



Des Moines Downtown Assessment

SEPTEMBER 3, 2026



Complexity made clear.

Public policy research for better human outcomes

ECOnorthwest's interdisciplinary research insights help communities across the United States make informed decisions about housing, land use, natural resources, education, and the social safety net.

Economic questions are everywhere.

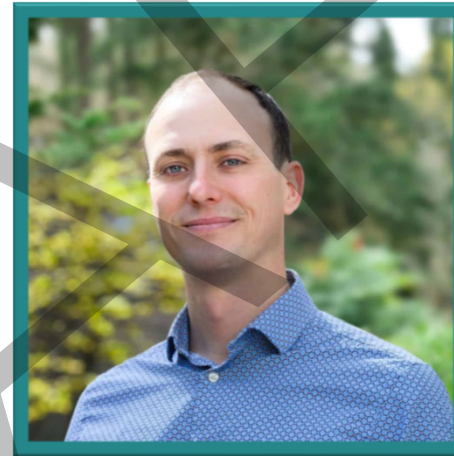
Insight across disciplines.

The outcome matters.

Our Team



Morgan Shook
Partner & Senior
Policy Advisor



Ian Crozier, AICP
Senior Project
Manager

Tonight's Agenda

6:00 pm	About this project
6:10 pm	Downtown diagnostic
6:45 pm	Questions – 15 minutes
7:00 pm	<i>BREAK</i>
7:10 pm	Discussion groups
7:40 pm	Full group discussion
8:30 pm	Close

About this project

This project is a structured process for:

- Being clear about goals for downtown
- Diagnosing issues that have gotten in the way
- Identifying realistic options
- Deciding on a course of action

What this project isn't:

- A subarea planning process
- A study to sit on the shelf

Key questions for this project:

- What are we trying to achieve?
- What does it mean to re-zone an area?
- What are potential effects of this type of change?
- What is the process ahead of us?

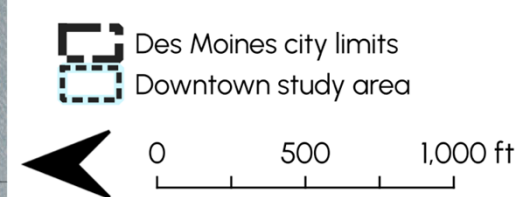


Downtown Diagnostic

SEPTEMBER 3, 2026

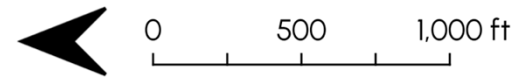
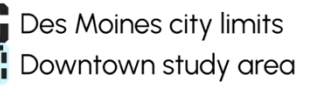


Downtown



Development History

An aerial photograph of a coastal area, likely a beachfront, with various streets and landmarks. A large, semi-transparent 'X' watermark is overlaid across the center of the image. The map shows a grid of streets including S 216TH ST, S 218TH ST, S 219TH ST, S 220TH ST, S 225TH ST, S 226TH PL, S 227TH PL, S 230TH ST, S 231TH ST, S 232TH ST, S 233TH ST, S 234TH ST, S 235TH ST, S 236TH ST, S 237TH ST, S 238TH ST, S 239TH ST, S 240TH ST, S 241TH ST, S 242TH ST, S 243TH ST, S 244TH ST, S 245TH ST, S 246TH ST, S 247TH ST, S 248TH ST, S 249TH ST, S 250TH ST, S 251TH ST, S 252TH ST, S 253TH ST, S 254TH ST, S 255TH ST, S 256TH ST, S 257TH ST, S 258TH ST, S 259TH ST, S 260TH ST, S 261TH ST, S 262TH ST, S 263TH ST, S 264TH ST, S 265TH ST, S 266TH ST, S 267TH ST, S 268TH ST, S 269TH ST, S 270TH ST, S 271TH ST, S 272TH ST, S 273TH ST, S 274TH ST, S 275TH ST, S 276TH ST, S 277TH ST, S 278TH ST, S 279TH ST, S 280TH ST, S 281TH ST, S 282TH ST, S 283TH ST, S 284TH ST, S 285TH ST, S 286TH ST, S 287TH ST, S 288TH ST, S 289TH ST, S 290TH ST, S 291TH ST, S 292TH ST, S 293TH ST, S 294TH ST, S 295TH ST, S 296TH ST, S 297TH ST, S 298TH ST, S 299TH ST, S 300TH ST. Other streets shown include MARINE VIEW DR S, DES MOINES CREEK TRAIL, BACKSTAGE ALLEY, DOCK AVE S, CLIFF AVE S, 5TH AVE S, 6TH AVE S, 7TH AVE S, 8TH AVE S, 9TH AVE S, 10TH AVE S, 11TH AVE S. The coastline is visible at the bottom, with a sandy beach and the ocean. A large, semi-transparent 'X' watermark is overlaid across the center of the image.



DEVELOPMENT HISTORY

Limited development Pre-WWII

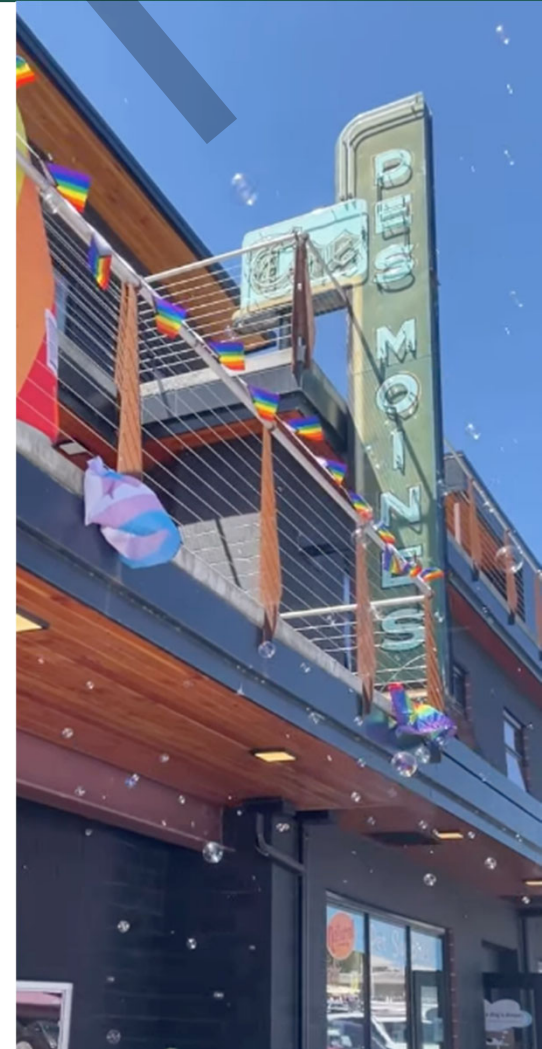
- Farms, ferry dock, Masonic Lodge
- 1930's WPA projects including Field House

Most development dates from 1950-1980

- Marina developed through urban renewal
- Several tax-exempt senior housing and medical rehabilitation developments

Recent years

- The Adriana senior apartments built in 2018, largest development downtown
- Des Moines Theater, first privately funded redevelopment, 2025

