

# UD BIA

U DISTRICT BUSINESS  
IMPROVEMENT AREA

## **BIA Ratepayer Advisory Board Meeting**

Thursday, January 24, 2019

U Heights Auditorium 4:00 – 5:30

### **AGENDA**

- |   |                    |         |
|---|--------------------|---------|
| <b>1) Welcome/Introductions/Chair Comments</b>      | Maureen            |         |
| <b>2) Public Comment</b>                            | Maureen            |         |
| <b>3) Approve November 2018 RAB Meeting Minutes</b> | Maureen            | VOTE    |
| <b>4) Financial Reports</b>                         | Kate/Mark/Phil     |         |
| a. December Close                                   |                    | VOTE    |
| b. Remaining FY 2018-19 Projection                  |                    | VOTE    |
| c. 2017-18 Audit Report                             |                    | DISCUSS |
| <b>5) Program Updates</b>                           | Mark               | DISCUSS |
| <b>6) BIA Renewal</b>                               | Maureen/Aaron/Mark | DISCUSS |
| <b>7) Adjourn</b>                                   |                    |         |

#### **Upcoming Events:**

- January 26<sup>th</sup> - Community Clean Up Day – 9:00 am at U Heights
- February 4<sup>th</sup> – UDP Economic Development Committee – 3:00 pm location TBD
- February 5<sup>th</sup> - UDP Urban Vitality Committee – 4:00 pm location TBD
- February 14<sup>th</sup> – UDP Clean & Safe Committee – 12:00 pm at U Heights
- February 15<sup>th</sup> - BIA Walk – 9:00 am location TBD
- February 19<sup>th</sup> – UDP Board Retreat – 11:30 am through 3:30 pm at Maple Hall Rm 128
- February 26<sup>th</sup> – UDP Events & Marketing Committee – 9:00 am location TBD
- February 28<sup>th</sup> – U District Business Network Kick Off Meeting – 6:00 pm at U District Masonic Lodge. Please RSVP here: [www.udistrictpartnership.org/biz-network](http://www.udistrictpartnership.org/biz-network)



**U District BIA Ratepayers Advisory Board  
Minutes**

**Date: November 1, 2018**

**Time: 4:00 p.m. – 5:30 p.m.**

**Location: University Heights Auditorium**

**IN ATTENDANCE:**

**BIA Board Members**

Kate Barr	Maureen Ewing	Max Blume
Lora Gastineau	Chris Giles	Randy Hodgins
Aaron Hoard	Maria Barrientos	Scott Soules
Nikole O’Bryan		

**UDP Staff**

Mark Crawford	Chase Landrey
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**EXCUSED:**

Mike McCormick	David Cohanin	Mary Kay Gugerty
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**Welcome**

Maureen opened the meeting at 4:05 p.m. and welcomed everyone in attendance.

**Public Comment**

Cory Crocker, member of the U District Community Council and resident, claimed that his voice has been silenced and that he was removed from the UDP board. He asked that the Ratepayer Advisory Board not elect the UDP immediate past co-chair to the RAB board.

Doug Campbell, owner of Bulldog News, expressed his concern that the governing institutions in the U District do not represent many of the voices in the community. He claimed that the UDP has squashed the recommendations that he and Mr. Crocker suggested for improving the kiosks and for improving dialogue on other neighborhood issues.

Gregg Petrie, U District resident, asked if it is ethical to have residents pay for BIA activities. He requested that any new U District business improvement area either charge all residents, not just condominiums and apartments, and give them a vote or charge no residents at all.

**Approve June 2018 RAB Minutes**

**Motion:** Aaron moved to approve the June RAB minutes. Resolution FY2019#001

Maria seconded the motion.

*The motion passed.*

**Approve 2018 Ratepayer Annual Meeting Minutes**

**Motion:** Scott moved to approve the 2018 annual meeting minutes. Resolution FY2019#002

Aaron seconded the motion.

*The motion passed.*

**Financial Report**

Mark presented the financial report to the board and thanked Kate for her continued involvement on the Finance Committee. He reported the wrap up of the annual audit of UDP finances and will present final audit statements at the next meeting. There is no indication of any significant negative findings thus far in the audit process.

Looking forward to the rest of the fiscal year, Mark discussed the reasons behind several of the projected savings and additional costs shown on the variance report.

### **Board Member Elections**

Maureen presented the four candidates up for election to the board and their backgrounds were included in the board packet. Each candidate was given a minute to introduce themselves and make their case for election to the board.

**Motion:** Kate moved to elect Lincoln Johnson to the board. Resolution FY2019#003

Randy seconded the motion.

*The motion passed and Lincoln was elected for a partial three year term ending June 30, 2021.*

**Motion:** Maria moved to elect Lily Hansen to the board. Resolution FY2019#004

Chris seconded the motion.

*The motion passed and Lily was elected for a partial one year term ending June 30, 2019.*

**Motion:** Scott moved to elect Andrew McMasters to the board. Resolution FY2019#005

Aaron seconded the motion.

*The motion passed and Andrew was elected for a partial three year term June 30, 2021.*

Lora abstained

**Motion:** Randy moved to elect Carlos Gonzalez as to the board. Resolution FY2019#006

Max seconded the motion. Lora abstained.

*The motion passed and Carlos was elected for a partial three year term June 30, 2021.*

### **Work Plan Updates**

Mark presented the major highlights of and progress on the work plan. He directed the board to the UDP website where they can find more details in the individual monthly committee reports.

Clean and Safe – Mark talked about the new cleaning contractor, Elm Grove, and the progress towards funding and hiring a REACH outreach worker. The success and promptness of the ambassador program was discussed. Additionally, he updated the board about the recent joint BIA public safety meeting and thanked Nikole for her participation in the discussion there.

