

AGENDA

**DES MOINES CITY COUNCIL
REGULAR MEETING
City Council Chambers
21630 11th Avenue S, Des Moines, Washington**

August 24, 2017 – 7:00 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CORRESPONDENCE

COMMENTS FROM THE PUBLIC

BOARD AND COMMITTEE REPORTS/COUNCILMEMBER COMMENTS

PRESIDING OFFICER'S REPORT

Item 1: SPIRIT OF DES MOINES AWARDS

ADMINISTRATION REPORT

Item 1: LEGISLATIVE UPDATE

Item 2. SEATAC AIRPORT UPDATE

Page 1 Item 3: JULY 2017 FINANCIAL REPORT

CONSENT CALENDAR

Page 11 Item 1: AD HOC AVIATION ADVISORY COMMITTEE APPOINTMENTS
Motion is to confirm the Mayoral appointments of Sheila Brush, Steve Edmiston, David Clark, Wendy Ghiora and Mark Proulx to the Ad Hoc Aviation Advisory Committee effective immediately.

Page 21 Item 2: APPROVAL OF VOUCHERS
Motion is to approve for payment vouchers and payroll transfer through August 24, 2017 included in the attached list and further described as follows:

Total A/P Checks/Vouchers	#151251-151584	\$1,349,010.32
Electronic Wire Transfers	#898-912	\$ 522,863.36
Payroll Checks	#18956-18962	\$ 15,309.59
Payroll Checks	#18963-18968	\$ 5,170.80
Payroll Deposit	#290001-290175	\$ 329,063.73
Payroll Deposit	#310001-310182	\$ <u>331,923.07</u>
Total Certified Checks, Wires, A/P and Payroll Vouchers:		\$2,553,340.87

Page 23 Item 3: APPROVAL OF MINUTES
Motion is to approve the minutes of the July 27, 2017 Regular Council Meeting, August 3, 2017 Special Meeting, and August 3, 2017 Regular Council Meeting.

Page 33 Item 4: TERMINATION OF THE SSI PACIFIC PLACE DEVELOPMENT AGREEMENT (RECORDING NO. 20070531001046)

Motion is to authorize the termination of the November 30, 2007 Development Agreement (as amended) by and between the City of Des Moines and SSI Pacific Place LLC (Recording No. 20070531001046), based on non-submittal of building permit applications within eight years per Section 8.A., and authorize the City Manager to take appropriate action to terminate said Agreement.

- Page 73 Item 5: DRAFT RESOLUTION NO. 17-108; COMPENSATION FOR NON-REPRESENTED EMPLOYEES RESOLUTION
Motion is to adopt Draft Resolution No. 17-108 regarding compensation for non-represented employees from January 1, 2017, through December 31, 2019, providing wage increases and benefits changes which are equitable in comparison to the Teamsters Collective Bargaining Agreement.
- Page 79 Item 6: COMMUNITY DEVELOPMENT STAFFING
Motion is to authorize expenditures for an additional two FTE's in the Community Development Department, with funding from the Development Services Fund, and direct administration to bring forward a corresponding budget amendment to reflect the costs for the added staff.
- Page 89 Item 7: DOROTHY M. PROVINE ESTATE BEQUEST – EXPENDITURE RECOMMENDATIONS
Motion 1 is to approve the expenditure of up to \$10,000 of the funds donated from the Dorothy M. Provine Estate to the City of Des Moines Senior Services for the purchase of a sound reducing accordion room divider.
Motion 2 is to approve the expenditure of up to \$5,200 of the funds donated from the Dorothy M. Provine Estate to the City of Des Moines Senior Services for the repairs and refinishing to the Activity Center's hardwood floor.
Motion 3 is to direct Administration to bring forward a budget amendment reflecting these additional expenditures.

OLD BUSINESS

- Page 91 Item 1: UPDATE TO THE IMPLEMENTATION OF THE PAY PARKING SYSTEM IN THE MARINA.
 Staff Presentation: Harbormaster Joe Dusenbury

NEW BUSINESS

- Item 1: FORTERRA MEMORANDUM OF UNDERSTANDING
- Page 95 Item 2: DRAFT RESOLUTION NO. 17-105; OPPOSITION TO SITING OF ILLEGAL SUBSTANCE INJECTION FACILITY
 Staff Presentation: City Attorney Tim George

NEXT MEETING DATE

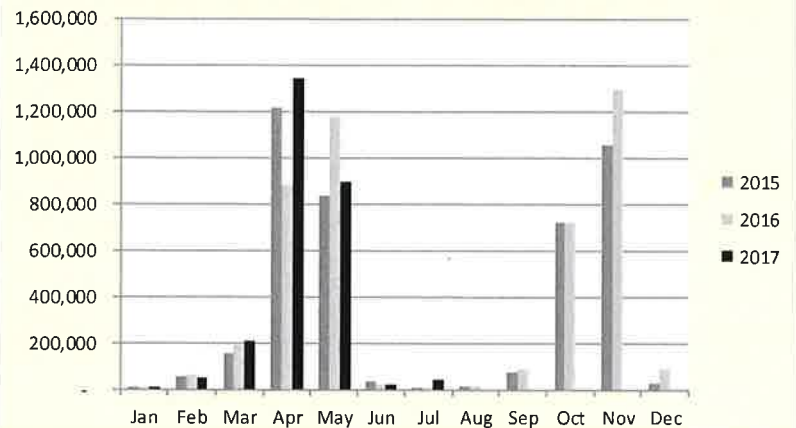
September 7, 2017 City Council Study Session

ADJOURNMENT

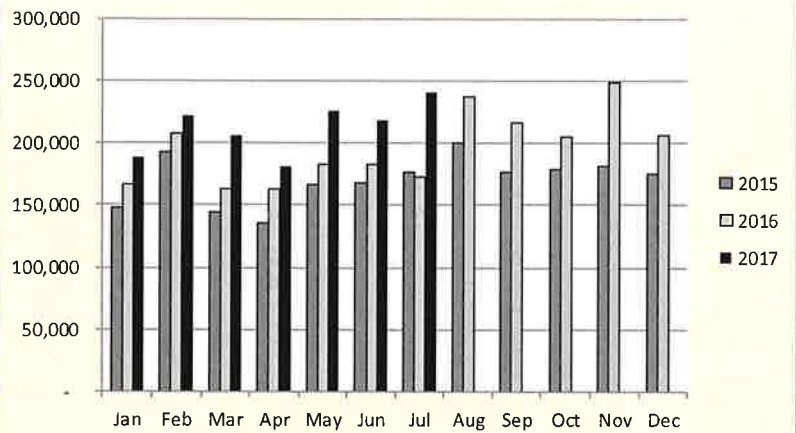
CITY COUNCIL MONTHLY FINANCIAL REPORT

2017 YTD Compared to 2016 YTD:**218,791 9.3%**

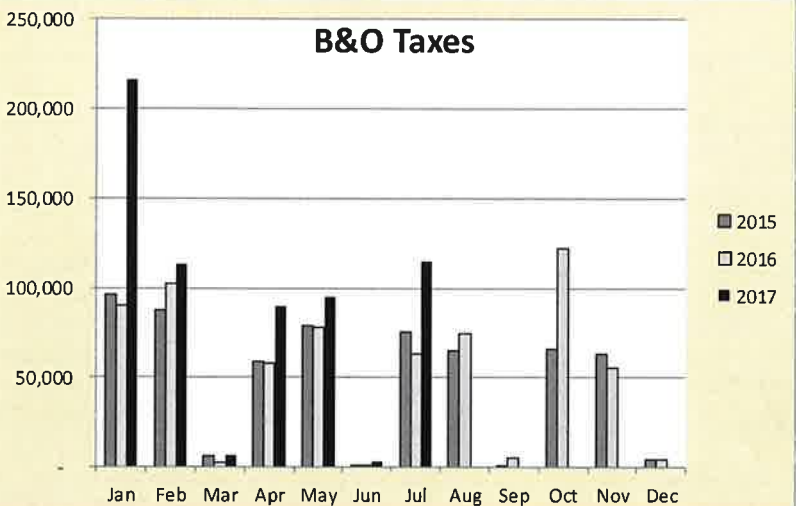
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>PY YTD</u>
Jan	10,191	9,718	7,766	0.2%
Feb	52,372	62,078	55,462	1.6%
Mar	207,664	192,691	159,802	5.8%
Apr	1,341,941	884,255	1,214,531	25.2%
May	892,976	1,172,679	834,623	50.8%
June	22,136	24,323	34,134	51.4%
Jul	45,386	8,130	12,380	51.5%
Aug		19,914	15,762	52.0%
Sep		87,561	76,908	53.9%
Oct		721,023	723,002	69.7%
Nov		1,292,382	1,054,756	98.0%
Dec		92,696	29,206	100.0%
Totals	2,572,665	4,567,450	4,218,332	
2017 YTD Compared to Annual Budget: 4,572,060 56.3%				

PROPERTY TAXES**2017 YTD Compared to 2016 YTD:****244,982 19.8%**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>PY YTD</u>
Jan	188,813	166,482	148,542	7.1%
Feb	222,214	207,580	192,640	15.9%
Mar	206,184	162,512	144,525	22.8%
Apr	180,327	162,783	135,180	29.7%
May	225,772	183,308	166,575	37.5%
Jun	218,517	182,542	167,671	45.3%
Jul	240,702	172,341	176,608	52.6%
Aug		236,926	200,510	62.7%
Sep		216,225	176,594	71.9%
Oct		205,441	178,690	80.7%
Nov		248,392	181,241	91.2%
Dec		206,295	174,869	100.0%
Totals	1,482,530	2,350,827	2,043,645	
2017 YTD Compared to Annual Budget: 2,244,019 66.1%				

SALES TAXES**2017 YTD Compared to 2016 YTD:****241,078 60.9%**

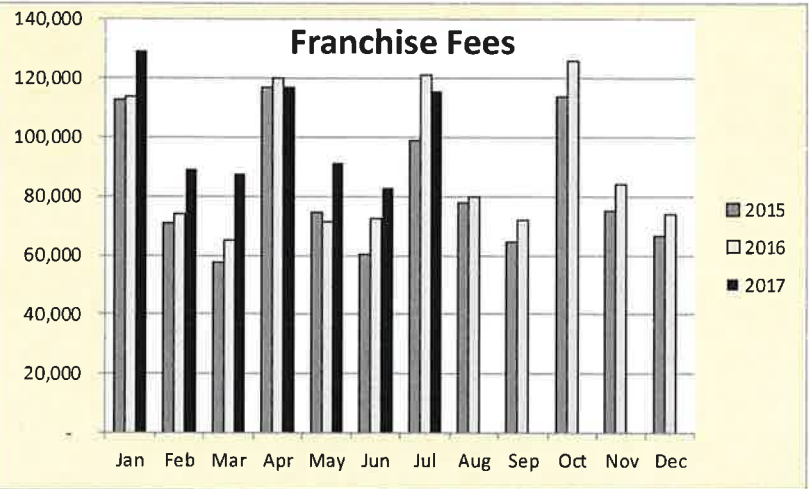
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>PY YTD</u>
Jan	216,324	89,942	95,787	13.7%
Feb	112,795	101,825	87,424	29.2%
Mar	6,291	3,106	6,095	29.6%
Apr	89,260	58,292	58,723	38.5%
May	94,829	78,035	78,674	50.3%
Jun	3,205	1,262	745	50.5%
Jul	114,496	63,661	75,441	60.2%
Aug		74,863	64,797	71.6%
Sep		5,211	1,192	72.4%
Oct		122,095	66,238	91.0%
Nov		55,292	63,614	99.4%
Dec		4,217	4,699	100.0%
Totals	637,201	657,801	603,429	
2017 YTD Compared to Annual Budget: 784,182 81.3%				

B&O Taxes

- All revenue sources shown above go to the General Fund.
- The Tax revenues shown in the above graphs EXCLUDE ONE-TIME REVENUES for all years.

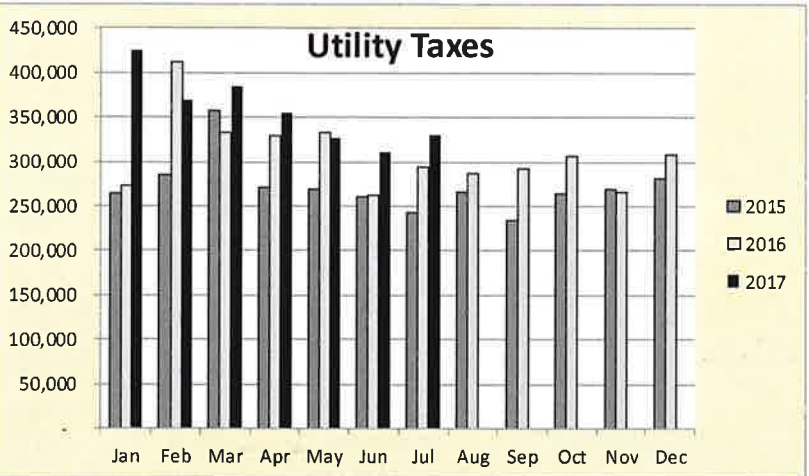
2017 YTD Compared to 2016 YTD:

	2017	2016	2015	PY YTD
Jan	129,401	113,463	112,750	10.6%
Feb	89,045	73,834	71,075	17.4%
Mar	87,325	65,347	57,924	23.5%
Apr	116,973	120,207	116,879	34.7%
May	91,363	71,583	74,423	41.4%
Jun	82,575	72,626	60,470	48.1%
Jul	115,316	121,248	99,070	59.4%
Aug		79,804	77,663	66.8%
Sep		72,099	64,435	73.5%
Oct		126,141	113,761	85.3%
Nov		84,251	74,997	93.1%
Dec		73,899	66,607	100.0%
Totals	711,998	1,074,502	990,053	
2017 YTD Compared to Annual Budget:			1,090,440	65.3%



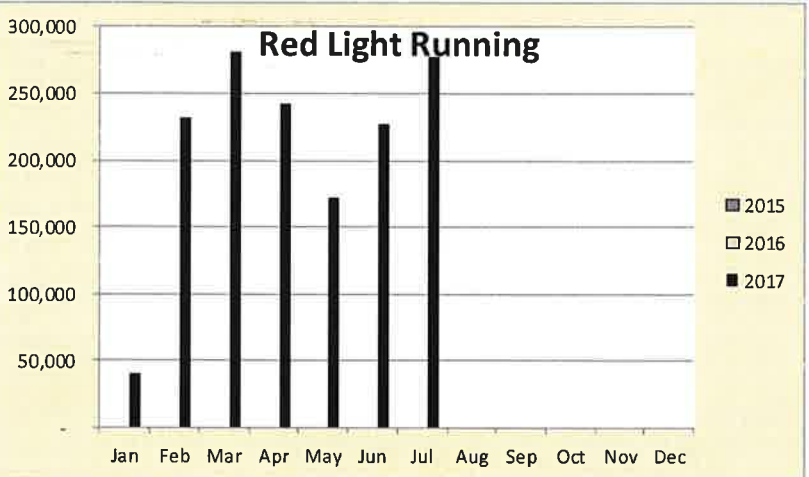
2017 YTD Compared to 2016 YTD:

	2017	2016	2015	PY YTD
Jan	424,753	273,337	264,911	7.4%
Feb	369,100	410,967	284,340	18.5%
Mar	384,143	332,039	357,130	27.5%
Apr	354,597	329,815	270,479	36.4%
May	326,610	333,168	269,809	45.4%
Jun	311,295	262,684	260,950	52.6%
Jul	330,214	293,988	243,353	60.5%
Aug		286,311	265,630	68.3%
Sep		292,324	233,833	76.2%
Oct		306,464	263,509	84.5%
Nov		266,326	269,275	91.7%
Dec		308,003	281,830	100.0%
Totals	2,500,712	3,695,425	3,265,049	
2017 YTD Compared to Annual Budget:			3,870,139	64.6%



2017 YTD Compared to 2016 YTD:

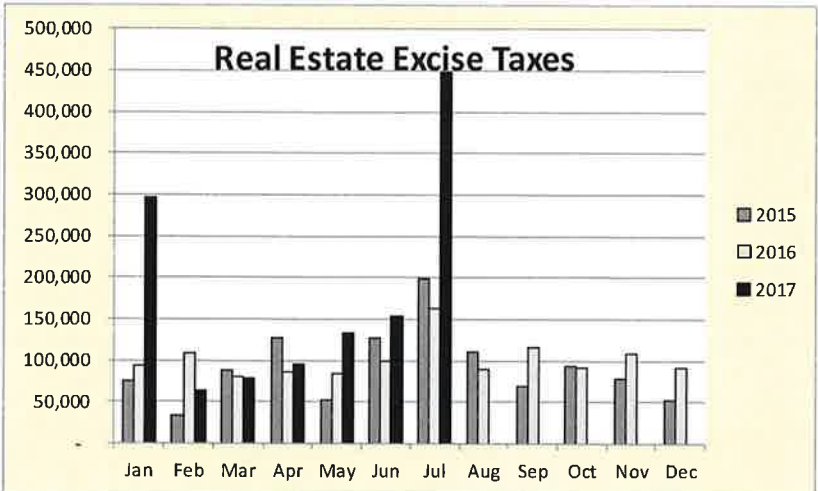
	2017	2016	2015	PY YTD
Jan	41,052			0.0%
Feb	232,138			0.0%
Mar	281,581			0.0%
Apr	242,435			0.0%
May	172,049			0.0%
Jun	227,114			0.0%
Jul	277,288			0.0%
Aug				0.0%
Sep				0.0%
Oct				0.0%
Nov				0.0%
Dec				0.0%
Totals	1,473,657	-	-	
2017 YTD Compared to Annual Budget:			1,985,000	74.2%



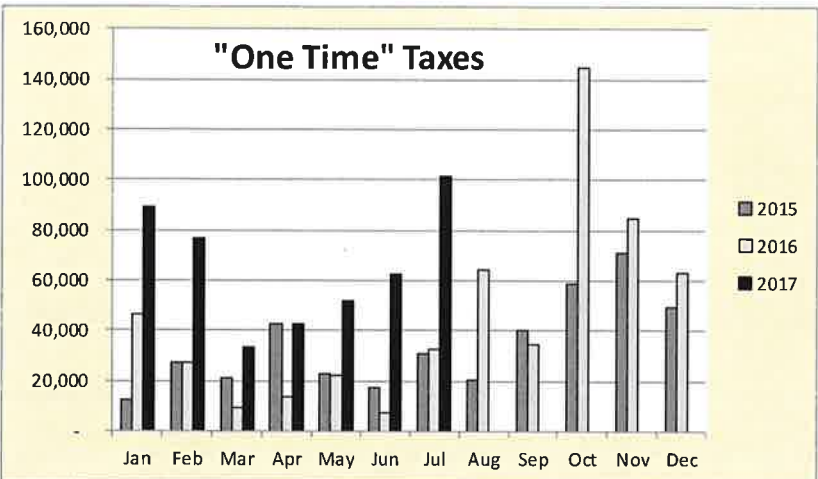
- All revenue sources shown above go to the General Fund.
- The Revenues shown in the above graphs EXCLUDE ONE-TIME REVENUES for all years.

CIP FUNDING SOURCES

2017 YTD Compared to Annual Budget:				
	2017	2016	2015	PY YTD
Jan	296,469	93,909	74,382	7.7%
Feb	64,190	109,153	33,884	16.7%
Mar	78,233	80,623	88,020	23.3%
Apr	95,642	86,005	127,450	30.4%
May	132,598	84,072	53,190	37.3%
Jun	152,999	99,166	127,038	45.5%
Jul	448,867	163,905	199,170	59.0%
Aug		90,084	110,322	66.4%
Sep		116,119	68,647	75.9%
Oct		91,603	93,478	83.4%
Nov		109,682	78,694	92.5%
Dec		91,594	53,220	100.0%
Totals	1,268,998	1,215,915	1,107,495	
2017 YTD Compared to Annual Budget:				
			800,000	158.6%



2017 YTD Compared to 2016 YTD:				
	2017	2016	2015	PY YTD
Jan	89,266	46,556	12,359	3.8%
Feb	76,783	27,195	27,114	6.1%
Mar	33,370	9,428	20,850	6.8%
Apr	42,775	13,465	42,498	7.9%
May	52,185	22,165	22,862	9.8%
Jun	62,293	7,770	17,170	10.4%
Jul	101,589	32,666	31,104	13.1%
Aug	-	64,376	20,237	18.4%
Sep	-	34,407	40,336	21.2%
Oct	-	144,643	58,538	33.1%
Nov	-	84,923	71,022	40.1%
Dec	-	62,874	49,216	45.3%
Totals	458,261	550,468	413,306	
2017 YTD Compared to Annual Budget:				
			700,000	65.5%



- Real Estate Excise Taxes go to the Construction Fund and not the General Fund.
- As a note:** July 10th we received REET of \$428,492. The major transactions relate to sales of the Furney, Business Park Phase III and Valley Cities' property sales.

GENERAL FUND 001

2017 BUDGET				2017 Year to Date ACTUAL				
ANNUAL 12 MONTHS				JULY				
	REVENUES	EXPENDITURES	NET	REVENUES	%*	EXPENDITURES	%*	NET
BEGINNING FUND BALANCE			2,933,039					2,933,039
<u>Unrestricted Revenues</u>								
Unrestricted Taxes	11,650,919		11,650,919	7,284,375	63%			
One Time Sales/B&O Taxes	199,420		199,420	458,262	230%			
Unrestricted Franchise Fees	1,090,440		1,090,440	714,497	66%			
State/City Assistance	90,000		90,000	49,024	54%			
Miscellaneous	41,650		41,650	43,781	105%			
Transfer In	-		-					
Total Unrestricted Revenues	13,072,429		13,072,429	8,549,938	65%			8,549,938
<u>Policy & Support Services</u>								
Support Services Chargebacks	2,381,924		2,381,924	1,389,456	58%			1,389,456
City Council		91,989	(91,989)	-		40,068	44%	(40,068)
City Manager	26,357	1,212,929	(1,186,572)	26,357	100%	722,001	60%	(695,644)
Financial Services	51,356	1,009,598	(958,242)	6		542,018	54%	(542,012)
Technology Services	835,118	792,022	43,096	486,628	58%	456,497	58%	30,131
Legal (Civil)		298,332	(298,332)	2,197		172,655	58%	(170,458)
Bldg & Facility Maint		351,603	(351,603)			204,096	58%	(204,096)
Total Policy & Support Services	3,294,755	3,756,473	(461,718)	1,904,643	58%	2,137,335	57%	(232,692)
<u>Public Safety Services</u>								
Restricted - Public Safety	3,377,340		3,377,340	2,290,945	68%			2,290,945
Court	121,110	1,187,392	(1,066,282)	66,686	55%	706,796	60%	(640,109)
Probation	69,143	172,116	(102,973)	34,704	50%	94,213	55%	(59,509)
Fire/Jail/Public Defenders	4,358	756,312	(751,954)	3,150	72%	396,414	52%	(393,263)
Legal (Prosecution, DV, etc.)	25,000	345,164	(320,164)	18,751	75%	201,055	58%	(182,305)
Police	225,905	10,413,423	(10,187,518)	118,436	52%	5,911,332	57%	(5,792,896)
Total Public Safety Services	3,822,856	12,874,407	(9,051,551)	2,532,672	66%	7,309,809	57%	(4,777,137)
<u>Community Services</u>								
Planning & Bldg (NonFee Based)		438,678	(438,678)			242,313	55%	(242,313)
Engineering (NonFee Based)		245,096	(245,096)			141,313	58%	(141,313)
Subtotal	-	683,774	(683,774)	-		383,626	56%	(383,626)
Park Maintenance	28,403	855,184	(826,781)	13,496	48%	457,284	53%	(443,788)
Parks & Community Relations	2,825	210,174	(207,349)	7,375	261%	115,878	55%	(108,503)
Arts Program	17,000	57,221	(40,221)	12,795	75%	28,143	49%	(15,349)
Senior & Human Services	126,405	484,589	(358,184)	62,947	50%	296,476	61%	(233,529)
Recreation Programs	1,082,189	1,255,288	(173,099)	607,156	56%	707,252	56%	(100,096)
Beach Park Rentals	297,348	537,877	(240,529)	170,595	57%	296,854	55%	(126,259)
Subtotal	1,554,170	3,400,333	(1,846,163)	874,362	56%	1,901,886	56%	(1,027,524)
Total Community Services	1,554,170	4,084,107	(2,529,937)	874,362	56%	2,285,512	56%	(1,411,150)
<u>Transfers Out</u>								
Capital & Debt		64,440	(64,440)			25,671	40%	(25,671)
One Time Sales/ B&O Tax		700,000	(700,000)			458,262	65%	(458,262)
Total Transfers	-	764,440	(764,440)	-		483,933		(483,933)
TOTAL GENERAL FUND	21,744,210	21,479,427	264,783	13,861,616	64%	12,216,589	57%	1,645,027
ENDING FUND BALANCE			3,197,822					4,578,066
<i>*July is month 7 of 12 = 58%</i>								
2 month expenditures target min Ending Fund Balance			3,580,620					4

SPECIAL REVENUE FUNDS MONTHLY REPORT
JULY

	2017 Budget Annual	2017 Actual Year to Date	%	2016 Actual Annual	2016 Actual Year to Date	%
STREETS						
Begin Fund Balance	463,665	563,269		273,872	273,872	
Revenues	1,636,400	948,566	58%	1,650,427	873,996	53%
Expenditures	1,730,520	795,985	46%	1,361,030	720,375	53%
Net Activity	(94,120)	152,581		289,397	153,621	
Ending Fund Balance	369,545	715,850		563,269	427,493	
ARTERIAL PAVEMENT						
Begin Fund Balance	156,015	212,146		-	-	
Revenues	1,025,147	657,935	64%	212,146	165,276	
Expenditures	130,185	92,235	71%	-	-	
Net Activity	894,962	565,700		212,146	165,276	
Ending Fund Balance	1,050,977	777,846		212,146	165,276	
DEVELOPMENT SERVICES						
Begin Fund Balance	1,507,685	1,507,685				
Revenues	1,962,716	1,848,762	94%	4,080,073	2,970,279	73%
Expenditures	2,187,078	1,213,740	55%			
Net Activity	(224,362)	635,022		4,080,073	2,970,279	
Ending Fund Balance	1,283,323	2,142,707		4,080,073	2,970,279	
POLICE DRUG SEIZURE						
Begin Fund Balance	4,851	10,376		10,342	10,342	
Revenues	500	33	7%	34	20	59%
Expenditures	3,500			-	-	
Net Activity	(3,000)	33		34	20	
Ending Fund Balance	1,851	10,409		10,376	10,362	
HOTEL/MOTEL TAX						
Begin Fund Balance	19,239	17,375		9,593	9,593	
Revenues	114,000	54,594	48%	103,113	25,171	24%
Expenditures	114,000	43,958	39%	95,331	40,014	42%
Net Activity	-	10,636		7,782	(14,843)	
Ending Fund Balance	19,239	28,011		17,375	(5,250)	
REDONDO ZONE						
Begin Fund Balance	10,858	18,754		22,064	22,064	
Revenues	109,645	50,618	46%	70,733	29,199	41%
Expenditures	113,855	60,248	53%	74,043	44,092	60%
Net Activity	(4,210)	(9,630)		(3,310)	(14,893)	
Ending Fund Balance	6,648	9,124		18,754	7,171	
July is 7 months of 12			58%			

- Added prior year to date Revenue information for the Development Services fund as comparison. Both the budget and actuals are less than prior year, but current year to date is running ahead of budget (good news).
- Redondo is still running at a loss, but revenues are picking up for the summer. Keep on the "watch" list.

