



BOARD MEETING AGENDA

January 21, 2020 11:30 – 1:00

Masonic Hall

- | | | |
|---|-------------------|---------|
| 1. Welcome and Introductions | Sally | |
| 2. Public Comment | All | |
| 3. Approval of October 2019 Meeting Minutes | Sally | Vote |
| 4. Committee Reports | | |
| a. Finance | Rob/Phil/Mark | Vote |
| b. Clean and Safe | Don/Marcus | Q/A |
| c. Events and Marketing | Andrew/Jen/Mark | Q/A |
| d. Economic Development | Mark/Daniel | Q/A |
| e. Urban Vitality | Stephen/Katy/Mark | Q/A |
| 5. Ordinance Renewal Update | Sally | Discuss |
| 6. Audit Presentation | Rob/Matt/Ray | Vote |
| 7. Adjourn | | |

Upcoming Events

Ratepayer Advisory Board Meeting	01/23/20	4:00
UDP Executive Committee Meeting	02/11/20	1:00
UDP Clean & Safe Committee Meeting	02/13/20	12:00
UDP BOARD MEETING	02/18/20	11:30
BIA Walk	02/21/20	9:00
UDP Urban Vitality Meeting	02/25/19	4:00
Business Network Meeting (Tentative)	02/26/20	6:00



Board Meeting Minutes No. 6

Time: 11:30 AM – 1:00 PM

Date: October 15, 2019

Location: UW Tower Boardroom

IN ATTENDANCE:

UDP Board Members

Sally Clark, Co-Chair

Eric Lawson

Barbara Quinn

Stephen Antupit

Miles Richardson, Co-Chair

Louise Little

Alfred Shiga

Anson Lin

Jeanette Henderson

Don Schulze

Rob Lubin, Treasurer

Excused

Andrew McMasters

Andy Sharpe

Lois Ko, Secretary

Pat Simpson

UDP Staff

Mark Crawford, IED

Jen Astion, Comm.

Marcus Johnson, C&S

Phil Lloyd, CFO

Chase Landrey, E&M

Guests

Cory Crocker

Gregg Petrie

Welcome and Introductions

Miles called the meeting to order at 11:35 pm.

Public Comment

There was no public comment.

Approval of July 2019 Meeting Minutes

Motion: Don moved to approve the July 2019 meeting minutes.

Barbara seconded the motion. Stephen and Rob abstained.

The motion was approved

Committee Reports

Finance

Rob presented the draft September 2019 financial report. He reported some savings related to staff positions which had been budgeted for, but not yet hired.

Motion: The Finance Committee moved to approve the September 2019 financials.

Alfred seconded the motion.

The motion was approved

Rob announced that the regular annual audit has been finished and the UDP has received a clean report with no recommendations. The auditors will present their findings at the next UDP board meeting.

Clean and Safe

Marcus presented the Clean and Safe report. Crews have worked to clean and maintain the artwork on the Ave light posts. They do not recommend the need for any repairs at this time.

Miles spoke to his experience attending a Seattle BIA meeting about prolific offenders where they heard from representatives from Minneapolis and their solutions to similar issues in their city.

Don shared about Evergreen Treatment Service's presentation at the last Clean and Safe Committee meeting and their explanation of methadone treatment. He thanked them from the helpful work connecting together local police and service providers.

Marcus continued his presentation and announced that flower basket replacement and leaf removal would be happening soon. After that his department would next be working on installing holiday lights.

Events & Marketing

Mark announced that Chase would be leaving his position at the partnership after November first and that Jen Astion would be taking over many of his responsibilities as the interim Marketing and Events Manager. He thanked Chase for his time at the UDP and Chase followed up with a few words of his thanks to the board and staff.

Chase presented the Events and Marketing report. He focused on lessons learned from this year's pilot of Dawgs in the District promotions and its relationship with the Up Your Ave! event. He also shared the upcoming changes for the 2019 Trick or Treat Roosevelt and encouraged the board to attend.

Economic Development

There was no Economic Development staff person at the UDP at the time of the board meeting. Miles informed the board that they in the middle of the process of hiring a new Economic Development Manager. Until they hire someone for the role, Mark has been taking over many of the tasks associated with the position. Currently he is working diligently to select a date for the next U District Business Network meeting and encouraged everyone to invite others.

Urban Vitality

Stephen presented the Urban Vitality report. Chase walked through a list of Design Review Board and Early Design Guidance Outreach meetings that staff and board members have attended. He also shared the upcoming meetings related to development. He updated the board about the work of the 43rd Street Improvements task force and the continued goal of convening the businesses and property owners on 43rd Street around SDOT's proposed plans for redoing the and sidewalks.

Chase followed up on some of the other projects that Urban Vitality has been involved with. In particular he highlighted the recent announcement of funding in the Mayor's proposed budget for the U Loo project, thanks to continued advocacy of UDP staff, board members, and community partners.

Finally, Mark updated the board about the progress in hiring a full time Urban Vitality staff position. They are currently in the middle of the process and will have information to update the board soon.

Ordinance Renewal

Mark announced that we are already incredibly close to completing our 60 in 60 campaign to get 60% of the areas assessed value in signed ratepayer petitions in support of the UDBIA renewal in 60 days. We only have a few percentage points left to reach their goal and over

two weeks before the original October 31st date. He thanked the board members for their hard work in reaching out to their assigned ratepaying property owners and help sharing the message about the great value of having a business improvement area.