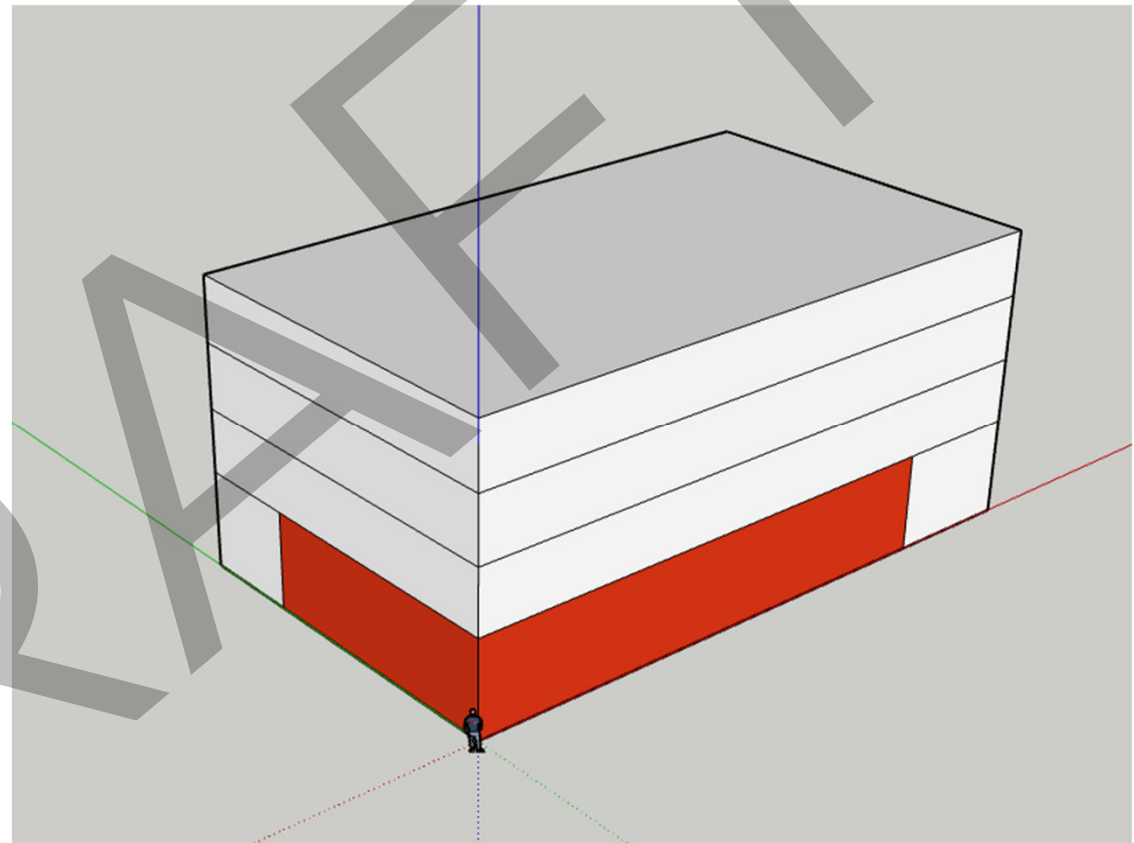


ZONING REVIEW

DRAFT

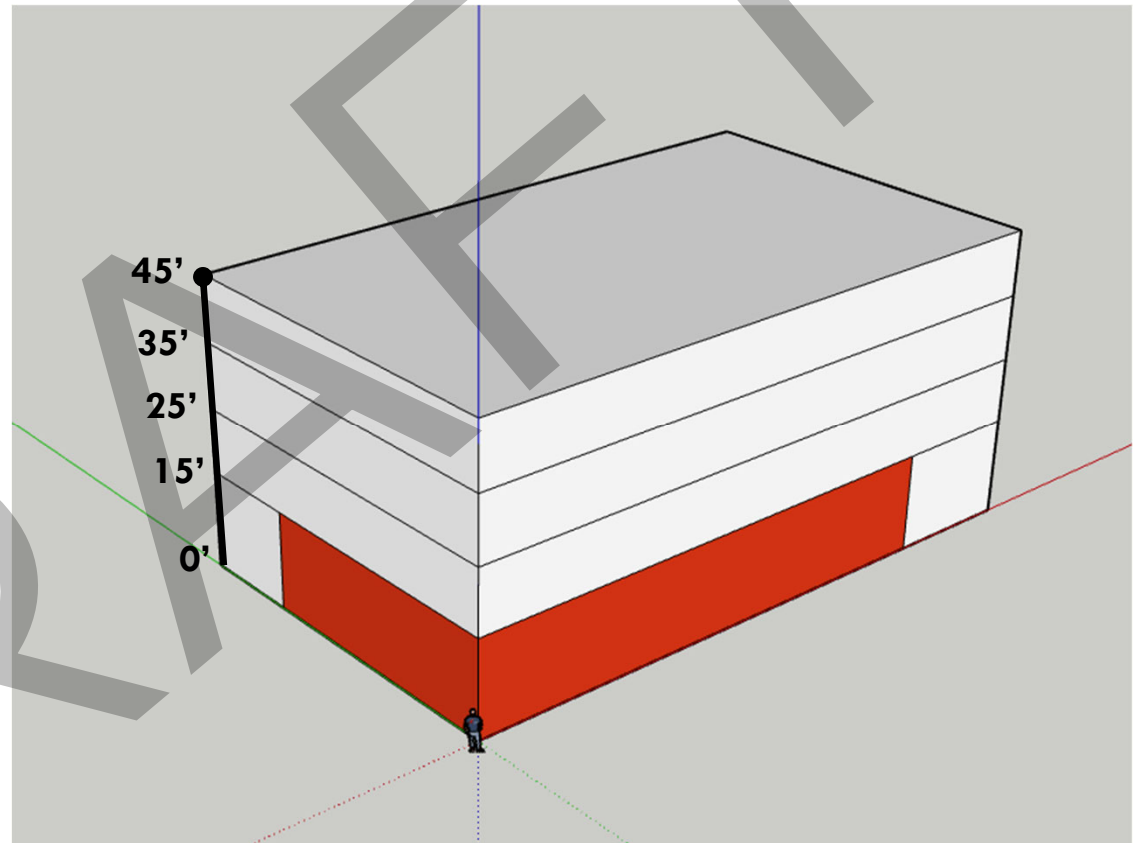
Zoning Concepts

- Ground-floor commercial
- Height limits
- Coverage
- Floor-area-ratio (FAR)
- Setbacks



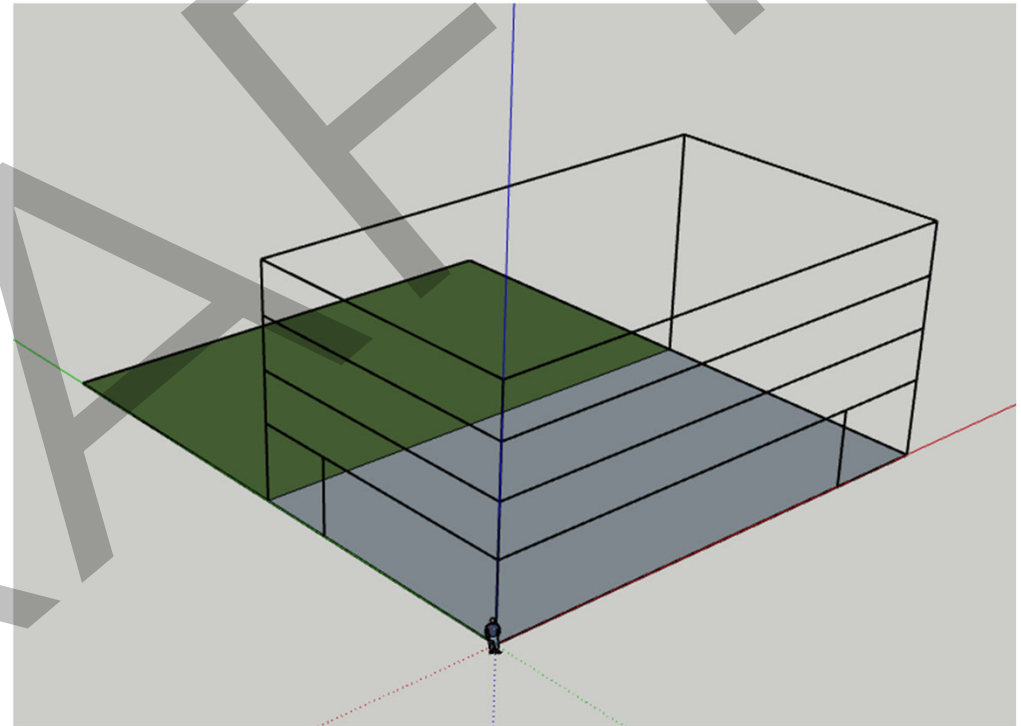
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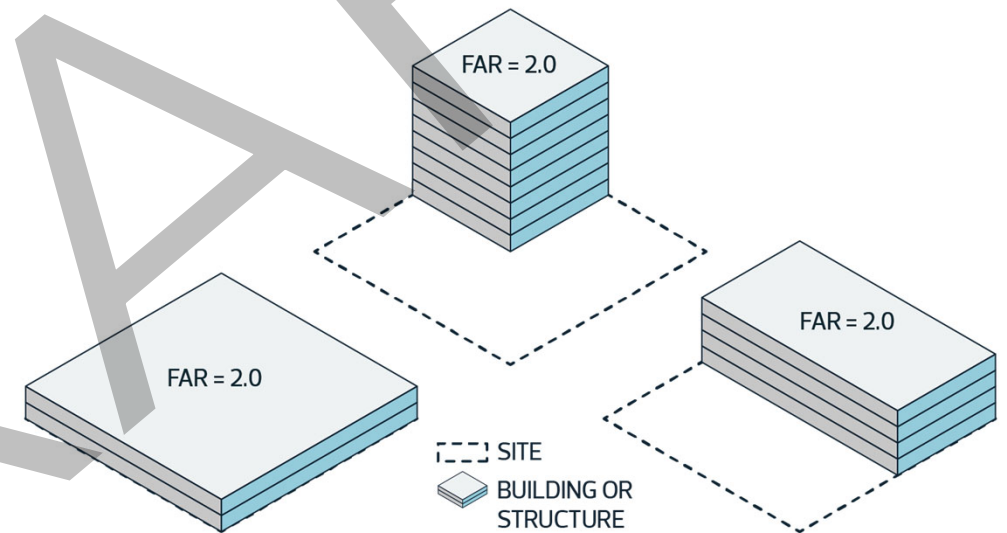
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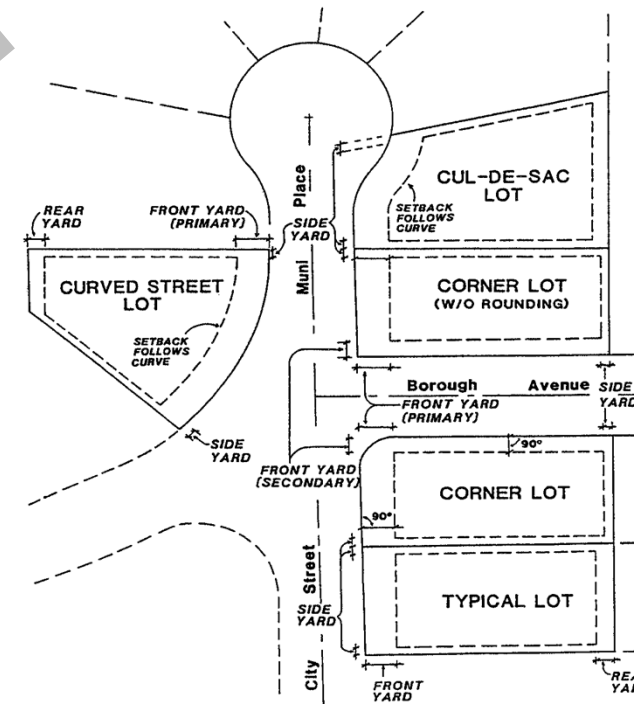
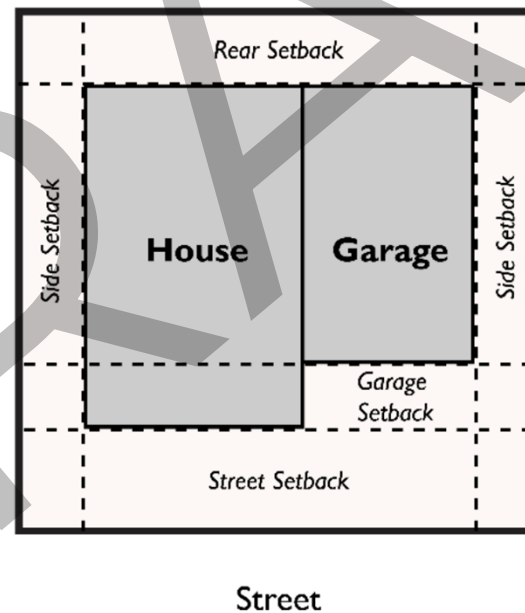
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Downtown Commercial Zone Standards

Use restrictions

Broad commercial use permissions.
Ground floor commercial requirements:

- 60% of ground level floorplate
- 75% of ground floor street frontage
- 55' depth
- more flexibility on 7th Ave

Height limit

35'-55' depending on location.

Floor-area-ratio (FAR)

2.5-3.5 depending on location.
Bonus FAR available for public benefits.