Marketing and Activations – Mark presented the results of the 2018 Up Your Ave and detailed a few of the ideas for improving the event in future years. The board discussed the first ever Trick or Treat on Roosevelt event and mentioned how fun it was. Maureen brought up the success of the expanded monthly Art Walk and U Heights new participation in the event. Mark updated the board on the UDP website renovation and announced the new tagline for the UDP.

Economic Development – Mark announced the hiring of the new Economic Development Manager, Evan Morse. Evan has recruited an Economic Development Committee of board and other community members and they have already gathered for their first meeting. The committee has been busy working to improve the organization's contact lists and producing a retail saturation study for the U District.

Urban Vitality – Staff has been engaging early in the design process with developers on the needs of the community and incentives available to them. The committee has also created several task forces to address timely issues such as the U District Station Area Mobility Plan and the 43<sup>rd</sup> street redesign.

### **Ordinance Renewal Update**

Aaron talked about the current status of the ordinance renewal process. He prepared the board to be ready for detailed discussions at future meetings as the deadline for renewal is approaching quickly.

**Motion:** Aaron moved to adjourn the meeting.

Maria seconded the motion.

*The motion passed and the meeting was adjourned at 5:15 pm*

**U District BIA**  
**Stmt. of Activities**  
 July through December 2018

	<b>Program Management</b>	<b>Cleaning and Safety</b>	<b>Urban Vitality</b>	<b>Economic Development</b>	<b>Marketing</b>	<b>Community Engagemet</b>	<b>Events &amp; Activation</b>	<b>Total</b>
<b>Ordinary Income/Expense</b>								
<b>Income</b>								
<b>44500 · Government Grants and Contracts</b>								
<b>44430 · BIA Contract</b>	78,416.56	204,399.54	15,811.15	59,007.71	22,597.20	37,339.99	17,239.21	434,811.36
<b>44530 · Other Local Government Grants</b>	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	6,000.00
<b>Total 44500 · Government Grants and Contracts</b>	78,416.56	210,399.54	15,811.15	59,007.71	22,597.20	37,339.99	17,239.21	440,811.36
<b>47000 · Earned Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	14,000.00	14,000.00
<b>Total Income</b>	78,416.56	210,399.54	15,811.15	59,007.71	22,597.20	37,339.99	31,239.21	454,811.36
<b>Gross Profit</b>	78,416.56	210,399.54	15,811.15	59,007.71	22,597.20	37,339.99	31,239.21	454,811.36
<b>Expense</b>								
<b>60000 · Staffing</b>	19,406.39	65,021.05	14,052.75	54,066.31	20,478.46	32,776.27	5,784.74	211,585.97
<b>61000 · Professional &amp; Contract Expense</b>	28,524.30	0.00	0.00	0.00	0.00	0.00	0.00	28,524.30
<b>62000 · Office and Overhead</b>	30,375.87	2,633.76	0.00	766.40	0.00	4,513.86	0.00	38,289.89
<b>70000 · Direct Program Expenses</b>	110.00	142,744.73	1,758.40	4,175.00	2,118.74	49.86	25,454.47	176,411.20
<b>Total Expense</b>	78,416.56	210,399.54	15,811.15	59,007.71	22,597.20	37,339.99	31,239.21	454,811.36
<b>Net Ordinary Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

2017-18 University District BIA

Budget Tracker -Decemberr 2018 2018

ACCOUNTS	Budget	TO DATE	Personnel	Non-Personnel	REMAINING	% Expended	Jul	Aug	Sep
Program Management	207,383	78,416.56	\$ 19,406.39	\$ 59,010.17	128,966	37.8%	\$ 9,495.42	\$ 9,953.44	\$ 21,568.81
Cleaning and Public Safety	425,966	204,399.54	\$ 65,021.05	\$ 139,378.49	221,566	48.0%	\$ 34,475.31	\$ 31,306.23	\$ 27,715.59
Urban Vitality	31,506	15,811.15	\$ 14,052.75	\$ 1,758.40	15,695	50.2%	\$ 1,410.75	\$ 1,343.86	\$ 2,872.26
Economic Development	112,227	59,007.71	\$ 54,066.31	\$ 4,941.40	53,219	52.6%	\$ 4,265.63	\$ 10,453.43	\$ 10,752.58
Marketing	41,376	22,597.20	\$ 20,478.46	\$ 2,118.74	18,779	54.6%	\$ 3,417.78	\$ 3,350.88	\$ 3,522.39
Community Engagement	77,169	37,339.99	\$ 32,776.27	\$ 4,563.72	39,829	48.4%	\$ 8,089.87	\$ 5,231.08	\$ 6,322.73
Events and Activation	27,240	17,239.21	\$ 5,784.74	\$ 11,454.47	10,001	63.3%	\$ 4,157.80	\$ 5,182.80	\$ 2,141.59
<b>Total Requested</b>	<b>922,867</b>	<b>434,811.36</b>	<b>\$ 211,585.97</b>	<b>\$ 223,225.39</b>	<b>488,056</b>	<b>47.1%</b>	<b>\$ 65,312.56</b>	<b>\$ 66,821.72</b>	<b>\$ 74,895.95</b>

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Program Management	\$ 13,490.78	\$ 13,067.37	\$ 10,840.74						
Cleaning and Public Safety	\$ 46,378.75	\$ 40,259.53	\$ 24,264.13						
Urban Vitality	\$ 4,668.00	\$ 2,735.54	\$ 2,780.74						
Economic Development	\$ 14,179.18	\$ 9,599.19	\$ 9,757.70						
Marketing	\$ 3,514.42	\$ 3,693.33	\$ 5,098.40						
Community Engagement	\$ 7,109.06	\$ 5,344.11	\$ 5,243.14						
Events and Activation	\$ 2,360.77	\$ 1,534.02	\$ 1,862.23						
	\$ 91,700.96	\$ 76,233.09	\$ 59,847.08	-	-	-	-	-	-

January 21, 2019

To: BIA Board

From: Mark Crawford

Re: Year End Re-projection and Recommendation

In this packet, you will find the draft December financial statements as reviewed by the Finance Committee and submitted for your review and approval.

