

AGENDA

**Finance and Economic Development Committee Meeting
Tuesday, March 30, 2010
5:00 p.m. – 6:30 p.m.
City Hall South Conference Room**

1. Call to Order
2. Approval of minutes of the March 2, 2010, meeting
3. Review of discussions with commercial real estate brokers – 15 minutes
4. Presentation on downtown development code issues of concern from the development community – 35 minutes
5. Discussion of downtown building heights and viable modern architectural design needs – 35 minutes
6. Committee member comments
7. Future meetings

Canner
Melina
Nett 5:05

Grant, Denise, Joe D.
Robert, D., Miriam

1. 5pm
2. Item 4 - bring back a next meeting -
 - make minutes more general in nature
 - e.g. ~~allowed~~ allowances in the code including the impacts of height as currently allowed
3. Miriam dist. summary of discussion & discussed
 - Nett - need to review our codes & compare to other cities - we're competing w/ them - item 3 re: flexibility w/ code
 - discussed flexibility, enforcing code, getting the message out that we are a signature permitting agency
4. Robert passed out materials & discussed
 - 1-7 then item 12
5. Denise presentation -
 - Robert discussed - 12' - 14' 1st floor height
 - 2' interval in the room for the types of spaces we that ~~should be~~ ~~there~~ is now being built
 - living area - 9'
6. Done
7. 4/27 5pm.

MINUTES – FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE MEETING

March 2, 2010

South Conference Room
21630 11th Avenue South, Des Moines, WA

Council Members

Carmen Scott – Chair
Matt Pina
Melissa Musser – absent

City Staff

Tony Piasecki – City Manager
Grant Fredricks – Director PB&PW
Lorri Ericson – Assistant City Manager
Robert Ruth – Development Services Manager
Denise Lathrop – Planning Manager
Marion Yoshino – Economic Development
Manger

1. CALL TO ORDER

Councilmember Scott called the meeting to order at 5:03 p.m.

2. Approval of minutes of the February 16, 2010, meeting

The minutes of the February 16, 2010, meeting were approved by consensus.

3. Review of Commercial Real Estate Brokers Roundtable

Economic Development Manager Yoshino provided a brief summary of the meeting. It was a good opportunity for the brokers to get together to provide feedback to the city and for them to get to know each other. Some felt a quarterly meeting would be a good idea. Chair Scott commented that the brokers provided information regarding code issues that can keep a project in downtown from “penciling”. For example, she noted that building heights was brought up by just about every broker at the meeting. Copies of notes taken by Chair Scott and Councilmember Kaplan were included in the packet for this meeting, in addition to notes from Brooks Powell regarding potential low-cost economic incentives the City could offer, and information regarding the City’s authority to give B&O tax exemptions. (see attached)

4. Review and Discussion of Downtown Zoning Code

Chair Scott led the Committee in a general discussion of downtown zoning and in particular the height allowances in the code. Issues discussed included:

- Downtown’s elevation profile may allow allowed heights in some areas to go up without blocking or impeding anyone’s view.
- Views are not guaranteed.
- Building modulation and bigger setbacks on upper floors can create view corridors to mitigate higher heights.

1. The first thing I noticed when I stepped out of the plane was the fresh air. It felt like a breath of new life after being cooped up in a small, cramped space for hours. The sun was shining brightly, and the birds were chirping in the background. It was a beautiful sight, and I felt a sense of freedom that I had never experienced before.

2. As I walked along the path, I noticed a small stream flowing gently. The water was crystal clear, and I could see the rocks at the bottom. A small fish was jumping out of the water, and I watched it for a moment before it disappeared back into the stream. The sound of the water flowing was soothing, and it made me feel like I was in a peaceful world.

3. I continued walking, and I noticed a small forest in the distance. The trees were tall and green, and they looked so vibrant. I walked towards them, and I felt a sense of adventure. The forest was so beautiful, and I knew that I was going to have a great time exploring it. I took a deep breath and walked towards the forest, feeling a sense of excitement and wonder.

4. As I walked deeper into the forest, I noticed a small clearing. In the center of the clearing was a small, old tree. The tree was so old, and its bark was so rough. I walked towards it, and I noticed a small hole in the ground. I looked down at it, and I saw a small, dark object. I picked it up, and I saw that it was a small, round object. I looked at it for a moment, and I noticed that it was a small, round object.

5. I continued walking, and I noticed a small stream flowing gently. The water was crystal clear, and I could see the rocks at the bottom. A small fish was jumping out of the water, and I watched it for a moment before it disappeared back into the stream. The sound of the water flowing was soothing, and it made me feel like I was in a peaceful world.

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- If owners believe their property values go down because their view is impacted in some way can appeal their value.
- Many cities have codes that mitigate height and view issues. The Committee directed staff to research these codes.
- Many properties in the downtown area do not have thirty-five foot buildings on them. The code allows this height now and if these properties were built to the maximum, some current views would be affected.
- The City may want to remove from the code some uses that are currently allowed in the downtown, such as boat yards.
- Some of the hard-coded requirements of the code could be impeding good projects, such as the requirement that at least 60% of floor area on the first floor of a mixed use must be non-residential. Does parking provided on the first floor for the residential use count as residential use? Should the City consider relaxing this?

5. Review and Discussion of the Sign Code

The Committee did not have time to discuss this item. It will be scheduled at a future meeting.

6. Committee member comments

Chair Scott commented that she was concern about the image of Des Moines that was being created as a result of the Police Blotter item that is now a regular feature of the Waterland Blog. She also noted that Seattlesouthside is using pictures of Des Moines on its website.

7. Future meetings

The Committee decided that its next meeting would be on March 24th or sometime soon thereafter.

Adjourned at 6:30 p.m.

Respectfully submitted by:
Tony Piasecki, City Manager

check out the book
from Good
to Great
recommended by
Andy Langford

DM Economic Development Roundtable

Feb, 24, 2018

- Carmen welcomed everyone & invited them to offer up their thoughts.

• Why Invest in Des Moines

- marina improvements
- DM Beach Park
- Field House
- Transportation Gateway Project
- Upgrade water system in downtown
- Mayor has worked hard to bring foreign investment to DM
- Water View Crossing project
- We're convenient & centrally located
- Proximity to the airport
- Home of Highline CC, promotion to state
- New schools
- Crime rate going down
- "Shop Waterland" program (discuss)

• Broker Discussion

- retail office market hit hard a year ago; starting to see more & more re-entering the market now
- Younger investors & entrepreneurs still moving forward
- Not as much vacancy in DM as elsewhere w/ large structures. Mike being optimistic for future
- Good "prospects" indications,

Andy Langford
Brock Perrell
Tony Hettler
Michael Ewing
Ewin Carr
Rob Langdon
Tom Reagon
Larry Hoff

Small Homes

Scott

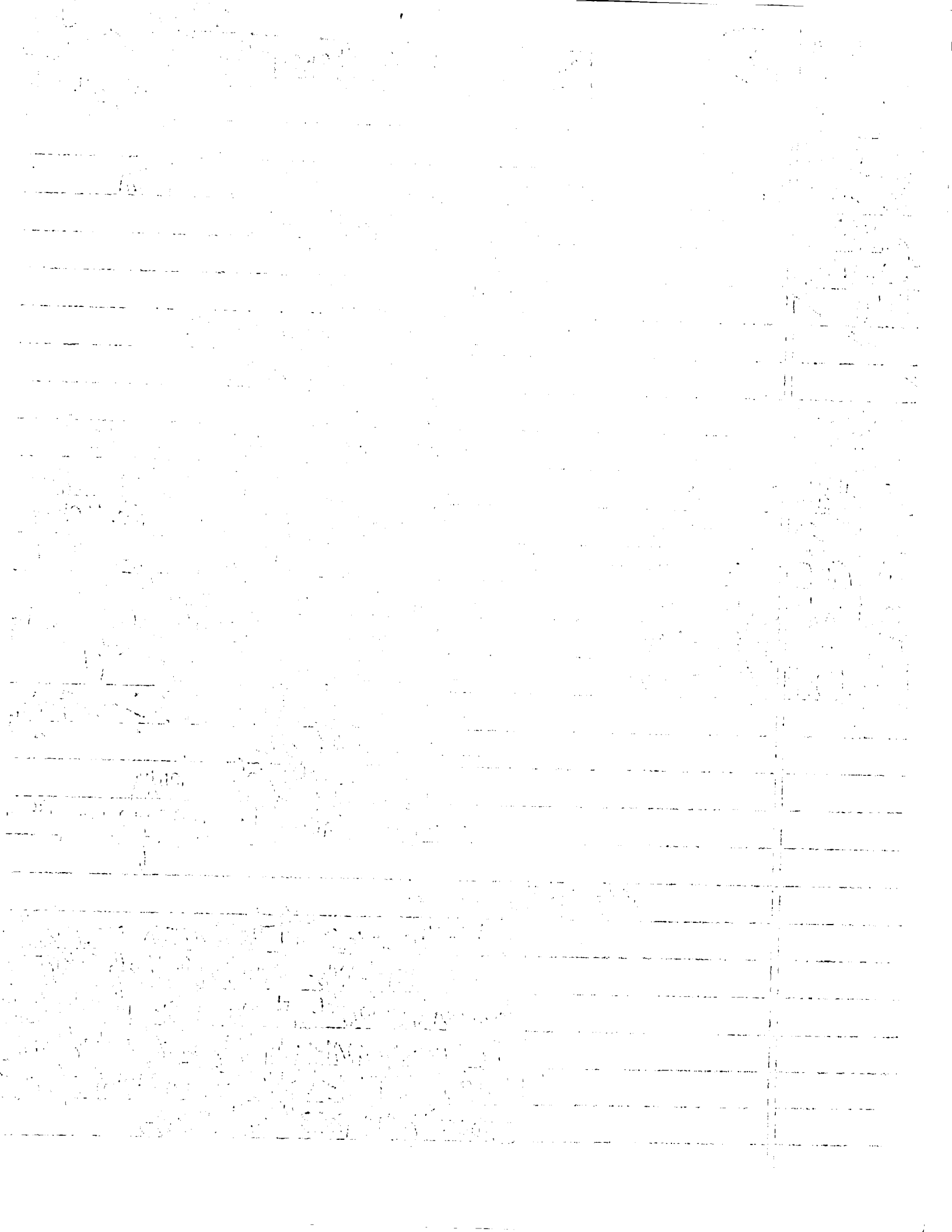
Call Center

RE-development (mixed use)

Daylath

Skylar Properties

Hill Commercial



DM Economic Development Roundtable

Feb 24, 2011

Andy: Downtown DM is the core of the city.
City being flexible where the business is important. Height limits should go up to 45 or 55. Need a unified vision for DM, that will lead to other growth in the city. No one wants to take the big leap. Things are picking up this year.

Tom: SeaTac strikes a development agreement, and then payment after X years if no development.

Carimen asked about the makeup of businesses (lack of diversity)?

Tony: It's what people choose to spend their disposable income. Mixed use residential & specialty stores.

Michael: DM is two cities — downtown & Packer ^{ending} talked about foreign investment. Place for Highline CC students to go make sense.

② Need to link downtown and the highway.

Wetlands issues along Hwy 99. Tacoma reviewed their city wide height requirements. Extra fee/tax for parks.