Lot coverage limit

No limit

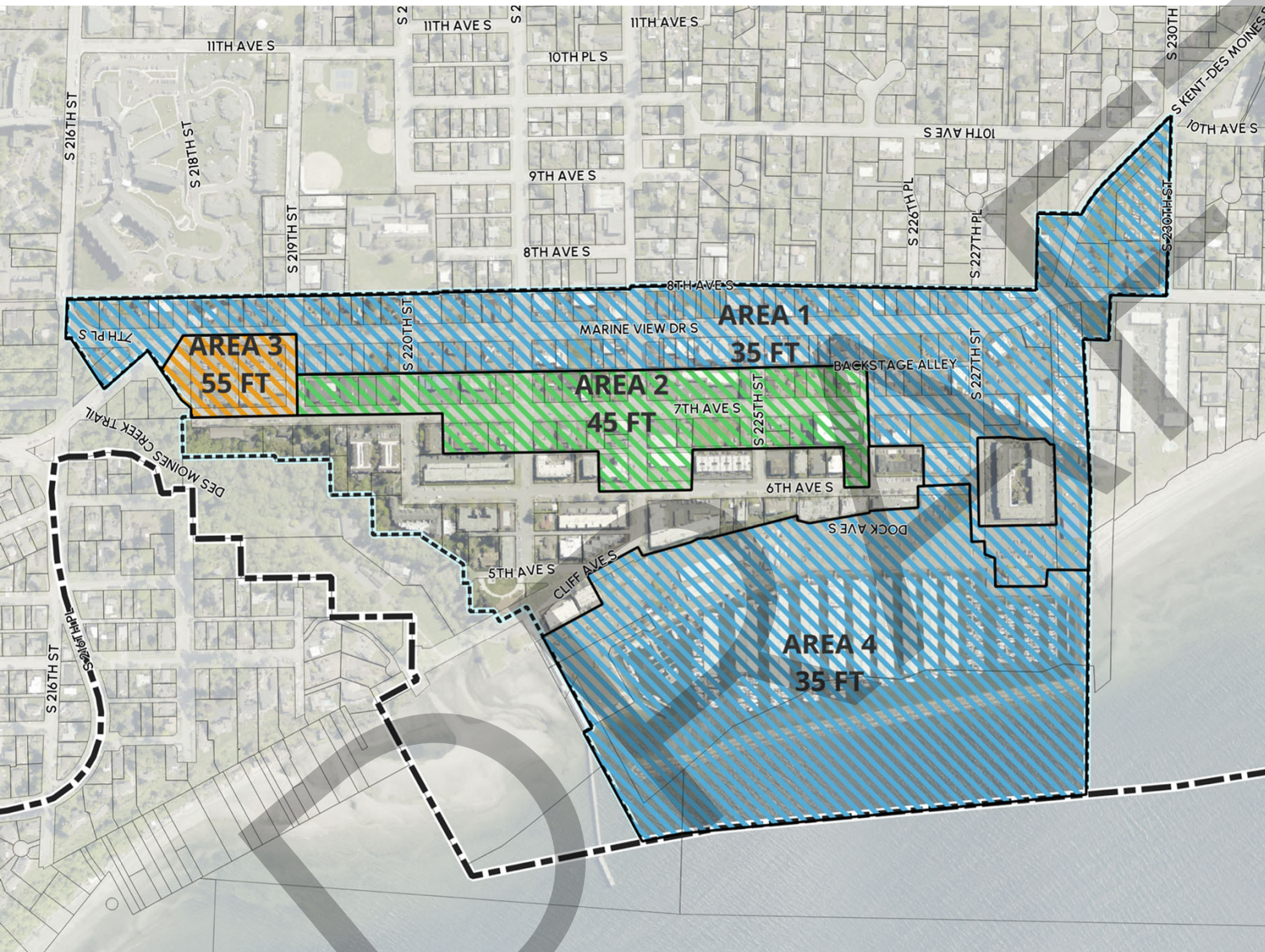
Density

No limit

Setbacks

10' from residentially zones lots

DC Height Limits



D-C Base Height



35

45

55



Des Moines city limits

Downtown study area



0

500

1,000 ft

RM-900 & 900A Zone Standards

	RM-900	RM-900A
Use restrictions	Mostly residential. Retail and restaurants prohibited. Hotels allowed.	Exclusively residential. Townhouses prohibited.
Height limit	35'	35'
Floor-area-ratio (FAR)	2.0	1.0
Lot coverage limit	60%	60%
Max. Density	~48 du/acre (900 sf lot area per unit)	~48 du/acre (900 sf lot area per unit)
Setbacks	Front: 20' Side: 5'	Front: 20' Side: 5' first story / 10' second / 15' third Rear: 20'

Zoning Issues

- Narrow use categories: D-C does not allow stand-alone residential, while RM-900 essentially requires it.
- Restrictive and complex height limits
- Complex bonus FAR for public benefits system
- Mixed-use requirements are very high and conflict with SB 6026 (effective July 2027)
- Expensive balcony requirement
- Restrictive FAR and setback standards in RM-900A (6th Ave)
- Code review currently underway

Allowed building type examples by zone:

D-C

Single-story retail,
office building,
mixed-use multifamily
with ground-floor retail



RM-900

Three-story apartment
building, townhouses



RM-900A

Three-story
apartment building



Development Examples

Mid-rise mixed-use

- "five over one"
- Ground-floor commercial or other active use
- Moderately expensive construction cost
- Density 60-200 units per acre
- Usually garage parking



Development Examples

Four-story apartments

- "woody walk-up"
- Less expensive construction cost
- Density 20-45 units per acre
- Surface parking



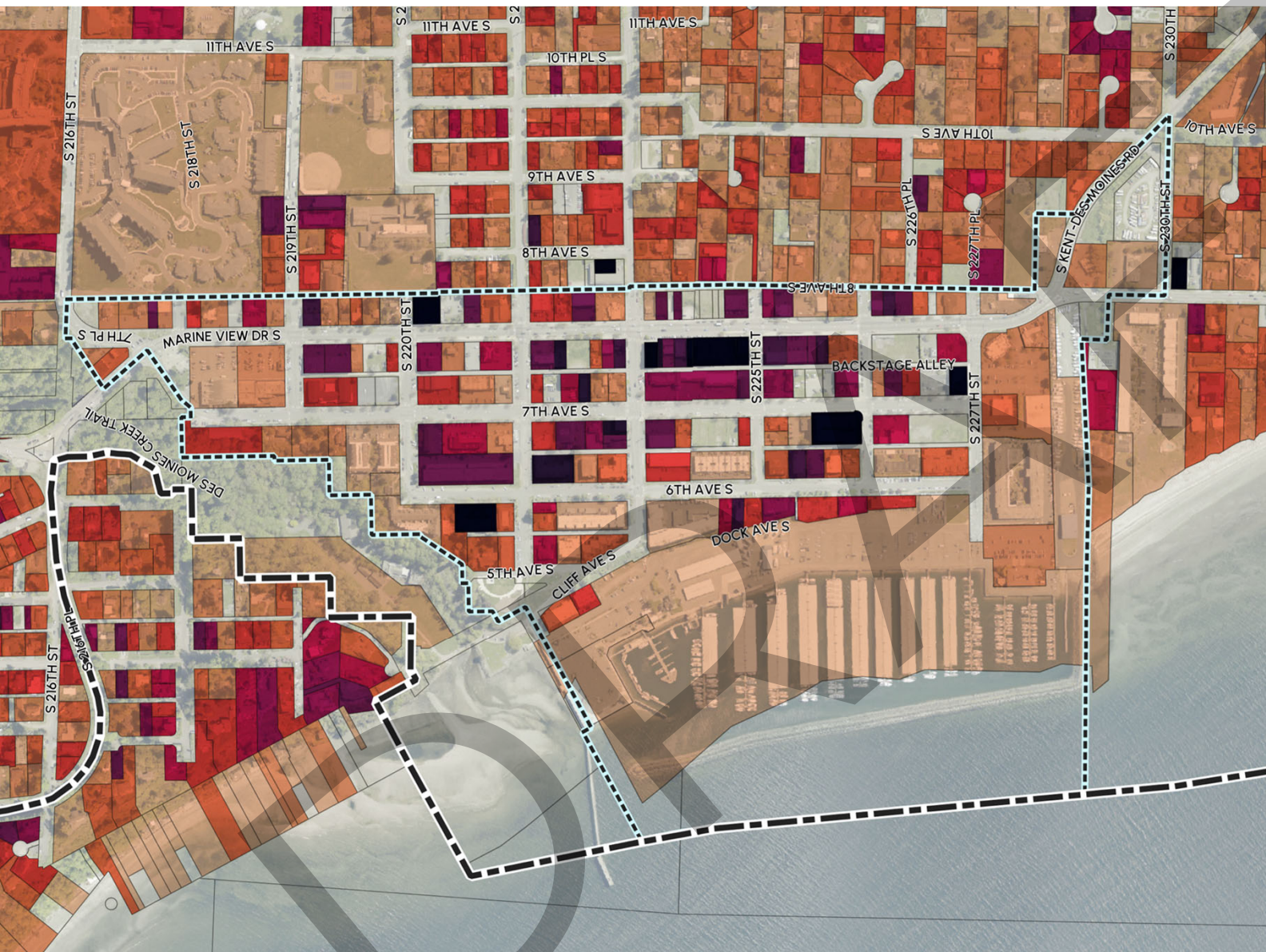
Development Examples

Townhouses

- Less expensive construction cost
- Density 20-45 units per acre
- Ownership-oriented



Land Base

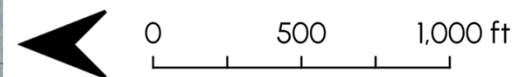


Improvements value

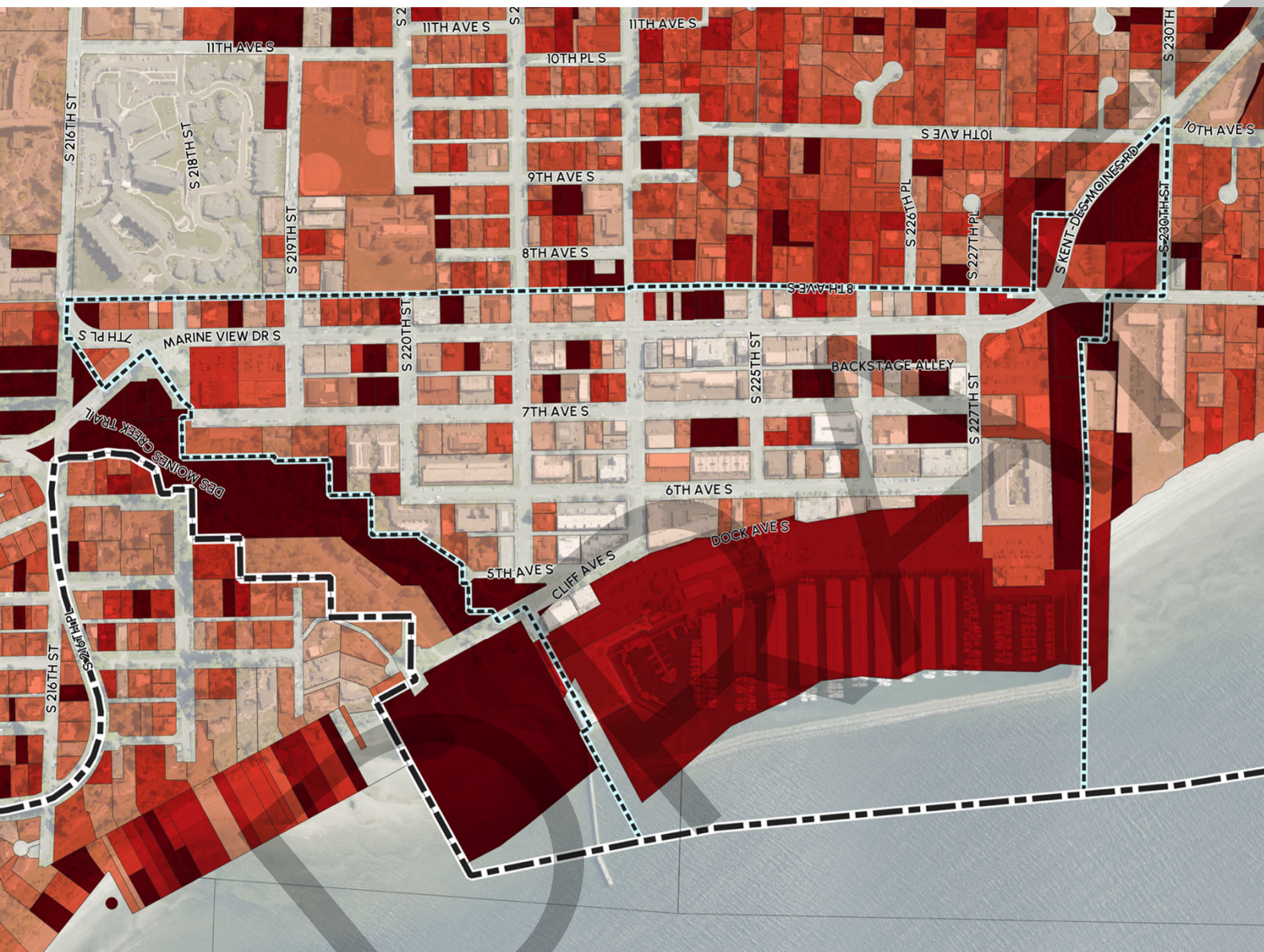
Improvements value per sf

- <\$1
- \$1 - \$15
- \$15 - \$30
- \$30 - \$45
- \$45 - \$60
- \$60 - \$75
- \$75 - \$100
- \$100 - \$150
- \$150 - \$200
- \$200 - \$250
- >\$250