SPECIAL REVENUE FUNDS MONTHLY REPORT (CONTINUED)

JULY

	2017 Budget Annual	2017 Actual Year to Date	%	2016 Actual Annual	2016 Actual Year to Date	%
WATERFRONT ZONE						
Begin Fund Balance	-	-		-	-	
Revenues	300,000	29,757	10%	-	-	
Expenditures	158,790	40,832	26%	-	-	
Net Activity	141,210	(11,075)		-	-	
Ending Fund Balance	141,210	(11,075)		-	-	
AUTOMATION FEES						
Begin Fund Balance	68,871	96,179		22,985	22,985	
Revenues	100,000	113,202	113%	172,920	88,662	51%
Expenditures	101,032	61,947	61%	99,726	61,576	62%
Net Activity	(1,032)	51,255		73,194	27,086	
Ending Fund Balance	67,839	147,434		96,179	50,071	
ABATEMENT						
Begin Fund Balance	1,850	19,121		1,350	1,350	
Revenues	500	688	138%	25,000	-	0%
Expenditures	16,200	15,889	98%	7,229	744	10%
Net Activity	(15,700)	(15,201)		17,771	(744)	
Ending Fund Balance	(13,850)	3,920		19,121	606	
(ASE) AUTOMATED SPEED ENFORCEMENT						
Begin Fund Balance	82,801	152,986		64,389	64,389	
Revenues	350,000	279,332	80%	383,763	245,818	64%
Expenditures	364,586	146,382	40%	295,166	136,515	46%
Net Activity	(14,586)	132,950		88,597	109,303	
Ending Fund Balance	68,215	285,936		152,986	173,692	
(TBD) TRANSPORTATION BENEFIT DISTRICT						
Begin Fund Balance	265,588	263,028		84,349	84,349	
Revenues	880,000	559,961	64%	882,268	446,127	51%
Expenditures	995,522	678,225	68%	703,589	438,870	62%
Net Activity	(115,522)	(118,264)		178,679	7,257	
Ending Fund Balance	150,066	144,764		263,028	91,606	
July is 7 months of 12			58%			

- Waterfront Zone's Paid Parking program went live in July. Revenues above reflect pre-sale of annual passes.
- Automation Fee revenue is almost at budget. Amounts over budget in one year carryover to cover revenue shortfalls in subsequent years.

DEBT SERVICE FUNDS MONTHLY REPORT
JULY

	2017 Budget <u>Annual</u>	2017 Actual <u>Year to Date</u>	%	2016 Actual <u>Annual</u>	2016 Actual <u>Year to Date</u>	%
REET 1 ELIGIBLE DEBT SERVICE						
Begin Fund Balance	12,692	12,692		14,900	14,900	
Revenues	140,639	82,040	58%	81,907	81,907	100%
Expenditures	143,145	7,379	5%	8,744	8,744	100%
Net Activity	(2,506)	74,661		73,163	73,163	
Ending Fund Balance	10,186	87,353		88,063	88,063	
REET 2 ELIGIBLE DEBT SERVICE						
Begin Fund Balance	21,245	21,245		21,245	21,245	
Revenues	265,261	151,151	57%	154,504	154,504	100%
Expenditures	263,373	104,235	40%	107,730	107,730	100%
Net Activity	1,888	46,916		46,774	46,774	
Ending Fund Balance	23,133	68,161		68,019	68,019	
July is 7 months of 12		58%				

Expenditure activity reflects monthly charge for General Fund Administrative Services. In prior years Debt Service funds were not assessed their related costs for General Fund Admin Services. Semi-annual interest payments are made in June and December each year. The principal payment is made once a year in December.

MARINA FUND 401 OPERATIONS MONTHLY REPORT

(Budget Basis/Working Capital Basis)

JULY

	2017 Budget Annual	2017 Actual Year to Date	%	2016 Actual Annual	2016 Actual Year to Date	%
REVENUES						
Intergov't Grants	-	590		8,046	8,046	100%
Charges Goods & Services	105,037	78,749	75%	109,177	65,181	60%
Fuel Sales	1,103,986	515,563	47%	829,454	464,690	56%
Fines & Foreitures	12,220	9,235	76%	17,039	11,025	65%
Moorage & Misc	2,876,716	1,672,429	58%	2,779,969	1,669,719	60%
Interfund CIP Services	-	73,898	0%	-	-	0%
Interfund Maint Services	70,000	25,567	37%	41,474	25,882	62%
TOTAL	4,167,959	2,376,031	57%	3,785,159	2,244,543	59%
<i>Fuel gallons sold</i>	<i>399,349</i>	<i>222,956</i>		<i>383,989</i>	<i>212,224</i>	

EXPENDITURES						
Salaries	671,098	363,955	54%	563,873	337,783	60%
Benefits	245,273	132,573	54%	215,453	131,044	61%
Supplies	159,073	96,337	61%	135,919	91,108	67%
Fuel Purchases	862,710	412,248	48%	723,543	381,841	53%
Services	854,331	416,146	49%	896,016	500,662	56%
Capital Outlay	-	9,587	0%	-	-	0%
Capital Transfers	716,001	410,969	57%	211,815	46,345	22%
Debt Transfers	820,515	478,639	58%	819,828	478,233	58%
TOTAL	4,329,001	2,320,454	54%	3,566,447	1,967,016	55%

REVENUES MORE THAN OR (LESS THAN) EXPENDITURES	(161,042)	55,577	218,712	277,527
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Ending Cash & Investments	1,343,263	1,549,512
Min Reserves - 20%	722,600	
Avail to Xfer to Dock Replace	315,631	

July is 7 month of 12 58.3%

Fuel Profits (using COGS) 73,500 79,088

- \$73,898 Time spent by Marina employees to install the Paid Parking program was repaid by the Paid Parking construction project (funded by REET rather than Marina Tenants).
- Personnel costs lower than budget due to continued vacant position.

SWM FUND 450 OPERATIONS MONTHLY REPORT

(Budget Basis/Working Capital Basis)

JULY

	2017 Budget Annual	2017 Actual Year to Date	%	2016 Actual Annual	2016 Actual Year to Date	%
REVENUES						
Intergov't Grants	-			15,025	15,025	
Charges Goods & Services	3,532,391	2,062,109	58%	3,450,877	2,048,015	59%
Interest & Miscellaneous	5,000	17,240	345%	19,842	12,036	61%
TOTAL	3,537,391	2,079,349	59%	3,485,744	2,075,076	60%

EXPENDITURES

Salaries	914,844	473,608	52%	801,673	464,196	58%
Benefits	421,390	203,402	48%	359,245	207,387	58%
Supplies	66,900	53,840	80%	78,609	38,047	48%
Services	1,448,299	822,431	57%	1,461,078	794,611	54%
Capital Transfers	236,120	35,997	15%	15,000	-	0%
TOTAL	3,087,553	1,589,278	51%	2,715,605	1,504,241	55%

REVENUES MORE THAN OR**(LESS THAN) EXPENDITURES**

449,838	490,071	770,139	570,835
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Ending Cash & Investments	2,809,893	2,110,812
Min Reserves - 20% Revenues	707,478	
Waiting for CIP Xfer to Fund 451	2,102,415	

July is 7 months of 12 58.3%

Charges for Goods & Services come through the King County property tax billing system so April/May and October/November are peak revenue months for this fund. This also means a higher fund balance is needed for cash flow purposes.

- Personnel costs are lower than budget due to vacancies. Even with vacancy savings overall costs more than same time prior year.

INTERNAL SERVICE FUNDS MONTHLY REPORT

(Budget Basis/Working Capital Basis)

JULY

	2017 Budget Annual	2017 Actual Year to Date	%	2016 Actual Annual	2016 Actual Year to Date	%
EQUIPMENT RENTAL OPS						
Begin Fund Balance	354,851	365,809		253,062	253,062	
Revenues	516,486	304,010	59%	560,010	332,366	59%
Expenditures	497,739	267,186	54%	447,263	247,371	55%
Net Activity	18,747	36,824		112,747	84,995	
Ending Fund Balance	373,598	402,633		365,809	338,057	
EQUIPMENT RENTAL REPLACE						
Begin Fund Balance	1,676,754	3,243,493		2,459,857	2,459,857	
Revenues	922,690	544,210	59%	995,471	513,928	52%
Expenditures	915,810	449,604	49%	211,835	649,956	307%
Net Activity	6,880	94,606		783,636	(136,028)	
Ending Fund Balance	1,683,634	3,338,099		3,243,493	2,323,829	
FACILITY MAJOR REPAIRS						
Begin Fund Balance	37,731	90,776		92,511	92,511	
Revenues	495,144	64,023	13%	85,476	44,358	52%
Expenditures	384,124	8,467	2%	87,211	2,832	3%
Net Activity	111,020	55,556		(1,735)	41,526	
Ending Fund Balance	148,751	146,332		90,776	134,037	
COMPUTER REPLACEMENT						
Begin Fund Balance	598,481	832,303		515,075	515,075	
Revenues	429,555	252,301	59%	496,330	276,885	56%
Expenditures	475,630	213,313	45%	179,102	144,578	81%
Net Activity	(46,075)	38,988		317,228	132,307	
Ending Fund Balance	552,406	871,291		832,303	647,382	
SELF INSURANCE						
Begin Fund Balance	287,372	301,938		138,795	138,795	
Revenues	854,710	510,824	60%	824,678	481,751	58%
Expenditures	699,580	656,901	94%	661,535	579,830	88%
Net Activity	155,130	(146,077)		163,143	(98,079)	
Ending Fund Balance	442,502	155,861		301,938	40,716	
UNEMPLOY INSURANCE						
Begin Fund Balance	353,446	369,859		338,159	338,159	
Revenues	60,545	38,638	64%	58,584	32,413	55%
Expenditures	75,000	149	0%	26,884	17,706	66%
Net Activity	(14,455)	38,489		31,700	14,707	
Ending Fund Balance	338,991	408,348		369,859	352,866	

July is 7 months of 12

58%

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Ad Hoc Aviation Advisory Committee
Appointments

AGENDA OF: August 24, 2017

DEPT. OF ORIGIN: Administration

ATTACHMENTS:

1. Applications

DATE SUBMITTED: August 17, 2017

CLEARANCES:

APPROVED BY CITY MANAGER
FOR SUBMITTAL: 

Purpose and Recommendation:

The purpose of this agenda item is to recommend to Council approval of Mayoral appointments to the Ad Hoc Aviation Advisory Committee.

Suggested Motion

MOTION 1: “I move to confirm the Mayoral appointments of Sheila Brush, Steve Edmiston, David Clark, Wendy Ghiora and Mark Proulx to the Ad Hoc Aviation Advisory Committee effective immediately.

Background:

At the May 11, 2017 Council made a motion to direct staff to prepare the recommendations for the structure of the Ad Hoc Aviation Advisory Committee. After that time staff reviewed similar Committee structures within our neighboring jurisdictions as well as with cities and airports across the Country. The Ad Hoc Aviation Advisory Committee will be made up of seven committee Des Moines residents and the City Manager will serve as the chair.

Discussion:

This agenda seeks confirmation of the Mayoral appointments to the Ad Hoc Aviation Advisory Committee to become effective immediately.

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15
CITY OF DES MOINES
APPLICATION FOR AD HOC AVIATION
ADVISORY COMMITTEE

21630 11th Avenue South
Des Moines, WA 98198

Recvd.

6/23/2017
B&W

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JUN 23 2017

CITY OF DES MOINES
CITY CLERK

NAME: Sheila Brush
ADDRESS: 24614 8th Ave South
CITY/ZIP: Des Moines 98198
PHONE: Home 206-501-9553 Work 253-395-7910
LENGTH OF RESIDENCE AT THE ABOVE ADDRESS 18 years
REGISTERED VOTER? YES
E-MAIL ADDRESS: shebrush@gmail.com

CURRENT EMPLOYMENT: Self

LIST ANY PREVIOUS EMPLOYMENT YOU HAVE HELD RELATED TO AVIATION: N/A

Are you related to anyone presently employed by the City or a member of a City Board? No
If yes, explain:

IN ORDER FOR THE APPOINTING AUTHORITY TO FULLY EVALUATE YOUR QUALIFICATIONS,
PLEASE ANSWER THE FOLLOWING QUESTIONS - USE SEPARATE PAPER IF NECESSARY.

1. Why do you wish to serve in this capacity and what can you contribute? I believe in balance, expansion. Sea-Tac has tipped the scales unfavorably in the South Sound region with a direct hit to the town of Des Moines, the town I call home. My skills are that of an information gatherer, thru this process I have developed a relationship with many other cities across the nation in the same situation, the data sharing has been an enormous time saver and a valuable tool in understanding the complexities of NextGen and how they impact airport communities, differently. I wish to join the City advisory committee to be a part of a solution based organization, that will report back to Mayor and Council so appropriate discussion and decisions can be made in order to navigate the correct path of sustainability for the City of Des Moines and the entire South Sound region. I truly believe we are all in this together and feel the starting point for change begins with dedication to the facts and science, they both exist and now need to be applied to how it directly relates to our City.
2. What interests you and/or concerns you about aviation as it relates to Des Moines? I feel we are facing a two prong issue, the over expansion of Sea-Tac coupled with the FAA's NextGen flight plan. Our City receives a disproportionate amount of air traffic, while the airport should be a good neighbor for the people living in Des Moines they simply are not. The time has passed for another regional airport to take on the growth so that Des Moines no longer carries this burden for the entire State.
3. What activities have you engaged in relating to airport issues relating to our community?

I am the founder of Quiet Skies Puget Sound and have attended an assortment of local meetings, port, transportation, local council and at the State level in Olympia

4. / Approximately how many hours per week could you devote to this Committee? ¹⁶ As needed

5. Are you available to meet during the hours of 9am-5pm on weekdays? Yes

6. Describe any specialized knowledge/qualifications/education you have related to this Committee: While I not hold a degree in aviation I believe my ability to research, reach out and communicate back to the tear and the public will be a benefit to all, including myself as I learn from others that will also be appointed to the aviation advisory committee.

7. Please list any Des Moines elective/appointive offices you have held/applied for previously: None



**CITY OF DES MOINES
APPLICATION FOR AD HOC AVIATION
ADVISORY COMMITTEE**

21630 11th Avenue South
Des Moines, WA 98198

Recvd. 6/28/2017 ABW

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JUL 28 2017

CITY OF DES MOINES
CITY CLERK

NAME: STEVE EDMISTON
 ADDRESS: 27043 7th Place South
 CITY/ZIP: Des Moines 98198
 PHONE: Home _____ Work 206.3726647
 LENGTH OF RESIDENCE AT THE ABOVE ADDRESS 17 years
 REGISTERED VOTER? yes
 E-MAIL ADDRESS: steveedmiston@45@gmail.com
 CURRENT EMPLOYMENT: Attorney - of Counsel - Brice Point Law

LIST ANY PREVIOUS EMPLOYMENT YOU HAVE HELD RELATED TO AVIATION: _____

Are you related to anyone presently employed by the City or a member of a City Board? No
 If yes, explain: _____

IN ORDER FOR THE APPOINTING AUTHORITY TO FULLY EVALUATE YOUR QUALIFICATIONS,
 PLEASE ANSWER THE FOLLOWING QUESTIONS - USE SEPARATE PAPER IF NECESSARY.

1. Why do you wish to serve in this capacity and what can you contribute? see attached
2. What interests you and/or concerns you about aviation as it relates to Des Moines? see attached
3. What activities have you engaged in relating to airport issues relating to our community? see attached
4. Approximately how many hours per week could you devote to this Committee? 2-3 average
5. Are you available to meet during the hours of 9am-5pm on weekdays? generally, yes
6. Describe any specialized knowledge/qualifications/education you have related to this Committee.
see attached
7. Please list any Des Moines elective/appointive offices you have held/applied for previously:
None

APPLICATION FOR AD HOC AVIATION ADVISORY COMMITTEE – STEVE EDMISTON

1. Why do you wish to serve in this capacity and what can you contribute?

I believe the aviation issues pose the most significant threat to our community's quality of life. These issues – as fairly summarized on the City's application website – demand professional experience as well passion in order to craft goals, strategies, and tactics that are both appropriate and achievable by the City, both independently and collaboratively. I also believe it is necessary to have the City provide ongoing leadership even where it may not be capable – whether because of a lack of resources or a lack of legal standing – to take action. I believe my professional background, my track record of creative problem solving, and experience in public settings will help me to contribute.

2. What interests you and/or concerns you about aviation as it relates to Des Moines?

The threats are two-fold – noise (volume and frequency), and impacts to health and the environment from emissions. Both require immediate action and advocacy, side by side with further scientific study. I am concerned that Des Moines, like other airport communities, cannot alone deter the FAA, and I am positive that Des Moines, even with a lack of resources, can exercise leadership. I believe the most important “sea change” needed is with the Port of Seattle – this will be a focus of my own, prospective, sustained effort.

3. What activities have you engaged in relating to airport issues relating to our community?

I have supported and worked closely with the Quiet Skies Puget Sound organization; I led the efforts to work with the City of Des Moines and to hold our first community forum in April. I provided substantial media relations support for this work, including crafting goals, strategies, and tactics. I hosted the community forum and prepared the presentations, as well as organized speakers. Subsequently, I have spoken on the aviation issues to the cities of Federal Way, Des Moines, the Burien Quiet Skies Coalition, and at Huntington Park. I have testified and/or provided comment at the State legislature for Rep. Orwall's emissions study, at the Port of Seattle, and City of Des Moines.

6. Describe any specialized knowledge/qualifications/education you have related to this Committee.

I have lived in Des Moines for nearly 50 years. I attended North Hill Elementary, Olympic Junior High, and Mt. Rainier High School. I am a civil attorney with 30 years of professional experience. In the 1990's, I spent a number of years working on environmental superfund cleanup and related insurance coverage cases; during this period I learned an extensive amount about the interrelationship between communities, industry, and government agencies and the challenges when faced with actual or prospective environmental catastrophe.

Substantial public speaking experience and non-profit board experience. I am a filmmaker and have several decades of experience crafting story.



**CITY OF DES MOINES
APPLICATION FOR AD HOC AVIATION
ADVISORY COMMITTEE**

21630 11th Avenue South
Des Moines, WA 98198



NAME: DAVID CLARK
 ADDRESS: 1034 S 234th Place
 CITY/ZIP: Des Moines 50319
 PHONE: Home 206 280 7121 Work 206 477 7663
 LENGTH OF RESIDENCE AT THE ABOVE ADDRESS 3 months
 REGISTERED VOTER? Yes
 E-MAIL ADDRESS: cmpared2what@aol.com

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JUL 07 2017

CITY OF DES MOINES
CITY CLERK

PM

CURRENT EMPLOYMENT: King County Dept of Natural Resources
and Parks, Wastewater Treatment Division
 LIST ANY PREVIOUS EMPLOYMENT YOU HAVE HELD RELATED TO AVIATION: none

Are you related to anyone presently employed by the City or a member of a City Board? No
 If yes, explain: _____

IN ORDER FOR THE APPOINTING AUTHORITY TO FULLY EVALUATE YOUR QUALIFICATIONS,
PLEASE ANSWER THE FOLLOWING QUESTIONS - USE SEPARATE PAPER IF NECESSARY.

- Why do you wish to serve in this capacity and what can you contribute? 35 year career as city planner, economist, environmental planner, in consulting and government. Seattle area resident since 1981.
- What interests you and/or concerns you about aviation as it relates to Des Moines? Identifying issues, problems, and alternative solutions related to airport activity.
- What activities have you engaged in relating to airport issues relating to our community? none except some attention to QuietSkies
- Approximately how many hours per week could you devote to this Committee? 8-16
- Are you available to meet during the hours of 9am-5pm on weekdays? occasionally
- Describe any specialized knowledge/qualifications/education you have related to this Committee.
Masters Degree, economics, Miami University
PhD studies, economics, University of WA
Masters degree, environmental sciences, Miami University
- Please list any Des Moines elective/appointive offices you have held/applied for previously:
none



20

CITY OF DES MOINES
APPLICATION FOR AD HOC AVIATION
ADVISORY COMMITTEE

21630 11th Avenue South
Des Moines, WA 98198

Recvd. _____

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JUL 11 2017
CITY OF DES MOINES
CITY CLERK

7/11/2017
PFW

NAME: Wendy Ghiora
ADDRESS: 26449 Marine View Drive S.
CITY/ZIP: Des Moines 98198
PHONE: Home 206.658.7096 ~~Work~~ Cell: 619.807.6541
LENGTH OF RESIDENCE AT THE ABOVE ADDRESS owned 3 yrs, resided in 1 yr.
REGISTERED VOTER? yes
E-MAIL ADDRESS: wghiora@gmail.com

CURRENT EMPLOYMENT: Retired school principal

LIST ANY PREVIOUS EMPLOYMENT YOU HAVE HELD RELATED TO AVIATION: _____

Are you related to anyone presently employed by the City or a member of a City Board? No
If yes, explain: _____

IN ORDER FOR THE APPOINTING AUTHORITY TO FULLY EVALUATE YOUR QUALIFICATIONS,
PLEASE ANSWER THE FOLLOWING QUESTIONS - USE SEPARATE PAPER IF NECESSARY.

1. Why do you wish to serve in this capacity and what can you contribute? _____

2. What interests you and/or concerns you about aviation as it relates to Des Moines? _____

3. What activities have you engaged in relating to airport issues relating to our community? _____

4. Approximately how many hours per week could you devote to this Committee? _____

5. Are you available to meet during the hours of 9am-5pm on weekdays? _____

6. Describe any specialized knowledge/qualifications/education you have related to this Committee.

7. Please list any Des Moines elective/appointive offices you have held/applied for previously:

Wendy Ghiora – Application for Ad Hoc Aviation Advisory Committee

1. Why do you wish to serve in this capacity and what can you contribute?

As a home owner in Des Moines, directly under one of the flight paths, I am concerned about the dramatic increase in air traffic over the past three years. I agree with the City Council's statement: "... a disproportionate amount of impacts negatively affect the jurisdictions in proximity to the airport. This is unfair and the value of airport operations must be balanced with mitigation of impacts on local jurisdictions."

I wish to serve on the Aviation Advisory Committee because I am highly skilled in research and communication. I would contribute by finding out exactly what is most needed and wanted by the majority of our Des Moines citizens and then find a way to make those desires a reality.

2. What interests you and/or concerns you about aviation as it relates to Des Moines?

The fact that negative impacts due to increased aircraft operations must be addressed and soon concerns me greatly. The frequency, low flight levels and the disturbing amount of fights between midnight and 5:00 a.m. are unacceptable. The harmful effects of jet fuel pollution landing on us with no mitigation is an issue that must be addressed.

3. What activities have you engaged in relating to airport issues relating to our community?

I attended the informational "Fight the Flight" meeting at Mt. Rainier High School. I have also attended several Des Moines City Council Meetings when this matter was being discussed.

4. Approximately how many hours per week could you devote to this Committee?

20

5. Are you available to meet during the hours of 9am-5pm on weekdays? Yes

6. Describe any specialized knowledge/qualifications/education you have related to this Committee.

I am skilled in proactively identifying and resolving critical issues that will benefit this committee. I am a great listener with exceptional people skills. I have solid organizational skills. I look forward to becoming a hard-working team member of this very important committee.

7. N/A



CITY OF DES MOINES²²
APPLICATION FOR AD HOC AVIATION
ADVISORY COMMITTEE

21630 11th Avenue South
Des Moines, WA 98198

Recvd. AUG 10 2017

BY: DCS

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AUG 10 2017

CITY OF DES MOINES
CLERK OF COURTS

Am

NAME: MARK PROULX
ADDRESS: 26202 14TH AVENUE SOUTH
CITY/ZIP: DES MOINES, WA 98198
PHONE: Home (253) 839-6134 Work (206) 406-0101
LENGTH OF RESIDENCE AT THE ABOVE ADDRESS 33 yrs.
REGISTERED VOTER? YES
E-MAIL ADDRESS: ~~markproulx@earthlink.net~~ mpproulx@earthlink.net

CURRENT EMPLOYMENT: RETIRED

LIST ANY PREVIOUS EMPLOYMENT YOU HAVE HELD RELATED TO AVIATION: WORKED AT BOEING FOR 28 YEARS. DID MANUFACTURING SYSTEMS DEVELOPMENT AND AIRCRAFT TESTING

Are you related to anyone presently employed by the City or a member of a City Board? NO
If yes, explain: _____

IN ORDER FOR THE APPOINTING AUTHORITY TO FULLY EVALUATE YOUR QUALIFICATIONS, PLEASE ANSWER THE FOLLOWING QUESTIONS - USE SEPARATE PAPER IF NECESSARY.

