th day of December, 2019, as previously amended.

Section 5.2 is updated with the additional language as underlined below:

> Section 5.2 – Use of Proceeds. Proceeds provided to the City pursuant to this agreement as well as moneys provided by the City as match pursuant to this agreement may be used only to pay capital costs related to property acquisition and initial site stabilization activities. Those costs include appraisals, title searches, negotiations, administrative overhead, and the cost of actual acquisition or purchase options, and all other costs meeting the requirements of K.C.C. 26.12.010. The City shall have the property valued by an appraisal performed by an independent state-certified real estate appraiser with a current general real estate appraiser license, and reviewed by an independent state-certified general real estate appraiser unless otherwise provided in K.C.C. 26.12.010. In requesting reimbursement of proceeds for the Project, the City shall demonstrate to the County compliance with this Section 5.2. Proceeds utilized pursuant to this agreement may not be used to purchase land obtained through the exercise of eminent domain.

The first sentence of Section 6.1 is deleted and replaced with the following:

> Except for acquisitions of property interests in opportunity areas, as defined by K.C.C. 26.12.003, any Project funded by Conservation Futures Levy proceeds shall be supported by the City in which the Project is located with a matching contribution, which is no less than twenty-five percent of the total costs of the Project including the value of the matching contribution provided by the City.

The second paragraph of Section 6.4 is updated with the additional language as underlined below:

> The City shall not change the status or use of properties acquired with proceeds provided pursuant to this agreement unless the City provides equivalent lands or cash in exchange for the land to be changed to a different use, or a combination of land and cash reimbursement is provided. The land shall be valued in its changed

status or use, and not based upon its value as open space, and the replacement land or payment amount must be approved by the County. If requested by the County, at its own cost the City will provide the County an appraisal performed within the previous year by an independent state-certified real estate appraiser with a current general real estate appraiser license. The value established by the appraisal will not be binding on the County. If the County approves replacement land, the City shall complete the replacement within one year of approval. If the County approves cash reimbursement, the City shall pay the County within 90 days of approval.

In all other respects, the terms, conditions, duties and obligations of both parties shall remain the same as agreed to in the Interlocal Cooperation Agreement as previously amended.

Once fully executed, this Amendment shall be incorporated into the existing Interlocal Cooperation Agreement as if fully set forth, and shall become Amendment 2.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have signed their names in the spaces set forth below:

KING COUNTY

_____
Girmay Zahilay
King County Executive
Acting under the authority of
Ordinance 19646

Date: _____

Approved as to form:

_____
Leesa Manion
King County Prosecuting Attorney

CITY OF DES MOINES

_____
Katherine Caffrey
City Manager
Acting under the authority of
Des Moines City Council Approval

Date: _____

Approved as to form:

_____
Tim George
City Attorney

AMENDMENT TO THE CONSERVATION FUTURES INTERLOCAL COOPERATION AGREEMENT BETWEEN KING COUNTY AND THE CITY OF DES MOINES FOR OPEN SPACE ACQUISITION PROJECTS

The King County Council, through Ordinance 9128, has established a Conservation Futures Levy Fund and appropriated proceeds to King County and certain cities. This amendment is entered into to provide for the allocation of additional proceeds made available for open space acquisition.

THIS AMENDMENT is entered into between the CITY OF DES MOINES and KING COUNTY, and amends and attaches to and is part thereof of the existing Interlocal Cooperation Agreement entered into between the parties on the 10th day of December, 2019, as previously amended.

The parties agree to the following amendment:

The Interlocal Cooperation Agreement is hereby amended by adding Exhibit 1, attached hereto.

In all other respects, the terms, conditions, duties and obligations of both parties shall remain the same as agreed to in the Interlocal Cooperation Agreement as previously amended.

Once fully executed, this Amendment shall be incorporated into the existing Interlocal Cooperation Agreement as if fully set forth, and shall become Amendment 3.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have signed their names in the spaces set forth below:

KING COUNTY

_____
Girmay Zahilay
King County Executive

Date: _____

Approved as to form:

_____
Leesa Manion
King County Prosecuting Attorney

CITY OF DES MOINES

_____
Katherine Caffrey
City Manager

Date: _____

Approved as to form:

_____
Tim George
City Attorney

EXHIBIT 1

2025 AND 2026 CONSERVATION FUTURES LEVY PROCEEDS
CITY OF DES MOINES ALLOCATIONS

Jurisdiction	Project Name	Allocation
2025 Allocation		
Des Moines	Wooton Park Native Vegetation Preservation - acquisition award	$159,750
Des Moines	Wooton Park Native Vegetation Preservation - SSC award	$15,000
2026 Allocation		
Des Moines	Wooton Park - Phase 2	$177,000
	TOTAL	$351,750

2025 Allocation Project Descriptions:

Project #1147977: Des Moines - Wooton Park Native Vegetation Preservation – acquisition award
The City of Des Moines seeks to acquire land adjacent to Wooten Park. This year's funding target is a 4.46-acre forested parcel northeast of the park, to be preserved either in fee or easement. Acquisition saves the parcel from development encroaching upon the existing park and creates a nature trail opportunity. This project will help close the city's park deficit, expand the passive recreation function of the park, and preserve nearshore wildlife habitat. Match comes from the city's Surface Water Management fee. Project funding was authorized in King County Ordinance 19861.

Is this a Bond-financed Project? No

Project #1148031: Des Moines - Wooton Park Native Vegetation Preservation – SSC award
This award covers site stabilization costs related to the above acquisition project. Match comes from the same source as the project above. Project funding was authorized in King County Ordinance 19861.

Is this a Bond-financed Project? No

2026 Allocation Project Description:

Project #1147977: Des Moines - Wooton Park Phase 2 – acquisition award
The City of Des Moines seeks to acquire 16.44 acres adjacent to Wooten Park. The size, location, and geography of this property make it an excellent candidate for park expansion and open space preservation. This project will help close the city's park deficit, expand the passive recreation function of the park, and preserve nearshore wildlife habitat. Match comes from the city's Surface Water Utility Funds. Project funding was authorized in King County Ordinance 20023.

Is this a Bond-financed Project? No

S 281ST ST
8TH AVE S
9TH AVE S
9TH PL S
10TH AVE S
S 282ND ST
REDONDO BEACH DR S
Parcel A
Parcel B
SOUND VIEW DR S
5TH PL S
6TH PL S
REDONDO WAY S
Parcel Acquisitions
Right of Way
Parks
City Limits
N

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lot Regulations Update - 2nd Reading**

ATTACHMENTS:
1. Draft Ordinance No. 25-117

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Community Development

DATE SUBMITTED:
January 09, 2026

CLEARANCES:
City Clerk
Community Development
Public Works

Purpose and Recommendation

The purpose of this agenda item is for the Council to adopt Draft Ordinance No 25-117 Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lots.

Suggested Motion:

Motion:"I move to adopt Draft Ordinance 25-117 adopting the Unit Lot Subdivision, Lot Splitting, and Substandard or Nonconforming Lot Ordinance."

Background

The 2025 Washington State legislative session passed several housing and land use bills, including Engrossed Substitute House Bill (ESHB) 5559 related to unit lot subdivisions, and Engrossed Second Substitute House Bill (E2SHB) 1096 related to lot splitting. State law requires cities, towns and counties in Washington State to update their subdivision regulations to incorporate these processes within two years of the May 20, 2025 effective date or as part of their 2027 comprehensive plan periodic update process (the latter is not applicable to Des Moines).

City staff conducted a review of Des Moines' existing regulations to ensure compliance with ESHB 5559 and E2SHB 1096. As a result of the review, proposed code amendments add new chapters to Title 17 Des Moines Municipal Code (DMMC) entitled "Unit Lot Subdivisions" and "Lot Splitting" and amendments to DMMC 18.190.280 Substandard or nonconforming lots in residential or commercial Zones.

These proposed code changes would build upon the recent zoning code updates related to middle housing (Ordinance No. 1821) and accessory dwelling units (Ordinance No. 1820). The unit lot subdivision and lot splitting updates are being undertaken to help the state address its housing shortage and affordability. Unit lot subdivisions allow the division of multiple housing units, including middle housing and accessory dwelling units, into separate lots for sale to individual owners to provide fee simple homeownership opportunities. This allows smaller units on smaller lots, providing a more affordable ownership unit. Lot splitting allows for a more streamlined administrative process to split an existing lot into two concurrently with the review of a residential building permit.

The first reading and public hearing were held on January 8, 2026. This is the second reading. Council questions and discussion included clarifying that the unit lot subdivision and lot splitting code changes are required by the State and whether provisions for septic systems and Home Owner Association dispute resolution were addressed.

Discussion

Discussion will focus on adding new chapters entitled 'Unit Lot Subdivisions' and 'Lot Splitting' as well as proposed amendments to DMMC 18.190.280 Substandard or nonconforming lots in Residential or Commercial Zones. (Attachment 1).

Proposed Code/Rationale:

Definitions. The following definitions will be added to the subdivision code in DMMC 17.01.050:

- "Lot,parent (unit lot subdivision)" means a lot which is subdivided into unit lots through the unit lot subdivision process.
- "Lot,parent (lot splitting)" means a lot which is split into two lots through a lot splitting process.
- "Lot, unit" means a lot created from a parent lot and approved through the unit lot subdivision process.
- "Lot split" means the administrative process of dividing an existing lot into two lots for the purpose of sale, lease, or transfer of ownership.
- "Lot split survey" means the final survey prepared for filing for record with the county auditor and containing all elements and requirements for a lot split under this title.
- "Unit lot subdivision" means the division of a parent lot into two or more unit lots within a development and approved through the unit lot subdivision process.

Zoning Districts. Unit lot subdivision and lot splitting regulations will apply to the same zones identified during the middle housing updates, those whose purpose is predominantly for residential use, excluding portions designated as environmentally critical areas. The zoning districts include:

- R-SE: Suburban Estate Zone;
- R-SR: Suburban Residential Zone;
- Single Family Residential (SFR) Zones designated as: RS-15,000; RS-9,600; RS-8,400; RS-7,200 and RS-4,000;
- RA-3600: Attached Townhouse and Duplex 3,600 Zone; and
- RM-2400: Multifamily 2,400 Zone.

Unit Lot Subdivisions. A new chapter entitled 'Unit Lot Subdivisions' will be added to Title 17 DMMC.

- The purpose of this chapter is to adopt the process for the creation of unit lots for single family, middle housing and accessory dwelling unit development through established subdivision procedures while generally only applying development standards to the parent site as a whole rather than to individual unit lots. In order to be eligible for the unit lot subdivision process, the parent parcel shall meet all Title 18 DMMC standards of the applicable zone in which it is located. Development on individual unit lots shall meet building and fire code separation requirements.
- Requests for unit lot subdivisions shall be processed and decided upon as specified in chapter 17.05 DMMC Short Subdivisions. The title of the recorded plat shall include the phrase 'Unit Lot Subdivision'.
- Common areas outside of the unit lots shall be placed in tracts or easements and owned in common by the owners of the unit lots or a homeowners' association.
- Dedication of right-of-way may be required, but frontage improvements would be required only when triggered by the applicable codes for the development/construction of the lots.

In general, unit lot subdivisions create new lots much like a typical short subdivision, except the development standards for the underlying zone are applied only to the parent lot as a whole. This allows for smaller units on smaller lots, resulting in a more attainable ownership unit for a homeowner to gain equity on the home.

Lot Splitting. A new chapter entitled 'Lot Splitting' will be added to Title 17 DMMC.

- The purpose of this chapter is to adopt an administrative process for splitting and existing, residential lot into no more than two lots, that are conforming in lot area and width, to facilitate the construction of middle or single-family

housing.
- The lot splitting process may be completed concurrently with a residential building permit.
- Dedication of right-of-way or construction of frontage improvements may be required when triggered by the applicable codes for the development/construction of the lots.
- The review process would mirror that of a lot line adjustment and include a recording of a survey rather than a two-lot short subdivision process. The title of the recorded survey will include the phrase ‘Lot Split’.

In general, lot splitting provides a simpler, streamlined process that can be combined with the review of a residential building permit. The process only requires a Type I administrative decision by the director(s) per chapter 18.20 DMMC versus a Type II decision requiring public comment that would typically be required by a preliminary short subdivision decision.

Substandard or Nonconforming Lots. Changes are proposed to DMMC 18.190.280 in order to bring it more in line with the intent of the unit lot subdivision codes, which allow for development on separately owned lots less than the minimum lot area allowed in the zone. The code changes include removing the restriction that substandard lots that were under common ownership at some point as far back as 1988 would not be considered separate building sites. As proposed, owners of two or more previously platted lots may use them for up to two building sites, provided they meet the applicable development standards. If they own more than two substandard lots, any additional building sites must be at least 50% of the minimum lot area for the zone.

Alternatives

State law (RCW 58.17.060(3) and RCW 58.17.145) requires cities to revise their regulations as needed, within two years of the May 20, 2025 effective date, to conform with current unit lot subdivision and lot splitting requirements. No alternative courses of action are permitted under ESHB 5559 and E2SHB 1096. After the applicable deadline, cities must accept, process, and approve applications consistent with the new state legislation.

Financial Impact

Unknown

Recommendation

Staff recommends adopting Draft Ordinance 25-117 relating to land use and updating regulations related to unit lot subdivisions, lot splitting, and substandard or nonconforming lots.

CITY ATTORNEY'S FIRST DRAFT 12/29/2026

DRAFT ORDINANCE NO. 25-117

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON adding new chapters to Title 17 DMMC entitled "Unit Lot Subdivisions" and "Lot Splitting" and amending DMMC 18.190.280 Substandard or nonconforming lots.

WHEREAS, in 2025 the Washington state Legislature passed Engrossed Substitute House Bill (ESHB) 5559, amending RCW 58.17.020 and RCW 58.17.060, related to unit lot subdivisions, and

WHEREAS, in 2025 the Washington state Legislature passed Engrossed Second Substitute House Bill (E2SHB) 1096, amending RCW 36.70A.635, adding a new section to chapter 58.17 RCW and creating new sections related to lot splitting, and

WHEREAS, in passing ESHB 5559 and E2SHB 1096 the Legislature requires local jurisdictions to include procedures for unit lot subdivisions allowing division of a parent lot into separately owned unit lots and to establish an administrative process for lot splitting, and

WHEREAS, in passing E2SHB 1110 related to middle housing, the State legislature found that Washington is facing an unprecedented housing crisis for its current population and a lack of housing choices, and is not likely to meet affordability goals for future populations, and

WHEREAS, the Des Moines City Council passed Ordinance 1821 relating to zoning and the regulation of middle housing on June 12, 2025, and

WHEREAS, the Des Moines City Council passed Ordinance 1820 relating to zoning and the regulation of accessory dwelling units on June 12, 2025, and

WHEREAS, the adoption of unit lot subdivision and lot splitting provisions would allow for the subdivisions of single family, middle, and accessory dwelling unit housing types and therefore expand fee-simple homeownership opportunities, and

WHEREAS, Des Moines Comprehensive Plan Housing Element Policies encourage housing opportunities throughout the City and

support a range of housing choices for different household types and income levels; and

WHEREAS, the City is required under RCW 36.70A.040(4)(d) to implement the goals and policies of the City's Comprehensive Plan by adoption of implementing development regulations, and

WHEREAS, on December 8, 2025, the City submitted the proposed amendment to the Washington State Department of Commerce for its expedited 30-day review and received documentation of completion of the procedural requirement (Submittal ID 2025-S-11223), and

WHEREAS, the changes proposed by this ordinance have been processed in accordance with the requirements of the State Environmental Policy Act (SEPA), a final determination of non-significance was issued by the responsible official, and the appropriate comment has expired and is not subject to legal challenge under chapter 43.21C RCW, and

WHEREAS, the Des Moines City Council held a duly noticed public hearing on January 8, 2026, and

WHEREAS, based on careful consideration of the facts and law, the City Council finds that the proposed amendments attached and incorporated herein should be approved as presented; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. DMMC 17.01.050 and section 5 of Ordinance No. 1585 is amended to read as follows:

Definitions.

As used in this Title, unless the context or subject matter clearly requires otherwise, the words or phrases defined in this section shall have the indicated meanings. All other words or phrases appropriate to the context of their uses shall be interpreted as defined in the Zoning Code.

...

"Director" means the Community Development Director or designee.

...

"Lot" means a fractional part of divided lands having fixed boundaries, means of access, and sufficient area and dimension to meet minimum yard, area, and open space requirements of the Zoning Code for the zone in which the lot is located at the time such lot was created.

"Lot,parent (unit lot subdivision)" means a lot which is subdivided into unit lots through the unit lot subdivision process.

"Lot,parent (lot splitting)" means a lot which is split into two lots through a lot splitting process.

"Lot, unit" means a lot created from a parent lot and approved through the unit lot subdivision process.

"Lot line adjustment" means:

(a) A division made for the purpose of alteration by adjusting boundary lines between platted or unplatted lots or both; or

(b) A consolidation of multiple lots into one single lot; provided, that the division or consolidation does not create any additional lot, tract, or parcel; and does not create any lot, tract, or parcel which contains insufficient area and dimension to meet minimum requirements for width and area of a building site as required by Title 18 DMMC.

"Lot split" means the administrative process of dividing an existing lot into two lots for the purpose of sale, lease, or transfer of ownership.

"Lot split survey" means the final survey prepared for filing for record with the county auditor and containing all elements and requirements for a lot split under this title.

"Material error" means an error in fact or an omission of substantive information in an application, or supplementary study, supplied to the City, which would constitute the basis for a decision.

...

"Tract" means land reserved for special uses including but not limited to open space, surface water retention, utilities, or access. Tracts are neither counted as lots nor considered building sites.

"Unit lot subdivision" means the division of a parent lot into two or more unit lots within a development and approved through the unit lot subdivision process.

"Vacation" means the elimination of a recorded lot line, right-of-way, or easement.

NEW SECTION Sec. 2. Title.

This chapter shall be entitled "Unit Lot Subdivisions."

NEW SECTION Sec. 3. Application.

This chapter shall apply to the following zoning districts which are zones predominantly for residential use:

(a) R-SE: Suburban Estate Zone;
(b) R-SR: Suburban Residential Zone;
(c) Single-Family Residential (SFR) Zones designated as: RS-15,000; RS-9,600; RS-8,400; RS-7,200; and RS-4,000;
(d) RA-3600: Attached Townhouse and Duplex 3,600 Zone;
(e) RM-2400: Multifamily 2,400 Zone.

NEW SECTION Sec. 4. Purpose.

The purpose of this chapter is to adopt the process and procedures for the creation of unit lots for middle housing and accessory dwelling unit development through established subdivision procedures while generally only applying development standards to the parent site as a whole rather than to individual unit lots.

NEW SECTION Sec. 5. Authority.

This chapter is adopted pursuant to the provisions of RCW 58.17.020(11), (18) and (19), 58.17.030 and 58.17.060 and other applicable laws.

NEW SECTION Sec. 6. Procedure.

Requests for unit lot subdivisions shall be processed and decided upon as specified in chapter 17.05 DMMC Short Subdivisions.

NEW SECTION Sec. 7. Approval Criteria.

A unit lot subdivision creates a relationship between the parent parcel and each lot created, referred to as a "unit lot". Unit lot subdivisions shall meet all of the following standards:

(a) Parent Parcel. In order to be eligible for the unit lot subdivision process, the parent parcel shall meet all Title 18 DMMC standards of the applicable zone in which it is located.
(b) A unit lot subdivision cannot be used to permit land uses or densities that are not otherwise allowed in the zone in which the unit lot subdivision is proposed.
(c) Unit lots shall be subject to applicable requirements of DMMC Titles 14, 16, 17 and 18, except as otherwise modified by this chapter.
(d) Unit lot(s) are not subject to Title 18 DMMC dimensional standards of the applicable zoning district but shall meet the applicable building fire separation standards, fire access, adequacy of emergency vehicle access and fire protection water system standards.
(e) Access. The parent parcel and each unit lot shall make adequate provisions for ingress and egress and parking, where required, which may or may not include use of common areas or easements.
(f) Conditions of approval may require dedication of right-of-way but shall not require frontage improvements, unless the development of the unit

lot(s) would be required under applicable codes, regulations, and design standards to make frontage improvements.

(g) Common Areas. Portions of the parent parcel not subdivided for unit lots shall be identified as tracts or easements and owned in common by the owners of the unit lots or by a homeowners' association comprised of the owners of the individual unit lots. Common areas shall be addressed within deed restrictions.

NEW SECTION Sec. 8. Limitations shown on unit lot subdivision.

Notes shall be prominently placed on the face of the short plat to be recorded with the County to state the following:

(a) The title of the plat shall include the phrase "Unit Lot Subdivision."

(b) Approval of the development (design and layout) on each unit lot was granted by the review of the development, as a whole, on the parent lot under file # _____.

(c) Subsequent subdivision actions, additions, or modifications to the unit lot housing development, including all structures, may not create or increase any nonconformity of the parent lot as a whole, and shall conform to the approved unit lot housing development project or to the land use and development standards.

(d) If a structure or portion of a structure within the unit lot housing development project has been damaged or destroyed, any repair, reconstruction, or replacement of any structure shall comply with chapter 18.15 DMMC – Nonconforming Buildings and Uses.

(e) Additional development or redevelopment of the individual unit lots may be limited as a result of the application of development standards to the parent lot.

NEW SECTION Sec. 9. Title.

This chapter shall be entitled "Lot Splitting."

NEW SECTION Sec. 10. Application.

This chapter shall apply to the following zoning districts, which are zones predominantly for residential use in Des Moines:

(a) R-SE: Suburban Estate Zone;
(b) R-SR: Suburban Residential Zone;
(c) Single-Family Residential (SFR) Zones designated as: RS-15,000; RS-9,600; RS-8,400; RS-7,200; and RS-4,000;
(d) RA-3,600: Attached Townhouse and Duplex 3,600 Zone;
(e) RM-2,400: Multifamily 2,400 Zone.

NEW SECTION Sec. 11. Purpose.

Residential lot splits are an administrative process for splitting an existing residential lot into no more than two lots to facilitate the creation of middle housing or single family housing. Residential lot splits may be combined with concurrent review of a residential building permit to create new middle housing or single family housing.

NEW SECTION Sec. 12. Authority.

This chapter is adopted pursuant to the provisions of RCW 58.17.145 and other applicable laws.

NEW SECTION Sec. 13. General Provisions.

(1) A proposed lot split may be conditioned upon dedication of right-of-way on the parent lot to the extent such dedication is required under applicable codes, regulations, and design standards for the development, short plat, or subdivision of the parent lot absent an administrative lot split;
(2) Development of dwelling units on the newly created lot may be conditioned upon construction of frontage improvements to a right-of-way adjacent to either the parent lot or the newly created lot to the extent required under applicable codes, regulations, and design standards.
(3) Notwithstanding the provisions of this chapter, lots that are not buildable according to adopted development regulations

including, but not limited to, critical areas, shorelines, stormwater, setbacks, impervious surface areas, and building coverage standards are not eligible for a lot split.
(4) If a lot split results in a lot of a size that would allow for further land division, the lot is not eligible for a lot split but may be divided under other applicable land subdivision processes.

NEW SECTION Sec. 14. Decisional Criteria.

A new buildable residential lot created through a lot split and residential building permit or permits must be administratively approved and are not subject to administrative appeal if they comply with applicable development standards and the following conditions are met:

(a) No more than one newly created lot is created through the administrative lot split;
(b) Both the parent lot and the newly created lot meet the minimum lot size allowed under applicable development regulations;
(c) The parent lot was not created through the splitting of a residential lot authorized by this section;
(d) The parent lot is located in a residential zone and not in an exclusively nonresidential zone including, but not limited to, zones that are exclusively commercial, retail, agricultural, or industrial;
(e) If the lot split would require demolition or alteration of any existing housing that would displace a renter, the applicant must recommend a displacement mitigation strategy that may include, but is not limited to, relocation assistance;
(f) The applicable sewer and water purveyors have issued certificates of availability to serve the newly created lot and dwelling units;
(g) Access and utility rights are granted or conveyed as necessary on or before recording of the lot split survey to provide access for the maximum number of dwelling units that could be developed on the newly created lot, provided such access rights may be reduced consistent with the city's adopted codes, regulations, or design standards as applicable

through review of a subsequent application for a building permit, short subdivision, unit lot subdivision, subdivision application, or short subdivision if less than the maximum number of dwelling units are built on the newly created lot;

(h) The Director or other designee determines that the application follows all applicable development regulations; and

(i) The lot split survey has been approved by the Director or other designee and includes a condition on the face of the survey that further lot splits of the parent lot and newly created lot are not authorized by this section.