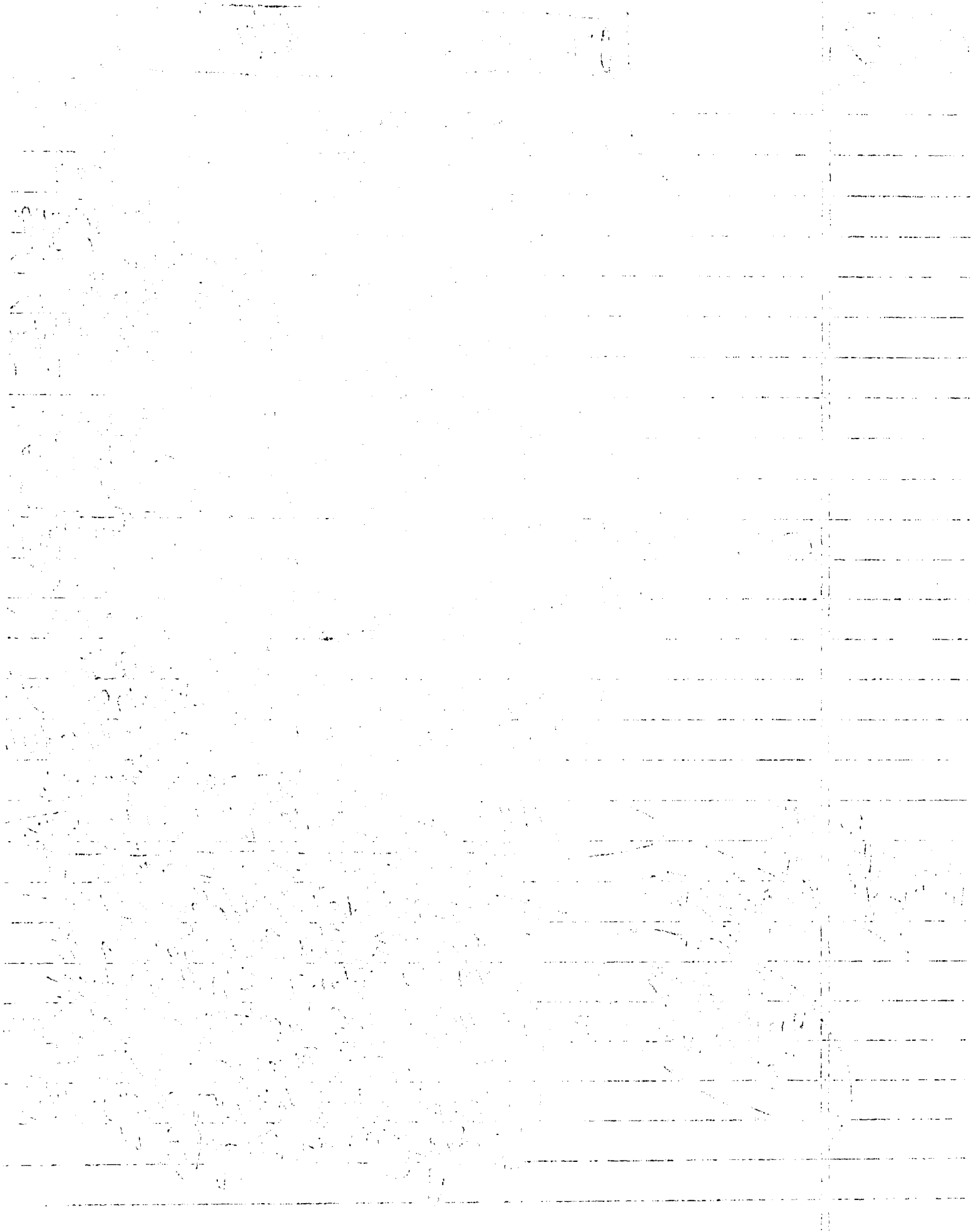
MORE Sidewalks in Des Moines.

Mixed use is difficult w/ heights of 5 stories. Must be good sign to make it work. People will be looking for more affordable housing (800 to 1000 sq ft).

Tacoma mixed use tax credits

magic # in Tacoma 75-85

Parking # ~~not~~ an issue



Am Econ. Devel. RT

Feb. 24, 2010

Kevin: looked at downtown — height limits, leave gates for law. Planning is not enough for a critical mass. I did not see growth in the last decade. I should have felt heights should be 65' downtown but must maintain view corridors. One challenge is that it is not a destination. Edmonds has a ferry terminal; that's why it has a high density of development.

• No linked network (trails, etc) to surrounding communities.

Like's idea of getting a Highline CC student to downtown (more urban) to go to transit is key — if not high rail, then bus service to get people downtown.

• Am needs to figure out its identity.

• 24K to 30K sq ft footprints to make it pencil out

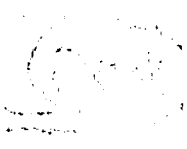
WA Dept. of Commerce grant for energy development district for downtown mountain terrace.

→ Starts with the city itself.

Michael: Investors are looking for 400 unit developments not 200 units.

"Be Aggressive"

• Need to link the college & downtown. Inviting people into see why to invest here is important.



[Faint, mostly illegible handwritten text, possibly bleed-through from the reverse side of the page.]

Page 4

Am Eden Level RT

Feb. 24, 2010

Am/Kent boundary issues.

Larry: "The process should be to make it possible to have more use of land for the team"

Larry: Does work for mom & pop. They're on the edge. Property owners having the time up a lot to rent space. We're going to have a lower base level. How to increase their business — at least 2 years. Financing from banks not available. Looking for a way to lower the risk (for small business). They need improvements & a way to get out of leases.

Kevin echoed Larry's comments.

Rob echoed Larry's comments.

This is the time to get our ducks in a row

- Create an understanding of the different markets in downtown is Pacific Ridge

Do studies and analysis of the various markets.

→ Encouraging investment in water system & schools

You have no distinct vision of downtown

★ Create connections throughout town

Downtown will have to be more

Educating property owners and opportunity to educate the community

Get the message out about AM.

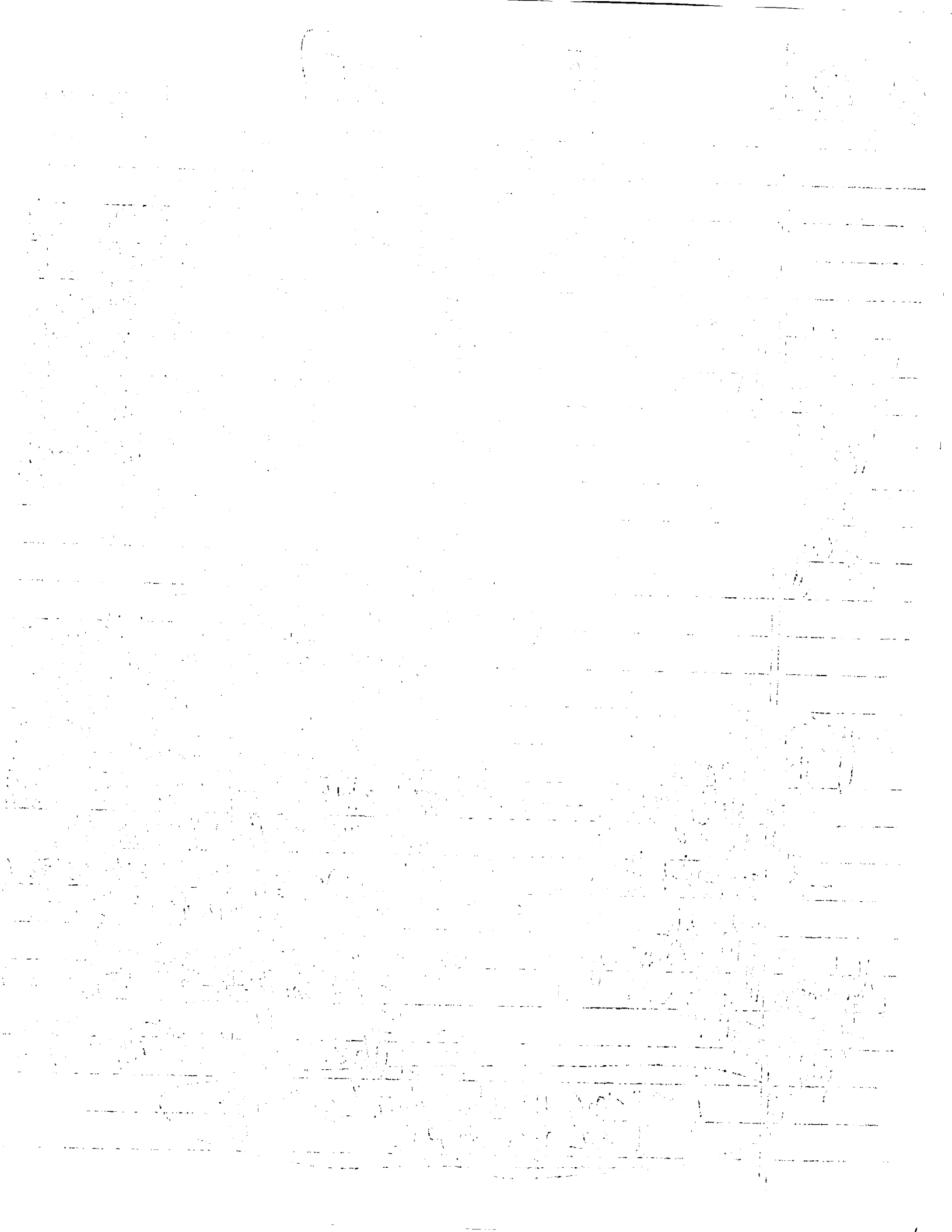
Andy: Story to tell w/ "Indiana District"

- making use of existing buildings
- increase height limits

Chad asked if there is a crime problem in perception of PAC Hwy.

"No just still on PAC Hwy."

Larry mentioned cultural diversity of our area.



This is from Marion, .. **B+O Tax exemption for start-ups**

Yes, you have some leeway in crafting your own B&O tax credits. The statutes governing the state B&O tax do not apply to the city's B&O tax; the city's B&O tax authority derives from RCW 35.21.706 -.710, and is restricted by the provisions of the model B&O tax ordinance developed pursuant to the mandate in chapter 35.102 RCW. See the AWC web page on the Model B&O Ordinance for more information on the model ordinance. The city is free to develop tax credits not addressed by the mandatory provisions of the model ordinance; RCW 35.102.040(3) states that "Except for the deduction required by RCW 35.102.160 and the system of credits developed to address multiple taxation under subsection (2)(a) of this section, *a city may adopt its own provisions for tax exemptions, tax credits, and tax deductions.*" (Emphasis added.)

The other potential limitation of the ability of the city to provide a tax credit is the state constitution. It could be argued that a tax credit for start-ups would be an unconstitutional gift of public funds, in violation of article 8, section 7 of the state constitution. But, we think it is a reasonable classification, the credit has a proper municipal purpose, and there is no "donative intent" here. So, yes, we think the city could develop a credit for a uniform class of employers that are start-ups, e.g., during their first three years of operation in the city.

Brooks' ideas

Easy Low Cost Economic Initiatives

2/28/10
(As per roundtable Tony discussion)

Assumption: The City is probably operating at the lowest possible overhead at this point. Expenses and staff have been trimmed as much as possible to allow for the City to balance the budget. Given that efficiency, what incentives or initiatives can the City create that won't decrease revenue, but will stimulate economic development and increase revenue in the future. We need to jump start the economy in Des Moines.

Step One: Do a quick inventory of all vacant land and vacant retail/commercial space in the City. Most any brokerage company will have this information readily available

Step Two: Identify property and building owners from Step One. Contact these owners w/ your Step 3 and Step 4

Step Three: Construction Incentive:

- Provide a 10 year property tax freeze, with only a cost of living increase each year. This allows property owners to build on their properties while keeping operating costs low. Assessments will move to market at year 11.

- Waive any city sales tax and b & o tax on the construction of new buildings. This will reduce the cost of construction and make Des Moines more attractive.

- Waive any permit fees, transportation, parks etc. on permitting for 3 years. The city already has a minimum staff to run planning and building. Just be more efficient. This will cause a huge PR bonanza and developers will rush to Des Moines.

- Guarantee small project building permits in 30 days. Big projects in 90 days. It is the project owners job to get the plans right. The city just does a cursory overview. It is not the city's job to make sure the plan is to code, it is the architect, engineer etc. Let them do their job.

Step 4: Retail/Commercial Incentive

- identify all the commercial/retail brokers in greater Puget Sound
- put together an offer to all businesses that relocate or start in Des Moines. Send this offer to all brokers.

Offer:

- All city sales tax waived for 3 years
- all City b and o tax waived for 3 years
- t/i permit done over the counter
- change of use updating waived
- change of use waived
- waive parking requirements until parking is an issue
- plan on doing a ULID to build some parking structures in the future (Savannah GA.)

Jony

ECONOMIC DEVELOPMENT DISCUSSION -2-24-10 - at Police Station Meeting room.
Meeting called by Marion Yoshino - Economic Development Director - City of Des Moines, WA.
Notes by Carmen Scott

Attendees:

Brooks Powell - Powell Brothers Construction
Andy Langsford - Realtor and joint owner of properties in downtown Des Moines
Tony Hettler - Broker - John L. Scott - Des Moines
Michael Ewing - Colliers International
Kevin Carl - Real Estate Project Implementation & Management - UIG
Rob Larsen - Commercial Realtor & Real Estate Advisor
Tom Roush - Commercial Realtor along Hwy 99 for 30 years
Larry Hoff - long term Commercial Realtor / Leasing agent - Burien/Des Moines/ Highline

City Staff:

Tony Piasecki, Roger Baker, Grant Fredricks, Marion Yoshino, Denise Lathrop

Council Members:

Carmen Scott - Finance & Economic Development committee
Dave Kaplan - Public Safety & Transportation committee, Mayor Pro Tem

DISCUSSION:

Michael Ewing

In November & December 2009, NOTHING was happening with representatives of regional brands, the large entities. We are starting to see some activity this spring. It tends to be the younger generation. Their attitude is not as negative as the older generation.

Federal Way has 30% vacancies in First Class office space. So do other areas with LARGE square footage buildings. Des Moines and SeaTac have a lesser percent of vacancies because they don't have the huge empty buildings.

Andy Langsford

The phones are still pretty quiet.

"Downtown Des moines is a Jewel"

He is working on acquiring 5 houses that are side-by-side on Marine View Drive.

They have over an acre downtown on 7th Avenue.

Downtown is the CORE - flexibility is needed from the city.

Raising the height limits to 45 or 55 feet would spur growth.