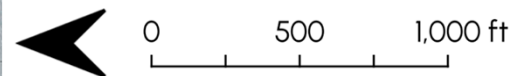
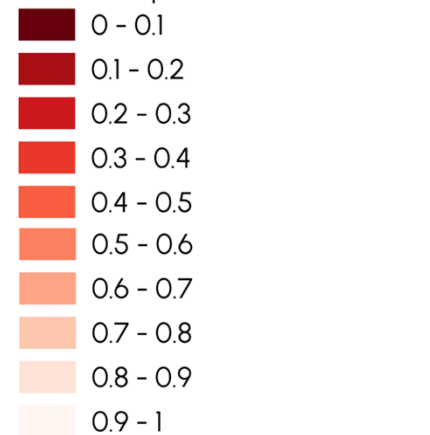
- Des Moines city limits
- Downtown study area



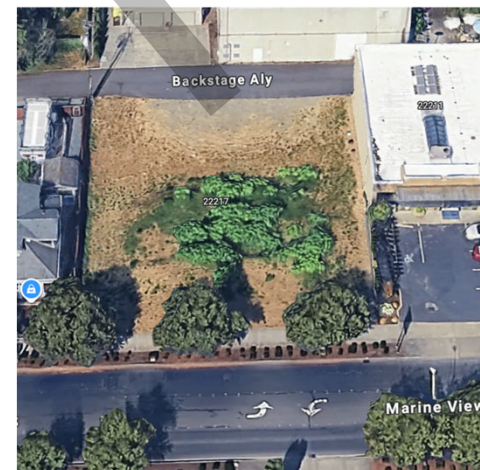
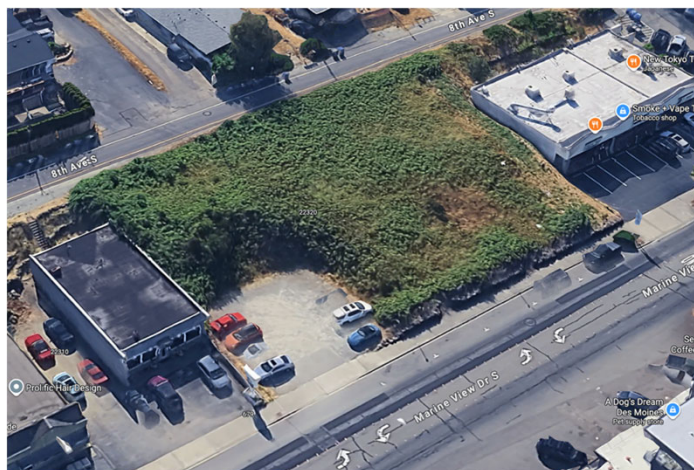
Improvements to Land Value Ratio



Land to Improvement value ratio



Vacant Sites

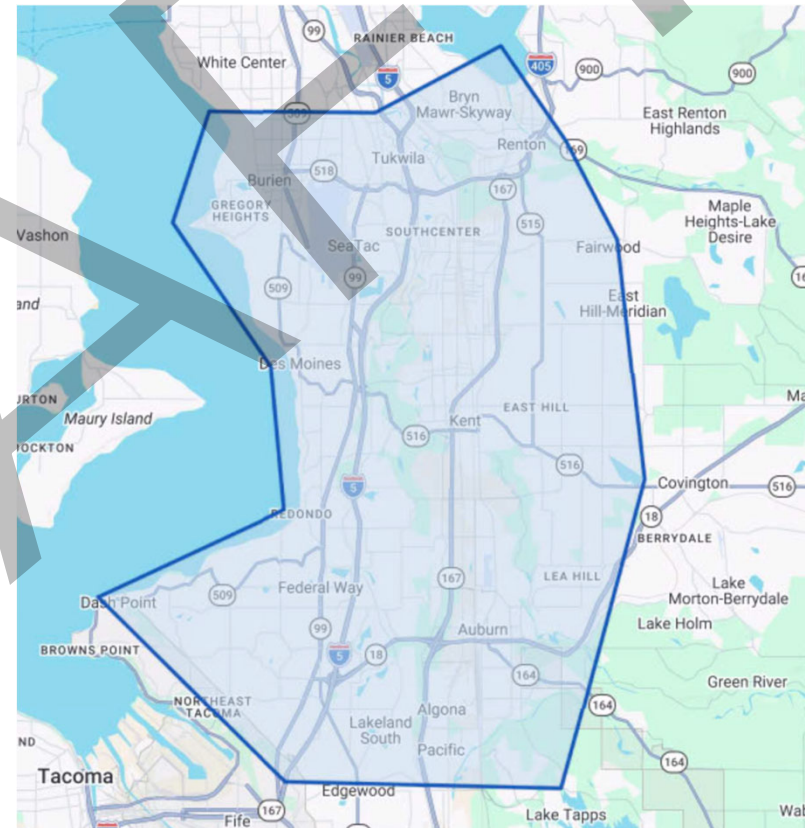


Market Analysis

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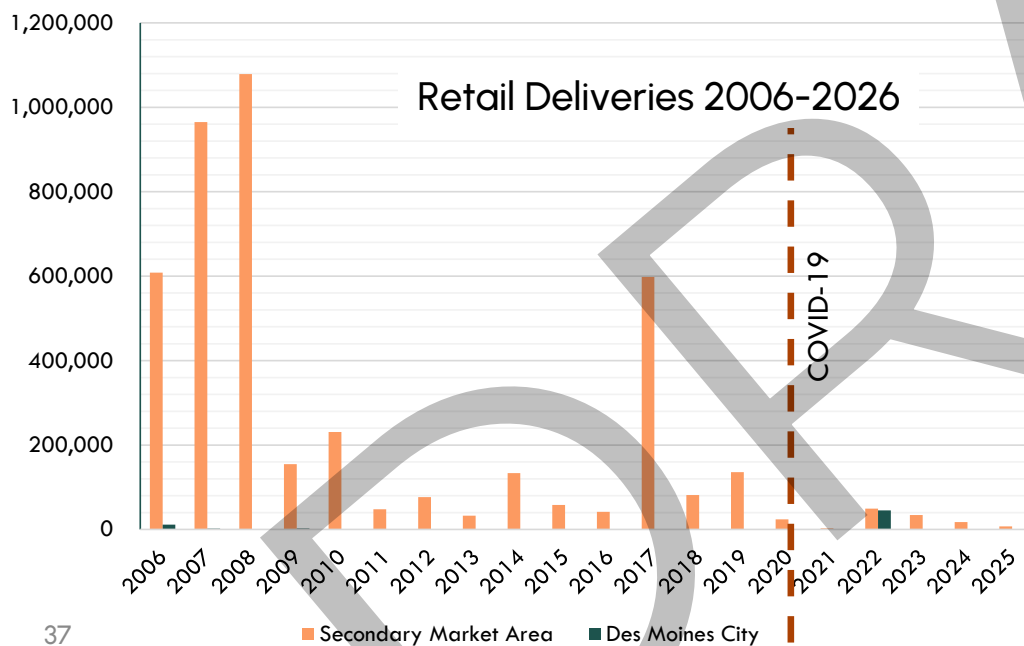
Review of CoStar data for trends in multifamily, retail, office, hotel development.

Des Moines compared to a larger "secondary area" encompassing most of south King County.



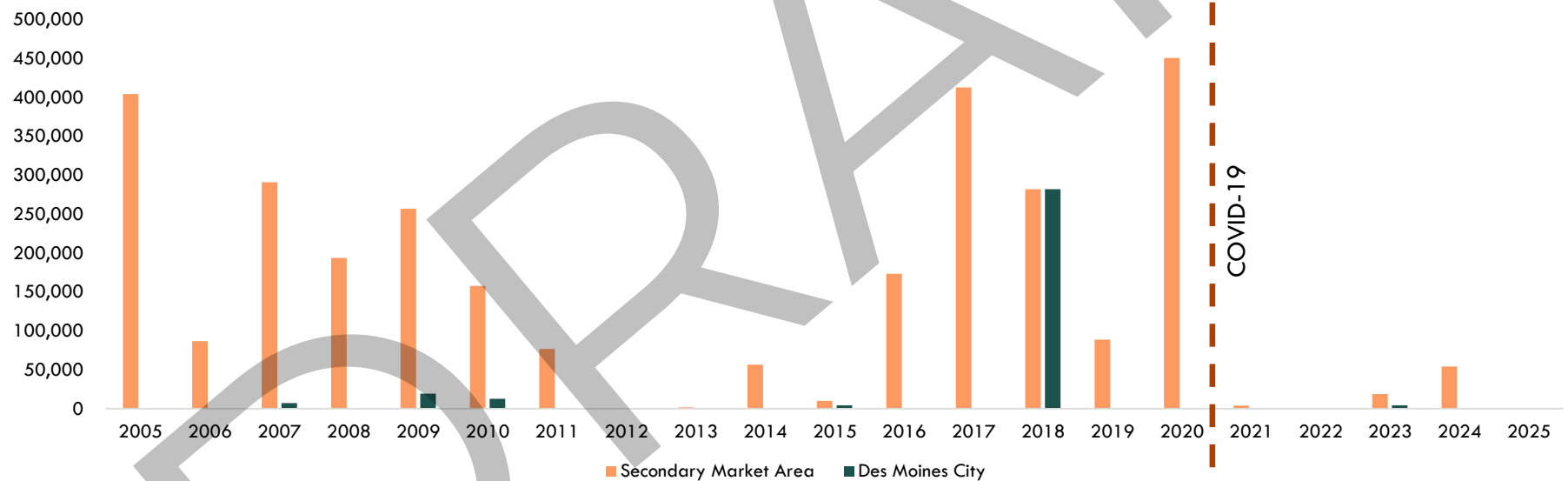
Market Analysis

Retail square footage is generally flat or declining in south King County and Des Moines since 2020.