The next step of the process involves a second mailing to ratepayer properties that have yet to send their response the petitions. This mailing would begin soon and includes strategies for reaching different segments of the ratepayer population in the U District. He would be updating board members soon about the how they can best contribute to this step and was hopeful to see significant returns to the effort.

Executive Session

The Board entered a brief executive session.

After the executive session the board returned to open session at 12:40 pm

Motion: Don moved to approve a \$5,000 bonus for Mark Crawford.

Louise seconded the motion.

The motion was approved unanimously

Adjournment

Miles adjourned the meeting at 12:46 pm.

NEXT BOARD MEETING: November 20th, 11:30am – 1:00pm, UW Tower Boardroom

Finance Committee Report

January 2020

The Finance Committee met on Friday, January 10th. The meeting included Rob Lubin, UDP Board Treasurer, Kate Barr, BIA RAB Treasurer, Mark Crawford, Interim executive Director and Phillip Lloyd, Finance Manager.

1) December Financial Statements

The Committee reviewed the December financial statements and will recommend their acceptance by the Board. Items worth noting.

Balance Sheet

Cash in Checking – Higher than last year primarily due to collected funds for the Christie Park project for which we serve as fiscal sponsor.

Accounts Receivable – have received past due sponsorship from Sound Transit. Usual A/R for BIA reimbursement at \$64,235.

Undeposited Funds – checks that arrived too late to have deposits by his close.

Accounts Payable – All normal payables at this time for regular vendors like Aries Security (Ambassadors - \$3,584), Black Mountain (Cleaning - \$11,060), REACH program for Evergreen Treatment (\$5,916), and Seattle CFO (accounting services- \$2,000).

Budget Report

Income

BIA Contract - continued reimbursements less than budgeted due to staffing adjustments.

Expenses

Staffing – Final month of getting new staff on board and Chase's position opening up. Only position now open is part time office manager.

Professional and Contract – Over budget due to unbudgeted expense to support city wide public safety meeting earlier in the year.

Office and Overhead Overall – on budget.

Direct Program Expenses – Youth employment contract with Sanctuary Arts is lagging -0 \$2,500 behind budget. Working with their staff to evaluate remaining year projections.

Other Income

Grant for Christie Park project – we are fiscal agent – will wash out.

2) Reforecast

Staff presented reforecast for remainder of year (we are half way through current fiscal year). Overall, we will end year with modestly improved positions compared to original budget. The BIA will be approximately \$16,000 ahead of original goal and UDP will be approximately \$33,700 ahead of original goal.

Elements impacting reforecast include improved beginning cash/net assets for both BIA and UDP, possible improvement to the net income from StreetFair over budget, savings on staff positions not hired in first half of year, increased costs for the renewal by hiring consultative services for Council approval process, initial costs to launch a search for a new executive director, and an added spring event – the Cherry Blossom Festival – designed to drive annual cherry blossom visitors into our retail stores when they visit the campus.

The U District Partnership

Balance Sheet Prev Year Comparison

As of December 31, 2019

	Dec 31, 19	Dec 31, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
10100 · Operating Bank Accounts			
10110 · WSECU Checking	116,802.03	69,742.09	47,059.94
10103 · UDP WF Checking 0122	49,587.76	34,469.71	15,118.05
10111 · WSECU Savings	160,440.65	160,066.42	374.23
Total 10100 · Operating Bank Accounts	326,830.44	264,278.22	62,552.22
Total Checking/Savings	326,830.44	264,278.22	62,552.22
Accounts Receivable	73,630.36	72,907.08	723.28
Other Current Assets	17,088.34	1,484.69	15,603.65
Total Current Assets	417,549.14	338,669.99	78,879.15
Fixed Assets	5,511.12	4,425.10	1,086.02
Other Assets	3,235.87	3,358.32	-122.45
TOTAL ASSETS	426,296.13	346,453.41	79,842.72
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable	36,795.55	16,310.53	20,485.02
Credit Cards	656.94	1,305.73	-648.79
Other Current Liabilities	24,471.40	10,897.42	13,573.98
Total Current Liabilities	61,923.89	28,513.68	33,410.21
Total Liabilities	61,923.89	28,513.68	33,410.21
Equity			
32000 · Unrestricted Net Assets	375,281.00	304,103.26	71,177.74
Net Income	-10,908.76	13,836.47	-24,745.23
Total Equity	364,372.24	317,939.73	46,432.51
TOTAL LIABILITIES & EQUITY	426,296.13	346,453.41	79,842.72