1. Why do you wish to serve in this capacity and what can you contribute? IT IS IMPORTANT FOR ME TO BE ENGAGED WITH THE CITY. I CAN DIGEST, ANALYZE, AND INTERPRET TECHNICAL DATA. I HAVE CONTACTS IN THE BOEING GROUP THAT DOES COMMUNITY NOISE MEASUREMENTS; THIS COULD BE HELPFUL IN THE CONTEXT OF THIS COMMITTEE.
2. What interests you and/or concerns you about aviation as it relates to Des Moines? NOISE, POLLUTION, TRAFFIC. ECONOMIC DEVELOPMENT - IN THE CITY AND REGIONALLY.
3. What activities have you engaged in relating to airport issues relating to our community? NONE, ASIDES FROM PROVIDING PUBLIC TESTIMONY TO THE PSEC RE. THE THIRD RUNWAY
4. Approximately how many hours per week could you devote to this Committee? 1 1/2 - 2
5. Are you available to meet during the hours of 9am-5pm on weekdays? YES.
6. Describe any specialized knowledge/qualifications/education you have related to this Committee. AS A LICENCED MECHANICAL ENGINEER (40 YEARS IN THE FIELD), I HAVE LOTS OF EXPERIENCE IN DATA INTERPRETATION AND ANALYSIS. MY EXPERIENCE IN AIRCRAFT TESTING WOULD QUITE LIKELY BE HELPFUL.
7. Please list any Des Moines elective/appointive offices you have held/applied for previously: PLANNING AGENCY - 2 TERMS, ONE AS CHAIR. WOODMONT ANNEXATION STUDY COMMITTEE. SENIOR CENTER / ACTIVITY CENTER STUDY COMMITTEE. PARKS & RECREATION MASTER PLAN COMMITTEE.

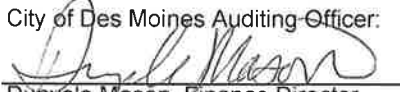
CITY OF DES MOINES
Voucher Certification Approval
24-Aug-17

Auditing Officer Certification

Vouchers and Payroll transfers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing, which has been made available to the City Council.

As of Aug 24, 2017 the Des Moines City Council, by unanimous vote, does approve for payment those vouchers and payroll transfers through Aug 16, 2017 included in the attached list and further described as follows:

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


Dunyele Mason, Finance Director

	# From	# To	Amounts	
Claims Vouchers:				
Total A/P Checks/Vouchers	151251 ✓	151584 ✓	1,349,010.32	✓
Electronic Wire Transfers	898 ✓	912 ✓	522,863.36	✓
Total claims paid			1,871,873.68	
Payroll Vouchers				
Payroll Checks	18956 ✓	18962	15,309.59	✓
Direct Deposit	290001 -	290175	329,063.73	h
Payroll Checks	18963 ✓	18968	5,170.80	✓
Direct Deposit	310001 -	310182	331,923.07	✓
Total Paychecks/Direct Deposits paid			681,467.19	
Total checks and wires for A/P & Payroll			2,553,340.87	

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MINUTES

DES MOINES CITY COUNCIL REGULAR MEETING City Council Chambers 21630 11th Avenue South, Des Moines

July 27, 2017 – 7:00 p.m.

CALL TO ORDER

Mayor Pina called the meeting to order at 7:04 p.m.

PLEDGE OF ALLEGIANCE

The flag salute was led by Councilmember Kaplan.

ROLL CALL

Council present: Mayor Matt Pina; Deputy Mayor Vic Pennington; Councilmembers Melissa Musser, Jeremy Nutting, Luisa Bangs, Robert K. Back and Dave Kaplan.

Staff present: City Manager Michael Matthias, Chief Operations Officer Dan Brewer; City Attorney Tim George; Assistant Police Chief Bob Bohl; Finance Director Dunyele Mason; Assistant City Attorney Matt Hutchins; Public Works Director Brandon Carver; Community Development Director Susan Cezar; Assistant Harbormaster Scott Wilkins; Parks, Recreation & Senior Services Director Patrice Thorell; Senior Planner Laura Techico; Deputy City Clerk Renee Cameron; City Clerk Bonnie Wilkins.

EMERGING ISSUES

Item 1: DISCUSSION ABOUT PORT OF SEATTLE HARDSTAND HOLDROOM PROPOSAL

Councilmember Bangs recused herself from any participation in discussion regarding the Port of Seattle.

City Manager Matthias gave a brief overview of the item.

Community Development Director Cezar gave a power point presentation to Council.

COMMENTS FROM THE PUBLIC

- Mayor Pina called Sheila Brush up to the podium to speak to Council.
- Jim Langston, the condition of Triangle Park.
- Nadya Curtis; Marine View Drive and S 240th Street 4 way stop.
- Laurie McEachern; Marina paid parking.
- Jackie Benster; Marina paid parking.
- Scott Wilkins, Marina paid parking.

Action/Direction

Motion made by Deputy Mayor Pennington to authorize the Mayor to send a letter on behalf of the City Council to the Port of Seattle detailing the concerns raised tonight regarding airport operations; seconded by Councilmember Kaplan. The motion passed 6-0.

CORRESPONDENCE

- Letter from Lance Lyttle, Director of Aviation; Concourse D Hardstand Holdroom project.
- Letter from Des Moines Pool Metropolitan Park District; change of pool management operations.
- Letter from King County Water and Land Resources Division; Poverty Bay shellfish protection.

BOARD AND COMMITTEE REPORTS/COUNCILMEMBER COMMENTS

Deputy Mayor Pennington:

- Waterland Festival.
- Wesley Garden barbeque.
- Marina paid parking.
- Marine View Drive and S 240th four way stop.
- Flag pole triangle at Marine View Drive and Des Moines Memorial Drive.

Councilmember Kaplan:

- South County Area Transportation Board meeting.
- Waterland Festival.
- Highline College President, Jack Bermingham, will be retiring.

Councilmember Back:

- Environment Committee meeting:
 - Poverty Bay Shellfish.
 - Tree issues on Woodmont Beach Drive.

Councilmember Bangs:

- Transportation meeting.
- Concerts in the Park.

Councilmember Nutting:

- Thanked staff for the Waterland Parade.

Councilmember Musser:

- Thanked Judson Park for hosting the Pre-Waterland Parade.
- Paris Agreement.
- Thanked Officer Justin Cripe, School Resource Officer, for his time at Mt. Rainier High School.
- Thanked Dave Upthegrove for his efforts regarding Poverty Bay Shellfish.
- Theater open house:
 - August 26th @ 2:00 p.m.

PRESIDING OFFICER'S REPORT

- State of the City at Judson Park:
 - Thank you note received.
- Thank you note from Citizen; appreciate the City.
- Mayor's Roundtable.
- Marina parking meeting.
- Wesley Homes Annual Barbeque:
 - Theme: *Hoe Down at the "W" Ranch*.
- Waterland Festival Parade.
- State of the City at Rotary meeting.
- Highline Forum.
- John Creighton, Coffee with the Community.
- Study Session August 10th with Des Moines Pool Metropolitan Park District and Highline School District.
- Positive feedback on Marina View Drive & S 240th Street 4 way stop.
- Acknowledged Councilmember Back on having received the Association of Washington Cities Certificate of Municipal Leadership Program.

ADMINISTRATION REPORT

- Des Moines Pool Metropolitan Park District Open House

Item 1: JUNE 2017 FINANCIAL REPORT
Finance Director Mason gave a brief update to Council.

~~Item 2: LEGISLATIVE UPDATE~~
Moved to August 24, 2017.

Item 3: WASHINGTON STATE TRANSPORTATION COMMISSION MEETING
• Attended meeting.

CONSENT CALENDAR

Item 1: APPROVAL OF VOUCHERS
Motion is to approve for payment vouchers and payroll transfer through July 27, 2017 included in the attached list and further described as follows:

Total A/P Checks/Vouchers	#151017-151250	\$ 963,000.18
Electronic Wire Transfers	#892-897	\$ 223,038.84
Payroll Checks	#18950-18955	\$ 3,834.59
Payroll Deposit	#270001-270184	\$ 364,090.13
Total Certified Checks, Wires, A/P and Payroll Vouchers:		\$1,553,963.84

Item 2: APPROVAL OF MINUTES
Motion is to approve the minutes from the June 8, 2017, June 22, 2017, and July 6, 2017 Regular Council meetings, and the minutes from the July 13, 2017 City Council Study session.

Item 3: RECOLOGY CLEANSAPES COMPREHENSIVE GARBAGE, RECYCLABLES AND COMPOSTABLES COLLECTION AGREEMENT EXTENSION
Motion is to extend the existing Comprehensive Garbage, Recyclables and Compostables Collection Agreement with Recology CleanScapes by two years, and authorize the City Manager to provide such Notice to Recology CleanScapes. The extended contract shall expire on October 31, 2020, unless further extended by the City.

Item 4: INTERLOCAL AGREEMENT BETWEEN THE CITY OF DES MOINES AND THE HIGHLINE SCHOOL DISTRICT FOR A SCHOOL RESOURCE OFFICER AT MT. RAINIER HIGH SCHOOL
Motion is to approve the three year agreement between the City of Des Moines and the Highline School District for the City to provide a police officer to serve as a school resource officer and for the District to compensate the City \$80,000 a year for the ten months the officer will be assigned to the school as described in the Interlocal Agreement, and to authorize the City Manager to sign the Agreement substantially in the form as submitted.

Direction/Action

Motion made by Councilmember Nutting to approve the Consent Agenda; seconded by Councilmember Bangs.
The motion passed 7-0.

OLD BUSINESS

Item 1: LOCAL GOVERNMENT 101; LEGAL
Staff Presentation City Attorney Tim George

This item was moved to future Council meeting; date to be determined.

NEW BUSINESS

Item 1: 2018-2023 CIP ADOPTION
Staff Presentation Finance Director Dunyele Mason

Finance Director Mason gave a power point presentation.

Direction/Action

Motion made by Councilmember Nutting to adopt draft Resolution No. 17-090 approving the City of Des Moines 2018-2023 Capital Improvements Plan; seconded by Councilmember Musser.

Motion made by Councilmember Kaplan to move the Marina South Restroom Project up to 2019; seconded by Councilmember Musser.
The motion passed 7-0.

Motion made by Councilmember Kaplan to change the term "roundabout" at 240th and Marine View Drive to be called by another name; seconded by Councilmember Nutting.
The motion passed 7-0.

The main motion, as amended passed 7-0.

At 9:43 p.m. Council took a 5 minute break.

Direction/Action

Motion made by Councilmember Musser to extend the meeting until 10:10 p.m. to allow for the Executive Session; seconded by Councilmember Kaplan. The motion passed 7-0.

EXECUTIVE SESSION

At 9:48 p.m. Council resumed the regular meeting and went into Executive Session. The purpose of the Executive Session was to discuss Property Acquisition under RCW 42.30.110(1)(b). In attendance were: Mayor Pina; Deputy Mayor Pennington; Councilmembers Kaplan, Back, Bangs, Nutting and Musser; City Manager Matthias; Chief Operations Officer Brewer; City Attorney George; Parks, Recreation and Senior Services Director Thorell; Finance Director Mason; Real Estate Agent Tony Hettler. The Executive Session was expected to last 15 minutes.

At 10:03 Council ended the Executive Session and resume the regular meeting.

No formal action was taken. The Executive Session lasted 15 minutes.

NEXT MEETING

August 3, 2017 City Council Regular meeting.

ADJOURNMENT

Direction/Action

Motion made by Mayor Pina to adjourn; seconded by Councilmember Bangs. The motion passed 7-0.

The meeting was adjourned at 10:03 p.m.

Respectfully Submitted,
Bonne Wilkins, CMC
City Clerk

MINUTES

SPECIAL MEETING TO HOLD AN EXECUTIVE SESSION DATE

August 3, 2017

CALL MEETING TO ORDER

The Special Meeting was called to order by Mayor Pina at 6:00 p.m. in Council Chambers.

ROLL CALL

Council Present: Mayor Matt Pina; Deputy Mayor Pennington; Councilmembers Melissa Musser, Jeremy Nutting, Luisa Bangs, Robert K. Back and Dave Kaplan.

Others Present: City Manager Michael Matthias; Chief Operations Officer Dan Brewer; City Attorney Tim George; Parks, Recreation & Senior Services Director Patrice Thorell; Public Works Director Brandon Carver; Real Estate Agent Tony Hettler.

PURPOSE

The purpose of the Special Meeting was to hold an Executive Session to discuss Property Acquisition under RCW 42.30.110(1)(b) and the Performance of a Public Employee under RCW 42.30.110(1)(g). The Executive Session was expected to last 45 minutes.

At 6:32 p.m. Public Works Director Carver left the meeting.

At 6:34 p.m. Parks, Recreation & Senior Services Director Thorell and Real Estate Agent Tony Hettler left the meeting.

At 6:45 p.m. Mayor Pina extended the Executive Session an additional 10 minutes.

The meeting adjourned at 6:55 p.m. The Executive Session lasted 55 minutes. No formal action was taken.

Respectfully submitted,
Bonnie Wilkins, CMC
City Clerk

MINUTES

DES MOINES CITY COUNCIL REGULAR MEETING City Council Chambers 21630 11th Avenue South, Des Moines

August 3, 2017 – 7:00 p.m.

CALL TO ORDER

Mayor Pina called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

The flag salute was led by Councilmember Back.

ROLL CALL

Council present: Mayor Matt Pina; Deputy Mayor Vic Pennington; Councilmembers Melissa Musser, Jeremy Nutting, Luisa Bangs and Robert K. Back.

Councilmember Dave Kaplan was absent.

Direction/Action

Motion made by Councilmember Back to excuse Councilmember Kaplan; seconded by Councilmember Nutting.
The motion passed 6-0.

Staff present: City Manager Michael Matthias, Chief Operations Officer Dan Brewer; City Attorney Tim George; Assistant Police Chief Bob Bohl; Assistant City Attorney Matt Hutchins, Public Works Director Brandon Carver; Assistant Harbormaster Scott Wilkins; Deputy City Clerk Renee Cameron; City Clerk Bonnie Wilkins.

CORRESPONDENCE

- There were no correspondences.

COMMENTS FROM THE PUBLIC

- Ann Walton; Marina paid parking.
- Tricia Hyland; Zoning on Pacific Highway.

BOARD AND COMMITTEE REPORTS/COUNCILMEMBER COMMENTS

Deputy Mayor Pennington:

- Public Safety & Transportation Committee meeting.
- National Night Out.

Councilmember Back:

- No report.

Councilmember Bangs:

- Public Safety & Transportation Committee meeting:
 - Sound Transit update.
 - Stakeholder's meetings.
 - Police Investigation update:
 - Assistant Police Chief Bohl gave stats.
 - Comprehensive Emergency Management Plan.
 - Alarm Ordinance.
 - Transportation Alternatives Program.
 - Community Connections Pilot Program:
 - Postponed until September 14th.

Councilmember Nutting:

- National Night Out:
 - Midway Park.
 - BBQ
 - Movie, *Moana*.
- Excessive heat, check on neighbors.
- Move in the Park, *Moana*.

Councilmember Musser:

- Heat and air quality:
 - Activity Center is cooling center.
- Woodmont Drive Tree Maintenance Open House.

PRESIDING OFFICER'S REPORT

- National Night Out.
- Federal Emergency Management meeting.
- Budget Retreat on August 12th.
- Lisa Meinecke, Director of Resident Services, Wesley Homes; Students-in-Residence Program.
- City Clerk-Communication Director position promotion.

ADMINISTRATION REPORT

Item 1: EMERGING ISSUES

- Open House at the Des Moines Theater, 2:00 p.m. on August 26th.
- Openings still available for the Aviation Advisory Committee.
- Meeting with Washington Aviation System Plan Administrator, Robert Hodgman.
- National Emergency Management Institute.

Item 2: COMMUNITY CONNECTIONS PILOT PROJECT
Item moved to September 14th.

NEW BUSINESS

Item 1: DRAFT ORDINANCE NO. 17-072; REMOVAL AND DESTRUCTION OF
NUISANCE VEGETATION AND DEBRIS ORDINANCE
Staff Presentation City Attorney Tim George

Direction/Action

Motion made by Councilmember Musser to suspend Rule 26(a) in order to enact Draft Ordinance No. 17-072 on first reading; seconded by Councilmember Nutting.

The motion passed 6-0.

Direction/Action

Motion made by Councilmember Musser to enact Draft Ordinance No. 17-072 creating an expedited procedure to abate overgrown and nuisance vegetation and debris, a process to recover the costs of abatement, and a new chapter in Title 7 DMMC; seconded by Councilmember Nutting.

City Attorney George gave a power point presentation to Council.

The motion passed 6-0.

Mayor Pina read Draft Ordinance No. 17-072 into the record.

NEXT MEETING

August 10, 2017 City Council Study session.

ADJOURNMENT

Direction/Action

Motion made by Councilmember Nutting to adjourn; seconded by Deputy Mayor Pennington.

The motion passed 6-0.

The meeting was adjourned at 8:03 p.m.

Respectfully Submitted,
Bonne Wilkins, CMC
City Clerk

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Termination of the SSI Pacific Place Development Agreement (Recording No. 20070531001046)

FOR AGENDA OF: August 24, 2017

DEPT. OF ORIGIN: Community Development

DATE SUBMITTED: August 11, 2017

ATTACHMENTS:

1. SSI Pacific Place Development Agreement
2. First Addendum to the SSI Pacific Place Development Agreement
3. Notice of Intent to Terminate the SSI Pacific Place Development Agreement
4. Waiver of 60-day notice provision

CLEARANCES:

- ☒ Community Development SMC
☐ Marina _____
☐ Parks, Recreation & Senior Services _____
☐ Public Works _____

CHIEF OPERATIONS OFFICER: DJB

- ☒ Legal JSB
☐ Finance _____
☐ Courts _____
☐ Police _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: [Signature]

Purpose and Recommendation

The purpose of this agenda item is for City Council to terminate the SSI Pacific Place Development Agreement (Agreement) approved by the City Council on November 15, 2007 by Ordinance No. 1058 (Recording No. 20070531001046) and amended by Resolution 1179 (Recording No. 20120327001543) that was approved by City Council on October 13, 2011.

Suggested Motion

Motion: "I move to authorize the termination of the November 30, 2007 Development Agreement (as amended) by and between the City of Des Moines and SSI Pacific Place, LLC (Recording No. 20070531001046), based on non-submittal of building permit applications within eight years per Section 8.A. and authorize the City Manager to take appropriate action to terminate said Agreement."

Background

In November 2007, the City Council entered into a Development Agreement with SSI Pacific Place that established a framework to facilitate the redevelopment of the 11 acres bounded by South 218th Street, South 216th Street, Pacific Highway, and 29th Avenue South with residential units, a hotel, retail and office uses.

DevCo, Inc. has since purchased the property and has plans to develop the Waterview Crossing project (LUA2015-0013) – a mixed use project with 325 housing units and approximately 18,000 SF of commercial space in the buildings fronting Pacific Highway S. To date, the project has received design review approval, civil plan approval and building permits for three of the nine buildings.

Discussion

The City's Development Services is currently processing a lot line adjustment (lot consolidation) for the Waterview Crossing project. The 2007 SSI Development Agreement is listed as a title restriction on the property and needs to be terminated prior to recording the lot line adjustment.

Per Section 8.A. of the Agreement, the City may terminate the agreement if SSI fails to a complete building permit application within eight (8) years of City Council approval of said Agreement. SSI Pacific Place did not submit building permit applications within the required timeframe.

The City is also required to provide 60-days written notice of intent to terminate said Agreement. On August 11, 2017, the City provided notice to the current property owner DevCo, Inc. of the City's intent to terminate said Agreement and requested that the DevCo waive the 60-day notice requirement. The applicant subsequently waived the 60-day notice requirement on August 11, 2017.

DevCo is not using the previous SSI Development Agreement and does not want the agreement or the restrictions on the title for the property. DevCo has no objection to the City terminating the agreement.

Alternatives

City Council may:

1. Terminate the SSI Pacific Place Development Agreement.
2. Decline to terminate the SSI Pacific Place Development Agreement.

Financial Impact

Termination of the SSI Pacific Place Development Agreement will facilitate completion of the Waterview Crossing lot line adjustment and development of the project. This in turn will help foster a stronger economic environment for the City by adding to the commercial tax base, supporting the creation of new housing and new jobs, directly increasing City property taxes, business and occupation taxes, utility taxes and potentially sales taxes.

Recommendation

Staff recommends that the City Council terminate the SSI Pacific Place Development Agreement.

Return Address:

City of Des Moines
Attn: City Clerk
21630 11th Avenue South
Des Moines WA 98198



20120327001542

CITY OF DES MOINES
 PAGE-001 OF 022
 03/27/2012 15:26
 KING COUNTY, WA

133.00

Please print or type information **WASHINGTON STATE RECORDER'S Cover Sheet** (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

1. SSI Pacific Place Development Agreement

3. _____ 4. _____

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) Exactly as name(s) appear on document

1. City of Des Moines

2. _____

Additional names on page _____ of document.

Grantee(s) Exactly as name(s) appear on document

1. SSI Pacific Place LLC

2. _____

Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Parcel A and B of City of Des Moines Boundary Line Adjustment No. LLA930-047 recorded under Recording Number 9312079004 together with Block 14 and Lots 1 - 30 of Block 15 of the Gem Addition to Des Moines filed in Volume 4 of Plats, Page 70, Records of King County, Washington

Additional legal is on page 18-20 of document.

Assessor's Property Tax Parcel/Account Number

☐ Assessor Tax # not yet

assigned

2156400250, 2156400263, 2156400269, 2724201790, and 2724201800

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

"I am signing below and paying an additional \$50 recording fee (as provided in RCW 36.18.010 and referred to as an emergency nonstandard document), because this document does not meet margin and formatting requirements. Furthermore, I hereby understand that the recording process may cover up or otherwise obscure some part of the text of the original document as a result of this request."

Brady Paul

Signature of Requesting Party

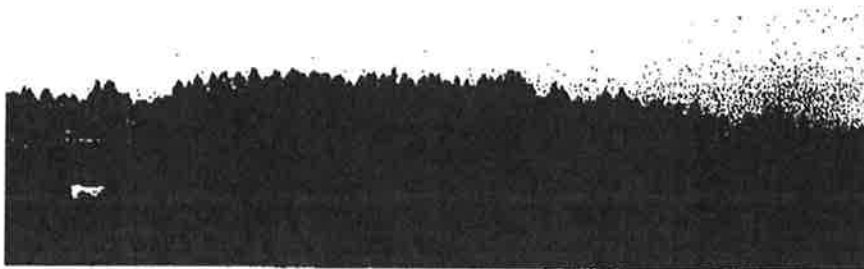
Note to submitter: Do not sign above nor pay additional \$50 fee if the document meets margin/formatting requirements



DEVELOPMENT AGREEMENT BY
AND BETWEEN

THE CITY OF DES MOINES
And
SSI PACIFIC PLACE, LLC

November 30, 2007



**DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF DES MOINES
and
SSI PACIFIC PLACE, LLC**

THIS DEVELOPMENT AGREEMENT, hereinafter referred to as the "Agreement", is entered into effective on the 30th day of ADU, 2007 by and between the City of Des Moines, a Washington municipal corporation (hereinafter referred to as the "City") and SSI Pacific Place, LLC, a Washington limited liability company (hereinafter referred to as "SSI") in connection with the real property described herein (hereinafter referred to as the "Property"), and development of the Property by SSI, its successors and assigns (hereinafter referred to as the "Project") for the purposes and on the terms and conditions set forth herein.