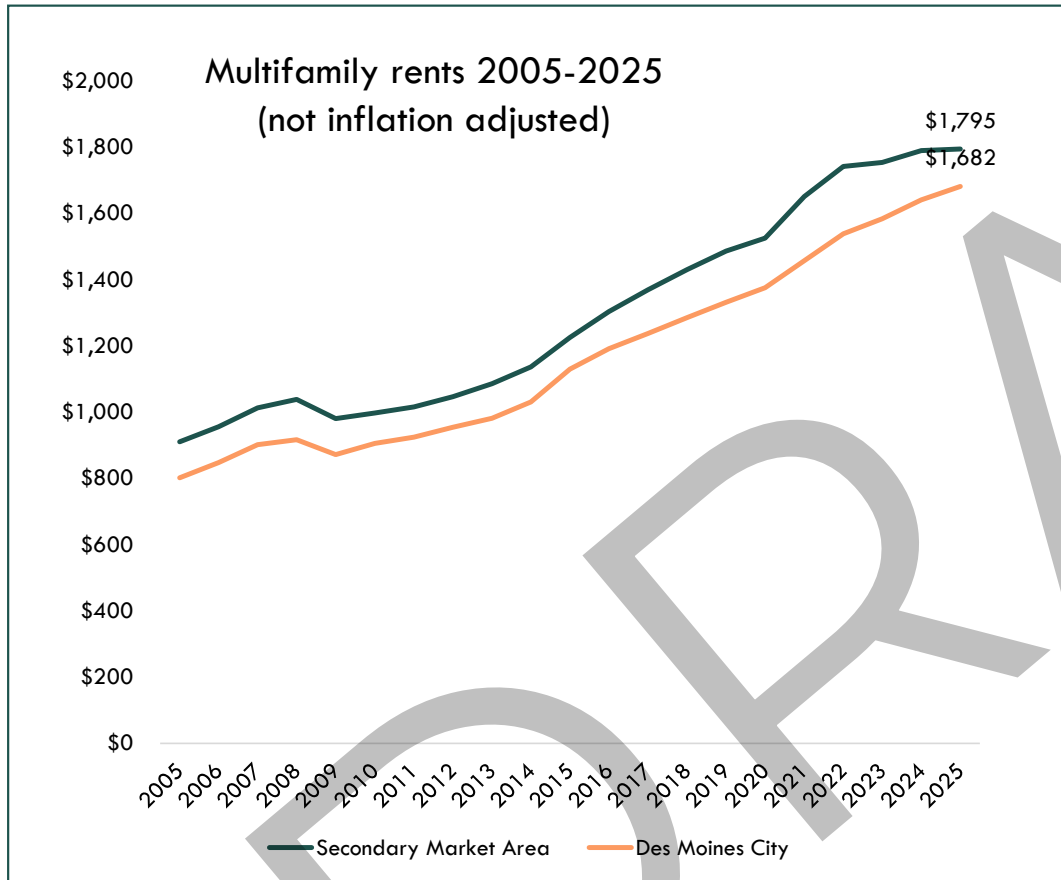


Office development is at a virtual standstill post-pandemic.

Office development 2005-2025



MARKET ANALYSIS



Multifamily rents are about 7% lower in Des Moines than in South King County as a whole.

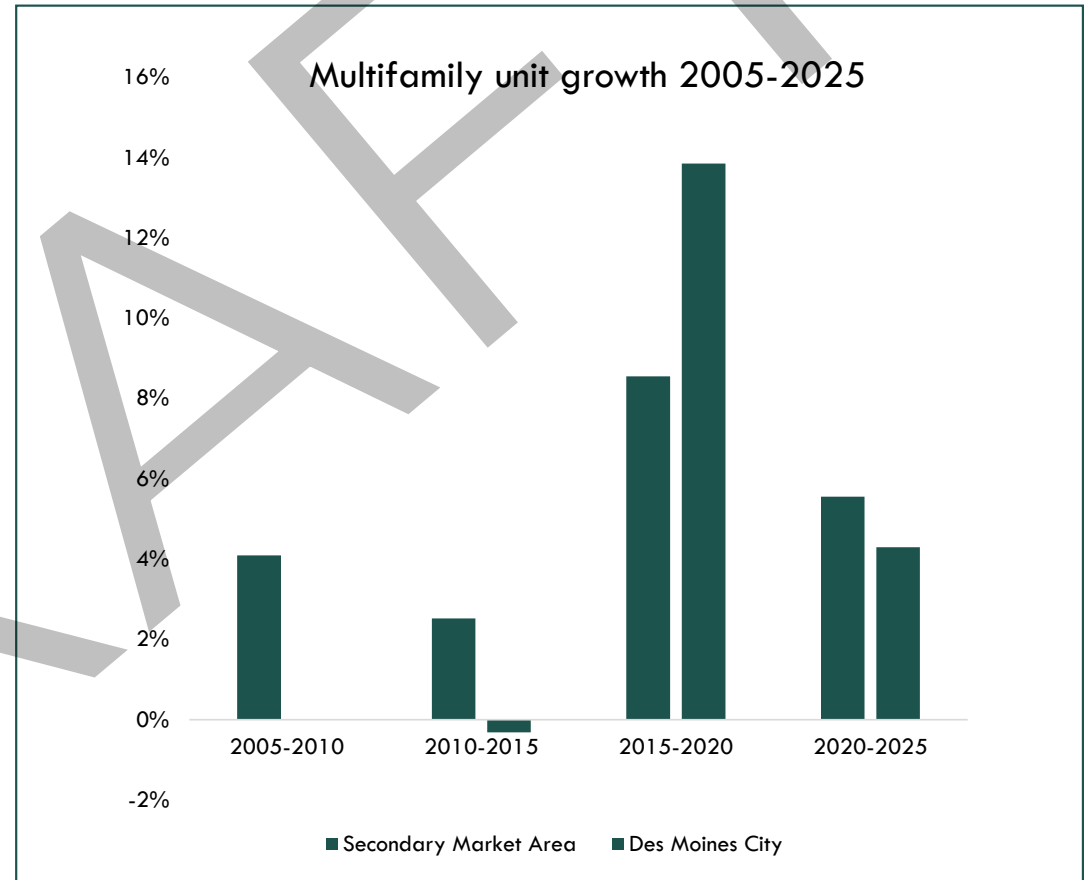
This may be due to generally older housing stock.

Multifamily rents in Des Moines have risen 109% since 2006 (compared to 66% inflation).

MARKET ANALYSIS

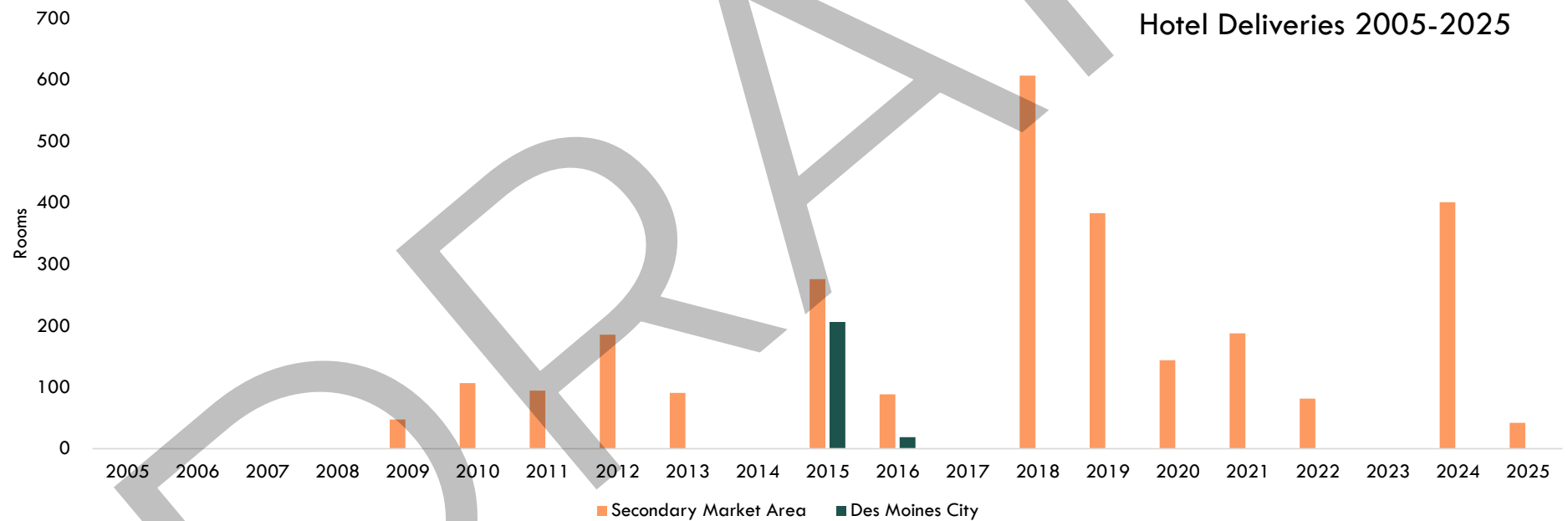
Des Moines has been adding multifamily units at pace with other South King county cities.

Construction has slowed due to difficult financing and high construction costs, but demand remains strong.



Market Analysis

Hotel development is basically consistent with pre-pandemic trends.

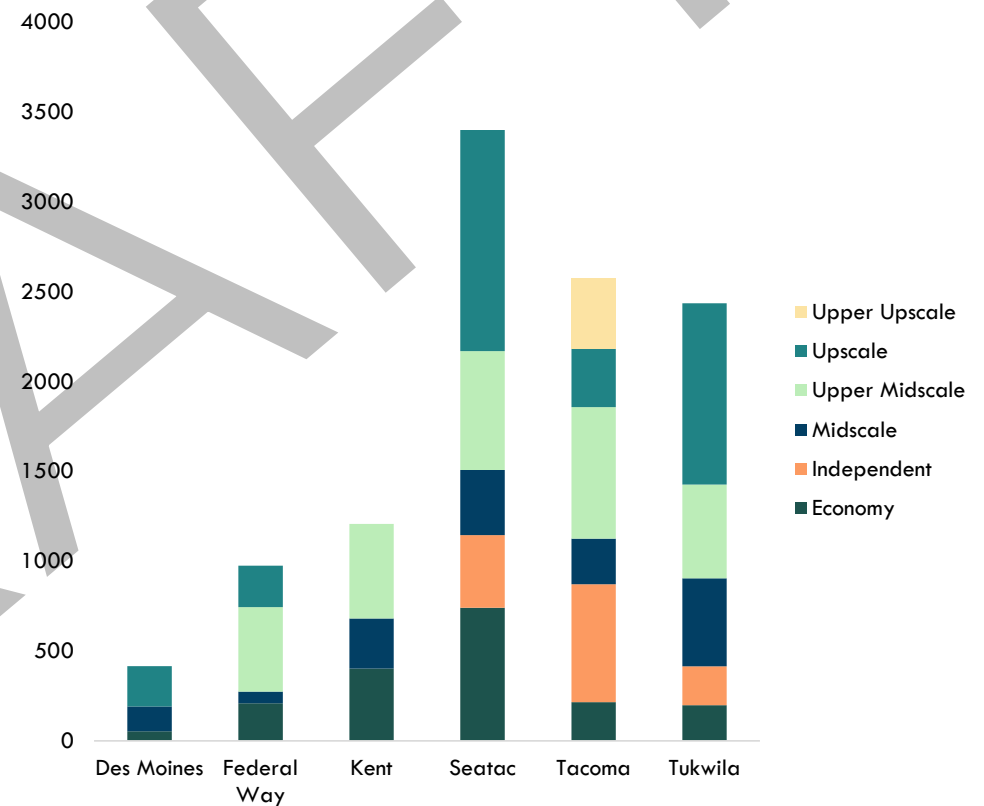


Market Analysis

Des Moines has few hotel rooms compared to some nearby cities.