The U District Partnership

Budget Report

December 2019

	Dec 19	Budget	\$ Over Budget	Jul - Dec 19	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
44500 · Government Grants and Contracts	73,180.36	79,073.44	-5,893.08	477,589.33	526,698.91	-49,109.58	1,057,624.72
47000 · Earned Income	0.00	0.00	0.00	11,480.00	15,000.00	-3,520.00	225,000.00
46400 · Interest and Other	34.06	0.00	34.06	202.08	0.00	202.08	0.00
Total Income	73,214.42	79,073.44	-5,859.02	489,271.41	541,698.91	-52,427.50	1,282,624.72
Gross Profit	73,214.42	79,073.44	-5,859.02	489,271.41	541,698.91	-52,427.50	1,282,624.72
Expense							
60000 · Staffing	43,862.36	51,177.02	-7,314.66	226,835.35	276,279.13	-49,443.78	583,341.25
61000 · Professional & Contract Expense	4,116.85	2,450.00	1,666.85	51,967.21	51,950.00	17.21	76,150.00
62000 · Office and Overhead	7,425.93	6,152.23	1,273.70	40,040.67	41,449.23	-1,408.56	94,003.78
70000 · Direct Program Expenses	25,661.84	29,327.84	-3,666.00	189,336.94	206,327.96	-16,991.02	596,944.00
Total Expense	81,066.98	89,107.09	-8,040.11	508,180.17	576,006.32	-67,826.15	1,350,439.03
Net Ordinary Income	-7,852.56	-10,033.65	2,181.09	-18,908.76	-34,307.41	15,398.65	-67,814.31
Other Income/Expense							
Other Income							
Fiscal Sponsor Income	8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00	0.00
Total Other Income	8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00	0.00
Net Other Income	8,000.00	0.00	8,000.00	8,000.00	0.00	8,000.00	0.00
Net Income	147.44	-10,033.65	10,181.09	-10,908.76	-34,307.41	23,398.65	-67,814.31

2019-20 University District BIA

Budget Tracker -December 2019

ACCOUNTS	Budget	TO DATE	REMAINING	% Expended	Jul	Aug	Sep	Oct
Program Management	200,151	118,569.63	81,581	59.2%	\$ 18,979.65	\$ 25,273.71	\$ 14,576.12	\$ 31,760.30
Cleaning and Public Safety	503,214	250,437.91	252,776	49.8%	\$ 40,243.87	\$ 40,827.24	\$ 35,281.16	\$ 36,715.08
Urban Vitality	26,994	13,478.74	13,515	49.9%	\$ 2,218.90	\$ 2,265.37	\$ 2,169.61	\$ 2,440.95
Economic Development	119,836	26,510.98	93,325	22.1%	\$ 3,621.01	\$ 2,859.67	\$ 2,653.90	\$ 2,551.01
Marketing	56,135	19,427.76	36,707	34.6%	\$ 4,131.95	\$ 4,220.95	\$ 3,730.07	\$ 1,442.86
Community Engagement	72,383	35,578.91	36,804	49.2%	\$ 5,542.61	\$ 5,058.64	\$ 5,952.26	\$ 7,577.94
Events and Activation	26,661	7,585.40	19,076	28.5%	\$ 1,382.65	\$ 1,435.98	\$ (1,596.10)	\$ 4,077.93
Total Requested	1,005,374	471,589.33	533,785	46.9%	\$ 76,120.64	\$ 81,941.56	\$ 62,767.02	\$ 86,566.07

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Program Management	\$ 14,876.86	\$ 13,102.99						
Cleaning and Public Safety	\$ 61,221.05	\$ 36,149.51						
Urban Vitality	\$ 2,128.84	\$ 2,255.07						
Economic Development	\$ 4,964.69	\$ 9,860.70						
Marketing	\$ 3,549.78	\$ 2,352.15						
Community Engagement	\$ 5,242.94	\$ 6,204.52						
Events and Activation	\$ 2,029.52	\$ 255.42						
	\$ 94,013.68	\$ 70,180.36	-	-	-	-	-	

- We had our January Clean and Safe Committee Meeting on January 9th. We heard from Seattle Police Department (SPD) Community Police Team Officer Ginger Pio. She let us know about how policing has been going over the past month. Confirmed by both David Delgado and her, people have been acting more aggressive lately. There is a suspicion going around that methamphetamines have been circulating that have been cut with PCP. David is currently investigating whether Evergreen Treatment Services can provide test kits to allow people to sure they are not unknowingly taking PCP.

We talked through how to report issues to the City, such as the Find it, Fix it app and the City's online reporting information.

- Our Business Block Watch is currently at 84 members. Be sure to continue to spread the word to people in the U District about this awesome program. If anyone has questions on how to use Slack, let Marcus know.
- Due to the holiday season, there was not a cleanup in December. We will resume our monthly cleanups on January 25th.
- If you are interested in learning more about the day-to-day operations of our North and South Cleaning Areas, you are encouraged to come to our December BIA Walk on Friday, 01/17. We meet at 9:00 am in the UDP Conference Room. Everyone is encouraged to attend at least one BIA Walk to be able to better understand the day to day operations of our cleaning services.
- We did our large leaf removal in December. We did our big push in December this year to ensure that all the leaves had fallen from the trees before we had the street sweeper go through. We will report the number of tons removed once we get the final invoice from the contractor.
- The winter storm we had brought snow and ice. Our cleaning contractor did a great job ensuring that our sidewalks in the cleaning areas remained free of snow and ice. They deployed salt to ensure that things did not freeze up.
- Our Beautification Team will be working with another Work or Opportunity Training (WOOT) cohort in partnership with Sanctuary Arts Center (SAC). The BIA helps fund this program which works to help homeless youth get the job readiness skills needed to enter the workforce. Part of this program includes one day a week of work with our Beautification Team cleaning, painting graffiti, etc. SAC usually does four, five-week cohorts a year but this year they will only be doing three.