WHEREAS, the City, a noncharter, code city, organized pursuant to Title 35A RCW of the laws of the State of Washington having authority to enact laws and enter into agreements to promote the health, safety, and welfare of its citizens, and thereby control the use and development of property within its jurisdiction; and

WHEREAS, SSI owns, has a contract to purchase, or holds options to purchase the Property legally described in Exhibit A1, attached hereto and incorporated by reference herein; and

WHEREAS, the Property presently consists of several separate contiguous tax lots and is located within the Pacific Ridge neighborhood (hereinafter "Pacific Ridge") of the City and is bordered on the west by Pacific Highway South, on the east by 29th Ave. South, on the south by South 220th St., and to the north by South 218th St. and the northern boundary of King County Tax Parcel No. 2156400280; and

WHEREAS, that portion of the Property that is bordered on the west by 28th Ave. South, on the east by 29th Ave. South on the south by South 200th St. and on the north by South 218th St., is within the Pacific Ridge Residential Subarea of the Pacific Ridge Zone (hereinafter "PR-R") established by the Des Moines Municipal Code (hereinafter "DMMC") 18.31.010, et. seq.; and

WHEREAS, that portion of the Property that is bordered on the west by Pacific Highway South, on the east by 28th Ave. South, on the south by South 220th St., and on the north the northern boundary of King County Tax Parcel No. 2156400280, is within the Pacific Ridge Commercial One Subarea of the Pacific Ridge Zone (hereinafter PR-C1) established by DMMC 18.31.010, et. seq.; and

WHEREAS, DMMC 18.31.010, et seq. was enacted by the City to implement the Des Moines Comprehensive Plan, Pacific Ridge Neighborhood Improvement Plan, and other adopted policies for the commercial and residential areas of Pacific Ridge, including, inter alia, the transformation of Pacific Ridge into a new urban community that takes advantage of its geographic location, local and regional transportation linkages, stable soils, and view potential; the replacement of lower-scale, existing buildings with new larger scale and higher structures that will dramatically enhance the appearance, character, economics, and safety of the area; and

exhibit superior design features that makes Pacific Ridge inviting to residents and businesses, complements other areas of Des Moines, and fosters community pride; and

WHEREAS, Policy 2-03-05 of the Land Use Element of the Comprehensive Plan states that the City should "promote a land use pattern, scale, and density that supports public transportation services and encourages people to walk and bicycle, as well as provide convenient and safe automobile usage;" and

WHEREAS, Strategy 2-04-08 of the Land Use Element of the Comprehensive Plan states that the City should "encourage improvement of the Pacific Ridge Neighborhood by working with the business community and other representative organizations to achieve the goals of the City of Des Moines Comprehensive Plan;" and

WHEREAS, the intent of the Pacific Ridge Neighborhood as established by Goal 11-01-01 of Pacific Ridge Element, of the Des Moines Comprehensive Plan is "to transform Pacific Ridge into a new urban community that takes advantage of its geographic location, local and regional transportation linkages, stable soils, and view potential. The transformation of Pacific Ridge will include replacement of lower-scale, existing buildings with new structures that will dramatically enhance the appearance, character, economics, and safety of the area. Pacific Ridge will contain buildings and open spaces designed for pedestrians as well as the motorist. Pacific Ridge will be an area of businesses and residences. New buildings may be five to eight stories in height along Pacific Highway emphasizing retail and office uses. Between the development along Pacific Highway and Interstate 5, buildings may be eight (8) or more stories in height emphasizing residential high-rise home ownership with green open spaces and view corridors. This new community will exhibit superior design features that make Pacific Ridge inviting to residents and businesses, complement other areas of Des Moines, and foster community pride;" and

WHEREAS, Policy 11-03-11 of the Pacific Ridge Element of the Des Moines Comprehensive Plan states that the City should "Promote a pedestrian-friendly sidewalk environment throughout Pacific Ridge. The sidewalk environment may include storefronts near the sidewalk, consolidated and/or shared vehicular access, public open space, attractive landscaping, and integrated signs and lighting. Promote safe and direct pedestrian access between Pacific Highway South and nearby properties;" and

WHEREAS, Policy 11-03-06 of the Pacific Ridge Element of the Des Moines Comprehensive Plan states that the City "Utilize innovative land use review techniques/procedures to minimize timeframes and uncertainty during permit review;" and

WHEREAS, Policy 11-03-08 Pacific Ridge Element of the Des Moines Comprehensive Plan states that the City "Ensure that public and private development continues the pedestrian-friendly environment envisioned by the Pacific Highway South Roadway Improvement Project;" and

WHEREAS, Strategy 11-04-02 of the Pacific Ridge Element of the Des Moines Comprehensive Plan states that the City should "Encourage land assemblage (lot consolidation)

so that larger-scale development proposals can be considered, and to minimize instances where 'hold-out' properties do not contribute to the emerging character of the area. When new construction is proposed, encourage or require that internal property lines within building sites be removed. Discourage further division of parcels when such proposals are inconsistent with Pacific Ridge policies and/or regulations;" and

WHEREAS, Strategy 11-04-04 of the Pacific Ridge Element of the Des Moines Comprehensive Plan states that the City should "Encourage or require that new development include mitigation measures relating to displacement of affordable housing. Encourage new residential development to offer owner-occupied dwellings;" and

WHEREAS, Section 1G of the Pacific Ridge Design Guidelines provides in its Intent: To increase site utilization by reducing the amount of land area devoted to automobile parking and as a Guideline states: The amount of space devoted to parking stalls shall be minimized by taking advantage of shared parking and/or methods for reducing parking demand, where possible; and

WHEREAS, Sections 1D, 1E, and 1F of the Pacific Ridge Design Guidelines require the improvement of vehicular circulation within sites and between sites through the use of shared access points to increase utilization of land, promote efficient use of resources, reduce conflicts with parallel access points, reduce pedestrian/vehicular conflicts, and improve traffic flow; and

WHEREAS, the 3rd Edition of the *Parking Generation Manual* prepared by the Institute of Transportation Engineers states that the average peak period demand for parking for Retirement Apartments is 0.5 to 0.33 stalls per unit; and

WHEREAS, the City is authorized, by formal action, to waive or modify the number of spaces required, thereby establishing the amount of required parking for uses for which the number of parking spaces proposed is demonstrated sufficient to fully serve the use, is consistent with the intent of this chapter and when strict application of the code would result in unnecessary hardship pursuant to DMMC 18.44.040; and

WHEREAS, the Regulatory Reform Act codified as RCW 36.70B and adopted by DMMC 18.56 requires that local jurisdiction provide for a consolidated permit review with a single open record hearing; therefore, the public hearing required by DMMC 18.44.040 with the hearing examiner is combined with City Council public hearing required for the development agreement; and

WHEREAS, other objectives and purposes of DMMC 18.31.010, et. seq., are to, *inter alia*, provide development regulations to promote redevelopment of properties within Pacific Ridge to create attractive, safe, and desirable areas to work and reside; to establish higher density development to meet or exceed the City's population and employment growth targets specified by the countywide planning policies for King County; and to reduce the social problems caused by the existing structures and land uses such as high crime rates (especially major felony crimes), declining property values, unsafe and undesirable housing conditions, insufficient building and

property maintenance, absentee property ownership/management, violation of zoning, construction, and health codes, transient residency, and marginal businesses; and

WHEREAS, the phased development of Pacific Ridge pursuant to DMMC 18.31.010, et seq., was designated by the City as a Planned Action pursuant to the State Environment Policy Act (RCW 43.21C.010, et seq., and the Washington Administrative Code (WAC 197-11-164 and 197-11-168, et seq.) to encourage and expedite the responsible redevelopment of Pacific Ridge making any further SEPA review unnecessary for each specified development phase in the Pacific Ridge Zone, including, but not limited to construction related permits, provided each phase is consistent with the development levels established in DMMC 18.31.010, et seq.; and

WHEREAS, the SEPA Planned Action evaluated a build out scenario for Pacific Ridge which assumed the development of 5,541 residential units and 3,125,000 square feet of commercial space and was adopted by City Ordinance No. 1298 as required by WAC 197-11-168; and

WHEREAS, the EIS and Supplemental EIS documentation that served as the basis for the SEPA Planned Action envisioned that all future development within Pacific Ridge would be required to submit supplemental traffic analysis to identify impacts of specific projects and propose appropriate mitigation, if needed; and

WHEREAS, SSI desires to develop a mixed-use project on the Property involving a combination of low-rise commercial and retail, townhouses, high-rise condominiums and hotel structures, a possible low income senior housing facility, and courtyard and open space amenities configured as allowed by the PR-R and PR-C1 sub-areas to enhance views, encourage pedestrian connection and access, and create attractive, safe, and desirable areas to work and reside; and

WHEREAS, the City and SSI anticipate that development of the Property will be phased with development to occur over a period of years; and

WHEREAS, RCW 82.02.060 allows local jurisdictions to exempt impact fees for low-income housing, and other development activities with broad public purposes; and

WHEREAS, new development in the Pacific Ridge are within the Pacific Ridge Transportation Impact Fee Area and the Citywide Transportation Impact Fee Area; and

WHEREAS, the Pacific Ridge Transportation Impact Fee is calculated pursuant to the Addendum to the Environmental Impact Statement for the Pacific Ridge Neighborhood Improvement Plan adopted as Exhibit B of Ordinance No. 1298; and

WHEREAS, DMMC 12.56.030 modifies the Citywide Transportation Impact Fee for those sub-areas of the Pacific Ridge zone to exempt all new residential developments located east of the Pacific Highway South Corridor and authorizes new developments that front along the Pacific Highway South Corridor to receive a credit toward the traffic impact fee equal to the amount of the Pacific Ridge transportation mitigation fee; and

WHEREAS, RCW 36.70B.170. et. seq., authorizes the City to enter into development Agreements with owners, contract purchasers, and option holders of real property, such as SSI, to establish, among other things, the "development standards and other provisions that shall apply to and govern and vest the development, use, and mitigation of the development of the real property for the duration specified in the agreement"; and

WHEREAS, the City and SSI have agreed to enter into this Agreement to establish, among other things, the "development standards and other provisions that shall apply to and govern and vest the development, use, and mitigation of the development of the real property for the duration specified in the agreement"; and

WHEREAS, pursuant to RCW 36.70B.200, a public hearing has been held before the City Council and the City Council has enacted Resolution No. 1058 authorizing the City Manager to enter into this Agreement; and

WHEREAS, SSI may seek, but is not required, to have this Development considered as development within a blighted area or as a low income/affordable housing project subject to consideration with regards to transportation impact and other fees; and property tax exemptions.

NOW, THEREFORE, subject to the terms and conditions hereinafter stated, the City and SSI hereby covenant and agree as follows:

GENERAL PROVISIONS

Section 1. Purpose.

The purpose of this Agreement is to establish the development standards and other provisions that shall apply to and govern and vest the development, use, and mitigation of the development of the Property for the duration specified herein and to create a structure or collaboration that utilizes incentives available to the City to encourage SSI to complete a catalyzing development to encourage transformation of the Pacific Ridge Neighborhood into a new urban community taking advantage of its geographic location, local and regional transportation linkages, and view potential.

Section 2. Acknowledgment.

Voluntary Agreement. SSI and the City acknowledge that they have voluntarily entered into this Agreement and are not doing so under any form of duress.

Section 3. Definitions.

- A. "Agreement" means this Development Agreement, governed by provisions of Chapter 36.70B RCW.
- B. "SSI" means SSI Pacific Place LLC, and its successors and/or assigns.

- C. "Party" or "parties" means the City and SSI.
- D. "Project" means the phased development of the Property by SSI.
- E. "Property" means the real property legally described in Exhibit A1 and as generally depicted on the map in Exhibit A2, both of which are attached to this Agreement and incorporated by reference herein and such additional real property as defined in Section 20 herein.
- F. "Residential Development" means single family, multi-family, apartment, residential condominium, townhouse, and other related development which is designed for and used to provide a place of abode for human beings, but not including hotels or motel units having no kitchens.
- G. "Commercial Development" means all development except for Residential Development.

Section 4. Findings of Fact.

- A. The area identified as the Pacific Ridge Neighborhood in Chapter 18.31 DMMC meets the standard of a blighted area as defined RCW 35.81.015.
- B. The Project is located within the Pacific Ridge Neighborhood and is considered redevelopment within a blighted area.
- C. The Project is the first step in the process of transforming the Pacific Ridge Neighborhood into a new urban community taking advantage of its geographic location, local and regional transportation linkages, and view potential.
- D. The Project is proposed to replace lower-scale, existing buildings with new larger scale and higher structures that will dramatically enhance the appearance, character, economics, and safety of the area; and exhibit superior design features making Pacific Ridge inviting to residents and businesses.
- E. The redevelopment of the Property as proposed by SSI will meet the objectives and purposes of DMMC 18.31.010, et. seq., the Des Moines Comprehensive Plan, and the Pacific Ridge Neighborhood Plan, as well as reduce the social problems caused by the existing structure and land uses.
- F. It would be an unfair and unreasonable burden on the Project and SSI as well as an economic impediment to affordable senior housing development to require the Project's affordable senior housing development to set aside or show sufficient area for two parking spaces per unit that are not required to be installed.

- G. The Project is within the framework evaluated as part of the SEPA Planned Action adopted by Ordinance No. 1298.
- H. The Project is consistent with the City's development standards as required by RCW 36.70B.170.
- I. The proposed improvements and use are consistent with the policies of the City's Comprehensive Plan and the Pacific Ridge Neighborhood Improvement Plan.
- J. The proposed improvements, use, and design of the Project will be compatible with other permitted uses within the area as allowed in the Pacific Ridge Zone and the Pacific Ridge Neighborhood Improvement Plan.
- K. The public interest suffers no substantial detrimental effect from the proposed improvements and use.
- L. The proposed project is in the best interest of the public health, safety, morals or welfare of the City's citizens.

Section 5. Exhibits.

- A1. Legal Description
- A2. Boundary Survey
- B. Vicinity Map
- C. Exhibit B of Ordinance No. 1298
- D. Warranty Deeds or proof of contracts to purchase for all properties described in Exhibit A. For properties under contract to purchase the deeds will be provided once the property transfer is finalized.

Section 6. Development Standards.

A. SEPA Planned Action Reservation.

As part of this Agreement the City will reserve to the Project one (1) million square feet of commercial development (excluding the area necessary for any required parking) and 1,850 residential units evaluated under the City's SEPA Planned Action adopted as part of Ordinance No. 1298, regardless of the timing of applications or approvals of any other non-SSI projects within Pacific Ridge. This reservation precludes the necessity of any further SEPA review for development by SSI of said commercial square footage and residential units within the Pacific Ridge Zone. Provided, that all components of the Project are consistent with the terms of the this Agreement and the SEPA Planned Action as

determined by the City. SSI is required to submit a Traffic Analysis as part of each application submittal as required by the SEPA Planned Action.

B. Traffic Impact Fees.

As authorized by RCW 82.02.060, the City will waive the Citywide Transportation Impact Fee and the Pacific Ridge Transportation Impact Fee for (i) the first one (1) million square feet of commercial development (excluding the area necessary for any required parking) if the individual permit applications contain a minimum square footage of 50,000 square feet of commercial development and (ii) for all residential development within the Project.

C. Building Permit Fees.

As part of this Agreement the City will reserve to the Project one (1) million square feet of commercial development (excluding the area necessary for any required parking) and 1,850 residential units of the total Pacific Ridge Redevelopment Fee Reduction Incentive established by the City of Des Moines regardless of the timing of applications or approvals of any other non-SSI projects within Pacific Ridge. This reduction is expected to be a 20% reduction of all development fees related to permit approval, including, but not limited to any and all fees, costs and expenses for filing, City review, and inspection excluding third-party review, if necessary, provided that the individual permit applications contain a minimum of 50,000 square feet of commercial or residential development or a combination thereof (excluding any area necessary for any required parking).

D. Parking Reduction.

As part of this Agreement the City reduces the number of required parking stalls required by DMMC 18.44.060 for Low Income Retirement Apartments to 0.5 per unit for a maximum of 250 units as long as the units are not larger than 850 square feet. SSI shall not be required to set aside or show, as mandated by DMMC 18.44.060, sufficient area for two parking spaces per unit for development of Low Income Retirement Apartments within the Project. Provided that if the building ceases to be used for Low Income Retirement Apartments the new use will meet the parking requirements in effect at the time the Low Income Retirement Use ceases.

E. Infrastructure Design Standards.

Retaining walls within the Project will meet or exceed the aesthetic design standards of the retaining walls constructed as part of the City of Des Moines Pacific Highway Redevelopment Project. All detention facilities will either be underground vaults or incorporated as a landscaping feature; the use of traditional open detention ponds will be prohibited.

F. Green Building Standards.

The City encourages SSI to incorporate sustainable design and building practices into the design of the Project.

G. Mass Transit Provisions.

SSI, in collaboration with the City, shall negotiate in good faith with Sound Transit for a Link Light Rail stop as part of the proposed development. If SSI is unable to finalize an agreement with Sound Transit for a Link Light Rail stop at the site within two years from City Council's approval of this Agreement, SSI, at its sole discretion, may elect to be released from this requirement.

H. Adult uses.

SSI agrees that Adult Uses as defined by DMMC 18.04.16 – 18.04.17 inclusive will not be included as part of the Project and will record a private covenant forbidding these types of uses within the boundaries of the Project in perpetuity.

I. Expedited Review.

The City shall expedite processing, review, and approval of all short plat, binding site plan, boundary line adjustment, and all other land use, planning, and site reconfiguration applications relative to the Property, which review shall be subject to the development requirements established by this Agreement.

Section 7. Vested Rights of Developer.

During the term of this Agreement, unless sooner terminated in accordance with the terms hereof, in developing the Property consistent with the Project described herein, SSI is assured, and the City agrees, that all development regulations, including, but not limited to, provisions of the City's Municipal Code, Comprehensive Plan, Pacific Ridge Neighborhood Improvement Plan, storm water management practice regulations, permit requirements, and compliance mandates, that govern development of the Property (collectively referred to as "Development Regulations") in effect as of the day of City Council approval of this Agreement shall apply for the duration of the Agreement, except as modified by this Agreement; furthermore, the Project shall be vested against any change in the Development Regulations, except as modified by this Agreement. Provided, that the International Building Code and other regulatory codes adopted by the State of Washington and King County that preempt the City's authority and the City's Street Standards in effect as of the date that SSI or its successor submits a particular development application to the City for review shall apply to that phase of the Project. Additionally, SSI is assured, and the City agrees, that the development rights, obligations, terms and conditions specified in this Agreement, are fully vested in SSI and may not be changed or modified by the

City, except as may be expressly permitted by, and in accordance with, the terms and conditions of this Agreement, including the Exhibits hereto, or as expressly consented thereto by the Developer. Provided, that in the event that any change in the Development Regulations occurs subsequent to City Council approval of this Agreement that SSI shall have the option, in its sole discretion, to have said change applied to development of the Property.

Section 8. Termination.

This Agreement shall remain in effect until the actions required herein are completed, unless otherwise terminated as set forth below.

- A. This Agreement may be terminated by the City if SSI fails to submit to the City within four (4) years of City Council approval of this Agreement "complete" building permit applications as defined by City's Building Code in effect at the time of City Council approval of this Agreement for the first 150,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a "complete" application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.
- B. This Agreement may be terminated by the City if SSI fails to submit to the City within seven (7) years of City Council approval of this Agreement "complete" building permit applications as defined by City's Building Code in effect at the time of City Council approval of this Agreement for an additional amount of square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking) to achieve a cumulative total for the Project of 300,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Provided the Building Permits Applications required in order to comply with Section 8(A) shall have been issued to SSI or its assign. Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a "complete" application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice

of such termination in a form satisfactory to the City that the Agreement has been terminated.

- C. This Agreement may be terminated by the City if SSI fails to submit to the City within ten (10) years of City Council approval of this Agreement "complete" building permit applications as defined by City's Building Code in effect at the time of City Council approval of this Agreement for an additional amount of square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking) to achieve a cumulative total for the Project of 450,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Provided the Building Permits Applications required in order to comply with Section 8(A) and Section 8(B) shall have been issued to SSI or its assign. Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a "complete" application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.

- D. This Agreement may be terminated by the City if SSI fails to submit to the City within thirteen (13) years of City Council approval of this Agreement "complete" building permit applications as defined by City's Building Code in effect at the time of City Council approval of this Agreement for an additional amount of square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking) to achieve a cumulative total for the Project of 600,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Provided the Building Permits Applications required in order to comply with Section 8(A), Section 8(B) and Section 8(C) shall have been issued to SSI or its assign. Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a "complete" application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.

- E. This Agreement shall terminate upon the expiration of a term of Fifteen (15) years or when the Property has been fully developed, whichever occurs first, and all of the Developer's obligations in connection with the Agreement are satisfied as determined by the City. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.

Section 9. Ownership and Warranty of Authority.

The Property described in Exhibit A is currently owned by or under the control of SSI. SSI, hereby warrants to the City that it is authorized to commence negotiation of this Development Agreement and to so bind the Property covered herein and all fee owners, subject to their current ownership interest or contingent upon acquisition of the Property by Owner or Developer or their successors or assigns. If any necessary acquisition fails to occur, then this Agreement and all obligations set forth herein shall be deemed null and void with respect to the particular property at issue.

Section 10. Effect of this Agreement.

The provisions of RCW 36.70B.180 concerning the effectiveness of this Agreement govern its terms.

Section 11. Warranty of City's Authority.

The City is delegated authority by RCW 36.70B.170 –36.70B.200 to enter into Development Agreements as a proper exercise of the municipal police power and contract authority. This Agreement is entered into pursuant to the said authority. It is hereby warranted that the undersigned has full authority to so enter into this Agreement.

Section 12. Agreement Modification.

This Agreement shall not be modified or amended except in writing signed by the City and SSI or their respective successors in interest; provided the City expressly reserves authority under RCW 36.70B.170(4) to impose new or different regulations to the limited extent required by a serious threat to public health and safety; provided further that this Development Agreement may be amended or modified only by written Agreement of the parties, as limited by the requirements of RCW 36.70B.180.

Section 13. Public Notice.

The City has provided advance notice of a public hearing on this matter pursuant to RCW 36.70B.200.

Section 14. Development Regulations.

All development regulations and associated charges in existence as of the date a completed application is filed in conformance with this Agreement shall apply to and govern and vest the development of the Property during the term of this Agreement except as modified by specific terms of this Agreement.

Section 15. Further Discretionary Actions.

SSI acknowledges that the existing land use regulations contemplate the exercise of further discretionary powers by the City. Nothing in this Agreement shall be construed to limit the authority or the obligation of the City to hold legally required public hearings, or to limit the discretion of the City and any of its officers or officials in complying with or applying existing land use regulations.

Section 16. Dispute Resolution.

- A. In event of any dispute as to interpretation or application of the terms or conditions of this Agreement, SSI and the City Manager shall meet within twenty (20) business days after request from either party for the purpose of attempting, in good faith, to resolve the dispute. The meeting may, by mutual agreement, be continued to a date certain in order to include other parties or persons, or to obtain additional information. The meeting shall be a pre-requisite to the filing of a lawsuit by any party regarding any aspect of this Agreement or the Project, except to the extent necessary to meet the requirements of applicable statute of limitations.
- B. In event of any dispute related solely as to the interpretation of the Des Moines Municipal Code and not the interpretation or application of the terms or conditions of this Agreement, SSI will file an appeal to be heard by the Hearing Examiner as provided in the Hearing Examiner Code codified in DMMC 18.94.

Section 17. Applicable Law and Venue.

This Agreement shall be governed by and be construed in accordance with the laws of the State of Washington. Any action with respect to this Agreement shall be brought in King County Superior Court, Kent, Washington.

Section 18. Assignment and Assumption.

SSI shall have the right to assign or transfer all or any portions of the interest, rights and obligations under this Agreement to other parties acquiring an interest or estate in the Property. Consent by the City shall be required for any transfer of rights pursuant to this Agreement. The City's consent will not be unreasonably withheld or delayed.

- A. Disclosure upon Transfer. SSI agrees that in the event of a proposed sale, gift, transfer, segregation, assignment or device of the Property, SSI shall disclose the existence of this Agreement to the interested party.
- B. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each party hereto only for the duration of this Agreement.

Section 19. Addition of Real Property.

SSI may, in its sole discretion by giving written notice to the City as required by Section 22, elect to add contiguous and adjacent real property to the Project, which real property may be separated from the real property described in Exhibit A by a public street or other right-of-way, to the extent that it would be a logical component and integral to the Project as determined by the City, which determination shall not be unreasonably withheld or delayed, and such additional real property shall be subject to and inure to the benefits of this Agreement.

Section 20. Change in Project Name.

SSI shall have the right, in its sole discretion, to change the name of Project or development with the Project.

Section 21. Duty of Good Faith.

Each party hereto shall cooperate with the other in good faith to achieve the objectives of this Agreement. The parties shall not unreasonably withhold requests for information, approvals or consents provided for, or implicit, in this Agreement. The parties agree to take further actions and execute further documents, either jointly or within their respective powers and authority, to implement the intent of this Agreement and any subsequent Development Agreement.

Section 22. Notices.

All communications, notices and demands of any kind which a party under this Agreement is required to or desires to give to any other party shall be in writing and either (1) delivered personally, (2) sent by facsimile transmission with an additional copy mailed first class, or (3) deposited in the U.S. mail, certified mail postage prepaid, return receipt requested, and address as follows:

CITY:

City of Des Moines
ATTN: City Manager
21630 11th Avenue South
Des Moines, WA 98198
Tel.: 206-870-6550
Fax: 206-870-6540

DEVELOPER

SSI PACIFIC PLACE, LLC
Mathew Chan, Manager
1612 S. Mildred St., Ste B
Tacoma, WA 98465
Tel.: 253 460 6888
Fax: 253 460 6899

Copies to:
 Kim Nakamura, Manager
 SSI PACIFIC PLACE, LLC
 c/o Rushforth Construction
 6021 12th Street East, #100
 Tacoma, WA 98424
 Tel.: 253.922.1884
 Fax: 253.922.2089

Darrell S. Mitsunaga
 Johns Monroe Mitsunaga PLLC
 1601 114th Ave. SE
 Suite 110
 Bellevue, WA 98004
 Tel.: 425 451 2812
 Fax: 425 451 2818

Notice by hand delivery or facsimile shall be effective upon receipt. If deposited in the mail, notice shall be deemed received 72 hours after deposit. Any party at any time by notice to the other party may designate a different address or person to which such notice shall be given.

Section 23. Ratification and Confirmation.

Any acts consistent with the authority and prior to the effective date of this Agreement are hereby ratified and confirmed.

Section 24. Entire Understanding.

This Development Agreement and the Exhibits attached to it and incorporated by reference comprise the entire Agreement of the parties and supersede any and all prior written or oral Agreements.

Section 25. No Presumption against Drafter.

This Agreement has been reviewed and revised by legal counsel for all parties and no presumption or rule that ambiguity shall be construed against the party drafting the document shall apply to the interpretation or enforcement of this Agreement.

Section 26. Severability.

If any term, provision, condition or portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remaining portions of this Agreement which shall continue in full force and effect. The headings of sections and paragraphs of this Agreement are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections or paragraphs.

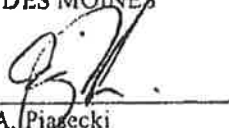
Section 27. Recording.

This Agreement shall, when approved by the City Council and executed by the parties hereto, be filed as a matter of public record in the office of the King County Auditor. It is the intent to have this Agreement, so long as it is in force, to be considered, interpreted, and regarded as a covenant running with the land.

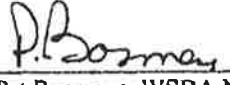
Section 28. Amendment to the Development Regulations.

The City shall proceed, if necessary, with the required review, environmental analysis, and public process to initiate and adopt area-wide/non-project specific amendments and any and all other code, rule, policy or regulatory amendments to the Development Regulations as necessary to ensure that the Development Regulations allow for development of the Property in accordance with this Agreement.

CITY OF DES MOINES

By: 
 Anthony A. Piasecki
 City Manager
 By direction of the Des Moines City
 Council in Open Public Meeting
 on November 15, 2007

APPROVED BY:


 Pat Bosmans, WSBA No. 9148
 City Attorney

SSI PACIFIC PLACE, LLC


 Matthew N. Chan, President, Sunway
 Services, Inc., Managing Member for
 Sunway LLC, ^{and} ~~and~~ Manager for SSI
 Pacific Place, LLC 

SSI PACIFIC PLACE, LLC. LEGAL DESCRIPTIONS

PARCEL A – TAX PARCEL 2156400269

The land referred to is situated in the County of King, City of Des Moines, State of Washington, and is described as follows:

That portion of the South half of the Southeast quarter of the Northwest quarter of the Southeast quarter of Section 9, Township 22 North, Range 4 East, W.M., in King County, Washington, lying Easterly of State Highway No. 1 (Pacific Highway South);

EXCEPT that portion thereof lying North and East of the following described line;
Beginning at the Southeast corner of said Subdivision;
THENCE North 00°58'35" East along the East line of said Subdivision, a distance of 30.00 feet to a point on the North margin line of South 220th Street;
THENCE North 88°24'15" West along said Margin line, a distance of 30.00 feet;
THENCE North 00°58'35" East a distance of 117.11 feet;
THENCE North 88°24'15" East a distance of 40.00 feet;
THENCE North 00°58'35" East a distance of 40.00 feet;
THENCE North 88°24'15" East a distance of 75.00 feet;
THENCE North 00°58'35" East a distance of 109.34 feet;
THENCE North 88°24'15" East a distance of 131.75 feet to a point on the Easterly margin line of State Highway No. 1, said Point being the terminus of herein described line;

ALSO EXCEPT the South 30 feet thereof conveyed to King County for road under Recording No. 1475704;

(ALSO KNOWN AS Parcel A, City of Des Moines Boundary Line Adjustment No. LLA 930-047, recorded under Recording No. 9312079004;)

AND EXCEPTING THEREFROM a portion of Tract X conveyed to City of Des Moines by deed under Recording No. 20020715000351, described as follows:

Beginning at the Southwest corner of Tract X being 50.00 feet East of the center line of Pacific Highway South SR (99) from which a radius point bears South 88°07'53" East;

THENCE parallel with and 50.00 feet east of said center line along a 5679.58 foot radius curve to the right with a center angle of 2°41'24", an arc distance of 266.64 feet to the Northwest corner of said Property;

THENCE along the North line of said Property South 88°24'15" East a distance of 7.00 feet to a point on a non-tangent curve from which a radius point bears South 89°10'47" East;

THENCE parallel with and 57.00 feet East of said center line along a 5672.58-foot radius curve to the left with a central angle of 2°30'03" an arc distance of 247.60 feet;

THENCE South 43°50'28" East a distance of 27.10 feet to the South line of said Property;

THENCE along said South line North 88°24'15" West a distance of 25.20 feet to the Point of Beginning

Situate in the County of King, State of Washington.