(j) The title of the lot split survey shall include the phrase "Lot Split."

NEW SECTION Sec. 15. Administrative review.

(1) The owner of the subject property or the authorized agent(s) of the owner may apply for a lot split by submitting to the Community Development Department all of the information specified in DMMC 17.40.110, Application materials – Lot line adjustments.

(2) Within 14 days of issuing a notice of complete application in response to a lot splitting application, the planning official shall distribute a notice of application and request for comments. The request for comments shall contain a copy of the proposed lot split plan. The notice of application and request for comments shall be distributed to interested departments and affected agencies including, but not limited to, the Community Development Director, Public Works Director and Fire Department. The planning department shall consider all comments and information regarding the proposed lot split that are delivered to the Community Development Department within 15 days of the date of distribution. The planning official may extend the deadline for comments if he/she determines that an extension is necessary to obtain information relevant to the application.

(3) Within 30 days of the date of the notice of complete application, the Community Development Director shall approve, disapprove, or return to the applicant for modifications the

requested lot split. In making a decision, the director shall make appropriate findings of fact in writing. Following a decision, the planning official shall issue a notice of decision.
(4) If an application for a lot split is disapproved by the Community Development Director, the applicant may appeal such disapproval to the Hearing Examiner. Any such appeal shall be brought within 10 days of such disapproval and in accordance with the Hearing Examiner Code.

NEW SECTION Sec. 16. Filing for recording.

(1) The applicant shall submit to the Community Development Department, together with required recording fees, a final lot split survey meeting the requirements of this Title and the lot split approval. The submittal shall occur within 120 days following the date the lot split is approved or the lot split approval shall be deemed void and any development rights that have vested in the applicant shall be considered abandoned.
(2) The final lot split survey shall be prepared by a registered land surveyor, and shall be drawn on a standard 18-by-24-inch mylar at a scale of 1 inch equals 50 feet unless otherwise approved by the planning official. The final lot split survey shall contain language that property deeds consistent with the lot split shall be recorded with the county auditor within 270 days of the date the lot line adjustment is recorded or the lot line adjustment shall be null and void.
(3) The lot corners shall be set on the applicant's property by a registered land surveyor using appropriate permanent materials.
(4) If the lot split survey complies with the approved lot split and all requirements of this Title, the Community Development Director and Public Works Director shall sign the approved lot split survey.
(5) Within 15 days of the date the applicant submits a final lot split survey, the planning official shall transmit the approved lot split for recording with the county auditor.

NEW SECTION Sec. 17. Appeal.

A decision made pursuant to this chapter is a Type I decision. An appeal of such decision shall be as set forth in DMMC 18.20.150 and 18.20.160.

Sec. 18. DMMC 18.190.280 and section 4 of Ordinance No. 1695 is amended to read as follows:

Substandard or nonconforming lots in Residential or Commercial Zones.

In any Residential or Commercial Zone, a dwelling or building may be established on a lot which cannot satisfy the lot area requirements of the zone; provided, that:

(1) All other bulk regulations shall apply; and

(2) ~~The owner of such nonconforming lot does not own any adjoining vacant lots of record of continuous boundary to which the nonconforming or substandard lot can be merged in title or with which the lot lines can be adjusted to create lots of record which satisfy the lot area requirements of the zone or create a lot of record of greater area; and~~

A person who owns two or more substandard lots may use such lots, either individually or in combination, for up to two building sites, if the building sites meet the setbacks and lot coverage requirements and the county health department standards (for septic systems)for the zone in which they are located. Additional contiguous substandard lots owned by the same person may be used for additional building sites, if the additional building sites contain at least 50 percent of the lot area required for the zone in which such building sites are located, if the building sites meet the setbacks and lot coverage requirements and the county health department standards (for septic systems) for the zone in which they are located; or

(3) ~~The owner of such nonconforming lot or lots has not received a fee interest in such lot or lots from a party who at any time subsequent to April 25, 1988, held a fee interest in any adjoining lot of continuous boundary; and further provided, that The limitation in this subsection shall not apply to a party who either (a) acquires a fee interest by enforcement of a security interest in such property where the security interest was created prior to April 25, 1988, or (b) has acquired such fee~~

~~interest as the result of a judicial decree of partition by a court of competent jurisdiction; or~~

~~(4)~~ The government has acquired a portion of the property for right-of-way expansion or construction of essential public transportation facilities, subject to subsections (1)~~,~~ and (2), ~~and (3)~~ of this section.

Sec. 19. Codification. Sections 2 through 9 and 10 through 19 of this ordinance shall be codified as new chapters in Title 17 DMMC.

Sec. 20. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

(2) If the provisions of this ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this ordinance is deemed to control.

Sec. 21. Effective date. This ordinance shall take effect and be in full force five (5) days after its passage, approval, and publication in accordance with law.

PASSED BY the City Council of the City of Des Moines this ____ day of _____, 2026 and signed in authentication thereof this ___ day of _____, 2026.

_____
M A Y O R

APPROVED AS TO FORM:

_____
City Attorney

ATTEST:

_____
City Clerk

Published: _____

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **6th and 287th Storm Project Task Assignment Amendment**

ATTACHMENTS:
1. 6th and 287th Task Assignment Amendment
2. 2026-2031 Capital Improvement Plan Budget Worksheet

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Public Works

DATE SUBMITTED:
January 09, 2026

CLEARANCES:
Public Works

Purpose and Recommendation

The purpose of this consent agenda item is to seek City Council approval of an amendment to Task Assignment 2024-05 with Parametrix (Attachment 1) that will complete the design and permitting of the 6th and 287th Storm Project.

Suggested Motion:

Motion: "I move to approve the amendment to the 2024-2025 On-Call General Civil Engineering Services Task Assignment 2024-05 with Parametrix to complete design and permitting services for the 6th and 287th Storm Project in the amount of $86,000.00, and authorize the City Manager to sign said amendment in the form as submitted."

Background

The 6th Place/287th Street Pipe Replacement Project is a high-priority project identified in the 2015 Surface Water Management Comprehensive Plan. The project is located in the vicinity of 4th and 6th Place South near where they intersect with 287th Street.

6th Place South has existing drainage systems that are aging and do not adequately address the current runoff and groundwater conditions experienced in this area. Another existing system on 4th Place South in the same vicinity experiences seasonal flooding in the fall and winter.

This project would install permanent collection and conveyance to capture runoff and groundwater in an upgraded system and protect against seasonal flooding in high flows.

Discussion

The City applied for the Flood Reduction Grant opportunity in the Summer of 2024. The King County Flood Control District voted to award this project in the amount of $249,309 to support the 100% Design phase. The City is required to certify funding by signing and returning the Agreement for Award of Flood Reduction Grant Funds.

In order to fulfill the project design and permitting requirements, consultant support will be needed. City staff utilized the 2024-2025 On-Call General Engineering Services roster for consultant selection. Parametrix was selected based on their experience in environmental permitting and habitat projects, as well as past performance on the North Fork McSorley Creek Diversion Project and the Lower Massey Creek Habitat Restoration Monitoring Project.

This amendment accounts for additional scope to include areas within the original project limits but left out of initial assumptions for inclusion in the project. The amendment also extends the expiration of the Task Assignment to May of this year.

Alternatives

The City Council could elect to not approve the Task Assignment amendment with Parametrix. The City would need to review other on-call consultant qualifications or issue a Request for Proposal (RFP) to complete the design work. These processes would add significant time to the design of the project and potentially delay construction until next year.

Financial Impact

The amended City's Capital Improvement Plan Budget Worksheet (Attachment 2) includes revenues from the Surface Water Utility to achieve funding for the Formal Task Assignment.

Recommendation

Staff recommends approval of the proposed motion.

City of Des Moines
6th Place and 287th Street Pipe Replacement Project
Amendment 01

Introduction

This amendment includes effort to prepare additional conveyance design alternative evaluations, design revisions, and additional permitting documentation not included in the original scope of work. It also extends the contract duration 3 months, through March 2026.

These improvements will include designing new and replaced storm drain pipes and catch basins, trenching and restoration of disturbed portions of 4th Place S, 5th Place S, 6th Place S, and S 287th Street including replacement of pavement and curb, gutter, and sidewalk, where necessary.

The City was awarded Flood Reduction Grant Funds from King County Flood Control District to support the project, which will be used in part to fund the project. The grant agreement states that the project shall be completed no later than December 31, 2027.

Task 01 – Project Management

Objectives

The objective of this task is to provide overall project management of the consultant contract with City's project manager.

This task includes general management functions that include the following:

- Project Planning – Document and communicate the scope of work, budget, and schedule as a road map for the project team. Coordinate project team and issues throughout the project.
- Budget and Schedule Tracking – Track the project budget using Parametrix in-house tools to verify that progress is keeping pace with spending.
- Monthly weekly design team meetings with an issues list to document project design decisions.
- Monthly Progress Reports – Prepare a monthly invoice for services performed by Parametrix.
- Correspondence – Prepare written correspondence as needed to document project management issues and/or concerns.

Deliverables

Deliverables for this task include:

- Miscellaneous correspondence to document project management issues.
- Monthly progress reports enclosed with invoices.

Assumptions

Assumptions for this task include:

- Project duration is extended 3 months to include January through March 2026.
- Budget assumes 3 project management meetings at 1 hour duration with the consultant's project manager and design engineer.

Task 02 – Survey and Easements

Measurable Task Objective

The City requested additional survey pickup for the storm drain system along Redondo Beach Drive.

Subtask 02-03 –Additional Pickup Survey

Objective/Goal

The Parametrix survey crew will perform additional topographic survey of the storm drain system along Redondo Beach Drive to capture the outfall system located north of the City owned, vacant parcel associated with what has been identified by the project team as "Storm Drain Line 3."

Deliverables

No deliverables for this task.

Assumptions

This proposal is based on the following assumptions and/or receiving the following site-specific information.

- Parametrix will provide one survey staff for one day of effort to work with the project engineer and City staff to pickup additional stormwater features. This assumes half day of field work and half day of CAD work to update the basemap.

Task 03 – Preliminary Design

Measurable Task Objective

The objective of this task is to perform a hydrologic and hydraulic (H&H) evaluation of the existing and proposed storm drain system with the intent of identifying the location of the flow diversion and flow splitter structures and the size of the proposed storm drain pipes. After the H&H evaluation is completed, a stormwater technical memorandum will be prepared as well as preliminary plans and an opinion of cost for review by the City and for use in obtaining permits.

Subtask 03-03 – Hydrologic and Hydraulic Analysis

Objective/Goal

The objective of this task is to perform a hydrologic and hydraulic (H&H) evaluation for design scenarios as a result of the 50% design review. Design changes may be incorporated into the 60% Permitting plans (Subtask 03-04) pending review and approval by the City Project Manager.

Approach

Parametrix will perform the following design evaluations:

- One site visit with one engineer to confirm existing conditions (roadway, stairs, etc.) and drainage structures. The total duration will be 6 hours.
- Hydraulic modeling of a flow splitter to direct stormwater conveyance from Line 2 to Line 3 outfall. The flow splitter location for the evaluation will be at Soundview Drive S and S 287th Street. The intent of this flow splitter is to reduce the need for construction impacts and design of ADA ramps at the intersection of Redondo Beach Drive S and S 287th Street.
- Hydraulic modeling and design reconfiguration of the Line 1 and Line 2 stormwater conveyance systems near 6th Place S and the private driveway to the condominiums on the private parcel.
- Prepare a stormwater memorandum representing the proposed design to support the grading permit application.

Deliverables

- Stormwater Technical Memorandum (Revised) in electronic format (PDF).

Assumptions

- H&H modeling will be done using AutoCAD Storm and Sanitary Analysis.
- The proposed design will be limited to existing outfall locations and pipe capacities. No new outfalls to Puget Sound or outfall pipe improvements are included in this project.
- The conveyance analyses will not consider sea level rise at the outfall to Puget Sound.
- The Stormwater Technical Memorandum is estimated to be approximately 10 pages plus attachments and figures. Documents and figures will be prepared using Parametrix's internal company production standards.
- The Stormwater Technical Memorandum submitted will be final and will not require additional revisions.

Subtask 03-04 – Permitting Plans

Objective/Goal

As a result of 50% review comments and feedback from the City permit pre-application meeting, design changes are needed before Preliminary Plans can be submitted to obtain permits. The objective of this task is to develop plans from 50% to 60% for use in obtaining permits.

Approach

Parametrix will prepare preliminary plans to approximately a 60% design level, incorporating design changes resulting from the 50% review. The design will establish the "footprint" of the project ensuring the project can be constructed within the existing right-of-way and establishing the areas of required drainage easements; and include sufficient detail to provide information for environmental documentation and permits. The approach for completing this task includes the following:

- The preliminary plans will be prepared by the Engineer and will include the following plan sheets:
  - → Cover Sheet and Legend (assume 2 sheets).
  - → Existing Conditions and Survey Control (assume 4 sheet).
  - → Demolition and TESC Plans (assume 4 sheets).
  - → Storm Drain Plan (assume 4 sheets).
  - → Storm Drain Profile (assume 3 sheets).
  - → Landscape Planting Plan (1 sheet)
  - → Details (assume 2 sheet).

    Sheet Total = 20

Deliverables

- Half-size (11"x17") permitting plans in electronic format (PDF).

Assumptions

- Documents will be prepared using Parametrix's internal company production standards.
- The City will provide one round of consolidated comments to Parametrix for review and response to. Comments will be addressed and incorporated in Task 04.
- The engineer's cost estimate will not be updated as part of the permitting plans update.

Subtask 03-05 – Utility Coordination

Objective/Goal

As a result of 50% review comments and feedback from Lakehaven Water and Sewer District (LWSD), the LWSD would like the City to bid the LWSD utility replacement and associated paving project as an alternative bid schedule. The objective of this task is to coordinate plans prep, sheet callouts, and pavement restoration limits with LWSD in the City's design plans for use in obtaining permits.

Approach

Parametrix will coordinate with the Lakehaven Water and Sewer District (LWSD) to incorporate grind and overlay paving along 6th Place S related to LWSD's asbestos concrete water line replacement.

Deliverables

- Not applicable.

Assumptions

- Design coordination with LWSD will require the following effort: up to 4 hours of Project Manager effort, up to 20 hours of Project Engineer effort, and up to 8 hours of Engineering Support effort.

Task 05 – Environmental Review and Permitting

Objective/Goal

To assist the City in completing required environmental reviews and assist the City with preparing permit applications.

Approach

The site reconnaissance performed under the original scope of work found that the project will entail ground-disturbing work and vegetation clearing with the regulatory buffers on a wetland and a stream. This finding resulted in additional, unanticipated effort for completing the critical areas technical memorandum and the SEPA checklist. During and after the September 17, 2025, pre-application meeting with City permitting staff, it was determined that the following additional environmental review and permitting documentation will be required:

- Supporting documentation for a Shoreline Exemption
- Supporting documentation for a Critical Areas Development Exception
- A Targeted Drainage Review
- A Hydraulic Project Approval (HPA), if triggered by installation of a flow splitter upstream of a possible water of the state

Parametrix will:

- Prepare supporting documentation for a Shoreline Exemption, including
  - A narrative demonstrating compliance with Shoreline Master Program review criteria
  - A site plan that shows the locations of ground-disturbing work and vegetation clearing within the shoreline jurisdiction
- Prepare supporting documentation for a Critical Areas Development Exception. The supporting documentation will include the following:
  - Identifying information about the project and project applicant
  - Site development plan
  - Completed SEPA checklist
  - Critical Areas Technical Memorandum
  - Site restoration plan and plan sheet for post-construction restoration of vegetated areas in stream and wetland buffers
- Prepare temporary erosion and sediment control (TESC) narrative to support a Targeted Drainage Review.

- Coordinate with WDFW concerning the need for an HPA, and prepare an HPA application, if necessary.
- Assist the City with responding to comments and/or requests for additional information during the review of permit applications and other environmental documents.

Deliverables

- Compliance narrative and site plan for Shoreline Exemption
- Supporting documentation for a Critical Areas Development Exception
- TESC Narrative
- HPA Application, if required

Assumptions

- The City will review the SEPA environmental checklist and issue a SEPA determination pursuant to City Code.
- The SEPA environmental checklist can be prepared using information developed as part of this scope of work or publicly available resource information. No additional technical studies will be required.
- A separate set of drawings to meet the requirements of the U.S. Army Corps of Engineers will not be required.
- Construction of the proposed stormwater bypass, including inlet and outlet facilities, will not require any work within the ordinary high water mark of Puget Sound.
- No special environmental studies or hazard analyses will be required.
- The City will determine that post-construction restoration of temporarily disturbed wetland and stream buffer areas will meet the mitigation requirements in DMMC 16.10.300(2).
- Supporting documentation for a Targeted Drainage Review will consist of a TESC Narrative, not a full Technical Information Report.
- A City of Des Moines Critical Area Land Use Permit will not be needed.
- A Right of Way Use Permit will be required. The permit will be obtained by the City's selected Contractor.
- If a Building Permit is required for the stairs on private property, that permit will be obtained by the City's selected Contractor.
- The City will secure rights of access to private property.
- All deliverables will be electronic. The City is responsible for distribution and the publication of any required notices and/or design and installation of required signage.
- The City will pay all permit and review fees.
- City will obtain and maintain public liability insurance, if needed, per DMMC 12.05.070(6)
- Securing coverage under the Construction Stormwater General Permit will be the responsibility of the construction contractor.

Client: City of Des Moines
Project: 6th Place and 287th Street Pipe Replacement
Project No: 213-1792-052 Amendment 01

					Craig Buitrago	Theo Prince	Justin Emery	Stephen W. Wilson	Nikki Redden	Mike Hall	Meg Meyer	Jens Swenson	Butch Purganan	Alex Van Kirk	Five Heck	Alix Strobeck	Jean Johnson	Debbie Fetherston	Karissa Tuttle
					Sr. Consultant	Sr. Engineer	Survey Supervisor	Sr. Surveyor	Engineer IV	Sr. Scientist/Biologist	Scientist/Biologist II	Landscape Architect	Sr Designer	Engineer III	Engineer I	Project Coordinator	Sr. Contract Administrator	Publications Supervisor	Project Accountant
			Billing Rates:		$270.69	$251.32	$233.16	$170.63	$181.12	$246.25	$111.64	$241.41	$218.27	$144.24	$121.88	$107.51	$214.92	$185.90	$106.47
Task	**Subtask**	**Description**	**Labor Dollars**	**Labor Hours**															
01		**Project Management**	**$4,373.92**	**23**	**9**	**0**	**0**	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**6**	**2**	**0**	**3**
01		General PM	$3,018.47	17	6											6	2		3
01		PM Meetings	$1,355.45	6	3				3										
02		**Survey and Easements**	**$2,172.56**	**12**	**0**	**0**	**2**	**10**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
02	03	storm pickup	$2,172.56	12			2	10											
02			$0.00	0															
03		**Preliminary Design**	**$61,991.48**	**354**	**36**	**18**	**0**	**0**	**164**	**0**	**0**	**0**	**10**	**10**	**112**	**0**	**0**	**4**	**0**
03	03	H&H at 4th and 287th Design	$9,332.96	48	4	4			40										
03		H&H at Condo parcel	$9,332.96	48	4	4			40										
03		public meeting and design evaluation presentation	$2,169.51	10	4				6										
03		Site visit	$1,086.74	6					6										
03		Stairs and Storm on Condo Parcel	$5,418.01	36	2	2			8						24				
03		Stormwater TM Revised	$9,555.59	60	2	4			16					10	24			4	
03	04	Permit Plans - 60% Submittal	$19,415.50	114	16	4			28				10		56				
03	05	Lakehaven W&SD Design Coord/ Paving	$5,680.22	32	4				20						8				
05		**Permitting**	**$16,939.94**	**105**	**6**	**0**	**0**	**0**	**25**	**14**	**44**	**4**	**0**	**0**	**12**	**0**	**0**	**0**	**0**
05		Critical Areas Development Exception	$3,778.06	24	1				1	2	8	4			8				
05		Grading permit application package - Additional Drainage Info	$995.18	5	1				4										
05		TESC Narrative	$4,427.28	24	4				16		4								
05		Supporting Documentation for Shoreline Exemption	$3,712.87	22					2	8	8				4				
05		HPA Application	$4,026.56	30					2	4	24								
		Labor Totals:		494	51	18	2	10	192	14	44	4	10	10	124	6	2	4	3
		Totals:	**$85,477.89**		**$13,805.32**	**$4,523.81**	**$466.31**	**$1,706.25**	**$34,775.52**	**$3,447.54**	**$4,912.05**	**$965.64**	**$2,182.70**	**$1,442.35**	**$15,112.50**	**$645.06**	**$429.85**	**$743.60**	**$319.41**

Subconsultants

Subconsultants Total:	**$0.00**

Other Direct Expenses

Title Reports	
Mileage - $0.70/mile	$122.11
Survey Equipment ($200/Use)	$400.00
Other Direct Expenses Total:	**$522.11**

Project Total **$86,000.00**

CITY OF DES MOINES
2026-2031 CAPITAL IMPROVEMENT PLAN
(Amount in Thousands)

6th Pl/287th Street Pipe Replacement	Project #	SWCIP0029
-	Previous Project #	-

CIP Category: Surface Water Management

Managing Department: Plan, Build & PW Admin

Summary Project Description:

This project will install approximately 1670 ft of 12" 15 catch basins and 4 storm drain manholes. Install now storm systems along NW side of 4th Pl S, long SE side of S 287th St, and NW side of 6th Pl S. Install flow splitter at intersection of 4th Pl S and S 287th St. Drainage easements may be required. Replace 12th CMP with new 12th SD and install diversion structure.

Justification/Benefits: This is a high priority project (CIP-37) listed in the 2015 SWM Comprehensive Plan. This project wil reduce/eliminate localized flooding, replace aging CMP pipe and improve drainage conditions for this system of pipe.

