

AGENDA

DES MOINES CITY COUNCIL
REGULAR MEETING
City Council Chambers
21630 11th Avenue S, Suite C.
Des Moines, Washington
Thursday, March 27, 2025 - 6:00 PM

City Council meeting can be viewed live on the City's website, Comcast Channel 21/321 or on the City's [YouTube](#) channel.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CORRESPONDENCE NOT PREVIOUSLY RECEIVED BY COUNCIL

COMMENTS FROM THE PUBLIC

COMMITTEE CHAIR REPORT

- ECONOMIC DEVELOPMENT MEETING: Chair Jeremy Nutting

CITY MANAGER REPORT/PRESENTATIONS/BRIEFINGS

- Item 1. SOUTH KING HOUSING AND HOMELESSNESS PARTNERS
- Item 2. WASHINGTON STATE AUDITOR'S OFFICE – AUDIT PRESENTATION

CONSENT AGENDA

- Item 1. APPROVAL OF VOUCHERS
Motion is to approve the payment vouchers through March 13, 2025 in the attached list and further described as follows:

EFT Vendor Payments	# 11507-11586	\$808,613.34
Wires	# 2885-2904	\$537,384.05
Accounts Payable Checks	#166542-166593	\$606,508.95

Total Checks and Wires for A/P & Payroll: \$1,952,506.34

[Approval of Vouchers](#)

- Item 2. APPROVAL OF MINUTES

Motion is to approve the minutes from the City Council Regular Meeting on February 27, 2025.

[Approval of Minutes](#)

- Item 3. REGULATING USE OF THE REDONDO BOAT LAUNCH
Motion is to enact Draft Ordinance No. 25-011, amending DMMC 15.04.315, Use of Redondo Boat Launch.
[Regulating Use of The Redondo Boat Launch](#)
- Item 4. SOUTH KING HOUSING AND HOMELESSNESS PARTNERS – FUNDING ALLOCATION APPROVAL
Motion is to enact Resolution No. 25-016, Authorizing the Allocation of Funds to Finance Affordable Housing in South King County in Accordance with the 2024 South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund.
[South King Housing and Homelessness Partners – Funding Allocation Approval](#)
- Item 5. PUBLIC WORKS ENGINEERING BUILDING BASEMENT HVAC UPGRADES
Motion is to approve the MacDonald-Miller Proposal #1221CW for the 2025 Public Works Engineering Building Basement HVAC Upgrades in the amount of \$74,840.13, authorize a project construction contingency in the amount of \$7,500.00, and further authorize the City Manager to sign said Proposal substantially in the form as submitted.
[Public Works Engineering Building Basement HVAC Upgrades](#)
- Item 6. CITY OF DES MOINES RIGHT-OF-WAY PROCEDURES STAFFING UPDATE
Motion is to approve the City of Des Moines Right-of-Way Procedures Staffing Update and authorize the Mayor to sign the Staffing Update substantially in the same form as submitted.
[City of Des Moines Right-of-Way Procedures Staffing Update](#)

NEW BUSINESS

- Item 1. 2025 POVERTY BAY BLUES AND BREWS FESTIVAL PARTNERSHIP PROPOSAL
[2025 Poverty Bay Blues and Brews Festival Partnership Proposal](#)
- Item 2. DISCUSSION ON POTENTIAL KING COUNTY PARKS LEVY
[Discussion on Proposed King County Parks Levy](#)
- Item 3. NEW AGENDA ITEMS FOR CONSIDERATION – 10 Minutes

COUNCILMEMBER REPORTS

(4 minutes per Councilmember) - 30 minutes

PRESIDING OFFICER'S REPORT

EXECUTIVE SESSION

- POTENTIAL LITIGATION RCW 42.30.110(1)(a)(i) - 20 minutes

NEXT MEETING DATE

April 03, 2025 City Council Study Session

ADJOURNMENT

**CITY OF DES MOINES
Voucher Certification Approval**

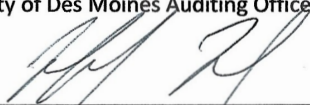
March 27, 2025

Auditing Officer Certification

Voucher 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 **March 27, 2025** the Des Moines City Council, by unanimous vote, does approve for payment those vouchers through March 13, 2025 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:



Jeff Friend, Finance Director

	# From	# To	Amounts
Claims Vouchers:			
EFT's	11507	11586	808,613.34
Wires	2885	2904	537,384.05
AP Checks	166542	166593	606,508.95
Total Vouchers paid			1,952,506.34
Total checks and wires for A/P			1,952,506.34

MINUTES

**DES MOINES CITY COUNCIL
REGULAR MEETING
City Council Chambers
21630 11th Avenue S, Suite C
Des Moines, Washington
Thursday, February 27, 2025 - 6:00 PM**

CALL TO ORDER

Mayor Traci Buxton called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

The flag salute was led by Councilmember Matt Mahoney.

ROLL CALL

Council Present:

Mayor Traci Buxton; Deputy Mayor Harry Steinmetz; Councilmember Gene Achziger; Councilmember Yoshiko Grace Matsui; Councilmember Matt Mahoney; and Councilmember Jeremy Nutting

Council Present via Phone:

Councilmember JC Harris

Staff Present:

City Manager Katherine Caffrey; Assistant City Attorney Matt Hutchins; Assistant City Manager Adrienne Johnson-Newton; Director of Administrative Services Bonnie Wilkins; Harbormaster Scott Wilkins; Police Chief Ted Boe; Finance Director Jeff Friend; City Prosecutor Tara Vaughn; Public Works Director Michael Slevin; Community Development Director Rebecca Deming; and City Clerk Taria Keane

CORRESPONDENCE NOT PREVIOUSLY RECEIVED BY COUNCIL

- There were no additional correspondence outside of the emails already received by Council.

COMMENTS FROM THE PUBLIC

- There were no comments from the public.

COMMITTEE CHAIR REPORT

ECOMONIC DEVELOPMENT MEETING: Chair Jeremy Nutting

Regular Meeting Minutes
February 27, 2025

- Councilmember Jeremy Nutting provided an update on the Economic Development Committee Meeting held on February 27, 2025.
- Soundside Alliance
- Deputy Mayor Harry Steinmetz provided an update on the Soundside Alliance Meeting held on February 26, 2025.

CITY MANAGER REPORT/PRESENTATIONS/BRIEFINGS

Item 1: City Manager Katherine Caffrey recognized City Clerk Taria Keane's Birthday.

Item 2: MEMORIAL FLAG TRIANGLE UPDATE

Public Works Director Michael P. Slevin gave an update on the Memorial Flag Triangle to Council.

CONSENT AGENDA

Item 1: APPROVAL OF VOUCHERS

Motion is to approve the payment vouchers through February 13, 2025 and payroll transfers through February 05, 2025 in the attached list and further described as follows:

EFT Vendor Payments	#11390-11459	\$ 405,514.75
Wires	#2853-2876	\$ 934,900.90
Accounts Payable Checks	#166447-166481	\$ 554,811.37
Voided Wire	#2843	\$ (351.46)
Payroll Checks	#19923-19927	\$ 1,423.83
Payroll Advice	#12455-12626	\$ 519,120.69

Total Checks and Wires for A/P & Payroll: \$2,415,420.52

Item 2: APPROVAL OF MINUTES

Motion is to approve the January 09, 2025 and January 23, 2025 City Council Regular Meeting Minutes.

Item 3: 2025 SENIOR ACTIVITY CENTER SOLAR PANELS

Motion is to approve the Public Works Contract with Ellensburg Solar LLC for the 2025 Senior Activity Center Solar Panels in the amount of \$112,745.00, authorize a project construction contingency in the amount of \$11,500.00, and further authorize the City Manager to sign said Contract substantially in the form as submitted.

Regular Meeting Minutes
February 27, 2025

Direction/Action

Motion made by Councilmember Jeremy Nutting to approve the Consent Agenda as read; seconded by Councilmember Matt Mahoney. Motion passed 7-0.

NEW BUSINESS

- Item 1: NEW AGENDA ITEMS FOR CONSIDERATION – 10 Minutes
- There were no new items for future consideration.

COUNCILMEMBER REPORTS

(4 minutes per Councilmember) - 30 minutes

COUNCILMEMBER JC HARRIS

- No Report

COUNCILMEMBER MATT MAHONEY

- Thanked Staff for work during the recent windstorm.

COUNCILMEMBER YOSHIKO GRACE MATSUI

- Nonprofit Summit
- Destination Des Moines Events

COUNCILMEMBER JEREMY NUTTING

- No Report

COUNCILMEMBER GENE ACHZIGER

- South King Housing and Homelessness Partners
- Nonprofit Summit

DEPUTY MAYOR HARRY STEINMETZ

- City Action Days
- Soundside Alliance

PRESIDING OFFICER'S REPORT

- City Action Days
- Senate Environment Energy and Technology Committee
- Nonprofit Summit

Regular Meeting Minutes
February 27, 2025

- Homelessness Bill 1380
- Puget Sound Regional Council Executive Board
- Sound Cities Association Retreat

EXECUTIVE SESSION

The Special Meeting was called to order by Mayor Traci Buxton at 6:27 p.m.

ROLL CALL

Council Present:

Mayor Traci Buxton; Deputy Mayor Harry Steinmetz; Councilmember Gene Achziger, Councilmember Yoshiko Grace Matsui, Councilmember Matt Mahoney, and Councilmember Jeremy Nutting.

Council Present Via Zoom:

Councilmember JC Harris

Staff Present:

Assistant City Attorney Adrienne Johnson-Newton

The purpose of the Special Meeting was to hold an Executive Session to discuss the Performance of a Public Employee under RCW 42.30.110(1)(g). The Executive Session was expected to last 20 minutes.

At 6:44 p.m. Mayor Traci Buxton extended the Executive Session to 7:00 p.m.

At 6:59 p.m. Mayor Traci Buxton extended the Executive Session to 7:10 p.m.

No formal action was taken. The Executive Session lasted 43 minutes.

The meeting adjourned at 7:10 p.m.

At 7:10 p.m. Councilmember JC Harris left the meeting.

NEXT MEETING DATE

March 06, 2024 City Council Study Session

ADJOURNMENT

Direction/Action

Regular Meeting Minutes
February 27, 2025

Motion made by Councilmember Matt Mahoney to adjourn; seconded by Councilmember Yoshiko Grace Matsui.
Motion passed 6-0.

The meeting adjourned at 7:10 p.m.

[Projected Future Agenda Items](#)

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: Regulating Use of the Redondo Boat Launch

FOR AGENDA OF: March 27, 2025

DEPT. OF ORIGIN: Legal

ATTACHMENTS:

- 1. Draft Ordinance No. 25-011.

DATE SUBMITTED: March 17, 2025

CLEARANCES:

- City Clerk _____
- Community Development _____
- Courts *M. Patrick*
- Director of Marina Redevelopment _____
- Emergency Management _____
- Finance _____
- Human Resources _____
- Legal */s/TG*
- Marina *(Signature)*
- Police *(Signature)*
- Parks, Recreation & Senior Services _____
- Public Works *MPS*

APPROVED BY CITY MANAGER

FOR SUBMITTAL: *Katherine Coffey*

Purpose and Recommendation

The purpose of this agenda item is for City Council to amend DMMC 15.04.315, creating a parking infraction for vehicles parked on the Redondo boat ramp allowing vehicles to be cited when the driver cannot be located and declaring such vehicles a traffic hazard subject to towing.

Suggested Motion

Motion: "I move to enact Draft Ordinance No. 25-011, amending DMMC 15.04.315, *Use of Redondo Boat Launch.*"

Background

The City of Des Moines owns and operates a boat ramp and floats at Redondo for the launching and retrieving of small watercraft by automobile-towed trailers. This facility was constructed and improved with the assistance of funds from the State Recreation Conservation Office (RCO) intended to promote water-based recreation.

In 2018, the City received complaints from Redondo residents related to commercial seafood operations parking tanker trucks on the boat ramp for the purpose of pumping seawater from Puget Sound. These operations not only disturbed the neighborhood, but also made the ramp impassible for anyone seeking to launch or haul their vessel. Discussions around this improper use also revealed that the boat ramp was also subject to being obstructed by drivers pulling onto the boat ramp to watch the sunset, for example.

In response to these concerns, the City Council directed staff to prepare a Draft Ordinance to prevent these kinds of improper use of the boat ramp. On November 8, 2018, the Council enacted Ordinance no. 1707, codified at DMMC 15.04.315, to make commercial use of the boat ramp or driving onto the boat ramp for non-boating reasons a class 1 infraction under the DMMC, with a total penalty of up to five hundred thirteen dollars (\$513.00).

Since the Ordinance's adoption, Des Moines Police have successfully cited drivers for impeding others' use of the boat ramp by using the boat ramp as a lookout point for their cars. In the past few years, however, a new issue has appeared and become increasingly common – people parking and leaving their cars on the boat ramp. This created confusion with Officers over whether these infractions should be cited and issued as regular infractions or parking tickets to effect the goals of the ordinance. Because Officers began to do both, the court began to ask the same question.

Discussion

Ordinance no. 1707 has served its original purpose of citing vehicle operators who drive onto the ramp either to sit in their car or to use their vehicle to conduct unauthorized commercial activities. In either of these scenarios, the citing officer was able to identify the operator, cite them personally, and to serve the citation on them.

When a driver treats the boat ramp as a parking lot and leaves their vehicle to spend time in another location, properly citing and serving the responsible person would require either seeking out and locating the driver or waiting until the driver returns, however long that takes. Neither option is a reasonable use of a police officer's time.

By creating a new parking infraction, a citing officer would be able to rely on two provisions of state law. RCW 46.63.140 creates a presumption in parking infraction cases that the registered owner of the vehicle was the person who parked the vehicle in violation of the law. RCW 46.63.030 allows the officer to effect service of a parking citation on a vehicle found without a driver by leaving the citation on the vehicle. The officer will then be able to cite the vehicle and move on to other duties as required.

Because these provisions only apply when the driver cannot be found, the two original violations contained in DMMC 15.04.315 would be maintained under the draft ordinance so that drivers located with their vehicles can be cited. Additionally, the draft ordinance would declare that vehicles found parked and unattended are a traffic hazard, which would allow police to have the vehicle towed if circumstances warranted.

Alternatives

The City Council may:

1. Pass the proposed Draft Ordinance as written
2. Pass the proposed Draft Ordinance with alterations.
3. Decline to pass the proposed Draft Ordinance.