Determine the ISSUES. Lay the facts on the table. Find SOLUTIONS

(Andy spoke about more flexibility for boat storage yards.)

Grant Fredricks questioned whether encouraging more boat storage in downtown commercial areas was leading to the right balance point for future downtown development. (A possible hindrance to city development concepts)

Rob Larsen

Commented that a \$4,000,000 to \$5,000,000 investor isn't going to keep boat storage for long, they would redevelop for a better return on investment.

Tom Rousch

Commented that SeaTac has similar problems with privately owned parking lots. SeaTac has created a contract, executed by a council/developer agreement, which stipulates a significant fine (example \$500,000.) if the property is not redeveloped per terms and stipulated time (example 5 years) agreed to in the contract.

Tony Hettler

THINK! - What does Des Moines have that would draw people with disposable income?

Michael Ewing

- Des Moines needs to RECOGNIZE WHAT THEY ARE.
- Needs an obvious ENTRANCE to town.
- Needs "COLLEGE KID SHOPPING" - LINKED to the college area.
- Needs GROUND transportation connections to other places.
- Listen to the builders (mentioned David Litowicz)
- TACOMA just did a very large study of HEIGHT LIMITS. Different answers for various kinds of areas. Added heights can be negotiated with mitigation fees that support parks or transportation.
- MIXED USE IS A BEAR. It only works on 5 stories and up. It has to be a good-sized project to pencil out.
- The City needs to have open arms. Get in the trenches with the developers.
- AFFORDABLE HOUSING means 800 - 1000 sq.ft. Developers are looking for those opportunities. (Dave K or someone mentioned that Des Moines already has more than its fair share of affordable housing.)
- MIXED USE is driven by parking - need 2 cars inside the complex for every living unit. (Once all lots are built on, adequate parking will be a problem if it wasn't addressed properly in the beginning).
- The Magic Number (HEIGHT) in Tacoma has been 70 to 85', otherwise the project doesn't pencil out.

Dave Kaplan

This City Council WANTS downtown to flourish. Give us suggestions on how to prompt property owners to make repairs, do improvements.

(Later there are response comments on this subject by Larry Hoff & Kevin Carl)

Kevin Carl

- He is partnering in potential Des Moines projects. Current commercial height limits don't allow projects to pencil out.
- The Marina alone won't attract the necessary critical mass of people. EDMONDS is situated similarly, they have the advantage of a dynamic flow of outside people through their car-ferry terminal.
- Glad to hear the water main issue is being dealt with.
- PRESERVE VIEW CORRIDORS - VERY IMPORTANT
- ? WHAT IS DES MOINES SENSE OF WHAT/WHO IT IS?
- Gather /polish those recreational resources.
- Create Regional interest
- Create a LINKED NETWORK - Downtown to other centers.
- Partner with the college.
- Give people a REASON to come to Des Moines (rather than Seattle, etc.)

Denise Lathrop (focused on downtown planning)

How large a project do you need to make it pencil out?

Kevin Carl

- Half a city block and 24,000 to 30,000 sq.ft.
- In Montlake Terrace the city government is going out of their way to help growth with tax incentives, and Dept of Commerce stimulus money for energy efficient development. VERY EFFECTIVE TOOLS.

Michael Ewing

YOU HAVE A BEAUTIFUL WATERFRONT SETTING

It s all on how you promote it.

He has a developer coming in from St. Louis, wants to develop 400 units.

-LOOK AT THE BIG PICTURE - WHAT ARE YOUR DRIVERS?

Waterfront

College

Historic Park (when repaired)

Marine Biology (MaST center at Redondo)

Renton & Bellevue have both invited investors to meetings based on

"WHY YOU SHOULD INVEST HERE"

Des Moines needs to be aggressive.

Development on Hwy 99

The word on the street is that Des Moines & Kent don't get along.

Investors and developers don't want to be caught between conflicts.

Kevin Carl

You are at a real disadvantage if you dont require or provide enough parking.

Michael Ewing

PLAN PARKING IN ADVANCE not when its too late.

Larry Hoff

I work with the "Mom & Pops". They are on the edge. I am seeing rent reductions where \$1,500 a month is reduced to \$1,000. We are still losing parties who have been in business for years. Square foot rent rates are continuing to decline, now going down to \$6.00 or \$8.00 or \$9.00. Banks aren't taking risks. Building owners are having to absorb losses in order for tenants to stay and survive. An empty space may not bring rent in again for months, and then may need costly changes for the new tenant. New tenants have lots of places to choose from, and bargain for improvements, better heating, lighting, lower energy costs, easier start-up rates.

Kevin Carl

Every month, tenants need reduced rent to survive.

Michael Ewing

If you are a potential tenant, considering 5 or 6 cities, you will go with the easiest and fastest to work with.

Rob Larsen

-CREATE A VISION and a plan for downtown Des Moines

-Understand the differences in each part of the city.

-Recognize that OTHER JURISDICTIONS are aggressively going after the same investors.

-Educate the Council

-Get the word out about Des Moines

Larry Hoff

-The whole concept is to MAKE IT POSSIBLE.

-CITY - BE MORE FLEXIBLE

-Give people a break during these difficult times.

Andy Langsford

IMPORTANT that downtown identity includes "MARINA DISTRICT"

Michael Ewing

It is important to be able to say good things about SCHOOLS and low CRIME RATE.

Tony Hettler

There is a degree of "local agent" STIGMA about Des Moines - Flight Noise, crime, etc. Some agents simply don't show properties in Des Moines.

Larry Hoff

Minority populations are really growing, it is important to recognize their needs and preferences and shopping patterns.

Question by Chief Roger Baker: Is crime an issue?

ANSWER: All agreed that there is NOT a fear of crime keeping business away.

NOTE; The meeting was scheduled from 10:00 a.m. to 11:30. Everyone was so engaged in the discussion that it did not end until 12:20. A suggestion was made that additional meetings could occur quarterly. The single response was that market conditions were unlikely to change enough to warrant meeting again that soon.

Craig Roberts intended to attend, but had a scheduling conflict. He currently represents 7 listings downtown (owned by Dr. Andrews), and requested a copy of the notes of the meeting.

ECONOMIC DEVELOPMENT COMMITTEE

March 30, 2010 Meeting

DOWNTOWN ZONING

DC ZONE REGULATIONS-- TOPICAL DISCUSSION AND ANALYSIS

Item #1

Question:

Should uses and groups of uses that were previously included in the DC zone for reasons that are not totally clear be allowed as permitted uses if they are contrary to making the downtown a "livable" downtown?

Considerations:

(1) Horticultural Specialties, (5) Light Manufacturing, (7c) Marine Surveyors, and (9) and (10) Wholesale Trade are uses that are either not well defined, misunderstood, or present serious challenges for preferred use objectives (retail, office and mixed use) in the downtown.

Recommendation:

Remove these uses from the DC zone.

Item #2

Question:

Should it be clarified that fish hatcheries are only allowed in the Marina—not the downtown core?

Considerations:

Hatcheries may thwart investment for retail/commercial and mixed development along MVD and 7th Avenue.

Recommendation:

Specify that hatcheries are allowed when located within the Marina or natural marine environment.

Item #3

Question:

Should Boat Building and Repair be allowed in the DC zone?

Considerations:

There may be different circumstances which may justify allowing this use in the marina, but not the downtown core. On one hand, Boat building and repair seems to be natural fit for a marina, but it does take up valuable space, can be an eyesore, produces environmental concerns-leaching chemicals etc.

Recommendation:

At least specify that this use is precluded in the downtown core. Discuss and consider prohibiting uses like this which are more industrial in nature. Another alternative is to limit this use in the marina to a defined space or enclosed structure.

Item #4

Question:

Should Boat Cleaning be allowed in the DC zone?

Considerations:

Similar to item 2 above, there may be different circumstances which may justify allowing this use in the marina, but not in the downtown core. A certain degree of Boat cleaning can be accomplished while moored in the marina. Deferred maintenance may require more comprehensive cleaning efforts which need to occur on land. It is unclear if the marina parking area should be used for this purpose. The use does take up valuable marina floor space, can be an eyesore, and produces environmental concerns-leaching chemicals etc.

Recommendation:

Again, this use is bordering on being too industrial and may inhibit other City use and growth objectives in the marina district and downtown. Remove as a permitted use.

Item #5

Question:

Should Automotive Dealers be allowed in the DC zone?

Considerations:

Sunrise Auto is the primary auto dealer operating in the downtown. This used auto dealer displays vehicles very close to the ROW right at the south "gateway" to the downtown. This use appears to be a contrary to the vision for the downtown and will impede future development interest. It will be difficult to have developers invest substantial funds in the downtown for residential/mixed use projects when their prospective tenants/buyers don't want to look at outside and see storage of used automobiles and experience the noise associated with related auto repairs nearby.

Recommendation:

Again, this use is bordering on being too industrial and may inhibit other City use and growth objectives in the marina district and downtown. Remove as a permitted use.

Item #6

Question:

Should Automotive Repair be allowed in the DC zone?

Considerations:

There are two examples of this use in the downtown. One appears to work and the other does not. Winston Auto repair is a mess with up to 20 cars waiting to be serviced and parked in irregular fashion in plain view along South 216th Street. On the other hand, the site formerly known as Elsey's Texaco (now Shell) located at 222nd and Marine View Drive seems to function quite well without presenting visual impacts. Does the fact that one business is an accessory use to a Gas station which appears to

Auto Repair
w/
performance
style limitations
#1 &
scheduling
& mgmt

Recommendation:

only work on 1-2 cars at a time help minimize perceived visual nuisance problems of broken down cars warehoused in parking lots?

Auto repair as a principally permitted use is problematic. It continues to be a code enforcement cat-and-mouse game. Remove Auto repair as an outright permitted use and only allow as an accessory use with performance standards and limits on number of vehicles serviced at any one time.

Item #7

Question:

Should Home Occupations be allowed in the DC zone?

Considerations:

Home Occupations are for minor business operations located in residential structures that do not generate appreciable traffic. There is a history of using nonconforming single family structures for retail or commercial use under the guise of a home occupation. This undermines the building code and rents for legitimate commercial structures. Our codes should be developed to phase out existing single family structures located in the downtown and encourage replacement with contemporary commercial/ mixed use development.

Recommendation:

Clarify that home occupations will be allowed in conjunction with conforming structures containing principally permitted uses in the DC zone (mixed use).

Item #8

Question:

Should open boat storage be clearly and directly listed as a permitted use (currently

Considerations:

allowed as a sub-component of a marina operation)? Also, should our DC zone suggest that the storage of boats on an open lot is acceptable, especially in a section of the code where enhanced environmental performance requirements are normally identified?

In more than a just a few ways, the Pacific Northwest Nautical theme for the downtown has proven to be a bust and actually hindered sustained growth and development in the downtown core. Ironically, this is also the case within the marina itself. The open storage of boats on land is a prime example of a maritime theme gone awry. Boats that are out of water are visually obtrusive and out of scale with normal elements of a desirable livable downtown. Often these boats are simply warehoused for years without moving. They detract from the natural amenities and beauty of the downtown. This issue is similar to the problems presented to staff in SFR neighborhoods where property owners complain about not being able to sell their homes because neighbors have large boats, cars and campers/RV's being stored long-term on the street or in the front yard. Decisions need to be made that address how much burden the city should shoulder for boat related uses simply because the city operates a marina nearby. This will be a tough issue because boat owners will want to keep the status quo and many of these owners are very influential. However, many boat owners are not Des Moines residents; they use downtown Des Moines as a parking lot or warehouse area for vessels that are not allowed to be stored in their own communities.

Recommendation:

Further evaluate specific properties that provide boat storage (Yacht Club, etc.) and discuss whether the city should strategically begin to shift these uses to other locations (HC or CC zones) on the Highway with an unclassified use permits. Also, assess impacts

of having open boat storage on land within the marina floor as an impediment to long term marina redevelopment objectives.

Item #9

Question:

Should our DC zone state that miscellaneous storage is allowed on 25% of a site in the downtown?

Considerations:

Outside storage of materials is a major issue for code enforcement personnel. Many people store materials outside in a manner that is responsible (orderly, screened, not excessive, etc.) Other property owners do so in a manner with little or no regard for their neighbors or the public. If storage is listed as an acceptable use, it will make it very difficult the city to enforce situations that are nuisances.

Recommendation:

Remove miscellaneous storage from this section of the DC code. Storage can still be provided for under "accessory uses-18.27.030(b) on a case by case basis when done responsibly.

Item #10

Question:

Should automobile repair and boat repair have environmental performance standards?

Considerations:

As previously mentioned, there are significant staff concerns about keeping both auto and boat repair as permitted uses in the downtown and marina as currently regulated. Boat repair is a use of industrial intensity and scale. Clearly this use should not be allowed in the downtown core. Also, serious evaluation of whether the city should eliminate this use from the marina or substantially change the current operating conditions that exist. Auto repair, on the other hand, can be managed better in the downtown simply by including some simple restrictions.