-

PROJECT SCOPE				*ANNUAL ALLOCATION*									
Expenditures	*Current Budget*	*Requested Change*	*Total Budget*	*Project to Date 12/31/24*	*Actuals Year 2025*	*Scheduled Year 2025*	*Plan Year 2026*	*Plan Year 2027*	*Plan Year 2028*	*Plan Year 2029*	*Plan Year 2030*	*Plan Year 2031*
Design	**275**	**22**	**297**	**-**	**140**	**243**	**54**	**-**	**-**	**-**	**-**	**-**
Unallocated Design												
EXTERNAL ENGINEERING				-	139	239	138 ~~48~~					
INTERNAL ENGINEERING				-	1	2						
PROFESSIONAL SERVICES				-	-							
INTERFUND FINANCIAL SERVICES				-	-	2	1					
OTHER MISC				-	-		2					
PERMITS				-	-		3					
Land & Right of Way	**119**	**(119)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Unallocated Land & Right of Way												
EXTERNAL ENGINEERING				-	-							
INTERNAL ENGINEERING				-	-							
PROFESSIONAL SERVICES				-	-							
INTERFUND FINANCIAL SERVICES				-	-							
LAND ACQUISITION				-	-							
OTHER MISC				-	-							
Construction	**480**	**683**	**1,163**	**-**	**-**	**-**	**1,163**	**-**	**-**	**-**	**-**	**-**
Unallocated Construction												
EXTERNAL ENGINEERING				-	-		160					
INTERNAL ENGINEERING				-	-		3					
PROFESSIONAL SERVICES				-	-							
OTHER MISC				-	-							
iNTERNAL CONSTRUCTION				-	-							
CONSTRUCTION CONTRACT				-	-		1,000					
CONSTRUCTION CONTRACT				-	-							
Contingency	**85**	**65**	**150**				**150**					
Total Expenditures	**959**	**651**	**1,610**	**-**	**140**	**243**	1,457 ~~1,367~~	**-**	**-**	**-**	**-**	**-**

	Project to	*Actuals*	*Scheduled*	*Plan*	*Plan*	*Plan*	*Plan*	*Plan*	*Plan*

Funding Sources	Current Budget	Requested Change	Total Budget	Date 12/31/24	Year 2025	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031
SURFACE WATER UTILITY	710	651	1,361	-	140	4	1,447 ~~1,357~~					
KC Flood Control (Secured)	249	-	249			239	10					
(NEW FUNDING SOURCE HERE)	-	-	-									
(NEW FUNDING SOURCE HERE)	-	-	-									
(NEW FUNDING SOURCE HERE)	-	-	-									
(NEW FUNDING SOURCE HERE)	-	-	-									
(NEW FUNDING SOURCE HERE)	-	-	-									
Total Funding	959	651	1,610	-	140	243	1,457 ~~1,367~~	-	-	-	-	-
Funding Shortfall/Excess	-	-	-									

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Des Moines Creek Estuary Project, On-Call General Engineering Services Task Assignment with Parametrix and Grant Awards**

ATTACHMENTS:
1. 2025 Cooperative Watershed Management Grant Agreement
2. 2025 Flood Reduction Grant Agreement
3. Parametrix Task Assignment Scope and Budget Tables

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Public Works

DATE SUBMITTED:
January 9, 2026

CLEARANCES:
Public Works

Purpose and Recommendation

The purpose of this agenda item is to seek City Council acceptance of the King County Flood Control District's (KCFCD) Cooperative Watershed Management (CWM) (Attachment 1) and Flood Reduction (Attachment 2) Grants and approval of the 2026-2027 On-Call General Civil Engineering Services Task Assignment 2026-01 with Parametrix (Attachment 3) to provide continued design and permitting services on the Des Moines Creek Estuary Project (Phase 3).

Suggested Motion:

Motion 1: "I move to accept the King County Flood Control District's Cooperative Watershed Management Grant Award in the amount of $210,000 for the Des Moines Creek Estuary Project and authorize the City Manager to sign the Grant Agreements substantially in the form as submitted."

Motion 2: "I move to accept the King County Flood Control District's Flood Reduction Grant Award in the amount of $150,000 for the Des Moines Creek Estuary Project and authorize the City Manager to sign the Grant Agreements substantially in the form as submitted."

Motion 3: "I move to approve the 2026-2027 On-Call General Civil Engineering Services Task Assignment 2026-01 with Parametrix to provide continued design and permitting services on the Des Moines Creek Estuary Project in the amount of $360,000.00 and authorize the City Manager to sign said Task Assignment

substantially in the form as submitted."

Background

The Des Moines Creek drainage basin is home to coho salmon, chum salmon, steelhead, and cutthroat trout, which have been historically identified in the lower reaches of Des Moines Creek. The basin covers 5.8 square miles and the creek itself is 3.5 miles long and flows from an elevation of about 350 feet to where it meets Puget Sound at Des Moines Beach Park. The upper watershed is heavily urbanized and includes a mix of residential and commercial land as well as a portion of the Seattle-Tacoma International Airport. The lower reaches of the creek around Des Moines Beach Park provide some of the most heavily utilized fish habitat within the watershed, due primarily to its vicinity and accessibility to Puget Sound.

The Green/Duwamish and Central Puget Sound Watershed's (WRIA 9) Salmon Habitat Plan identifies the Des Moines Creek Estuary Project as a salmon-recovery capital project that is in alignment with regional Chinook salmon recovery goals. Project goals within the estuary include restoring and securing access to the stream, creating safe fish passage, removing rock armoring from the stream bank, and creating a pocket estuary.

The Des Moines Creek Estuary Project's initial scoping considerations include improving riparian vegetation, removing approximately 500 feet of hard armoring and fill, increasing nearshore habitat, and creating a pocket estuary at the stream mouth. Another goal of this project is to address flooding impacts on Des Moines Creek Beach Park. Due to sediment transport deposition and narrow hard armoring, Des Moines Beach Park has been subject to historical flooding. The project will identify potential improvements to address flooding impacts to Des Moines Beach Park while bolstering both shoreline and estuary habitat.

This project has been awarded both of these grants in previous years in the total amount of $500,000. This project appeared before the Council on April 13, 2023, and December 14, 2023, where these grants were approved. This funding was scoped to get the project to 30% Design, and is currently underway. An initial presentation on the project showing early renderings was given to Council on February 13, 2025 and the last update was given to Council on June 12, 2025, when the WRIA 9 Interlocal Agreement was approved to be renewed. The current grants will provide the funding needed for Phase 3 of the project, which will conclude with 60% Design.

Discussion

With support from our consultant, Parametrix, the City applied for the CWM Grant in February of 2025 in pursuit of the remaining budget needed for the project, as encouraged by WRIA 9, in the amount of $515,000. The Estuary project was identified as a strong contender was granted $210,000 in May by WRIA 9, which was later approved in July by unanimous vote of the KCFCD. Staff also applied for the Flood Reduction grant in May of 2025, to make up for the funding that was not secured in the

CWM Grant. We were notified in November that we would receive an additional $150,000 through the Flood Reduction Grant. Working with Parametrix to adjust the scope and fee, it was determined that the funding provided by these two grants would be enough to accomplish 60% Design documents.

The proposed task assignment with Parametrix initiates Phase 3 of the project, which entails completing sea level rise analysis, public outreach support, permitting support, and 60% intermediate design for improvements to the shoreline, estuary habitat and public access near the mouth of Des Moines Creek. Although specific details of improvements would be identified as a part of this project, potential proposed elements may include hard armoring replacement with soft armoring, streambed modifications, riparian zone planting, and bulkhead modifications. Park and urban design improvements will also be considered as the restoration improvements may affect existing park features. This could include modifications or improvements to the park entrance, pedestrian walkways, recreational amenities, and/or informational signs/station.

Alternatives

Motion 1:
The City Council could elect not to accept the KCFCD Cooperative Watershed Management Grant award. As a result, this phase of the project would require funding solely by the Surface Water Utility. This would cause project delays and jeopardize the current project schedule as there are no funds set aside for this.

Motion 2:
The City Council could elect not to accept the KCFCD Flood Reduction Grant award. As a result, this phase of the project would require funding solely by the Surface Water Utility. This would cause project delays and jeopardize the current project schedule as there are no funds set aside for this.

Motion 3:
The City Council could elect not to approve the 2026-2027 On-Call General Civil Engineering Services Task Assignment 2026-01 with Parametrix Inc. for engineering and permitting services. The City does not have adequate resources to complete this phase of preliminary project engineering and permitting internally. This would cause project delays as well as jeopardize current and future King County Flood Reduction and CWM Grant funding opportunities.

Financial Impact

The City's CIP Budget includes $360,000 in grant revenues to achieve full funding for Phase 3 of this project and these grants will cover the Consultant Services Contract.

Recommendation

Staff recommends adoption of the motions.

AGREEMENT FOR AWARD OF COOPERATIVE WATERSHED MANAGEMENT GRANT FUNDS BETWEEN CITY OF DES MOINES AND KING COUNTY

This Agreement is made between King County, a municipal corporation, and **City of Des Moines** ("Recipient") (collectively referred to as the "parties" and in the singular "party"), for the purposes set forth herein. This Agreement shall be in effect from the date of execution to **December 31, 2028**.

Primary Contact for King County: Kim Harper, Grant Administrator, 206-477-6079, Kim.harper@kingcounty.gov.

Primary Contact for Recipient: Alex Johnson, Civil Engineer, 206-870-6948, Amjohnson@desmoineswa.gov.

SECTION 1. RECITALS

1.1 Whereas, the King County Flood Control District ("District") is a quasi-municipal corporation of the State of Washington, authorized to provide funding for cooperative watershed management arrangements and actions for purposes of water quality, water resource, and habitat protection and management;

1.2 Whereas, King County is the service provider to the District under the terms of an interlocal agreement ("ILA") by and between King County and the District, dated February 17, 2009, as amended, and as service provider implements the District's annual work program and budget;

1.3 Whereas, in accordance with Resolution FCD2012-07.2 and in its capacity as service provider to the District, King County has established a grant award program, called the Cooperative Watershed Management Award Program, to fund water quality, water resources and habitat restoration and management projects and activities;

1.4 Whereas, the Board of Supervisors of the District (the "Board"), the District's governing body, passed Resolution FCD 2024-12 on November 19, 2024, authorizing the King County executive or his designee to develop and administer a grant award program of up to $11,634,742 in 2025 for water quality, water resources and habitat restoration and management projects and activities in King County, provided that the project list is approved by the Board;

1.5 Whereas, on July 8, 2025, the Board passed Resolution FCD 2025-07, which approved the projects described in Attachment A to that Resolution;

1.6 Whereas, the Recipient submitted an application to its respective WRIA forum or committee for the project, as described in Exhibit A attached hereto and incorporated herein by this reference, and that body has recommended the project for funding under the Cooperative Watershed Management Grant Program in accordance with King

County's Cooperative Watershed Management Grant Program Policies and Procedures, a copy of which has been furnished by King County to the Recipient and which are incorporated herein by this reference ("Grant Policies and Procedures");

1.7 Whereas, the Board approved funding of Recipient's application for the project ("Project"), as described in Attachment A to Resolution FCD 2025-07 in the amount of **$210,000** ("Award");

1.8 Whereas, King County has received a Scope of Work and a Budget for the Project from the Recipient and has determined that the Scope of Work, attached hereto and incorporated herein as Exhibit B ("Scope of Work"), and the Budget, attached hereto and incorporated herein as Exhibit C ("Budget"), are consistent with the Grant Policies and Procedures; and

1.9 Whereas, King County and the Recipient desire to enter into this Agreement for the purpose of establishing the terms and conditions under which King County will provide funding from the District in accordance with Resolution FCD 2025-07 and the Grant Policies and Procedures, and under which the Recipient will implement the Project.

SECTION 2. AGREEMENT

2.1. The Recitals are an integral part of this Agreement and are incorporated herein by this reference.

2.2. King County agrees to pay the Award amount to the Recipient in the total amount of **$210,000** from District funds. The Award shall be used by the Recipient solely for the performance of the Project, as described in Exhibit A to this Agreement. King County shall pay the Recipient in accordance with the terms of the Grant Policies and Procedures.

2.3. The Recipient represents and warrants that it will only use the Award for the Scope of Work of this Agreement and in accordance with the Project Budget. The Recipient shall be required to refund to King County that portion of the Award which is used for work or tasks not included in the Scope of Work. Further, the Recipient agrees that King County may retain any portion of the Award that is not expended or remains after completion of the Scope of Work and issuance of the Final Report, as further described below.

2.4. Activities carried out for this Project and expenses incurred by the Recipient may predate the execution date of this Agreement provided that 1) they have been identified by Recipient as being within the scopes of numbers 2) and 3) below, and have been approved by King County as being within such scopes; 2) the activities are specified in the Scope of Work of this Agreement; 3) the expenses are incurred in carrying out the Scope of Work and are authorized by the Award as identified in the Budget of this Agreement; 4) such activities and expenses otherwise comply with all other terms of this Agreement; 5) such activities and expenses do not occur prior to the date the grants were approved by the District; and 6) reimbursements shall be paid to the Recipient only after this Agreement has been fully executed.

2.5. The Recipient shall invoice King County for incurred expenses using the Progress and Expense Report form in the County's online reporting database, for those documented and allowable expenses identified in the Budgets and according to the rules set forth in the Grant Policies and Procedures. Requests for payment shall be made no less frequently than every six months after the effective date of this Agreement nor more frequently than every three months after the aforementioned date. Backup documentation of claimed expenses shall be submitted with all payment requests. A one-time advance may be allowed, in the discretion of King County, for expenses anticipated to be incurred in the three months following the date of submission of the advance Request for Payment only for work that is included in the Scopes of Work of this Agreement, and identified as such in the Request for Payment. The amount of the advance may not exceed 25% of the total award amount. Documentation of payments made from advances shall be submitted to King County prior to any further requests for payment.

2.6. The Recipient shall be required to submit to King County a final report which documents the Recipient's completion of the work in conformance with the terms of this Agreement within thirty (30) days after the completion of the work. The final report may be submitted on the Close-out Report form, or online equivalent to this form upon the County's implementation of an online reporting database. The final report shall include a summary of the Project's successes and shall address the watershed benefits accomplished by the work.

2.7. The Recipient's expenditures of Award funds shall be separately identified in the Recipient's accounting records. If requested, the Recipient shall comply with other reasonable requests made by King County with respect to the manner in which Project expenditures are tracked and accounted for in the Recipient's accounting books and records. The Recipient shall maintain such records of expenditures as may be necessary to conform to generally accepted accounting principles as further described in Section 2.8 below, and to meet the requirements of all applicable state and federal laws.

2.8. The Recipient shall be required to track project expenses using the Budget Accounting and Reporting System for the State of Washington ("BARS") or Generally Accepted Accounting Principles set forth by the Financial Accounting Standards Board or by the Governmental Accounting Standards Board.

2.9. King County or its representative, and the District or its representative, shall have the right from time to time, at reasonable intervals, to audit the Recipient's books and records in order to verify compliance with the terms of this Agreement. The Recipient shall cooperate with King County and the District in any such audit.

2.10. The Recipient shall retain all accounting records and project files relating to this Agreement in accordance with criteria established by the Washington State Archivist Local Government Common Records Retention Schedule (CORE) as revised.

2.11. The Recipient shall ensure that all work performed by its employees, agents, contractors, or subcontractors is performed in a manner which protects and safeguards the

environment and natural resources, and which is in compliance with local, state and federal laws and regulations. The Recipient shall implement an appropriate monitoring system or program to ensure compliance with this provision.

2.12. If Recipient is purchasing real property interests with Award funds, Recipient agrees to include restrictive language provided by the County in the instrument transferring the real property interest specifying that the real property interest shall be used in perpetuity for purposes consistent RCW 86.15.035.

2.13. The Recipient agrees to indemnify, defend and hold harmless King County, and the District, their elected or appointed officials, employees and agents, from all suits, claims, alleged liability, actions, losses, costs, expenses (including reasonable attorney's fees), penalties, settlements and damages of whatsoever kind or nature arising out of, in connection with, or incident to any acts or omissions of the Recipient, its employees, agents, contractors, or subcontractors in performing its obligations under the terms of this Agreement, except to the extent of the County's or the District's sole negligence.

The Recipient's obligations under this provision shall include, but not be limited to, the duty to promptly accept tender of defense and provide defense to the County and the District with legal counsel acceptable to the County and the District at Recipient's own expense. Recipient, by mutual negotiation, hereby waives, as respects the County and the District only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event it is necessary for the County or the District to incur attorney's fees, legal expenses, or other costs to enforce the provisions of this section, all such fees, expenses, and costs shall be recoverable from Recipient. The provisions of this section shall survive the expiration, abandonment, or termination of this Agreement.

2.14. The Recipient agrees to acknowledge the District as a source of funding, and the WRIA as a funding partner, for the Project on all printed, online, and electronic documents; signage or press releases; audio-visual materials; or any other materials produced in association with the Project. Grant Recipient shall submit documentation of acknowledgement activities with their final reporting documents.

SECTION 3. GENERAL PROVISIONS

3.1. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Recipient shall not assign this Agreement to a third party.

3.2. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. No prior or contemporaneous representation, inducement, promise or agreement between or among the parties which relate to the subject matter hereof which are not embodied in this Agreement shall be of any force or effect.

3.3. No amendment to this Agreement shall be binding on any of the parties unless such amendment is in writing and is executed by the parties. The parties contemplate that this

Agreement may from time to time be modified by written amendment which shall be executed by duly authorized representatives of the parties and attached to this Agreement.

3.4. Unless otherwise specified in the Agreement, all notices or documentation required or provided pursuant to this Agreement shall be in electronic form and shall be deemed duly given when received at the addresses set forth below via electronic mail and transmittal is demonstrated by an electronic delivery receipt or similar confirmation.

King County	**Recipient**
Kim Harper	Alex Johnson
Grant Administrator	Civil Engineer
King County WLRD	City of Des Moines
kim.harper@kingcounty.gov	Amjohnson@desmoineswa.gov

Either party hereto may, at any time, by giving ten (10) days written notice to the other party to designate any other address in substitution of the foregoing address to which such notice or communication shall be given.

3.5. Each party warrants and represents that such party has full and complete authority to enter into this Agreement and each person executing this Agreement on behalf of a party warrants and represents that he/she has been fully authorized to execute this Agreement on behalf of such party and that such party is bound by the signature of such representative.

3.6. The Project shall be completed by no later than **December 31, 2028**. In the event that the Project is not completed by this date, King County has the discretion, but not the obligation to terminate this Agreement and retain any unexpended Award funds.

3.7. The Agreement will be terminated if the Recipient is unable or unwilling to expend the Award as specified in Section 2.2 and Exhibits B and C. In the event of termination under this section, the County shall be released from any obligation to fund the Project and Recipient shall forfeit all rights to the unexpended portion of the Award.

3.8. If the County determines that a breach of contract has occurred or does not approve of the Recipient's performance, it will give the Recipient written notification of unacceptable performance. Recipient will then take corrective action within a reasonable period of time, as may be defined by King County in its sole discretion in its written notification to Recipient. King County may withhold any payment owed Recipient until the County is satisfied that corrective action has been taken or completed.

3.9. Waiver of breach of any provision in this Agreement shall not be deemed to be a waiver of any subsequent breach and shall not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval by the County, which shall be attached to the original Agreement. Waiver of any default shall not be deemed to be a waiver of any subsequent defaults.

3.10. KCC chapters 12.16, 12.17 and 12.18 are incorporated herein by reference and the requirements in these code sections shall specifically apply to this Agreement. In its performance under this Agreement the Recipient shall not discriminate against any person on the basis of race, color, age, gender, marital status, sexual orientation, gender identity or expression, religion, ancestry, national origin, disability or use of a service or assistive animal by an individual with a disability, unless based upon a bona fide occupational qualification, and the Recipient shall not violate any of the terms of chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, or any other applicable federal, state, or local law or regulation regarding nondiscrimination in employment.

3.11. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office.

3.12. This Agreement may be signed in multiple counterparts.

3.13. If any provision of this Agreement shall be wholly or partially invalid or unenforceable under applicable law, such provision will be ineffective to that extent only, without in any way affecting the remaining parts or provision of this Agreement, and the remaining provisions of this Agreement shall continue to be in effect.

3.14. This Agreement shall be governed by and construed according to the laws of the State of Washington. Actions pertaining to this Agreement will be brought in King County Superior Court, King County, Washington.

3.15. The amount of the Award has been fully funded by the District. To the extent that funding of the Award requires future appropriations by the District or the King County Council, King County's obligations are contingent upon the appropriation of sufficient funds by the District or the King County Council to complete the Scope of Work. If no such appropriation is made, this Agreement will terminate at the close of the appropriation year for which the last appropriation that provides funds under this Agreement was made.

This document has been approved as to form by the King County Prosecuting Attorney's Office as of October 21, 2024.

KING COUNTY:	**RECIPIENT:**
By_____	**By**_____
Name_____	**Name**_____
Title_____	**Title**_____
Date_____	**Date**_____

EXHIBIT A: PROJECT DESCRIPTION

Project	Recipient	Description	Leverage	Award
Des Moines Creek Estuary Restoration Bid Documents	City of Des Moines	This project is a continuation of the preliminary engineering efforts for the Des Moines Creek Estuary Restoration Project. The project entails bringing the design from 30% to Bid Ready Documents including engineering design, public outreach support, cultural resource support, and permit approval for improvements to the shoreline, estuary habitat, and public access near the mouth of and adjacent to Des Moines Creek. The project will identify potential improvements to address flooding impacts to Des Moines Beach Park while bolstering both shoreline and estuary habitat. The project will also evaluate public access and connectivity impacts to the estuary.	$0	$210,000

Project Location: Des Moines Beach Park at mouth of Des Moines Creek.

EXHIBIT B: SCOPE OF WORK

Activity Title	Activity Description	Deliverables	Estimated Percent of Grant Budget	Month/Year Task will be Completed
Task 1: Project Administration (Required)	Submit reimbursement request forms, backup documentation for billing, and progress reports at least every 6 months. Submit a Closeout Report form with the final reimbursement request.	Regular reimbursement requests, Closeout Report	7%	January 2027
Task 2: Stream Design Hydrology, Hydraulics, and Sea Level Rise	Under a contract with lead Consultant Parametrix, a hydraulic model will be created for existing and proposed conditions for Des Moines Creek.	Des Moines Creek hydraulic model, draft inundation map due to stream stages and sea level rise, technical memo documenting the hydrology and hydraulics update	25%	February 2026
Task 3: 60% Design	Under a contract with lead Consultant Parametrix, an intermediary site plan, estimate of probable costs, and design report will be developed at the 60% level.	Comprehensive site plan, Construction access and staging site plan, site demolition plan, TESC plan, Shoreline improvement plan, Site layout and grading plan, Des Moines creek profile and sections, Beach and shoreline sections and profiles, bridge layout plan, restoration and site landscape plans, conceptual details, site drainage plan, Estimate of probable costs, Preliminary basis of design report	47%	May 2026

Activity Title	Activity Description	Deliverables	Estimated Percent of Grant Budget	Month/Year Task will be Completed
Task 4: Permitting Support	City staff will retain the services of lead Consultant Parametrix to aid in acquiring the necessary permits for construction of this project, identified in the previous phase.	Permit matrix, Wetland/OHWM determination, SEPA Documentation, Critical Areas study, Biological assessment, Cultural resources assessment, applicable permit applications and supporting documents.	13%	December 2026
Task 8: Public Involvement and Outreach Support	Under a contract with lead Consultant Parametrix, a public involvement and outreach plan will be created, and support will be provided for public meetings and outreach material.	Public involvement and outreach plan, Site renderings for public meetings and outreach materials	8%	January 2027

EXHIBIT C: BUDGET

Budget Item	Grant Request
Commercial Services & Crew Time	$210,000
TOTAL	**$210,000**

AGREEMENT FOR AWARD OF FLOOD REDUCTION GRANT FUNDS BETWEEN THE CITY OF DES MOINES AND KING COUNTY

This Agreement is made between King County, a municipal corporation, and the **City of Des Moines** ("Recipient") (collectively referred to as the "parties" and in the singular "party"), for the purposes set forth herein. This Agreement shall be in effect from the date of execution to **December 31, 2028**.

Project Contacts:
Contact for King County: Kim Harper, Grant Administrator, 206-477-6079, Kim.harper@kingcounty.gov.

Contact for Recipient: Alex Johnson, Surface Water Engineer, Amjohnson@desmoines.wa.gov, 206-870-6948.

SECTION 1. RECITALS

1.1 Whereas, the King County Flood Control District ("District") is a quasi-municipal corporation of the State of Washington, authorized to provide funding for flood control and stormwater protection projects and activities;

1.2 Whereas, King County is the service provider to the District under the terms of an interlocal agreement ("ILA") by and between King County and the District, dated February 17, 2009, as amended, and as service provider implements the District's annual work program and budget;

1.3 Whereas, on November 12, 2013, the Board of Supervisors of the District (the "Board") passed Resolution FCD 2013-14 which established a Flood Reduction Grant Program and criteria for awarding grant funding for projects;

1.4 Whereas, on November 19, 2024, the Board passed Resolution FCD 2024-12, which authorized an allocation of $13,806,963 from the District's 2025 budget to fund flood reduction projects;

1.5 Whereas, on September 9, 2025, the Board passed Resolution FCD 2025-09, which approved the flood reduction projects described in Attachment A to that Resolution;

1.6 Whereas, in accordance with the terms of these Resolutions, and in its capacity as service provider to the District, King County has established policies and procedures for administering the flood reduction grant program, a copy of which has been furnished to Recipient and which is incorporated herein by this reference (hereinafter "Grant Policies and Procedures");

1.7 Whereas, the Recipient submitted an application to receive funds for a project to be funded by the Flood Reduction Grant Program;

1.8 Whereas, the Board approved funding of Recipient's application for the project ("Project"), as described in Attachment A to Resolution FCD 2025-09 in the amount of **$150,000** ("Award")

1.9 Whereas, Exhibit A, attached hereto and incorporated herein by this reference, contains a description of the Project as described in Attachment A to Resolution FCD 2025-09;

1.10 Whereas, King County has received a Scope of Work and a Budget for the Project from the Recipient and has determined that the Scope of Work, attached hereto and incorporated herein as Exhibit B ("Scope of Work"), and the Budget, attached hereto and incorporated herein as Exhibit C ("Budget"), are consistent with the Grant Policies and Procedures, the Recipient's application for the Project, and the Resolution approving funding for the Project; and

1.11 Whereas, King County and the Recipient desire to enter into this Agreement for the purpose of establishing the terms and conditions under which King County will provide funding from the District in accordance with Resolution FCD 2025-09 and the Grant Policies and Procedures, and under which the Recipient will implement the Project.