Given those results, we have re-projected our year end expectations for the BIA budget. There are always line item variances and I am not seeking Board engagement on those expenses that I consider to be of fairly insignificant magnitude or that fall well within the bounds of the original work plan expectations. We are ensuring that our Finance Committee looks at those in more detail.

I am glad to report that there is a modest surplus of funds being projected. As Program Manager, it is my responsibility to make recommendations to the RAB on programmatic work plans and their financial implications of the BIA budget. These results and recommendations have been examined by the UDP Finance committee and the UDP Board and they endorse the recommendations.

For the BIA work plan and budget, taking into account all of the expected variances, we are projecting an estimated additional \$24,000 in available resources by the end of the year. Below, please find a list of recommended options for BIA work plan adjustments for your consideration.

#### **Summary Table of BIA Year End Variances**

Beginning Cash Improvement	\$21,425
Revenue Variance	\$4,000
Expense Variance Savings	\$44,944
Expense Variance Increases	(\$45,890)
Total -	\$24,479

#### **Options for FY2018-19 Amended Spending**

- 1) **Allegro Alley Security - \$4,166.** Agree to help temporarily fund additional security focused staff employed by ROOTS in the Alley behind U Temple church. Issues of criminal and civil misbehavior have increased and are having a significant impact on both the businesses, social services, and service clients in the area. We have asked for greater police presence and are getting some but the law enforcement resources are also stretched and cannot be present 24/7. ROOTS proposes that they will hire temporary security staff to be physically present in the alley during peak issue periods. Assuming an annual cost of \$50,000, I am proposing BIA participation of 25% to be capped at \$12,500 annually. This would be a commitment to provide funding through December 2020. At that point, the U Temple building project will necessitate the relocation of services from the alley and construction will begin. Security personnel costs

from that point forward are then an operational cost for ROOTS. Financial impact in the remaining months of this fiscal year, assuming beginning in March 2019 will be \$4,166.

- 2) **Tree Pits - \$5,000.** Since the installation of the flexi-pave, some trees have had to be removed. When the trees are removed, the City must cut the flexi-pave around the tree which need to be patched. The City does not restore our improvement. Therefore, we propose repairing those pits and we note that this will be an on-going issue.
  
- 3) **Artwork - \$7,000.** The artwork along University Way on the pedestrian lights is in need of cleaning and some pieces need repair. We had the company that did the original installation and maintenance to come out and do a bid. The alternative to investing in this repair and maintenance is to discuss decommissioning the works in the coming year.
  
- 4) **Save - \$0-\$24,000 BIA.** Decide that the renewal may take a bit longer than expected due to council re-election vagaries and add to our reserves for that contingency.

I look forward to our discussion at the Board meeting.

**UNIVERSITY DISTRICT SERVICE FUND**

FINANCIAL REPORT

JUNE 30, 2018

## C O N T E N T S

	<b>Page</b>
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
STATEMENT OF FINANCIAL POSITION .....	2
STATEMENT OF ACTIVITIES .....	3
STATEMENT OF FUNCTIONAL EXPENSES .....	4
STATEMENT OF CASH FLOWS.....	5
NOTES TO FINANCIAL STATEMENTS .....	6 - 8

**INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
University District Service Fund  
Seattle, Washington

We have audited the accompanying financial statements of University District Service Fund, which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the period from January 1, 2017, through June 30, 2018, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of University District Service Fund as of June 30, 2018, and the changes in its net assets and its cash flows for the period from January 1, 2017, through June 30, 2018, in accordance with accounting principles generally accepted in the United States.



November 20, 2018

**UNIVERSITY DISTRICT SERVICE FUND**

STATEMENT OF FINANCIAL POSITION

June 30, 2018

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 263,020
Government contracts receivable	117,712
Prepaid expenses and other assets	<u>11,317</u>
Total assets	<u><u>\$ 392,049</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	\$ 77,516
Accrued payroll and related liabilities	<u>10,428</u>
Total current liabilities	87,944
Unrestricted Net Assets	<u>304,105</u>
Total liabilities and net assets	<u><u>\$ 392,049</u></u>

See Notes to Financial Statements

## UNIVERSITY DISTRICT SERVICE FUND

### STATEMENT OF ACTIVITIES

For the Period from January 1, 2017, through June 30, 2018

Support and Revenue	
Government contracts - BIA	\$ 1,244,251
Government contracts - other	57,259
Contributions	2,086
Event revenue	449,485
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Total support and revenue	1,753,081
Expenses	
Programs	1,552,514
General and administrative	173,526
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Total expenses	1,726,040
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<b>Change in net assets</b>	<b>27,041</b>
Unrestricted Net Assets, beginning of period	277,064
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Unrestricted Net Assets, end of period	\$ 304,105
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See Notes to Financial Statements

**UNIVERSITY DISTRICT SERVICE FUND**

STATEMENT OF FUNCTIONAL EXPENSES

For the Period from January 1, 2017, through June 30, 2018

	Program Expenses							Total Programs	General and Administrative	Total
	Community Engagement	Clean and Safe	Events and Marketing	Economic Development	Urban Design	Street Fair	Other Programs			
Personnel expenses	\$ 53,737	\$ 180,532	\$ 52,555	\$ 67,428	\$ 72,075	\$ 47,862	\$ -	\$ 474,189	\$ 77,680	\$ 551,869
Contractors	432	392,934	9,255	19,899		220,244	80,390	723,154	17,605	740,759
Beautification		167,858						167,858		167,858
Professional fees	821	2,003	975	1,001	668		4,995	10,463	46,521	56,984
Rent and parking	4,892	16,434	4,784	6,138	6,561	2,016		40,825	7,071	47,896
Office support	3,694	7,939	3,088	6,139	5,590	2,278		28,728	11,864	40,592
Equipment rental						34,896		34,896		34,896
Permits and registration		509				26,723		27,232	21	27,253
Taxes						12,752		12,752		12,752
Travel and meetings	95	2,174	44	3,091	1,365			6,769	3,837	10,606
Supplies	1,207	4,032	640	483	100	653		7,115	2,411	9,526
Insurance	563	1,892	551	707	755	3,517		7,985	814	8,799
Printing and publications	2,737					229		2,966	4,247	7,213
Banking fees						6,081		6,081		6,081
Technology and software	845	20	303	224	109			1,501	1,455	2,956
<b>Total expenses</b>	<b>\$ 69,023</b>	<b>\$ 776,327</b>	<b>\$ 72,195</b>	<b>\$ 105,110</b>	<b>\$ 87,223</b>	<b>\$ 357,251</b>	<b>\$ 85,385</b>	<b>\$ 1,552,514</b>	<b>\$ 173,526</b>	<b>\$ 1,726,040</b>