Recommendation:

For auto repair uses, change the code to emphasize that repair is an accessory use to gas stations and that no more than 2 vehicles awaiting repair are permitted to be stored at any given time. Boat repair needs to be clearly prohibited in the downtown core and perhaps the marina too. Alternatively, consider changing the code to allow boat repair only within the marina within a fully enclosed structure equipped for sound proofing, ventilation, and chemical containment. Limits should also be placed on the bulk and placement of the structure. Otherwise, provide for this use in an area outside of the marina and downtown (Highway areas where semi-truck repair occurs HC-CC zones).

Item #11**Question:**

Is the current code language specifying how much commercial use is required for mixed uses on the first floor at street level adequate?

Considerations:

Mixed uses need to have more than just a token amount of commercial space at the street level to legitimately be considered mixed use. Without a minimum requirement, builders could squeeze down the commercial space to something insignificant and basically build an apartment/condo in a commercial zone. As long as a developer provides functional commercial space fronting the public street and that space occupies a majority of the street floor area, the city and public interests will have been served in the design. A reality of building design, however is that for many buildings, architects need to tuck residential units and parking in behind the commercial space to efficiently use space and make the economics of the project work. This is difficult to do when

pre-platted lot depths in the downtown are only 120 feet deep. Having a minimum commercial space is important for a mixed use project, but there also needs to be allowances for administrative review flexibility when the design intent is met.

Recommendation:

Consider adding a minimum depth for commercial space in tandem with the minimum 60% requirement, but allow for administrative deviations when functional objectives are met. Also, clarify the awkward and passive tone of "shall be occupied by nonresidential uses." Replace with language that states a minimum of 60% of the street level floor area shall be reserved for retail/office/commercial use and that remaining areas may include space for enclosed parking or residential units.

Item #12

Question:

Is the maximum building height of 35 feet in the downtown promoting city objectives for growth and redevelopment of the downtown?

Considerations:

The development community is clamoring for increased building heights to make the economics of a project work considering the city's desire for below grade parking, certain design requirements, and the inclusion of commercial space within mixed use projects which, at the current time, are often left vacant for extended periods of time or do not demand the rents needed to support construction costs. It is believed that a substantially larger population base needs to be planned and provided for in the downtown to support the business community. While the development community is just one voice in this matter, the simple reality is that only minimal levels of development are likely to occur if the city does

Recommendation:

not attempt to bolster land values and assist in developing a profitable market environment for housing and commerce in the downtown. If only minimal levels of development continue to occur, the necessary population residing in the downtown to make it a viable place will never be realized. Past and sole reliance on the downtown as a destination in which people will be drawn to and visit and shop has proven to be unsuccessful without first having a basic level of human activity and services established.

Take action to get substantially more people living in the downtown. Select growth targets and plan for a 20 year build-out scenario in which this will occur or if certain targets are accomplished earlier, a reassessment of the code would automatically occur to ensure that growth is managed properly for public welfare and benefit. Consider increasing building heights across the board in the DC zone, except within the marina, to 45 feet. In addition, provide further height incentives up to 65 feet for the first 10-15 acres of development when specific criteria are met such as strategic redevelopment locations within the downtown, results in consolidating ownerships for sites of a minimum size, creates sites having minimum overall width and depth dimensions, provide for enhanced public amenities and space, other criteria?

Item #13**Question:**

Should maximum building height be tied to the marina floor for properties that are not accessed from within the marina?

Considerations:

The steep embankment flanking the east side of the marina is excepted from our Critical Areas Code and not regulated as a bluff or ravine. There may be some additional development capacity for property owners if the building height is held to sidewalk grade along 6th.

Avenue South if those properties access their sites from this street.

Recommendation:

Clarify that the building height is tied to the street providing access to the development site.

Item #14

Question:

Should the building height be tied to the street providing access when a development fronts on 2 north/south streets?

Considerations:

A development scenario that the city may want to encourage is combining lots and blocks of lots across alleys to form one single development site. An example of this would be a development that encompassed property that extended from Marine View Drive to 7th Avenue South. In this particular instance, relating maximum building height to where access is proposed may not make sense. There is a substantial grade change between these two streets and the maximum building height could either be viewed as unduly punitive or too permissive. It may make more sense to tie the building height to the average sidewalk grade of the sites frontage on both streets.

Recommendation:

Develop a formula that averages the sidewalk grade for two street frontages when a development site has frontage on two north/south streets.

Item #15

Question:

Should underground structures be allowed to encroach into required setback areas?

Considerations:

Our downtown has a widely varying terrain. On the other hand, most building floors and underground parking areas are required to be relatively flat. Staff often sees developments where the majority of a building story is underground but portions of an underground parking area or basement start to daylight at the low end of a site. These areas often can serve as patios or decks, if they do not protrude out of the ground too much.

Recommendation:

Continue to allow underground structures within setback areas, but specify that no portion of an underground structure may protrude out of the ground greater than 18 inches from the continuous and finished grade immediately adjoining the floor level in question.

Item #16

Question:

How do we want to structure all General Site design requirements once Design Guidelines are ultimately developed?

Considerations:

Having multiple places in your code for similar issues is confusing. Requirements in this section could be modified as necessary to fit within the emerging Design Guidelines structure.

Recommendation:

Make sure that Design Guidelines do not duplicate topics already identified in this section when they are ready to be codified.

Item #17

Question:

How do we want to structure all General Building design requirements once Design Guidelines are ultimately developed?

Considerations:

Having multiple places in your code for similar issues is confusing. Requirements in this section could be modified as necessary to fit within the emerging Design Guidelines structure.

Recommendation:

Make sure that Design Guidelines do not duplicate topics already identified in this section when they are ready to be codified.

Item #18

Question:

How does the city want to continue to regulate building mass on the upper most floor levels of new construction?

Considerations:

The current method in reducing building mass is to reduce the width of the floor levels above the second level by 20%. This method is better than not having any standard to scale down buildings as they get taller, but it will eventually create an artificial, interest-lacking building landscape. All buildings will begin to generally look the same with a "wedding cake" terracing

edge at the upper floor levels. Building designers and architects need to be encouraged to develop new and interesting building designs that don't repeat the exact same elements as the building next door.

Recommendation:

Consider replacing the 20% width reduction rule with a building area mass reduction requirement that has design flexibility built into it. Something like, the sum area of all enclosed building space above the second floor level shall not exceed 20% of the street floor level for each story above the second story.

Summary of Commercial Realtor/Developer Comments

1. Raising height limits would allow development projects (such as mixed use) to pencil out – could be limited to select areas. (“We are at the end of the biggest economic boom in US history and nothing happened in DM, need to ask why”)
2. VISION has been lacking in DM - needs to be unified, consistent. Create a plan & stick with it, move forward with long-term commitment.
3. Flexibility in code restrictions “The City being FLEXIBLE with property owners is important” “Very important now when times are difficult”
4. Parking is problematic, necessity of requirements pro & con was debated. Need to resolve issue for the future in a “win-win” fashion.
5. Promotion – other cities are taking the lead in reaching out to brokers. “Get out the message, DM is a jewel.”
“Put together developers’ incentive pkg & announce it to all brokers in greater Puget Sound.”
6. Marina District should be more synonymous with downtown Des Moines identity. “Signs should start at I-5 & 509 and lead people down to the water, need more promotion of “Marina District” at every opportunity.”
7. Guarantee small project permits in 30 days, large in 90 days. Let City just do a cursory overview, then put the burden of responsibility on owners to make sure plan is to code.

1. Introduction

The purpose of this document is to provide a comprehensive overview of the project's objectives, scope, and deliverables. It serves as a reference for all stakeholders involved in the project.

The project aims to develop a new software application that will streamline the workflow of the department and improve efficiency.

The project is divided into several phases, each with specific tasks and milestones. The timeline is as follows:

1. Planning and Requirements Gathering (Weeks 1-4)

2. Design and Development (Weeks 5-12)

3. Testing and Deployment (Weeks 13-16)

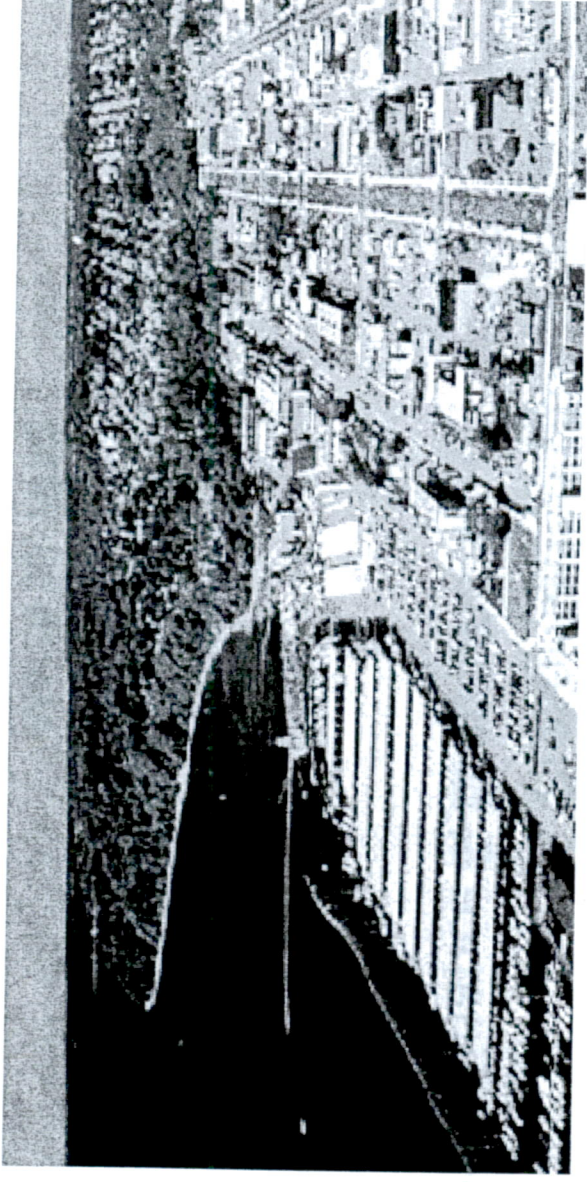
4. Post-Deployment Support (Ongoing)

Downtown Opportunity Areas

Presentation to:
Council Finance & Economic Development Committee

Denise Lathrop, Planning Manager
March 30, 2010

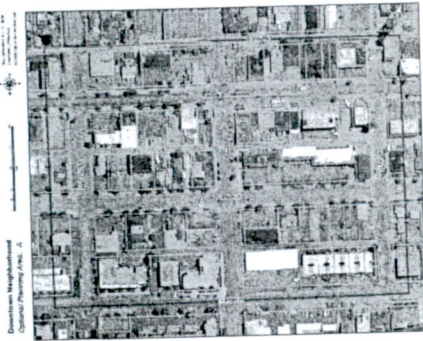
Neighborhood Context



- Planning Opportunity Areas
- Planning Tools

Planning Progress

- Design Guidelines
 - Draft completed in 2009
 - Planning Agency reviewing
 - Public Open House held 3/22/10
- Preliminary View Analysis (2009)
 - Block Model (35', 45' & 65')
 - Model of View Corridors (Photoshop)
- Identified 3 Geographic Subareas
 - Area A: Centered on S 223rd & 7th Ave S
 - Area B: S 223rd to S 227th Street
 - Area C: S 216th to S 223rd Street