SECTION 2. AGREEMENT

2.1. The Recitals are an integral part of this Agreement and are incorporated herein by this reference.

2.2. King County agrees to pay the Award amount to the Recipient in the total amount of **$150,000** from District funds. The Award shall be used by the Recipient solely for the performance of the Project, as described in Exhibit A to this Agreement. King County shall pay the Recipient in accordance with the terms of the Grant Policies and Procedures.

2.3. The Recipient represents and warrants that it will only use the Award for the Scope of Work of this Agreement and in accordance with the Project Budget. The Recipient shall be required to refund to King County that portion of the Award which is used for work or tasks not included in the Scope of Work. Further, the Recipient agrees that King County may retain any portion of the Award that is not expended or remains after completion of the Scope of Work and issuance of the Final Report, as further described below.

2.4. Activities carried out for this Project and expenses incurred by the Recipient may predate the execution date of this Agreement provided that 1) they have been identified by Recipient as being within the scopes of numbers 2) and 3) below, and have been approved by King County as being within such scopes; 2) the activities are specified in the Scope of Work of this Agreement; 3) the expenses are incurred in carrying out the Scope of Work and are authorized by the Award as identified in the Budget of this Agreement; 4) such activities and expenses otherwise comply with all other terms of this Agreement; 5) such activities and expenses do not occur prior to the date the grants were

approved by the District; and 6) reimbursements shall be paid to the Recipient only after this Agreement has been fully executed.

2.5. The Recipient shall invoice King County for incurred expenses using the Request for Payment form and Progress Report form, or online equivalents to these forms upon the County's implementation of an online reporting database, for those documented and allowable expenses identified in the Budget and according to the rules set forth in the Grant Policies and Procedures. A request for payment shall be made no less frequently than every six months after the effective date of this Agreement nor more frequently than every three months after the aforementioned date. A Progress Report form and backup documentation of claimed expenses shall be submitted with all payment requests. A one-time advance may be allowed, in the discretion of King County, for expenses anticipated to be incurred in the three months following the date of submission of the advance Request for Payment only for work that is included in the Scope of Work of this Agreement, and identified as such in the Request for Payment. The amount of the advance may not exceed 25% of the total award amount. Documentation of payments made from advances shall be submitted to King County prior to any further requests for payment.

2.6. The Recipient shall be required to submit to King County a final report which documents the Recipient's completion of the work in conformance with the terms of this Agreement within thirty (30) days after the completion of the work. The final report may be submitted on the Close-out Report form, or online equivalent to this form upon the County's implementation of an online reporting database. The final report shall include a summary of the Project's successes and shall address the flood reduction benefits accomplished by the work.

2.7. The Recipient's expenditures of Award funds shall be separately identified in the Recipient's accounting records. If requested, the Recipient shall comply with other reasonable requests made by King County with respect to the manner in which Project expenditures are tracked and accounted for in the Recipient's accounting books and records. The Recipient shall maintain such records of expenditures as may be necessary to conform to generally accepted accounting principles as further described in Section 2.8 below, and to meet the requirements of all applicable state and federal laws.

2.8. The Recipient shall be required to track project expenses using the Budget Accounting and Reporting System for the State of Washington ("BARS") or Generally Accepted Accounting Principles set forth by the Financial Accounting Standards Board or by the Governmental Accounting Standards Board.

2.9. King County or its representative, and the District or its representative, shall have the right from time to time, at reasonable intervals, to audit the Recipient's books and records in order to verify compliance with the terms of this Agreement. The Recipient shall cooperate with King County and the District in any such audit.

2.10. The Recipient shall retain all accounting records and project files relating to this Agreement in accordance with criteria established by the Washington State Archivist Local Government Common Records Retention Schedule (CORE) as revised.

2.11. The Recipient shall ensure that all work performed by its employees, agents, contractors, or subcontractors is performed in a manner which protects and safeguards the environment and natural resources, and which is in compliance with local, state and federal laws and regulations. The Recipient shall implement an appropriate monitoring system or program to ensure compliance with this provision.

2.12. The Recipient agrees to indemnify, defend and hold harmless King County, and the District, their elected or appointed officials, employees and agents, from all suits, claims, alleged liability, actions, losses, costs, expenses (including reasonable attorney's fees), penalties, settlements and damages of whatsoever kind or nature, arising out of, in connection with, or incident to any acts or omissions of the Recipient, its employees, agents, contractors, or subcontractors in performing its obligations under the terms of this Agreement, except to the extent of the County's or the District's sole negligence.

The Recipient's obligations under this provision shall include, but not be limited to, the duty to promptly accept tender of defense and provide defense to the County and the District with legal counsel acceptable to the County and the District at Recipient's own expense. Recipient, by mutual negotiation, hereby waives, as respects the County and the District only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event it is necessary for the County or the District to incur attorney's fees, legal expenses, or other costs to enforce the provisions of this section, all such fees, expenses, and costs shall be recoverable from Recipient. The provisions of this section shall survive the expiration, abandonment, or termination of this Agreement.

2.13. The Recipient agrees to acknowledge the District as a source of funding for the Project on all literature, signage or press releases related to the Project. The Recipient may obtain from King County a District logo that may be used in the acknowledgement.

SECTION 3. GENERAL PROVISIONS

3.1. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Recipient shall not assign this Agreement to a third party.

3.2. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. No prior or contemporaneous representation, inducement, promise or agreement between or among the parties which relate to the subject matter hereof which are not embodied in this Agreement shall be of any force or effect.

3.3. No amendment to this Agreement shall be binding on any of the parties unless such amendment is in writing and is executed by the parties. The parties contemplate that this

Agreement may from time to time be modified by written amendment which shall be executed by duly authorized representatives of the parties and attached to this Agreement.

3.4. Unless otherwise specified in the Agreement, all notices or documentation required or provided pursuant to this Agreement shall be in electronic form and shall be deemed duly given when received at the addresses set forth below via electronic mail and transmittal is demonstrated by an electronic delivery receipt or similar confirmation.

King County	**Recipient**
Kim Harper	Alex Johnson
Grant Administrator	Surface Water Engineer
King County WLRD	City of Des Moines
kim.harper@kingcounty.gov	Amjohnson@desmoines.wa.gov

Either party hereto may, at any time, by giving ten (10) days written notice to the other party to designate any other address in substitution of the foregoing address to which such notice or communication shall be given.

3.5. Each party warrants and represents that such party has full and complete authority to enter into this Agreement and each person executing this Agreement on behalf of a party warrants and represents that he/she has been fully authorized to execute this Agreement on behalf of such party and that such party is bound by the signature of such representative.

3.6. The Project shall be completed by no later than **December 31, 2028**. In the event that the Project is not completed by this date, King County has the discretion, but not the obligation, to terminate this Agreement and retain any unexpended Award funds.

3.7. The Agreement will be terminated if the Recipient is unable or unwilling to expend the Award as specified in Section 2.2 and Exhibits B and C. In the event of termination under this section, the County shall be released from any obligation to fund the Project and Recipient shall forfeit all rights to the unexpended portion of the Award.

3.8. If the County determines that a breach of contract has occurred or does not approve of the Recipient's performance, it will give the Recipient written notification of unacceptable performance. Recipient will then take corrective action within a reasonable period of time, as may be defined by King County in its sole discretion in its written notification to Recipient. King County may withhold any payment owed Recipient until the County is satisfied that corrective action has been taken or completed.

3.9. Waiver of breach of any provision in this Agreement shall not be deemed to be a waiver of any subsequent breach and shall not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval by the County, which shall be attached to the original Agreement. Waiver of any default shall not be deemed to be a waiver of any subsequent defaults.

3.10. KCC chapters 12.16, 12.17 and 12.18 are incorporated herein by reference and the requirements in these code sections shall specifically apply to this Agreement. In its performance under this Agreement the Recipient shall not discriminate against any person on the basis of race, color, age, gender, marital status, sexual orientation, gender identity or expression, religion, ancestry, national origin, disability or use of a service or assistive animal by an individual with a disability, unless based upon a bona fide occupational qualification, and the Recipient shall not violate any of the terms of chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, or any other applicable federal, state, or local law or regulation regarding nondiscrimination in employment.

3.11. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office.

3.12. This Agreement may be signed in multiple counterparts.

3.13. If any provision of this Agreement shall be wholly or partially invalid or unenforceable under applicable law, such provision will be ineffective to that extent only, without in any way affecting the remaining parts or provision of this Agreement, and the remaining provisions of this Agreement shall continue to be in effect.

3.14. This Agreement shall be governed by and construed according to the laws of the State of Washington. Actions pertaining to this Agreement will be brought in King County Superior Court, King County, Washington.

3.15. The amount of the Award has been fully funded by the District. To the extent that funding of the Award requires future appropriations by the District or the King County Council, King County's obligations are contingent upon the appropriation of sufficient funds by the District or the King County Council to complete the Scope of Work. If no such appropriation is made, this Agreement will terminate at the close of the appropriation year for which the last appropriation that provides funds under this Agreement was made.

This document has been approved as to form by the King County Prosecuting Attorney's Office as of October 21, 2024.

KING COUNTY:	**RECIPIENT:**
By_____	**By**_____
Name_____	**Name**_____
Title_____	**Title**_____
Date_____	**Date**_____

EXHIBIT A: PROJECT DESCRIPTION

PROJECT NAME	RECIPIENT	DESCRIPTION	LEVERAGE	AWARD
Des Moines Creek Estuary Restoration Final Design	City of Des Moines	Bring the design from 30% to Bid Ready Documents including engineering design, public outreach support, cultural resource support, and permit identification for improvements to the shoreline, estuary habitat, and public access near the mouth of and adjacent to Des Moines Creek. The project will identify potential improvements to address flooding impacts to Des Moines Beach Park while bolstering both shoreline and estuary habitat. It will also evaluate public access and connectivity impacts to the estuary from the Des Moines Marina to the Des Moines Beach Park.	$210,000	$150,000

EXHIBIT B: SCOPE OF WORK

Activity Title	Activity Description	Deliverables	Estimated Percent of Grant Budget	Month/Year Task will be Completed
Task 1: Project Administration (Required)	Submit reimbursement request forms, backup documentation for billing, and progress reports at least every 6 months. Submit a Closeout Report form with the final reimbursement request.	Fiscal closeout form; Closeout Report; Final Reimbursement Request	11%	January 2027
Task 2: Stream Hydrology, Hydraulics, and Sea Level Rise	Under a contract with lead Consultant Parametrix, the hydraulic model created for existing conditions will be used for proposed design conditions for Des Moines Creek.	Des Moines Creek hydraulic model future conditions runs; stream stages due to sea-level rise, updated technical memo documenting future hydraulics.	2%	April 2026
Task 3: Estuary and Shoreline Design	Under a contract with lead Consultant Parametrix, 60 percent design, estimate of probable costs, permitting plans, and basis of design report will be developed.	(60 percent design plan set with staging and site demolition plan; TESC plan; site layout and grading plan, profile, and sections; bridge layout plan; restoration and site landscape plans; estimate of probable costs, and preliminary basis of design report.	43%	September 2026
Task 4: Permitting Support	City staff will retain the services of lead Consultant Parametrix to aid in acquiring the necessary permits for construction of this project, identified in the previous phase.	Applicable permit applications and supporting documents; agencies discussions and response; final permitting documents.	23%	October 2026
Task 5: Coastal Engineering	Under a contract with lead Consultant Parametrix, provide coastal engineering services in support of design elements in the coastal zone for Task 3.	Coastal Engineering section in the Basis-of-Design memorandum; design drawings support; and opinion of probable construction cost for coastal elements	14%	September 2026

Activity Title	Activity Description	Deliverables	Estimated Percent of Grant Budget	Month/Year Task will be Completed
Task 6: Public Involvement and Outreach Support	Under a contract with lead Consultant Parametrix, a public involvement and outreach plan will be created, and support will be provided for public meetings and outreach material.	Public involvement and outreach plan; site renderings for public meetings and outreach materials	7%	January 2027

EXHIBIT C: BUDGET

BUDGET ITEM	GRANT REQUEST
COMMERCIAL SERVICES & CREW TIME	$150,000
TOTAL	**$150,000**

SCOPE OF WORK TABLE – FOR UPLOAD TO ONLINE CWM AND FLOOD REDUCTION GRANT APPLICATIONS

Activity Title	Activity Description	Deliverables	Estimated Percent of Grant Budget	Month/Year Task will be Completed
Task 1: Project Administration (Required)	Submit reimbursement request forms, backup documentation for billing, and progress reports at least every 6 months. Submit a Fiscal Closeout form and a Closeout Report form with the final reimbursement request.	Fiscal closeout form; Closeout Report; Final Reimbursement Request	7%	January 2027
Task 2: Stream Design Hydrology, Hydraulics, and Sea Level Rise	Under a contract with lead Consultant Parametrix, a hydraulic model will be created for existing and proposed conditions for Des Moines Creek.	Des Moines Creek hydraulic model, draft inundation map due to stream stages and sea level rise, technical memo documenting the hydrology and hydraulics update	25%	February 2026
Task 3: 60% Design	Under a contract with lead Consultant Parametrix, an intermediary site plan, estimate of probable costs, and design report will be developed at the 60% level.	Comprehensive site plan, Construction access and staging site plan, site demolition plan, TESC plan, Shoreline improvement plan, Site layout and grading plan, Des Moines creek profile and sections, Beach and shoreline sections and profiles, bridge layout plan, restoration and site landscape plans, conceptual details, site drainage plan, Estimate of probable costs, Preliminary basis of design report	47%	May 2026
Task 4: Permitting Support	City staff will retain the services of lead Consultant Parametrix to aid in acquiring of the necessary permits for construction of this project, identified in the previous phase.	Permit matrix, Wetland/OHWM determination, SEPA Documentation, Critical Areas study, Biological assessment, Cultural resources assessment, applicable permit applications and supporting documents.	13%	December 2026
Task 8: Public Involvement and Outreach Support	Under a contract with lead Consultant Parametrix, a public involvement and outreach plan will be created, and support will be provided for public meetings and outreach material.	Public involvement and outreach plan, Site renderings for public meetings and outreach materials	8%	January 2027

CWM Grant Budget Breakdown Table

(Submit as Excel version only - do not convert to pdf)

Note 1: INCLUDE ONLY THE GRANT REQUEST AMOUNTS IN THE BUDGET TABLES. While leveraging/match is still encouraged, we no longer include it in the budget tables. Just note total leveraged amounts in Item #16 of the application.

Note 2: The table will calculate totals for each Budget Item based on numbers you enter for salary, benefits (or unit cost) and units (columns B-D). The table will round all amounts to the nearest dollar.

APPLICANT	City of Des Moines	PROJECT TITLE	Des Moines Creek Estuary Restoration 60% Design	
BUDGET ITEM	**COST BASIS**		**UNIT DESCRIPTION (E.G. HRS)**	**TOTALS**
STAFFING				
ITEM	**SALARY**	**BENEFITS**	**UNITS**	
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
			Staffing Subtotal	**$ -**
PROJECT SUPPLIES				
ITEM	**UNIT COST**	**UNITS**		
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
			Project Supplies Subtotal	**$ -**
COMMERCIAL SERVICES AND CREW TIME				
SERVICE	**UNIT COST**	**UNITS**		
Consultant - Project administration	**210000**	0.07		$ 14,700
Consultant - stream design, hydrology, hydraulics and	**210000**	0.25		$ 52,500
Consultant - 60% Design	**210000**	0.47		$ 98,700
Consultant - Permitting support	**210000**	0.13		$ 27,300
Consultant - Public outreach support	**210000**	0.08		$ 16,800
			Commercial Services & Crew Time Subtotal	**$ 210,000**
TRANSPORTATION				
MODE	**MILEAGE RATE OR OTHER**	**MILES OR OTHER UNIT**		
				$ -
				$ -
				$ -
			Transportation Subtotal	**$ -**
OFFICE EXPENSES (broken down unless requesting a blanket overhead rate)				
ITEM	**UNIT COST**	**UNITS**		
				$ -
				$ -
				$ -
OVERHEAD (alternative to claiming specific office expenses)				$ -
			Office Expenses Subtotal	**$ -**
OTHER				
ITEM	**UNIT COST**	**UNITS**		
				$ -
				$ -
				$ -
			Other Subtotal	**$ -**
REAL ESTATE-RELATED COSTS				
	UNIT COST	**UNITS**		
				$ -
				$ -
			Real Estate-Related Costs Subtotal	**$ -**

TOTALS	**$ 210,000**

CWM Grant Budget Summary Table

BUDGET ITEM	GRANT REQUEST
STAFFING	$ -
PROJECT SUPPLIES	$ -
COMMERCIAL SERVICES & CREW TIME	$ 210,000
TRANSPORTATION	$ -
OFFICE EXPENSES/OVERHEAD	$ -
OTHER	$ -
REAL ESTATE-RELATED COSTS	$ -
TOTAL	**$ 210,000**

SCOPE OF WORK TABLE – FOR UPLOAD TO ONLINE CWM AND FLOOD REDUCTION GRANT APPLICATIONS

Activity Title	Activity Description	Deliverables	Estimated Percent of Grant Budget	Month/Year Task will be Completed
Task 1: Project Administration (Required)	Submit reimbursement request forms, backup documentation for billing, and progress reports at least every 6 months. Submit a Fiscal Closeout form and a Closeout Report form with the final reimbursement request.	Fiscal closeout form; Closeout Report; Final Reimbursement Request	11%	January 2027
Task 2: Stream Hydrology, Hydraulics, and Sea Level Rise	Under a contract with lead Consultant Parametrix, the hydraulic model created for existing conditions will be used for proposed design conditions for Des Moines Creek.	Des Moines Creek hydraulic model future conditions runs; stream stages due to sea-level rise, updated technical memo documenting future hydraulics.	2%	April 2026
Task 3: Estuary and Shoreline Design	Under a contract with lead Consultant Parametrix, 60 percent design, estimate of probable costs, permitting plans, and basis of design report will be developed.	(60 percent design plan set with staging and site demolition plan; TESC plan; site layout and grading plan, profile, and sections; bridge layout plan; restoration and site landscape plans; estimate of probable costs, and preliminary basis of design report.	43%	September 2026
Task 4: Permitting Support	City staff will retain the services of lead Consultant Parametrix to aid in acquiring the necessary permits for construction of this project, identified in the previous phase.	Applicable permit applications and supporting documents; agencies discussions and response; final permitting documents.	23%	October 2026
Task 7: Coastal Engineering	Under a contract with lead Consultant Parametrix, provide coastal engineering services in support of design elements in the coastal zone for Task 3.	Coastal Engineering section in the Basis-of-Design memorandum; design drawings support; and opinion of probable construction cost for coastal elements	14%	September 2026
Task 8: Public Involvement and Outreach Support	Under a contract with lead Consultant Parametrix, a public involvement and outreach plan will be created, and support will be provided for public meetings and outreach material.	Public involvement and outreach plan; site renderings for public meetings and outreach materials	7%	January 2027

Flood Reduction Grant Budget Breakdown Table

(Submit as Excel version only - do not convert to pdf)

Note 1: INCLUDE ONLY THE GRANT REQUEST AMOUNTS IN THE BUDGET TABLES. While leveraging/match is still encouraged, we no longer include it in the budget tables. Just note total leveraged amounts in Item #16 of the application.

Note 2: The table will calculate totals for each Budget Item based on numbers you enter for salary, benefits (or unit cost) and units (columns B-D). The table will round all amounts to the nearest dollar.

APPLICANT	City of Des Moines	PROJECT TITLE	Des Moines Creek Estuary Restoration Final Design	
BUDGET ITEM	**COST BASIS**		**UNIT DESCRIPTION (E.G. HRS)**	**TOTALS**
STAFFING				
ITEM	**SALARY**	**BENEFITS**	**UNITS**	
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
			Staffing Subtotal	**$ -**
PROJECT SUPPLIES				
ITEM	**UNIT COST**	**UNITS**		
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
			Project Supplies Subtotal	**$ -**
COMMERCIAL SERVICES AND CREW TIME				
SERVICE	**UNIT COST**	**UNITS**		
Consultant - Project administration	**150000**	0.11		$ 16,500
Consultant - Stream hydrology, hydraulics, and sea level	**150000**	0.02		$ 3,000
Consultant - Estuary and shoreline final design	**150000**	0.43		$ 64,500
Consultant - Environmental permitting	**150000**	0.23		$ 34,500
Consultant - Coastal engineering	**150000**	0.14		$ 21,000
Consultant - Public outreach support	**150000**	0.07		$ 10,500
			Commercial Services & Crew Time Subtotal	**$ 150,000**
TRANSPORTATION				
MODE	**MILEAGE RATE OR OTHER**	**MILES OR OTHER UNIT**		
				$ -
				$ -
				$ -
			Transportation Subtotal	**$ -**
OFFICE EXPENSES (broken down unless requesting a blanket overhead rate)				
ITEM	**UNIT COST**	**UNITS**		
				$ -
				$ -
				$ -
OVERHEAD (alternative to claiming specific office expenses)				$ -
			Office Expenses Subtotal	**$ -**
OTHER				
ITEM	**UNIT COST**	**UNITS**		
				$ -
				$ -
				$ -
			Other Subtotal	**$ -**
REAL ESTATE-RELATED COSTS				
	UNIT COST	**UNITS**		
				$ -
				$ -
			Real Estate-Related Costs Subtotal	**$ -**
			TOTALS	**$ 150,000**

CWM Grant Budget Summary Table

BUDGET ITEM	GRANT REQUEST
STAFFING	$ -
PROJECT SUPPLIES	$ -
COMMERCIAL SERVICES & CREW TIME	$ 150,000
TRANSPORTATION	$ -
OFFICE EXPENSES/OVERHEAD	$ -
OTHER	$ -
REAL ESTATE-RELATED COSTS	$ -
TOTAL	**$ 150,000**

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Creation of Ad Hoc Franchise Committee**

ATTACHMENTS:
1. Creation of Ad Hoc Franchise Committee PowerPoint

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Legal

DATE SUBMITTED:
January 12, 2026

CLEARANCES:
City Clerk
Finance

Purpose and Recommendation

The purpose of this agenda item is to seek City Council approval of the re-establishment of the Ad Hoc Franchise Committee to assist with negotiations of the three water/sewer utility franchise agreements that are expiring in June 2026. Additionally, Councilmembers who are interested in appointment to the Committee may inform the Mayor of their interest during this item.

Suggested Motion:

Motion: "I move to re-establish the Ad Hoc Franchise Committee to assist with negotiations of utility franchise agreements expiring in June 2026."

Background

At the October 23, 2025, City Council meeting, the Council directed the City Manager to notify eligible utility providers of the City's intent to renegotiate existing franchise agreements. Specifically, the franchise agreements with Highline Water District, SW Suburban Sewer District and Midway Sewer District were all negotiated in 2016 for a ten-year term with the possibility to extend an additional 5 years. Pursuant to Council direction, the City Manager notified the three districts in November 2025 that the City was electing not to extend the agreements for the additional five-year term. As a result, the franchise agreements with Highline, SW Suburban, and Midway will expire in June 2026.