Financial Impact

The City is likely to see some increased revenue through imposing a new parking infraction, but it is not projected to be a significant source of revenue. There is no change in the penalty for the existing infractions.

Recommendation

Staff recommends that the City Council enact Draft Ordinance 25-011 as written.

CITY ATTORNEY'S FIRST DRAFT 03/17/2025

DRAFT ORDINANCE NO. 25-011

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON relating to use of the Redondo boat launch, clarifying penalties for unlawful use of the boat launch, creating a new parking infraction, and amending DMMC 15.04.315, *Use of Redondo Boat Launch*.

WHEREAS, the City of Des Moines Marina operates the Redondo Boat Launch to support and promote recreational boating and related activities, and

WHEREAS, the City of Des Moines took title to Redondo Beach Park from King County subject to the condition that the park be maintained in perpetuity as a public parks recreation facility, and

WHEREAS, the Redondo Boat Launch was constructed and renovated with funds, in part, from Washington State Recreation and Conservation Office grants subject to the condition that the Boat Launch be maintained in perpetuity for marine recreation use, and

WHEREAS, use of the Boat Launch for purposes not related to launching and hauling vessels interferes with its intended purpose and marine recreation use, and

WHEREAS, in 2018 the City Council enacted Ordinance no. 1707 to address unpermitted commercial use of the Boat Launch and persons driving their vehicles onto the boat launch to view the water from their vehicle by creating new infractions codified at RCW 15.04.315, and

WHEREAS, RCW 15.04.315 has been effective in citing drivers of attended vehicles located on the boat ramp, and

WHEREAS, enforcement against unattended vehicles has been challenging for Des Moines Police and had led to the courts seeking clarification on whether the infraction is a traffic or parking offense, and

WHEREAS, traffic infractions issued to attended vehicles and parking infractions issued to unattended vehicles are treated differently under the state statutes and the court rules and can

be difficult to enforce when the wrong type of infraction is issued, and

WHEREAS, specifying the character of the existing infractions and creating a new parking infraction will provide clarity to the courts and allow Des Moines Police to effectively enforce the restrictions on use of the boat ramp, and

WHEREAS, unattended vehicles left on the boat ramp prevent boaters from launching or retrieving their boats and can create backups that disrupt the traffic flow in the area and lead to conflicts between persons trying to use the facilities, and

WHEREAS, the disruption to traffic caused by illegally parking and leaving an unattended vehicle is a nuisance that cannot be reasonably remedied under certain circumstances by lesser means than summary towing of the vehicle, and

WHEREAS, the City Council finds that the amended restrictions on the use of the Redondo Boat Launch contained in this Ordinance are appropriate and necessary for the preservation of the public health and welfare; now therefore,

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

Sec. 1. DMMC 15.04.315 and section 1 of Ordinance no. 1707 are each amended to read as follows:

Use of Redondo Boat Launch.

(1) No person shall drive ~~or park, stop, or stand~~ any vehicle, trailer, or vehicle and trailer combination on the Redondo Boat Launch ramp except in the course of launching or hauling a vessel, without the express written permission of the Harbormaster. Violation of this subsection shall be a traffic infraction punishable by a penalty of \$250, not including statutory assessments.

(2) No person shall park any vehicle, trailer, or vehicle and trailer combination on the Redondo Boat Launch ramp except in the course of launching or hauling a vessel, without the express written permission of the Harbormaster. Violation of this

Ordinance No. ____
Page 3 of 4

subsection shall be a parking infraction punishable by a penalty of \$250.

(3) No person shall use or occupy the Redondo Boat Launch ramp or floats for any commercial purpose without the express written permission of the Harbormaster. Violation of this subsection shall be a class 1 civil infraction.

(4) An unattended vehicle parked in violation of subsection (2) of this section is a traffic hazard and subject to immediate impound.

Sec. 2. Severability - Construction.

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

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

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

PASSED BY the City Council of the City of Des Moines this ____ day of _____, 2025 and signed in authentication thereof this ____ day of _____, 2025.

M A Y O R

APPROVED AS TO FORM:

City Attorney

Ordinance No. ____
Page 4 of 4

ATTEST:

City Clerk

Published: _____

Effective Date: _____

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: South King Housing and Homelessness Partners – Funding Allocation Approval


FOR AGENDA OF: March 27, 2025

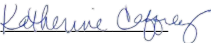
DEPT. OF ORIGIN: Community Development

ATTACHMENTS:

DATE SUBMITTED: March 10, 2025

- 1. Draft Resolution No. 25-016

- CLEARANCES:
- City Clerk _____
 - Communications _____
 - Community Development 
 - Courts _____
 - Emergency Management _____
 - Finance _____
 - Human Resources _____
 - Legal /s/TG _____
 - Marina _____
 - Police _____
 - Parks, Recreation & Senior Services _____
 - Public Works _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: 

Purpose and Recommendation

The purpose of this agenda item is to authorize the allocation of funds to finance affordable housing in South King County in accordance with the 2024 South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund Recommendation.

Suggested Motion

Motion: “I move to enact Resolution No. 25-016, Authorizing the Allocation of Funds to Finance Affordable Housing in South King County in Accordance with the 2024 South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund.”

Background

SKHHP was established in 2019 through an interlocal agreement (Establishing ILA) and is a unified, coordinated, and collaborative coalition funding the construction and preservation of affordable housing in South King County. SKHHP currently has 12 member jurisdictions including the cities of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, SeaTac, and Tukwila, plus King County. SKHHP provides a meaningful opportunity to pool funds together with neighboring cities to collaboratively make an impact on the subregion's affordable housing shortage. To date, SKHHP has pooled over \$11.2 million to house our low-income neighbors or rehabilitate deteriorating multifamily buildings. In 2023 Victorian Place 2 within the City of Des Moines received \$777,306 from SKHHP funding for 20 unit income restricted affordable housing.

In 2019, RCW 82.14.540 (SHB 1406) became law allowing jurisdictions to enact a local sales and use tax for the purpose of supporting affordable housing. In 2021, eight of the nine SKHHP member cities entered into a second interlocal agreement for purposes of pooling sales tax receipts authorized by RCW 82.14.540 with SKHHP to create the Housing Capital Fund (Pooling ILA – SHB 1406).

In 2023, two of the four SKHHP member cities who are able to collect RCW 82.14.530 (HB 1590) revenues desired to pool a portion of those funds with SKHHP for the 2023 funding round of the Housing Capital Fund to add to existing SHB 1406 pooled revenue and entered into an additional interlocal agreement (Pooling ILA – HB 1590). In 2024, an additional member city entered into the Pooling ILA – HB 1590.

The Establishing ILA and Pooling ILAs established the SKHHP Housing Capital Fund, set parameters for the process for the selection of awards involving pooled funds, and determined the approval process. Pursuant to the ILAs, the SKHHP Executive Board recommends allocations for funding affordable housing projects to the participating City Councils. Even though the Council has already contributed funds to the 2024 Housing Capital Fund funding round, Council approval is needed to authorize the allocation of funds to specific projects.

The SKHHP Executive Board adopts annual funding guidelines and priorities for each funding round. The SKHHP Advisory Board subsequently reviewed applications and provided a funding recommendation based on adopted priorities to the SKHHP Executive Board. The SKHHP Executive Board concurred with the SKHHP Advisory Board's recommendation and recommends funding four projects totaling \$4,100,000 as described in the 2024 SKHHP Housing Capital Fund Recommendation memo dated January 23, 2025 (attached).

Discussion

The SKHHP Executive Board requests approval to use \$39,811 of the total \$34,012 contributed funds from 2024 and \$5,998 of the carry-over from 2023 from the City of Des Moines for the following recommended projects:

Project Sponsor and Project Name	Location	# of Units	Total Development Cost	2024 SKHHP Contribution	2024 City Contribution
Mercy Housing NW – Burien Family Housing	Burien	91	\$58,048,463	\$2,000,000	\$0
TWG – Pandion at Star Lake	Kent	251	\$126,720,200	\$770,000	\$0
Multi-Service Center – White River Apartments	Auburn	24	\$975,939	\$775,000	\$29,955
Habitat for Humanity – Burien Miller Creek	Burien	40	\$26,193,686	\$555,000	\$9,856

As outlined in the attached memo, sales and use tax receipts from your jurisdiction have already been contributed to SKHHP’s 2024 Housing Capital Fund, and with this Council approval, \$39,811 of those funds may be allocated to the projects recommended by the SKHHP Executive Board. Detailed descriptions of the projects, funding requests, rationale, and recommended conditions of funding for projects by the SKHHP Executive Board are included in the attached memo.

Alternatives

If not approved, SKHHP will not have Des Moines’ funds to contribute to the regional efforts to advance affordable housing projects that meet urgent local needs and priorities.

Financial Impact

There is no financial impact as the funds are already approved and allocated to SKHHP. This Resolution authorizes how SKHHP is using the funds provided by Des Moines.

Recommendation

Staff recommends approval Resolution No. 25-016, authorize the allocation of \$39,811 from the City of Des Moines’ contribution to the SKHHP Housing Capital Fund to finance affordable housing in South King County communities in concurrence with the SKHHP Executive Board’s recommendation.

CITY ATTORNEY'S FIRST DRAFT, 2/25/2025

DRAFT RESOLUTION NO. 25-016

A RESOLUTION OF THE CITY OF DES MOINES, WASHINGTON, authorizing the duly-appointed administering agency for the South King Housing and Homelessness Partners to execute all documents necessary to enter into agreements for the funding of affordable housing projects, as recommended by the SKHHP executive board, utilizing funds contributed by the city to the SKHHP Housing Capital Fund.

WHEREAS, on March 28, 2019 the City of Des Moines enacted an interlocal agreement to form the South King Housing and Homelessness Partners (SKHHP) to help coordinate the efforts of South King County cities to provide affordable housing, and

WHEREAS, on March 4, 2021 the City of Des Moines enacted an interlocal agreement for the purposes of pooling sales tax receipts with SKHHP to administer funds through the SKHHP Housing Capital Fund, and

WHEREAS, the SKHHP Executive Board has recommended that the City of Des Moines participate in the funding of certain affordable housing projects and programs hereinafter described, and

WHEREAS, the SKHHP Executive Board has developed recommended conditions to ensure that the City's affordable housing funds are used for their intended purpose and that projects maintain their affordability over time, and

WHEREAS, pursuant to the SKHHP formation Interlocal Agreement, each legislative body participating in funding a project or program through SKHHP's Housing Capital Fund must authorize the application of a specific amount of the City funds contributed to the SKHHP Housing Capital Fund to a specific project or program, and

WHEREAS, the City Council desires to use \$39,811 from funds contributed to the SKHHP Housing Capital Fund as designated below to finance the projects recommended by the SKHHP Executive Board; now therefore

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

Sec. 1. Pursuant to the Interlocal Agreement, the City Council authorizes the duly-appointed administering agency of SKHHP to execute all documents and take all necessary actions to

enter into agreements on behalf of the City to fund the rehabilitation of the Multi-Service Center’s White River Apartments and supporting the development of Habitat for Humanity’s Burien Miller Creek and to use \$39,811 from the City’s SHB 1406 contribution as described below.

Jurisdiction	3. MSC-White River	4. Habitat-Miller Creek	Total Contributed in 2024	Carry-Over from 2023	Unallocated
Auburn	\$ 121,507	\$ 39,980	\$ 135,475	\$ 26,819	\$ 807
Burien	\$ 57,595	\$ 18,950	\$ 64,623	\$ 12,304	\$ 382
Des Moines	\$ 29,955	\$ 9,856	\$ 34,012	\$ 5,998	\$ 199
Federal Way	\$ 116,047	\$ 38,184	\$ 131,715	\$ 23,286	\$ 770
Kent	\$ 173,408	\$ 57,057	\$ 194,889	\$ 36,726	\$ 1,150
Normandy Park	\$ 4,930	\$ 1,622	\$ 5,426	\$ 1,158	\$ 32
Renton	\$ 202,461	\$ 66,616	\$ 228,107	\$ 42,313	\$ 1,343
Tukwila	\$ 69,097	\$ 22,735	\$ 89,289	\$ 3,002	\$ 459
Total	\$ 775,000	\$ 255,000	\$ 883,536	\$ 151,606	\$ 5,142

Sec. 2. The agreements entered into pursuant to Section 1 of this Resolution shall include terms and conditions to ensure that the City’s funds are used for their intended purpose and that the projects maintain affordability over time. In determining what conditions should be included in the agreements, the duly-appointed administering agency of SKHHP shall be guided by the recommendations set forth in the SKHHP Executive Board’s Memorandum dated January 23, 2025, a copy of which is attached as Exhibit A.

Sec. 3. This Resolution will take effect and be in full force on passage and signatures.

PASSED BY the City Council of the City of Des Moines, Washington this ____ day of _____, 2025 and signed in authentication thereof this ___ day of _____, 2025.

 M A Y O R

APPROVED AS TO FORM:

Resolution No. ____
Page 3 of 3

City Attorney

ATTEST:

City Clerk



South King Housing and Homelessness Partners

Memorandum

TO: City of Auburn City Council
 City of Burien City Council
 City of Covington City Council
 City of Des Moines City Council
 City of Federal Way City Council
 City of Kent City Council

City of Maple Valley City Council
 City of Normandy Park City Council
 City of Renton City Council
 City of SeaTac City Council
 City of Tukwila City Council

FROM: SKHHP Executive Board

DATE: January 23, 2025

RE: 2024 SKHHP Housing Capital Fund Recommendation

OVERVIEW

2024 was the third annual funding round of the SKHHP Housing Capital Fund made possible by pooling resources among SKHHP member jurisdictions. 2024 was the first year every member city contributed pooled funds towards the Housing Capital Fund and contributions totaled \$3,959,020. With the remaining unused funds from the 2023 funding round, SKHHP made \$4,100,000 available in the 2024 funding round. SKHHP received six applications for funding representing over \$9.2 million in requests to develop or preserve 431 units of housing. The SKHHP Executive Board recommends funding four projects totaling \$4,100,000 (see Table 1). Of this total, the Executive Board recommends using \$1,030,000 of the total \$1,035,141 sourced from SHB 1406 revenue contributions for one homeownership and one preservation project; \$2,770,000 of the total \$2,775,969 sourced from HB 1590 revenue contributions for two new construction projects; and \$300,000 of the total \$300,000 sourced from general funds to be applied to the homeownership project. This recommendation leaves a balance of \$5,141 in SHB 1406 funds and \$5,969 in HB 1590 funds in the Housing Capital Fund that will rollover into the next funding round in 2025 (see Tables 2 and 3). A summary of the recommended projects, funding rationale, and the conditions for funding are described in this memo. Included as attachments are the economic summaries of the recommended projects, summary changes of previously awarded projects that reapplied and are recommended for funding, and standard conditions for funding.