EXHIBIT A1

PARCEL B – TAX PARCEL 2156400263

That portion of the South half of the Southeast quarter of the Northwest quarter of the Southeast quarter of Section 9, Township 22 North, range 4 east, Willamette meridian, in King County, Washington, lying easterly of State Highway No. 1 (Pacific Highway South);

ALSO EXCEPT that portion thereof lying South and West of the following described line:

Beginning at the Southeast corner of said Subdivision;

THENCE North 00°58'35" East along the East line of said Subdivision, a distance of 30.00 feet to a point on the North margin line of South 220th street;

THENCE North 88°24'15" West along said margin line, a distance of 30.00 feet;

THENCE North 00°58'35" East a distance of 117.11 feet;

THENCE North 88°24'15" East a distance of 40.00 feet;

THENCE North 00°58'35" East a distance of 40.00 feet;

THENCE North 88°24'15" East a distance of 75.00 feet;

THENCE North 00°58'35" East a distance of 109.34 feet;

THENCE North 88°24'15" East a distance of 131.75 feet to a point on the Easterly margin line of State Highway No. 1, said Point being the terminus of herein described line;

EXCEPT the South 30 feet thereof conveyed to King County for road under Recording Number 1475704;

AND EXCEPT the West 7 feet thereof conveyed to the City of Des Moines by deed recorded under Recording Number 20020320001782

(ALSO KNOWN AS Parcel A, City of Des Moines Boundary Line Adjustment No. LLA 930-047, recorded under Recording Number. 9312079004;)

PARCEL C – TAX PARCEL 2156400280

Portion of the South half of the Northeast quarter of the Northwest quarter of the Southeast quarter of Section 9, Township 22 North, Range 4 East, Willamette Meridian, in King County, Washington, lying Easterly of State Road No. 1;

EXCEPT the East 30.0 feet of that portion of said South half lying Northerly of the South line of South 218th street; and

EXCEPT that portion thereof condemned by the City of Des Moines in King County Superior Court Cause Number 02-2-19402-8.

TOGETHER WITH that portion of the North half of the Southeast quarter of the Northwest quarter of the Southeast quarter of Section 9, Township 22 North, Range 4 East, Willamette Meridian, in King County, Washington, lying Easterly of State Road No. 1;

PARCEL D – TAX PARCEL 2724201700

All of Block 14, Gem Addition to Des Moines, according to the plat thereof recorded in volume 4 of plats, page(s) 70, in King County, Washington; together with the vacated alley in said Block 14;

TOGETHER WITH the North 30 feet of that portion of vacated South 219th Street adjoining said Block 14; and

TOGETHER WITH that portion of vacated 28th Avenue South lying between the Southerly right of way margin of South 218th Street and the center line of South 219th Street also lying adjacent to the West line of Block 14 of said Gem Addition.

PARCEL E – TAX PARCEL 2724201800

Lots 1 through 30, both inclusive, in Block 15 of Gem Addition to Des Moines, as per plat recorded in volume 4 of plats, page 70, records of King County Auditor;

TOGETHER WITH vacated alley in said Block;

TOGETHER WITH the South half of vacated South 219th Street; together with the East half of vacated 238th Avenue South;

Situate in the City of Des Moines, County of King, State of Washington.

EXHIBITS A-2, B, C AND D
ARE ON FILE WITH THE CITY
CLERK FOR THE CITY OF DES
MOINES. PLEASE CONTACT
THE CITY CLERK TO REVIEW
THESE DOCUMENTS.

Return Address:

City of Des Moines
Attn: City Clerk
21630 11th Avenue South
Des Moines WA 98198



20120327001543

CITY OF DES MO AG
 PAGE-001 OF 012
 03/27/2012 15:28
 KING COUNTY, WA

123.00

Please print or type information **WASHINGTON STATE RECORDER'S Cover Sheet** (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

1. SSI Pacific Place development agreements
 3. _____ 4. _____

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) Exactly as name(s) appear on document

1. City of Des Moines
 2. _____

Additional names on page _____ of document.

Grantee(s) Exactly as name(s) appear on document

1. SSI Pacific Place LLC
 2. _____

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Parcel A and B of City of Des Moines Boundary Line Adjustment No. LLA930-047 recorded under Recording Number 9312079004 together with Block 14 and Lots 1 - 30 of Block 15 of the Gem Addition to Des Moines filed in Volume 4 of Plats, Page 70, Records of King County, Washington

Additional legal is on page _____ of document.

Assessor's Property Tax Parcel/Account Number

☐ Assessor Tax # not yet

assigned 2156400280, 2156400263, 2156400269, 2724201700, 2724201790, and 2724201800

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

"I am signing below and paying an additional \$50 recording fee (as provided in RCW 36.18.010 and referred to as an emergency nonstandard document), because this document does not meet margin and formatting requirements. Furthermore, I hereby understand that the recording process may cover up or otherwise obscure some part of the text of the original document as a result of this request."

Barry Paul

Signature of Requesting Party

Note to submitter: Do not sign above nor pay additional \$50 fee if the document meets margin/formatting requirements

**FIRST ADDENDUM TO THE
DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF DES MOINES,
and
SSI PACIFIC PLACE, LLC.**

THIS ADDENDUM to the NOVEMBER 30, 2007 DEVELOPMENT AGREEMENT between the CITY OF DES MOINES AND SSI PACIFIC PLACE LLC, hereinafter referred to as the "Addendum", is entered into effective on the 1st day of November, 2011 by and between the City of Des Moines, a Washington municipal corporation (hereinafter referred to as the "City") and SSI Pacific Place, LLC., a Washington Limited Liability Company (hereinafter referred to as "SSI") for the purposes and on the terms and conditions set forth herein.

WHEREAS, SSI has requested that the Agreement be modified due to the current economic conditions which have adversely impacted SSI's ability to move forward with the development consistent with the benchmarks established in Section 8 of the Agreement, and

WHEREAS, SSI is still committed to the construction of the Waterview Crossing project and the City's adopted vision for the Pacific Ridge Neighborhood, and

WHEREAS, pursuant to RCW 36.70B.200, a public hearing has been held before the City Council and the City Council has enacted Resolution 1179 authorizing the City Manager to enter into the Addendum;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants of the parties contained herein, and pursuant to RCW 36.70B.170-200, THE PARTIES HERETO AGREE as follows:

SECTION 1. PURPOSE.

The purpose of this Addendum is to amend the Development Agreement dated November 30, 2007 between the City and SSI in order to modify Section 8 of the Agreement to provide additional time for each of the benchmarks related to the submittal of building permit applications and to incorporate the previously approved Preliminary Modified Short Plat and Parking Modification into the Agreement.

SECTION 2. AMENDMENTS

2.01 Section 6(D) of the Agreement – Parking Reduction is hereby amended to read as follows:

As part of this Agreement the City reduces the number of required parking stalls required by DMMC 18.44.060 for Low Income Retirement Apartments to 0.5 per unit for a maximum of 250 units as long as the units are not larger than 850 square feet. SSI shall not be required to set aside or show, as mandated by DMMC 18.44.060, sufficient area for two parking spaces per unit for development of Low Income Retirement Apartments within the Project. Provided that if the building ceases to be used for Low Income Retirement Apartments the new use will meet the parking requirements in effect at the time the Low Income Retirement Use ceases.

As part of this Agreement and as authorized by Resolution 1131 the number of required parking stalls required by DMMC 18.44.060(15)(c) and 18.44.060(15)(g)(i) and (ii) for residential units is reduced to 1.2 parking stalls per unit; provided that developments within Waterview Crossing project area identified in Exhibit 1 of Resolution 1131 shall be prohibited from utilizing the parking reduction provided for Joint-Use Parking and Non-Conflicting Hours of Operations provided in DMMC 18.44.050(2) and (3).

2.02 Section 6(G) of the Agreement – Mass Transit Provisions is hereby amended to read as follows:

SSI, in collaboration with the City, shall negotiate in good faith with Sound Transit for a Link Light Rail stop as part of the proposed development. If SSI is unable to finalize an agreement with Sound Transit for a Link Light Rail stop at the site within ~~two~~ eight years from City Council's approval of this Agreement, SSI, at its sole discretion, may elect to be released from this requirement.

2.03 Section 6(J) – Short Plat Approval is a new section added to the Agreement to read as follows:

The Modified Preliminary Short Plat Approval Decision by the Des Moines Planning, Building and Public Works Department under file number LUA08-040 attached as Exhibit A is incorporated into the Agreement and will remain effective for the life of the Agreement; provided that the final plat documents

consistent with the approved preliminary plat shall be recorded with King County three months prior to the submittal of the first Building Permit Application.

2.04 Section 8 of the Agreement – Termination is hereby amended to read as follows:

This Agreement shall remain in effect until the actions required herein are completed, unless otherwise terminated as set forth below.

- A. This Agreement may be terminated by the City if SSI fails to submit to the City within ~~four (4)~~ eight (8) years of City Council approval of this Agreement “complete” building permit applications as defined by City’s Building Code in effect at the time of City Council approval of this Agreement for the first 150,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a “complete” application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.
- B. This Agreement may be terminated by the City if SSI fails to submit to the City within ~~seven (7)~~ eleven (11) years of City Council approval of this Agreement “complete” building permit applications as defined by City’s Building Code in effect at the time of City Council approval of this Agreement for an additional amount of square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking) to achieve a cumulative total for the Project of 300,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Provided the Building Permits Applications required in order to comply with Section 8(A) shall have been issued to SSI or its assign. Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a “complete” application prior to the expiration of 60 day period or such additional time

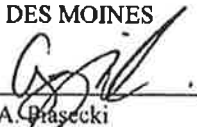
as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.

- C. This Agreement may be terminated by the City if SSI fails to submit to the City within ~~ten (10)~~ fourteen (14) years of City Council approval of this Agreement “complete” building permit applications as defined by City’s Building Code in effect at the time of City Council approval of this Agreement for an additional amount of square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking) to achieve a cumulative total for the Project of 450,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking). Provided the Building Permits Applications required in order to comply with Section 8(A) and Section 8(B) shall have been issued to SSI or its assign. Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a “complete” application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.
- D. This Agreement may be terminated by the City if SSI fails to submit to the City within ~~thirteen (13)~~ seventeen (17) years of City Council approval of this Agreement “complete” building permit applications as defined by City’s Building Code in effect at the time of City Council approval of this Agreement for an additional amount of square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required parking) to achieve a cumulative total for the Project of 600,000 square feet of commercial or residential development or a combination thereof (excluding the area necessary for any required

parking). Provided the Building Permits Applications required in order to comply with Section 8(A), Section 8(B) and Section 8(C) shall have been issued to SSI or its assign. Prior to such termination, the City shall first provide SSI with sixty (60) days written notice, which notice shall be withdrawn if SSI submits a "complete" application prior to the expiration of 60 day period or such additional time as agreed to between the parties. Termination of this Agreement shall not result in termination of any other legally binding Agreement or action based upon this Agreement unless such additional termination is required under the terms of such other Agreement or action. Notice of termination shall be given as provided in Section 22 – Notices. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.

- E. This Agreement shall terminate upon the expiration of a term of ~~Fifteen (15)~~ nineteen (19) years or when the Property has been fully developed, whichever occurs first, and all of the Developer's obligations in connection with the Agreement are satisfied as determined by the City. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City that the Agreement has been terminated.

CITY OF DES MOINES


Anthony A. Prasecki
City Manager

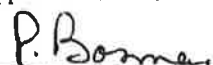
By direction of the Des Moines
City Council in Open Public Meeting
on October 20, 2011

Dated: 11/3/11

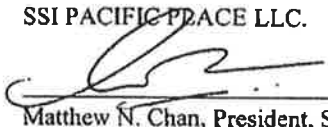
Attest: 
Sandy Paul

City Clerk

Approved as to Form:


P. Borne
City Attorney

SSI PACIFIC PLACE LLC.


Matthew N. Chan, President, Sunway
Services, Inc., Managing Member for
Sunway Anda, LLC, Manager for SSI
Pacific Place, LLC

Dated: 10/27/2011

STATE OF WASHINGTON)
) ss
 COUNTY OF King)

On this 3rd day of November, 2011, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Anthony A. Piasecki, to me known as the City Manager, for the City of Des Moines the corporation who executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said City of Des Moines, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument on behalf of said municipal corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the date hereinabove set forth.



Sandra L. Paul
 NAME

NOTARY PUBLIC in and for the State of
 Washington, residing at King County
 MY COMMISSION EXPIRES: October 5, 2014

STATE OF WASHINGTON)
) ss
 COUNTY OF King)

On this 27th day of October, 2011, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Matthew N. Chan on behalf of SSI Pacific Place LLC., the person who executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said person, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute said instrument on behalf of SSI Pacific Place LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the date hereinabove set forth.



Vicki C. Sheckler
 NAME
Vicki C. Sheckler
 NOTARY PUBLIC in and for the State of
 Washington, residing at Des Moines WA
 MY COMMISSION EXPIRES: 4/29/2012



CITY OF DES MOINES, WASHINGTON
 Development Services Division
 21630 11th Avenue South, Suite D
 Des Moines, WA 98198
 Phone: (206) 870-7576 Fax: (206) 870-6544



MODIFIED SHORT SUBDIVISION APPROVAL DECISION

Project File No: LUA08-040
Project Name: Waterview Crossing
Project Address: Pacific Highway and South 220th Street
Owner: SSI Pacific Place, LLC
 1612 South Mildred Street, Suite B
 Tacoma, WA 98465
Contact: Barghausen Engineers
 18215 72nd Avenue South
 Kent, WA 98032
Staff Contact: Jason Sullivan; Land Use Planner II
Date of Decision: August 19, 2010

FINDINGS OF FACT:

The Des Moines Planning, Building, and Public Works Department, upon review of an application requesting approval of a preliminary modified short subdivision allowing for the short subdivision of 8 commercial and multifamily residential lots hereby finds:

1. Except where otherwise stated herein, the proposed plat is consistent with the applicable provisions of the comprehensive plan, zoning code, and other City policies and regulations.
 - a. The developer has submitted the requisite permit applications for a preliminary short plat utilizing the provisions of a modified short subdivision codified in Chapter 17.20 of the Des Moines Municipal Code.
 - b. Section 17.20.010 DMMC establishes a mechanism whereby an applicant may propose a modified short subdivision in which the City may consider and approve short subdivisions that do not comply with one or more of the requirements specified in DMMC 17.36 - Layout and Design of Subdivisions and Similar Requirements.
 - c. As part of the Waterview Crossing project, the applicant submitted a short subdivision application which requested the authorization to establish a private through street to serve more than 8 lots and phasing of the frontage improvements commensurate with the construction of the buildings.



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- d. During the review staff determined that a modification to the street sections for South 220th Street was also warranted for public safety.
 - a. The application specifically requests to divide 10.42 acres of underdeveloped land into 8 lots for residential and commercial use.
 - b. The zoning for the property is PR-C1 and PR-R
 - c. The Preferred Land Use Map for the Des Moines Comprehensive Plan indicates the subject property as preferred for mixed-use and residential developments.
 - d. The short plat is consistent with Strategy 11-04-01 of the *Des Moines Comprehensive Plan* which directs the City to, "[E]ncourage land assemblage (lot consolidation) so that larger-scale development proposals can be considered, and to minimize instances where 'hold-out' properties do not contribute to the emerging character of the area. When new construction is proposed, encourage or require that internal property lines within building sites be removed. Discourage further division of parcels when such proposals are inconsistent with Pacific Ridge policies and/or regulations."
 - e. The Des Moines Planning, Building, and Public Works Department issued a written notice of complete application on October 27, 2008 providing official notice that the application met the procedural submittal requirements established by the City.
 - f. The Des Moines Planning, Building, and Public Works Department issued a notice of preliminary modified subdivision application on January 25, 2010 and provided a 15 day comment period.
2. There are adequate provisions for drainage ways, rights-of-way, sidewalks, easements, water supplies, sanitary waste, fire protection, power service, parks, playgrounds and schools. These provisions include:
- a. The City has reviewed Traffic Analysis prepared by Health and Associates dated August 2008; revised October 2009 and March 2010.
 - b. The short plat is served by 4 existing public rights-of-way and the construction of one private street developed to a public street standard.
 - c. The road layout provides connections to Pacific Highway South.
 - d. Deviations to the street standards are authorized by DMMC 17.36.010.
 - e. The City has reviewed a Technical Information Report prepared by Barghausen Engineering Inc dated March 5, 2009; revised December 10, 2009, and March 25, 2010.



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- f. The proposed surface water detention vaults are consistent with the 2005 King County Surface Water Design Manual per the 2007 Development Agreement between the City and SSI Pacific Place, LLC.
- g. All electrical and communication systems shall be installed underground by the applicant. Existing above-ground electrical and communication systems located in all rights-of-way adjoining the proposed subdivision and extending from the subdivision to the nearest utility pole also shall be undergrounded.
- h. New fire hydrants within the short plat will be installed by the applicant. Installation of the new fire hydrant will be done concurrently with the installation of the required right-of-way improvements or as required for the building permits.
- i. All sewer, water, or surface water utilities will be within the ROW or contained within the appropriate easement.
3. The proposed short plat design will serve the public use and interest and is consistent with the public health, safety, and welfare.
 - a. Staff reviewed the proposal and coordinated with the neighboring jurisdiction of SeaTac.
 - b. Copies of the site plan were provided to the City of SeaTac during the review of the short plat since the City of Des Moines jurisdictional boundaries end on the northern edge of South 216th Street.
4. Additional amenities are provided in the modified short subdivisions that are not normally found in a standard short subdivision. These amenities include:
 - a. An increased relationship between the public and private realms through the placement of the buildings in close proximity to the sidewalk.
 - b. The visual impact of the automobile has been de-emphasized through the use of joint use underground parking structures.
 - c. Development of the private street will permit the development of additional landscaping and other site amenities that would not be available to the project if the roadway was developed as a public street.

PLANNING, BUILDING, AND PUBLIC WORKS DEPARTMENT DECISION:

The applicant's request for approval of a Short Subdivision is granted subject to the following conditions:

1. An easement shall be recorded that prohibits the development of private gates across Waterview Drive (Tract A) and provides for full public access to the roadway and sidewalks. The



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easement shall clearly provide that the public has full access to the private street in the same manner that the public has access to all public rights-of-way.

2. Approval of the preliminary plat by the City constitutes only approval of the layout of the plat. This approval does not signify acceptance of all engineering details of the project.
3. A supplemental traffic impact analysis will be prepared for each phase of development and/or building permit application. The analysis shall identify any infrastructure improvements necessary to serve the specific project phase, and shall include traffic data and impacts from all prior phases of the overall development in order to mitigate for the cumulative impacts of the entire development. Additional infrastructure improvements will be constructed as determined necessary by the Planning, Building and Public Works Department.
4. In order to meet adopted Level of Service (LOS) and Volume to Capacity Ratio (v/c) Standards, the TIA assumed the "Transportation Gateway Project" improvements at the intersection of South 216th Street and Pacific Highway South were completed at some point prior to full build out of the proposed Waterview Crossing development; therefore, these improvements shall be a requirement for each phase of development and/or building permit application associated with the PUD, unless the supplemental traffic impact analysis indicates that the LOS and v/c are at acceptable levels for this intersection upon completion of the specific phase of the development. The supplemental traffic impact analysis submitted for each phase of the development shall document the operation of this intersection. At such time that the analysis indicates that the City's adopted LOS and v/c standards would not be met at the completion of the building on the associated permit, the construction of the intersection improvements will be required prior to the issuance of that building permit. Alternatively, the applicant could chose to pay the City an In-lieu fee towards the value of the necessary physical improvements. This condition shall be a requirement for each building and/or phase of the proposed development, until the improvements are constructed, or otherwise mitigated.
5. In order to meet adopted Level of Service (LOS) and Volume to Capacity Ratio (v/c) Standards, the TIA indicates that traffic signal and intersection modifications and improvements at South 220th Street and Pacific Highway South are required; therefore, these improvements shall be a requirement for each phase of development and/or building permit application associated with the PUD, unless the supplemental traffic impact analysis indicates that the LOS and v/c are at acceptable levels for this intersection upon completion of the specific phase of the development. The supplemental traffic impact analysis submitted for each phase of the development shall document the operation of this intersection. At such time that the analysis indicates that the City's adopted LOS and v/c standards would not be met at the completion of the building on the associated permit, the construction of the intersection improvements will be required prior to the issuance of that building permit. This condition shall be a requirement for each building and/or phase of the proposed development, until the improvements are constructed.



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6. The applicant shall fund the signal timing study and synchronization efforts and submit it to the City for approval by the City's Traffic Engineer, if adjustment of the signal timing and/or adjustments are listed as a mitigation measure from any supplemental traffic impact analysis.
7. In accordance with WSDOT access management requirements, site access points to Pacific Highway South shall be separated by a minimum of 250 feet. No more than two (2) access points to Pacific Highway South shall be allowed for the proposed development and both of these site access points shall be limited to right-in/right-out access only.
8. Given its proximity to Pacific Highway South, the high-volume driveway west of the intersection of Wateview Drive (Tract A) and South 220th Street shall be limited to right-in/right-out access to South 220th Street and c-curbing shall be used on South 220th Street to prevent left turns to and from the site via the driveway.
9. The private roadway access shall be aligned with 28th Avenue South on the south side of South 220th Street.

Code Official:

Grant Fredricks

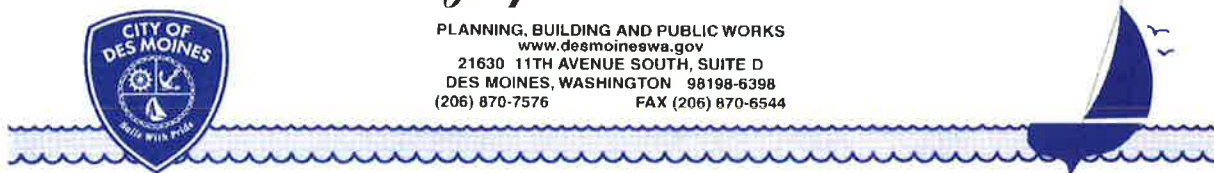
Position/Title:

Planning, Building, and Public Works Director
21630 11th Avenue South, Suite D
Des Moines, WA 98198

August 19, 2010
(Date)


(Signature)

Project Lead Contact: Jason Sullivan, Land Use Planner II
Phone: 206-870-6551
Email Address: jsullivan@desmoineswa.gov.



August 11, 2017

Mr. David Ratliff, Development Manager
 DevCo, Inc.
 Plaza Center
 10900 NE 8th Street, Suite 1200
 Bellevue, WA 98004

SENT VIA FACIMILE & US MAIL

Re: LUA2015-0013 Waterview Crossing Lot Line Adjustment - Notice of Intent to Terminate the SSI Pacific Place Development Agreement (Recording No. 20070531001046)

Dear Mr. Ratliff,

The purpose of this letter is to provide written notice of the City's intent to terminate the SSI Pacific Place Development Agreement (Agreement) approved by the City of Des Moines on November 15, 2007 (Recording No. 20070531001046). The City is terminating this agreement given the former property owner SSI Pacific Place did not submit building permit applications within five years per Section 8.A. of said Agreement. In addition, the Agreement is currently listed as a title restriction in conjunction with the Lot Line Adjustment (Lot Consolidation) currently under review for the Waterview Crossing project under file LUA2015-0013.

Per Section 8.A. of said Agreement, the City is required to provide 60-days written notice of intent to terminate the agreement. In order to facilitate the timely processing of the Waterview Crossing Lot Line Adjustment, the City requests that Waterview Crossing LLC send a letter to the City waiving the 60-day notice requirement and requesting immediate termination of said Agreement. Upon receipt of this letter, the City will schedule a date for the City Council to approve termination of said Agreement.

If there are any questions regarding the above information please contact me by phone at (206) 870-6563 or email me at dlathrop@desmoineswa.gov.

Sincerely,

Denise E. Lathrop, AICP

Denise E. Lathrop
 Community Development Manager

CC: Michael Matthias, City Manager
 Tim George, City Attorney
 LUA2015-0013

From: [Tim George](#)
To: ["David Ratliff"](#); [Denise Lathrop](#)
Cc: [Matthew Hutchins](#); [Michael Matthias](#); ["gxs@coredesigninc.com"](#)
Subject: RE: LUA2015-0013 Waterview Crossing Lot Line Adjustment - Notice of Intent to Terminate SSI Pacific Place Development Agreement
Date: Friday, August 11, 2017 1:23:01 PM

Yes this email is fine. Thank you,
 Tim George
 City Attorney

From: David Ratliff [mailto:david.ratliff@devcowa.com]
Sent: Friday, August 11, 2017 11:52 AM
To: Denise Lathrop <DLathrop@desmoineswa.gov>
Cc: Tim George <TGeorge@desmoineswa.gov>; Matthew Hutchins <mhutchins@desmoineswa.gov>; Michael Matthias <MMatthias@desmoineswa.gov>; 'gxs@coredesigninc.com' <gxs@coredesigninc.com>
Subject: RE: LUA2015-0013 Waterview Crossing Lot Line Adjustment - Notice of Intent to Terminate SSI Pacific Place Development Agreement

Denise,

Thank you for your letter. We are happy to waive the 60-day notice requirement – will this email suffice?