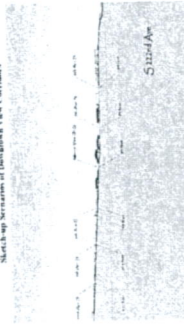
Marina District

**Design
Guidelines**

DRAFT May 21, 2009

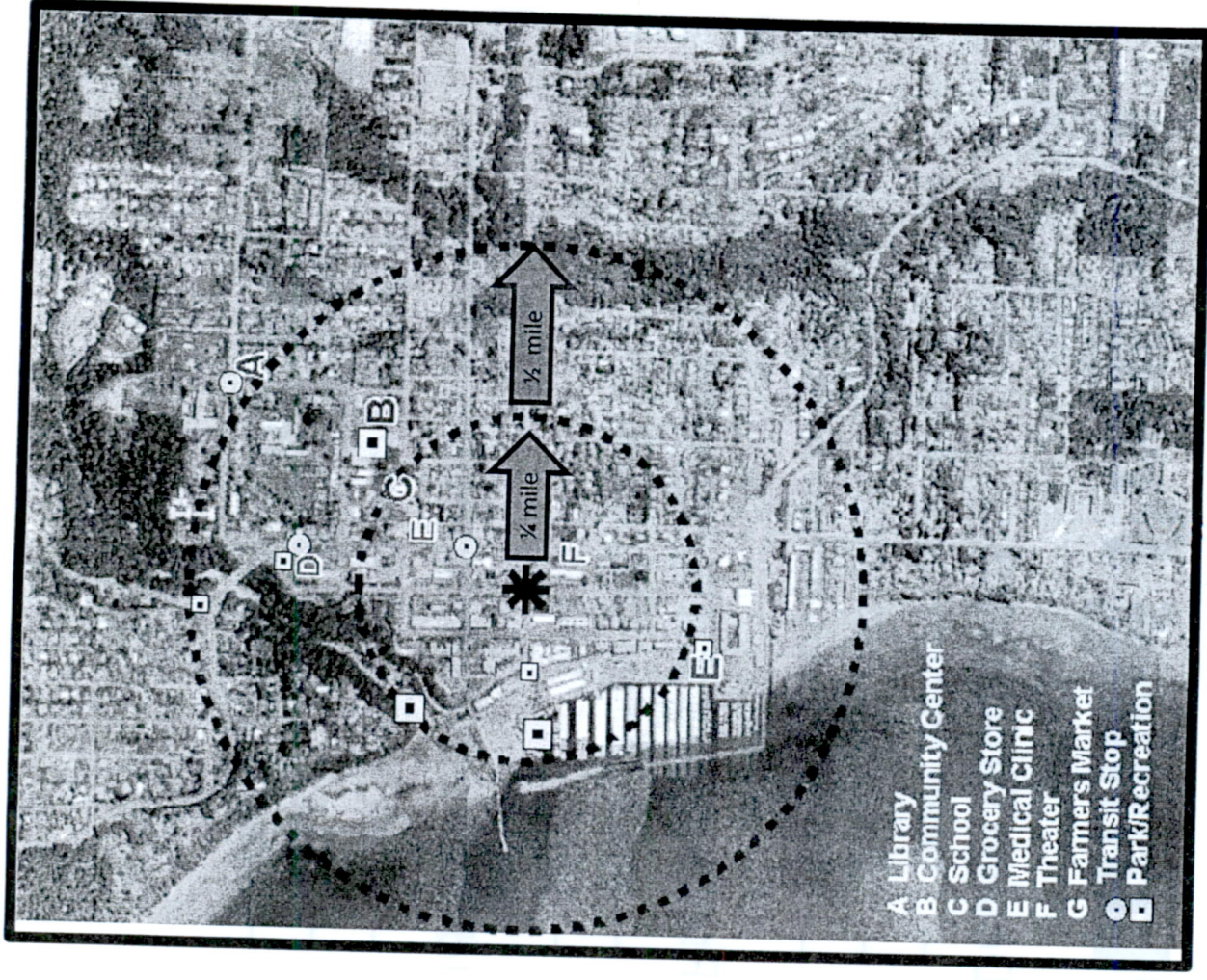


Match Map: View Corridors of the Marina District

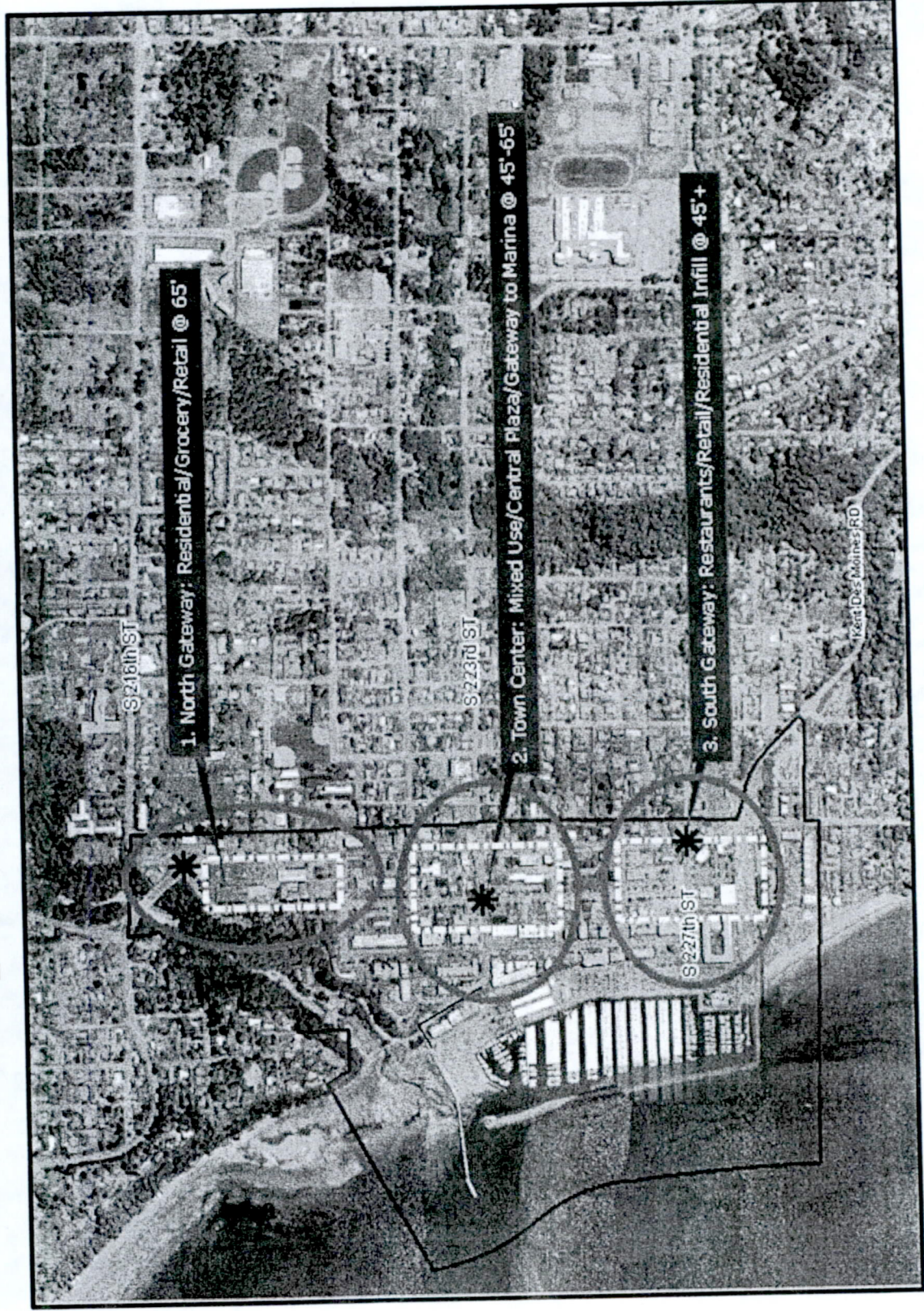


Community Assets

- Good Bones
- Land Use
 - Residential, office, and retail
 - At least one other use such as hotel, civic, educational, or entertainment
- Residential important for critical mass to activate area
- Office provides job opportunities near home
- Retail/Services provide places for people to shop and do business
- Walkability ($\frac{1}{4}$ to $\frac{1}{2}$ mile)
- Transit Availability



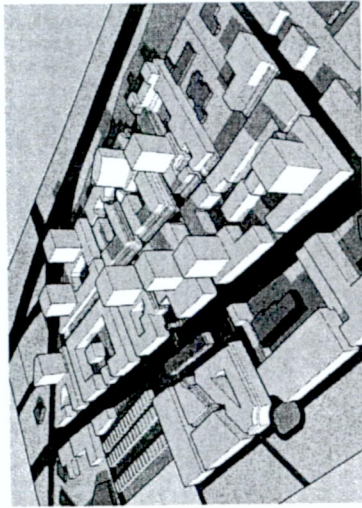
Opportunity Areas



Benefits

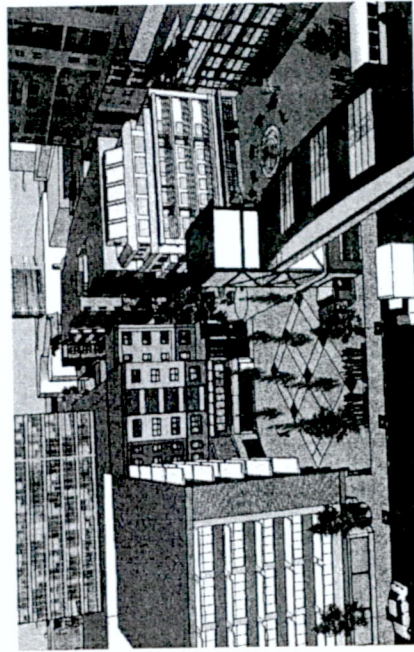
- **QFC Site & Adjacent Area**
 - Opportunity to increasing building heights to 65’
 - Provides for housing, new retail and jobs to activate area
 - Establishes gateway to Marina District
- **S 223rd Street**
 - Opportunity to create Town Center
 - Opportunity to increase building heights along 7th Ave S
 - Provides for new retail, jobs and housing to activate area
 - Presents fewer traffic/parking issues compared to MVD
 - Streetscape & Pedestrian Improvements
 - Strengthens connection to Marina along S 223rd
 - Possibilities for 7th Ave S as Key Pedestrian Street
- **S 227th Street**
 - Sufficient redevelopment area (20 acres +/-)
 - Potential for raising building heights needs additional analysis
 - Potential for new retail, jobs and housing to activate area
 - Establishes gateway into Marina District from south
 - Strengthens connection to Marina along S 227th

MODELING OPTIONS

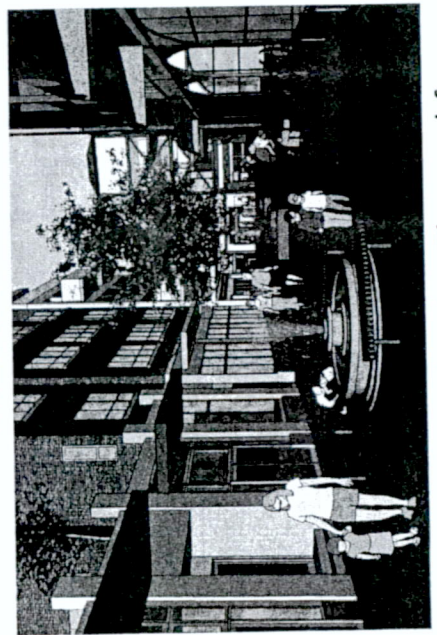


Block Model

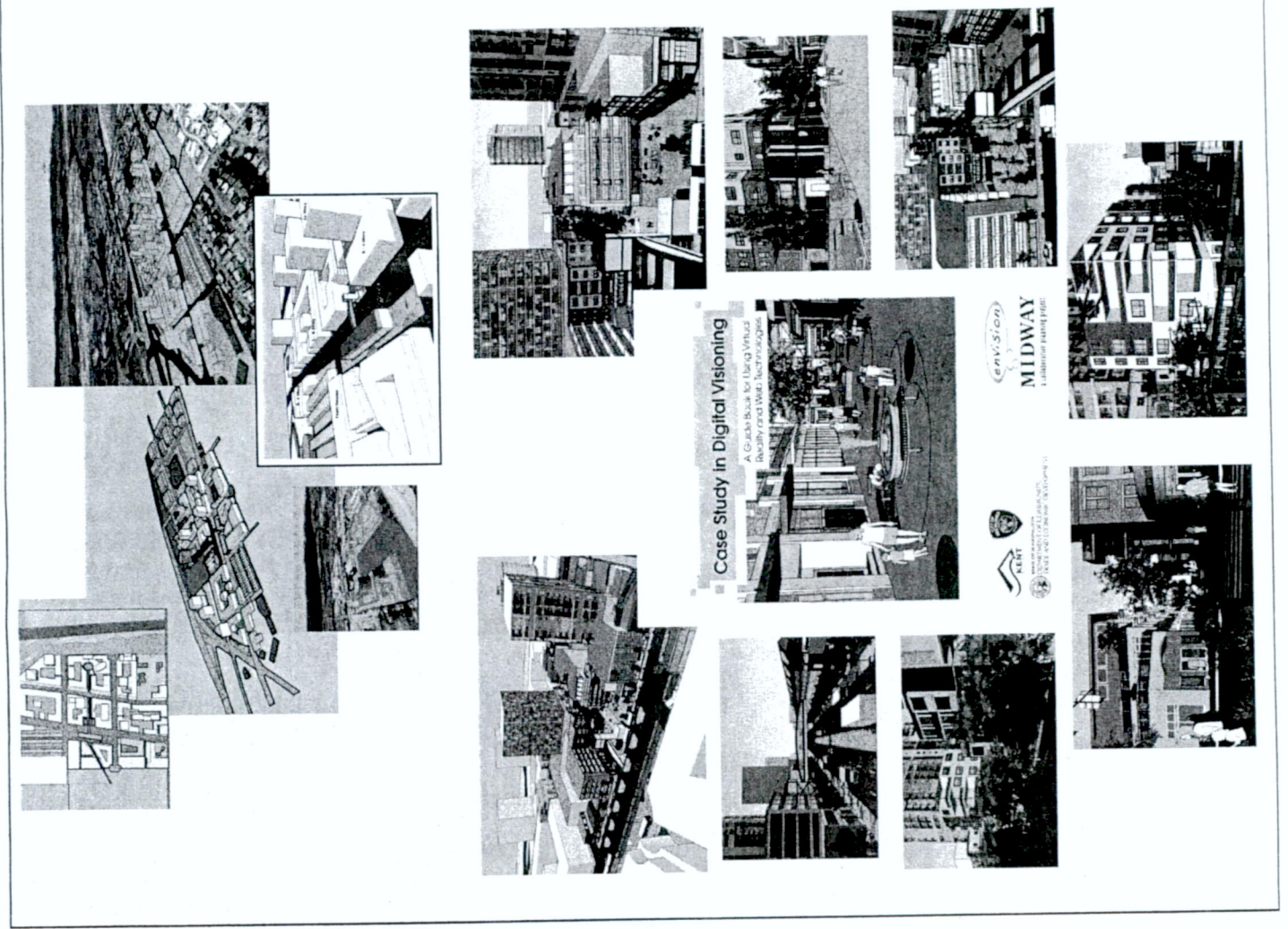
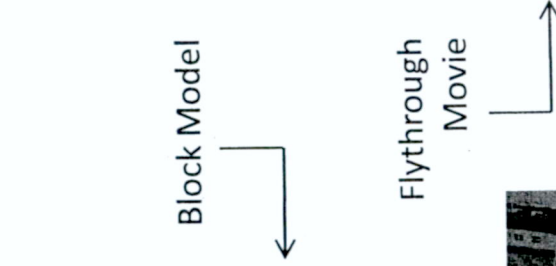
Flythrough
Movie