Table 1: Recommended Projects and Recommended Funding Level

Project sponsor and name	Location	# of units	Project type	Amount Requested	Recommended Funding – HB 1590	Recommended Funding – SHB 1406 & GF
Mercy Housing NW – Burien Family Housing	Burien	91	New Construction Rental	\$2,000,000	\$2,000,000	--
TWG – Pandion at Star Lake	Kent	251	New Construction Rental	\$2,000,000	\$770,000	--
Multi-Service Center – White River Apts.	Auburn	24	Preservation Rental	\$975,939	--	\$775,000
Habitat for Humanity – Burien Miller Creek	Burien	40	New Construction Homeownership	\$1,300,000	--	\$300,000-GF \$255,000-SHB 1406
TOTAL	--	406	--	--	\$2,770,000	\$1,330,000

Table 2: Proposed HB 1590 Allocations by Jurisdiction for Recommended Projects

Jurisdiction	1. Mercy Housing-Burien Family	2. TWG-Pandion	Total Contributed in 2024	Carry-Over from 2023	Unallocated
Covington	\$ 153,964	\$ 59,276	\$ 213,657	\$ 43	\$ 460
Kent	\$ 1,485,801	\$ 572,034	\$ 2,061,827	\$ 442	\$ 4,434
Maple Valley	\$ 360,235	\$ 138,690	\$ 500,000	\$ -	\$ 1,075
Total	\$ 2,000,000	\$ 770,000	\$ 2,775,484	\$ 485	\$ 5,969

Table 3: Proposed SHB 1406 Allocations by Jurisdiction for Recommended Projects

Jurisdiction	3. MSC-White River	4. Habitat-Miller Creek	Total Contributed in 2024	Carry-Over from 2023	Unallocated
Auburn	\$ 121,507	\$ 39,980	\$ 135,475	\$ 26,819	\$ 807
Burien	\$ 57,595	\$ 18,950	\$ 64,623	\$ 12,304	\$ 382
Des Moines	\$ 29,955	\$ 9,856	\$ 34,012	\$ 5,998	\$ 199
Federal Way	\$ 116,047	\$ 38,184	\$ 131,715	\$ 23,286	\$ 770
Kent	\$ 173,408	\$ 57,057	\$ 194,889	\$ 36,726	\$ 1,150
Normandy Park	\$ 4,930	\$ 1,622	\$ 5,426	\$ 1,158	\$ 32
Renton	\$ 202,461	\$ 66,616	\$ 228,107	\$ 42,313	\$ 1,343
Tukwila	\$ 69,097	\$ 22,735	\$ 89,289	\$ 3,002	\$ 459
Total	\$ 775,000	\$ 255,000	\$ 883,536	\$ 151,606	\$ 5,142

Table 4: Proposed Unrestricted/General Fund Allocations by Jurisdiction for Recommended Projects

Jurisdiction	3. Habitat-Miller Creek	Total Contributed in 2024	Unallocated
SeaTac	\$ 300,000	\$ 300,000	\$ -
Total	\$ 300,000	\$ 300,000	\$ -

BACKGROUND

The SKHHP Advisory Board met on October 3, 2024 and November 7, 2024 to review each project application and develop a funding recommendation for the SKHHP Executive Board’s consideration. The SKHHP Executive Board met on October 18, 2024 and November 15, 2024 to review each project and consider the recommendations of the Advisory Board. The Advisory Board adopted its recommendation on November 7, 2024 and the Executive Board took final action on November 15, 2024.

Of the six applications received, two are located in Renton and both project applications are eligible to receive HB 1590 funds. The City of Renton collects HB 1590 funds but does not currently pool those funds with SKHHP. SKHHP pools HB 1590 funds from three of the four South King County cities that collect it. Because of this, the City of Renton plans to directly financially support these two projects. These projects include Homestead Community Land Trust’s Willowcrest II and St. Stephen Housing Association & Way Back Inn’s Steele House.

These two projects were removed from SKHHP's competitive list of projects under consideration prior to the Advisory Board and Executive Board making their funding recommendation.

PROCESS



ATTACHMENTS

1. Economic summaries of recommended projects
2. Summary changes of previously awarded projects that reapplied
3. Standard conditions for funding

1. Mercy Housing Northwest - Burien Family Housing

Funding request: \$2,000,000

Executive Board recommendation: \$2,000,000 (forgivable loan)

Address: 12845 Ambaum Blvd SW Burien, WA 98146

PROJECT SUMMARY

Burien Family Housing is a new multifamily 91-unit rental project located near high frequency transit in Burien. The project will support households earning between 30% area median income (AMI) and 60% AMI with a focus on households with children, including 34 units set-aside for families with children exiting homelessness and 18 units set-aside for households with a physical disability.

The project includes the redevelopment of a 4.23 acre site currently owned by Mary’s Place which operates an emergency shelter on-site. Mary’s Place will be donating 2-acres of the project site to Mercy Housing Northwest for the development of new affordable housing, while retaining 1.31 acres of the site for the development of a new shelter to replace the existing one. The project will be four stories in size. The development is comprised of a mix of one-, two-, three-, and four-bedroom units. 52% of the units are family-sized two-, three-, and four-bedroom units.

This project received a financial award from SKHHP during the 2022 funding round and secured funding from King County, the Washington State Department of Commerce, the 9% Low Income Housing Tax Credit (LIHTC) program, and the Amazon Housing Equity Fund (HEF) program over the course of 2023 and 2024. The project is a combination 4% and 9% LIHTC project. The project also secured 34 project-based vouchers from the King County Housing Authority and a Resident Services award from King County to support the families exiting homelessness.

PROJECT SCHEDULE

Activity	Date
Purchase and Sales Agreement	8/29/2022
Zoning Approval	2/1/2024
Site Plan Approval	8/18/2022
Building Permits Issued	2/25/2025
Begin Construction	4/1/2025
Begin Lease-up	6/1/2026
Issued Certificate of Occupancy	8/1/2026

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The project has been awarded significant financial contributions from King County, State Department of Commerce (Housing Trust Fund), Amazon, and was awarded \$1,093,308 from SKHHP in the 2022 funding round. Additionally, the project received a 9% bond allocation in the 2024 funding round through the Washington State Housing Finance Commission.
- The project is ready to begin construction in the first half of 2025.

- The sponsor’s partnership with Mary’s Place demonstrates a commitment to serving households experiencing homelessness and will develop a pipeline of permanent housing for Mary’s Place clients.
- Project-based vouchers have been secured which increases the financial stability of the project.
- 75% of the units will be constructed using advanced universal design principals.
- The project includes set-asides for four-bedroom units which are greatly needed to serve larger families.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: collaboration with local community-based organizations, connections and direct experience with populations the project is proposing to serve, addressing the needs of populations most disproportionately impacted by housing costs, advancing economic opportunity due to its proximity to transit and other amenities, providing rental housing for individuals and families earning 0-30% AMI and incorporating supportive services, and the leverage of private and public investment.
- The site has convenient access to transit, shopping, and services.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **deferred, contingent, forgivable loan**. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by SKHHP staff. The loan will be secured by a deed of trust recorded against the development property to ensure that Contractor maintains the project’s affordability and target population. Contractor shall not be required to repay the loan so long as it maintains these project requirements.
2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months from the date of Council approval of original award** and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.
3. Project description of original award from 2022 funding round will be replaced by current description of the project. Previous funding award shall be combined with current recommended award but will retain eligibility of use under RCW. 82.14.540.
4. At least 34 of the housing units shall be set-aside for families with children exiting homelessness who earn no more than 60% AMI and 18 of the housing units shall be set-aside for households with a physical disability who earn no more that 60% AMI. Use of funds and population eligibility must be in-alignment with RCW 82.14.530 for 2024 award.

5. SKHHP funds shall be used solely for new construction, unless otherwise approved by SKHHP staff.
6. A covenant is recorded ensuring affordability for at least 50 years with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by SKHHP.

AMI	1-bedroom	2-bedroom	3-bedroom	4-bedroom	Total Units
30%	6	14	5	3	28
50%	30	11	7	--	48
60%	7	4	3	--	14
Manager Units	1	--	--	--	1
Total Units	44	29	15	3	91

2. TWG Development - Pandion at Star Lake

Funding request: \$2,000,000

Executive Board recommendation: \$770,000 (loan)

Address: 2526 S 272nd St., Kent, WA 98032

PROJECT SUMMARY

Pandion at Star Lake is a 251-unit multifamily, mixed-use rental project in Kent located adjacent to the Kent/Star Lake Link light rail station. The project will support households earning between 30% AMI and 80% AMI. 47 units will support households up to 80% AMI. The project has been proposed as a 4% Low Income Housing Tax Credit (LIHTC) development. The project secured an award from SKHHP in the 2023 Housing Capital Fund funding round totaling \$1,170,000, although the project was modified for the 2024 funding round. The project did not secure the needed public and private funds in 2024 to move forward towards beginning construction. The timeline for beginning construction has been moved out until funds can be secured to fill a \$30 million gap. SKHHP's awards will assist the project in future applications to funders.

This transit-oriented development (TOD) project will provide a mix of studio, one-, two-, and three-bedroom units. The project will include ground floor commercial space consisting of a K-12 learning center for low-income children operated by the Renton-based STEM Paths Innovation Network (SPIN). The property was purchased by the developer in December 2022. The project is a six-story building with five stories of affordable housing over one story of commercial space which also includes ten units of housing at the residential lobby level, plus basement level parking.

The 251 units includes 163 units for the general population, 59 units for families with children, and 29 units for families with children that require permanent supportive services and are at-risk of being homeless. 24 units would be accessible units. The project includes 92 studios, 71 1-bedrooms, 36 2-bedrooms, and 52 3-bedrooms.

29 units of the project are eligible for HB 1590 funds which includes those units for families with children at-risk of homelessness and require permanent supportive services who earn up to 30% AMI. Those units would be served by Vision House which would provide on-site supportive services. Of the 29-units, 20-units would be 2-bedroom units and 9-units would be 3-bedroom units to accommodate families.

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The project secured a prior funding award from SKHHP and additional funds will assist the project to leverage other funding sources.
- The project is located adjacent to the future Kent/Star Lake Link light rail station and has convenient access to transit, schools, grocery stores, and services.
- The construction start date is anticipated farther out than other projects and the sponsor may have more time to secure the additional funds than other recommended projects prior to beginning construction.

- The project has strong partnerships with Vision House who will provide on-site supportive services for 29 families with children and SPIN who will operate a K-12 learning center in the commercial space.
- The project will support 29 families with children at-risk of homelessness.
- The project is large and will provide a high number of affordable units near areas with high displacement risk potential.
- The project sponsor has been in close communication with the City of Kent on project feasibility and zoning requirements since the property was purchased in December 2022.
- The project sponsor has agreed to voluntarily meet the design standards for properties zoned as 'Midway Transit Community,' which is a higher degree of development than what is required under general mixed-use commercial standards for the City of Kent.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: being a transit-oriented development (TOD) project, collaboration with local community-based organizations, addressing the needs of populations most disproportionately impacted by housing costs, advancing economic opportunity due to its proximity to the future Link light rail station and other amenities, and providing rental housing for individuals and families earning 0-30% AMI and incorporating supportive services.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **deferred, 1% interest, non-forgivable loan to the LIHTC partnership**. The form of the funds are subject to change, but shall be agreed upon prior to contract execution. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by SKHHP staff. The loan will be secured by a deed of trust recorded against the development property to ensure that Contractor maintains the project's affordability and target population.
2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months from the date of Council approval of original award** and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

3. Project description of original award from 2023 funding round will be replaced by current description of the project. Previous funding award shall be combined with current recommended award.
4. At least 29 housing units of the total shall be set-aside for families with children at-risk of homelessness who earn no more than 30% AMI per the requirements of RCW 82.14.530 and the U.S. Department of Housing and Urban Development’s definition of “at-risk of homelessness.”
5. SKHHP funds shall be used solely for new construction, unless otherwise approved by SKHHP staff.
6. A covenant is recorded ensuring affordability for at least 50 years with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by SKHHP.

AMI	Studio	1-bedroom	2-bedroom	3-bedroom	Total Units
30%	--	--	20	9	29
50%	52	41	1	20	114
60%	23	17	8	13	61
80%	17	13	7	10	47
Total Units	92	71	36	52	251

3. Multi-Service Center - White River Apartments

Funding request: \$975,939

Executive Board recommendation: \$775,000 (grant)

Address: 1301 31st St SE, Auburn, WA

PROJECT SUMMARY

The White River Apartments is a multifamily, preservation and rehabilitation 24-unit rental project in Auburn. The building was constructed in 1978 and the nonprofit Multi-Service Center took over ownership in 2000. The project consists of 24 two-bedroom, one-bathroom units in active use which includes three units serving households earning up to 30% AMI, sixteen units at 45% AMI, and five units at 80% AMI. The 80% AMI units are currently occupied by households earning less than 60% AMI and those units would shift to income restricted up to 60% AMI once funding is awarded. The project would not displace current residents.

SKHHP funds are requested to support the rehabilitation of the 24 units including: siding replacement, site lighting, parking lot improvements including curbs and seal coating, replacing domestic hot water tanks in all units, re-grading areas adjacent to siding and replacement of exterior entry doors. This project previously applied to SKHHP's 2023 funding round.

The project is located within walking distance of a bus route that connects to the Auburn Transit Center and Sounder Commuter Rail Station. South Auburn Elementary School, Game Farm Park, and Ballard Park are within 0.5 mile of the project. A grocery store is located one mile from the project.

PROJECT SCHEDULE

Activity	Date
Site Control	1/1/1996
Building Permit Issued	End of 2025
Begin Rehabilitation and Renovation	End of 2025
End Rehabilitation and Renovation	End of 2025

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- The property is in need of rehabilitation to support the health and safety of the residents.
- The project is made up of 2-bedroom units to support larger household sizes.
- 79% of the households at White River Apartments earn no more than 45% AMI.
- The property is close to parks, an elementary school, and transit access to the Auburn Transit Center and the Auburn Sounder train station.
- The project includes a fenced play area with an accessible ramp into the play yard with recently installed play equipment.
- Limited SKHHP funds available this funding round required a partial award which will still allow most of the residential building rehabilitation to move forward.