See Notes to Financial Statements

**UNIVERSITY DISTRICT SERVICE FUND**

STATEMENT OF CASH FLOWS

For the Period from January 1, 2017, through June 30, 2018

Cash Flows from Operating Activities	
Change in net assets	\$ 27,041
Adjustments to reconcile change in net assets to net cash flows from operating activities	
Changes in assets and liabilities	
Government contracts receivable	(69,113)
Prepaid expenses and other assets	(3,935)
Accounts payable	60,407
Accrued payroll and related liabilities	<u>(9,564)</u>
Net cash flows from operating activities and change in cash and cash equivalents	4,836
Cash and Cash Equivalents, beginning of period	<u>258,184</u>
Cash and Cash Equivalents, end of period	<u><u>\$ 263,020</u></u>

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### Note 1. Organization and Significant Accounting Policies

#### Organization

The University District Service Fund doing business as The U District Partnership ("the Organization") is a nonprofit organization incorporated in the State of Washington in 2002. The Organization assumed the charitable activities of the Greater University Chamber of Commerce on January 1, 2014, at which time the Organization also received its assets and liabilities.

The Organization's purpose is to promote and enhance the business community and to further the growth, development, and health of the greater Seattle University District community. The Organization's activities include organizing community events (namely the University District Streetfair), marketing the district to attract and retain businesses, cultivating a clean and safe environment, and engaging with the community.

Specifically, the Organization's principal services include recruitment of volunteers, developing community leadership, facilitating organizational partnerships, forming and sustaining business district improvement programs, and leading the district's strategic branding and communication efforts.

The Organization's primary source of support and revenue is a contract through 2020 with the University District Business Improvement Area ("the BIA"), an agent of the City of Seattle, to provide services that are funded by a Business Improvement Area assessment. During the period from January 1, 2017, through June 30, 2018, the Organization earned \$1,244,251 under this contract.

BIAs are funding mechanisms for business district revitalization and management. BIAs charge assessments on businesses and/or properties within defined boundaries that are used to provide services for the mutual benefit of the businesses and properties being assessed.

The BIA authorizes a special assessment that is levied and collected by the City of Seattle on all properties within the University District's boundaries, except for single-family houses, duplexes, triplexes, or townhouses. The assessment is based upon benefits received related to these improvements and services. The City of Seattle reimburses the Organization for expenses related to these improvements and services. The BIA is governed by a Ratepayers Advisory Board, which meets monthly and contracts with the Organization to manage its day-to-day operations.

Each May, the Organization also organizes the "University District Streetfair" event, the longest running street fair in the United States, to celebrate neighborhood peace, culture, and community. Event revenue is generated through the rental of vendor booths and through business sponsorships.

The Organization changed its fiscal year end from December 31 to June 30 and, therefore, these financial statements are presented for the period from January 1, 2017, to June 30, 2018. During this period, the Organization organized two University District Streetfairs.

## **Financial Statement Presentation**

The Organization reports information regarding its financial position according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization has no temporarily or permanently restricted net assets, so these classes of net assets are not shown on the financial statements.

## **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

## **Cash and Cash Equivalents**

Cash and cash equivalents include cash held at a bank. The Organization considers all short-term securities with an original maturity of three months or less to be cash equivalents. At times, cash balances can exceed federally insured limits.

## **Government Contracts Receivable**

Government contracts receivable consist of revenue earned under contracts administered by various state and local government agencies but not yet received. Management reviews contracts receivable, estimates the amount of uncollectible accounts, and records an allowance for doubtful accounts (if required). Management determined that an allowance for doubtful accounts was not required at June 30, 2018.

At June 30, 2018, 92% of government contracts receivable were due from the City of Seattle under the BIA contract.

## **Revenue Recognition**

Revenue from government contracts is earned when a qualified expense is incurred. Revenue from these contracts is subject to audit, which could result in adjustments to revenue. The adjustments are recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. During the period from January 1, 2017, through June 30, 2018, no adjustments were made.

Event revenue, including booth fees and sponsorships, is recognized when the event takes place.

## **Allocation of Functional Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization incurred an immaterial amount of fundraising expense in the period from January 1, 2017, through June 30, 2018; therefore, this classification of expenses is not presented.

## **Federal Income Taxes**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

### **Subsequent Events**

The Organization has evaluated subsequent events through the date these financial statements were available to be issued, which was November 20, 2018.

### **Note 2. Lease Obligation**

The Organization leases its facilities under a noncancelable operating lease, entered into in February 2018 and expiring in January 2021. Rent expense under this lease (and other operating leases) was \$57,338 for the period from January 1, 2017, through June 30, 2018.

Future minimum payments under this lease are as follows for the years ending June 30:

2019	\$	33,883
2020		34,894
2021		<u>20,706</u>
	\$	<u><u>89,483</u></u>

- The Clean and Safe Committee did not meet in November. Clean and Safe Leadership, however, did meet in November to discuss Clean and Safe proposals to be made for the renewal. Staff is currently developing those proposal for future consideration.