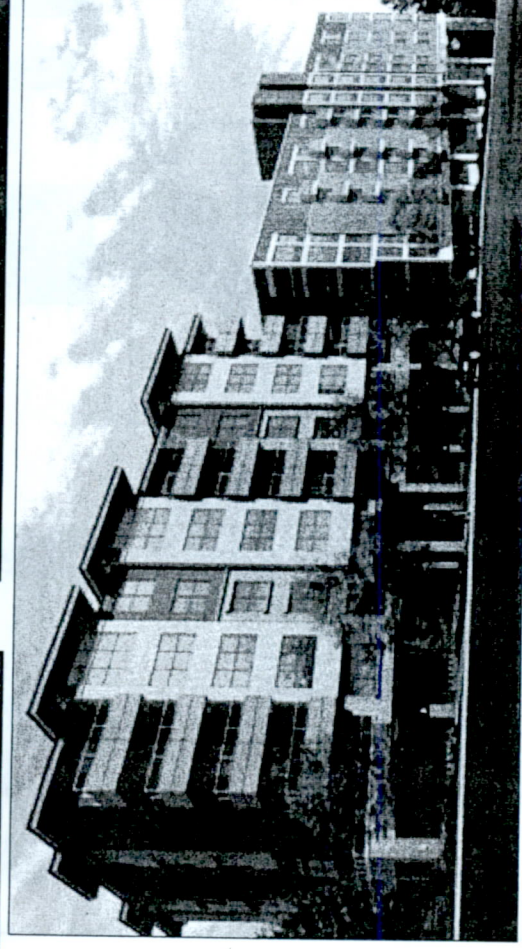
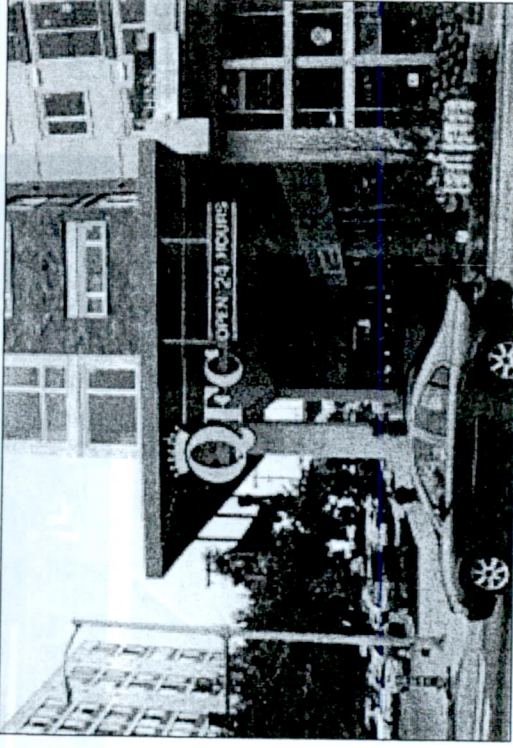
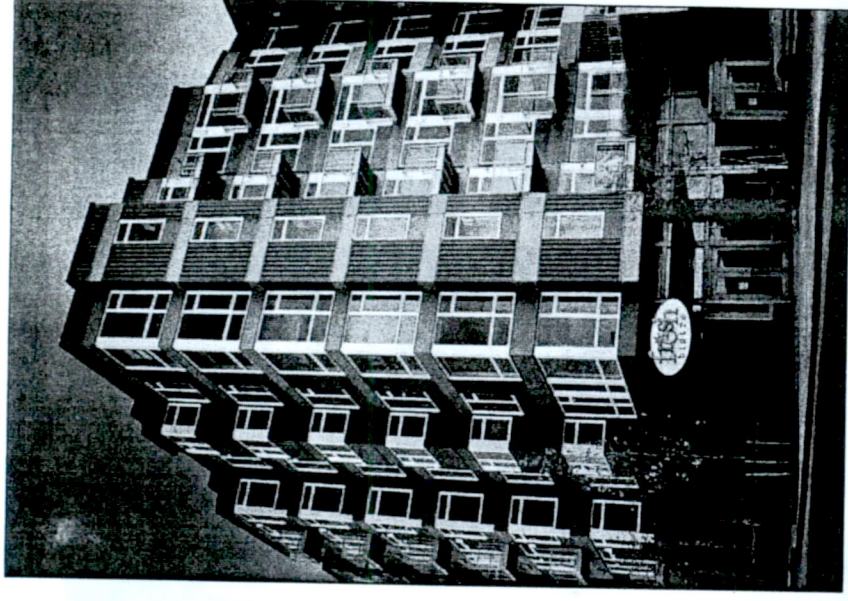
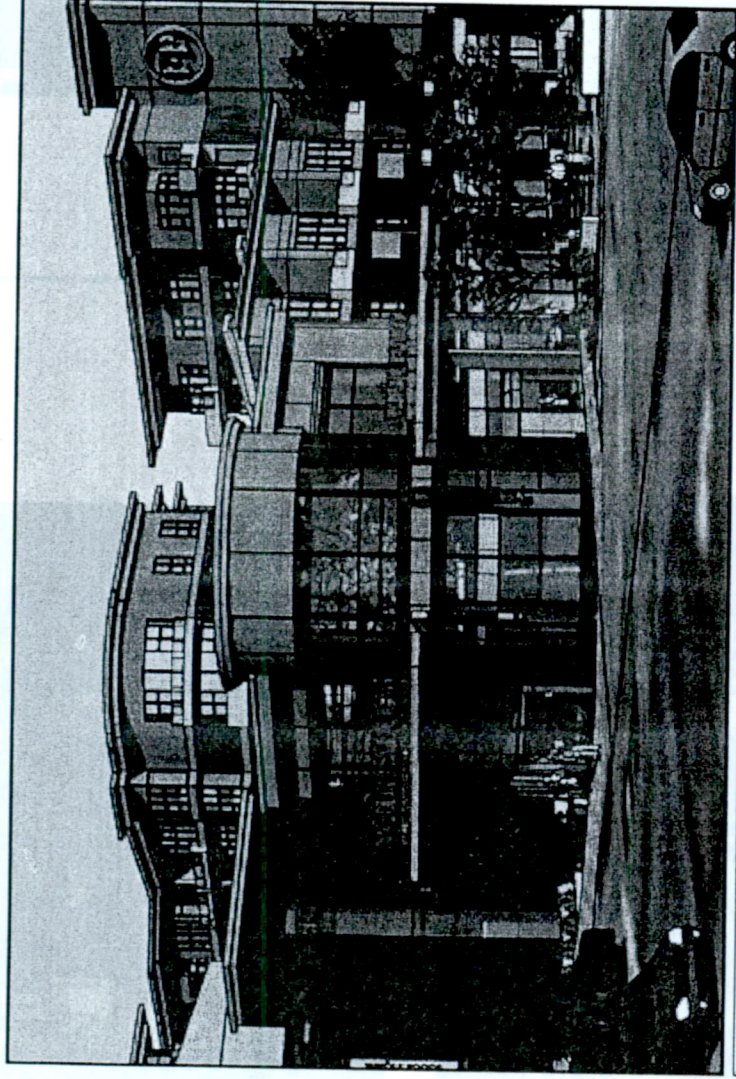
Detail of a Plaza