- There are limited funding sources available for preservation and rehabilitation – SKHHP is the only funder on this project. The focus for larger public funders has historically been on creating new units of affordable housing. Smaller preservation projects like this one are not as competitive against larger preservation projects competing for the same funds. The project applied for funding in early 2024 to the State Department of Commerce Housing Trust Fund and SKHHP provided a letter of support, but was not successful in securing funding at that time.
- The rehabilitation will not displace current residents.
- Preservation and rehabilitation of affordable housing is a high-priority for SKHHP.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: the project sponsor’s community connection and engagement with the populations they intend to serve, advancing racial equity, addressing the needs of populations most disproportionately impacted by housing costs, advancing geographic equity of the Housing Capital Fund, providing rental housing for extremely-low income households, and preservation.
- Multi-Service Center is a well-established South King County-based nonprofit that owns and operates over 650 units of affordable housing.
- Multi-Service Center’s housing programs have a history of serving BIPOC community members with 45% of residents of Multi-Service Center properties identifying as BIPOC.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **secured grant with no repayment**. Final Contract terms shall be determined prior to release of funds and must be approved by SKHHP staff. The grant will be secured by a deed of trust recorded against the property to ensure that Contractor maintains the project’s affordability and target population. Contractor shall not be required to repay the grant so long as it maintains these project requirements.
2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months** from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.
3. SKHHP funds shall be used solely for the rehabilitation of the property and may include the following, unless otherwise approved by SKHHP staff:
 - a. Landscaping improvements
 - b. Seal coating and restriping the parking lot

- c. Site lighting improvements
 - d. Recoating breezeways and replacing railings
 - e. New siding
 - f. Exterior paint
 - g. Replacing gutters and downspouts
 - h. Replacing unit entry doors and install metal screen doors
 - i. Replace in-unit and laundry water heaters
4. SKHHP funds shall be prioritized to support building improvements - parking lot improvements shall not be funded in favor of residential building rehabilitation.
 5. SKHHP and Contractor shall agree to the specifics on what will be funded prior to executing a contract to ensure eligibility of expenses in alignment with RCW 82.14.540 and to mitigate cost-overruns.
 6. A covenant is recorded ensuring affordability for at least 50 years with size and affordability distribution per the following table. Changes may be considered based on reasonable justification as approved by SKHHP.

AMI	2-bedroom units	Total Units
30%	3	3
45%	16	16
60%	5	5
Total Units	24	24

7. Should cost overruns occur that require funds above SKHHP's contribution, sponsor will work towards filling the funding need through their capital budget process or seeking funds through other sources.

4. Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek

Funding request: \$1,300,000

Executive Board recommendation: \$555,000 (grant)

Address: 511 S 136th St Burien, WA 98168

PROJECT SUMMARY

Burien Miller Creek is a 40-unit homeownership project in Burien. The project is comprised of three- and four-bedroom homes for purchase: 20 units for households earning an average 50% AMI and 20 units for households earning up to 80% AMI. The project is currently under construction and SKHHP awarded the project \$300,000 in the 2022 funding round which has been requested to support the construction of five units for households earning an average of 50% AMI not to exceed 60% AMI. All homebuyers must have lived in King County for a least one year and 25% of the homes are reserved for households with a connection to the community – being defined as within two miles from the project.

The project will provide permanent affordability through the execution of a ground lease upon sale of the home. Habitat will have the Right of First Option to buy the home at an appreciated rate of 1.5% per year. When the home is resold, the price is set at the cost of acquisition and any rehab needed, allowing the home to be affordable to low- and moderate-income buyers in perpetuity. Habitat requires that the home must be the buyer's primary residence and must be owner occupied for the life of the home. The buyer's housing costs will be kept at or below 35% of gross household income.

The project has secured awards totaling \$23 million and reports a funding gap of \$3.3 million. The funding gap is due to increased construction costs, higher interest rates on construction loans, and lower mortgage revenue due to Habitat's commitment to serve families at lower AMIs in this development.

PROJECT SCHEDULE

Activity	Date
Site Control	3/26/2021
Building Permit Issued	3/24/2023
Begin Construction	11/08/2022
End Construction	2/1/2026
Full Occupancy	6/30/2026

FUNDING RATIONALE

The Executive Board supports the intent of this application for the following reasons:

- Homeownership is a high priority for SKHHP.
- Over \$7 million has been invested in the site and over \$23 million has been committed.
- Historically, out of the total number of households the sponsor has served, 65% identify as BIPOC families.
- Habitat has implemented a community preference policy to help guide homeowner selection. All applicants must have been residents of King County in the past year and 25% of the homes

are reserved for those with a connection to the community (being defined as within a 2-mile radius of the project site).

- The project began vertical construction in October 2024 and is fully permitted.
- Every homebuyer will have a sale price and mortgage set at no more than 35% of their household income based on household size.
- Limited funds available from SKHHP required a partial award to be made to balance the need of other priority projects with consideration of geographic equity.
- SKHHP awarded this project \$300,000 in the 2022 funding round. Habitat reports a funding gap due to construction cost overruns and interest rates impacting the mortgages at the AMI levels they wanted to serve. SKHHP funds will help the project close the gap and enable them to serve the lower AMI households they have committed to serve.
- The 32 3-bedrooms and 8 4-bedrooms spread across 10 buildings will provide badly needed larger, family sized homes.
- The project was approved for participation in the City of Burien affordable housing demonstration program.
- The project strongly aligns with SKHHP Housing Capital Fund adopted priorities including: the project sponsor's community connection and engagement with the populations they intend to serve, advancing racial equity, addressing the needs of populations most disproportionately impacted by housing costs, leverage of public and private funds, and homeownership.

PROPOSED CONDITIONS

Standard conditions apply to all projects and are included as Attachment 3 at the end of this memo.

Special Conditions

1. SKHHP will provide project funds to the Contractor in the form of a **secured grant with no repayment**. Final Contract terms shall be determined prior to release of funds and must be approved by SKHHP staff. The grant will be secured by a deed of trust recorded against the property to ensure that Contractor maintains the project's affordability and target population. Contractor shall not be required to repay the grant so long as it maintains these project requirements.
2. Timeframe for funding commitment. The funding commitment continues for **thirty-six (36) months from the date of Council approval of original award** and shall expire thereafter if all conditions are not satisfied. An extension may be requested to SKHHP staff no later than sixty (60) days prior to the expiration date. At that time, the Contractor will provide a status report on progress to date and expected schedule for start of construction and project completion. The SKHHP Executive Board will consider a twelve-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the Contractor will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

3. Project description of original award from 2022 funding round will be replaced by current description of the project. Previous funding award shall be combined with current recommended award.
4. The recommended \$300,000 (2024) from general fund contributions shall support the development of five (5) housing units at an average 50% AMI on initial sale (among the 20 units with an average 50% AMI restriction) and be permanently restricted at 70% AMI upon resale.
5. The recommended \$255,000 (2024) and the previously awarded \$300,000 (2022) shall support the development of five (5) units at an average 50% AMI on initial sale (among the 20 units with an average 50% AMI restriction) and be permanently restricted not to exceed 60% AMI upon resale.
6. SKHHP funds shall be used solely for new construction, soft costs, or other development costs, unless otherwise approved by SKHHP staff.

ATTACHMENT 1: Economic Summaires of Recommended Projects

Project: Mercy Housing Northwest - Burien Family Housing

Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2024)	\$2,000,000	Recommended
SKHHP (2022)	\$1,093,308	Committed
4% LIHTC Equity	\$9,405,093	Committed
9% LIHTC Equity	\$13,446,619	Committed
State HTF	\$4,000,000	Committed
King County (2023)	\$6,000,000	Committed
Permanent Amortizing Loan	\$5,892,060	Committed
Amazon HEF Loan	\$9,500,000	Committed
Mercy Loan Fund	\$999,999	Committed
Land Contribution	\$1,800,000	Committed
Deferred Developer Fee	\$1,011,384	Committed
National Housing Trust Fund	\$1,000,000	Committed
King County 2024/CHIP Pass Thru	\$1,900,000	Committed
TOTAL	\$58,048,463	

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$1,820,000	--
Construction	\$42,217,570	--
Soft Costs	\$8,634,716	--
Other Development Costs	\$5,376,177	--
TOTAL	\$58,048,463	\$637,895

Residential Cost Per Square Foot

Item	Amount
Residential square footage	86,543
Residential development cost	\$58,048,463
Cost per square foot	\$670.75

Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average 1-bedroom	44	526	\$352,813
Average 2-bedroom	29	788	\$528,549
Average 3-bedroom	15	1062	\$712,333
Average 4-bedroom	3	1291	\$865,934
Common area and other residential spaces, including parking	--	20,380	\$13,669,825

Project: TWG – Pandion at Star Lake

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$6,207,361	--
Construction	\$87,306,025	--
Soft Costs	\$15,032,371	--
Construction Financing	\$9,298,009	--
Other Development Costs	\$8,876,434	--
TOTAL	\$126,720,200	--
TOTAL NON-RESIDENTIAL	\$4,413,357	--
TOTAL RESIDENTIAL (includes common areas)	\$122,306,843	\$487,278

Residential Cost Per Square Foot

Item	Amount
Residential square footage	278,255
Residential development cost	\$122,306,843
Cost per square foot	\$439.55

Residential Cost Per Unit Based on Unit Size

Unit Size	Number of Units	Unit Square Footage	Cost per Unit
Average Studio	92	415	\$182,413
Average 1-bedroom	71	650	\$285,707
Average 2-bedroom	36	926	\$407,023
Average 3-bedroom	52	1,139	\$500,647
Common area and other residential spaces, including parking	--	107,767	\$47,368,930

Project: Multi-Service Center – White River Apartments

Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2024)	\$975,939	Recommended
TOTAL		

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Rehabilitation	\$747,939	--
Rehabilitation Contingency	\$150,000	--
Soft Costs	\$50,000	--
Other Development Costs	\$28,000	--
TOTAL	\$975,939	\$40,664

Project: Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek

Proposed Funding Sources by Amounts and Status

Funding source	Proposed Amount	Status
SKHHP (2022)	\$300,000	Committed
SKHHP (2024)	\$550,000	Recommended
King County	\$3,547,282	Committed
HTF	\$3,125,000	Committed
CHIP	\$1,934,500	Committed
HUD	\$850,000	Committed
HTF Unit Subsidy (2024)	\$1,000,000	Committed
Construction Financing	\$12,562,607	Committed
Habitat for Humanity	\$2,324,297	Committed
TOTAL	\$26,193,686	

Proposed Use of Funds and Total Residential Cost Per Unit

Proposed use	Amount	Per Unit
Acquisition	\$2,086,758	\$52,169
Construction	\$20,931,597	\$523,290
Soft Costs	\$1,906,163	\$47,654
Other Development Costs	\$1,269,168	\$31,729
TOTAL	\$26,193,686	\$654,842

Residential Cost Per Square Foot

Item	Amount
Residential square footage	54,662
Residential development cost	\$26,193,686
Cost per square foot	\$479.19

ATTACHMENT 2: Summary Changes of SKHHP Awarded Projects that Reapplied

Project: Mercy Housing Northwest - Burien Family Housing

Project changes between the awarded project from the 2022 SKHHP funding round and the 2024 application are as follows:

	2024	2022	Changes
Populations served	34 – families with children exiting homelessness 16 – families with children 18 – households with a physical disability 22 – general population	35 – families with children exiting homelessness 54 – families with children	<ul style="list-style-type: none"> • Fewer units for families with children • Added units for households with a disability and general population
Total units	91	89	<ul style="list-style-type: none"> • One unit added for an on-site manager • One additional affordable unit
AMI	0-60%	0-60%	<ul style="list-style-type: none"> • No change
AMI/unit count	0-30% - 28 30-50% - 48 50-60% - 14	0-30% - 35 30-50% - 28 50-60% - 26	<ul style="list-style-type: none"> • More 50% units and fewer 30% and 60% units
LIHTC	4%/9%	4%	<ul style="list-style-type: none"> • Added 9% LIHTC
Cost	\$59.7m	\$47.4m	<ul style="list-style-type: none"> • Higher budget

Project: TWG – Pandion at Star Lake

Project changes between the 2023 awarded project and the 2024 application are as follows:

	2024	2023	Changes
Number of buildings	1	2	<ul style="list-style-type: none"> Modified from 2 buildings to 1
Populations served	163 units - general population 59 units - families with children 29 units - families with children that require permanent supportive services and are at-risk of being homeless	Building 1: 109 units - general population 30 units - families with children 25 units - families with children that require permanent supportive services and who are transitioning out of homelessness or are at-risk of homelessness 4 units - households with I/DD Building 2: 173 units – seniors earning 80-100% AMI	<ul style="list-style-type: none"> No seniors at 80-100% AMI No families that are transitioning out of homelessness No IDD units Larger number of general population units in lower income building More units for families with children
Total units	251	341 (168 and 173)	<ul style="list-style-type: none"> 90 fewer units
AMI	0-80%	0-100%	<ul style="list-style-type: none"> No 80-100% AMI units
AMI/unit count	0-30% - 29 30-50% - 114 50-60% - 61 60-80% - 47	0-30% - 29 30-50% - 97 50-60% - 42 80-100% - 173	<ul style="list-style-type: none"> Number of 0-30% units unchanged More 30-60% units Added 80% units Removed 80-100% units
LIHTC	4%	4%/9%	<ul style="list-style-type: none"> Not applying for 9% LIHTC

Project: Habitat for Humanity Seattle-King & Kittitas Counties - Burien Miller Creek

Project changes between the awarded project from the 2022 SKHHP funding round and the 2024 application are as follows:

	2024	2022	Changes
Number of buildings	10	10	<ul style="list-style-type: none"> No change
Populations served	Homebuyers with connection to the community	Homebuyers with connection to the community	<ul style="list-style-type: none"> No change
Total units	40	Phase 1 – 20 units Phase 2 – 20 units	<ul style="list-style-type: none"> Removed Phase 1 and 2 and are considering the project a single project.
AMI	20 units - average of 50% AMI 20 units - 80% AMI	Phase 1 (20 units) – up to 50% AMI Phase 2 (20 units) – 80% AMI	<ul style="list-style-type: none"> Changed from 20 units at 50% AMI to an average 50% AMI
Cost	\$26.2m	\$8.4m (First 20 units only)	<ul style="list-style-type: none"> Higher development cost
SKHHP funding request	Request: \$1.3m for 20 units at average 50% AMI. Recommended: Partial award of \$300,000 (GF) for 5 units at average 50% AMI with resale up to 70% AMI & \$255,000 for 5 units at average 50% AMI with resale up to 60% AMI	\$300k applied to 20 units up to 50% AMI > \$300k applied to 20 units at average 50% AMI > \$300,000 applied to 5 units at average 50% AMI	<ul style="list-style-type: none"> Request to fund fewer of the 20 total units. Total project units unchanged.