In December, we had an abbreviated Committee Meeting. At the December meeting we heard from SPD about the current state of the University District. We then talked as a committee about what we do well and what we could do better. Brought up were the need for better engagement with the Greek System regarding our volunteer opportunities and the need to look at how we can help to better advocate for help regarding illegal encampments.

- We hired a street sweeping company to help us with district wide leaf removal in November. The contractor was able to remove over 30,000 pounds of leaves off our streets and sidewalks!
- We held our December Community Cleanup on December 8<sup>th</sup> to accommodate the end of the month holidays. Five people braved the December weather and picked up several bags of trash each from 15<sup>th</sup> Ave.
- Special thank you to Miles and his crew from Audi Seattle and University Volkswagen for helping to pick up a mess behind the old Seven-Gables Theater. We picked up over 30-bags of trash, making a huge difference to one of the entrances to our District.



- Following the Board conversation in the September meeting, we had the street poles along University Way and Roosevelt wrapped with lights for the holidays. As you may recall, last year we were plagued with constant vandalism of the lights along University Way and Roosevelt. We are happy to say, there has been no vandalism of the lights this year. We encourage feedback on how this changed worked for when we plan for next year.

We retrofitted the shooting stars to LED and had them installed after not having them last year. We had numerous phone calls and conversations with businesses, residents, and visitors that were ecstatic to see the stars return.

- REACH interviewed several candidates the week of January 7<sup>th</sup>. We are hopeful that our Mental Health Outreach worker will be hired soon.
- Marcus and staff from the SODO BIA and Ballard BIA are hosting the first quarterly meeting in February with Clean and Safe staff from BIAs and related organizations from across Seattle. These meetings will be an opportunity for everyone to network and share best practices.

Current Awareness Issues

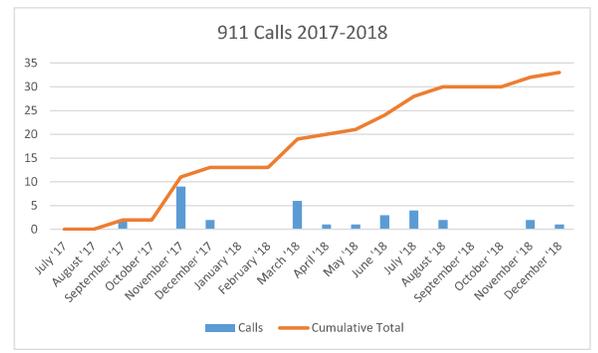
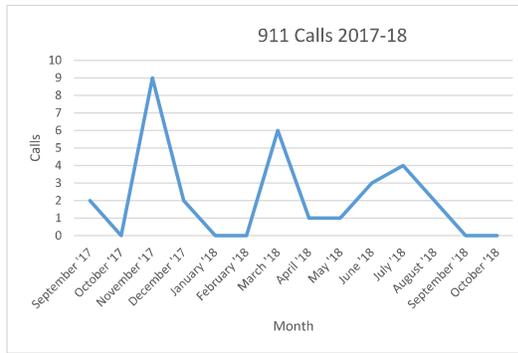
- Allegro Alley – The Allegro Alley has had safety concerns that we continue to communicate with effected stakeholders about. Right now, the hiring of staff to help with the situation is being planned out. These people will not be UDP staff.
- 4700 Block – We have been having increased illegal activity on the 4700 Block of University Way that we are working to stay ahead of. Marcus met with SPD, Metro, and Nikole O’Bryan to talk about the problems on that block and strategize how we are going to fix it.
- We are looking into launching a Business Block Watch in coordination with SPD. Initial conversations with SPD and the shadowing of the West Seattle Junction’s Business Block Watch meeting are happening the week of January 14<sup>th</sup>.
- SPU Enforcement – We are looking into how we can advocate for better tools for SPU to be able to enforce solid waste related issues around alleys and dumpster. We are also working with SPU on how to better mitigate construction impacts on solid waste service in the alleys.

Upcoming Clean and Safe Events and dates:

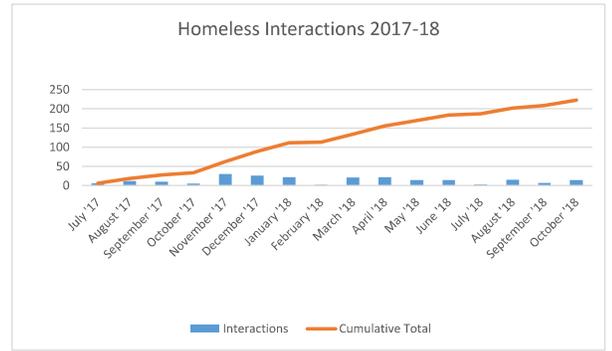
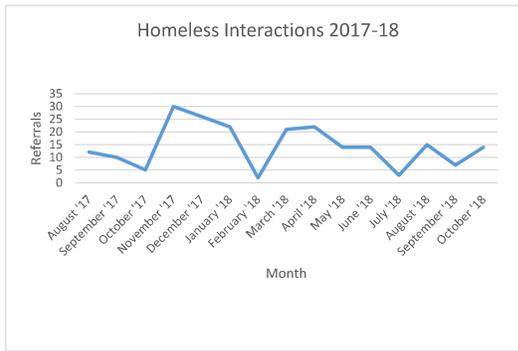
BIA Walk	January 18 <sup>th</sup> (9:00-10:30am, meet @ the UDP)
Community Clean Up Event	January 26 <sup>th</sup> (9:00-11:00am, meet @ U Heights Plaza)
Next C&S Meeting	February 14 <sup>th</sup> (12:00-1:30pm @ U Heights, Room 108)