Best,

David Ratliff
 Development Manager
 DevCo, Inc.
 Plaza Center
 10900 NE 8th Street, Suite 1200
 Bellevue, WA 98004
 425.233.6444 D | 425.501.1989 C
David.Ratliff@DevCoWa.com

From: Denise Lathrop [mailto:DLathrop@desmoineswa.gov]
Sent: Friday, August 11, 2017 11:50 AM
To: David Ratliff <david.ratliff@devcowa.com>
Cc: Tim George <TGeorge@desmoineswa.gov>; Matthew Hutchins <mhutchins@desmoineswa.gov>; Michael Matthias <MMatthias@desmoineswa.gov>; 'gxs@coredesigninc.com' <gxs@coredesigninc.com>
Subject: LUA2015-0013 Waterview Crossing Lot Line Adjustment - Notice of Intent to Terminate SSI Pacific Place Development Agreement
Importance: High

Mr. Ratliff:

Attached is City of Des Moines' Notice of Intent to Terminate SSI Pacific Place Development Agreement (Recording No. 20070531001046) which is required in conjunction with the Lot Line Adjustment (lot consolidation) that we are reviewing. The letter is self-explanatory but feel free to contact me if you have any questions.

Can you send me your fax number so I can send a copy via fax. Thanks!

Regards,

Denise E. Lathrop, AICP
Community Development Manager
City of Des Moines Planning, Building and Public Works Department
21630 11th Avenue S, Suite D
Des Moines, WA 98198-6398
Phone: 206-870-6563
Fax: 206-870-6544

IT TAKES A PLACE TO CREATE A COMMUNITY AND A COMMUNITY TO CREATE A PLACE

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Compensation for Non-represented
Employees

FOR AGENDA OF: August 24, 2017

DEPT. OF ORIGIN: Human Resources

DATE SUBMITTED: August 17, 2017

ATTACHMENTS:

1. Draft Resolution No. 17-108 Compensation
for Non-Represented Employees

CLEARANCES:

- ☐ Community Development _____
- ☐ Marina _____
- ☐ Parks, Recreation & Senior Services _____
- ☐ Public Works _____

CHIEF OPERATIONS OFFICER: DJB

- ☒ Legal TG
- ☒ Finance JA
- ☐ Courts _____
- ☐ Police _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: [Signature]

Purpose and Recommendation

The purpose of this agenda item is for City Council approval of the proposed Resolution regarding compensation for regular, non-represented employees. It is recommended that the City Council pass Resolution No. 17-108 providing wage increases, medical plan changes, and annual vacation carry over maximums which are equitable in comparison to the recently settled Teamsters Collective Bargaining Agreement.

Suggested Motion

Motion: "I move to adopt Draft Resolution No. 17-108 regarding compensation for non-represented employees from January 1, 2017, through December 31, 2019, providing wage increases and benefits changes which are equitable in comparison to the Teamsters Collective Bargaining Agreement."

Background

The City's regular non-represented employees fall into three groups; the General Employees, who are eligible for overtime compensation under the Fair Labor Standards Act (FLSA); the Exempt Employees, who are exempt under the FLSA; and the Directors. In December 2016, both the Exempt and General Employee groups formally acknowledged that they are not labor/union units, expressing their preference to work with management in a collaborative, advisory capacity, without being bound by the constraints of RCW 41.56. The City treats the General and Exempt employees equitably in relation to those represented by labor unions in accordance with DMMC 2.12.010, with the exception of the constraints of bargaining units with binding arbitration which necessitates a different outcome for certain uniformed groups of employees.

Discussion

By reducing medical insurance costs and providing wage increases of 1.36% in 2017, 1.9% in 2018, and 1.9% in 2019, this Resolution will assist the City in its efforts to achieve financial sustainability and greater predictability in terms of labor costs. Under this Resolution, non-represented employees will switch to a lower-cost medical plan, moving from the AWC HealthFirst Plan to the AWC HealthFirst 250 Plan. Likewise, the Kaiser Permanente \$10 Copay Plan is being reduced to the Kaiser Permanente \$200 Deductible Plan. Their choice of medical plans continues to include the Regence High Deductible Health Plan and the Kaiser Permanente High Deductible Health Plan. The reason that non-represented employees are receiving a 1.36% total wage increase for 2017, while the Teamsters received a 1.7% increase, is because the Teamsters moved to these lower cost plans effective August 1, 2017, whereas non-represented employees will do so effective January 1, 2018.

Alternatives

The Council could choose not to approve the Resolution and direct the City Manager to consider alternative wage and benefits packages for non-represented employees.

Financial Impact

The 2017 budget assumption for the non-represented employees was a 1.0% wage increase, so the additional 0.36% is currently unbudgeted for 2017. Based on the assumption that non-represented employees will receive an equivalent combination of pay and benefits to the Teamsters (1.7% in 2017, 1.9% in 2018 and 2019), and all employee groups receive 2.0% wage increases in 2020 and 2021, this compensation package is forecasted to be sustainable in the 2018-2022 Financial Forecast; i.e., forecasted ongoing revenues exceed ongoing expenditures.

Recommendation or Conclusion

Administration recommends approval of the proposed Agreement as it contains those changes and compromises authorized by the Council.

**HUMAN RESOURCES DRAFT AS OF 8/15/2017
DRAFT RESOLUTION NO. 17-108
COMPENSATION FOR NON-REPRESENTED EMPLOYEES**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, regarding salaries, wages and benefits for non-represented employees for the period January 1, 2017, through December 31, 2019.

WHEREAS, this Resolution pertains to all regular employees, excluding those who are represented by labor organizations, specifically, Teamsters Local 763, Des Moines Police Guild, and Des Moines Police Management Association, and

WHEREAS, the City's non-represented employees fall into three groups: General Employees, those who are eligible for overtime compensation under the Fair Labor Standards Act (FLSA); Exempt Employees, those who are exempt under the FLSA; and the remaining exempt employees known as Directors, which for purposes of this Resolution includes all department heads, the Assistant Chief of Police, the Chief Operations Officer, and the City Manager, and

WHEREAS, in December 2016, the General Employees and Exempt Employees entered into memorandums of understanding with the City formally acknowledging that they are not collective bargaining organizations, preferring to seek mutual understanding for employees and city management in an informal, collaborative process to discuss issues of concern in the workforce without being bound by the constraints of chapter 41.56 RCW, and

WHEREAS, the parties further agreed that the City will treat non-represented employees equitably in relation to those represented by labor unions in accordance with DMMC 2.12.10, with the exception of the constraints of bargaining units with binding arbitration which necessitates a different outcome for certain uniformed groups of employees, and

WHEREAS, the City Council recently approved a Collective Bargaining Agreement with Teamsters Local Union Number 763 for the period January 1, 2017, through December 31, 2019,

WHEREAS, the Association of Washington Cities is eliminating its highest cost medical plans, the HealthFirst and Kaiser Permanente \$10 Copay plans, effective January 1, 2018; while the Teamsters agreed to replace those plan choices with the HealthFirst 250 and Kaiser Permanente \$200 Deductible plans effective August 1, 2017, the Non-represented employees will do likewise effective January 1, 2018; and

WHEREAS, the City Council has determined that it is in the best interest of the citizens of Des Moines for the City to provide wage increases and benefit adjustments to non-represented employees consistent with the Teamsters Agreement; now, therefore,

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

Sec. 1. The City hereby provides the following for its regular non-represented employees effective January 1, 2017, and remaining in effect as follows until December 31, 2019. All provisions of past resolutions, agreements or memorandums of understanding between the City and the General Employees and the Exempt Employees not modified by this Resolution remain in full force and effect. All personnel rules and regulations as may be promulgated according to DMMC 2.12.10 shall govern unless expressly contrary to this Resolution.

Sec. 2. Salaries and Wages. Salaries and wages shall be increased as follows, maintaining the established differentials between pay steps and ranges:

(1) 1.36% increase effective January 1, 2017, providing a 0.36% retroactive pay increase in addition to the 1.0% increase already implemented per Resolution 17-004; such retroactive pay increase shall apply to current employees on the payroll as of the date of Council approval of this Resolution;

(2) 1.9% increase effective January 1, 2018; and

(3) 1.9% increase effective January 1, 2019.

Sec. 3. Medical plan options. Effective January 1, 2018, the City shall pay medical premiums and make Health Reimbursement Arrangement (HRA) contributions for eligible employees with the following options:

(1) The City will pay 90% of eligible employee's premium and 80% of the spouse and dependents' premiums for the HealthFirst 250 and the Kaiser Permanente \$200 Deductible health insurance plans. For employees enrolling in these plans, the City will make the following annual contributions to the employee's HRA VEBA: \$580 for employee only coverage; or \$1,130 for any family coverage. For new hire employees, HRA VEBA funding will be prorated based on the number of months covered for the remainder of the calendar year.

(2) The City will pay 100% of eligible employee's premium and 90% of the spouse and dependents' premiums for the Regence High Deductible Health Plan (HDHP) and the Kaiser Permanente HDHP; for employees enrolling in these plans, the City will provide a notional Health Reimbursement Arrangement (HRA) of \$1,500 for employee only coverage, or \$3,000 for any family coverage. The City will fund the notional HRA by preloading a benefits debit card for each employee on an annual basis. Once the deductible has been met, and the employee has also paid coinsurance costs \$1,500 above and beyond the deductible for employee only coverage, or \$3,000 above and beyond the deductible for any family coverage, the City will pay any further coinsurance costs which apply to the employee's annual out-of-pocket limit. Any unused balance in the notional HRA will be rolled into the employee's HRA VEBA account in April of the following year. For new hire employees, notional HRA funding will be prorated based on the number of months covered for the remainder of the calendar year.

(3) If an employee opts out of the City's medical plans entirely, the employee will receive their choice of cash or Section 457 deferred compensation payments in lieu of the medical benefits. Such payment will be equal to twenty-five percent (25%) of the City's savings, based on the maximum medical plan premiums available plus the HRA contributions the City would have paid for the employee and any spouse and/or dependents who are eligible for City medical coverage. To be eligible for such payments, the employee must provide proof of comprehensive group coverage under another medical insurance plan through an employer or other entity that covers all individuals in a group. Individual medical insurance purchased on an individual or family basis does not qualify under this plan. The City reserves the right to suspend or discontinue such payment in lieu of City medical coverage for future years. Employees will be notified during the open enrollment period if this option is suspended or discontinued.

Sec. 4. Sick leave cash out to HRA VEBA upon separation. Upon the separation from service of an employee in good standing with at least 10 years of service with the City of Des Moines, or upon the death of any employee regardless of years of service, the City will cash out 25% of the employee's sick leave balance or 200 hours, whichever is less. For employees with at least 20 years of service, the City will cash out 400 hours or 50% of the employee's sick leave balance, whichever is less. Employees who are discharged or resign in lieu of discharge are not eligible for this cash out benefit. As a tax savings to the employee, the City shall pay any sick leave cash out provided under this Section by contributing the entire cash-out value of all unused sick leave hours accrued and available to the employee's HRA VEBA account.

Sec. 5. Vacation. Each regular full-time employee shall accrue vacation leave at the following rates:

<u>Years of Employment</u>	<u>Vacation Hours Earned</u>
0 – 3 years	8 hours per month
4 – 6 years	10 hours per month
7 – 10 years	12 hours per month
11 – 15 years	14 hours per month
16+ years	16 hours per month

(1) **Vacation carry over reduction.** The maximum vacation hours that can be carried over from one calendar year to the next, which had ranged between 255 to 315 hours based on years of employment, will be reduced to 240 hours for all employees. To allow time to implement this change, all employees who are in excess of 240 hours shall make a good faith effort to reduce their vacation bank down to the new maximum of 240 hours by December 31, 2019.

(2) **Vacation carry over maximum.** Employees are encouraged to use vacation in the year it is earned. The maximum vacation hours that any employee can carry over from one calendar year to the next is 240 hours. However, where City operations make it impractical for an employee to use his/her vacation time, the City Manager may authorize the employee to carry over more hours, provided that the employee submits a request to carry over the additional hours that explains

DRAFT Resolution No. 17-108
Page 4 of 5

why he/she could not use all the hours over the maximum carry over amount in that year and details a plan to make sure he/she will not carry over more than the maximum the following year. This request must be endorsed by the department director.

Sec. 6. Conflicts. Where a conflict exists between the terms of this Resolution and the Des Moines Personnel Manual, this Resolution shall control.

Sec. 7. Ratification and confirmation. Any acts consistent with the authority and prior to the effective date of this Resolution are hereby ratified and confirmed.

ADOPTED BY the City Council of the City of Des Moines, Washington this _____ day of _____, 2017, and signed in authentication thereof this _____ day of _____, 2017.

M A Y O R

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Community Development Staffing

FOR AGENDA OF: August 24, 2017

ATTACHMENTS:

1. Development Fund Revenue Trends and Forecast, PowerPoint Slides – August 12, 2017 Budget Retreat Presentation
2. Development Activity, PowerPoint Slides – August 12, 2017 Budget Retreat Presentation

DEPT. OF ORIGIN: Community Development

DATE SUBMITTED: August 16, 2017

CLEARANCES:

- ☒ Community Development JMC
☐ Marina _____
☐ Parks, Recreation & Senior Services _____
☐ Public Works _____

CHIEF OPERATIONS OFFICER: DJB

- ☒ Legal YG
☒ Finance DM
☐ Courts _____
☐ Police _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: [Signature]

Purpose and Recommendation

The purpose of this agenda item is for the City Council to consider authorizing additional expenditures for staffing in the Community Development Department due to the record increase in development activity. The following motion will appear on the Consent Calendar:

Suggested Motion

Motion: “I move to authorize expenditures for an additional two FTE’s in the Community Development Department, with funding from the Development Services Fund, and direct administration to bring forward a corresponding budget amendment to reflect the costs for the added staff.”

Background & Discussion

Community Development is the face of City Hall and the first stop for customers when conducting business in the City. The Community Development Department’s functions include administering development and building codes, providing information about regulations, permits, and business licenses, and to provide policy and long range planning services.

As discussed with the City Council at the budget retreat on August 12, 2017, the intensity of development activity has been steadily increasing, and many of the projects are large, complex developments.

Attachment 1 contains selected PowerPoint slides from the budget retreat presentation illustrating a strong development revenue picture and the forecast development fund balance exclusive of one-time permit fees.

Attachment 2 contains additional slides from this presentation related to the current and anticipated development review workload, known one-time permit revenues, and permit volume trends.

One of the most difficult challenges in light of this record-setting development activity is to continue to provide high quality, timely, customer service to each of these projects, enhancing our profile in the development community and enabling successful projects. As discussed at the August 12th retreat, to provide the service needed to these developments, additional staffing is recommended. These positions are proposed to consist of a Building Inspector/Plans Examiner and a Planner I or similar classifications. The Building Inspector/Plans Examiner would provide capacity in processing and inspecting the heavy building permit workload. The Planner I position would serve a dual role in supporting the front counter and completing project reviews.

Financial Impact

Costs associated with the additional staffing would be covered by the development fund (Fund 105) and have no impact to the general fund. Should the hiring process be complete by October 1st, salaries and benefits for three months of 2017 would be covered by the fund balance in the development fund, and on-going costs would continue to be covered by permit revenues.

Alternatives

The Council could authorize expenditures for additional consultant services to provide the added support. However, with the current record development levels, high quality and timely consultant services are difficult to obtain, and demand premium prices. Use of consultant services would not fulfill succession planning needs.

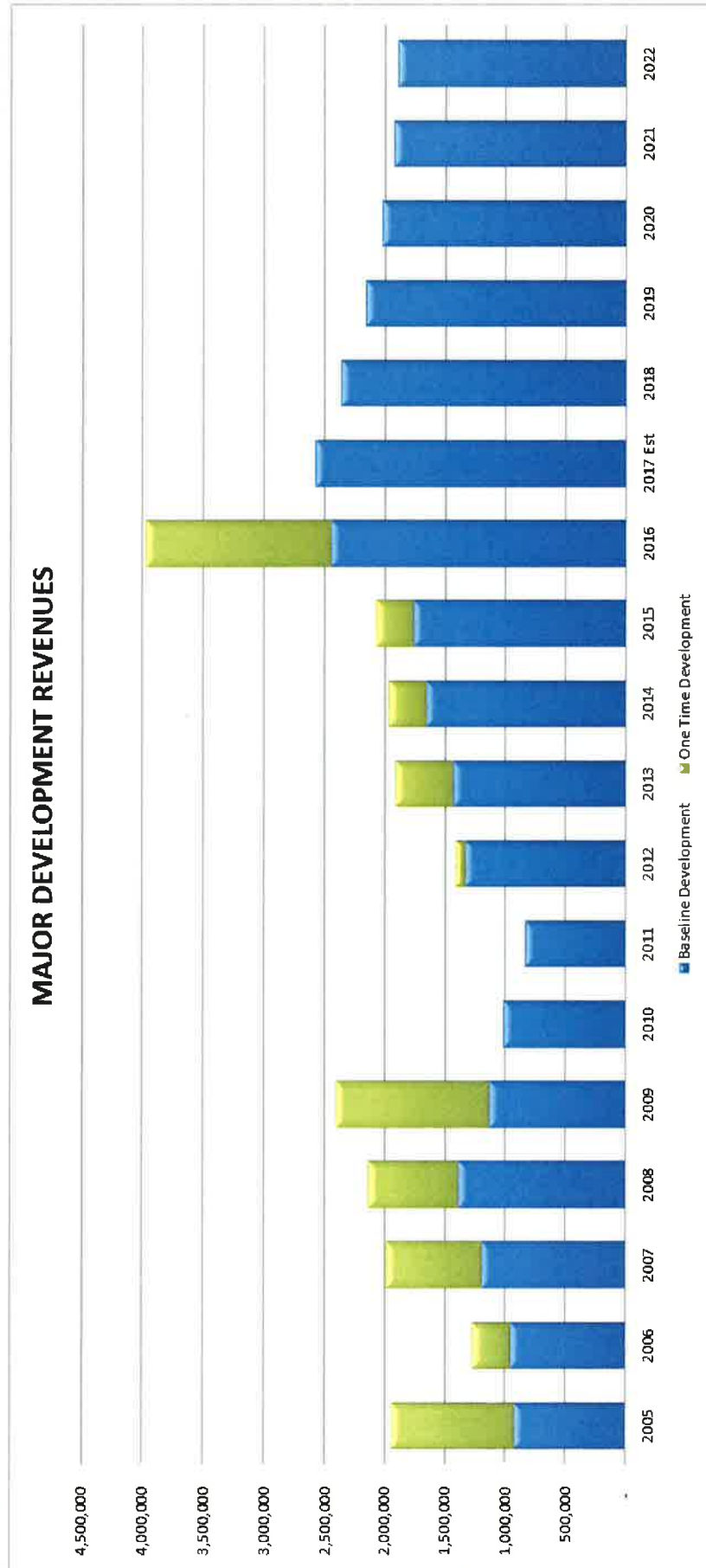
Recommendation

Staff recommends that the Council pass the proposed motion.

Concurrence

Administration, Legal and Finance Departments concur.

DEVELOPMENT FUND – REVENUE TRENDS



DEVELOPMENT FUND –

NO "ONE-TIME" PROJECTS INCLUDED IN REVENUE
FORECAST YEARS

2017-2022 DEVELOPMENT FUND FINANCIAL FORECAST

	BUDGET 2017	REVISED EST 2017	BUDGET 2018	FORECAST		
	<u>1,508,000</u>	<u>1,508,000</u>	<u>1,869,000</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
BEGIN RESERVE				<u>1,812,000</u>	<u>1,457,000</u>	<u>893,000</u>
Revenues	<u>1,962,000</u>	<u>2,576,000</u>	<u>2,368,000</u>	<u>2,167,000</u>	<u>2,017,000</u>	<u>1,919,000</u>
Expenditures	<u>(2,187,000)</u>	<u>(2,215,000)</u>	<u>(2,425,000)</u>	<u>(2,522,000)</u>	<u>(2,581,000)</u>	<u>(2,635,000)</u>
Net Activity ("Profit/Loss")	<u>(225,000)</u>	<u>361,000</u>	<u>(57,000)</u>	<u>(355,000)</u>	<u>(564,000)</u>	<u>(716,000)</u>
						<u>1,891,000</u>
						<u>(2,688,000)</u>
						<u>(797,000)</u>
ENDING RESERVE	<u>1,283,000</u>	<u>1,869,000</u>	<u>1,812,000</u>	<u>1,457,000</u>	<u>893,000</u>	<u>177,000</u>
						<u>(620,000)</u>

Current Projects

Fees Already Paid – Still Providing Permit Services

Under Construction or Review	Description
Des Moines Creek Business Park	Phase II: GSA building
Des Moines Creek Business Park	Phase III: 349,000 sq. ft. and 238,000 sq. ft.
Highline Place Phase I	Mixed Use
Adriana Mixed Use Project	Mixed use
Waterview Crossing	Mixed use (three buildings)

Under Construction or Review	Description
Wesley Homes Phase IA	15 units, 9 cottages
Wesley Homes Phase IB	Brownstones/Cottages
Pacific Heights	PUD - 77 lots
BeBe Nails	Commercial
Interim School – Olympic	Remodel (high school)
Comfort Inn	Commercial (hotel)

Known Future One-Time Projects: Revenue

Project	Year	Valuation	Fee Estimate (excludes impact and fire fees)
Des Moines Creek Business Park Phase IV (Furney/Ono)	2017-2018	\$27 M	\$275,000
Waterview Crossing (6 buildings)	2017-2018	\$41.4 M	\$483,000
Wesley Homes Phase II	2018	\$42.5 M	\$427,000
Des Moines Elementary School	2018	\$38 M	\$382,000
Total		\$148.9 M	\$1,567,000

- Fees are not included in the budget.
- Resources are not included in the budget.

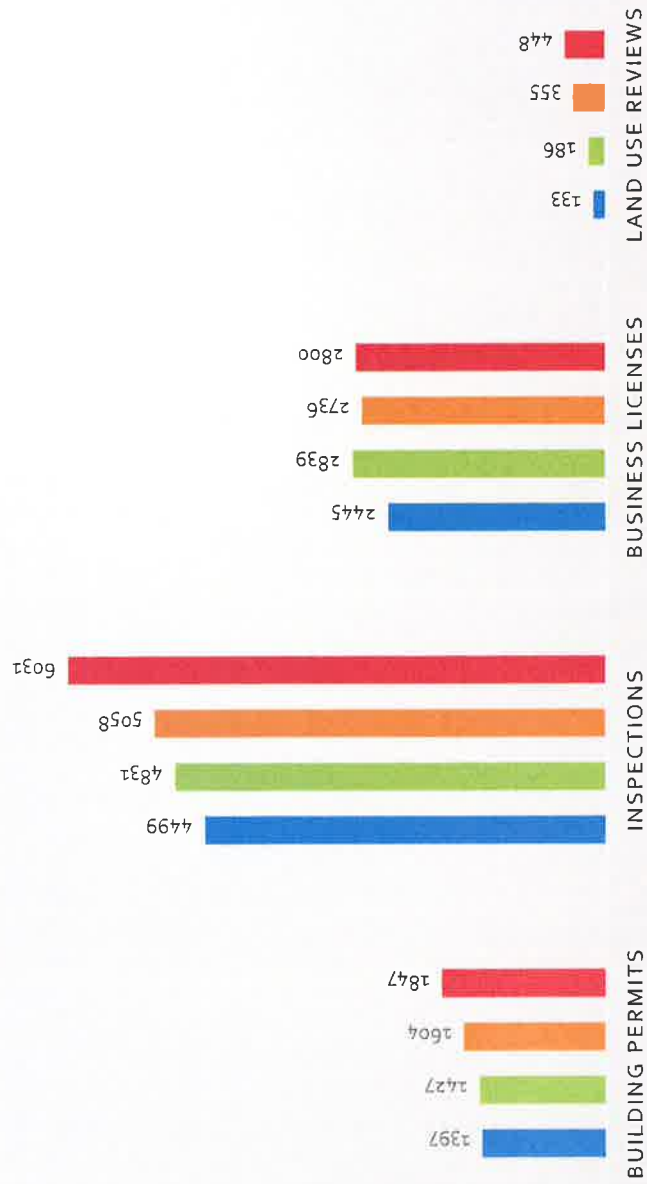
Anticipated 2017- 2018 Projects

Development Name	Description	Development Name	Description
Highline College	Building 26	Bay Villa	Mixed Use
Highline Place Phase II	Mixed Use	Des Moines Mixed Use	Mixed Use
Des Moines Theatre	Building permit	Marina Re-development	Mixed Use
Seascope	Building permit	Woodmont Mixed Use	Mixed Use
Marina 87	Mixed Use	Sound Transit	Light Rail
Local 242 North Site	Mixed Use		

➤ Subdivision/short subdivision lots recorded or in review - 210

Permitting Activity

■ 2014 ■ 2015 ■ 2016 ■ 2017 projected



Community Development Workload

- Provide front counter service.
- Meet permitting timelines.
- Service workload, reviews and inspections.
- Provide continuity and training for future.
- Sustainability:
 - Projected revenue strong, high activity levels
 - High confidence level

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT:

Dorothy M. Provine Estate Bequest-
Expenditure Recommendations-
1. Accordion Room Divider
2. Activity Center Floor Repair & Refinish

ATTACHMENT:

FOR AGENDA OF: August 24, 2017

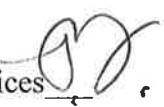
DEPT. OF ORIGIN: Parks, Recreation, & Senior
Senior Services

DATE SUBMITTED: August 9, 2017

CLEARANCES:

[NA] Community Development _____

[NA] Marina _____

[X] Parks, Recreation & Senior Services 

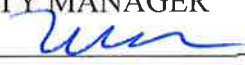
[NA] Public Works _____

CHIEF OPERATIONS OFFICER: DSB[NA] Legal TG[X] Finance pm

[NA] Courts _____

[NA] Police _____

APPROVED BY CITY MANAGER

FOR SUBMITTAL: **Purpose and Recommendation**

The purpose of this agenda item is to seek City Council approval to expend proceeds from the Provine Estate bequest for Senior Center Improvements in amount not to exceed \$15,200. The current balance of the fund is \$57,000. The following motions will appear on the consent calendar:

Suggested Motions

Motion 1. "I move to approve the expenditure of up to \$10,000 of the funds donated from the Dorothy M. Provine Estate to City of Des Moines Senior Services for the purchase of a sound reducing accordion room divider."

Motion 2. "I move to approve the expenditure of up to \$5,200 of the funds donated from the Dorothy Provine Estate to City of Des Moines Senior Services for the repairs and refinishing to the Activity Center's hardwood floors."