Lodging Name	Rooms	Year Built	Class
Four Points by Sheraton Seattle Airport South	225	2015	Upscale
Red Lion Inn & Suites Des Moines	51	2000	Midscale
The Marina Inn	42	1984	Midscale
Value Inn Sea Tac	45	1979	Midscale
Legend Motel	32	1959	Economy
West View Motel	22	1953	Economy

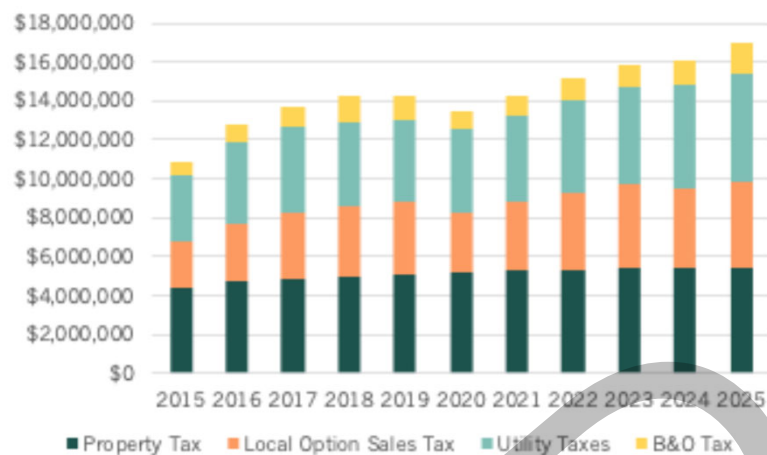
South King County Hotels (2022)



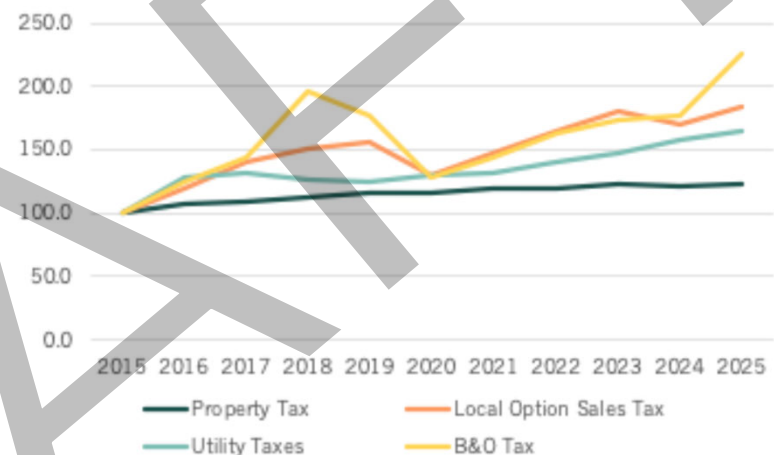
Fiscal Context

Slow property tax growth is pushing the city toward utility, B&O, and sales taxes

Tax revenue by source, 2015–2025



Growth by source, indexed (2015 = 100)

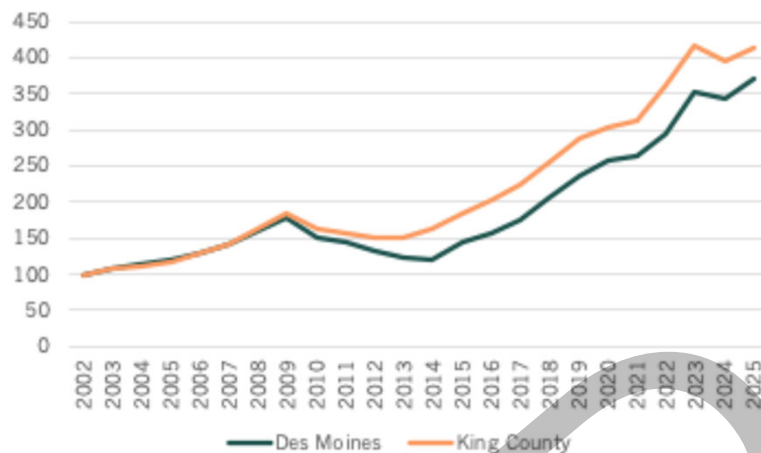


Growth is real — but property tax is not driving it

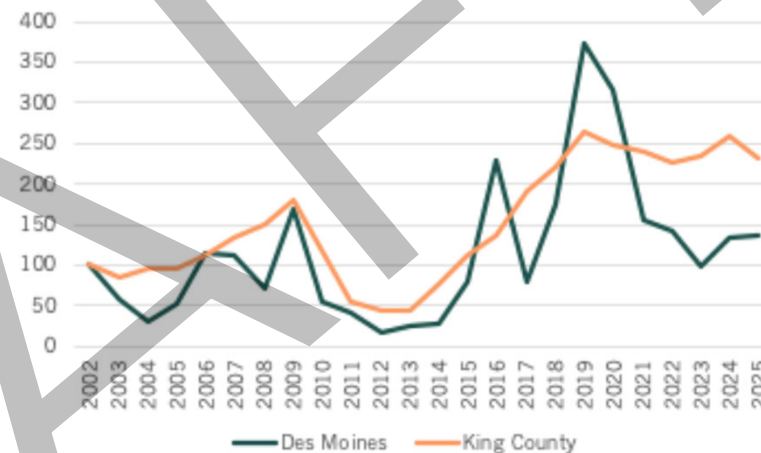
- Total tax revenue grew from roughly \$11M in 2015 to about \$17M in 2025 — up close to 50%.
- Property tax has risen only about 25% over the decade, the slowest of any source and below the pace of inflation and service costs.
- Utility taxes (+60%), local option sales tax (+85%), and B&O tax (+125%) have carried the growth — shifting the mix toward more economy-sensitive, volatile revenues.

Des Moines is losing pace on property value—and further behind on new construction

Assessed value growth, indexed (2002 = 100)



New construction value, indexed (2002 = 100)



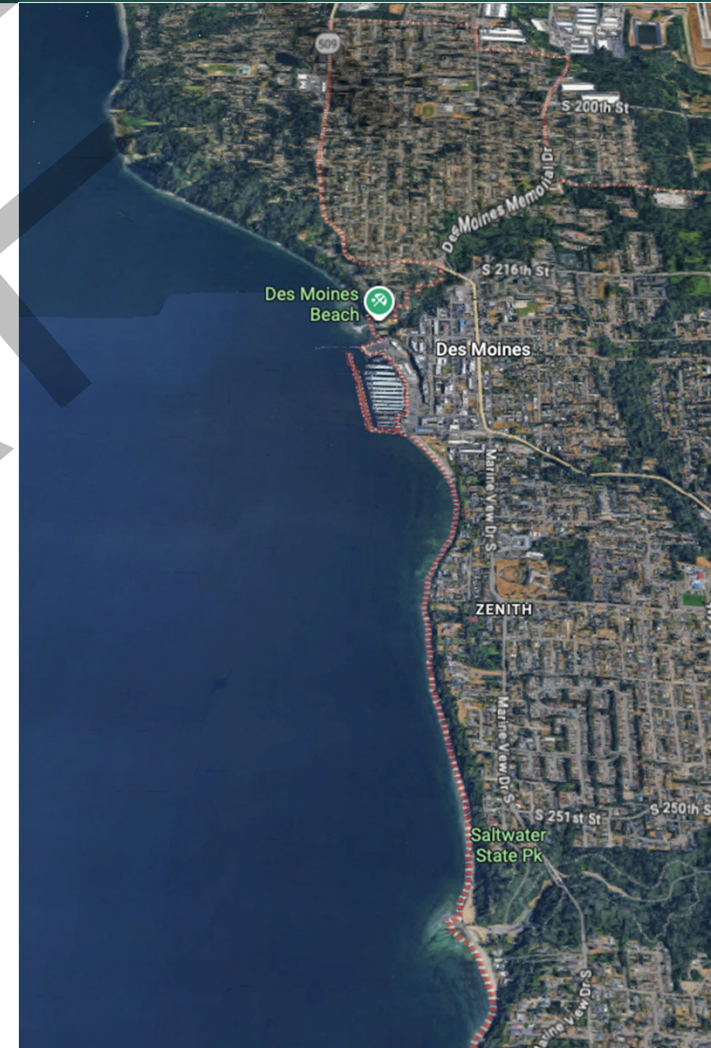
A thinner tax base — and a weaker pipeline to grow it

- Assessed value has grown steadily since 2002, but Des Moines has tracked below King County since 2010 and the gap has widened.
- New construction is the bigger challenge: after a 2019 spike, Des Moines has fallen back to roughly 140 on the index while the county sits near 235.
- New construction is the main exception to the 1% levy cap — a weak building pipeline directly limits the city's ability to grow property tax revenue.

Strengths / Challenges / Opportunities / Threats

Strengths

- Unique waterfront location
- Views of sound and mountains
- Farmers market, events, and community energy
- Walkable grid
- Proximity to airport
- Des Moines Beach Park, Des Moines Creek Trail
- Infrastructure investments
- Access to two light rail stations



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Des Moines Waterfront Farmers Market

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Marina District, Des Moines, 98198

Commute to **Downtown Des Moines**

60+ min 60+ min 60+ min [View Routes](#)

Favorite

Map

Nearby Des Moines Apartments on Redf

[More about 22303 Marine View Drive South](#)

Walk Score
86

Very Walkable

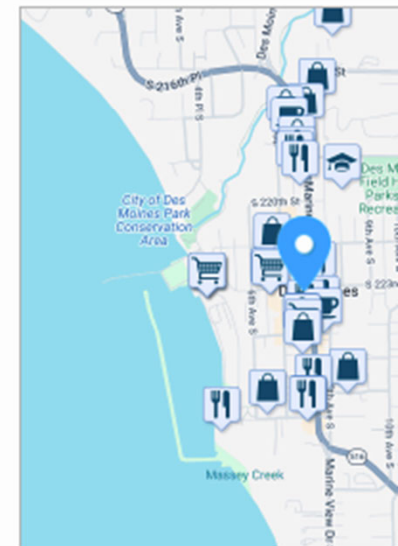
Most errands can be accomplished on foot.