Ambassador Data

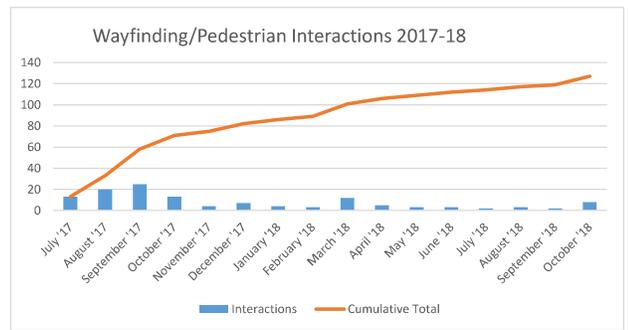
	Calls	Cumulative Total
July '17	0	0
August '17	0	0
September '17	2	2
October '17	0	2
November '17	9	11
December '17	2	13
January '18	0	13
February '18	0	13
March '18	6	19
April '18	1	20
May '18	1	21
June '18	3	24
July '18	4	28
August '18	2	30
September '18	0	30
October '18	0	30
November '18	2	32
December '18	1	33



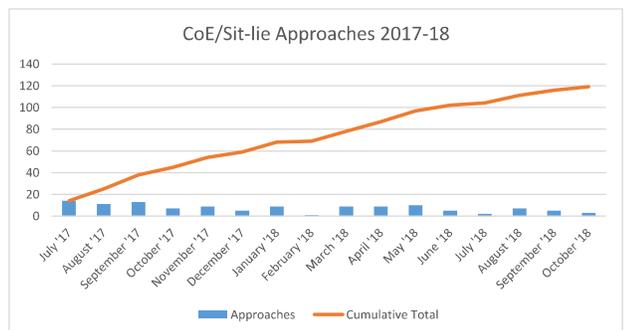
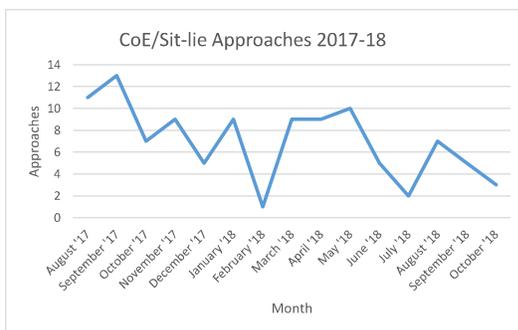
	Interaction	Cumulative Total
July '17	6	6
August '17	12	18
September '17	10	28
October '17	5	33
November '17	30	63
December '17	26	89
January '18	22	111
February '18	2	113
March '18	21	134
April '18	22	156
May '18	14	170
June '18	14	184
July '18	3	187
August '18	15	202
September '18	7	209
October '18	14	223
November '18	12	235
December '18	23	258



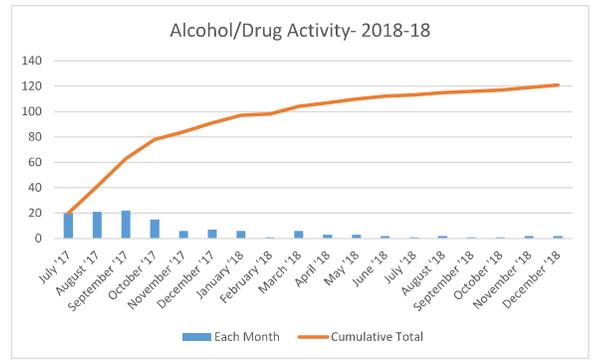
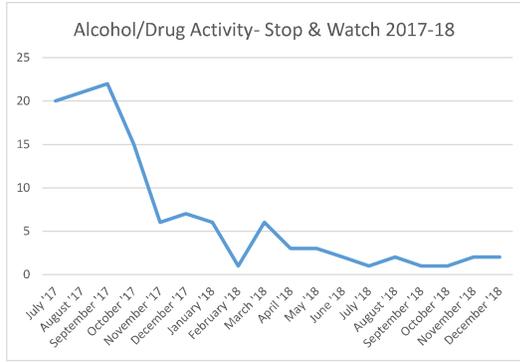
	Interaction	Cumulative Total
July '17	13	13
August '17	20	33
September '17	25	58
October '17	13	71
November '17	4	75
December '17	7	82
January '18	4	86
February '18	3	89
March '18	12	101
April '18	5	106
May '18	3	109
June '18	3	112
July '18	2	114
August '18	3	117
September '18	2	119
October '18	8	127
November '18	2	129
December '18	0	129



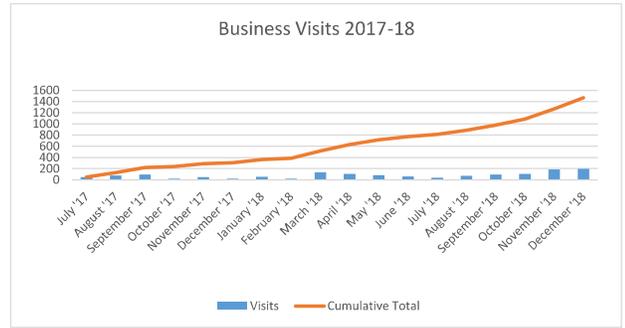
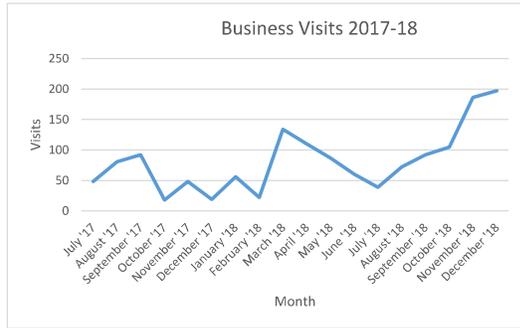
	Approach	Cumulative Total
July '17	14	14
August '17	11	25
September '17	13	38
October '17	7	45
November '17	9	54
December '17	5	59
January '18	9	68
February '18	1	69
March '18	9	78
April '18	9	87
May '18	10	97
June '18	5	102
July '18	2	104
August '18	7	111
September '18	5	116
October '18	3	119
November '18	10	129
December '18	22	151