Upcoming Clean and Safe Events:

- | | |
|-----------------------|--|
| • C&S Monthly Cleanup | Jan. 25 th (9:00 -11:00am, meet @ U Heights Plaza) |
| • Next C&S Meeting | Feb. 13 th (12:00-1:30pm @ U Heights, Room 108) |
| • BIA Walk | Feb. 21 st (9:00-10:30am, meet @ the UDP Conference Room) |

CLEANING UPDATE:

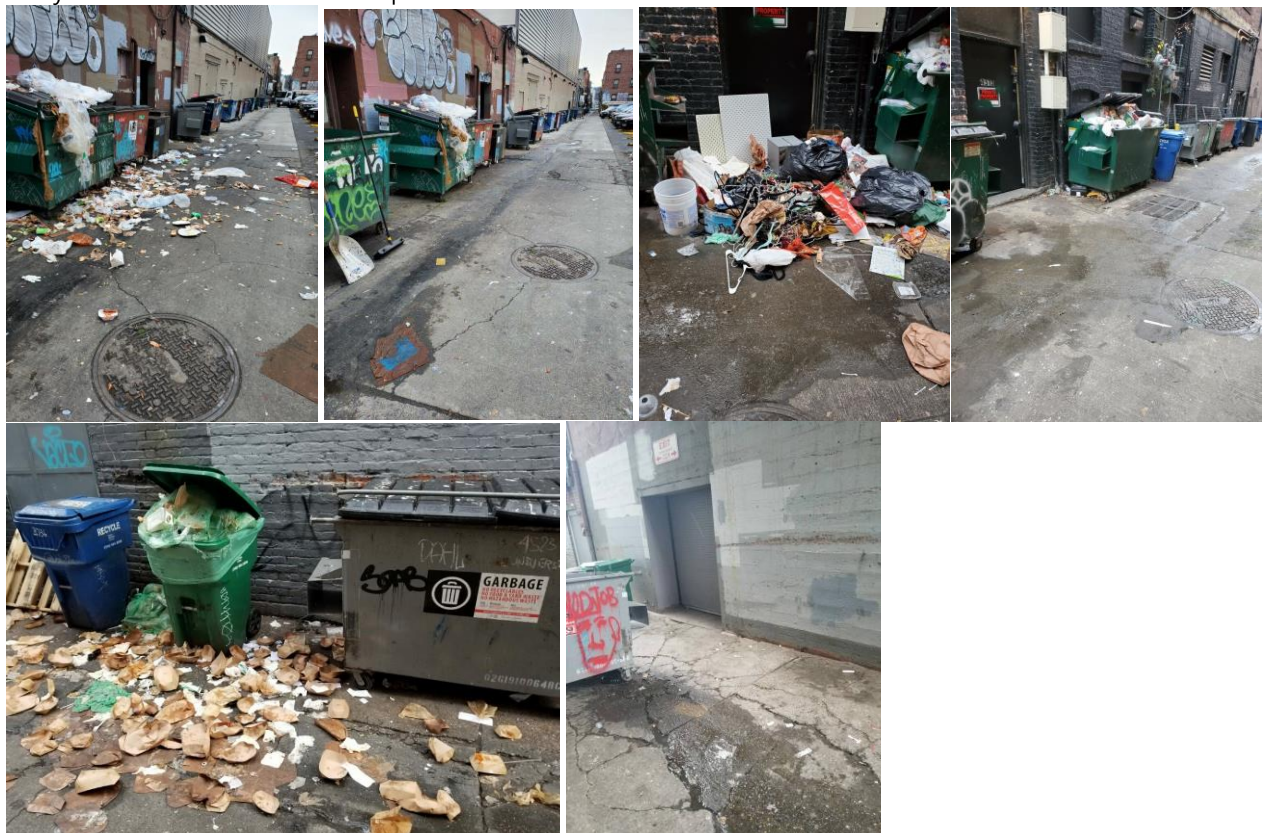
December Cleaning Numbers from Black Mountain:

Hours of Cleaning: 316
Bags of Trash Removed: 1,100
Dumpster Overflow Cleanup: 200
Graffiti Tags Removed: 325
Biohazards Removed: 300
Pressure Washing Hours: 4

2019 Total Cleaning Numbers from Black Mountain:

Hours of Cleaning: 3,368
Bags of Trash Removed: 9,154
Dumpster Overflow Cleanup: 2,643
Graffiti Tags Removed: 2,601
Biohazards Removed: 1,771
Pressure Washing Hours: 171

Our primary focus in our cleaning area are the streets and storefronts. We do alleys as a secondary because many of the messes are the responsibility of Seattle Public Utilities. Below are some before and after shots that show some of the struggles we have with keeping our alleys clean around the dumpsters.