At the October 23, 2025 meeting, it was recommended that if the City Council were to elect to renegotiate the franchise agreements, that an Ad Hoc Franchise Committee be re-established. This Committee would be valuable throughout the process as a place for the negotiation team (consisting of the City Manager, City Attorney and Public Works Director) to be able to vet proposed edits and receive feedback prior to discussion with the Council as a whole.

The purpose of this agenda item is to seek City Council approval of the re-establishment of the Ad Hoc Franchise Committee. Pursuant to Protocol Manual Section 2.08(A)(2), members of Ad Hoc Committees are appointed by the Mayor. Any Councilmember interested in being appointed to this Committee, if established, may inform the Mayor of their interest during this item for future appointment.

Discussion

A franchise agreement authorizes an entity to make use of the city streets for the purpose of carrying on the business in which it is generally engaged, that is, of furnishing service to members of the public. The grant of a franchise is a special privilege that allows particular individuals/entities to use of the city streets in a manner not generally available to the public as a common right. The legislature has granted authority to cities to grant a nonexclusive franchise. RCW 35A.47.040. Once granted, a franchise is a contract which is binding on both the grantor and the grantee.

There are five water/sewer utilities currently operating in the City under valid franchise agreements. The terms of those agreements and the entities are listed below:

1. Highline Water District – Expiration 6/22/26 with 5 year extension to 6/22/31.
2. Southwest Suburban Sewer District – Expiration 6/27/26 with 5 year extension to 6/27/31.
3. Midway Sewer District – Expiration 6/27/26 with 5 year extension to 6/27/31.
4. Water District 54 – Expiration 5/2/31.
5. Lakehaven Water/Sewer District – Expiration 7/18/41.

Besides the length of a franchise agreement, there are various provisions in a franchise that govern the relationship between the City and the franchisee. These include right of way management, planning, and operations, relocation procedures, indemnification and insurance requirements, franchise fees, taxes, abandonment processes, vacation processes, collaboration with projects, etc.

An additional major consideration is financial. The City does not impose a utility tax on any water/sewer provider in the City but the City does collect a 6% franchise payment from all water/sewer utilities. These payments were negotiated and included as part of existing franchise agreements. This 6% is generally lower than the rate of utility tax imposed by surrounding jurisdictions. The rates for water/sewer utility tax for other cities are shown below:

Water rate is shown first, followed by sewer.

- Kent – 13, 9.5%
- Kirkland – 11.8, 9.5%
- Burien – 10, 10%
- Federal Way - 7.75, 7.75%
- Yakima – 20, 20%
- Auburn - 11.5, 11.5%
- Normandy Park - 8, 8%
- Tukwila - 10, 10%
- Covington – 10, 10%
- Des Moines – 6, 6% (Franchise payment in lieu of tax)

NOTE: The rates shown above are tax rates adopted in each jurisdiction's Municipal Code. Individual utility districts may have negotiated lower rates pursuant to franchise agreements.

Renegotiating the rate of franchise payment for eligible utilities could raise substantial general fund monies for the City. Based on annual receipts from the three eligible utilities, raising the franchise payment by 1% would equal an additional $150,000 in annual revenue for the City.

By re-establishing the Ad Hoc Franchise Committee, the Council will provide the negotiating team with a valuable forum to discuss current operations and consider different scenarios for a franchise agreement that can better serve the parties.

Alternatives

1. Create the Ad Hoc Franchise Committee.
2. Do not create the Committee and have the Council as a whole provide direction.

Financial Impact

There is no financial impact in re-establishing the Ad Hoc Franchise Committee.

Recommendation

Staff recommends approval of the motion as written.

Des Moines
WATERLAND CITY

Creation of Ad Hoc Franchise Committee

DRAFT

Background

October 23, 2025 – City Council directed City Manager to inform three water/sewer utilities of City's intent to re-negotiate franchises.

-Southwest Suburban Sewer District
-Highline Water District
-Midway Sewer District

All three have franchise agreements that expire in June of 2026.

DRAFAT

Des Moines
WATERLAND CITY

Ad Hoc Committees

Pursuant to Protocol Manual 2.08(A)(2), Ad Hoc Committees may be established to conduct background work and provide guidance on technical issues.

Members of the Committee are appointed by the Mayor.

Ad Hoc Committees are dissolved upon completion of their intended task.

DRAFAT

Des Moines
WATERLAND CITY

Ad Hoc Franchise Committee

Staff is seeking the creation of an Ad Hoc Franchise Committee to assist and provide guidance regarding the upcoming franchise negotiations with SW Suburban, Highline and Midway.

City's negotiating team would meet with the Committee to vet proposed edits and receive feedback prior to discussions with Council as a whole.

Allows the Committee to have an active voice in:

- Effect of cost increases to customers
- Programs for low income and senior residents
- Impact on businesses
- Other relevant aspects of the agreement that may arise

DRAFAT

Des Moines
WATERLAND CITY

Motion

“I move to re-establish the Ad Hoc Franchise Committee to assist with negotiations of utility franchise agreements expiring in June 2026.”

DRAFAT

Des Moines
WATERLAND CITY

Des Moines
WATERLAND CITY
DRAFT

City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Airport Advisory Committee 2026 Workplan**

ATTACHMENTS:
1. Airport Advisory Committee Workplan
2. Airport Advisory Committee 2026 Workplan PowerPoint

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Community Development

DATE SUBMITTED:
January 12, 2026

CLEARANCES:
Community Development

Purpose and Recommendation

Review and approve the Airport Advisory Committee 2026 Workplan.

Suggested Motion:

Motion: "I move to approve the Airport Advisory Committee 2026 Workplan as presented"

Background

The Airport Advisory Committee is an Ad-hoc committee created by the City Council on June 12, 2025 to address issues related to Seattle Tacoma International Airport. The Committee acts in an advisory capacity to the City Council providing recommendations and advice on topics related to airport matters. The Committee consists of five community members, two of which serve as the City's SEA Stakeholder Advisory Round Table (StART) representatives. Committee members serve two year terms and should have a reasonable understanding of airport-related issues, or willingness to learn as necessary.

The Airport Advisory Committee has met six times to date. In addition to developing the Workplan presented, the Committee has:

- Discussed a process for responding to citizens' complaints about airplane noise.
- Made a recommendation regarding the Interlocal agreement (ILA) with the cities of Burien and SeaTac, adding legal counsel to respond to the Sustainable Airport Master Plan's (SAMP) State Environmental Policy Act (SEPA) & National

Environmental Policy Act (NEPA).
- Discussed StART activity including the Port's state legislative priorities.

Discussion

The following assumptions were used by the committee in the drafting of the workplan:

- The time period we are planning for is about one year. The Draft Environmental Impact Report (EIS) SEPA for the Airport's Sustainable Master Plan is scheduled to be released in early 2026, with the Final EIS in early 2027, so the focus in 2026 will be the SAMP.
- The Committee will have monthly, regularly scheduled meetings here at City Hall open to the public. The meeting agendas will typically include a review & discussion of information presented at StART meetings, StART Working Group meetings and any airport related complaints received from our citizens.
- The Committee would like to develop a survey to send out to residents of the city. This survey would be most effective if conducted in late summer or early fall.
- The Committee would like to assist in any public meeting the city holds regarding outreach related to the airport, SAMP, and associated environmental response.

The workplan includes:

1. We recognize that a healthy environment is essential to the quality of life in Des Moines. To ensure that we have a healthy environment the Committee will advocate for:
    - Expansion of the air quality monitoring system and formalizing an arrangement for permanent funding, control, and management of the system.
    - An appropriate level of funding for the ongoing study of the data collected by the air quality monitoring system.
    - The addition of a nationally recognized toxicologist(s) to the team responding to the Port's Sustainable Airport Master Plan (SAMP) SEPA Draft Environmental Impact Statement (EIS).
    - Support City response and/or comments to the SAMP Draft EIS.

2. The Airport's Part 150 Study is occurring concurrent with the SEPA for the SAMP. The Part 150 Study will determine changes to the area impacted by the sound from the Airport's operations and recommend mitigation measures in three areas, operations, sound insulation, and zoning/compatible uses. The Committee believes that the result of the 150 Study will shift the burden of mitigating the noise impacts to the surrounding communities by de-emphasizing sound insulation packages and recommending significant changes to land use designations. The Committee will:
    - Support the City, as needed, in public education efforts regarding the impacts of the airport on the Des Moines Community.

- Research mitigation measures that do not include sound insulation such as the use of eminent domain to purchase and transition affected properties to uses that can tolerate higher noise volumes and make additional mitigation recommendations.

3. The Committee is concerned that the only significant impacts noted in the SAMP NEPA are impacts on traffic. Final decision lists 10 intersections that will have "Category 1 Impacts" and none of the intersections are in Des Moines. The Committee will make recommendations to advocate for a more comprehensive traffic analysis in the SEPA process that includes impacts from WSDOT's completed HWY 509 project

4. The Committee believes that the projected increased operations at the Airport over the next 7 to 12 years will be at least as impactful as the 3rd runway and even more so. Towards the middle of 2026, when our citizens are more aware of the full scope of the SAMP, the Committee would like to develop a community survey to determine where the community is in terms of awareness. This will provide the Committee with an opportunity to adjust our recommendations for outreach efforts.

Alternatives

1. Approve the airport advisory committee 2026 workplan as presented.
2. Approve an amended airport advisory 2026 workplan.
3. Provide the committee additional direction on the workplan and have committee return to a future council for approval.

Financial Impact
None

Recommendation
Approve the airport advisory committee 2026 workplan as presented.

Workplan

1. We recognize that a healthy environment is essential to the quality of life in Des Moines. To ensure that we have a healthy environment the Committee will advocate for:
    - Expansion of the air quality monitoring system and formalizing an arrangement for permanent funding, control, and management of the system.
    - An appropriate level of funding for the ongoing study of the data collected by the air quality monitoring system.
    - The addition of a nationally recognized toxicologist(s) to the team responding to the Port's Sustainable Airport Master Plan (SAMP) SEPA Draft Environmental Impact Statement (EIS).
    - Support City response and/or comments to the SAMP Draft EIS.

2. The Airport's Part 150 Study is occurring concurrent with the SEPA for the SAMP. The Part 150 Study will determine changes to the area impacted by the sound from the Airport's operations and recommend mitigation measures in three areas, operations, sound insulation, and zoning/compatible uses. The Committee believes that the result of the 150 Study will shift the burden of mitigating the noise impacts to the surrounding communities by de-emphasizing sound insulation packages and recommending significant changes to land use designations. The Committee will:
    - Support the City, as needed, in public education efforts regarding the impacts of the airport on the Des Moines Community.
    - Research mitigation measures that do not include sound insulation such as the use of eminent domain to purchase and transition affected properties to uses that can tolerate higher noise volumes and make additional mitigation recommendations.

3. The Committee is concerned that the only significant impacts noted in the SAMP NEPA are impacts on traffic. Final decision lists 10 intersections that will have "Category 1 Impacts" and none of the intersections are in Des Moines. The Committee will make recommendations to advocate for a more comprehensive traffic analysis in the SEPA process that includes impacts from WSDOT's completed HWY 509 project.

4. The Committee believes that the projected increased operations at the Airport over the next 7 to 12 years will be at least as impactful as the 3rd runway and even more so. Towards the middle of 2026, when our citizens are more aware of the full scope of the SAMP, the Committee would like to develop a community survey to determine where the

community is in terms of awareness. This will provide the Committee with an opportunity to adjust our recommendations for outreach efforts.

Des Moines
WATERLAND CITY

DRAFT

Airport Advisory Committee 2026 Workplan

Joe Dusenbury – Chair
Airport Advisory Committee

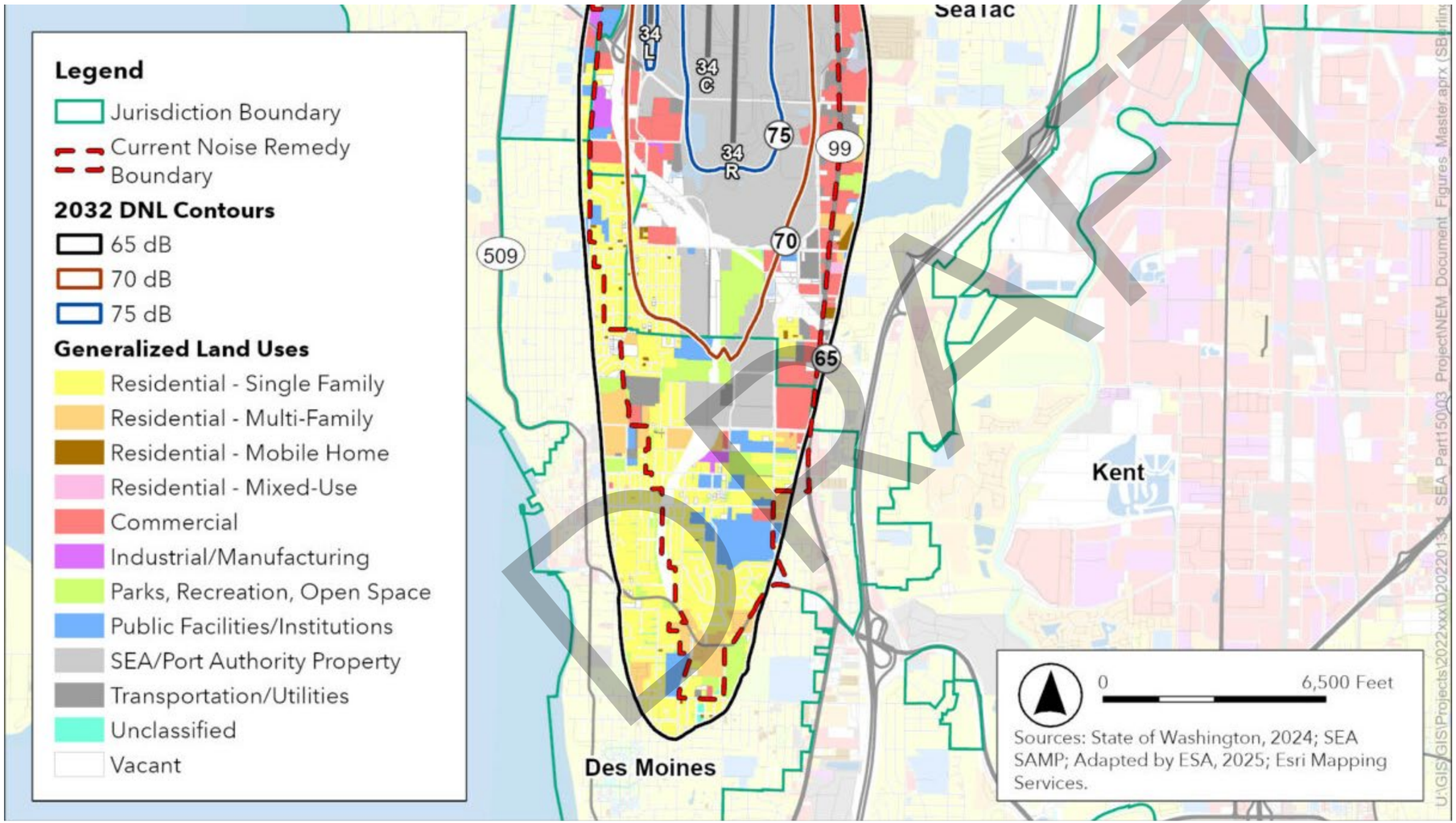
Proposed 2026 Workplan

- Healthy Environment
  - Air Quality Monitoring
  - SAMP Environmental Impact Statement (EIS)
- SEA Airport's Part 150
  - Public Education
  - Mitigation Measures
- Traffic Impacts
- Projected Increase in Operations

DRAFT

Des Moines
WATERLAND CITY

SEA Airport Part 150



Des Moines
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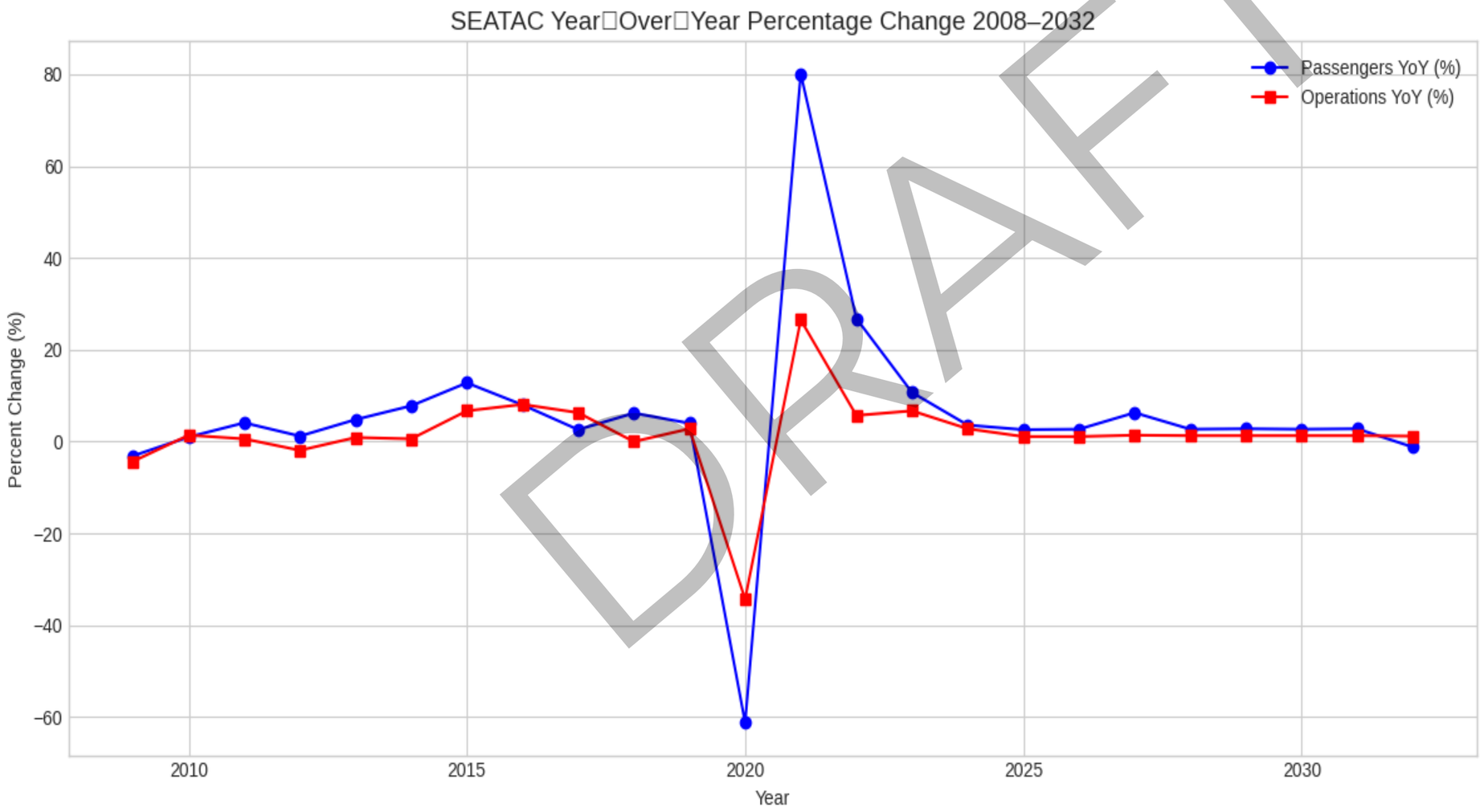
Sea-Tac Year-Over-Year Percentage Change 2008–2032



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Des Moines
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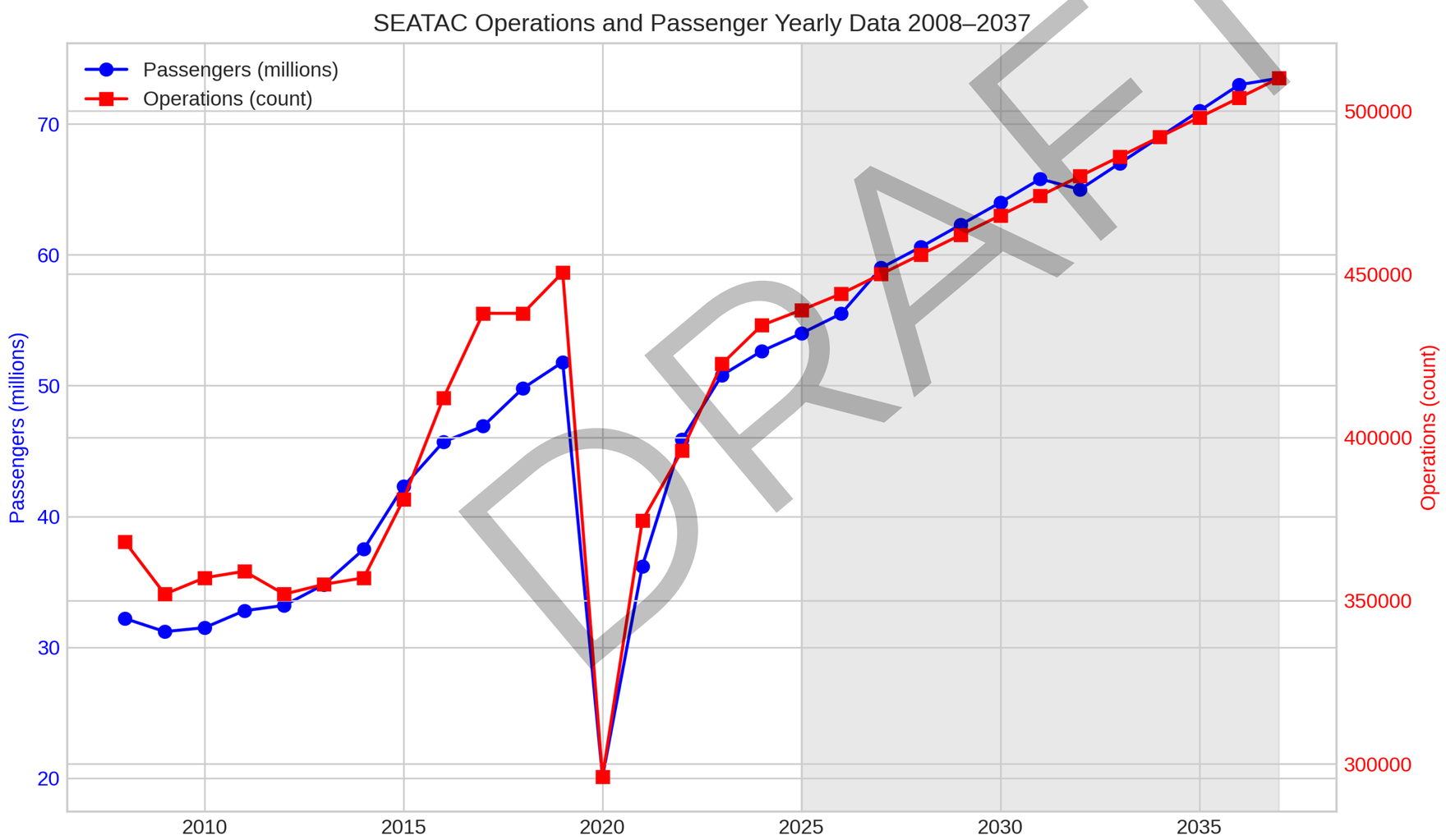
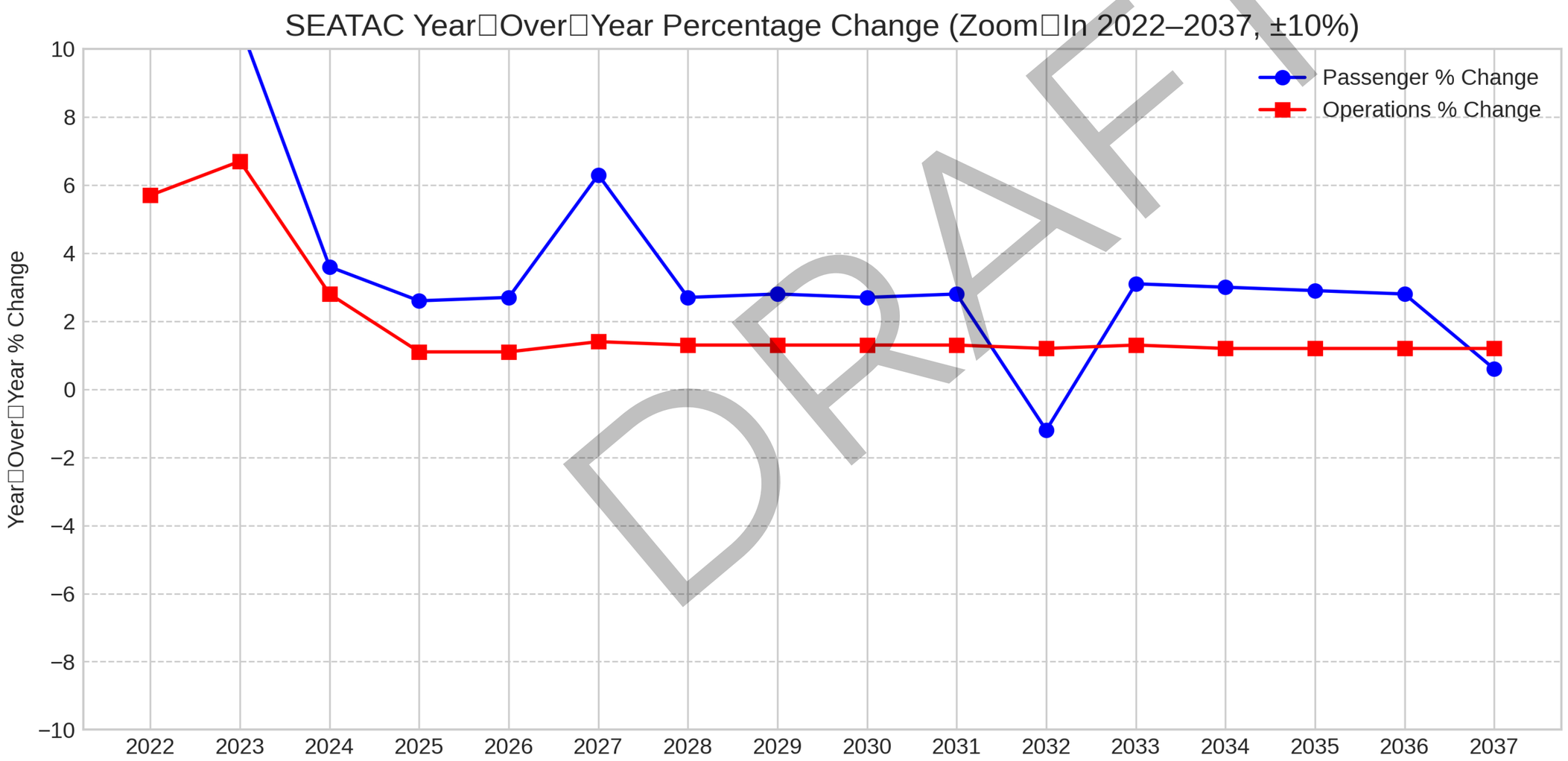
Sea-Tac Operations and Passenger Yearly Data 2008–2037