Motion 3. "I move to direct Administration to bring forward a budget amendment reflecting these additional expenditures."

Background

On April 8, 2016 the City of Des Moines received \$150,000 funds distributed from the Estate of Dorothy M. Provine for the benefit of the Des Moines Senior Center. This was a generous gift to our senior adult community that will make a difference in the lives of both our active and fragile senior adults.

Discussion

Staff was asked to make a proposal for the use of the \$150,000 funds. Some of these funds have been used for the purchase of a passenger van for the Parks, Recreation and Senior Services Department. The current balance for the remaining funds is \$57,000.

Keeping in mind that the \$150,000 bequeathed to the City is considered one-time money, the Senior Services Manager recommends that some of the funds be utilized for the purchase of an accordion room divider and the repair and refinishing of the hardwood floors at the Activity Center. These projects will directly benefit the Parks, Recreation and Senior Services Department's programs and services for older adults for which the bequest was intended to support.

Purchase a new accordion room divider: This strong, sound reducing, accordion room divider will replace the current wood room divider purchased with former donations from Des Moines senior citizens to complete the activity center when it opened in 2001. The wood room divider is not sound reducing and is starting to fall apart. It is time to replace the wood room divider with a more solid, sound reducing, ceiling track room divider. Staff would like to purchase the new accordion room divider in the 2017 budget year. Cost for a new accordion room divider is \$10,000, including installation.

Repair and Refinish Hardwood Floors at the Activity Center: The hardwood floors at the Activity Center were on an annual refinish and polish schedule until 2014. The floor is buckling in places and needs to be repaired. Refinishing the floor on an annual basis helps maintain the look and maintenance of the hardwood. Cost for the repair and refinish of the hardwood floor is \$5,200. Staff would like to repair and refinish the floor in the 2017 budget year.

Alternatives

City Council can choose not to approve the requests as recommended by the Senior Services Manager.

Financial Impact

The above repairs will lower the restricted cash on hand from donations and will not affect the unrestricted cash on hand in the General Fund. The increase in expenditure authorization will be included in the November budget adjustment.

Recommendations

The Parks, Recreation and Senior Services Director, the Senior Services Manager, and the Senior Services Advisory Committee recommend the City Council approve the requests for the expenditure of the balance of Provine Estate funding as proposed.

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: MOU with Forterra for Land Acquisition

ATTACHMENTS:

1. MOU with Forterra

FOR AGENDA OF: August 24, 2017

DEPT. OF ORIGIN: Legal

DATE SUBMITTED: August 23, 2017

CLEARANCES:

- ☐ Community Development _____
- ☐ Marina _____
- ☐ Parks, Recreation & Senior Services _____
- ☐ Public Works _____

CHIEF OPERATIONS OFFICER: _____

- ☒ Legal 
- ☐ Finance _____
- ☐ Courts _____
- ☐ Police _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: DJB for M.M.

Purpose and Recommendation

The purpose of this agenda item is for City Council to approve the Memorandum of Understanding with Forterra for the purposes of acquiring the property at 402 S. 222nd St. in Des Moines.

Suggested Motion

Motion 1: “I move to approve the Memorandum of Understanding between the City and Forterra, allowing Forterra to proceed with acquisition of the property at 402 S. 222nd St., setting the terms for the City to purchase the property from Forterra by December 31st, 2020, and to authorize the City Manager to sign the Agreement substantially in the form as attached.”

Background

Located at 402 S. 222nd St. in Des Moines, this site of local significance sits above Cliff Avenue overlooking Puget Sound and provides sweeping views of the water and the Marina floor. The parcel contains a gross land area of 28,998 square feet, or about 0.6657 acres, in one assessor's parcel, with frontage on the west side of S. 222nd St., and frontage on the east side of the undevelopable part of the steeply sloped right-of-way of Cliff Ave. S. The site currently supports a single-family residence constructed in 1889, a detached four-bay wood frame garage, and typical residential site improvements.

Discussion

The City recently identified the site for acquisition when it was put on the open market for sale in order to preserve the property, provide additional park and open spaces in the City in accordance with the Comprehensive Plan, and to ensure that the site was not redeveloped in a manner that would further limit public access and views of the Puget Sound.

The property was originally listed for \$1.9 million dollars. After an agreement with a private developer fell through, the City was able to begin negotiations with the property owners. The City then began discussions with Forterra on a potential partnership in order to secure immediate funding which will allow the City to seek available grants or outside funding sources.

The agreed to purchase price is \$1,190,000 which will initially be funded by Forterra while the City works to secure funding through available grants. In addition to grant funding, the City has allocated "park in-lieu" fees which the City has already received from current and former development projects within the City to cover a portion of the purchase price. These funds are limited by state law to specific uses including the acquisition of additional park capacity. No funds that could be used for ongoing structural expenses in the General Fund (like additional staff), or for Capital Improvements (like the reconstruction of the Marina bulkhead) are being used for this purchase.

Financial Impact

The purchase price of the property is \$1,190,000.00. By partnering with Forterra and having them initially purchase the property, the City is able to seek grant funds to cover the cost of the purchase. The City will be responsible for some administrative costs of Forterra (capped at \$10,000) as well as a 5-6% opportunity fee due at the time the City is able to purchase the property from Forterra.

Some potential grants available to the City cannot be applied for after a property is purchased, so by having Forterra purchase the property and hold it for the City, the City will be able to seek all available grant money.

Recommendation

Administration recommends approval of the MOU.

**Memorandum of Understanding for Land Acquisition
Between City of Des Moines and Forterra**

This Memorandum of Understanding ("MOU") is entered into on August ____, 2017, by City of Des Moines, a Washington municipal government ("City") and Forterra, a Washington non-profit corporation ("Forterra").

Whereas, the City has identified certain real property comprising approximately 0.67 acres and identified as King County Parcel 200900-3295 (the "Property") for acquisition; and

Whereas the Property possesses important open space, viewshed, scenic, recreational and community values that are of great importance to the people of the City. These values are referred to herein as the "Conservation Values" of the Protected Property; and

Whereas, the Property is available for sale, but the City does not have funding available to complete the transaction at this time; and

Whereas, City requested Forterra to proceed with acquisition of the Property with the understanding that City would exercise best efforts to secure funding to purchase the Property from Forterra and to obtain City Council approval for the purchase of the Property with such funds; and

Whereas, because of the significant Conservation Values associated with the Property and the City's commitment to make best efforts to secure funding as further detailed in this MOU, Forterra is prepared to proceed with acquisition of the Property based on the terms set forth below.

Now therefore, based on the mutual promises made herein, the parties agree as follows:

1) Forterra Property Acquisition. Forterra will accept the assignment of the existing purchase and sale agreement (attached as Exhibit B) from City in order to acquire the Property from the landowners, and will seek to acquire the Property by September 29, 2017 for one million, one hundred-ninety thousand dollars (\$1,190,000) as agreed to by the City and the landowners on August 2, 2017. Forterra will complete this acquisition, provided that Forterra and the City jointly determine to proceed with the acquisition based upon the results of the transactional due diligence, as defined below.

- a. Legal document review: Forterra will review the City's title report, deed, and other due diligence materials (e.g., deed) prior to closing, and will submit its satisfaction or objections in writing ____ days prior to the closing date, and will work with the Title Company and/or Seller to resolve any due diligence concerns prior to close.
- b. Environmental Assessment: Forterra, while it typically completes Phase I Environmental Site Assessments on properties it acquires, will not complete this step. City agrees to release and defend, indemnify and hold Forterra, its agents, directors,

employees, officers, and partners, harmless from and against (1) any and all site contamination existing on or under the Property before or during Forterra's ownership of the Property, and (2) any and all actions, damages, expenses, liabilities, liens, losses, suits, and other claims (including attorneys' fees and costs) arising from or relating to any such site contamination or to Forterra's investigation of the Property and the entry upon the Property by Forterra, its agents, contractors, and employees, except to the extent the same are caused solely by the negligence of Forterra, its agents, directors, employees, officers, and partners.

2) City Funding. City will apply for funding to acquire the Property utilizing appropriate funding sources (e.g., King County Conservation Futures) and will seek approval and authorization from the City Council to spend such grant funds. If City is unsuccessful in its efforts to obtain such grants sufficient to complete the entire purchase, it will pursue other funding opportunities and City and Forterra may mutually agree to an extension of the time for performance of this MOU as further provided below.

3) City Council Authorization. Upon securing sufficient funds to acquire the Property from Forterra, City will request its City Council's authorization to approve and authorize the expenditure of such funds for the acquisition of the Property from Forterra. It is understood by Forterra that the City's acquisition of the Property is contingent upon receipt of sufficient grant funds and approval and authorization by City Council to expend such funds for the acquisition of the Property. In the event the City is for any reason unable to acquire the Property from Forterra as contemplated in this MOU, the City understands and agrees that, given Forterra's commitment of financial resources, Forterra is free to pursue any divestment or use of the Property deemed necessary by Forterra in its sole and absolute discretion.

4) Purchase Price. The purchase price paid by Forterra to the Landowner for the Property (the "Forterra Purchase Price") shall be the agreed-to sale price mutually-established by City and the landowners on August 2, 2017. The Purchase Price paid by the City to Forterra for the Property shall be the same Purchase Price paid by Forterra to the Landowner for the Property (the "City Purchase Price"). If the City and Forterra decide to remove the buildings and/or other structures on the Property, the City will cover any loss in value to the Property resulting from such removal.

5) City Reimbursement of Costs. In addition to the City Purchase Price, the City will reimburse Forterra as follows:

a. Forterra's holding costs, consisting of property taxes and any other governmental fees incurred and paid by Forterra after acquisition and prior to conveyance to the City or termination of this MOU, whichever occurs first ("Holding Costs").

i. In the event Forterra acquires the Property as contemplated in this MOU, the City has determined that it will lease the Property from Forterra beginning on the date Forterra acquires the Property until such time as Forterra sells all of its interest in the Property or termination of this MOU, whichever occurs first. As part of such lease, the City will be responsible for all management, maintenance and insurance of the

Property and all costs related to such responsibilities, and shall be liable for all enforcement costs, including without limitation legal costs, in the event of trespass, damage and/or other negative impacts to the conservation and/or economic values of the Property during Forterra's ownership. Terms of the lease shall be mutually agreed upon by Forterra and the City in writing before Forterra acquires an interest in the Property. In no event shall the lease require the City to pay any rent.

b. Staff labor costs invoiced on a flat fee basis, including without limitation transactional staff time and stewardship during Forterra's ownership of the Property, not to exceed a maximum of \$10,000 without prior written permission from the City. Any amount(s) approved by City in excess of \$10,000 shall be invoiced on an hourly basis with descriptions of work performed.

c. Closing costs related to the transfer of title from landowner to Forterra, including but not limited to escrow service fees, recording fees, and title insurance ("First Closing Costs").

d. Closing costs related to the transfer of title from Forterra to the City, including but not limited to escrow service fees, recording fees, title insurance, and Real Estate Excise Tax ("Second Closing Costs").

e. Loan costs in the event Forterra utilizes a loan or any other interest-accruing financial vehicle from a third party to acquire the Property, consisting of actual loan fees and actual interest accrued at a rate not to exceed prime plus 0.25% per year on the funds provided by the third party to Forterra for the Property (i.e. Purchase Price, Closing Costs, and any interest added to principal) covering the period from Forterra's acquisition until conveyance of the Property to the City or December 31, 2020, whichever occurs first.

f. An opportunity fee equal to the sum of 1) 6% of the Purchase Price on the first one million dollars in value, and 2) 5% of the Purchase Price for the value in excess of one million dollars, paid at the closing of the acquisition by City.

g. In the event the City does not purchase the Property from Forterra as contemplated in this MOU, any decrease in the value of the Property resulting directly from actions taken or directed by the City during the Term of this MOU, including without limitation any decrease in value related to the removal/demolition of structures or other infrastructure on the Property. Such decrease in value shall be determined by an update to the Appraisal using the original appraised value, with such update commissioned and paid for by the City.

The City's reimbursement for items identified in sections 5) d and f is contingent upon (1) Forterra's successful acquisition of the Property from the landowner, and (2) execution of a purchase and sale agreement or assignment agreement ("Transactional Document") by Forterra and the City for conveyance of the Property to the City. The City's reimbursement for items identified in sections 5) a, c, e, and g is contingent upon only Forterra's successful acquisition of

the Property from the landowner. The City shall reimburse Forterra for items identified in section 5) b within thirty (30) days of receipt of written invoice from Forterra regardless of whether or not Forterra has been able to complete the acquisition of the Property.

On a quarterly basis, Forterra shall submit a written invoice to the City for items in sections 5) a, b, and e. Within thirty (30) days after Forterra acquires the Property, Forterra shall submit a written invoice to the City for First Closing Costs under section 5) c. Within thirty (30) days after the City acquires the Property from Forterra, Forterra shall submit a written invoice to the City for the opportunity fee under Section 5) f and the Second Closing Costs under Section 5 d. The City shall pay Forterra within thirty (30) days of receipt of each invoice.

6) Enforceability. This MOU constitutes a binding contract for the City to reimburse Forterra for its costs incurred under above sections 5) a, b, c, and e. This MOU is not and shall not be construed as creating a binding contract with respect to the City's acquisition of the Property, and a binding contract for the City to purchase the Property will not exist unless and until the City and Forterra have executed a Transactional Document with mutual consideration that has been approved as may be necessary by the appropriate authorities; provided, however, that if the City secures funding and appropriate City Council approval to acquire the Property as intended under this MOU, then the City and Forterra will proceed with the necessary steps to negotiate and execute the Transactional Documents whereby, in addition to paying Forterra the Purchase Price, the City shall reimburse Forterra for items 5) d and f.

7) Term and Amendment. This MOU anticipates acquisition of the Property by Forterra on or before September 29, 2017. If acquisition of the Property is not completed on or before that date, this MOU will terminate and the City may seek to directly acquire the Property. If Forterra acquires the Property prior to that date, this MOU will terminate on the earlier of execution of a fully authorized Transactional Document by the City and Forterra for conveyance of the Property to the City on or before December 31, 2020. The parties may mutually agree to extend this MOU beyond these dates. Any amendment to this MOU must be in writing and mutually agreed to by the City and Forterra.

8) Limitations on Forterra. Forterra is precluded from disposing of the Property during the term of this MOU.

9) Authority. Each party to this Agreement, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Agreement and that its execution, delivery, and performance of this Agreement has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

Entered into this _____ day of _____, 2017.

Forterra, a Washington non-profit corporation

BY: _____
Title: _____

City of Des Moines, a political subdivision of the State of Washington

BY: _____
Name, Title
City of Des Moines

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Update on the Implementation of the
Pay Parking System in the Marina

ATTACHMENTS:

1. N/A – Staff will provide PowerPoint
update at 8/24 Council Meeting

FOR AGENDA OF: August 24, 2017

DEPT. OF ORIGIN: Marina

DATE SUBMITTED: August 17, 2017

CLEARANCES:

- ☐ Community Development _____
☒ Marina 8
☐ Parks, Recreation & Senior Services _____
☒ Public Works PBC

CHIEF OPERATIONS OFFICER: DJB

- ☒ Legal 56
☒ Finance _____
☐ Courts _____
☐ Police _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: [Signature]

Purpose and Recommendation

The purpose of this agenda item is to update the Council on the progress of the implementation of the pay parking system in the Marina.

Suggested Motion

No suggested motion

Background

On July 6th the pay parking system in the Marina began operations. The Marina staff has been logging public and internal concerns and operational suggestions, prioritizing them and taking appropriate action when warranted. The Engineering and Public Works staff committed to monitoring the traffic and parking impacts on the surrounding neighborhood for a period of 45 days and reporting back the results to the City Council for review.

Discussion

Operating Data:

- 77,416 vehicles entered the Marina and Anthony's lots between July 6th and August 15th.
- 47,353 vehicles used tickets, 30,063 vehicles used frequent user passes.
- Pay at the gate parking revenue collected during that period was \$30,756.
- 656 Frequent Users Passes were sold totaling \$12,285. Pass type breakdown was:
 - 542 Resident Frequent User Passes
 - 65 Non-Resident Frequent User Passes
 - 49 Fishing Pier Passes
- Total operating revenue was \$43,041 for the first 41 days of operation.

Priority Issues

- The entry boxes on 227th and in the Beach Park were going off-line randomly, causing slow-downs in the exit lanes because the tickets were not printed correctly.
- The detection loops in the lanes were not picking up large trucks and some access card users which caused the gates to not open or open and stay open.
- The pin pads on the credit card reader do not have enough lighting to see after dark.

The issue with the two entry boxes turned out to be related to the way the computer chips were mounted in the control board in the unit. Parking Boxx replaced the control units with a new generation unit that has "hard wired" chips instead of the plug-in type. They also replaced the control units in the three remaining entry boxes even though they were not having the same problems. This is better for the City because all the units will be identical.

To solve the problem with the loops, the Marina crews installed more and larger loops and the Parking Boxx technician re-adjusted the field strength on all the loops. They appear to be sensing all the vehicles now.

The pin pad lighting issue is currently being resolved by the addition of miniature LED lighting units that will illuminate the key pads after dark. The staff is also adding area lighting near the three pay stations to help illuminate those units.

Next Priority Issues:

- Turn-arounds on South 227th St at the South Lot entrance area.
- Reducing calls for help from the lanes, especially after hours.

To help with the turn-around in lane issues the Marina staff is working with Engineering to install additional signage that will warn motorists about the pay parking area before they get to 6th Avenue so they can re-direct at 6th and signage that will be installed on 227th St. before 7th Ave. to re-direct people who want to go to the Fishing Pier or the Beach Park to 223rd Street. Additionally, Engineering staff is currently reviewing options to improve the vehicle turn around maneuver. It is very likely that vehicle turn arounds at some percentage will always be occurring due to the ongoing potential of first time visitors who are unfamiliar with the operations.

To help reduce calls for help from the lanes the Marina staff will work with Anthony's to develop some alternatives for their after-hours staff and will continue to work with tenants and pass holders on the proper use of the access cards.

Public Safety

One of the primary goals of the Pay Parking Project was to reduce the amount and types of inappropriate uses of the Marina parking lots. The Police Department compiled the following information for the first month of the systems operation, (July).

- 911 calls in July 2016 – 89
- 911 calls in July 2017 – 25
- The 72% reduction in calls for service saved \$3,072 in direct dispatch costs and allowed the Department to redeploy officers to other areas of concern in the City.

The Marina staff will continue to work with the Police Department to lock in these gains in public safety and the resulting savings.

Alternatives – N/A

Financial Impact

At this time the financial impacts associated with Pay Parking are not completely known. The staff is working with other departments to determine the operating costs of the system once the final operating plan/model is in place.

Recommendation – N/A

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Opposition to Siting of Illegal
Substance Injection Facility

ATTACHMENTS:

1. Draft Resolution No. 17-105

FOR AGENDA OF: August 24, 2017

DEPT. OF ORIGIN: Legal

DATE SUBMITTED: August 16, 2017

CLEARANCES:

- ☒ Community Development BMC
- ☐ Marina _____
- ☐ Parks, Recreation & Senior Services _____
- ☐ Public Works _____

CHIEF OPERATIONS OFFICER: DJB

- ☒ Legal AB
- ☐ Finance _____
- ☐ Courts AB
- ☒ Police AB

**APPROVED BY CITY MANAGER
FOR SUBMITTAL:** [Signature]

Purpose and Recommendation

The purpose of this agenda item is for City Council to consider Draft Resolution No. 17-105 which expressly states the City Council's opposition to locating an illegal substance injection facility within the City limits of Des Moines or in areas of unincorporated King County that would directly impact Des Moines.

Suggested Motion

Motion 1: "I move to adopt Draft Resolution No. 17-105 expressly stating the City Council's opposition to locating an illegal substance injection facility within the City limits of Des Moines or in areas of unincorporated King County that would directly impact Des Moines."

Background

The King County Board of Health recently adopted Resolution No. 17-01 endorsing the Heroin and Prescription Opiate Addiction Task Force Final Report and Recommendations calling on local and state actors to implement the public health policies outlined in the report. This includes the establishment of at least two pilot “safe” injection facilities, which King County designates as “community health engagement locations” (CHELs), for supervised injection of heroin and other illegal drugs.

The King County Council, by Ordinance No. 2017-0136.2, amended its appropriations ordinance to provide that no funds from its Mental Illness and Drug Dependency Fund shall be expended to establish an illegal substance injection site except in any city which chooses to establish such a location by vote of its elected governing body.

Discussion

Although there has been no public discussion at the County level of siting an illegal substance injection facility in Des Moines, the City Council has requested staff to prepare a Resolution which would expressly state the Council’s opposition to such a facility. The cities of Federal Way, Bellevue, Auburn and Renton have recently passed similar resolutions.

Assistant Chief Bob Bohl provided information to the City Council regarding these facilities on August 3, 2017. At that time, he stated that the Police Department was not in support of Des Moines hosting an illegal substance injection site.

Although review of the medical and academic literature reveals sporadic attempts to assess the social impacts beyond the health benefits to drug addicts, it is clear that the safe injection sites are a response to an illegal activity. Providing clean needles may reduce health and harm, and a general reduction in the spread of needle born disease including HIV, however, the social and cultural impacts on communities surrounding these safe injection facilities is less well understood and documented.

The City’s current Comprehensive Plan and zoning regulations adopted pursuant to the Growth Management Act do not currently authorize this type of illegal use.

Alternatives

1. Pass the Draft Resolution as written.
2. Pass the Draft Resolution with amendments.
3. Do not pass the Draft Resolution.

Financial Impact

There is no financial impact from adopting this Resolution. There would be a financial impact if a site was located within the City however that analysis has not been conducted at this time.

CITY ATTORNEY'S FIRST DRAFT 08/14/2017**DRAFT RESOLUTION NO. 17-105**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, opposing the siting of illegal substance injection facilities within Des Moines city limits or within areas of unincorporated King County that would directly impact the City of Des Moines, Washington.

WHEREAS, addiction to heroin and illegal drug abuse deteriorates individual and community quality of life, fosters criminal activity, increases mortality, and burdens taxpayer funded services such as police, hospitals, and schools, and

WHEREAS, the King County Board of Health adopted Resolution No. 17-01 endorsing the Heroin and Prescription Opiate Addiction Task Force Final Report and Recommendations calling on local and state actors to implement the public health policies outlined in the report, including the establishment of at least two pilot safe injection facilities, which King County designates as community health engagement locations (CHELs), for supervised injection of heroin and other illegal drugs, and

WHEREAS, the King County Council, by Ordinance No. 2017-0136.2, amended its appropriations ordinance to provide that no funds from its Mental Illness and Drug Dependency Fund shall be expended to establish a "CHEL" except in any city which chooses to establish such a location by vote of its elected governing body, and

WHEREAS, the City of Des Moines has adopted a Comprehensive Plan and zoning regulations pursuant to the Growth Management Act that authorizes uses and activities within the City, and

WHEREAS, the illegal substance injection facilities are not an authorized or permitted use pursuant to the City's Comprehensive Plan and zoning regulations, and

WHEREAS, the City Council finds that the siting of an illegal substance injection facility within the City of Des Moines to facilitate illegal drug use would be detrimental to the public health, safety, and welfare of the residents of Des Moines, and

WHEREAS, the City Council finds that the siting of an illegal substance injection facility near the boundary of the City of Des Moines in areas of unincorporated King County would also be

Resolution No. ____
 Page 2 of ____

detrimental to the public health, safety, and welfare of the residents of Des Moines; now therefore,

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

Sec. 1. The City Council opposes the siting of illegal substance injection facilities within the City of Des Moines.

Sec. 2. The City Council requests that King County not site an illegal substance injection facility within any unincorporated area of King County that would directly impact the City of Des Moines.

Sec. 3. The City Manager is hereby directed to disseminate this Resolution to the King County Council, King County Public Health, and other relevant representatives of federal, state, and local governments as appropriate.

Sec. 4. The City Manager is hereby authorized to implement such administrative and legal procedures as may be necessary to carry out the directions of this resolution.

ADOPTED BY the City Council of the City of Des Moines, Washington this ____ day of _____, 2017 and signed in authentication thereof this ____ day of _____, 2017.