ATTACHMENT 3: Standard Conditions for Funding

1. Contractor shall provide SKHHP with development and operating budgets based upon actual funding commitments for approval by SKHHP staff. Contractor must notify SKHHP staff immediately if it is unable to adhere to these budgets and must submit new budget(s) to SKHHP staff for approval. SKHHP staff shall not unreasonably withhold its approval of these budget(s), so long as they do not materially or adversely change the Project. This shall be a continuing obligation of the Contractor, and shall survive the transfer or assignment of the Contract. Contractor's failure to adhere to budgets (either original or new/amended) may result in SKHHP's withdrawal of its funding commitment. Contractor must prepare and submit final budgets to SKHHP at the time it starts project construction and at the project's completion.
2. Contractor shall submit to SKHHP evidence of funding commitments from all proposed public and private funding sources. If Contractor cannot secure an identified commitment within an application's time frame, Contractor shall immediately notify SKHHP staff and describe its anticipated actions and time frame for securing alternative funding.
3. Contractor shall use SKHHP provided funds toward specific project costs as included in the Contract and consistent with RCW 82.14.540 and/or 82.14.530, as applicable. Contractor may not use SKHHP funds for any other purpose unless SKHHP staff authorizes such alternate use in writing. If budget line items with unexpended balances exist after completion of the project, SKHHP and other public funders shall approve adjustments to the project capital sources (including potential reductions in public fund loan balances).
4. Contractor shall evaluate and consider maximizing sustainability features for the Project (such as an efficient building envelope and heat pumps) and shall propose a plan to maximize the Project's sustainability.
5. Contractor shall use and document an open and competitive bidding process (consisting of at least three bids) for construction and related consultant services associated with the project, regardless of the source of funds used to pay their costs. Contractor shall pay RCW 39.12 prevailing wages in all projects funded by SKHHP that include construction activities, unless federal funds awarded to the project mandate use of federal prevailing wage rates.
6. If Contractor uses federal funds toward the Project, it must meet applicable federal guidelines, including but not limited to: contractor solicitation; bidding and selection; wage rates; and federal laws and regulations.
7. Contractor shall maintain documentation of any necessary land use approvals, permits, and licenses required by the jurisdiction in which the project is located.
8. Contractor shall submit to SKHHP project monitoring reports quarterly through its completion of the project, and annually thereafter. Contractor shall submit a final

budget to SKHHP upon project completion. If applicable, Contractor shall submit initial tenant information as required by SKHHP.

9. Contractor is required to provide SKHHP with quarterly status reports for projects funded through SKHHP's Housing Capital Fund during the project's development stage (from the time funds are awarded until the project's completion and occupancy). These quarterly reports must include at a minimum the status of funds expended and progress to date. SKHHP will rely on these quarterly reports to determine whether Contractor is making satisfactory progress on the project.
10. SKHHP may inspect the project site during the project's construction.
11. After occupancy, the Contractor will submit annual reports to SKHHP summarizing the number of project beneficiaries, housing expenses for the target population, and the proportion of those beneficiaries that are low- and/or moderate-income and that meet other eligibility criteria established in the Contract. In addition, the Annual Report shall include certifications to SKHHP that it is in compliance with the Covenant, which shall include the most current occupancy information, rent schedule (showing which Units are in each income class), a calculation justifying any increases in rents from the previous rent schedule, consistent with the Covenant and the Contract, and the actual rents being charged to each unit. SKHHP shall have the right to review rents for compliance and approve or disapprove them every year. In the event the Contractor submits annual certifications to satisfy the reporting requirements of multiple funders, Contractor will designate and report all units at the income class required by the most restrictive funder as well as the classification for purposes of the Covenant and this Contract. The Contractor shall also include with such certification any changes in the management policies for the Property and such other information covering the prior calendar year as SKHHP may request by notice at least ninety (90) days in advance of the due date, and with such accompanying documentation as SKHHP may request. The Annual Reports shall be submitted by June 30 of each year and will be required for the full duration of the Affordability Period. SKHHP will also periodically evaluate all projects for long term sustainability.
12. For rental projects, Contractor shall maintain the project in good and habitable condition for the duration of its affordability term.
13. SKHHP shall reimburse the Contractor for satisfactory completion of the requirements specified in the Contract and upon Contractor's submission to SKHHP of invoices and supporting documentation of eligible expenses.
14. SKHHP shall retain 5% of the funding award ("retention") and shall release the retention only after construction is complete and all other obligations outlined in the contract have been satisfied.
15. A covenant is recorded ensuring affordability for at least 50 years, with unit size, number of units, and affordability distribution established prior to executing Contract.

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: Public Works Engineering
Building Basement HVAC Upgrades

AGENDA OF: March 27, 2025

DEPT. OF ORIGIN: Public Works

ATTACHMENTS:

DATE SUBMITTED: March 17, 2025

- 1. MacDonald-Miller Proposal #1221CW

CLEARANCES:

- City Clerk _____
- Community Development _____
- Courts _____
- Director of Marina Redevelopment _____
- Emergency Management _____
- Finance *MLR*
- Human Resources _____
- Legal */s/TG*
- Marina _____
- Police _____
- Parks, Recreation & Senior Services _____
- Public Works *WPS*

APPROVED BY CITY MANAGER

FOR SUBMITTAL: *Katherine Coffey*

Purpose and Recommendation:

The purpose of this Agenda Item is to seek City Council approval of the MacDonald-Miller Proposal #1221CW (Attachment 1), for the 2025 Public Works Engineering Building Basement HVAC Upgrades. The following motion will appear on the Consent Agenda:

Suggested Motion

Motion: "I move to approve the MacDonald-Miller Proposal #1221CW for the 2025 Public Works Engineering Building Basement HVAC Upgrades in the amount of \$74,840.13, authorize a project construction contingency in the amount of \$7,500.00, and further authorize the City Manager to sign said Proposal substantially in the form as submitted."

Background

The Public Works Building (currently known as Public Works Engineering) was constructed in 1977 according to the brass plaque affixed near the front entrance. The building is served by two separate HVAC systems – a rooftop heat pump installed in 2011 provides heating and cooling for the main floor; while two electric furnaces installed in 1985 provide heating for the basement. There is no cooling in the basement except for several portable window AC units during the summer months. The basement is also home to the IT Department, and all of their heat-generating technology.

Discussion

Staffing has grown over the years, and there is insufficient room for further expansion. We’ve recently created additional office space in the basement for 3 Surface Water Management (SWM) personnel, and our Right-of-Way Inspector. Their space is below ground, so adding windows is not a viable option for air circulation. This proposal will modify the existing furnaces so they can house the new coils, while utilizing the existing basement duct system; and provides a new rooftop condensing unit. This will allow for the entire basement to have heating and cooling.

MacDonald-Miller is the City’s HVAC maintenance contractor, and currently services all of the HVAC equipment at all City buildings. This proposal provides us with the most cost-effective way of implementing cooling to the basement.

Alternatives

None.

Financial Impact

Funding will be provided through a combination of funding sources. \$62,340.13 from the Surface Water Utility Fund, \$10,000 from the General Fund, and \$10,000 from Public Works.

Recommendation

Staff recommends approval of the suggested motion.

Council Committee Review

Not Applicable.



We make buildings work better.

February 26, 2025

Proposal #1221CW



Scott Romano
City of Des Moines
21650 11th Ave S, Des Moines, WA 98198
206-450-6758

Subject: City of Des Moines Eng Bldg – Split System Installation

Dear Scott,

MacDonald-Miller Facility Solutions is pleased to provide you with the following proposal to replace two (2) Lennox, electric furnaces with a dual zone split system, intended for heating and cooling the space.

SCOPE & INCLUSIONS

Base Scope

- Perform a preconstruction site walk to verify conditions and begin project detailing
- Demo existing electric furnaces
- Install two (2) new indoor units and connect to existing supply duct
- Install one (1) new outdoor unit on the roof above the electrical/server room
 - Crane will be used to place it on the roof
 - Install sleepers and roof over per code
- Core through the exterior wall and run line set down the side of the building, through the space, and into the mechanical room
- Run electrical from the electrical room to the roof to power the outdoor unit
- Run control wiring from the outdoor to the indoor units
- Install two (2) new thermostats
- Engineering and drawings required for permits
- Mechanical and electrical permits
- Close out package
- 2-years parts & labor warranty

EXCLUSIONS (unless specifically stated above)

- Additional ducting into the space for supply or return
- Structural and electrical modifications
- Structural upgrades if necessary
- Temporary heating or cooling during shutdown period
- Overtime labor



- All electrical, DDC Controls, fire sprinkler, smoke control and fire alarm scope
- Return air smoke detector wiring to a building fire alarm panel
- Duct cleaning
- Engineering for existing HVAC system evaluation and redesign
- Asbestos & lead paint testing and/or abatement
- All wall cutting, patching, & painting
- X-Ray or scanning
- Concrete cutting & coring
- Excavation, back-fill, & compaction
- Controls
- Test & Balancing
- Insulation or fire wrap
- Bonds
- Warranty, upgrades or repairs to existing systems not specifically outlined in this proposal
- Troubleshooting of existing equipment
- Allowance for any hidden/unknown existing conditions, except as noted above
- Any increased costs (whether in price or related to delays in availability) of materials and/or equipment associated with tariffs, levies, duties or taxes
- Washington State Sales Tax

LEAD TIMES (as of date above, subject to change)

- Permits: 6-8 weeks from intake date
- Equipment: 8-10 weeks from date of order

CLARIFICATIONS & ASSUMPTIONS

- Assuming penetration into the mechanical room is being used for outside air
- Assuming basement has sufficient insulation per code for cooling
- Assuming clear access to all working areas
- Assuming the thermostat wire is properly sized for new thermostats
- Assuming existing return grill into the mechanical room is sufficient
- Assuming ability to install outdoor condensing unit on the roof, 15 feet away from the edge
- All line sets and conduit will be surface mounted on the ceiling
- Subject to additional site inspections and engineering review
- Quote based on work occurring during normal working hours: M-F 6am-2:30pm
- Scope as described must be accepted by the Authority Having Jurisdiction (AHJ) for this proposal to become valid
- Proposal is valid for 30 days from date above
- Regarding payment: Preferred payments made by check. Please note that use of credit card for payment will include a surcharge of 3.5% of invoice, we accept Mastercard and Visa.



PRICING

Base Bid	\$59,773 plus WSST
<u>Engineering and permit</u>	<u>\$8,140 plus WSST</u>
Total	\$67,913 plus WSST

Thank you again for the opportunity to provide you with this proposal. If you should have any questions or should require any further information, please don't hesitate to contact me at 206-473-0845.

Thank you,

Chris Watson
Account Executive



Please indicate acceptance by signing below and returning to my attention via email at chris.watson@macmiller.com. We appreciate the opportunity and confidence in our services. Please feel free to call with any questions you may have (206) 473-0845.



Anticipated starting date: TBD
Upon which this proposal is based. This proposal does not include, unless so stated, any applicable state or federal taxes. This proposal is subject to acceptance by purchaser within 30 days and subject to the terms and conditions stated on the following page.

and completion date: _____

MacDonald-Miller Facility Solutions, LLC.

Submitted by: *Chris Watson*
Chris Watson / Account Executive

Acceptance: I agree to the terms hereof and acceptance of this agreement.

Purchaser _____

By _____ Date _____

MacDonald-Miller would like to introduce our Smart Building Services. These services help to optimize your building's performance and identify equipment issues proactively, using analytics and real-time data that your mechanical system already has available. This allows MacDonald-Miller to remotely analyze, prioritize and optimize your building's needs and provide solutions that ultimately save you time and money.



