

## **AGENDA**

### **DES MOINES CITY COUNCIL ECONOMIC DEVELOPMENT City Council Chambers**

**Thursday, June 23, 2022 - 4:00 PM**

#### **Economic Development Committee:**

Deputy Mayor Traci Buxton; Councilmember Jeremy Nutting; Councilmember Vic Pennington

#### **CALL TO ORDER**

#### **APPROVAL OF APRIL 28, 2022 MINUTES**

[April 28, 2022 Minutes](#)

#### **ZENITH EIS UPDATE**

- Staff will review the current status and provide next steps

#### **HOUSING ACTION PLAN**

- Staff will provide an overview of the scope of work and schedule to develop the plan

#### **QUARTERDECK LEASE EXTENSION**

- Request by Ken Rogers, Business Owner

[Request by Kent Rogers](#)

**DRAFT MINUTES**

**Economic Development Committee Meeting  
Thursday April 28, 2022  
3:00 p.m. – 3:50 p.m.  
Via Zoom Meeting**

**Council Members**

Traci Buxton  
Jeremy Nutting  
Vic Pennington

**City Staff**

Michael Matthias – City Manager (CM)  
Dan Brewer – Chief Operating Officer (COO)  
Susan Cezar – Chief Strategic Officer (CSO)  
Scott Wilkins - Harbormaster  
Beth Anne Wroe – Finance Director  
Denise Lathrop – Community Development Director  
Tim George – City Attorney  
Matt Hutchins – Assistant Attorney  
Eric Lane – Land Use Planner II  
Taria Keane – Deputy City Clerk  
Jodi Grager – Admin Asst II

Guests: Councilmembers Gene Achziger and JC Harris

Meeting was called to order at 3:01 p.m.

**1. Selection of Chair/Vice Chair**

Deputy City Clerk Taria Keane called the meeting to order at 3:01 p.m. She requested nominations for Committee Chair. Councilmember Jeremy Nutting was nominated and accepted the position. Chair Nutting asked for nominations for Vice Chair. Councilmember Vic Pennington was nominated and accepted the position.

Minutes approved as submitted.

**2. Approval of 07.29.2021 Minutes**

Minutes approved as submitted.

**3. 2022 Draft Economic Development Work Plan**

Community Development Director Denise Lathrop reviewed the 2022 Work Plan (see Attachment #2). The discussion included:

- Some Tier 1 items have deadlines which must be adhered to.
- Food trucks – The pilot program establishes clarity regarding appropriate locations.
- Zenith Properties Demolition Application – There will be an opportunity for community input and comments.
- Tax increment financing should be a presentation by the City’s Legislative Advocate, Anthony Hemstad.
- Tier 2 items will be difficult to add to this committee’s agenda in 2022 due to the complexity and timeline of Tier 1 items.

The Committee appreciates the impressive staff efforts.

Adjourned at 3:22 p.m.

Respectfully submitted by,

Jodi Grager, Public Works Administrative Assistant

**From:** [Michael Matthias](#)  
**To:** ["Ken Rogers"](#)  
**Cc:** [Scott Wilkins](#); [Tim George](#); [Matt Mahoney](#); [Jeremy Nutting](#); [Mackenzie Meyers](#); [Bonnie Wilkins](#); [Dan Brewer](#); [Vic Pennington](#)  
**Subject:** FW: Lease extension for Quarterdeck  
**Date:** Thursday, April 14, 2022 2:26:00 PM  
**Attachments:** [Lease extension request.pdf](#)

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Ken,

The Quarterdeck has been an excellent catalyst for Marina redevelopment. The design, quality and gathering space aspects have all served as a visible affirmation of what is possible at the Marina. It would be the intent of the City to retain the positive relationship we have with the Quarterdeck and to assure your long-term success in any actions the City takes. The Quarterdeck has served as an economic engine, employing workers and serving literally thousands of consumers annually.

Some preliminary issues that have been identified by the City regarding an extension are the length of the renewal, reviewing lease rates to align with market conditions, and the existing assignment of ownership provisions. A change in ownership would not affect the relationship with the City subject to the Quarterdeck maintaining the quality of its operation.

I will recommend this matter be assigned to a Council Committee to start the extension process.

*Michael Matthias*  
*City Manager*  
*City of Des Moines, WA*  
*206.870.6554*  
[mmatthias@desmoineswa.gov](mailto:mmatthias@desmoineswa.gov)

**From:** Ken Rogers <dmharborside@gmail.com>  
**Sent:** Saturday, March 26, 2022 2:25 PM  
**To:** Michael Matthias <MMatthias@desmoineswa.gov>; Scott Wilkins <SWilkins@desmoineswa.gov>; Tim George <TGeorge@desmoineswa.gov>  
**Cc:** Matt Mahoney <MMahoney@desmoineswa.gov>; Jeremy Nutting <JNutting@desmoineswa.gov>; Mackenzie Meyers <mackenziemeyers43@gmail.com>  
**Subject:** Lease extension for Quarterdeck

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

Please see the attached letter.  
Thank you.

I am writing to request an extension of the terms and conditions of the lease currently in place between DM Harborside, LLC (DBA Quarterdeck) and the City of Des Moines.

The previous two years have been particularly difficult for small businesses due largely to the pandemic. These circumstances created a great deal of uncertainty in every respect to business planning, inventory management, staffing, customer experience and revenue/cost estimation. With perhaps the worst behind us, it would be greatly beneficial to have more certainty for business planning. We are working on forecasting and planning on more stable terms and a lease extension at this time would go a long way toward building a predictable base for the business and our employees. Since the current lease is set to expire in 2024 it is not too soon to secure a base for the future of the Quarterdeck.

I have recently spoken with both the Mayor and the chairman of the facilities committee of the City Council. They both expressed support for the continued operation of the Quarterdeck. In my discussions with them I committed to maintaining the same focus on operating the Quarterdeck as a family friendly, high-quality asset to the marina and city. While I am aware of waterfront and land side development efforts, normally the scope and scale of these projects are on a fairly long and uncertain timeline. I have a keen interest in how that development comes together, but I also am compelled to stay focused on stabilizing our existing operation and its immediate future.

Extending the terms of the current lease between DM Harborside and the City of Des Moines for 5 years combined with an option for another 5-year extension would provide the business and the employees solid footing on which to plan for the near term. We feel that we have been modestly successful under the circumstances in providing quality services and products that the public wants and hope you share the same view.

The Quarterdeck has been extremely fortunate to have been so well supported by the community since its opening and especially through the disruption during COVID. Without such remarkable community support we would have not survived as a business and for that I and our employees are exceedingly grateful.

Please advise on the viability of this request at your earliest opportunity.

Thank you.

Sincerely,

Ken Rogers

DM Harborside, LLC

DBA Quarterdeck