REACH U-District Outreach Program

Progress Report: December 2019

Data

Client Contacts:

Month	Face-To-Face Contacts	Phone Contacts	Total Contacts	Unduplicated Clients
March/April	33	1	34	21
May	31	4	35	19
June	51	2	53	13
July	46	2	54	25
August	28	7	35	19
September	38	7	45	25
October	45	2	47	19
November	60	3	71	45
December	12	1	13	5

Outcomes Achieved:

	Oct	Nov	Dec	YTD
Food	7	6	3	93
Transportation	10	11	1	51
Clothing	5	3	0	30
Shelter	6	3	0	30
Naloxone Kit	3	4	0	29
Medical	1	2	0	18
Overdose Education	5	1	0	15
Long Distance Bus Ticket Home	n/a	2	1	7
Identification Assistance	2	2	0	10
Medication Assisted Treatment (Methadone/Buprenorphine)	n/a	0	2	4
Benefits: Financial or Medical	n/a	0	0	2
Legal Assistance	n/a	0	0	2
Housing Assistance	n/a	0	0	1
Mental Health	2	9	2	14
Other	1	8	1	18
Total	42	51	10	324

Issues Addressed:

	Oct	Nov	Dec	YTD
Food	4	8	2	82
Substance Use	8	19	0	52
Shelter	9	16	1	45
Transportation	10	8	1	41

Clothing	5	3	0	28
Mental Health	6	33	4	36
Medical	3	14	0	31
Housing	5	10	2	33
Employment	n/a	2	0	7
Benefits: Financial & Medical	n/a	0	0	7
Legal Assistance	n/a	2	0	6
Identification Assistance	5	6	0	8
Education/Training	n/a	0	0	1
Other	9	16	7	56

MARCUS' UPDATE:

David was out for the last half of the month on his honeymoon. This accounts for the lower numbers that you will see in the above reports for the month of December.

One thing that David did not mention in his report but has talked to me about is the suspicion floating around that drug dealers are selling meth that has been laced with PCP. This is causing aggressive behavior. David is looking into what resources Evergreen Treatment has available to detect PCP for people.

David's note that the amount of homeless in the U District has decreased I credit largely to the success of his program. Helping 33 people do housing assessments, getting 45 people into shelter, getting 7 people long distance bus tickets home, helping 51 people with transportation, and everything else he has done goes a long way to helping get people off the streets and into the assistance that they need. Of course, some of amount of this is the seasonal trend of less people living on the street in the colder months.

DAVID'S UPDATE:

This year I had shoulder surgery and a long-planned vacation which resulted in me missing 3 weeks of work – along with the holidays, this affected my encounters and outcomes for November and December. This year I managed to find two missing young people. I helped several people get into permanent housing, as well as a getting a significant number of people from outside the state tickets to go back home. I've connected several people with mental health services and supported them in engaging with providers since they were unable to attend appointments independently. I have coached businesses as well as security guards on how to address specific people with challenging behaviors so we can provide better support and de-escalation when a crisis occurs. I've also helped a significant number of people access a primary care doctor when medical needs arise. I was able to make several shelter referrals and most of those individuals have not returned to the Ave. Finally, I've been conducting safety checks and monitoring our most mentally ill neighbors who are waiting for housing. Most

of this work is reflected in the data.

Finding people has been a challenge for me. The sweeps (or cleans) have moved a few people around that I had made progress with concerning housing. Re-engaging with these folks to finish paperwork and complete other follow ups has been increasingly time consuming. Another challenge and at the same time a benefit is that the homeless population who frequent the U-District seems to be decreasing. This is most likely due to a combination of the weather, this writer helping people get into housing and shelters and regular policing efforts. In any case, I have noticed that the number of unhoused people that tend to frequent the U- District have lessened.

There have been two outcomes worth mentioning. First is our mentally ill unhoused friend who has been known to hoard items in front of local businesses for several months. Working in conjunction with the BIA, SPD, Michelle (from DESC) and one local business, this person followed through with all his housing paperwork, case management meetings and is now safely housed.

The other outcome is I found a missing young man from California. He was unintentionally self-harming (legs swollen, full of pus, holes in his feet). I reconnected him with his parents, who were able to come up to spend the holidays with him. Due to his mental health, he has not yet decided to go back home and leave the streets, but he did agree to complete a housing assessment and now is on a housing waiting list.

This year I was able to build alliances in providing supportive services to the people I serve. I was able to make positive relations with ROOTS, SPD, Teen Feed, Sanctuary Arts Center, the Library, UW Police, Sound Mental Health, the alley security guards and several local businesses. Because of these connections my ability to help others has grown stronger in this position than my prior jobs in social work.

Ambassador Update:

The new contractor for the Ambassador Program, Aries, has been a breath of fresh air into the program. They have made great strides getting themselves integrated into the business community in the neighborhood. Below are some excerpts from their daily logs:

- At the Joint: (Man) causing a bit of a scene and asking people to buy weed for him, we are going there now to talk with him
- CVS: male, grey pants and jacket with brown fur hood, glasses, white, brown hair, black under shirt. Stole a baskets and brown paper bag full of items in addition to stuffing his black backpack full of medication, mostly pain relief items. He has been known to steal from other stores.
- At CVS, followed an older white lady that cashier thought might be a shoplifter, she's gone.
- Just contacted a homeless woman at the far north end of the Bank of America. She was yelling but stopped as soon as she snorted something in front of us. She's not really bothering anyone right now, we will check on her later
- The Joint called at 10:47 am that there is a person that will not leave the front of their business and keeps asking patrons to purchase weed for them.
- Beetle cafe: We asked a man to leave with his items and he did so peacefully.
- CVS: younger male, all black clothes with two red bags. He attempted to take some food items
- Gargoyle: Man came in trying to barter an old ring and was asked to leave. He did so peacefully after being asked a few times.
- Walgreens: We prevented a possible theft of a Sprite and a few candy bars
- Jimmy Johns called about a female disturbing their customers and being loud. Alex spoke with her and she peacefully left without incident.
- CVS: A tall skinny white male, tan jacket, black hoodie, grey backpack, small red bag, black pants with white stripe, attempted to steal two hand baskets of goods plus more stuff in his bag
- Joint: responded to call from the joint. Stated there was a black male out front asking everyone to buy him weed. When we arrived we discovered it was ----- . We had a talk with him and moved him along. Noticed his right hand is quite swollen but still shook my hand with it. I contacted David Delgado to update his condition.
- Stopped by Sizzle and Crunch, observed a white male throw what appears to be an old broken-down walker at the front door. Person left as we approached. We are hanging out for a couple minutes to make sure he doesn't come back.
- Slate Coffee called, ----- was acting like erratic outside, we made contact and he's calmed down
- At approximately 16:37 we removed a white male from the Starbucks restroom. The manager said he had been in there for 20 minutes and wouldn't come out. We had the manager open the door and he came out on his own. We escorted him out without incident. White male, about 5'10", very long dirty blonde hair, late 20's, mirrored sunglasses.

- Bluemoon: A homeless man was sprayed with oc and came into the building to get help. Manager and owner used half and half on his eyes. Cops showed up and did nothing but stand there.
- Cvs: A man in orange hoodie "something construction" caused a scene and then left.
- Starbucks: ----- was threatening to choke and stab people at about 9:30. A report was called with the police and they showed up 2 hours later but she was already gone.



Marketing and Events Report

January 2020

Submitted by Jennifer Astion

University District StreetFair

The University District StreetFair will take place on May 16 and 17, 2020. We are currently running a poster contest with a prize of \$1,000. The deadline for entries is February 15, 2020. Please share this contest with anyone you know who might be interested.



We are in the process of finding StreetFair sponsors.

Sound Transit has signed on to be the Main Stage Sponsor at the \$10,000 level. The remaining sponsorship levels are \$20,000 for Presenting Sponsor and \$5,000 for the Supporting Sponsor. If you have contacts at potential sponsors and are willing to attend meetings with us, please let me know!

U District Cherry Blossom Festival

Economic Development Manager Daniel Lokic has convened a task force to plan the new U District Cherry Blossom Festival. I will help with social media for this spring event.

UDP Website

The UDP received funding from U District Let's Go in early 2019 to create a new website that would incorporate U District Let's Go's site. The UDP's goals for the new site were to integrate the UDBIA site and give an overview of the UDP's work in the district. The new UDP site is organized around the four program areas of Clean & Safe, Economic Development, Urban Vitality and Events & Marketing. The new website will also showcase stories about the UDP's work to help make the case for the UDBIA renewal. Thank you to UDP Board Member Andrew McMasters for reviewing the site before it went live.

Communications

Newsletters: The UDP's Monthly Newsletter has 971 subscribers. The open rate for the January 2020 newsletter was 25.2%. The Weekly Update has 255 subscribers and the open rate for the January 14 Weekly Update was 25.5%.

Social Media: Facebook - 1419 followers | Twitter - 677 followers | Instagram - 291 followers

U District Art Walk: The UDP started posting on the U District Art Walk Facebook page in March 2019. This page has 105 followers. The UDP created a new U District Art Walk Instagram in September 2019. This account has 107 followers.

Economic Development

Committee and Tasks Force

The Economic Development Committee met on January 15. Those in attendance include Daniel Lokic, Mark Crawford, Dawn Perry, Anna Sorokina, Kristin Ryan, Katy Ricchiuto, Rob Lubin, and Miles Richardson (Committee Chair). The committee discussed progress to date and reviewed the economic development workplan for the remainder of the 2020 fiscal year.

The Key Performance Indicator Task Force met on January 13. Those in attendance include Kristin Ryan, Rob Lubin, and Daniel Lokic. The group created a first draft of metrics to measure economic health and to collect data for business recruitment. Thus far, those metrics include: (1) current vacancies, (2) upcoming vacancies, (3) market rates, (4) business mix, (5) years in business, and (6) new business inquiries received.

The Cherry Blossom Task Force met on January 9 and December 18. Those who have participated include Dawn Perry, Anson Lin, Jaron Bernstein, Mason Wiley, Lois Ko, Jennifer Astion, Courtney Coster, and Daniel Lokic. This task force is creating a festival that leverages the purchasing power of thousands of residents, students, faculty, and tourists experiencing the annual University of Washington (UW) cherry blossoms.

The Cherry Blossom Festival will drive the huge crowds from the UW campus, directly into local businesses. The UDP is investing significant resources to develop tools and resources including district wide branding, brochures, maps, wayfinding, decorations, and social media marketing to drive traffic into and throughout the U District.

With rapid commercial and residential growth, and the light rail expansion, this annual festival will grow in size and scale to become a must-have experience in the U District.

