

ORDINANCE NO. 1550

**AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON,** relating to a tax exemption as an incentive to facilitate the development of market rate multiple-unit dwellings in the City of Des Moines, modifying the current Multi-Family Tax Exemption Zone, and amending DMMC 3.96.040.

**WHEREAS,** the purpose of the Multifamily Tax Exemption as established by RCW 84.14.007 is to encourage and stimulate the construction of new multifamily housing opportunities in cities that are required to plan under the Growth Management Act where the governing authority of the affected city has found that there are insufficient housing opportunities, and

**WHEREAS,** the City of Des Moines adopted Ordinance No. 1457 in 2009, creating a new chapter in Title 3 of the DMMC providing a tax exemption as an incentive to facilitate the development of market rate multiple-unit dwellings in the City of Des Moines, and

**WHEREAS,** the City Council finds that the size and height limits established by Ordinance No. 1457, and as amended by Ordinance No. 1540, should be amended for the reasons stated herein, and

**WHEREAS,** the City has identified the Pacific Ridge Neighborhood Plan, as the as established in the Des Moines Comprehensive area to provide the majority of the new housing necessary and to achieve the City's mandated 2020 growth targets,

**WHEREAS,** the City seeks to encourage and promote new multifamily developments, and

**WHEREAS,** the City seeks to stimulate the construction of new multifamily housing, and

**WHEREAS,** the City seeks to increase the supply of multifamily housing opportunities within the City, and

**WHEREAS,** Strategy 2-04-08 of Land Use Element of the Des Moines Comprehensive Plan states that the City should "[E]ncourage improvement of the ... Pacific Ridge Neighborhood by working with the business community and other representative

organizations to achieve the goals of the City of Des Moines Comprehensive Plan", and

**WHEREAS**, Policy 7-03-06 of the Housing Element of the Des Moines Comprehensive Plan states that the City should, "[P]romote compatible residential development that is affordable to all economic segments of the Des Moines community", and

**WHEREAS**, the intent of the Pacific Ridge Neighborhood as established by Goal 11-01-01 of the Pacific Ridge Element of the Des Moines Comprehensive Plan is "to transform Pacific Ridge into a new urban community that takes advantage of its geographic location, local and regional transportation linkages, stable soils, and view potential. The transformation of Pacific Ridge will include replacement of lower-scale, existing buildings with new structures that will dramatically enhance the appearance, character, economics, and safety of the area," and

**WHEREAS**, Policy 11-03-07 of the Pacific Ridge Element of the Des Moines Comprehensive Plan provides that the City should "promote redevelopment of Pacific Ridge properties to attract new or expanded businesses and commercial development to Pacific Ridge," and

**WHEREAS**, DMMC 18.31.010, et seq., was enacted by the City to implement the Des Moines Comprehensive Plan, Pacific Ridge Neighborhood Improvement Plan, and other adopted policies for the commercial and residential areas of Pacific Ridge, and

**WHEREAS**, other objectives and purposes of DMMC 18.31.010, et. seq., are to, *inter alia*, provide development regulations to promote redevelopment of properties within Pacific Ridge to create attractive, safe, and desirable areas to work and reside; to establish higher density development to meet or exceed the City's population and employment growth targets specified by the countywide planning policies for King County, and

**WHEREAS,** the area identified as the Pacific Ridge Neighborhood meets the standard of a blighted area as defined in RCW 35.81.015, and

**WHEREAS,** the City Council finds that this Ordinance is appropriate and necessary; now therefore,

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

**Sec. 1.** DMMC 3.96.040 and section 4 of Ordinance No. 1457 as amended by section 2 of Ordinance No. 1540 are amended to read as follows:

**3.96.040 Project eligibility.** To be eligible for the MFTE the property sought to be exempted shall satisfy all of the following requirements:

(1) The property shall be located within the RTA area, which is the area within the Pacific Ridge neighborhood south of South 216th Street.

(2) The MFTE shall only be available for a maximum of 3,000 residential units or 10 years after the approval date of Ordinance No. 1457, whichever occurs first.

(3) The property sought to be exempted shall be developed in a manner that furthers the city's goals and objectives for the Pacific Ridge neighborhood in the Des Moines comprehensive plan, the Pacific Ridge neighborhood improvement plan and integrated draft environmental impact statement, and DMMC 18.31.010 as adopted or subsequently amended.

(4) The project sought to be exempted must be multifamily housing within a residential

structure or as part of a mixed use development consistent with the following requirements:

(a) Building(s) shall be a minimum of 50 feet in height as calculated by DMMC 18.31.090(7)(b).

(b) Building(s) shall contain a minimum of 60 residential units.

(c) A minimum of 50 percent of the space within such residential structure or mixed use building shall be for permanent residential occupancy.

(5) The property owner(s) shall be required to have 24-hours-a-day/seven-days-a-week on-site property management by a professional management company with a minimum of five years of experience in providing property management for large-scale residential projects. The property owner(s) shall also be required to provide 24-hours-a-day/seven-days-a-week private security on site, to include on-site security offices, office space for public safety use, and video camera monitoring.

(6) The property sought to be exempted shall be developed in a manner that increases or preserves property valuation, and the development of the property must represent an increased investment in the property that results in an increase in the overall property values in the area.

(7) The taxes collected during the MFTE period shall be sufficient to cover the city's costs required to provide necessary services to the residents of the property sought to be



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

**PASSED BY** the City Council of the City of Des Moines this 27th day of September, 2012 and signed in authentication thereof this 27th day of September, 2012.

MAYOR PRO TEM

APPROVED AS TO FORM:

Assistant City Attorney

ATTEST:

City Clerk

Effective Date: October 27, 2012

Published: October 2, 2012

LEGAL NOTICE  
SUMMARY OF ADOPTED ORDINANCE  
CITY OF DES MOINES

ORDINANCE NO. 1550, Adopted September 27, 2012.

DESCRIPTION OF MAIN POINTS OF THE ORDINANCE:

This Ordinance relates to a tax exemption as an incentive to facilitate the development of market rate multiple-unit dwellings in the City of Des Moines, modifies the current Multi-Family Tax Exemption Zone, and amends DMMC 3.96.040.

The full text of the ordinance will be mailed without cost upon request.

Sandy Paul, CMC  
City Clerk

Published: October 2, 2012