Des Moines
WATERLAND CITY

Sea-Tac Year-Over-Year Percentage Change (Zoom-In 2022–2037, ±10%)



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City Council
AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: **Public Defender Contract Update**

ATTACHMENTS:
1. Public Defense Contract 2026-2027
2. Proposal for Public Defense Services SMH
3. AWC Fact Sheet
4. Seattle Times Article
5. Public Defender Contract Update PowerPoint

FOR AGENDA OF:
January 22, 2026

DEPT OF ORIGIN:
Administration

DATE SUBMITTED:
January 13, 2026

CLEARANCES:
City Clerk
Courts
Finance

Purpose and Recommendation

The purpose of this item is to update the City Council on the current status of the City's public defender contract, discuss the financial impacts, and introduce a new two year contract.

Suggested Motion:

Motion: "I move to approve the contract with Stewart MacNichols Harmell, Inc. P.S. for indigent public defense services for the period February 1, 2026 through January 31, 2028."

Background

Following the United States Supreme Court decision in 1963 (Gideon v. Wainwright), indigent criminal defendants have had a constitutional right to legal counsel to represent them. An indigent defendant is someone who is financially unable to afford a lawyer and other necessary legal expenses, typically defined as having an income at or below 125% of the federal poverty level, receiving certain public assistance, or being in involuntary commitment, with eligibility determined case-by-case by the court to ensure a fair trial.

Although the majority of states in the country fund legal counsel at the state level, Washington state is one of only four states that provides minimal to no funding for public defense services. As a result, the cost of providing and overseeing legal representation

for indigent criminal defendants falls to local governments.

Over the last several years, a number of factors have resulted in a shortage of attorneys that provide these services, and as a result the price to provide these mandated services has dramatically increased. Cited factors contributing to this shortage include relatively low wages compared to private practice, burn-out due to large caseloads and increased competition from cities and counties who can afford higher prices. Additionally, recent caps on caseloads mandated by the Washington State Bar Association (WSBA) have reduced the number of cases an individual attorney can handle in a year and therefore required more attorneys to provide these services.

In 2021, following a Request for Proposals (RFP), the City entered into a two-year contract with the law firm Stewart MacNichols Harmell, Inc. P.S. (SMH) for indigent criminal defense services. Their initial contract was extended for an additional two-year term in 2023 and again for an additional two-year term in 2025. Over the four years SMH has provided these services, the price per case has risen from $350 per case to $550 per case. This increase was due in part to the implementation of body worn cameras, which resulted in a dramatic increase in the amount of time spent reviewing evidence.

Currently, the City averages thirty-eight (38) cases per month. In July 2025, SMH exercised the six-month notice provision to terminate their contract with the City. The contract terminates on January 31, 2026. However, SMH has agreed to provide these services on a month-to-month basis until a new contract is executed.

Discussion

Following the notice of contract termination, the City issued a Request for Proposals. This RFP was advertised through a variety of outlets, including advertising through the King County Bar Association, the WSBA, direct solicitations to defense attorneys and the City's website. At the end of the RFP period, only one proposal was received.

The proposal that was received was from Stewart MacNichols Harmell, Inc. P.S., the law firm that has provided public defense services for the City since 2021. SMH offers extensive experience in indigent criminal defense and their attorneys have proven they can work with a variety of people from all backgrounds and are familiar with the myriad of issues that indigent clients face within the City of Des Moines. The committee that was established to review the proposal (which included representatives from the Court, Finance, Admin and Normandy Park) concluded that the proposal was responsive and they recommended the City move forward with a contract.

Although the proposal met all the City criteria and SMH has a proven track record of providing these services, the new proposal did increase the cost to $750 per case in year one and $1000 per case in year two. This increase is substantial compared to the current rate of $550 per case and will be discussed further in the Financial Impact section below.

A shortage of public defenders and rising costs are not a phenomenon unique to Des Moines, but rather a statewide issue that has created problems for small cities, large cities and even counties. Attachment 4 to this item is a Seattle Times article entitled "WA's public defender system is breaking down, communities reeling," that discusses the current crisis and provides examples of how cities have been impacted.

At the state level, AWC is advocating for legislation that would assist with this crisis. However, it is unlikely to provide any immediate relief. Attachment 3 provides a summary of AWC's position and asks for the current legislative session. This includes state funding for public defense as well as a delay in the implementation of the WSBA standards that have reduced the caseload that a single attorney can handle in a calendar year.

Alternatives

1. Approve the contract as presented.
2. Approve the contract with amendments (any amendments would also need to be approved by SMH).
3. Do not approve the contract and find another law firm to provide these services. Given the current lack of availability of attorneys to provide these services, this alternative is not currently feasible.
4. Do not approve the contract and hire attorneys as City employees. This option was reviewed and the cost estimates were similiar to the cost of SMH to provide these services. Additionally, if the City were to hire attorneys as City employees, there would need to be additional private office space provided, which is currently not available at City Hall. This would further increase the cost above the cost to contract for these services.

Financial Impact

The City's existing biennial budget was based on previous public defense costs and has not been adjusted to reflect the new rates. Given historical case loads, it is estimated that public defense costs under this new agreement will be roughly $345,000 in 2026 and $460,000 in 2027. This is approximately $180,000 over what was budgeted for 2026 and an additional $115,000 for 2027. The source of these funds have yet to be finalized and will require either an increase in revenue or a reduction of City services/spending in another area.

In an effort to reduce costs, the City Attorney's Office is collaborating with the Police Department on options that could reduce criminal filings, which would reduce the number of cases assigned to the public defender. This would include pre-filing diversion programs and/or implementing new filing standards. Implementing new filing standards would result in some acts classified as crimes not being charged (example: shoplifting under a certain dollar threshold). Although this would reduce the number of cases, and therefore the cost, the result would be that certain low-level crimes would no longer have criminal consequences. This could impact overall community safety as well as economic development opportunities.

In order to close the funding gap, the City Manager, in collaboration with senior staff, has been reviewing a number of potential options. These include using the new public safety sales tax revenue to pay for the increased costs. This would require the use of funds intended to hire an additional police officer to be used for public defense costs. Additional options include using the newly established contingency fund or staff reductions in other departments. As part of the budget amendment process for 2026, the City Manager will provide additional information to the Council on the source of funding for these mandated services and the impacts.

Recommendation

Staff recommends approving the motion as written.

AGREEMENT FOR PUBLIC DEFENDER SERVICES FOR DES MOINES MUNICIPAL COURT

WHEREAS, the City of Des Moines, Washington (hereinafter "City") provides public defense services pursuant to contract, and

WHEREAS, a decision by the Federal Court for the Western District of Washington, the Honorable Robert Lasnik, in a case styled *Wilbur v. Mt. Vernon* (hereinafter "the Decision") emphasizes the need for the City to provide indigent defense services to misdemeanor clients in municipal and district courts in a manner which fully complies with the City's obligations under the Sixth Amendment to the United States Constitution, and

WHEREAS, the Washington Supreme Court has adopted standards regarding the caseload of Public Defenders and the Washington State Office of Public Defense has provided guidance regarding case weighting systems, and

WHEREAS, the City requires this contract to be in compliance with the guidance of the Decision, Supreme Court Standards and the standards for the provision of indigent defense services adopted by the City in Executive Order No. 14-005; now therefore,

In consideration of the mutual benefits to be derived and the promises contained herein, the **CITY OF DES MOINES**, Washington, a municipal corporation ("City") and Stewart MacNichols Harmell, Inc. P.S. (the "Public Defender(s)") have entered into this Agreement.

1. Scope of Services, Standards and Warranties. The Public Defender will provide indigent defense services in misdemeanor cases in accordance with the standards adopted by the City in Executive Order No. 14-005 as the same exists or is hereafter amended (hereinafter "Standards") and the Decision. The Public Defender individually warrants that he/she, and every Attorney/Public Defender and/or intern employed by the Public Defender to perform services under this contract, has read and is fully familiar with the provisions of the Standards adopted by the City and the Decision. Compliance with these Standards and the Decision goes to the essence of this Agreement. The Public Defender, and every Public Defender and/or Attorney or intern performing services under this Agreement shall certify compliance with Supreme Court Rule and governing case load

quarterly with the Des Moines Municipal Court on the form established for that purpose by court rule. A copy of each and every such certification shall be provided to the City contemporaneously with filing. The Public Defender and every Public Defender and/or Attorney or intern warrants that he/she shall conform to the case load limitations not only with respect to services under this Agreement but also with respect to his/her practice as a whole, including other contracts for public defense and/or private practice.

1.1 Screening. Determination of indigency for eligibility for appointed counsel under this agreement shall be determined by an independent screening process established by the City. Should the Public Defender performing the screening determine a defendant is not eligible for assigned counsel, the Public Defender shall so advise the Des Moines Municipal Court.

1.2 Twenty-Four Hour Telephone Access. The Public Defenders shall provide to the Des Moines Police Department a telephone number or numbers at which a Public Defender can be reached twenty-four (24) hours each day for advice to defendants during the course of police investigations or arrests for violations of law.

1.3 Client Contact. Public Defender agrees to attempt to contact the client within five (5) days of receiving the notice of appointment by the Des Moines Municipal Court if the defendant is out of custody and within seventy-two (72) hours if the defendant is in custody. Public Defender shall make reasonable efforts to confer with defendants about cases prior to court hearings and the Public Defender shall be available for office consult and shall respond to defendant inquiries within a reasonable time to ensure the effective assistance of counsel whether such inquiries are received by letter, telephone, email, or otherwise. Public Defender shall be available for attorney-client consultations at the jail prior court hearings.

1.4 Recordkeeping: Public Defender will maintain records documenting all work performed on each assigned case.

a. Monthly Reports: Public Defender will maintain and provide to the City a monthly report detailing the number of cases to which the Public Defender was appointed, the names of the defendants to which the Public Defender was appointed, the case number, the date of appointment, and the charge(s) filed against the defendant.

b. Quarterly Reports: Public defender shall submit quarterly reports which include the number of appellate cases filed during the preceding quarter, if any, the total number of cases assigned to each Public Defender during the preceding quarter, year-to-date appointments and CLE/training hours completed for each Public Defender during the preceding quarter.

1.5 Each Public Defender agrees to attend a minimum of seven (**7**) hours of criminal defense training/continued legal education classes each year. Each Pubic Defender may submit proof of payment of such training to the City and the City agrees to reimburse the Public Defender up to a maximum of $500 each, per year for the costs of such training/education. The training must be approved by the Washington State Office of Public Defense (OPD) in compliance with the OPD Improvement Program Training requirements. This requirement also applies to associate counsel. Each Public Defender shall submit a copy of their CLE credit transcript from the WSBA annually.

1.6 The Public Defender further warrants that his/her proposal, reflected in Section 2, Compensation, reflects all infrastructure, support, administrative services, routine investigation, and systems necessary to comply with the Decision and Standards except as provided in Section 2.4 below.

1.7 The Public Defender promises that he/she will promptly notify the City if any circumstance, including change in rule or law, renders it difficult or impossible to provide service in compliance with the Decision and/or the Standards.

1.8 Therapeutic Courts: The Des Moines Court operates a DUI court. As a representative, the Public Defender may be required to attend out of state training for therapeutic court to help ensure the program's success. The Des Moines DUI court is a post-conviction program that combines drug and alcohol treatment with intensive court supervision to reduce DUI recidivism. DUI courts use evidence-based practices, employing the ten guiding principles established by the National Center for DWI Courts. DUI Courts target offenders who are identified as high-risk and high-need. Judges, defense attorneys, prosecutors, law enforcement officers, probation officers and treatment providers are trained in the DUI court model and work cooperatively to oversee and manage participants' progress. DUI Court emphasizes accountability and long-term treatment.

1.9 Technology: The Public Defenders must be knowledgeable in different aspects of court technology, such as JABS, OCourt, SCORE, other county or statewide systems, Zoom.

2. Compensation. As used below, payment to "Public Defenders" means a single payment and not a payment to each Public Defender.

2.1 The City shall pay to the Public Defenders for services rendered under this Agreement, a rate of $750 per case assigned to the Public Defenders for the first 12 months of this Contract. The City shall pay to the Public Defenders for services rendered under this Agreement, a rate of $1000 per case assigned to the Public Defenders for the second 12 months of this Contract.

This contract contemplates regularly scheduled Court hearings to occur at the following times:

Court Schedule:
Every Tuesday and Wednesday (all day); Friday mornings

Two (2) days per month for scheduled jury trials.

Video court at Score Monday through Friday (see below);

Courtesy counsel is required at arraignment calendars once per week.

a. Video Court: The Public Defenders shall appear Monday through Friday for video court public defender services to defendants charged under ordinances of the City or state misdemeanor or gross misdemeanor statutes who are detained at the South Correctional Entity ("SCORE"). Public defense services will be provided in a manner consistent with the accepted practices for similar services, performed to the City's satisfaction and in conformance with WSBA's standards for the provision of public defense services as codified in the Rules for Professional Conduct, the Decision and the Des Moines Municipal Code as now existing or hereafter adopted or amended.

b. The City shall pay an additional $500 to Public Defenders for a "special set" jury trial that

is scheduled and held on a court day other than the regularly scheduled 2 trial days per month as per Section 2.1

c. The City shall pay an additional $1000 per RALJ appeal to the Superior Court in which a brief has been filed by the Public Defenders, which sum is over and above all compensation paid for legal services before the Court.

d. The City may schedule additional Court days with 30 days written notice to the Public Defender, or such shorter time upon agreement by the Public Defender.

e. DUI Court: The City shall pay the Public Defender $175 per calendared day for serving as Public Defender for the City of Normandy Park and the City of Des Moines' bi-monthly DUI calendar. This fee represents the City's one-half share of the Public Defender's billed fees, the other half to be paid by the City of Normandy Park.

2.2 The compensation amount represents the salary and benefits necessary to provide the services for the City and as supplemented in Section 2.4 below all infrastructure, support, and systems necessary to comply with the Standards and Decision including by way of illustration and not limitation, training, investigation, translation, and mental and physical evaluation services. As provided in Section 2.5 and its sub paragraphs below, the parties will periodically review staffing in light of changes in court rule and case load in order to adjust staffing based on experience. The parties believe that they have provided sufficient capacity to ensure that, in all respects and at all times, public defense services will comply with the Standards and Decision with an adequate reserve capacity for each Public Defender.

2.3 Case Counts. Based upon case counts maintained by Public Defender and reviewed by the City, current estimates for annual case counts for all indigent cases filed by the City is approximately 450 cases per year. As provided in the Standards, the case counts also include the Public Defender's appearance at all arraignment calendars. The terms "case" and "credit" shall be defined in accordance with the Washington State Supreme Court rule and Washington Office of Public Defense guidelines. The

City has adopted an unweighted case count. Monthly stats are due the following month.

2.4 Adjustment; Internal Allocation. As provided in the Standards, case counts may be revised upwards based upon a variety of factors. Upon the Public Defender's request, the City shall review any particular case with the Public Defender to determine whether greater weighting should be assigned, and upward revisions shall not be unreasonably refused. The annual caseload shall be reviewed annually on or about June 30th each year.

2.5 Base Compensation. Except as expressly provided in Section 2.6, the cost of all infrastructure, administrative, support and systems as well as standard overhead services necessary to comply with the established standards are included in the base payment provided in Section 2.1 above.

2.6 Payments in Addition to the Base Compensation. The City shall pay for the following case expenses when reasonably incurred and approved by the Court from funds available for that purpose:

a. Discovery. Discovery shall be provided in accordance with law and court rule by the City Prosecutor. For post-conviction relief cases, discovery includes the cost to obtain a copy of the defense, prosecuting Public Defenders making any charge or court files pertaining to the underlying case.

b. Preauthorized Non-Routine Expenses. Non-routine case expenses requested by the Public Defender and preauthorized by order of the Court. Unless the services are performed by Public Defender's staff or Public Defenders, non-routine expenses include, but are not limited to:

(i) investigation expenses;

(ii) medical and psychiatric evaluations;

(iii) expert witness fees and expenses;

(iv) interpreters;

(v) polygraph, forensic and other scientific tests;

(vi) unusually extensive computerized legal research; or

(vii) any other non-routine expenses the Court finds necessary and proper for the investigation, preparation, and presentation of a case. In the event any expense is found by the Court to be outside of its authority to approve, the Public Defender may apply to the Contract Administrator for approval, such approval not to be unreasonably withheld.

c. Lay Witness Fees. Lay witness fees and mileage incurred in bringing defense witnesses to court, but not including salary or expenses of law enforcement officers required to accompany incarcerated witnesses;

d. Copying Clients' Files. The cost, if it exceeds $25, of providing one copy of a client's or former client's case file upon client's or client's appellate, post-conviction relief or habeas corpus Public Defender's request, or at the request of counsel appointed to represent the client when the client has been granted a new trial;

e. Copying Direct Appeal Transcripts Supreme Court Rules for the Administration of Courts of Limited Jurisdiction RALJ Appeals. The cost of making copies of direct appeal transcripts for representation in post-conviction relief cases. Public Defender is limited to no more than two copies;

f. Records. To the extent such materials are not provided through discovery, medical, school, birth, DMV, and other similar records, and 911 and emergency communication recordings and logs, when the cost of an individual item does not exceed $75; and

g. Process Service. The normal, reasonable cost for the service of a subpoena.

2.7 Review and Renegotiation.

a. Due to Increases or Decreases in Case Load. The City and the Public Defender shall, at the option of either party, renegotiate this contract if there is a significant increase or decrease in the number of cases assigned. Significant "decrease" shall mean a change of more than ten percent (10%) in the number of cases assigned. If cases are estimated to approach or exceed 450 cases per year or 100 cases per quarter, the parties may renegotiate this contract to increase case coverage and compensation to Public Defender. At the request of either party, the City and Public Defender will periodically review case assignment trends, requests for additional credits and any other matters needed to determine contract compliance or necessary contract modifications. Public Defender shall promptly notify the City when quarterly case loads can reasonably be anticipated to require use of overflow or conflict counsel to assure that cases assigned to Public Defender remain within the limits adopted in this contract and comply with state and local standards.

b. Renegotiation Due to Change in Rule or Standard. This contract may be renegotiated at the option of either party if the Washington State Supreme Court, the Washington State Bar or the City significantly modifies the Standards for Indigent Defense adopted pursuant to the Court rule or City Ordinance/Resolution.

3. Term of Agreement. The term of this agreement shall be from February 1, 2026 for a two (2) year initial term through January 31, 2028 unless sooner terminated as provided herein. The Agreement may be extended for one (1) additional two (2) year term at the mutual agreement of the parties, not to exceed four (4) years in total.

3.1 For Cause. This agreement may be terminated for good cause for violation of any material term of this agreement. "Material term" shall include any violation indicating a failure to provide representation in accordance with the rules of court, the ethical obligations established by the Washington State Bar Association, the willful disregard of the rights and best interests of the client, a willful violation of the Standards or the Decision, the provisions of Section 6 relating to insurance, conviction of a criminal charge, and/or a finding that the license of the Public Defender or any Public Defender providing service under this agreement, has been suspended or revoked. Any violation of the other provisions of this Contract shall be

subject to cure. Written notice of contract violation shall be provided to the Public Defender who shall have thirty (30) business days to cure the violation. Failure to correct the violation will give rise to termination for cause at the City's discretion. In lieu of terminating this contract, the City may agree in writing to alternative corrective measures.

3.2 Termination on Mutual Agreement. The parties may agree in writing to terminate this contract at any time. Unless otherwise agreed to in writing, termination or expiration of this contract does not affect any existing obligation or liability of either party. Either party may terminate this agreement by providing ninety (90) day written notice to the other party.

3.3 Obligations Survive Termination. In the event of termination of this agreement, the following obligations shall survive and continue:

a. Representation. The compensation established in this agreement compensates Public Defender for services relating to each and every assigned case. Therefore, in the event this agreement is terminated, the Public Defender will continue to represent clients on assigned cases until a case is concluded on the trial court level through dismissal, plea or sentencing, provided however, that the public defender may withdraw after thirty (30) calendar days with respect to any matter which has not been set for trial within sixty (60) days of termination. Probation will be assigned to successor counsel.

b. The provisions of sections 1 through 5 shall survive termination as to the Public Defender. The City shall remain bound by the provisions of section 2.4 with respect to additional costs incurred with respect to cases concluded after the termination of this contract.

4. Nondiscrimination. Neither the Public Defender nor any person acting on behalf of the Public Defender, shall, by reason of race, creed, color, national origin, sex, sexual orientation, honorably discharged doctrine or military status, or the presence of any sensory, mental, or physical disability or the use of a trained guide dog or service animal by a person with a disability, discriminate against any person who is qualified and available to perform the work to which the employment relates, or in the provision of services under this agreement.

5. Indemnification. The Public Defender agrees to hold harmless and indemnify the City, its officers, officials, agents, employees, and representatives from and against any and all claims, costs, judgments, losses, or suits including Public Defender's fees or awards, and including claims by Public Defender's own employees to which Public Defender might otherwise be immune under Title 51 arising out of or in connection with any willful misconduct or negligent error, or omission of the Public Defender, his/her officers or agents.