Staff Specific Activity

Alongside this collaborative work, Daniel continues to engage with community partners, businesses, and key stakeholders to leverage the skills, knowledge, and resources within the U District. Daniel has established relationships with:

- Office of Economic Development to explore funding mechanisms and business resources.
- Director of the UW school of Urban Planning & Design to leverage the creativity and skills of the student body.
- CoMotion and WeWork staff to better understand the entrepreneurial and start-up business needs within the community.
- Two business owners looking to expand into the U District (Yomie Yogurt & Haiti Coffee).
- Ballard Alliance Economic Development Manager to collect proven economic tools, resources, and techniques.

With this foundation of knowledge, Daniel's work plan for the remainder of the 2020 fiscal years includes:

DATA

- 1) Key Performance Indicators: (January-June)**
Continuing the management of this task force which develops, monitors, and analyzes key performance indicators to measure the economic health of the U District and provides valuable marketing tools for business recruitment.
- 2) Entrepreneurial Needs Survey: (February)**
Collaborating with CoMotion and WeWork to discover the needs of entrepreneurs, start-ups, and micro-enterprises.
- 3) Residential Needs Survey: (March)**
Collecting information about the strengths and weaknesses of services and retail from the residential community.
- 4) Database & Map of Business Types: (March-May)**
Hiring an intern to develop a comprehensive database and map of all businesses to understand the business mix within the district.

BUSINESS NETWORK

- 1) Round Table Discussions: (February - May)**
Developing small, informal events with industry specific agendas for targeted business sectors.
- 2) SLACK Virtual Business Network: (February)**
Building upon the success of the Block Watch to create a virtual business development group.
- 3) Quarterly Meeting #1: (Tentatively February 26)**
Facilitating the next business network meeting to introduce resources to the business community, with a social networking reception to follow.
- 4) Quarterly Meeting #2: (Tentatively May 27)**
Facilitating an additional business network meeting to discuss the emerging themes from the industry specific round table discussions.

MARKETING & BRANDING

- 1) Restaurant District: (May – On-going)**
Promoting the districts food amenities and creating a cohesive brand to create a destination and experience.

EVENTS

- 1) Cherry Blossom Festival: (January - April)**
Attracting residents, students, employees, and tourists that attend the annual Cherry Blossoms at UW to spend time and money in the U District.

2) Art, Beer, and Wine Walk: *(April - June)*

Working collaboratively with organizational partners and businesses to create a social event that engages participants with community art, drinks, and food.

2020 Work Plan	JAN	FEB	MAR	APR	MAY	JUN
DATA:						
Key Performance Indicators						
Entrepreneurial Needs Survey						
Residential Needs Survey						
Database & Map of Business Types						
BUSINESS NETWORK:						
Round Table Discussions						
SLACK Virtual Business Network						
Quarterly Meeting 1: Alex Pedersen						
Quarterly Meeting 2: Round Table Recap						
MARKETING & BRANDING						
Restaurant District						
EVENTS:						
Cherry Blossom Festival						
Art, Beer, and Wine Walk						

1) Urban Vitality Committee

a) The Urban Vitality Committee met in December to review Priorities for the next 6 months. These include:

- *Development Tracking:* Internally tracking all proposed, pending and completed new development in the U District using a tracking spreadsheet. Regularly checking the City of Seattle's website and the Seattle in Progress website to ensure information is updated. Attended Early Design Guidance meetings and sharing a report to the committee and in newsletters following a meeting. Sharing information on large development projects on our website. Proactively developing relationships with developers.
- *Mobility and Transportation:* Tracking progress on the Link Light Rail station, Metro Northlink Connections restructure project, Route 44 RapidRide improvement program, NE 43rd Street redesign, scooters, and any other mobility and transportation related projects. Sharing updates with stakeholders and the public online and through meetings/memos when appropriate. Working with public agencies to convene U District stakeholders or the larger community when necessary.
- *Public Realm:* Promoting existing and new open space in the district, especially the new Portage Bay park and Christie Park. as fiscal sponsor for the art installation by friends of Christie Park. Actively researching and promoting use and/or creation of publicly-accessible open space and activation of the public realm to developers. Designing public engagement around existing and potential open space at UDP events, such as the cherry blossom festival, Street Fair, Night Out, and Parking Day. Also, tracking the installation of a 5G network in the district and alerting business owners, property owners, and residents of construction impacts.
- *Land Use:* Actively tracking proposed and implemented zoning changes in the district. This includes the proposed zoning changes to University Way, which are currently being evaluated by City Council. It also includes any intention to create a historic district or landmark designation status for existing properties along University Way. When necessary, share information on the impact of zoning changes to property owners, business owners, and residents. Act as an unbiased convener when necessary.

- *Daily Engagement:* This includes all other non-project-based activities of the Community Relations Manager, such as meetings, phone calls, general marketing and engagement activities, etc.
- More information is included in the December Committee notes, attached.

b) Next Urban Vitality Committee Meeting: Tuesday, January 28, 2020

2) Development Tracking

a) Upcoming:

- **Jan. 27, 2020:** 1300 NE 45th Street – 6:30pm at Good Shepherd Center. Early Design Guidance meeting for a 23-story, 363-unit apartment building with retail. Parking for 55 vehicles proposed.
- **Jan. 27, 2020:** 4131 Brooklyn Ave NE – 8:00pm at Good Shepherd Center: Early Design Guidance meeting for a 24-story, 260-unit apartment building with retail. Parking for 100 vehicles proposed.
- **Feb. 3, 2020:** 4215 Brooklyn Ave NE – 6:30pm at Good Shepherd Center. Design Review Board Recommendation meeting for a 7-story, 24-unit apartment building with retail.
- **Feb. 24, 2020:** 4536 Brooklyn Ave NE – 6:30pm at Good Shepherd Center. Design Review Board Recommendation meeting for a 22-story congregate residence building with 286 rooms and 227 apartments.

b) Researching options to embed an interactive “development tracking” map into the UDP website. January 2020 meeting set with developer of Seattle in Progress website.