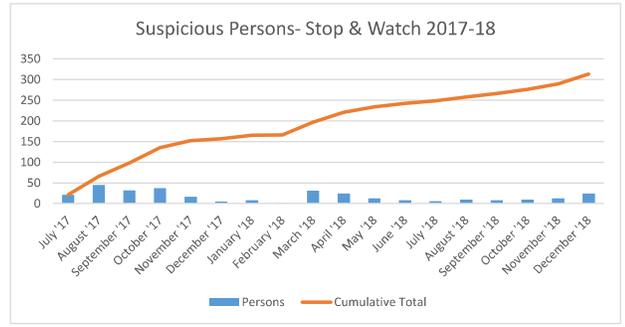
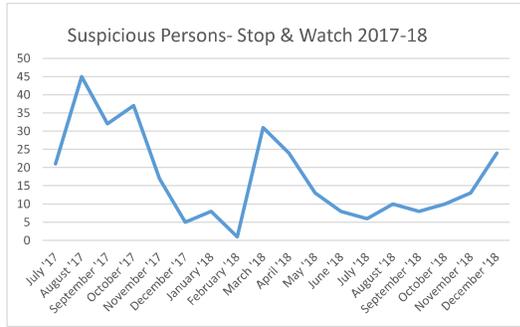
	Each Mont	Cumulative Total
July '17	20	20
August '17	21	41
September '17	22	63
October '17	15	78
November '17	6	84
December '17	7	91
January '18	6	97
February '18	1	98
March '18	6	104
April '18	3	107
May '18	3	110
June '18	2	112
July '18	1	113
August '18	2	115
September '18	1	116
October '18	1	117
November '18	2	119
December '18	2	121



Business Visits	Visits	Cumulative Total
July '17	48	48
August '17	81	129
September '17	92	221
October '17	18	239
November '17	48	287
December '17	19	306
January '18	56	362
February '18	22	384
March '18	134	518
April '18	110	628
May '18	87	715
June '18	60	775
July '18	39	814
August '18	72	886
September '18	92	978
October '18	105	1083
November '18	186	1269
December '18	197	1466



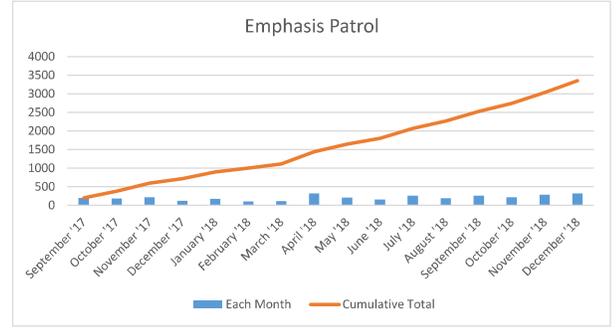
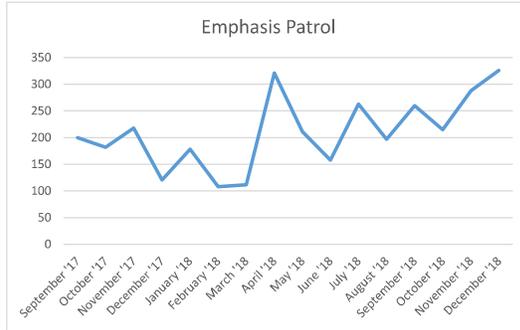
Suspicious Persons	Persons	Cumulative Total
July '17	21	21
August '17	45	66
September '17	32	98
October '17	37	135
November '17	17	152
December '17	5	157
January '18	8	165
February '18	1	166
March '18	31	197
April '18	24	221
May '18	13	234
June '18	8	242
July '18	6	248
August '18	10	258
September '18	8	266
October '18	10	276
November '18	13	289
December '18	24	313



Safety Escort	Escorts	Cumulative Total
July '17	3	3
August '17	3	6
September '17	0	6
October '17	0	6
November '17	1	7
December '17	1	8
January '18	0	8
February '18	0	8
March '18	0	8
April '18	0	8
May '18	1	9
June '18	0	9
July '18	0	9
August '18	0	9
September '18	0	9
October '18	0	9
November '18	0	9
December '18	0	9



Emphasis Patrol	Each Mont	Cumulative Total
September '17	200	200
October '17	182	382
November '17	218	600
December '17	121	721
January '18	178	899
February '18	108	1007
March '18	112	1119
April '18	321	1440
May '18	211	1651
June '18	158	1809
July '18	263	2072
August '18	197	2269
September '18	260	2529
October '18	215	2,744
November '18	288	3032
December '18	326	3358



- Continuing Social Media Outreach – Social media outreach has continued to steadily grow. Facebook is up to 1,247 people liking our page. Our twitter now has 639 followers and Instagram has jumped up to 229 followers. Our newsletter subscription list is up to 921 people. 250 new subscribers have come to us from incorporating the contacts from U District Let's Go list to our newsletter list.
- Updates to our Website – We are in the process of updating our U District Partnership website. Recently we have worked to compile a new sitemap that would incorporate all of our different domains into one easily navigable website. The whole team has been providing feedback so that visitors to site would be able to find the resources specific to the department they are looking for and not be inundated with information and news not related to them. The next step will be finding a contractor to complete the work and start rolling out the new pages.
- Graduate Hotel Opening – On December 13<sup>th</sup> we tabled at the grand opening of the Graduate Hotel. We joined several other local businesses and nonprofits to celebrate the newly renovated hotel. We handed out neighborhood maps and rolled out a new one sheet with information about the work of the UDP. The event was a good chance to meet members of our community and answer their questions about our organization.
- U District Art Walk Support – The monthly U District Art Walk has begun to grow again this last year and add new businesses. U Heights Center and Gargoyles Statuary have been leading the charge and we have been assisting in getting the word out. After a break in December, we met together to plan for 2019. By working together we hope to expand the event to more locations within walking distance of U Heights and Gargoyles and thereby drawing in even more visitors to the U District.
- Badging and Signage – Staff and Events and Marketing Committee members identified a need to increase recognition of UDBIA programs and funding in the neighborhood. One way we are doing this is by creating new signage and badging. These displays are being designed to create a clear connection between the work being done and BIA funds. They will be united by our logo's "U" and have specialized versions for our different departments and work. When finished, the signs will be visible on the cleaning crew's work trucks and carts and the badges will be added to uniforms and staff lanyards.
- StreetFair – It is officially StreetFair season! We have come to an agreement with Bold Hat productions for this year's 50<sup>th</sup> anniversary event. Since we have increased our goals this year in terms of both vendor numbers and programming, we have worked with Bold Hat to approve an expanded scope of work. This agreement allows both of our organizations to play to their strengths and collaborate even closer on creating a successful event. Coming soon, we'll open the poster competition and expect high number of submissions. As we move towards the big weekend, I will update you on the special anniversary programming and features we have planned for this year's fair.
- Events in the Pipeline:
  - 50<sup>th</sup> U District StreetFair – 05/18-19 All Day