5.1 It is specifically and expressly understood that the indemnification provided herein constitutes the waiver of the Public Defender's waiver of immunity under Title 51 RCW solely for the purposes of this indemnification. The parties have mutually negotiated this waiver.

5.2 The City agrees to hold harmless and indemnify the Public Defender, his/her officers, officials, agents, employees, and representatives from and against any and all claims, costs, judgments, losses, or suits including Public Defender's fees or awards, arising out of or in connection with any willful misconduct or negligent error or omission of the City, its officers or agents.

5.3 This clause shall survive the termination or expiration of this agreement and shall continue to be in effect for any claims or causes of action arising hereunder.

6. Insurance. The Public Defender shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or property which may arise from or in connection with the performance of work hereunder by the Public Defender, or the agents, representatives, employees, or sub-Public Defenders of the Public Defender.

6.1 Public Defenders shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to person or damage to property which may arise from or in connection with the performance of the work hereunder by Public Defender. Public Defenders shall obtain and maintain Professional Liability insurance appropriate to Public Defenders' profession. Professional Liability insurance shall be written with limits no less than $500,000 per claim and $1,000,000 policy aggregate limit. Public Defenders' insurance shall be primary insurance as respects the City. Public Defenders' insurance coverage shall not be cancelled except after thirty (30) days prior written notice to the City by

certified mail, return receipt requested. Public Defenders shall furnish the City with written certificates evidencing compliance with insurance requirements within 30 days of commencement of work.

6.2 Verification of Coverage. Public Defender shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Service Provider before commencement of the work. Policies shall provide thirty (30) days written notice of cancellation to the City. The Public Defender shall provide the City with proof of insurance for "tail coverage" no later than December 31 of the year of termination of the Contract. The purpose of "tail coverage" is to provide insurance coverage for all claims that might arise from occurrences during the term of the Contract or extension(s) thereof, but not filed during the term of the Contract.

7. Work Performed by Public Defender. In addition to compliance with the Standards, in the performance of work under this Agreement, Public Defender shall comply with all federal, state and municipal laws, ordinances, rules and regulations which are applicable to Public Defender's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

8. Work Performed at Public Defender's Risk. Public Defender shall be responsible for the safety of its employees, agents, and sub-Public Defenders in the performance of work hereunder, and shall take all protections reasonably necessary for that purpose. All work shall be done at the Public Defender's own risk, and the Public Defender shall be responsible for any loss or damage to materials, tools, or other articles used or held in connection with the work. Public Defender shall also pay its employees all wages, salaries and benefits required by law and provide for taxes, withholding and all other employment related charges, taxes or fees in accordance with law and IRS regulations.

9. Personal Services, No Subcontracting. This Agreement has been entered into in consideration of the Public Defender's particular skills, qualifications, experience, and ability to meet the Standards incorporated in this Agreement. Therefore, the Public Defender has personally signed this Agreement below to indicate that he/she is bound by its terms. This Agreement shall not be subcontracted without the express

written consent of the City and refusal to subcontract may be withheld at the City's sole discretion. Any assignment of this Agreement by the Public Defender without the express written consent of the City shall be void.

10. Modification. No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by the duly authorized representatives of the City and the Public Defender. An additional Public Defender may be added to this Agreement by adding his or her signature to these agreements.

11. Entire Agreement; Prior Agreement Superseded. The written provisions in terms of this Agreement, together with any exhibit attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statement(s) shall not be effective or construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement. Upon execution, this Agreement shall supersede any and all prior agreements between the parties.

12. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in the Agreement or such other address as may be hereinafter specified in writing:

CITY:
City of Des Moines
21630 11th Ave. South
Des Moines, WA 98198

PUBLIC DEFENDER:
Stewart MacNichols Harmell
655 West Smith Street, Suite 210
Kent, WA 98032 253-859-8840

13. Nonwaiver of Breach. The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of such covenants, agreements, or options and the same shall be and remain in full force and effect.

14. <u>Resolutions of Disputes, Governing Law</u>. Should any dispute, misunderstanding or conflict arise as to the terms or conditions contained in this Agreement, the matter shall be referred to the Contract Administrator, whose decision shall be final. Provided, however, that any complaint regarding any violation of the Standards or which relate to any manner whatsoever to trial strategy or an ongoing case, shall be referred to the Judge of the City's Municipal/District Court or to the Washington State Bar Association as appropriate. Nothing herein shall be construed to obligate, require or permit the City, its officers, agents, or employees to inquire into any privileged communication between the Public Defender and any indigent defendant. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for reasonable attorney's fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington and the rules of the Washington Supreme Court as applicable. Venue for an action arising out of this Agreement shall be in King County Superior Court.

IN WITNESS WHEREOF, the parties have executed this Agreement on the _____ day of _____, 2026.

APPROVED AS TO FORM:

_____

City Attorney

CITY OF DES MOINES:

_____

Katherine Caffrey
City Manager

PUBLIC DEFENDER:

_____

Stewart MacNichols Harmell
Title:_____

Our Background

Stewart MacNichols Harmell, Inc., P.S., has been continuously operating since 1992. Our firm presently provides public defense services for the cities of Des Moines and Normandy Park. In addition, we provide public defense services for the cities of Kent, Federal Way, Seatac, Bothell, Kenmore, and Shoreline. We are also the public defender for the Muckleshoot Tribal Court. Our firm has extensive experience with both RALJ appeals, appeals to the Washington Court of Appeals and Washington Supreme Court. We are also experienced in identifying and referring clients to therapeutic courts such as the Regional Mental Health and Regional Veterans Court.

Stewart MacNichols Harmell, Inc., P.S., presently employs twenty attorneys emphasizing criminal defense. Each of our lawyers is a licensed member in good standing with the Washington State Bar Association. We have never had a WSBA disciplinary sanctions imposed against any of our attorneys. Our attorneys have combined experience of over 200 years representing criminal defendants, primarily as indigent defense counsel.

Effective and efficient criminal advocacy requires cooperation in all aspects of the justice system. We are dedicated to building and maintaining relationships of mutual respect and cooperation with the court staff, the bench, the prosecutor's office, the police, and the public. Although prosecutors and defense counsel will always have differences of opinion, reasonable minds clear of personal conflict will reach agreeable resolutions whenever possible.

Proposed Supervising Public Defender – Ken Harmell Resume

Ken Harmell will be the lead public defender responsible for contract performance, contact and communication with the cities of Des Moines and Normandy Park, as well as supervise the conduct and competence of all defense counsel employed by our office to represent defendants in the cities of Des Moines and Normandy Park and managing coverage for all Des Moines and Normandy Park Municipal Court calendars.

Mr. Harmell will have the responsibility for providing the city with any requested progress reports which will be submitted with monthly billings. He will also attend any progress conferences with the city's representative to review performance, develop and monitor performance benchmarks, review issues of common concern and review quarterly and/or annual caseload documents/records.

Mr. Harmell has been working as a public defender for over twenty-five years. He has worked at all levels of the criminal justice system, including representing indigent defendants

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Mr. Harmell has been working as a public defender for over twenty-five years. He has worked at all levels of the criminal justice system, including representing indigent defendants

on all levels of criminal charges from disorderly conduct to murder. He is familiar with all aspects of misdemeanor public defense, including appearances at all types of misdemeanor court hearings, including arraignments, pretrials, motions hearings, readiness hearings / jury calls and trials. He is a 1995 graduate of Central Washington University, Magna Cum Laude, and a 1999 graduate of Seattle University, Magna Cum Laude. Mr. Harmell is a published author on matters of criminal defense and has been recognized as a Super Lawyer.

Proposed Primary In-Court Public Defender – Anthony McCluskey Resume

Anthony McCluskey is presently the primary in-court public defender in the Des Moines Municipal Court, representing both City of Des Moines and City of Normandy Park clients. He will continue in that role should we be awarded the contract.

Mr. McCluskey has been working as a public defender with our firm for approximately two and one-half years and is familiar with all aspects of misdemeanor public defense, including appearances at all types of misdemeanor court hearings, including arraignments, pretrials, motions hearings, readiness hearings / jury calls and trials. He is a 2017 graduate of Gonzaga University, and a 2021 graduate of the University of Washington Law School, where he was on the Law Review. Prior to joining our firm Mr. McCluskey worked as a court clerk for Judge Douglas North of the King County Superior Court.

Support Staff

Stewart MacNichols Harmell, Inc., P.S., presently employs a support staff of four paralegals. A specific paralegal has traditionally been assigned the responsibility of supporting the Bothell contract.

Familiarity of the Law, Regulations and Public Defense Services

Each of our attorneys assigned to the Public Defense Contract:

A. Satisfies the minimum requirements for practicing law in Washington.
B. Is familiar with the statutes, court rules, constitutional provisions, and relevant case law.
C. Is familiar with the Washington Rules of Professional Conduct.
D. Is familiar with the Performance Guidelines for Criminal Defense Representation approved by the Washington State Bar Association.
E. Is familiar with the consequences of conviction or adjudication, including possible immigration consequences and the possibility of civil commitment proceedings based upon criminal conviction.
F. Is familiar with mental health issues and can identify the need to obtain expert services; and
G. Completes a minimum of seven hours of Continuing Legal Education within each calendar year in courses related to their public defense practice.

In addition to each of our attorneys participates in a minimum of seven hours of Continuing Legal Education seminars each year sponsored by outside agencies and/or our firm's in-house CLE trainings. Prior in-house trainings have included: best practices under the Wilbur decision and Washington Supreme Court Indigent Defense Standards, Trial Tactics (including Voir Dire, Opening, Direct, Cross and Closing), opioid addiction and treatment, Marijuana DUIs, Competency, Trueblood and R.C.W. 10.77, Immigration, Probable Cause Update, the 2:00 a.m. DUI call, and Prosecutorial Misconduct and Ineffective Assistance of Counsel.

"Green" Practices and Paperless Files

We recognize that law firms generate far too much paper waste. Stewart MacNichols Harmell, Inc., P.S., has been on the leading edge of instituting practices to reduce paper waste and increase efficiency through "green" practices and technologies. First, our attorneys and staff operate using laptop computers and tablets to manage their case files. Second, for several years, our firm has been "paperless" and is managed by custom firm management product run on Microsoft platforms. Moreover, we encourage our prosecution counterparts to send us documents electronically, as opposed to paper copies.

OCourt, JIS, JABS and Zoom

Our attorneys have extensive experience with these programs. We use them daily in most of our contract courts and have been doing so for several years.

In Custody Hearings

Prior to the pandemic, our attorneys have experience with daily in-custody hearings at Score, the King County Jail and the Kent Jail. Since the pandemic, a portion of these hearings have been conducted by video, usually utilizing Zoom.

Moreover, our attorneys have extensive experience visiting clients at both the King County and Snohomish County jails.

Therapeutic Courts

DUI Court: Our attorneys have been involved as counsel, and participated in, the formation of the Kent Municipal Court DUI court since its inception in 2018. We are also actively involved in the Des Moines DUI court. Our attorneys have attended national Rise trainings on DUI court.

Regional Mental Health Court: Since its inception several years ago, our firm has referred hundreds of clients to the King County Regional Mental Health Court. We are familiar with the process from start to finish, including the referral process, screening, negotiations, case requirements and opt-in process.

Regional Veterans Court: Similar to the Regional Mental Health Court, we are familiar with the Veterans Court process from start to finish and have referred dozens of clients to this program.

Community Court: Our firm has been instrumental in the formation of a number of community courts. Furthermore, our attorneys have been involved in all stages of planning and implementation of these courts. Moreover, attorneys Jeff MacNichols, David Iannotti, Ken Harmell and Scott Stewart have received specialized training in Community Court processes.

Effective Assistance of Counsel

(1) No attorney with our office has ever been removed from representation in a case by order of a court for failure to perform legal services necessary to the case or client.
(2) No attorney with our office has ever been found to have been ineffective by either an ethics panel or an appellate court.
(3) None of our attorneys has been a party to a malpractice claim.
(4) Our firm has never been terminated from a public defense contract for cause.
(5) None of our attorneys have been monetarily sanctioned by a court.

Attorney Caseloads and Case Reporting

Stewart MacNichols Harmell, Inc., P.S. ensures that each attorney's total caseload does not exceed the maximum number cases permitted by the Standards for Indigent Defense.

Our attorney caseloads are monitored by our managing partner and case management system to ensure compliance.

Our firm management system is capable of producing reports regarding attorney appointments and case information on a monthly or annual basis.

Method and Approach of the Firm

Having practiced criminal defense law as public defenders for over twenty-five years, we have a good understanding of the preparation and work time required for various scenarios that are encountered as a part of this job description. Every case presents unique challenges in terms of legal issues, client personalities and case dynamics. That being said, the attorneys participating in this contract will be prepared to address the challenges of each case and court day by implementing the following best practices: attempting to contact new clients within 24 hours of assignment, reviewing all cases several days before court hearings, contacting all clients prior to court to meet and discuss the cases, communicating with the prosecutor prior to court to discuss plea bargaining, researching and briefing legal issues prior to court, visiting incarcerated clients prior to hearings, promptly responding to kites and other correspondence and interviewing witnesses throughout the case.

Representation of indigent clients often goes beyond the courtroom. We pride ourselves on helping clients with issues that are usually beyond the "normal" attorney duties such as: assisting in relicensing, help obtaining treatment and housing and assistance with immigration issues to ensure effective counsel regarding collateral consequences.

Delivery Systems and Resources

Office Locations: Our attorneys work out of a main main office in Kent which is located at 655 West Smith Street, Suite 210, Kent, Washington 98032. Our attorneys have individual offices at this location where they can work and meet with clients. There is also a large meeting room which is available for larger meetings. This office is easily accessible by bus, as we are located next to the Kent Metro Station.

As required by the Standards for Indigent Defense, each of our offices includes space that allows for confidential meetings with clients, and telephone services to ensure prompt response to clients.

Mobile Office: Each of our attorneys are also provided a laptop computer which allows them to access to all discovery, legal research materials and the firm's database from home, the court, or any other location where they are able to access the internet.

Tracking Cases and Responding to Client Inquiries

Our experience, knowledge, advocacy skills, and our emphasis on customer service have insured the greatest satisfaction of our clients. Our staff has included paralegals, legal interns, file clerks and, occasionally, Rule 9 interns. In addition, for approximately twenty years, we have maintained a computer database that tracks all cases. As a result, our clients' matters are efficiently processed, and their inquiries promptly addressed. Should any complaints be received from a client, they are immediately referred to a senior attorney and addressed within 24 hours.

Critical Stage Availability

Each of the attorneys working on the contract is available for emergency legal counsel (i.e., recently arrested defendants who are requesting to speak to an attorney prior to answering questions or submitting to a breath test) on a 24-hour basis by telephone. If awarded the contract, we will provide the police department with multiple telephone numbers to allow 24-hour contact with our attorneys.

Scope of Work for Each Case

As the attorneys providing indigent defense services for persons arrested in the Cities of Des Moines and Normandy Park, we anticipate that the work will include, but is not limited to, the following:

- Proving each client with an introductory letter advising of (1) how to contact their attorney, (2) and the client's responsibilities, i.e., identifying witnesses.
- Being accessible to clients
- Meeting with and counseling clients, including in custody visits
- Reviewing discovery materials
- Legal research
- Conducting factual investigations
- Motions and trial preparation
- Preparing pleas and pleadings, including written motions
- Attending all hearings at the Des Moines Municipal Court (or virtually) including:
    - Arraignments
    - Pretrial Hearings
    - Motion Hearings
    - Readiness Hearings
    - Bench and Jury Trials
    - Sentencings and Reviews
- Handling Appeals
- Other work essential to providing criminal defense including, but not limited to, reviewing recent appellate court decisions concerning the criminal law and attending continuing legal research seminars emphasizing criminal defense and trial work.

Compliance with Employment and Disability Laws

Stewart MacNichols Harmell, Inc., P.S. is fully compliant with the Americans with Disabilities Act, the Equal Employment Opportunity laws and Federal, State, County and City laws. We ensure this by oversight by a managing partner, initial and ongoing training and oversight and implementation of best practices and creation of an employee handbook.

Non-English Speaking Clients

Our firm has established protocols to address the needs of our non-English speaking clients using interpreters and Language Line. These protocols are used at every stage of the representation including out of court consultations, coordination with treatment providers and investigation of clients' cases. We can assist clients' needs for any language that we are presented.

Insurance

Our firm's insurance coverage meets the amount required by the Cities of Des Moines and Normandy Park.

Professional References

Judicial

Michael Frans
Kent Municipal Court
1220 Central Avenue South
Kent, WA 98056
206-898-6110

Jon Olson
Kirkland Municipal Court
11740 NE 118th Street
Kirkland, WA 98034
(425) 587-3160

Court Administrator

Candace Enders
Kent Municipal Court
1220 Central Avenue South
Kent, WA 98032
(253) 856-5730

Prosecuting Attorney

Michele Walker
City of Kent Prosecuting Attorney
220 Fourth Avenue South
Kent, WA 98057
(253) 856-5770

Proposed Cost of Services

City of Des Moines:

Stewart, MacNichols Harmell, Inc., P.S., hereby proposes to provide public defender services to the city of Des Moines as follows:

Calendar Year 2026: Stewart MacNichols Harmell, Inc., P.S., hereby propose to provide public defense services for the sum of $15,000.00 per month during the 2026 calendar year. The $15,000.00 will cover the cost of providing attorney services for the first 20 cases appointed each month. Additional appointed cases will be billed at $750.00 per case.

Calendar Year 2027: Stewart MacNichols Harmell, Inc., P.S., hereby propose to provide public defense services for the sum of $20,000.00 per month during the 2026 calendar year. The $20,000.00 will cover the cost of providing attorney services for the first 20 cases appointed each month. Additional appointed cases will be billed at $1000.00 per case.

During both 2026 and 2027, there shall be an additional fee of $1000.00 for any appeal where a brief is filed.

City of Normandy Park:

Stewart, MacNichols Harmell, Inc., P.S., hereby proposes to provide public defender services to the city of Normandy Park as follows:

Calendar Year 2026: Stewart MacNichols Harmell, Inc., P.S., hereby propose to provide public defense services for the sum of $6,000.00 per month during the 2026 calendar year. The $6,000.00 will cover the cost of providing attorney services for the first 8 cases appointed each month. Additional appointed cases will be billed at $750.00 per case.

Calendar Year 2027: Stewart MacNichols Harmell, Inc., P.S., hereby propose to provide public defense services for the sum of $8,000.00 per month during the 2027 calendar year. The $8,000.00 will cover the cost of providing attorney services for the first 8 cases appointed each month. Additional appointed cases will be billed at $1000.00 per case.

During both 2026 and 2027, there shall be an additional fee of $1000.00 for any appeal where a brief is filed.

Extraordinary Costs including Expert Witness Fees and Investigators

As required by the Standards for Indigent Defense, costs under the contract may include the cost of transcribing any hearing for which there is an appeal. There may also be additional costs for retaining investigators expert witnesses, including mental health experts, and other non-routine services including, but not limited to obtaining a client's medical records and lay witness fees/mileage incurred in bringing defense witnesses to court. Should we believe that an interpreter, expert, including mental health professionals, investigator, or any other non-routine service is necessary to fully represent a client, we will petition the court for additional funds to cover the cost associated with retaining any such expert, or investigative personnel. As a general rule, the circumstances where it becomes necessary to retain an interpreter, expert or investigator are limited.

Transfer of Caseload

Legal representation will extend through the disposition as well as any review hearings on a client's matter. Upon conclusion of the Attorney's contractual relationship with the City, or should the contractual relationship be for any reason terminated early, all cases assigned prior to the Agreement term expiration or early termination, including, but not limited to, those which have not reached resolution, initial or otherwise, as well as any matters pending sentencing or review status, shall be transferred to the new service provider as efficiently and practicably as possible and within the guidelines and restrictions of the Rules of Professional Conduct. Cases in progress at the Agreement expiration or termination will be compensated at an hourly rate of $270.00 until completed or transferred to the new service provider, whichever is most efficient and simultaneously allows for the protection of the rights of the accused.

Time and Conference Requirements

Monthly billing: A monthly report that will be generated by our firm and sent to the city each month. The reporting information can be adjusted to suit the requirements of the public defense agreement with the city.

Meetings with City Staff: Our firm will be available to meet with a city-designated representative on a quarterly and annual basis to review the number of cases, overall performance, and any issues of concern.

Attendance at Court or City Meetings: Our firm will be available to meet with the City and/or Court staff to address any ad hoc or ongoing issues or concerns, municipal court operations, or other issues that may arise.

Enhance indigent defense

2026

Increase state support and funding for indigent defense services and build pathways to increase the public defense workforce.

Background:

In June 2025, the Washington Supreme Court ordered lower caseload limits for public defenders over the next decade. The new order will eventually cut caseload standards by roughly two-thirds for each public defender by 2036.

In Washington, cities are responsible for:

- **65%** of misdemeanor cases; and
- **54%** of criminal cases overall (including public defense costs).

Cities need to hire more public defenders to cover the existing caseload but are struggling. Statewide, there aren't enough public defenders available for hire, and many cities already cannot afford it. Without options to pay for more public defenders, cities will have no choice but to drop or dismiss cases. This will have dire consequences on local communities by undermining public safety and damaging the criminal justice system's credibility overall.

Cities fully embrace the constitutional requirement to provide counsel for individuals who need defense services and understand the well-intentioned change. However, the reality of covering public defense costs is already difficult for many cities to fulfill—a challenge exacerbated by new caseload standards.

All but four other states in the U.S. fund public defense wholly or significantly from the state level. In Washington, 90% of the state's small public defense allocation goes to counties. For cities, Office of Public Defense grants cover less than 5% of the conservatively estimated $40 million in current annual municipal costs.

Cities cover a wide array of vital local services, including public safety, and statutorily restricted local budgets are already stretched thin. This caseload standard change increases the strain on municipal courts, especially for small and rural court systems.

Strong cities need:

Increased funding to local governments to hire and support public defenders.

New, innovative programs to ease systemic overload:

- Increasing the pool of attorneys to serve as public defenders.
- Training for legal professionals to serve in other capacities.
- Creating new educational pathways for lawyers to be trained and licensed.

Legislative modifications to help address local needs:

- Population-based caseload implementation standards to help rural and small cities.
- Innovative uses of technology to allow attorneys to defend clients remotely.
- Statutory harmonization between the Supreme Court's 10-year phase-in order and the Washington State Bar Association's authority to set a three-year transition.

$40 million → $120 million

Cities' annual costs to cover public defense could more than triple over the next decade.

Contact:

Derrick Nunnally
Government Relations Advocate
derrickn@awcnet.org

Emma Shepard
Legislative Policy Analyst
emmas@awcnet.org

Association of Washington Cities • 1076 Franklin St SE, Olympia, WA 98501 • 1.800.562.8981 • wacities.org

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WA's public defender system is breaking down, communities reeling

By
Daniel Beekman

Seattle Times staff reporter

KENNEWICK — When you're charged with a crime that could put you behind bars and you don't have enough money to pay an attorney to defend you, the government is supposed to provide you with one. But that isn't happening in some communities across Washington state, at least not right away.

"We're still working on getting you an attorney," Judge Terry Tanner told one defendant after another in Benton County District Court last month, adopting an apologetic tone as he made his way through a series of cases dating back weeks and months and explaining why each case would remain in limbo. "We have a shortage of public defenders, so that's why we're in a jam."

The right to an attorney is rooted in the U.S. and Washington constitutions, crucial to ensuring that everyone gets a fair shake. And yet, the scene that played out in Tanner's courtroom Jan. 31 has become routine there, to the point where people without public defenders are asked to sit on one side of the room and people with attorneys are asked to sit on the other.

That's an alarming sign, according to many people who work inside Washington's criminal legal system — one warning among many that the state's beleaguered public defense apparatus is in danger of breaking down.