Bike Score
37

Somewhat Bikeable

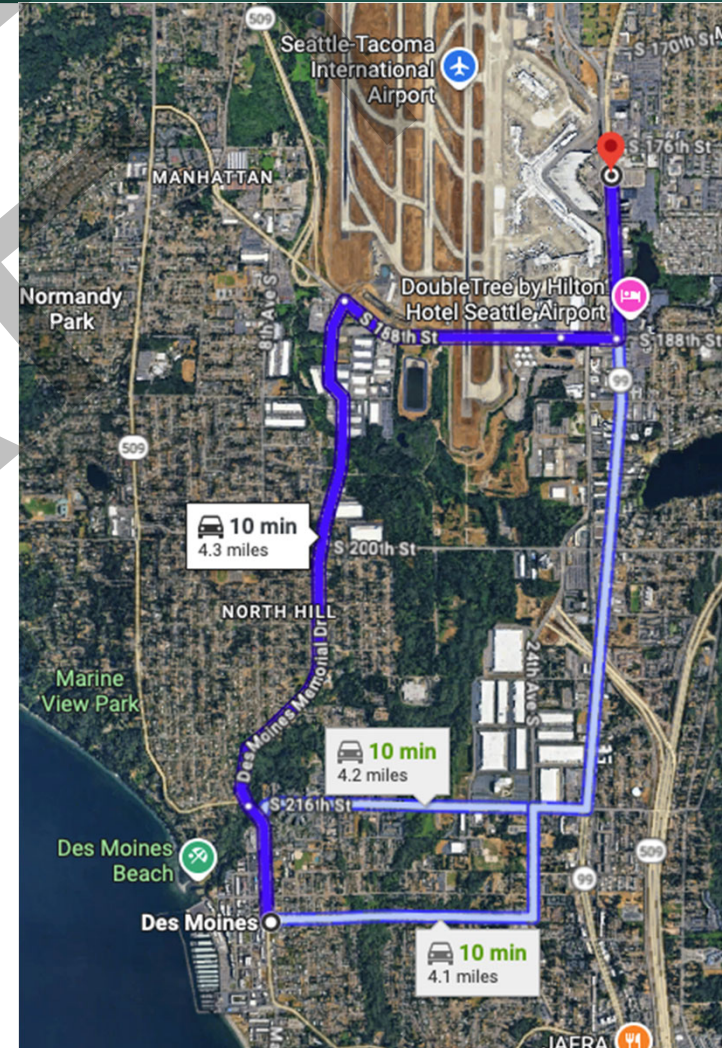
Minimal bike infrastructure.

[About your score](#)



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Challenges

- Restrictive, outdated zoning
- Lack of external connectivity
- Flight path noise
- Low land values
- Separation from waterfront
- Absentee property owners
- Low-density surroundings limits nearby customer base
- North-south block pattern and topography limit connection to waterfront

CONDITIONS

Ch 18.52 PERMITTED USES

§ 18.52.005 Permitted uses.

§ 18.52.010A Residential use chart.

§ 18.52.010B Commercial use chart.

Ch 18.55 SINGLE-FAMILY

RESIDENTIAL ZONE

Ch 18.57 MIDDLE HOUSING

PROVISIONS AND STANDARDS

Ch 18.58 CO-LIVING HOUSING

Ch 18.60 RA-3,600 RESIDENTIAL:

ATTACHED TOWNHOUSE AND

DUPLEX 3,600 ZONE

Ch 18.65 RM-2,400 RESIDENTIAL:

MULTIFAMILY 2,400 ZONE

Ch 18.70 RM-1,800 RESIDENTIAL:

MULTIFAMILY 1,800 ZONE

Ch 18.75 RM-900 RESIDENTIAL:

MULTIFAMILY 900 ZONE

Ch 18.80 RM-900A AND RM-900B

RESIDENTIAL: MULTIFAMILY

ZONE

§ 18.80.010 Title.

§ 18.80.020 Application.

§ 18.80.030 Purpose.

§ 18.80.040 Authority.

§ 18.80.050 General design

requirements.

§ 18.80.060 Lot area in the RM-900A

Zone.

§ 18.80.070 Lot area in the RM-900B

Zone.

§ 18.80.080 Lot area per dwelling

unit.

§ 18.80.090 Lot width.

☐ § 18.80.090 Lot width.

In RM-900A and RM-900B Zones every lot shall have a width of not less than 60 feet.

(Ord. 1591 § 208, 2014)

☐ § 18.80.100 Front yard.

In an RM-900A and RM-900B Zone every lot shall have a front yard with a depth not less than 20 feet.

(Ord. 1591 § 209, 2014)

☐ § 18.80.110 Side yard.

In an RM-900A and RM-900B Zone every lot shall have a side yard on each side of the lot which side yard shall have a width of not less than 15 feet. Exceptions:

(1) Structures two stories in height may have side yards of 10 feet in width;

(2) Structures one story in height may have a side yard of five feet from one side and 10 feet from the other side.

(Ord. 1591 § 210, 2014)

☐ § 18.80.120 Rear yard.

In an RM-900A and RM-900B Zone every lot shall have a rear yard with a depth of not less than 20 feet.

(Ord. 1591 § 211, 2014)

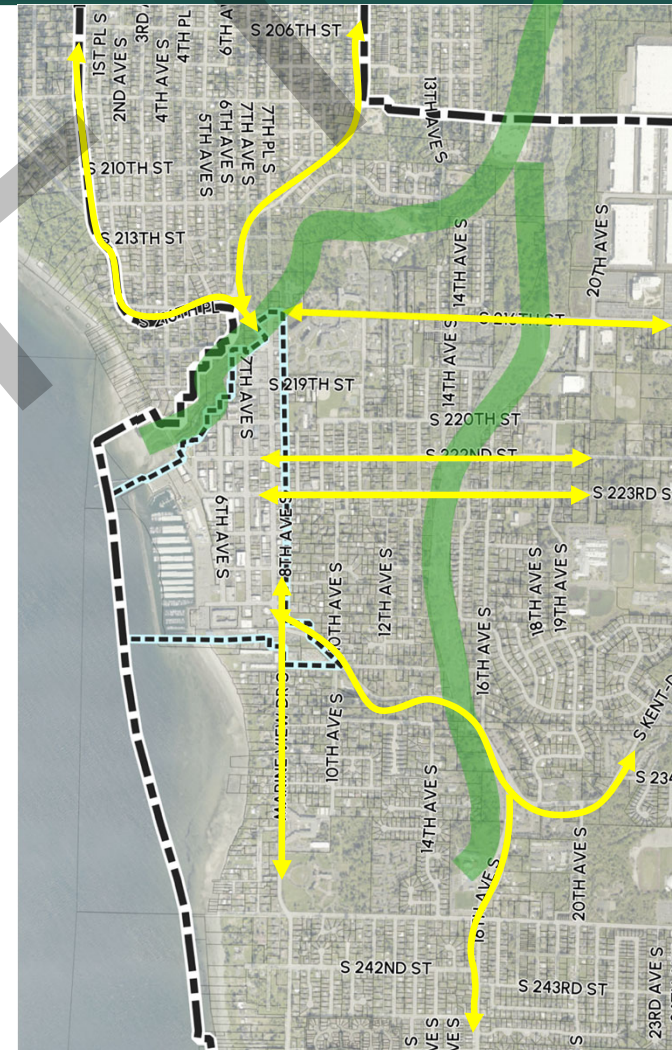
☐ § 18.80.130 Height.

In RM-900A and RM-900B Zones no building or structure shall exceed a height of 35 feet.

(Ord. 1591 § 212, 2014)