EXPECT
CLARITY



EXPECT
EFFICIENCY



EXPECT
COMFORT

TERMS AND CONDITIONS/CONSTRUCTION SERVICES

Acceptance	By authorizing MacDonald-Miller Facility Solutions, LLC. to provide the construction services contemplated by this Agreement, Customer agrees to the terms and conditions herein stated.
Scope of Obligations	MacDonald-Miller Facility Solutions, LLC. shall provide construction service when contracted for, pursuant to the attached proposal, purchase order or estimate of which these terms and conditions are a part.
Obligations of Customer	Customer shall extend all reasonable cooperation requested in terms of personnel; access to premises where work is to be performed; promptly providing information requested by contractor, and shall promptly notify MacDonald-Miller Facility Solutions, LLC. upon observation of any unusual or unsafe condition.
Service Availability	MacDonald-Miller Facility Solutions, LLC. agrees to provide construction service during normal business hours, i.e., 6:00am to 5:30 pm, Monday through Friday, holidays excepted. Agreed upon changes are at the hourly rate and terms, including vehicle charges or special assessments, then in effect by MacDonald-Miller Facility Solutions, LLC.
Charges and Terms	Payment is due within 30 days of the invoice date. Any balance due after 30 days shall bear interest at the maximum legal rate permitted from the invoice date.
Taxes	There will be added to all charges the amount of any present and future taxes or any other governmental charges now or hereafter imposed by existing or future laws with respect to any services rendered or materials supplied.
Limitation of Liability	<p>MACDONALD-MILLER FACILITY SOLUTIONS, LLC. SHALL NOT BE LIABLE TO CUSTOMER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFIT OR GOODWILL, AS A RESULT OF ANY MATTER ARISING OUT OF OR RELATING TO THE CONSTRUCTION SERVICES PROVIDED UNDER THIS AGREEMENT AND/OR ITS SUBJECT MATTER WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.</p> <p>The customer agrees that MacDonald-Miller Facility Solutions, LLC.'s liability thereunder for damage shall not exceed the amount paid for construction services and only if such damage is the result of MacDonald-Miller Facility Solutions, LLC.'s negligence or willful misconduct.</p> <p>To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor and its agents and employees from any claims, damages, losses and expenses including attorney's fees to the extent caused by the negligent acts or omissions, or willful misconduct of the Owner.</p> <p>Unless stated in writing, MACDONALD-MILLER FACILITY SOLUTIONS, LLC. DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.</p> <p>MacDonald-Miller Facility Solutions, LLC. shall not be responsible or liable for any loss, damages or delay in furnishing materials or failure to perform services when caused by fire, interruption of utility services, flood, acts of civil or military authorities, insurrection, terrorist act, riot, civil disorder, labor disturbances, or by any other cause which is unavoidable or beyond its control.</p> <p>If the Contractor is delayed by any act or neglect of Owner or a separate Contractor employed by Owner, the time for completion shall be extended as necessary and an extension of time to complete the work does not preclude recovery of damages for delay by Contractor.</p>
Default	If Customer does not pay any amount due thereunder, or breaches any of the terms of this Agreement, MacDonald-Miller Facility Solutions, LLC. may, in addition to any other legal remedies it may have, including the right to file a lien under state law, suspend work until payment is made.
Term	Prices will be subject to periodic changes due to change in labor and material rates. Notwithstanding anything to the contrary, Customer acknowledges and agrees any and all increased costs (whether in price or related to delays in availability) of materials and/or equipment associated with tariffs, levies, duties or taxes shall be the sole responsibility of Customer
General	<p>Either party may terminate this Agreement at any time for failure of the other to comply with any of its terms and conditions, but termination shall not relieve Owner of the duty to pay for work performed by Contractor.</p> <p>Customer represents that it has authority to enter into this Agreement. Owner warrants that to the best of its knowledge there are no unsafe conditions or hazardous materials or substances in, on, around or affecting the area where the work is to be performed.</p> <p>This Agreement shall be governed by the laws of the State where the work was done. In the event any party shall bring suit or action against the other for relief arising out of this Agreement, the prevailing party shall have and recover against the other party all court costs, disbursements, and a reasonable attorney's fee. Customer consents to and agrees to jurisdiction and venue of any proceeding in the District or Superior Court of the State of Washington for King County at MacDonald-Miller Facility Solutions, Inc's election.</p> <p>Making a final payment shall constitute a waiver of claims by the Owner except those arising from claims by third parties arising out of the contract, failure of the work to comply with the requirements of this contract, or manufacturer warranties passed on to the Owner by Contractor.</p> <p>The Owner and Contractor shall commence all claims and causes of action against the other whether in contract, tort, breach warranty or otherwise arising out of or related to this contract within 365 days following Contractor's completion of the work.</p> <p>Publicity and Promotion. Customer and MacDonald-Miller Facility Solutions, LLC., (MMFS) agree that MMFS is entitled rights of publicity or promotion with respect to the work completed by MMFS under this Agreement, including, but in no way limited to, photographs and written or graphical depictions of the work, the project, and product. MMFS may exercise such rights of publicity or promotion in any way it deems appropriate for marketing or other promotional purposes. MMFS shall retain exclusive ownership of any intellectual property rights that may result from any such publicity or promotion, including, but in no way limited to, copyright or trademark protection. Photographs or other graphical depictions of non-MMFS personnel will only be used with written consent by the Customer and the individual. Furthermore, the Customer agrees to the use of their name/logo by MMFS in furtherance of MMFS's rights of publicity. Any press release will be mutually agreed upon (form and content) by both parties prior to its release.</p> <p>Any notice required by this Agreement shall be deemed received, delivered in person, or by facsimile or sent by mail.</p>

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: City of Des Moines Right-of-Way
Procedures Staffing Update

FOR AGENDA OF: March 27, 2025

DEPT. OF ORIGIN: Public Works

ATTACHMENTS:

- 1. Right-of-Way Procedures Staffing Update
- 2. Approved City of Des Moines Right-of-Way Procedures (March 2018)

DATE SUBMITTED: March 19, 2025

CLEARANCES:

- City Clerk _____
- Community Development _____
- Courts _____
- Director of Marina Redevelopment _____
- Emergency Management _____
- Finance *[Signature]*
- Human Resources _____
- Legal */s/TG*
- Marina _____
- Police _____
- Parks, Recreation & Senior Services _____
- Public Works *[Signature]*

APPROVED BY CITY MANAGER

FOR SUBMITTAL: *Katherine Coffey*

Purpose and Recommendation

The purpose of this agenda item is to authorize the Mayor to sign a Staffing Update (Attachment 1) to the City’s Right-of-Way Procedures. The following motion will appear on the Consent Agenda:

Suggested Motion

Motion: “I move to approve the City of Des Moines Right-of-Way Procedures Staffing Update and authorize the Mayor to sign the Staffing Update substantially in the same form as submitted.”

Background

In order to facilitate capital infrastructure improvements undertaken by the City, the need to obtain additional right-of-way is often required. This is frequently due to the necessary improvements such as additional travel lanes, bicycle lanes, landscaped planter strip, and/or sidewalks being elements of a capital project. The Washington State Department of Transportation (WSDOT) provides Local Agency Guidelines (LAG) as to the process and steps for municipalities in Washington State to follow in their planning, design, construction, and maintenance of transportation facilities. To assist agencies in accomplishing these goals, the LAG manual describes the processes, documents, and approvals necessary to obtain Federal Highway Administration (FHWA) funds to develop local transportation projects and defray their costs.

The LAG manual is a compilation of information from many sources and is a reference source for administrative and field personnel in any governmental agency. Highways and Local Programs is the division within the Washington State Department of Transportation (WSDOT) which serves local agencies.

For a transportation project to be eligible for FHWA federal funding, the project's right-of-way must be acquired in accordance with the requirements of the State of Washington Right-of-Way Procedures Manual, Chapter 25, WSDOT Local Agency Guidelines.

The City last obtained approval of its Right-of-Way Procedures (Attachment 2) from WSDOT in 2018.

At the October 10th, 2022, City Council meeting, the City Council approved a right-of-way staffing update but approval was never obtained from WSDOT. WSDOT performed an initial review of the staffing update and required staff to complete additional right-of-way training. Before staff training could be completed, additional staffing changes occurred and rendered the update out of date. Current City staff has completed the necessary training for WSDOT approval.

Discussion

The City's current Right-of-Way Procedures were last updated in 2018 and key staff changes have taken place since their approval. To continue to utilize the approved Right-of-Way Procedures, a staffing update is required to be submitted to WSDOT for review. All other approved Right-of-Way Procedures will remain in effect.

Alternatives

The City Council may elect not update the staffing changes. This will negatively impact the City's ability to obtain right-of-way on future projects.

Financial Impact

None.

Recommendation

Staff recommends adoption of the motion.

Council Committee Review

Not applicable.

Right of Way Procedures Staffing Update

CITY OF DES MOINES

This form is to be utilized when only minor staffing changes (two or three changes) are necessary: All other Approved ROW Procedures will remain in effect.

Please be sure to include Staff Name, Position Title, and attach the necessary resumes.

i. PROGRAM ADMINISTRATION:

Remove: R. Brandon Carver, Public Works Director

Add: Michael P. Slevin III, Public Works Director (see attachment 1)

Note: Staff included under Program Administration must have completed the eLearning Administrative Settlement and No ROW Verification training available at <http://www.wsdot.wa.gov/LocalPrograms/ROWServices/Training.htm>

ii. APPRAISAL

Remove:

Add:

iii. APPRAISAL REVIEW:

Remove:

Add:

iv. ACQUISITION:

Remove:

Add:

Note: Staff included under Acquisition must have completed the eLearning Administrative Settlement training available at <http://www.wsdot.wa.gov/LocalPrograms/ROWServices/Training.htm>

v. RELOCATION:

Remove:

Add:

vi. PROPERTY MANAGEMENT:

Remove: Daniel J. Brewer, Chief Operations Officer

R. Brandon Carver, Public Works Director

Andrew Merges, Transportation & Engineering Services Manager

Loren Reinhold, Surface Water & Environmental Engineering Manager

Cecilia Pollock, Interim Finance Director

Add: Michael P. Slevin III, Public Works Director (see attachment 1)

Thomas Owen, City Engineer (see attachment 1)

Tyler Beekley, Surface Water & Environmental Engineering Manager (see attachment 1)

Jeff Friend, Finance Director (see attachment 1)

Timothy A. George, City Attorney (see attachment 1)

Traci Buxton
Mayor, City of Des Moines

Date

Washington State Department of Transportation

Approved By:

Local Programs Right of Way Manager

Date

The following section to be completed by WSDOT Local Programs Right of Way:

Approval Dates of the following:

ROW Procedures

Administrative Settlement Policy

Administrative Offer Summary (AOS)

LPA-001b
Rev. 7/2021

ATTACHMENT 1

AGENCY STAFF POSITIONS & QUALIFICATIONS

City of Des Moines staff will be responsible for the Program Administration and Property Management functions. The following positions and individuals are identified below. Position descriptions and qualifications are available.

Public Works Director: Michael P. Slevin III, P.E.- Registered Professional Engineer 36248 in the state of Washington. Washington State University B.S, Civil Engineering, University of Washington MBA, APWA Stone Public Works Fellow. Mr. Slevin has over 30 years of experience in the public sector managing and fulfilling Engineer of Record roles for municipal infrastructure projects. His experience includes 29 years at the City of Tacoma in numerous roles including; Project Engineer, Right of Way, Facilities, and Real Estate manager, City Engineer, Utility Engineer, Public Works Director, and Environmental Services Director.

City Engineer: Thomas Owen, P.E., PTOE – Registered Professional Engineer and Certified Professional Traffic Operations Engineer, Washington State; B.S. Engineering Management, University of Portland; Mr. Owen has over 17 years of experience in the public sector managing transportation infrastructure improvements consistent with WSDOT LAG guidelines. Experience includes Right-of-Way acquisition plan development, acquisition management, and project certification.

Surface Water and Environmental Engineering Manager: Tyler Beekley, P.E. – Registered Professional Engineer, Washington State; B.S. Civil Engineering, Washington State University; Mr. Beekley has over 12 years of experience in the public sector involving stormwater infrastructure projects, water quality permitting, and landslide restoration projects.

Finance Director: Jeff Friend, CPA – Licensed WA State CPA #26289. Master’s in Public Accounting from Seattle University. He has 23 years of experience in public sector financing and accounting. His experience over the past 23 years include the Muckleshoot Indian Tribe, King County Housing Authority, the City of Tukwila, and the City of Des Moines.

City Attorney: Timothy A. George, – J.D. California Western School of Law, Attorney licensed to practice law in Washington, California, and the United States Western District. Mr. George has been practicing law for over 18 years and has extensive civil and criminal law experience including acquisition of public Right-of-Way via use of municipal powers of eminent domain.



Transportation Building
310 Maple Park Avenue S.E.
P.O. Box 47300
Olympia, WA 98504-7300
360-705-7000
TTY: 1-800-833-6388
www.wsdot.wa.gov

March 20, 2018

Mr. R. Brandon Carver, PE
Public Works Director
City of Des Moines
21650 11th Avenue South.
Des Moines, Washington 98198-6317

**City of Des Moines
Updated Right of Way Procedures**

Dear Mr. Carver:

On February 28, 2018, the Local Programs Right of Way Section received the City's updated Right of Way (ROW) Procedures. These updated ROW procedures are approved, and supersede and replace the previous procedures subject to the following requirements:

1. R. Brandon Carver, P.E. P.T.O.E., Public Works Director is approved to perform the Program Administration function, which includes oversight of hired ROW consultants, review and approval of recommended actions and payments, review and preliminary approval of administrative settlements, and authorization of just compensation including approval of Administrative Offer Summaries (AOS).
2. Appraisals and appraisal reviews must be contracted for with the Washington State Department of Transportation (WSDOT) or consultant on WSDOT's approved qualified appraiser/reviewer list.
3. All acquisition work must be contracted for with qualified consultants, other agencies with qualified staff or WSDOT. Since the City has no experienced staff to oversee the acquisition process, the City must have direct supervision from the LAC. At a minimum, the LAC must be provided the opportunity to review all parcel files prior to first offers being made to the property owners. To avoid a conflict of interest, acquisition agents are only approved to acquire property valued at \$10,000 or less if they also prepare the Administrative Offer Summary (AOS).
4. All relocations must be contracted for with qualified consultants, other agencies with qualified staff or WSDOT. Any relocation consultant must be monitored by the LAC. For any projects involving relocation, the City must provide confirmation they have an approved relocation appeal procedure in place prior to starting relocation activities.
5. Cecilia Pollock, Interim Finance Director; Daniel J. Brewer, P.E., P.T.O.E., Chief Operations Officer; R. Brandon Carver, P.E., P.T.O.E., Public Works Director; Andrew Merges, P.E., Engineering Services Manager; Loren Reinhold, P.E., Surface Water & Environmental Engineering Manager; and Timothy A. George, City Attorney are approved to perform Property Management functions.

R. Brandon Carver, PE
Public Works Director
City of Des Moines
Updated Right of Way Procedures
March 20, 2018

The City is approved to use the Federal Highway Administration approved waiver process of \$25,000 or less, including cost to cure items in which it is not required to offer appraisals for values at \$10,000 or less. The city's relocation appeal procedures submitted in July of 2013 remain in effect.

It is requested that the City work closely with the region LAC early and throughout the right of way process to ensure that all necessary procedures are followed on any federal-aid projects. In particular, the City must notify the Region LAC prior to contracting with consultants to initiate the process.

When staffing changes occur, an updated list must be submitted for approval prior to commencement of any right of way work.

If you have any questions regarding the requirements, please contact David Narvaez, Northwest Region LAC at (206) 440-4205, or Mehrdad Moini, Northwest Region Local Programs Engineer at (206) 440-4734.