Detail of a Pedestrian Thoroughfare

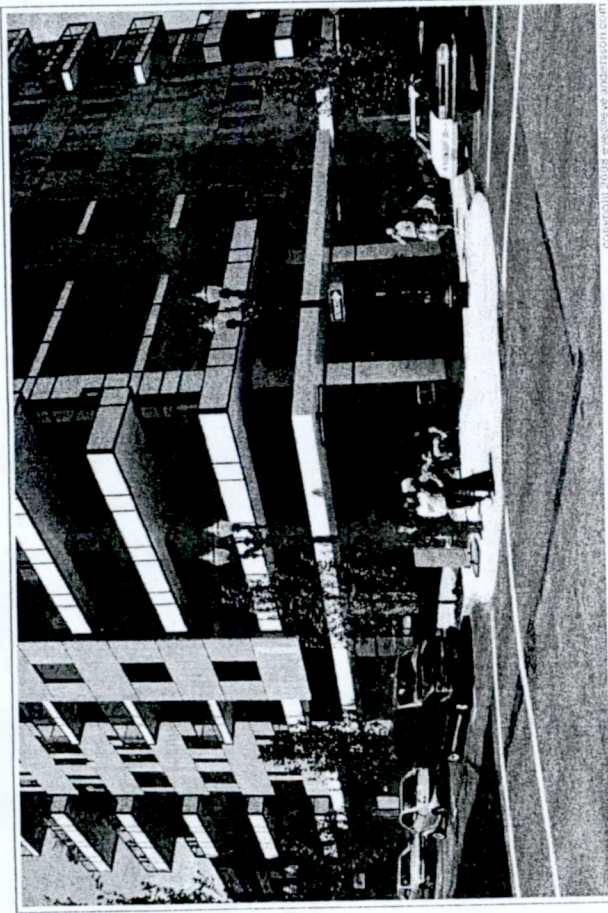


RETHINKING THE QFC SITE

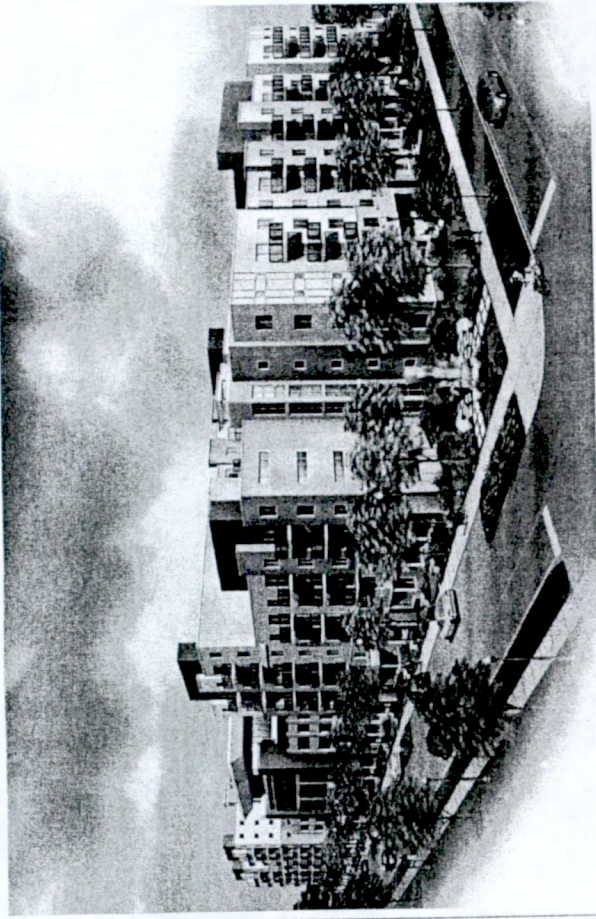


MODERN OPTION 2

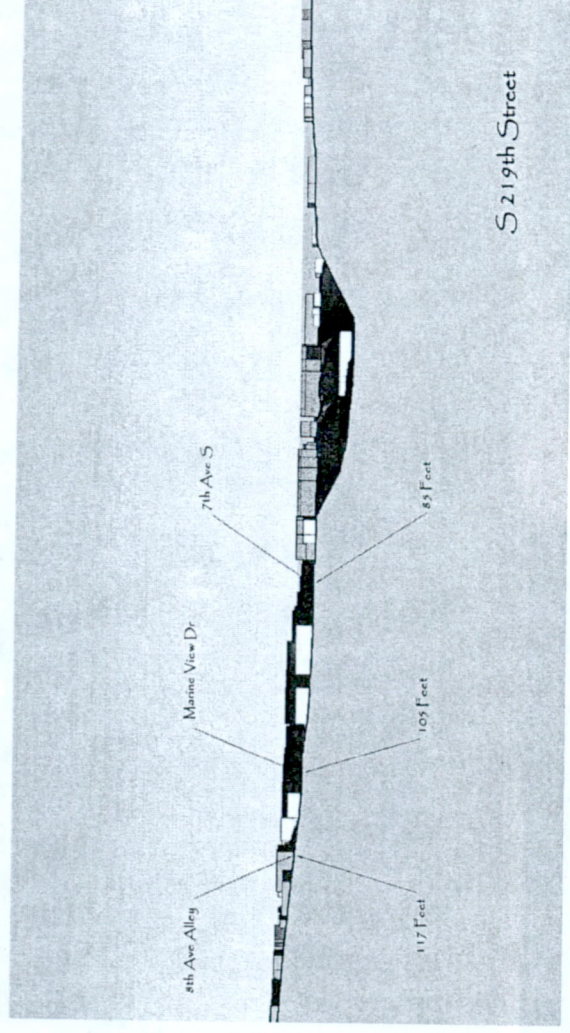
RETHINKING THE QFC SITE



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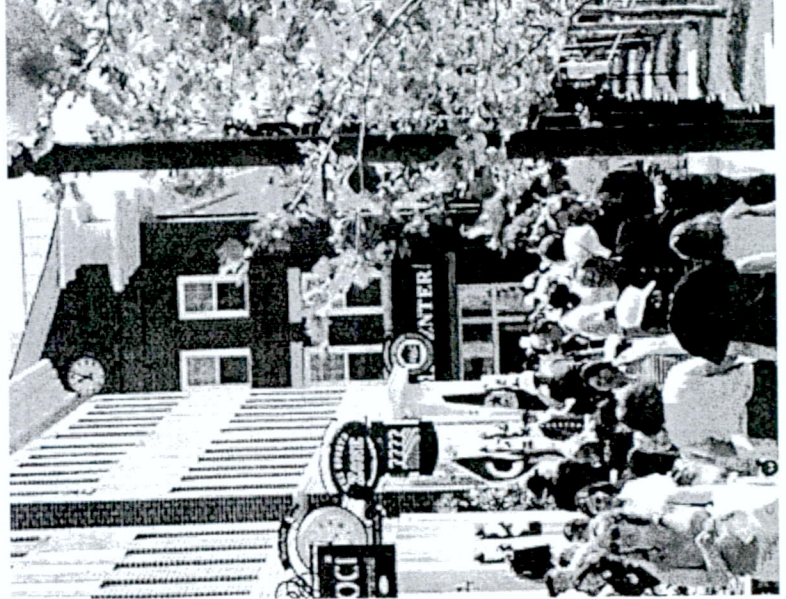
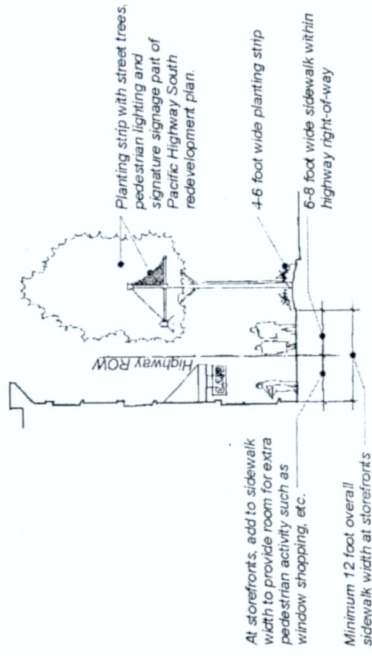
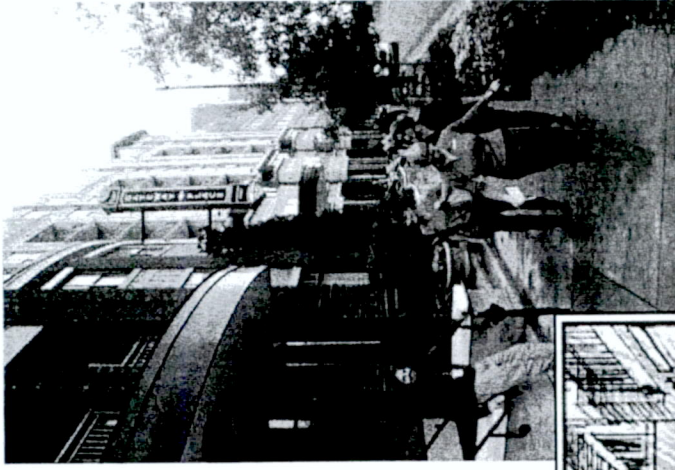
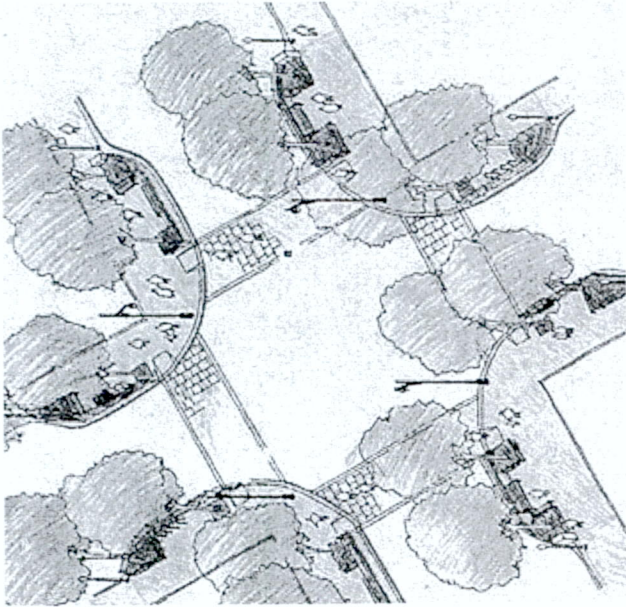


Modeling for QFC Site



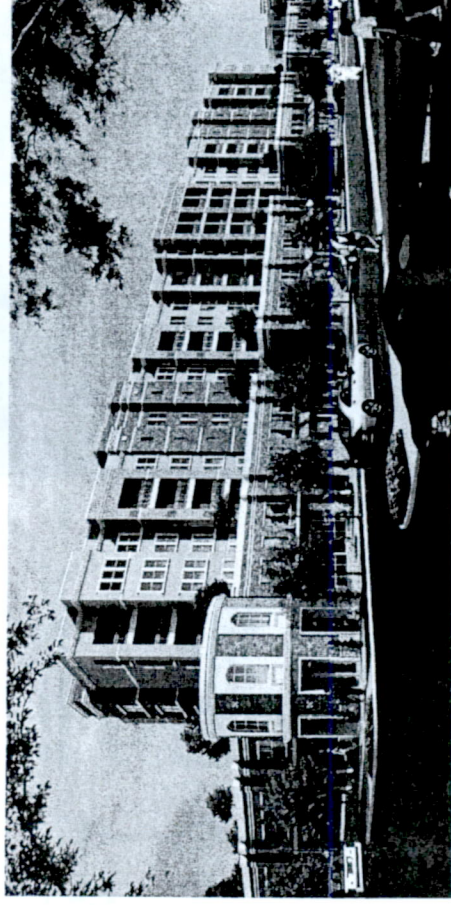
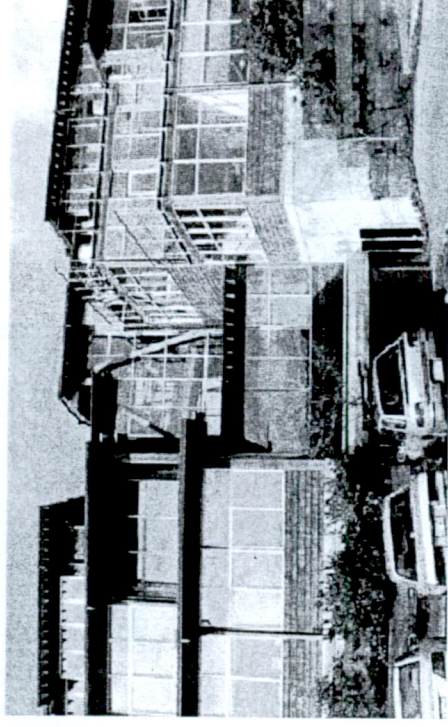
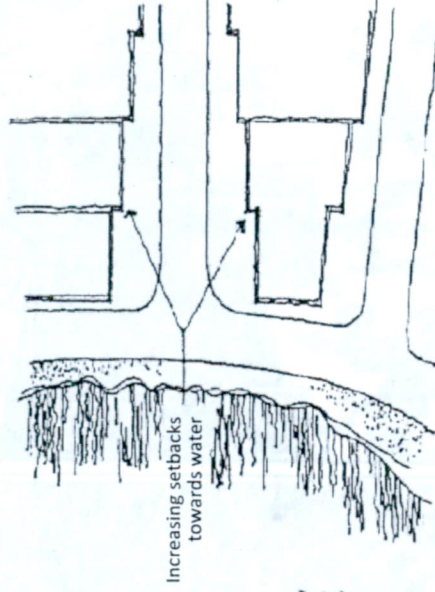
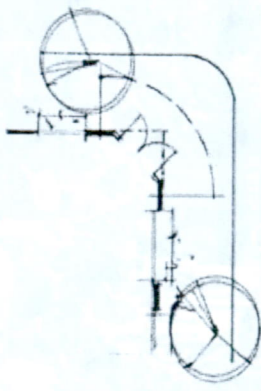
RETHINKING THE QFC SITE