### **Economic Development Committee**

The Economic Development Committee held their regular meeting on January 8<sup>th</sup> and continues to make progress achieving workplan objectives. The next meeting will be on February 4<sup>th</sup>. Starting in March, the committee will resume its standard meeting schedule of fourth Wednesday of the month.

### **Phase 1 – COMPLETE**

At the November 28<sup>th</sup> meeting, the Economic Development Committee reviewed the deliverables for the Phase 1: the first 90-days, which focused on information gathering and putting basic economic development tools in place. The committee found the progress acceptable, closed out Phase 1, and greenlighted starting Phase 2 on December 1<sup>st</sup>. During Phase 2, resources are allocated equally between A) services to existing businesses, B) prepping for recruitment of new business, and C) information sharing and launching the U District Business Network.

### **Updating the Long-Term Economic Development Vision – IN PROCESS**

The Economic Development Committee at their January 8<sup>th</sup> meeting continued the discussion on updating the long-term economic development vision and the U District environment and opportunities in 2019. The process is on schedule to conclude at the next meeting.

### **Retail Saturation Study – IN PROCESS**

The data gathering portion wrapped up in early January. The analysis portion of the study is underway and on-schedule to be completed in mid-February. The completed study will be used to 1) inform property owners on the retail categories most likely to have sustained success, 2) recruit targeted retail categories, and 3) support existing businesses by attracting complementary businesses to the U District.

### **Communication Network – IN PROCESS**

The email list is at 42% and growth has plateaued. The current plan is to launch another campaign in early April, the goal being expanding the list to over 50% before summer.

### **Language Translation Resources – ON-HOLD**

After meeting with City of Seattle, other BIAs, and UW, it is evident there are no reliable, low-cost options for language translation. However, high-cost options have been identified. The current plan is to produce and refine content over the next several months, then develop an RFQ for translation services in FY 2019-20.

### **Looking Ahead – U District Business Network**

The U District Business Network is comprised of business operators in the district coming together to:

- provide a more unified, purposeful and effective University District business community voice
- offer an information sharing platform for the University District community
- create opportunities for businesses
- build relationships, learn from peers and experts, and have fun.

**Mark Your Calendar!**

The Business Network Kickoff Meeting is **February 28th, 6-7pm**. Your attendance is appreciated. Getting the word out to business owners and operators is greatly appreciated. The agenda, location and a RSVP form will be posted at <https://www.udistrictpartnership.org/biz-network>.

## Urban Vitality Committee Report

January 2019

The Committee met on January 9th. As reported earlier, the committee and staff are employing several complementary overall strategies:

1. **Development Tracking:** to monitor, attend and share information about, provide input to or assistance to public and private development projects in the area AND
2. **Major Impact Projects:** to focus on specific larger scale projects and their impact on the district. The three major impact projects we are engaged with at this time are: Mobility Plan Review and Recommendations Task Force; 43<sup>rd</sup> Street Task Force; and Church Facility Transition Task Force.

### 1) **Development Tracking**

4202 12<sup>th</sup> Ave Project – Attended Community Meeting to introduce project.

4732 Brooklyn Ave Project - Attended Community Meeting to introduce project.

5500 University Way Project – Attended Community Meeting to introduce project.

### 2) **Major impact Projects**

#### a) **Mobility Plan Recommendations**

The Mobility Group finished its work and has produced the U District Station Mobility Plan. The Urban Vitality Committee presented their recommendations at the UDP November board meeting and will be proposing a resolution to endorse their recommendations at the January board meeting.

#### b) **43<sup>rd</sup> Street Task Force**

SDOT is planning to construct improvements in NE 43<sup>rd</sup> Street between the southeast corner of Link Station eastward to the intersection with 15 Ave NE.

This street project will potentially have enormous consequences on the adjacent business and property stakeholders. Therefore the UDP Urban Vitality gathered them together to raise awareness of the project, have the opportunity to provide meaningful input in a timely fashion, and guarantee they are kept in the loop throughout SDOT's design and construction processes.

We got an agreement from SDOT to meet with this task force as a "focus group" before they start general community engagement. Over two in depth workshop meetings, UDP staff gathered the task force members' concerns and recommendations into a report. On January 10th they presented this document to SDOT and discussed the potential impacts of construction. This task force will continue to engage with the project at the upcoming public meetings and as major design decision are made.

#### c) **Church Facility Transitions**

A task force has been formed and is being chaired by Andy Sharpe to survey the local church facilities. The goal of this survey is to produce a briefing paper on the potential impact of planned transitions, such as sales and redevelopment, on the services that they provide and host. The task force has met a couple of times and currently is verifying its list of contacts and refining the questions they plan to ask. Thanks to UDBIA board member Mary Kay Gugerty for her advice on how to improve the survey. The next step will be to recruit several connected members of the faith community to reach out to their fellow leaders and inform them about the goal of the task force.

**Next Urban Vitality Meeting – February 5<sup>th</sup> at 4pm at the UDP offices.**