Sincerely,



Dianna Nausley
Right of Way Manager
Local Programs

DN:sas

Enclosures

cc: Mehrdad Moini, Northwest Region Local Programs Engineer, MS NB82-121
David Narvaez, Northwest Region Local Agency Coordinator, MS NB82-121

Right of Way Procedures

The City of Des Moines, hereinafter referred to as "AGENCY", desiring to acquire real property (obtain an interest in, and possession of, real property) in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and applicable federal regulations (49 CFR Part 24) and state law (Ch. 8.26 RCW), and state regulations (Ch. 468-100 WAC) hereby adopts the following procedures to implement the above statutes and Washington Administrative Code. The AGENCY is responsible for the real property acquisition and relocation activities on projects administered by the AGENCY. To fulfill the above requirements the AGENCY will acquire right-of-way (ROW) in accordance with the policies set forth in the Right of Way Manual M 26-01 and Local Agency Guidelines. The AGENCY has the following expertise and personnel capabilities to accomplish these functions:

1. The following relate to the AGENCY's request.
 - a. Below is a list of responsible AGENCY individual names and positions, for which the AGENCY has qualified staff to perform the specific right-of-way function(s). Attached are resumes for each individual AGENCY staff listed to perform those functions below, and a brief summary of their qualifications pertaining to the specific ROW function(s) for which they are listed. The procedures shall be updated whenever staffing changes occur. The AGENCY will be approved to acquire based upon staff qualifications.
 - i. **PROGRAM ADMINISTRATION :**
Oversee delivery of the R/W Program on federal aid projects for the agency. Ensures R/W functions are carried out in compliance with federal and state laws, regulations, policies and procedures.
Responsibilities/Expectations:
 - Ensures agency's approved R/W Procedures are current, including staff qualifications, and provides copies to consultants and agency staff;
 - Oversight of ROW consultants;
 - use of consultant contract approved by WSDOT (under construction)
 - management of ROW contracts
 - management of ROW files
 - reviews and approves actions and decisions recommended by consultants
 - Overall responsibility for decisions that are outside the purview of consultant functions
 - Sets Just Compensation prior to offers being made;
 - Approves administrative offer summaries per policy;
 - Ensure agency has a relocation appeal process in place prior to starting relocation activities;
 - Oversight of Administrative Settlements;
 - Obligation authority for their agency;
 - Obtain permits (Non-Uniform Relocation Act (URA));
 - Ensures there is a separation of functions to avoid conflicts of interest.
 - Verifies whether or not ROW is needed, and that the property rights and/or interests needed are sufficient to construct, operate and maintain the proposed projects (see Appendix 25.176).

Agency Position: Public Works Director

(Employee name & qualifications – see Attachment 1)

ii. APPRAISAL

Prepare and deliver appraisals on federal aid projects for the agency. Ensures that appraisals are consistent and in compliance with state and federal laws, regulations, policies and procedures.

Responsibilities/Expectations:

- Use only qualified agency staff approved by WSDOT to perform appraisal work;
- Use appraiser from WSDOT's Approved Appraiser List if agency does not have qualified staff;
- Prepare Project Funding Estimates (PFE) or, when applicable, True Cost Estimates (TCE);
- Prepare Administrative Offer Summaries (AOS or Appraisal Waiver);
- Obtain specialist reports;
- Coordinate with engineering, program administration, acquisition, relocation, and/or property management as necessary.

Qualified Consultant

iii. APPRAISAL REVIEW:

Review appraisals on federal aid projects for the agency to make sure they are adequate, reliable, and have reasonable supporting data, and approve appraisal reports. Ensures appraisals are adequately supported and represent fair market value and applicable costs to cure and are completed in compliance with state and federal laws, regulations, policies and procedures.

Responsibilities/Expectations:

- Use only qualified agency staff approved by WSDOT to perform appraisal review work;
- Use review appraiser from WSDOT's Approved Appraiser List if agency does not have qualified staff;
- Ensures project wide consistency in approaches to value, use of market data and costs to cure;
- Coordinate with engineering, program administration, acquisition, relocation, and/or property management as necessary.

Qualified Consultant

iv. ACQUISITION:

Acquire, through negotiation with property owners, real property or real property interests (rights) on federal aid projects for the agency. Ensures acquisitions are completed in compliance with federal and state laws, regulations, and policies and procedures.

Responsibilities/Expectations:

- Use only qualified staff to perform acquisition activities for real property or real property interests, including donations;
- To avoid a conflict of interest, when the acquisition function prepares an AOS, only acquires property valued at \$10,000 or less;
- Provide and maintain a comprehensive written account of acquisition activities for each parcel;
- Prepare administrative settlement justification and obtain approval;
- Prepare Project Funding Estimates (PFE) or, when applicable, True Cost Estimates (TCE);

- Prepare Administrative Offer Summaries (AOS or Appraisal Waiver);
- Review title, and recommend and obtain approval for acceptance of encumbrances;
- Ensure acquisition documents are consistent with ROW plans, valuation, and title reports;
- Provide a negotiator disclaimer;
- Coordinate with engineering, program administration, appraisal, relocation, and/or property management as necessary;
- Maintain a complete, well organized parcel file for each acquisition.

Qualified Consultant

v. **RELOCATION:**

Provide relocation assistance to occupants of property considered displaced by a federally funded projects for the agency. Ensures relocations are completed in compliance with federal and state laws, regulations, policies and procedures.

Responsibilities/Expectations:

- Prepare and obtain approval of relocation plan prior to starting relocation activities;
- Confirm relocation appeal procedure is in place;
- Provide required notices and advisory services;
- Make calculations and provide recommendations for agency approving authority prior to making payment;
- Provide and maintain a comprehensive written account of relocation activities for each parcel;
- Coordinate with engineering, program administration, appraisal, acquisition, and/or property management as necessary;
- Maintain a complete, well organized parcel file for each displacement;
- Ensure occupants and personal property is removed from the ROW.

Qualified Consultant

vi. **PROPERTY MANAGEMENT:**

Establish property management policies and procedures that will assure control and administration of ROW, excess lands, and improvements acquired on federal aid projects for the agency. Ensures property management activities are completed in compliance with federal and state laws, regulations, policies and procedures.

Responsibilities/Expectations:

- Account for use of proceeds from the sale/lease of property acquired with federal funds on other title 23 eligible activities;
- Keep R/W free of encroachments;
- Obtain WSDOT/FHWA approval for change in access control along interstate;
- Maintain property records;
- Coordinate with engineering, program administration, appraisal, acquisition, and/or property management as necessary;
- Maintain a complete, well organized parcel file for each displacement;
- Ensure occupants and personal property is removed from the ROW.

Agency Positions: Finance Director; Chief Operations Officer, Public Works Director, Engineering Services Manager; SWM Utility Manager, City Attorney

(Employee names and qualifications – See Attachment 1)

- b. Any functions for which the AGENCY does not have qualified staff, the Agency will contract with another local agency with approved procedures, an outside contractor, or the Washington State Department of Transportation (WSDOT). An AGENCY that proposes to use outside contractors for any of the above functions will need to work closely with the WSDOT Local Agency Coordinator (LAC) and Local Programs to ensure all requirements are met. When the AGENCY proposes to have a staff person approved to negotiate who is not experienced in negotiation for FHWA funded projects, the LAC must be given a reasonable opportunity to review all offers and supporting data before they are presented to the property owners.
 - c. An AGENCY wishing to take advantage of an Appraisal Waiver (aka Administrative Offer Summary or AOS) procedure on properties valued up to \$25,000 or less should make their proposed waiver procedure a part of these procedures. The procedure outlined in LAG manual has already been approved using form LPA-003. The AGENCY may submit a procedure different than that shown and it will be reviewed and approved if it provides sufficient information to determine value.
 - d. Attached is a copy of the AGENCY's administrative settlement procedure showing the approving authority(s) and the procedure involved in making administrative settlements.
2. All projects shall be available for review by the FHWA and WSDOT at any time and all project documents shall be retained and available for inspection during the plan development, right-of-way and construction stages, and for a three year period following acceptance of the projects by WSDOT.
 3. Approval of the AGENCY's procedures by WSDOT may be rescinded at any time the AGENCY is found to no longer have qualified staff or is found to be in non-compliance with the regulations. The rescission may be applied to all or part of the functions approved.



Mayor or Chairman

5/29/17

Date

Washington State Department of Transportation

Approved By:



Local Programs Right of Way Manager

3/20/18

Date

ATTACHMENT 1

AGENCY STAFF POSITIONS & QUALIFICATIONS

City of Des Moines staff will be responsible for the Program Administration and Property Management functions. The following positions and individuals are identified below. Position descriptions and qualifications are available.

Chief Operations Officer: Daniel J. Brewer, P.E., P.T.O.E. - Registered Professional Engineer and Certified Professional Traffic Operations Engineer, Washington State; BS Civil Engineering, University of Washington. Mr. Brewer has over 20 years of experience in the public sector managing transportation programs and projects consistent with WSDOT LAG guidelines. Experience includes Right-of-Way acquisition meeting WSDOT/FHWA certification requirements.

Public Works Director: R. Brandon Carver, P.E., P.T.O.E. - Registered Professional Engineer and Certified Professional Traffic Operations Engineer, Washington State; BS Civil Engineering, University of Washington. Mr. Carver has over 21 years of experience in the public sector managing transportation infrastructure improvements consistent with WSDOT LAG guidelines. Experience includes Right-of-Way acquisition meeting WSDOT/FHWA certification requirements.

Transportation & Engineering Services Manager: Andrew Merges, P.E. - Registered Professional Engineer in the states of Washington, Arizona, and Minnesota; Executive MPA, University of Washington; B.S. Civil Engineering, Michigan Technological University; Mr. Merges has over 13 years of experience in the public and private sector managing and fulfilling Engineer of Record roles for transportation infrastructure projects consistent with the WSDOT LAG manual. Experience includes Right-of-Way acquisition plan development, acquisition management, and project certification.

Surface Water & Environmental Engineering Manager: Loren Reinhold, P.E. - Registered Professional Engineer, Washington State; BS in Civil Engineering and Geology, University of Idaho. Mr. Reinhold has 28 years of engineering experience in the public sector involving stormwater infrastructure projects, road improvements, utility infrastructure, and landslide restoration projects.

Interim Finance Director: Cecilia Pollock, BSBA degree - major in accounting. Her accounting work experience for local government entities in Washington State over the past 20 years include Community Health Center, Covington Water District, and City of Des Moines.

City Attorney: Timothy A. George, -J.D., California Western School of Law, Attorney licensed to practice law in Washington, California, and the United States Western District. Mr. George has been practicing law for 10 years and has extensive civil and criminal law experience including acquisition of public Right-of-Way via use of municipal powers of eminent domain.

WAIVER OF APPRAISAL PROCEDURE

The City of Des Moines, Washington, hereinafter referred to as "AGENCY", desiring to acquire Real Property according to 23 CFR, Part 635, Subpart C and State directives, and desiring to take advantage of the \$25,000.00 appraisal waiver process approved by the Federal Highway Administration (FHWA) for Washington State, hereby agrees to follow the procedure approved for the Washington State Department of Transportation (WSDOT) as follows:

Rules


- A. The AGENCY may elect to waive the requirement for an appraisal if the acquisition is simple and the compensation estimate indicated on the Project Funding Estimate (PFE) is \$25,000.00 or less including cost-to-cure items. A True Cost Estimate shall not be used with this procedure.
- B. The AGENCY must make the property owner(s) aware that an appraisal has not been completed on the property for offers \$10,000 or less.
- C. The AGENCY must make the property owner(s) aware that an appraisal has not been completed on the property for offers over \$10,000 and up to \$25,000, and that an appraisal will be prepared if requested by the property owner(s).
- D. Special care should be taken in the preparation of the waiver. As no review is mandated, the preparer needs to assure that the compensation is fair and that all the calculations are correct.

Procedures

- A. An Administrative Offer Summary (AOS) is prepared using data from the PFE.
- B. The AOS is submitted to the Public Works Director for approval.
- C. The Public Works Director signs the AOS authorizing a first offer to the property owner(s).

AGENCY

By:



Mark, CITY OF DES MOINES

APPROVED:

 3/29/18
Local Programs Right of Way
Manager

LPA-003
10/2014

SEE ALSO REQUIREMENTS LISTED IN
RIGHT OF WAY PROCEDURES APPROVAL LETTER

City of Des Moines

ADMINISTRATIVE SETTLEMENT POLICIES

Administrative settlements that exceed Fair Market Value (FMV) as established through the appraisal process, and in accordance with LAG manual section 25.11, Administrative Settlement Guidelines, shall be documented and thoroughly justified, and shall be set forth in writing. Administrative Settlements shall be subject to the following levels of approval authority: The City Manager, or designee shall have the authority to make administrative settlements up to 10% above FMV not to exceed \$50,000. Administrative settlements in excess of \$50,000 shall require the approval of the City Council.

Passed and approved by the City of Des Moines Council, this 15th day of February, 2018.




Mayor

Attest:



City Clerk

Approved as to Form:



City Attorney

Washington State Department of Transportation

Approved By:



Local Programs Right-of-Way Manager

3/20/18

Date

STRICTLY TO REQUIREMENTS LISTED IN
RIGHT-OF-WAY PROCEDURES APPROVAL LETTER

RESOLUTION NO. 1377

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, adopting Administrative Settlement Policies in accordance with the Washington State Department of Transportation Local Agency Guidelines (LAG) manual, section 25.11, *Administrative Settlement Guidelines*.

WHEREAS, it is sometimes necessary for the City to acquire real estate property in order to construct or accommodate planned improvements and,

WHEREAS, for a project to be eligible for federal funding on any phase of the project, the project's right-of-way must be acquired in accordance with the requirements of the Washington State Department of Transportation Local Agency Guidelines (LAG) manual and,

WHEREAS, Section 25.09 of the LAG outlines the process for Administrative Settlements which include requiring the local agency to submit for review to the Washington State Department of Transportation (WSDOT) the agency's responsible official with authority to approve administrative settlements, and the procedure for handling administrative settlements, and

WHEREAS, the designated local agency representative may approve an administrative settlement when it is determined that such action is in the public interest; now therefore,

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

The Des Moines City Council adopts the following Administrative Settlement Policies for real estate property purchases required for public works projects in accordance with the Washington State Department of Transportation Local Agency Guidelines (LAG) manual, section 25.11, *Administrative Settlement Guidelines*.

ADMINISTRATIVE SETTLEMENT POLICIES

(1) The City Manager, or the City Manager's designee, shall have the authority to make administrative settlements up to ten percent (10%) above the Fair Market Value (FMV) not to exceed \$50,000.

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Resolution No. 1377
Page 2 of 2

(2) Administrative settlements in excess of \$50,000 shall require the approval of the Des Moines City Council.

ADOPTED BY the City Council of the City of Des Moines, Washington this 15th day of February, 2018 and signed in authentication thereof this 15th day of February, 2018.