A shortage of public defenders across Washington state is putting strain on the legal system, creating a backlog of defendants waiting to be assigned an attorney. (Kevin Clark / The Seattle Times)

“I compare it to what COVID was for ER nurses,” said Jessica Rodriguez, a private attorney doing contract defense for Benton County. “People are showing up every week to have an attorney appointed and waiting hours, just to be told to come back the next week … How can anyone hold down a job? They just want somebody to talk to. I see the desperation on their faces.”

Staffing shortages and burnout-inducing caseloads are squeezing urban areas like King County, rural areas like Asotin County and communities in between. Facing each other across the Columbia River, Benton and Franklin counties are struggling as they compete for attorneys from the same shallow pool.

There are consequences. In some instances, people presumed innocent are languishing in jail without counsel. In others, prosecutions have been delayed or dismissed because defendants lack representation, potentially putting crime victims and others at risk. In still others, defendants are getting shortchanged because their attorneys are too busy. It’s difficult to get a grip on the scale of such problems, because statewide data is lacking.

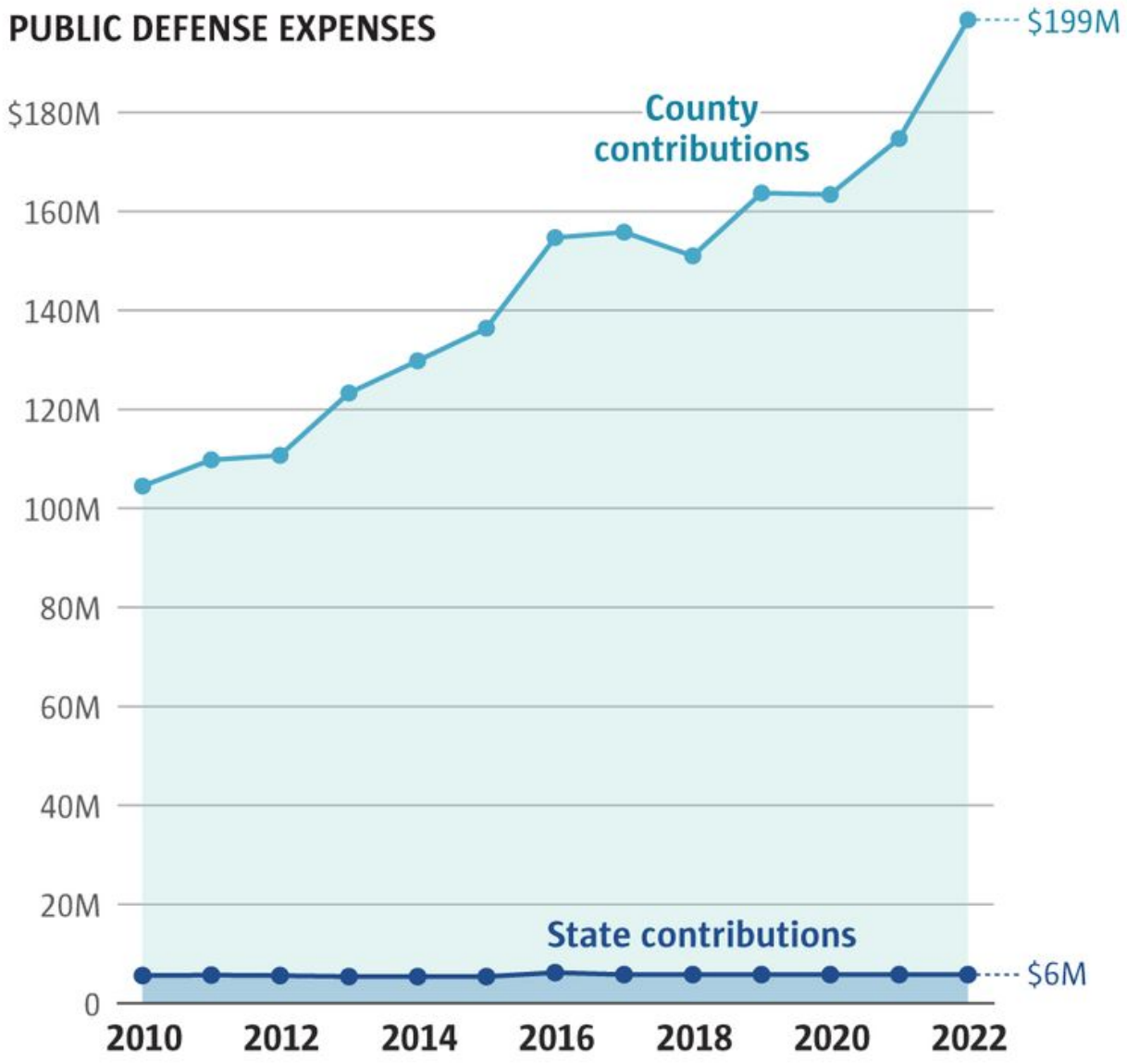
Meanwhile, cash-strapped counties are watching their expenses soar with minimal support from the Legislature. Some counties are actually suing the state over that reality, and experts say it’s only a matter of time before an unrepresented defendant also sues, alleging their rights have been violated.

“We’re at the precipice of collapse,” Franklin County Administrator Mike Gonzalez said recently. “And it’s not just affecting us, it’s the whole state.”

Washington counties are paying more for public defenders but getting minimal help from the state, according to data from the Washington State Association of Counties. The association is suing the state over the situation.

As defense costs soar, counties pay

Washington counties are paying more for public defenders but getting minimal help from the state, according to data from the Washington State Association of Counties. The association is suing the state over the situation.



Source: Washington State Association of Counties

Reporting by DANIEL BEEKMAN, graphic by FIONA MARTIN / THE SEATTLE TIMES

Things grew so bad last year that Larry Jefferson, director of the state Office of Public Defense, begged the Washington state Supreme Court for relief. He asked the court's justices for a 90-day moratorium on attorney assignments for out-of-custody defendants in order to clear backlogs of clients who were in jail. He also asked the justices to immediately lower caseload limits for defenders, partly to keep overburdened attorneys from quitting.

The justices declined Jefferson's requests. While they plan to consider new caseload caps soon, with recommendations from the Washington State Bar Association, lowering the caps too quickly could aggravate the shortages, because more attorneys would be needed for the same number of cases.

Washington lawmakers are working on a bill that would establish a state-managed internship program to train law students and graduates as defenders and prosecutors in rural areas. But internships won't reverse the shortages overnight, and a proposal to repay student loans for new recruits has been cut during the bill's journey through the current legislative session. A separate bill that would greatly bolster state funding for public defense is likely dead, with no action taken since the session began in January.

Some advocates say communities should reduce pressure on public defenders and the entire system by scaling up alternatives to prosecution, especially for nonviolent and lower-level crimes.

"The solutions have to be short-term and long-term and are going to require work from all three branches of government," Justice Steven González said.

Backstory

Defender shortages and unrealistic caseloads are posing a threat to rights cemented in court decisions like 1963's Gideon v. Wainwright, where an unrepresented Florida man challenged his state conviction, and 2013's Wilbur v. City of Mount Vernon, where Skagit County defendants said their public attorneys had too many cases. In Gideon, the U.S. Supreme Court ruled that states, per the U.S. Constitution's Sixth Amendment, must provide defenders. Wilbur pushed Washington's state Supreme Court to adopt caseload limits.

The underlying principles are simple. Anyone charged with a serious crime needs an attorney and, to be effective, that attorney needs a reasonable workload. But those principles crumble when public defenders are scarce. Defendants have no one to talk with about their options. To argue for their release so they can keep a job or custody of a child. To interview witnesses. To secure evidence, like surveillance video before a recording gets taped over.

Dozens of people had to wait for attorneys in Whatcom County last year, including people locked up in jail. Defendants are now waiting about three weeks in Yakima County, down from about six weeks, according to Paul Kelley, that county's director of the Department of Assigned Counsel.

The right to a speedy trial — within 60 or 90 days of being arraigned in Washington, depending on whether a defendant is in jail — also gets twisted when public attorneys are scarce, leaving the people in Tanner's Benton County courtroom with bad choices. They're told they can either move closer to trial without representation, or pause their speedy-trial clock while waiting for a defender. That's not fair, said Sheri Oertel, a resource attorney for the nonprofit Washington Defender Association.

"When there aren't enough public defenders, or when public defenders are overworked, the people who suffer are the defendants," said Jason Schwarz, director of Snohomish County's Office of Public Defense, making the point that a huge number of Americans have been arrested — about 1 in 3 adults have such records.

Most Washington defendants are found to be indigent, meaning they can't afford a private attorney.

"You probably know someone who's been through the system," Schwarz said. "So when we talk about this, we're talking about your neighbor, or you."

At the same time, some leaders worry about the attorney shortages complicating cases and allowing bad actors to avoid justice.

"That's the scariest part of the problem," said Jon Neal, an Okanogan County commissioner. "You may end up releasing people you really don't want to."

The causes behind the crisis are multiple and debatable, experts say: Fewer people are going to law school; young attorneys are choosing less-intense jobs with better pay; the COVID pandemic created backlogs; policing changes like body-worn cameras are making cases more time-consuming to handle.

There's always been a stigma associated with the job. Like the stereotype of a distracted public defender with baggy eyes and a wrinkled suit.

"We started to see interest really waning" before COVID, and then the pandemic "just threw everything into chaos," Kelley said. "We started seeing people leaving the profession and that just exacerbated the problem."

Public defenders aren't the only government workers in short supply. Cities and counties are also struggling to hire enough prosecutors, police officers and corrections officers. And Washington isn't the only state in trouble. In November, a U.S. District Court judge responding to a lawsuit over defender shortages in Oregon ordered counties there to release anyone held in jail without an attorney for more than seven days after being arraigned.

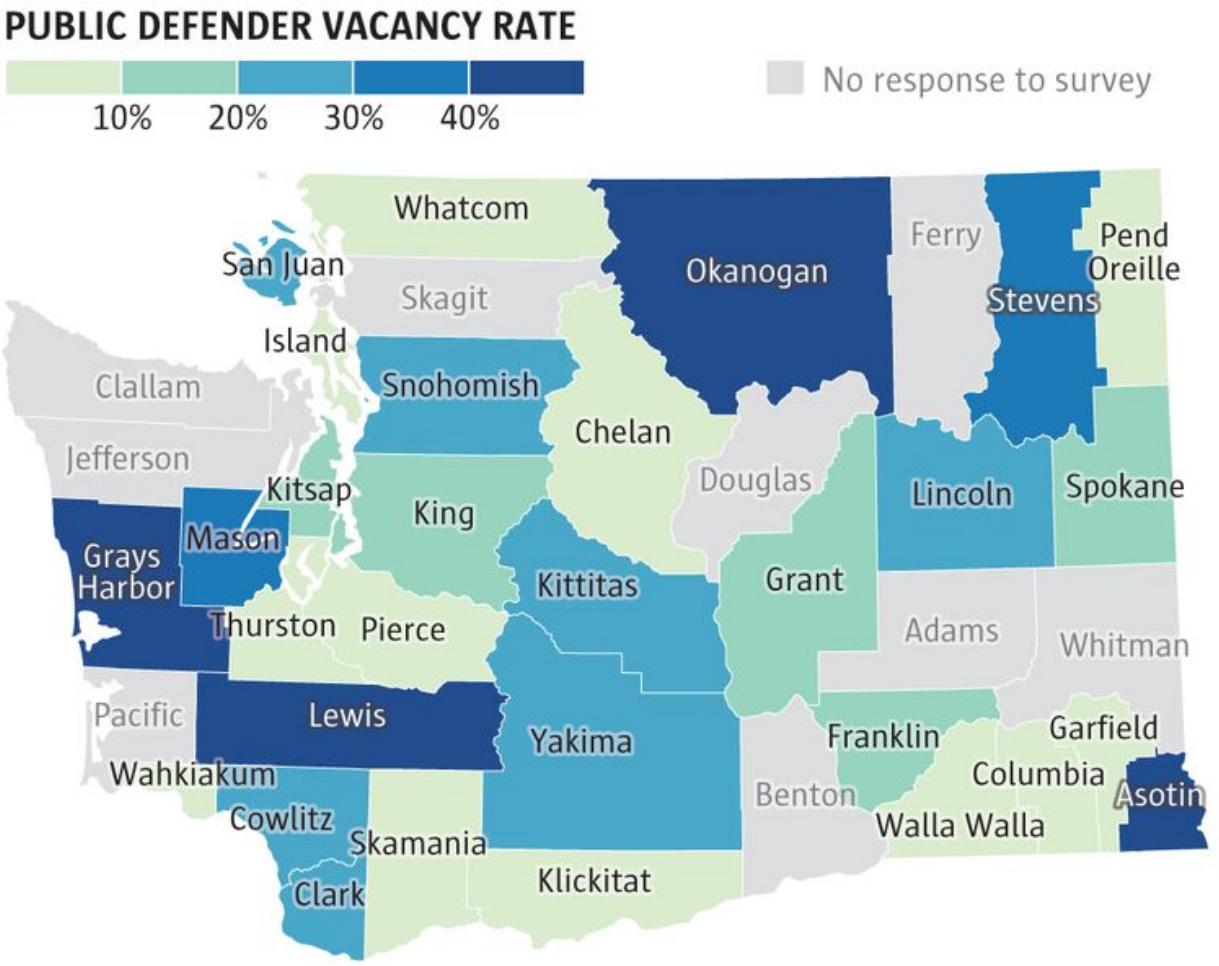
But Washington's challenges are distinctly thorny, partly because its system is decentralized, with each county court administered locally. Most other states pay for public defense services, whereas Washington covered 3% of those costs through grants and special programs in 2022, according to data collected by the Washington State Association of Counties.

For those reasons and others, most counties that responded to a December survey by Jefferson's office reported vacancy rates of 10% to 67%; 34 reported recruiting/retention issues last year, up from 31 in 2022. Larger counties employ staff defenders and smaller counties rely on contractors.

Many Washington counties are struggling to recruit and retain enough public defenders, according to a December survey by the Washington State Office of Public Defense. Some counties use mostly staff defenders, while others use mostly contractors.

Where public defenders are missing

Many Washington counties are struggling to recruit and retain enough public defenders, according to a December survey by the Washington State Office of Public Defense. Some counties use mostly staff defenders, while others use mostly contractors.



Source: Washington State Office of Public Defense

Reporting by **DANIEL BEEKMAN**, graphic by **FIONA MARTIN / THE SEATTLE TIMES**

Rural areas

What exactly the crunch looks like depends on where you're arrested.

In some of Washington's smallest counties, officials scramble to hire out-of-town contractors and pay them by the hour to represent defendants because there are so few local attorneys and even fewer who want the work.

Ten counties in the state have no more than 30 residents practicing law of any sort, Dan Clark, a senior deputy prosecutor in Yakima County, wrote in a column for the state Bar Association last year, noting that attorney shortages are resulting in vacancies on the prosecutorial as well as the defense side.

"Most law school graduates tend to be in their 20s or 30s, and to be blunt, most rural areas simply do not offer the variety of restaurants, entertainment, and social opportunities that urban areas can provide," Clark wrote. "Many law school graduates have significant student loan debt, and lower salaries in rural areas — particularly for governmental attorneys — can be a barrier to attracting and retaining new and young lawyers to rural communities."

Several defense attorneys under contract with Okanogan County in North Central Washington live elsewhere, including over the mountains in Western Washington, said Anna Burica, who leads the work and manages the roster. Judges allow them to appear in court via video, reluctantly.

"You want that face-to-face contact before making a big decision, and a lot of people just don't get that opportunity," Okanogan Judge Robert Grim said.

In January, tiny Asotin County in Eastern Washington had only one attorney under contract to represent defendants charged with felonies, and he lived 100 miles away in Spokane, County Commissioner Brian Shinn said. Shelling out $150 per hour to other attorneys boosted the county's defense costs (by about 43% last year), putting strain on an already-tight budget, he said.

Although Asotin County is raising its sales tax rate this year, most stores in the area are located across the Idaho border, so the revenue bump will be modest, Shinn said, explaining why he's glad the Association of Counties sued the state in September, claiming the Legislature should step in.

“The state sends us $30,000,” while the county spent about $825,000 last year, the county commissioner said. “The state is really dropping the ball.”

Bigger cities

Urban areas like King County have more attorneys available to hire and more tax dollars to spend on salaries. But such areas also have more big cases, which involve extra work and require special experience. For example, only attorneys who have already completed three lower-level felony trials are allowed in Washington to represent people charged with rape or murder.

Those conditions have sucked King County’s Department of Public Defense into a vicious cycle. Attorneys burn out, leave and can’t immediately be replaced, creating additional work for a smaller number of remaining high-level attorneys, who burn out, leave and … the cycle continues.

In an email to the Metropolitan King County Council last October, Ramona Brandes said she quit working high-level cases because she worried her load of “approximately a dozen homicides, another dozen rape cases” and many others was going to give her “a stroke, a heart attack or an aneurysm.”

“The weight of the souls on my shoulders was crushing me,” Brandes wrote, saying she often worked more than 16 hours per day and knew she had to make a change because “I would not survive another felony rotation.”

At an October council meeting, officials said King County saw 18 high-level felony defenders leave in two years, while pending high-level cases climbed 80%. The attorneys who remain in place are drowning, they said, pointing to recommendations in September in an American Bar Association report.

The National Public Defense Workloads Standards Report determined that caseload limits should be much, much lower than those currently used in Washington and elsewhere (150 felony cases or 400 nonfelony cases per year, based on data from the 1970s). Reworking the limits may be hard and take time, yet “We’ve got to break the cycle,” said Anita Khandelwal, King County’s public defense director.

The status quo "means people sit caged — waiting, waiting — because we have too many cases," King County defender Adam Heyman told the council.

"Everyone is fighting righteously to do their best," but there aren't enough hours in each day to do all the work needed, Heyman added this month. "There's no question that mistakes are being made. Honest mistakes."

Tri-Cities

State Sen. Nikki Torres, R-Pasco, has championed several attempts to respond to the defender crisis during the Legislature's current session, including the bills that would establish internships and increase state funding. Her district, which includes parts of Benton and Franklin counties, has been hit hard, eliciting concerns from prosecutors as well as defense advocates.

In one Franklin County case last year, a woman accused of embezzling more than $500,000 saw her charges dropped because she had gone without an attorney for so long, the Tri-City Herald reported. In another, a man accused of stealing a car had his bail cut because he lacked representation, was released and was arrested again within days, this time for burglary.

In a third, a man spent months in jail without a defender and pleaded guilty because he was desperate to leave, said Kathryn Russell Selk, a Seattle appellate attorney who asked the state Supreme Court whether such pleas should be declared invalid, hoping to set a precedent. Prosecutors responded by agreeing to vacate the man's conviction in exchange for him dropping his appeal, so the court didn't rule, Russell Selk said.

Benton and Franklin counties share the Tri-Cities, population 316,000. Richland and Kennewick belong to Benton, while Pasco belongs to Franklin.

In each place, the turnover has been head-spinning, said Benton County defense manager Charlie Dow, previously a staff defender for Franklin.

"This time last year, everybody working here now as an attorney wasn't working here," said Dow, who jumped across the river in June.

Because Benton has a backlog, Dow's difficult job includes deciding who gets an attorney right away and who doesn't. He's prioritizing people in jail.

"They get appointments over and above everybody out of custody," he said.

ADVERTISING

That explains the unrepresented people waiting in Tanner's courtroom with nonfelony charges for offenses like assault, theft and driving with a suspended license. On Feb. 7, the judge saw about 20 such defendants in a row, shepherded by a defense staffer who spoke to each for a few seconds.

"None of us are comfortable with what's going on," said Dow, the defense manager. "We're doing everything we can with the little we've got."

Hugo Mendoza, 29, had no attorney when he showed up, despite multiple prior appearances. Once again, the warehouse worker heard he would have to come back. Each time, he misses work. Each time, his stress level rises.

"I feel like it should have been dealt with a long time ago," Mendoza said, anxious to see his case resolved. "They just keep rescheduling."

Potential solutions

Things have improved in Franklin County since last year's backlog made headlines, partly because officials have pumped more money into piecemeal contracts with private attorneys, said Gonzalez, the county administrator. Unfortunately, "constantly signing off" on deals worth "five grand, seven grand, ten grand," is unsustainable, he said, calling for relief from Olympia.

"We're just running around chasing our tail," Gonzalez said.

In theory, the internship program would hone more staff defenders like Franklin County's Josh Cuevas, who can see his childhood apartment from the 111-year-old brick courthouse where he works today. Being from Pasco and speaking Spanish, Cuevas is more likely to stick with the job and is better equipped to serve a county that's majority Latino, Gonzalez said.

"Maybe people have bigger dreams," but public defense "is a big deal for me," said Cuevas, who spends more time conferring with clients in hallways than jousting in court. "I'm happy to do it in my community."

Dow, in Benton County, doubts an internship program would accomplish much without monetary incentives, thinking about the student loans and housing costs that burden new attorneys. Like Cuevas, Dow grew up in the Tri-Cities and returned after law school but, “We can’t rely on that,” he said.

More spending on public defense and lower caseloads may not even be adequate to solve the crisis, given its severity and the magnitude of costs involved, according to advocates like King County’s Khandelwal.

“We need to find more efficient and evidence-based ways of addressing harm in our community,” the defense director wrote in a Seattle Times op-ed with King County Councilmember Girmay Zahilay in September.

Until then, the system will lean on defenders like Cuevas, whose recruiting pitch is straightforward: The lows may be low, but the highs really matter.

“There’s a high of getting someone who was in an impossible situation into a much better position,” Cuevas said. “That’s incredibly rewarding.”

Seattle Times staff reporter Claire Withycombe and news researcher Miyoko Wolf contributed.

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PUBLIC DEFENDER CONTRACT UPDATE

Public Defense Services Required

Cities are required by law to provide attorney services for qualifying low income individuals charged with a misdemeanor.

Annually, the City averages 38 cases per month where a public defender is appointed, or 456 per year.

Since 2021, the City has contracted with the law firm Stewart Macnichols Harmell, Inc. P.S. and has paid a flat rate per case for these services.

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Public Defense Attorney Shortage

Over the last several years a number of factors have contributed to a public defense attorney shortage across the state:

- Lower wages than in private practice.
- Caseload limits implemented by the State Bar Association.
- More competition from cities and counties with more resources.

A shortage in attorneys has resulted in the cost of providing these services to increase dramatically.

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Request for Proposals

The City's contracted provider (SMH) provided 6 month notice to terminate existing contract, final date is January 31, 2026.

Termination notice was provided as the agreement was well below the market rate SMH was receiving from other cities.

City initiated a Request for Proposals (RFP):

- Published the RFP on various websites, bar associations, direct solicitations, and all traditional posting places.
- Established a review committee with representatives from Court, Admin, Finance and Normandy Park.
- Only one proposal was received.

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Costs

The price quoted in the RFP is $750/case for first twelve months, and $1,000 per case for next twelve months.

This is an increase from prior rate of $550 per case.

$180,000 over what is currently budgeted for 2026.

An additional $115,000 in 2027.

The rates of $750 and $1,000 are identical to what SMH charges on their other contracts with cities.

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Alternatives

1. Approve the contract and locate the funding.

2. Contract with a different firm. At this time this is not a viable alternative. Staff will continue to search for attorneys to provide this service and can opt out of the contract with 90 days notice.

3. Hire in-house public defenders as City employees. This option has been reviewed and likely would not produce any cost saving. This would also require private office space the City does not currently have.

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Financial Impact

City Manager will determine source of funds for 2026. Options include:

1. Using additional public safety sales tax funds. This would likely result in the planned additional police officer not being hired.

2. Use of newly established contingency fund ($50,000).

3. Reduction in staff in other areas.

2027 funding and beyond will be identified through budget process.

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Legislative efforts

AWC is advocating for state action to address this crisis.

Attachment 3 provides an update on their position and efforts.

Without state action, the cost of public defense to local governments is anticipated to triple over the next 10 years ($40 million to $120 million).

AWC is seeking additional state funding, delaying or eliminating the caseload standards and other options to increase access to public defenders.

All of these efforts unlikely to provide immediate relief.

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Motion

I move to approve the contract with Stewart MacNichols Harmell, Inc. P.S. for indigent public defense services for the period February 1, 2026 through January 31, 2028.

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