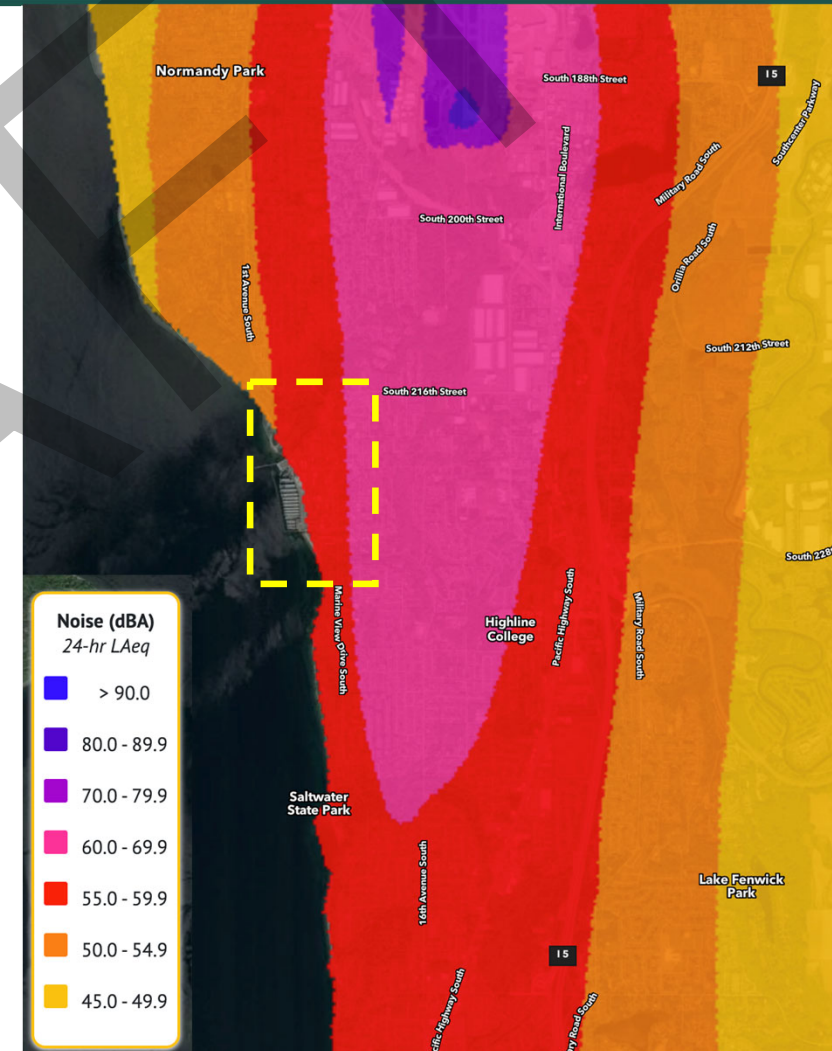
Challenges

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- **Lack of external connectivity**
- Flight path noise
- Low land values
- Separation from waterfront
- Absentee property owners
- Low-density surroundings limits nearby customer base
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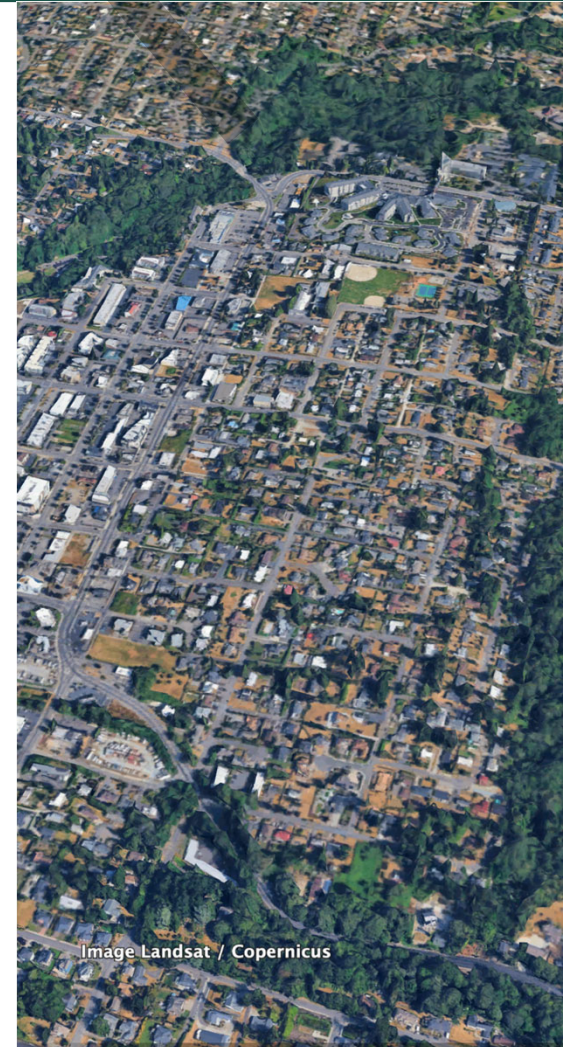
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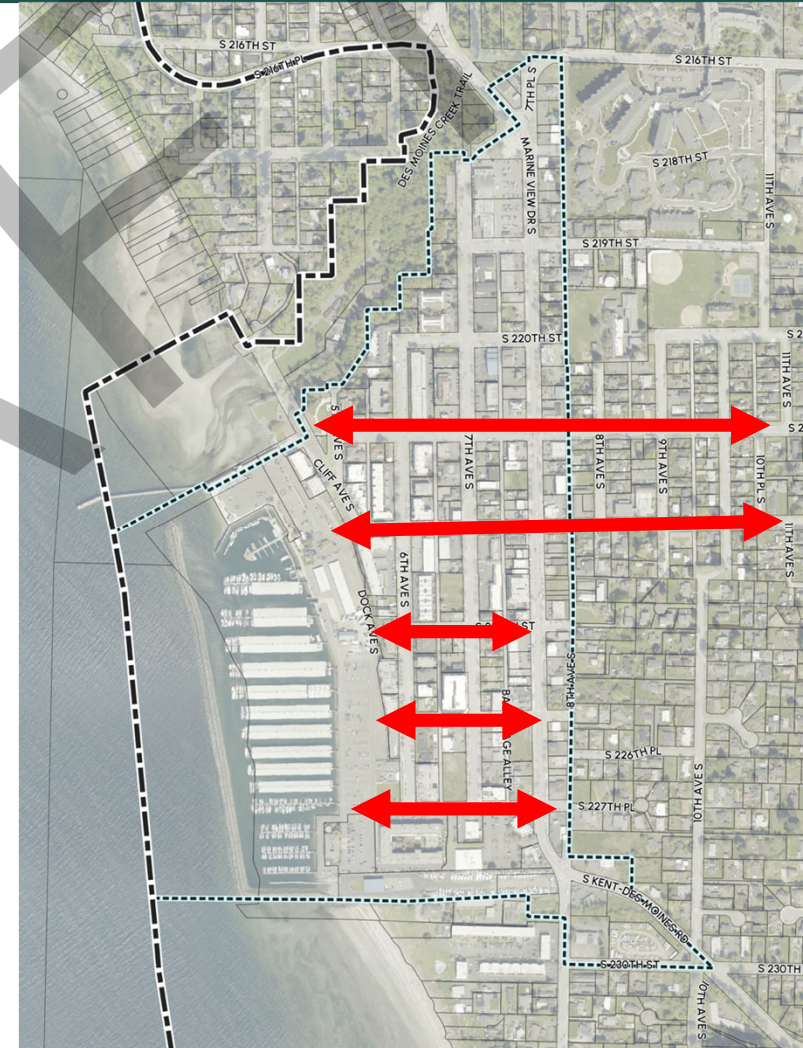


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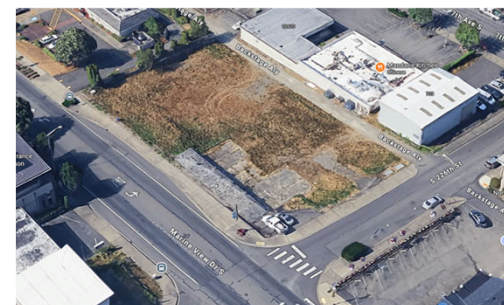
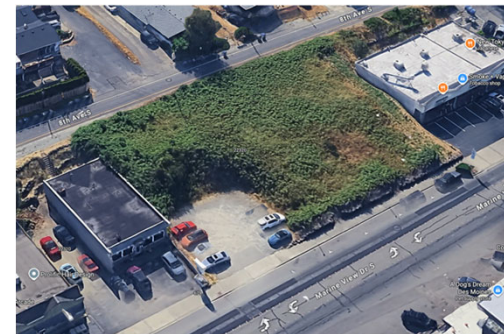


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Opportunities

- Vacant parcels
- Marina Steps project
- Marine View Dr (SR 509) transfer to City and potential streetscape changes
- Demand for market-rate housing remains strong
- Public marina infrastructure investments



Opportunities

- Vacant parcels
- [Marina Steps project](#)
- Marine View Dr (SR 509) transfer to City and potential streetscape changes
- Demand for market-rate housing remains strong
- Public marina infrastructure investments



Opportunities

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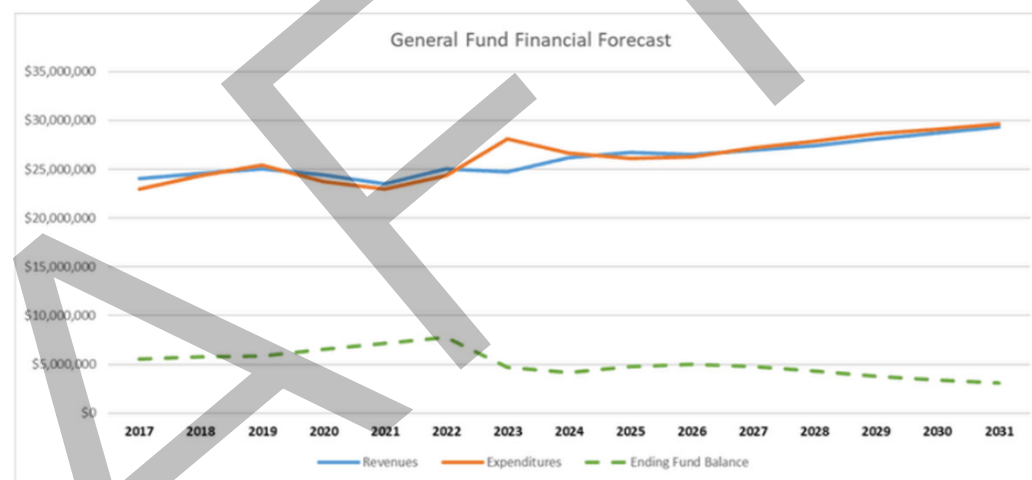
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Threats

- Deteriorating fiscal situation
- Increased airport activity
- Building stock is aging

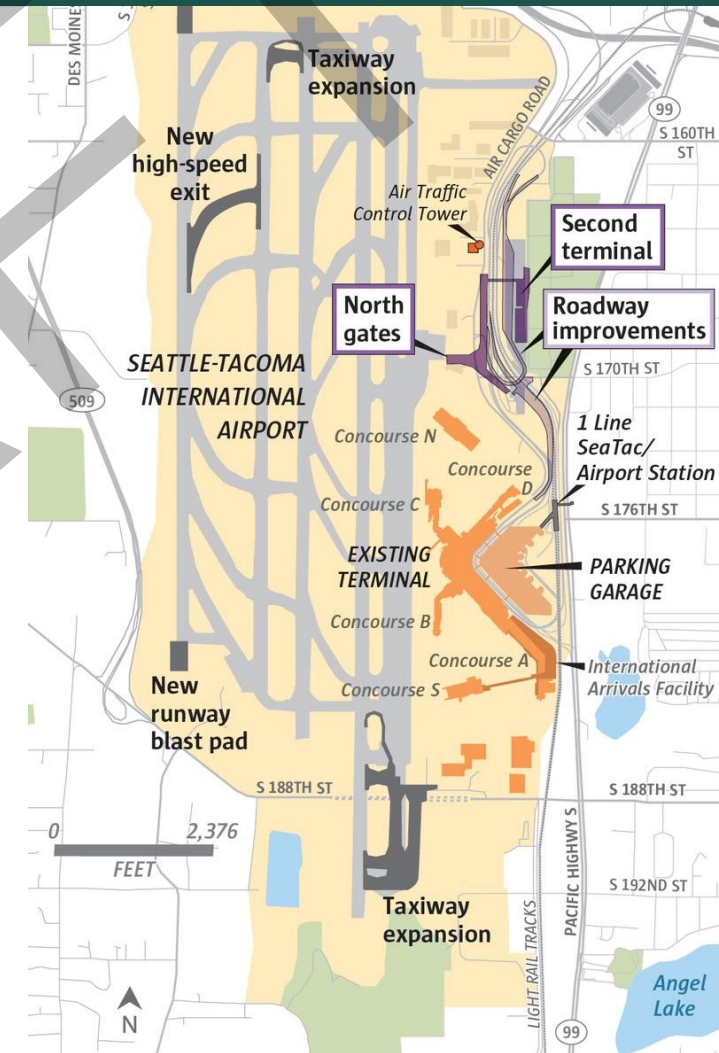


Forecast

As part of the budget process, we review our five-year forecast. This forecast highlights that our current revenue levels are insufficient to sustain our existing services. The 2025-2026 biennial budget is structurally balanced, maintaining the minimum fund balance of 16.67% and adding approximately \$800,000 to it over the next two years. Strengthening the City's fund balance is vital for ensuring fiscal sustainability and reducing the risk associated with an uncertain economy. However, it will become increasingly challenging in future budget cycles to maintain services without significant revenue increases. Like many cities in Washington, the revenue structure for our City's general fund services does not keep pace with the growing demands of a changing population and inflation.

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Other interview findings:

- Wide range of desired development outcomes
- Frustration with past city decisions/leadership to limit development
- City not seen as a partner
- Community groups can be fractious
- Consider expanding the geographic scope of the study
- Difficult to compete with jurisdictions that have MFTE

Questions?

BREAK

DRAFT

GROUP DISCUSSION

Discussion:

What are we trying to solve downtown?

What is the #1 issue we need to address?

What is your #1 priority for new development downtown?

What would success look like in 10-20 years?

Are we looking at the right geographic area?

Which other priorities for development are in competition?

What concerns need to be addressed to maintain public trust?

NEXT STEPS

Planning Commission October 6

What types of development are realistic and desirable?

Joint Session November 5

How much change and where?

City Council December 3

Review and confirm direction.

Final recommendations packet and public information materials in Early 2027



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