MAYOR

APPROVED AS TO FORM:



Assistant City Attorney

ATTEST:


City Clerk

APPROVED BY:

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION


Local Programs Right-of-way Manager
Dated: 3/20/18

SEE ALSO TO REQUIREMENTS LISTED IN
RIGHT OF WAY PROCEDURES APPROVAL LETTER

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: 2025 Poverty Bay Blues and Brews
Festival Partnership Proposal

FOR AGENDA OF: March 27, 2025

DEPT. OF ORIGIN: Administration

ATTACHMENTS:

- 1. 2025 Poverty Bay Blues and Brews
Festival Partnership Proposal

DATE SUBMITTED: March 19, 2025

CLEARANCES:

- City Clerk _____
- Communications _____
- Community Development _____
- Courts _____
- Emergency Management _____
- Finance *MM*
- Human Resources _____
- Legal _____
- Marina _____
- Police _____
- Parks, Recreation & Senior Services *Blm*
- Public Works _____

APPROVED BY CITY MANAGER

FOR SUBMITTAL: *Katherine Coffey*

Purpose

The purpose of this agenda item is to present for consideration a Partnership Proposal made by the Rotary Club of Des Moines and Normandy Park for the 2025 Poverty Bay Blues and Brews Festival at Des Moines Beach Park. Rotary has formally requested that the City consider a partnership in which the City would be one of the sponsors of the event, receiving various benefits in exchange for \$10,000 in in-kind support for the park rental. Rotary is requesting that this partnership be considered for a three-year agreement.

Suggested Motion

Motion 1: “I move to approve the Partnership Proposal from the Des Moines Normandy Park Rotary Club for the 2025, 2026 and 2027 Poverty Bay Blues and Brews Festival as proposed and authorize the City Manager to execute agreements consistent with the proposal.”

Background

The Des Moines Normandy Park Rotary Club has requested a partnership with the City for the 16th Annual Poverty Bay Blues & Brews Festival, scheduled for August 23, 2025. Average attendance of the event is 1,200-1,500 people. In previous years, the Rotary Club has applied for a facility discount through the policy outlined in Resolution 1298. In 2024 and 2023, Rotary received a 75% discount for the city-owned Beach Park facility. After the discount, Rotary Club paid \$3,037.50 in 2024 for the use of the facility.

In 2025, the Rotary Club proposed a new plan to the City, wherein the City would be one of the sponsors of the event. In return for an in-kind donation of up to \$10,000 for the facility, the Rotary Club would offer various benefits to the City. The proposal is not associated with the Resolution 1298 discount policy, but is instead a partnership proposal.

Discussion

The Rotary Club has invited the City to become the Center Stage Sponsor with an in-kind contribution of \$10,000 for the rental of Beach Park. Additionally, Rotary has requested that the City assist in promoting the event through news and social media via City channels. In return, the City will receive:

- Branding and recognition as a sponsor on marketing materials, social media, and at the event.
- Opportunities for City officials to speak on stage.
- Booth space for direct engagement with attendees to promote the City's rental facilities, including a setup to showcase a potential rental and give attendees a sense of how the facilities might look for an event, as well as promotion of other City Departments' programs and events.
- A \$2,000 annual Rotary contribution toward City Parks and Recreation youth scholarships.

The cost for renting the Beach Park facility in August is \$12,440. If the City Council accepts the partnership proposal, the Rotary Club would pay \$2,440 plus a refundable \$3,000 deposit.

Two City staff members will need to be present at the facility during the event, and their time will cost an estimated \$1,600. Typically, this cost is included in the rental fee, regardless of whether a discount is applied. In other words, charges for staff time are not separate from the rental fee.

Attendees to the event will pay parking fees at the Marina parking lot.

The City received a formal letter from the Rotary Club (attachment 1) outlining the partnership proposal. This request details the basis for the request and includes information on how funds are spent by the organization to assist Des Moines residents and organizations. The City Council has the discretion to accept or reject the proposal.

Alternatives

The City Council has the discretion to accept, modify or reject the proposal.

Financial Impact

If the Beach Park facility was rented out for the day as a total buy-out the revenue would be \$12,440. Saturdays in August are prime rental weekend for City events and facilities. The approximate staff cost

of \$1,600 would also occur for any rental of that size. Should the Council accept Rotary's three-year proposal, the City will contribute an in-kind contribution of \$34,800 over three years (\$10,000 annual in-kind toward event rental plus \$1,600 staff costs). In direct return, the City will receive \$13,320, of which \$6,000 is earmarked for Parks and Rec youth scholarships.

The event serves as a community gathering, boosting the local economy by encouraging tourism and business traffic and enhancing the quality of life for the Des Moines community. Unfortunately, we cannot quantify the direct impact of the event because we cannot isolate sales tax activity for a single day. We do anticipate an increase in paid parking revenue related to the event.

Recommendation

Staff recommends that the City Council approve the Rotary Club's proposal, as the fee paid by Rotary covers the expected staff costs to support the event. Additionally, the proposal includes: (1) a \$2,000 annual contribution to the Parks and Recreation youth scholarship fund and (2) the chance to showcase Beach Park as a premier event venue while promoting rental opportunities to attendees and (3) recognition of the City as a premier sponsor. Furthermore, this event serves as a community gathering, boosting the local economy by encouraging tourism and business traffic and enhancing the quality of life for the Des Moines community. Additionally, Rotary has expressed interest in potentially partnering with the City for future events, including the Burning Boat Festival and/or an expanded Oktoberfest, should this partnership succeed.

Katherine Caffrey
City Manager
City of Des Moines
March 14th, 2025

Dear City Manager Caffrey:

The Rotary Club of Des Moines & Normandy Park is grateful for the City's partnership as we have hosted the Poverty Bay Blues & Brews Festival at the Des Moines Beach Park for the past 15 years. We hope to continue this partnership in a new way that will increase the positive impact to the City.

Our club is invested in the success of our City, and we are proud that Blues & Brews provides both economic and human service benefits to Des Moines:

- **Boosts tourism** – Typically draws 1,200-1,500 attendees, increasing regional exposure to attractions and businesses that people from outside our city return to on future visits.
- **Markets the City's revenue-producing assets** – Showcases the Beach Park as a prime location for weddings and events and raises awareness of moorage at the marina.
- **Strengthens the local economy** – Increases traffic to the farmers market, local restaurants, shops, and the real estate market.
- **Promotes business growth** – Exposes business owners and entrepreneurs to business development opportunities in the downtown core and Marina District.
- **Generates City revenue** – Increases revenue from paid parking and sales tax.

Blues & Brews is our club's primary fundraising event. Most of the money we raise supports children and families in our community. Our giving has immediate and long-term impacts:

- **Parks & Rec scholarships** – Access to recreational activities for Des Moines youth.
- **Des Moines Food Bank** – Essential food assistance to families in need.
- **Abundance Project** – Purchases essentials for Mount Rainier High School students experiencing homelessness.
- **Highline Music4Life** – Supplies musical instruments to Des Moines students.
- **Lighthouse NW** – Assists individuals and families facing domestic violence.
- **Coats for Kids** – Annual drive providing winter coats to children in Des Moines schools.
- **Dollars for Scholars** – College scholarships for Mount Rainier High School students.
- **Highline Schools Foundation** – Funds educational programs and resources for all public schools in Des Moines.
- **MRHS athletic uniforms** – Ensures student-athletes have necessary gear.
- **Midway Tutoring Program** – Academic support for Midway Elementary students.
- **SR3** – Advances marine wildlife rescue and enhances the reputation of our city.

To ensure the City gets maximum value out of this partnership, we invite Des Moines to become the top tier **Center Stage Sponsor** of the Poverty Bay Blues & Brews Festival. For an in-kind contribution, the City would receive all Center Stage sponsor benefits, plus additional benefits geared specifically for the City's interests, as outlined in the attached proposal.

This partnership will strengthen the community, support local businesses, and enhance Des Moines' reputation as a premier destination for events. The funds raised support the Des Moines community, with long-term impact through funding for education, youth, and other essential services.

This partnership could lead to additional joint community events, for which Rotary could secure sponsorships, provide event planning, and supply event volunteers. Possible examples are the Burning Boat Festival and an expanded Oktoberfest at the marina.

City sponsorship will ensure the continued success of the **Poverty Bay Blues & Brews Festival**, helping us sustain vital programs while enhancing Des Moines' reputation as a vibrant destination.

While the City is evaluating our proposal, we respectfully request that the Beach Park rental be held open for the festival on Saturday, August 23, 2025. We would be pleased to present our Poverty Bay Blues & Brews Festival partnership proposal to the City Council. We ask that this be considered for the March 27 council meeting agenda.

We appreciate your consideration and look forward to your partnership.

Best Regards,



Jeff Gross

President
Poverty Bay Blues & Brews Festival Co-Chair
jtgross938@gmail.com
206-920-2672

Poverty Bay Blues & Brews Festival Partnership Proposal

Submitted by: Des Moines Normandy Park Rotary Club

Date: March 12, 2025

The Des Moines Normandy Park Rotary Club will hold the 16th Annual **Poverty Bay Blues & Brews Festival** on Saturday, August 23, 2025. Blues & Brews is a signature Des Moines event that serves as a community festival as well as the club's primary fundraising event.

We invite the City of Des Moines to be the top tier **Center Stage Sponsor** for the Poverty Bay Blues & Brews Festival. To increase the impact of this sponsorship for both the City and Rotary, the club proposes a three-year sponsorship agreement.

Rotary Club Contribution:

In addition to all **Center Stage Sponsor** benefits listed below, Rotary would contribute:

- \$2,000 annual contribution toward **Des Moines Parks & Rec youth scholarships**
- Opportunities to share City information in our Rotary member newsletter
- Ongoing funding to support programs benefiting Des Moines residents

City of Des Moines Contribution:

- **\$10,000** in-kind support for park rental

Center Stage Sponsor Benefits (\$10K)

Pre-event Promotion

- **Print Promotion:** Logo featured on billboards, banners, and posters.
- **Digital Exposure:** City logo and link on the Rotary website and in 10+ email blasts and multiple text promotions.
 - **Broad Audience Reach:** Our digital mailing list reaches 6,000 recipients, 80% in zip codes outside Des Moines.
- **Social Media Promotion:** Logo included in **5 posts** on both Facebook and Instagram
- **Event Access:** 40 general admission tickets to be used at city's discretion

Day-of Event Benefits:

- **On-Stage Recognition:** Introduced as the **Center Stage Sponsor** live from the stage.
- **Speaking Opportunity:** Mayor and city officials have opportunities for remarks between sets.
- **Live Acknowledgments:** Multiple thank-yous from the stage throughout the event.
- **City Logo Visibility:** Sponsor signage displayed at the front of the stage.
- **Community Engagement:** Booth placement near the event entrance for direct interaction with attendees. Could be staffed by council members and/or community partners selected by the City.
- **Promotional booth:** Table near Beach Park facilities to promote rentals and provide tours.

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: Discussion on Proposed King County
Parks Levy

FOR AGENDA OF: March 27, 2025

DEPT. OF ORIGIN: Administration

ATTACHMENTS:

DATE SUBMITTED: March 19, 2025

- 1. None

CLEARANCES:

- City Clerk _____
- Communications _____
- Community Development _____
- Courts _____
- Emergency Management _____
- Finance _____
- Human Resources _____
- Legal /s/TG _____
- Marina _____
- Police _____
- Parks, Recreation & Senior Services _____
- Public Works _____

APPROVED BY CITY MANAGER

FOR SUBMITTAL: *Katherine Coffey*

Purpose

The purpose of this agenda item is to provide the City Council with a briefing on the proposed King County 2026-2031 Parks Levy, and provide the City Council the opportunity to consider a potential position on the issue.

Potential outcomes of the Council’s discussion may include, but are not limited to:

1. Direct staff to prepare a letter to send to King County expressing the Council’s position on the proposed levy.
2. Direct staff to prepare a letter to send to Sound Cities Association (SCA) expressing the Council’s position on the proposed levy.
3. Defer to SCA for levy input.
4. Wait until the Levy is approved for the ballot and return to the Council for Council consideration of support.

Suggested Motion

<u>None</u>

Background

King County Executive Dow Constantine has proposed renewing the King County Parks Levy, a six-year property tax initiative that aims to fund the maintenance, operations, safety, programming, and expansion of parks, trails, and open spaces, with an estimated \$1.5 billion generated over the six years. If the County Council decides to move forward, it will appear on the August ballot.

The Sound Cities Association (SCA), of which Des Moines is a member, has facilitated information sharing and discussion opportunities for its member cities, both through the Public Issues Committee and a meeting of the member cities' City Managers/Administrators. Mayor Buxton serves as the President of SCA, and Deputy Mayor Steinmetz represents Des Moines on the Public Issues Committee. As SCA continues to advocate for its members' interests, cities have been encouraged to discuss the proposed levy with their respective City Councils.

King County's first Parks levy was implemented in 2002. This levy would be the fifth and is proposed to start at a rate of 24.43 cents per \$1,000 of assessed value (AV) to generate approximately \$1.5 billion during the levy period. The current levy rate is 19.54 cents per \$1,000 AV. The existing levy is set to expire at the end of 2025.

King County has indicated that the goals of the levy are to maintain parks that are safe and clean, enhance access to parks, connect regional trails and open spaces, keep pace with growth and demand, and promote resiliency and equity objectives. Of the \$1.5 billion expected to be generated over the six-year period, approximately \$119 million is designated for distribution to local communities, including Des Moines. This accounts for 9% of the total funds generated, which will be shared among nearly three dozen cities outside Seattle city limits. This proposal effectively doubles the current levy funds allocated for local community distribution. Based on the current proposal, Des Moines is expected to receive roughly \$299,000 annually from the levy funds, an increase from the current \$185,000 received. The proposed distribution is determined by 60% population and 40% assessed value.

Additionally, local governments can apply for existing grant programs, including Community Partnership Grants and the Healthy Communities and Parks Fund. Of the proposed levy, \$117 million is earmarked for the grant programs.

The proposed ballot measures will next be reviewed by the King County Regional Policy Committee, which has three voting members representing SCA. If the committee approves the proposed ballot measure, the King County Council is expected to take action regarding the proposed Park Levy ballot measure in April. If the King County Council approves it, the levy would be included on the August ballot.

Discussion

Preliminary discussions among the Sound Cities Association cities have led to the following recurring discussion points:

- There is interest in a continued Parks Levy and support for regional and city parks.
- The direct allocation to cities should be larger than the proposed 7.8 cents per dollar contributed.
- The levy's overall rate and size could impact its chances of passing.
- The 60% population / 40% assessed value distribution is more progressive than before but could be more so with a 100% population-based approach.
- Grant programs exist but are less practical, flexible, and efficient than direct city funding.
- There is concern that too much funding may be directed to large institutions in Seattle.

The City Council may discuss the proposal and whether the City of Des Moines should take an official position on the issue.

Financial Impact

Recommendation