RETHINKING S 223RD STREET & 7TH AVENUE

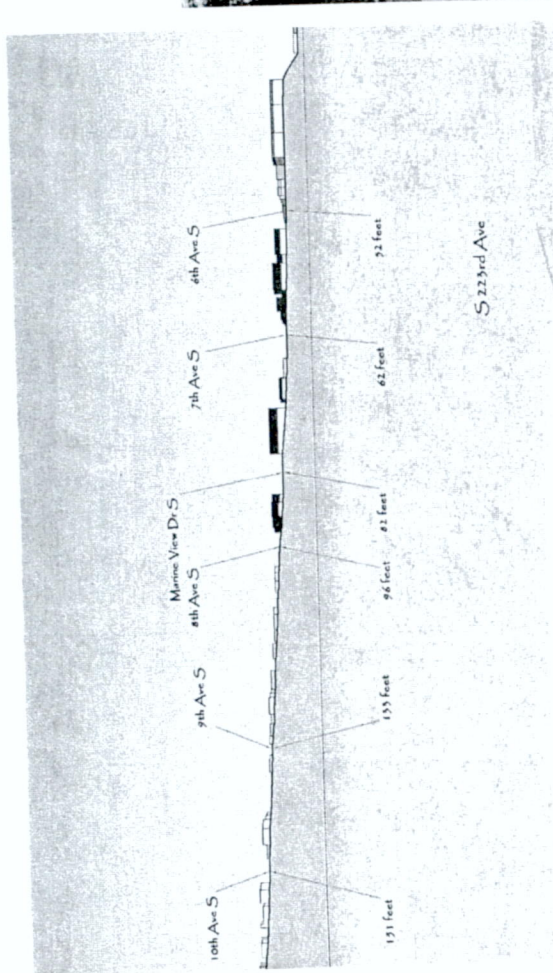


Streetscape/Pedestrian Amenities

Height, Bulk and Scale & Urban Design



MODELING FOR S 223RD



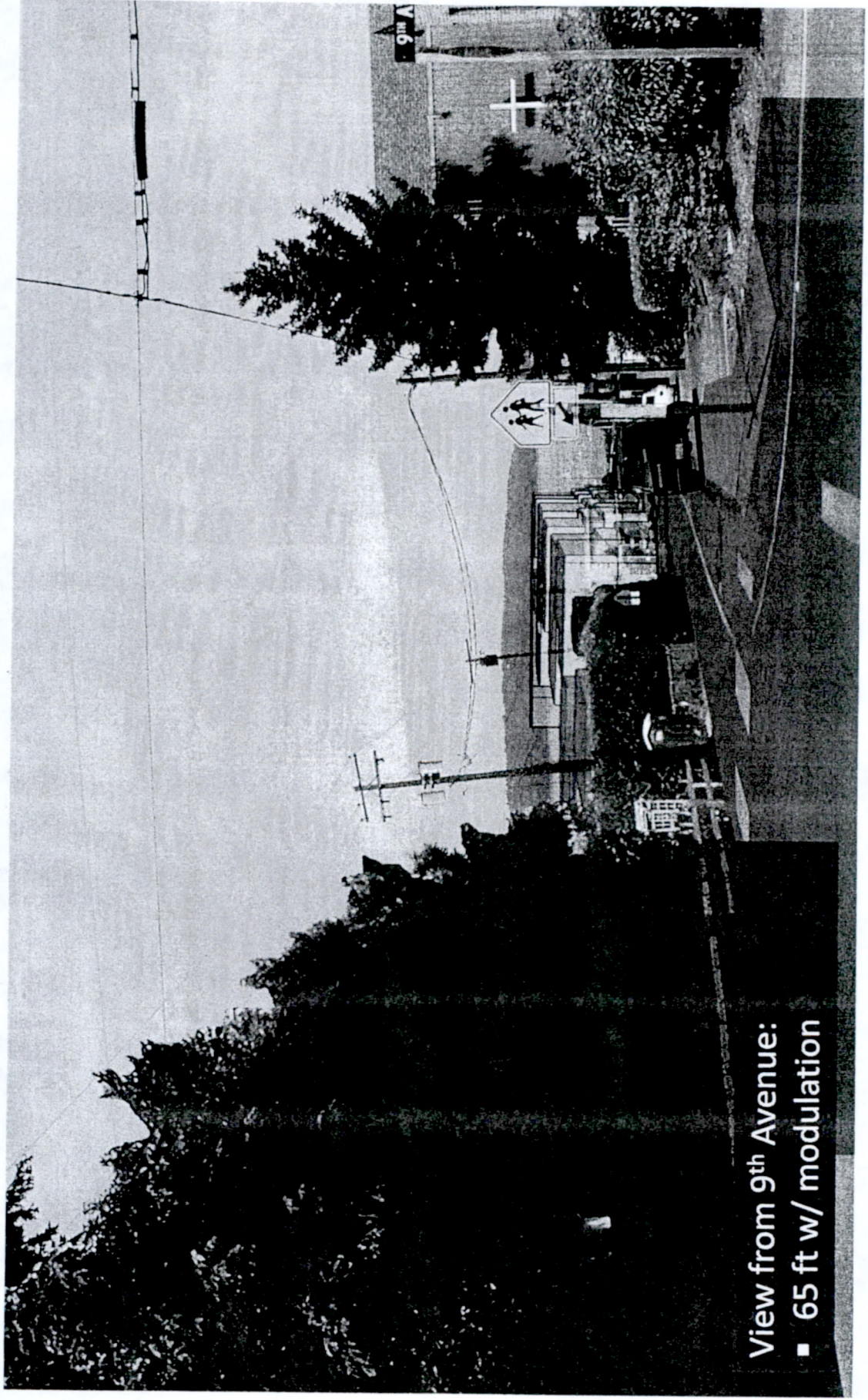
View from 8th Avenue:

- 45 ft west side Marine View Dr
- 65 ft on 7th Avenue
- 45 ft on 6th Avenue

- 45 ft west side Marine View Dr

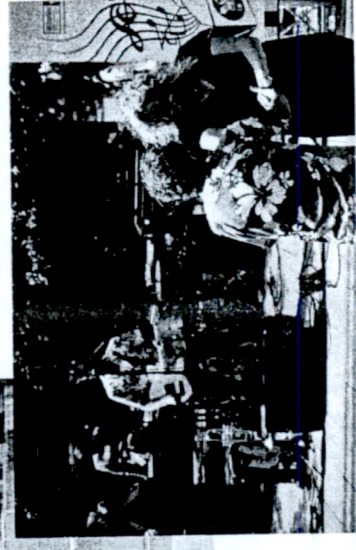
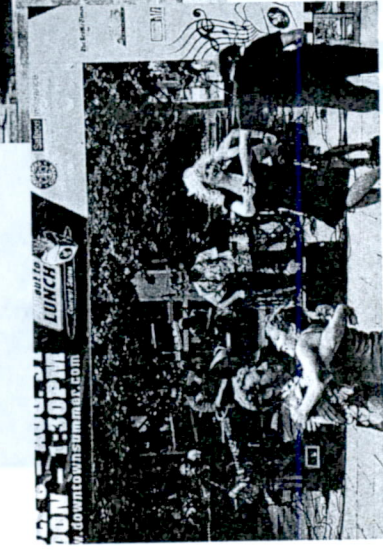
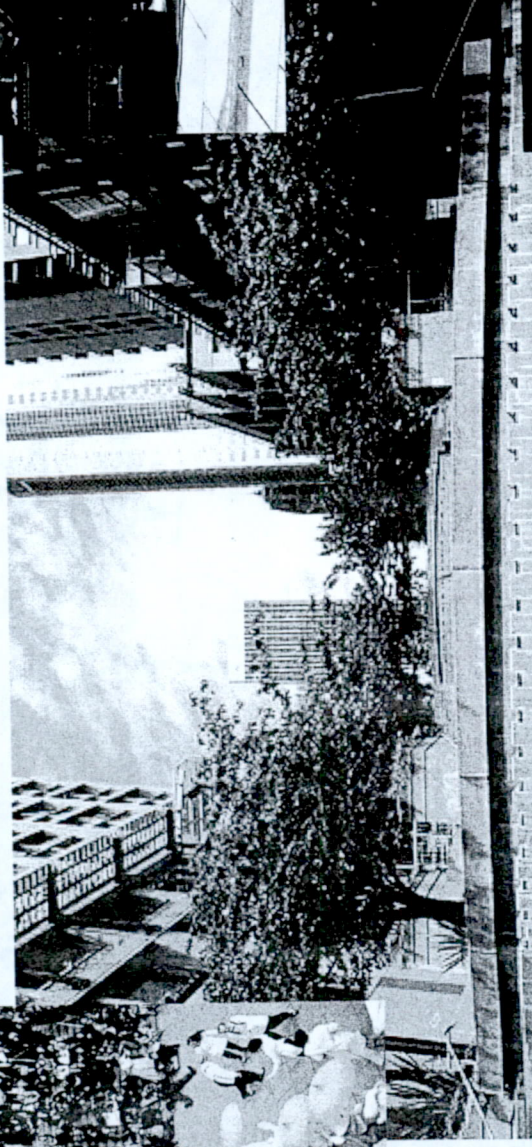
- 45 ft west side Marine View Dr
- 65 ft on 7th Avenue
- 45 ft on 6th Avenue

Modeling for S 223rd

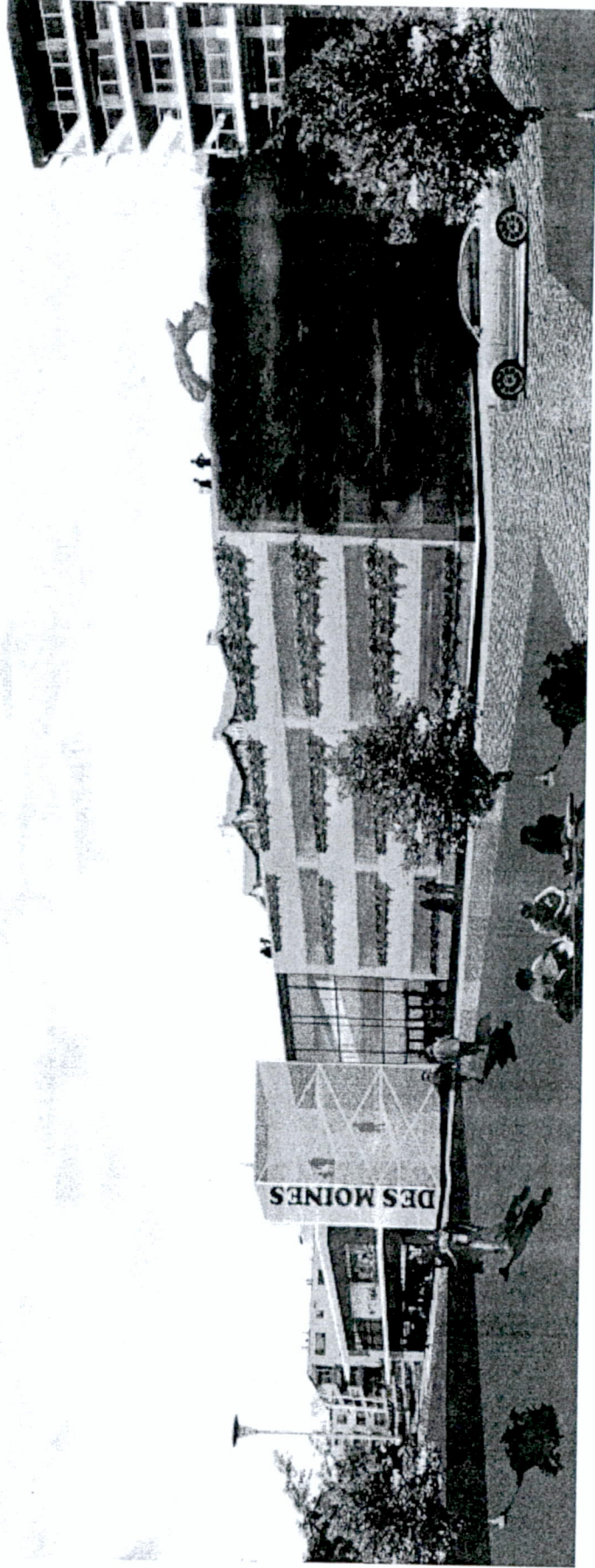


View from 9th Avenue:
■ 65 ft w/ modulation

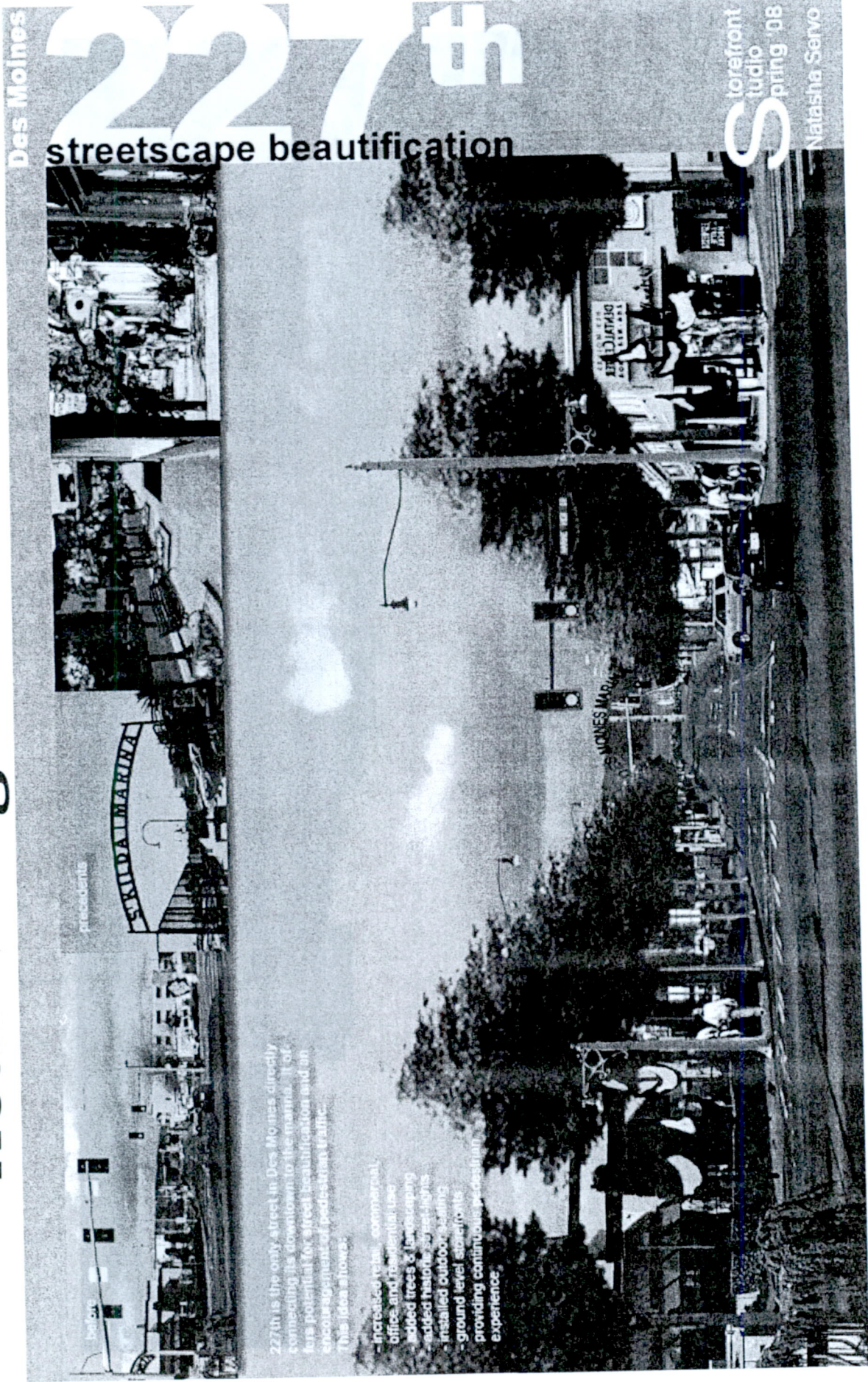
CONNECTING & ACTIVATING THE MARINA DISTRICT



S 223RD TO MARINA



Rethinking S 227th Street



S227th Street