 M A Y O R

APPROVED AS TO FORM:

 City Attorney

ATTEST:

 City Clerk

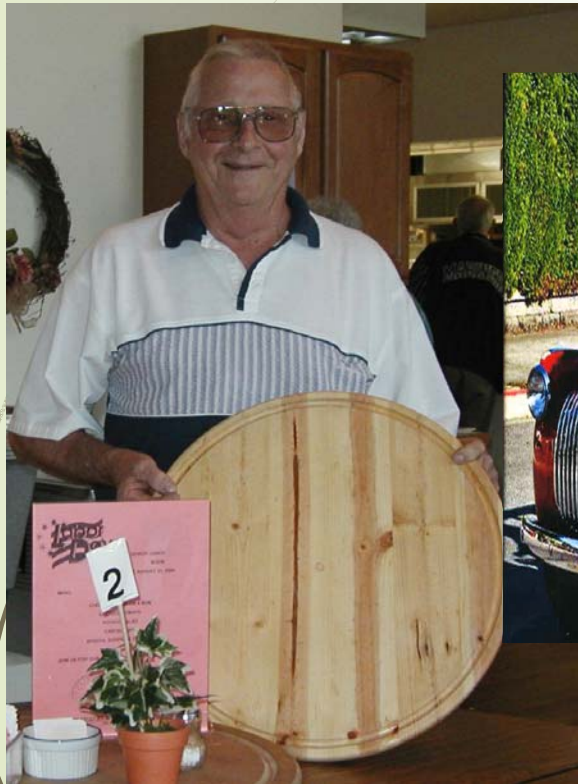
Carmen Scott



Nancy Warren



Richard “Dick” Body



NEW BUSINESS ITEM 1

Forterra Memorandum of Understanding

VAN GASKEN PROPERTY ACQUISITION

City had an incredible opportunity to acquire this property



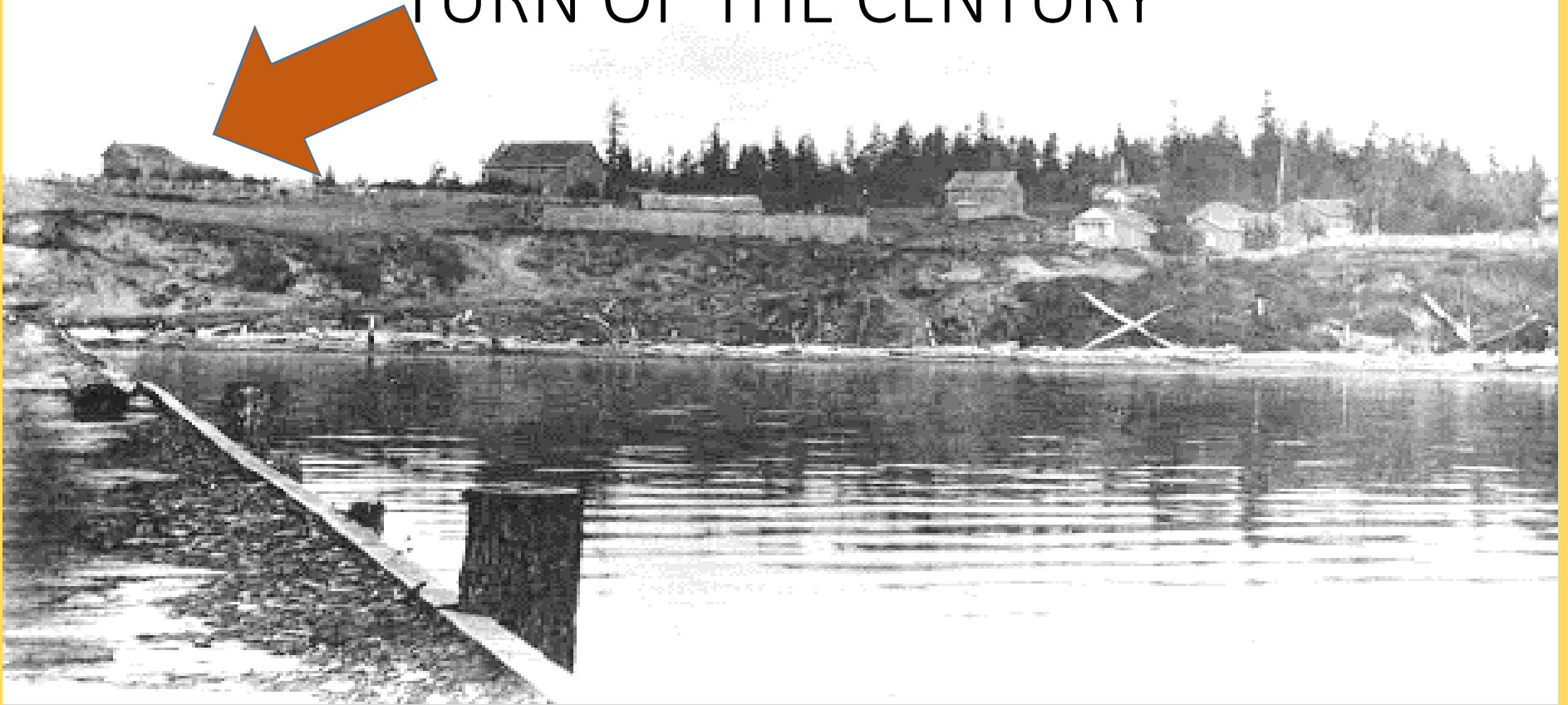
VIEW FROM THE SOUND



VIEW FROM THE SOUND



TURN OF THE CENTURY



Emma Van Gasken, writing of Des Moines in 1889, said, “My impression of the very beautiful wooded bluff, the surrounding country with its beaches, its small streams emptying into the Sound, and the Sound itself, was of great satisfaction, an uplift of quiet and repose.”

VISTAS



VISTAS



VISTAS



VISTAS



	VALUE OF THE PROPERTY
	• Positive impacts • Expands our recreation and parks infrastructure. • Provides connectivity integrating with Overlook 2. • Enhances the City as a destination location with a recreation focus. • Provides connectivity with the Beach Park and Marina. • Enduring social and cultural value. • Majestic views. • Opportunities for special events including weddings to generate revenue. • Will encourage private investment in Marina redevelopment as the City enhances the public space.

- Positive impacts

- Expands our recreation and parks infrastructure.
- Provides connectivity integrating with Overlook 2.
- Enhances the City as a destination location with a recreation focus.
- Provides connectivity with the Beach Park and Marina.
- Enduring social and cultural value.
- Majestic views.
- Opportunities for special events including weddings to generate revenue.
- Will encourage private investment in Marina redevelopment as the City enhances the public space.

VALUE OF THE PROPERTY

- Avoidance of Negative Impacts
 - Prevent the property from being developed privately:
 - Blocking view corridors.
 - Restricting public access.
 - Constraining connectivity to the Beach Park and Marina.
 - Negate all the positive impacts previously described.

FINANCING OF THE ACQUISITION

- Property was originally listed at almost \$2 million:
 - We appreciate the Pedersen Family's decision for this property to be available for public uses.
 - The City is purchasing the property for \$1.19 million.
- City saw an incredible opportunity.
- Forterra (an outstanding partner) committed to:
 - Green Cities.
 - Preservation of urban open space.
 - environmental stewardship.
- Offered to be a financial partner providing the resources for a 3 year period:
 - During this 3 year period the City will seek grant funding.
 - May also use Park-in-Lieu fees exclusively designated for parks.
- None of the funds utilized would be used for the Marina Bulkhead replacement – as Park in Lieu is designated only for Parks.
 - Legal description “to be used for capital improvements in existing parks or for the development of new parks

POSSESSION OF THE PROPERTY

- City can take possession of the property September 29, 2017:
 - o This is the closing date.
- We are delighted by this extraordinary opportunity that allows for connectivity to the past, preservation of an existing asset and enjoyment and recreation for future generations.

FORTERRA

- Comments by Tory Laughlin Taylor, Executive Vice President, Chief Operating Officer.

MOTION

“I move to approve the Memorandum of Understanding between the City and Forterra, allowing Forterra to proceed with acquisition of the property at 402 S 222nd Street, setting the terms for the City to purchase the property from Forterra by December 31, 2020, and to authorize the City Manager to sign the Agreement substantially in the form as attached.”



Marina Paid Parking – Street System Impacts – 45 Day Beta results

DES MOINES CITY COUNCIL AUGUST 24, 2017

R. BRANDON CARVER
PUBLIC WORKS DIRECTOR

Marina Paid Parking Mitigation implemented:

- Mitigation in right-of-way to date:
 - Converted 227th/6th Ave South to All-Way Stop
 - Converted 223rd/6th Ave South to All-Way Stop
 - Provided advance signage for Pay Parking condition

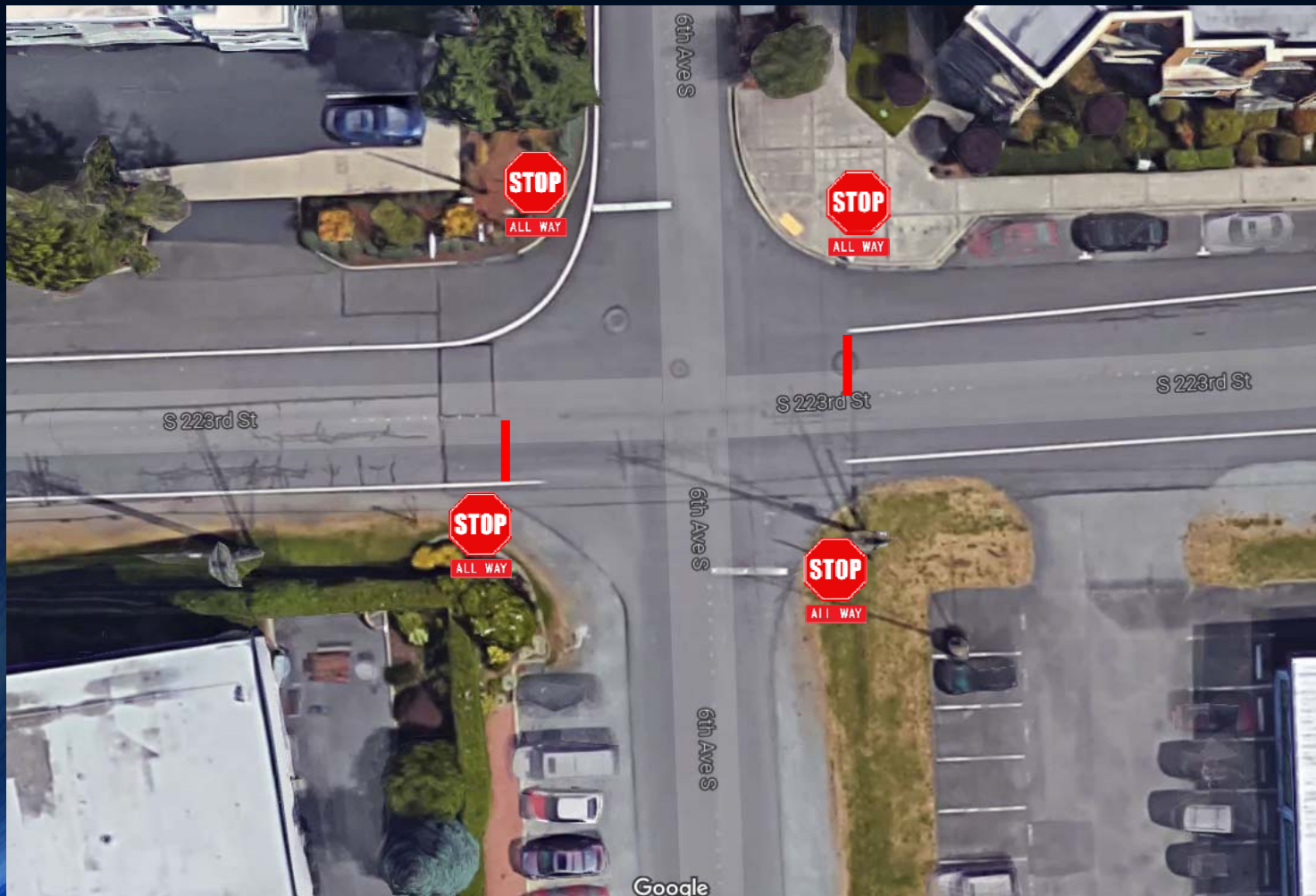
Marina Paid Parking Impacts and Mitigation

- 6th/227th



Marina Paid Parking Impacts and Mitigation

- 6th/223rd



Commitment to monitor Parking Impacts on 6th Ave :



Parking on 6th Avenue Impacts

- Weekdays – no significant increase, some use of on-street parking at south end of 6th (west side adjacent to park)
 - ...about 1/3 of available on-street parking being used
- Weekends – Increase (about 3 times weekday numbers) primarily during Farmer's Market time, North lot near/at capacity at times as well however.
- No calls/complaints (knowledge of) for enforcement (i.e. driveways blocked)
- Continue to Monitor

Volumes/Speed on 6th Avenue

VOLUME

- Before paid parking – Average weekday volume = 580 veh/day total
- After paid parking – Average weekday volume = 1,180 veh/day total

SPEED

- Before paid parking – Average speed NB = 21.4 mph , 85th % = 27.3 mph
 - Average speed SB = 21.2 mph, 85th % = 26.9 mph
- After paid parking – Average speed NB = 22.2 mph , 85th % = 27.2 mph
 - Average speed SB = 22.3 mph, 85th % = 27.3 mph
- Continue to Monitor

Other operational concerns

- Significant number of vehicles u-turning/turning around on South 227th / Dock St
 - Low speed
 - U-turns on weekdays at pm peak 18% - 8%, weekends 30% down to 18%

SHORT TERM

- Additional advance signage to direct traffic to north lot (Beach Park, Fishing Pier)
 - Added signage for free ADA parking in North Lot
- Continue to monitor trends – i.e. learning curve?

LONG TERM

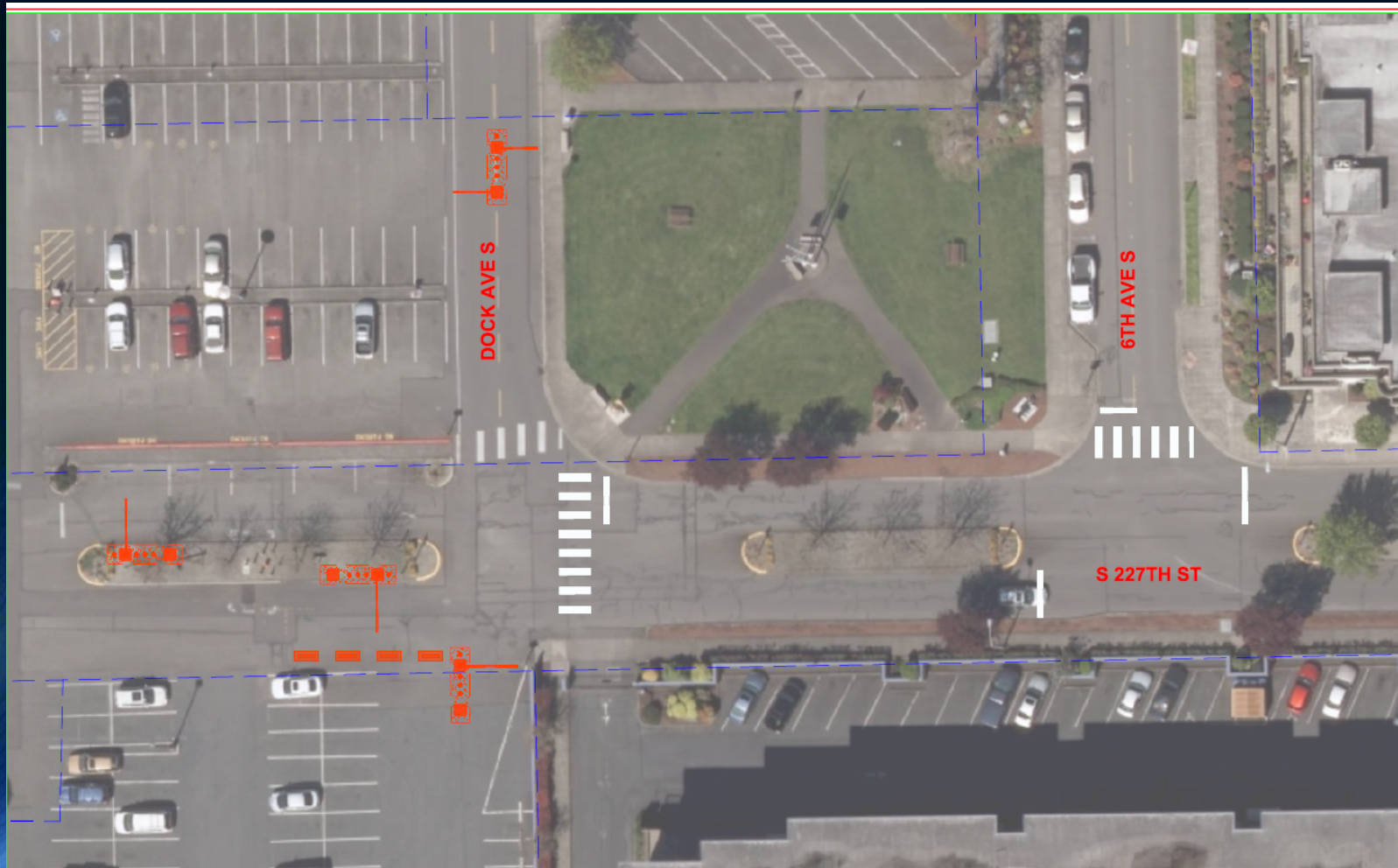
- Dynamic electronic signs for 223rd and 227th to display; rates, lot full, etc...
- Physical improvements at west end of 227th – exploring some options



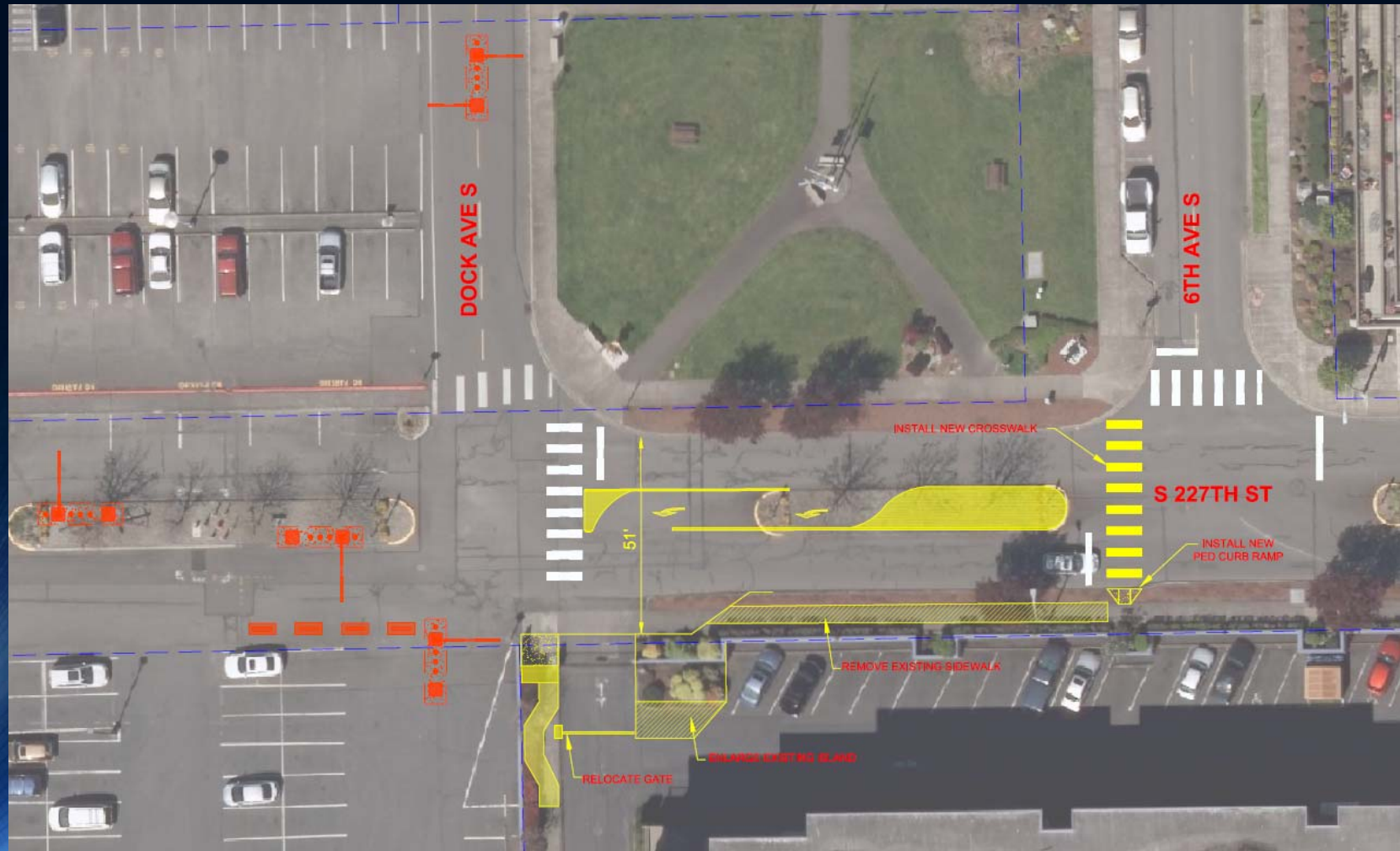
Additional advance signage:



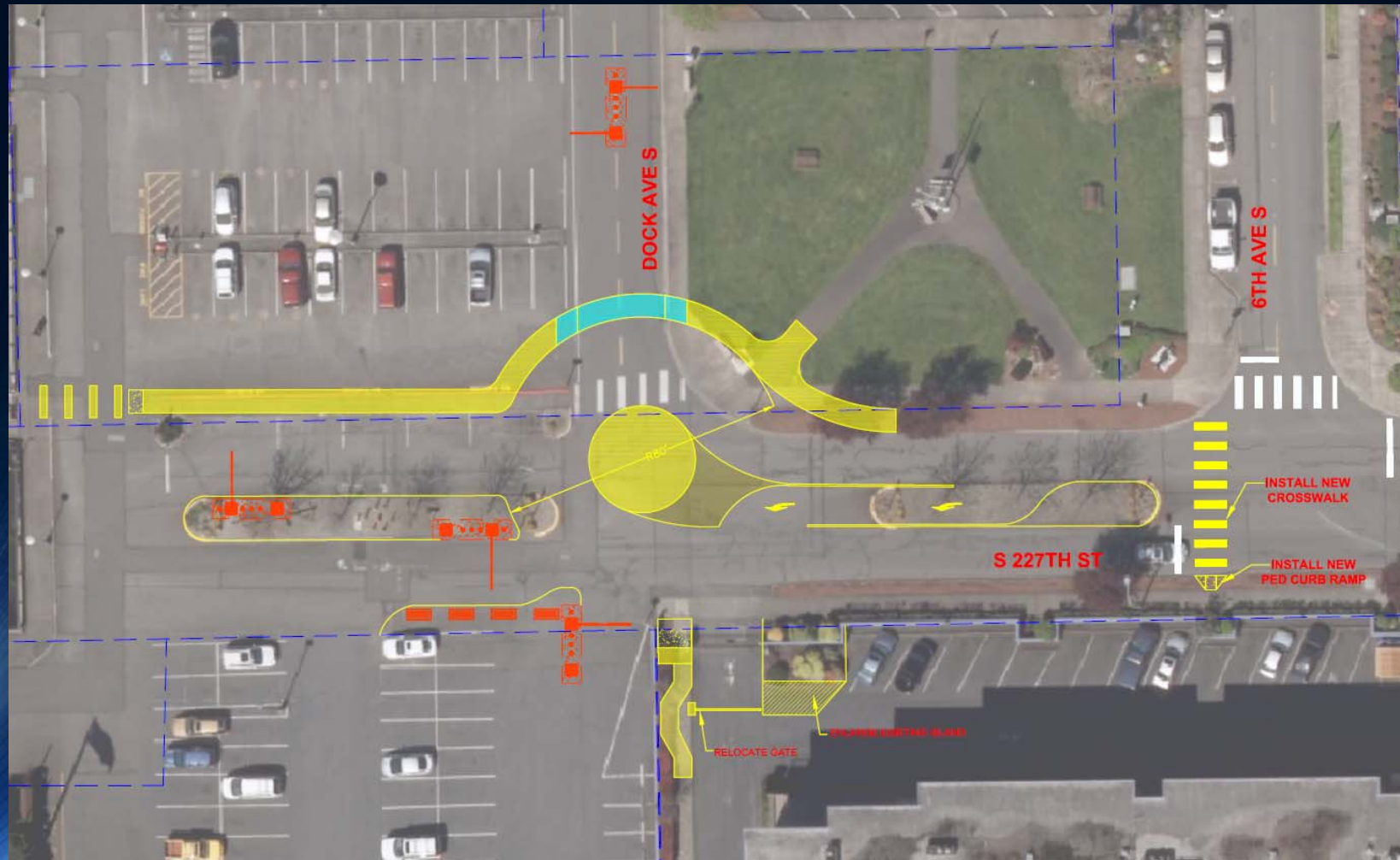
Options for operational enhancements at 227th/Dock St:



Options for operational enhancements at 227th/Dock St:



Options for operational enhancements at 227th/Dock St:



Marina Paid Parking Impacts – 45 Day Beta :

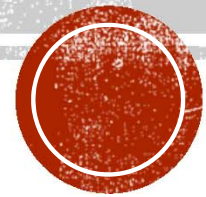
Summary

- No significant parking impacts on 6th
- No significant speed impacts on 6th, volume growth consistent with closure of Dock St.
- Some operational enhancements being evaluated
- Monitoring potential impacts/activity at Redondo

ILLEGAL SUBSTANCE INJECTION FACILITIES

Tim George, City Attorney

August 24, 2017



BACKGROUND

- Also known as “Safe Injection Sites” or “Drug Consumption Rooms.”
- Defined as “protected places used for the hygienic consumption of pre-obtained drugs in a non-judgmental environment and under the supervision of trained staff.”
- Currently none in the United States.
- Closest site is in Vancouver Canada.



HOW DID WE GET HERE?

- King County Board of Health conducted study on heroin/opiate use.
- Result of study recommended establishment of supervised injection facilities.
- King County Council approved budget with funding for injection facilities.
- Added caveat that County would not fund facility in a City unless the City Council expressly approved of locating the facility within City limits.



WHERE WE ARE NOW

- A number of King County cities have adopted resolutions stating they do not want a injection facility in their jurisdiction:
 - Bellevue
 - Auburn
 - Federal Way
 - Renton
 - Kent (moratorium)
- No current public conversation of placing a site in Des Moines.
- Draft Resolution would expressly and publicly state the City Council's objection to locating a site in Des Moines.



RECOMMENDED MOTION:

- “I move to adopt Draft Resolution No. 17-105 expressly stating the City Council’s opposition to locating an illegal substance injection facility within the City limits of Des Moines or in areas of unincorporated King County that would directly impact Des Moines.”



City Council: August 24, 2017

Introduction: Laurie McEachern, Mariner Manor Condominium

Thank you: the Des Moines City Council & the City Manager for the opportunity to speak.

In addition, a special thanks to the assistants who manned the paid parking gates during the Farmer's Market and other events – and one in particular, Jose, who did an outstanding job of assisting drivers entering & exiting the south paid parking lot. When back-ups occurred, he ran from gate to gate assisting drivers to keep the lines moving, and always with a smile!

Marina paid parking has 2 goals:

1. To create a revenue stream for the maintenance & repair of the Marina
2. To reduce the illegal activity on the Marina floor

The introduction of paid parking has greatly reduced the illegal activity – now the marketing of paid parking needs to begin so that the Marina can return to the community gathering place it has been for decades.

This begins by reducing the frustration and confusion of those wishing to enjoy the Des Moines waterfront and make it a welcoming place for everyone.

For 5 weeks, and a total of 13 days, I counted vehicles entering the intersection of 227th & Dock Ave – week days from 4:30 to 6 – Anthony's busiest time, and on Saturdays for 2 hours from 11:30, when Anthony's opens for lunch, to 1:30 during the Farmer's Market. Because the parking gates had attendants during the Market, many more vehicles entered the paid lot –



CITY COUNCIL REGULAR MEETING

Speaker Sign-Up Sheet

DRAFT RESOLUTION NO. 17-105; OPPOSITION TO SITING OF ILLEGAL SUBSTANCE INJECTION FACILITY

August 24, 2017

[illegible]