3) Transit and Mobility

a) 43rd Street:

- *Monthly Coordination Meetings:* UDP continues to be present at the monthly SDOT project team coordination meetings to ensure the concerns and opinions of community stakeholders are represented. The last project team coordination meeting was on Monday, January 6.
- *Furniture Zone:* SDOT and UDP have begun initial discussions on how UDP can support SDOT outreach to businesses regarding a furniture seating zone with removable furniture along 43rd between University Way and the Light Rail Station. This includes understanding whether businesses would like to have removable seating, the permitting process, business concerns, etc. UDP will meet with SDOT in late January/early February to discuss concrete next steps on outreach and engagement.
- *NE 43rd Pedestrian Path Closure:* As of Wednesday, January 15th, Sound Transit will permanently close the pedestrian path around the U District Station site. Once the pedestrian path closes, Sound Transit’s contractor will begin to remove

the south and west construction sound walls. Pedestrians will have to use alternate routes around the station site, on Brooklyn Ave NE and 12th Ave NE north or south of 43rd. UDP made a newsletter announcement the week of January 13 and will continue to use email and social media communications to notify subscribers of the closure.

- *Timeline:* The 100% design plan completion has been delayed to March 2020 to account for compliance with environmental regulations (completion of SEPA Checklist). More information on the project is available [here](#).

- b) **North Link Connections Mobility Project:** King County Metro has begun a restructuring process for north King County focused on coordinating service with the future three North Link light rail stations. The UDP serves on the project's Partner Review Board, a concept review team of external stakeholders and includes other representatives from major stakeholders in the project area and partner transit agencies. In December, Stephen Antupit met with Metro representatives to view proposed route changes. The project will move into its second phase of community engagement in from Jan. to March 2020, sharing initial concepts for change and collecting feedback to incorporate service network changes in Phase 3, beginning July 2020. Metro is interested in working with UDP to convene and notify U District stakeholders about proposed route changes in Phase 2 of outreach. You can learn more about the project and share your comments [here](#).

4) Land Use

- a) **U District/University Way Zoning Changes:** The City of Seattle is in the process of to evaluating the potential impacts of proposed zoning change options in several areas of the U District. These areas include University Way and area in the north district extending to Ravenna Boulevard and west to I-5. Please see [here](#) for more information on zoning alternatives.

Currently the UDP is not taking a specific position on these proposals. We believe it is critical that all stakeholders, including residents, business owners, and property owners, are aware of what is being proposed and have a chance to weigh in as the City prepares its analysis and develops recommendations to the City Council for potential action. More information is available [here](#).

- *Historic District Designation:* UDP is aware of an effort to designate a portion of the U District as a historic district. While we are not taking a specific position on this zoning issue, we have taken steps to ensure that property owners on University Way between 41st and 50th Streets NE are aware of the conversation. In December 2019 and January 2020, we sent letters to the aforementioned property owners with information on the process and potential implications of individual property landmark or district-wide historic designations, as well as suggestions for how property owners could engage in the conversation.

5) Public Realm

- a) **Crown Castle 5G Infrastructure Construction:** Crews from North Sky Communications have been busy installing fiber optic infrastructure for future 5G communications across the U District neighborhood. Currently there is construction taking place on NE 45th Street near Brooklyn Ave NE. Crown Castle plans to have construction on this area completed by the end of January 2020. They will do a temporary pavement restoration with metal plates, and have a permanent pavement restoration planned for March 2020. UDP is working with Crown Castle to closely monitor progress and make sure that progress is communication to community members. We are also responding to some business owner concerns about construction impacts, including sidewalk closures and obstructions and abandoned signage. More information on 5G installation can be found [here](#).

TO: Urban Vitality Committee Members
FROM: Katy Ricchiuto, U District Partnership
DATE: Jan. 2, 2020
RE: Dec. 2019 Urban Vitality Committee Updates

Hello Urban Vitality Committee Members,

Thank you to those of you who attended the committee meeting on Tuesday, Dec. 17. We took the opportunity to introduce the purpose of my position, hear briefly from our Economic Development Manager Daniel, and talk about the priorities for Urban Vitality for the remainder of the fiscal year (through June 2020).

The purpose of this memo is to summarize the presentation given at the meeting and provide additional context on ongoing and imminent activities for Urban Vitality. You can also review the slide deck, which is available in a separate document accompanying this memo.

It is important to note that the Built Environment Community Relations manager position was intentionally created to be funded separately from BIA fundraising with the potential of tracking land use and zoning issues in the U District. You will see Land Use as one of the five priorities listed below.

Finally, as noted above, the below priorities are for the remained of the current fiscal year, which ends in June 2020. We will begin developing priorities for the next fiscal year (which begins July 1, 2020) in the first quarter of 2020.

2020 Meeting Schedule

The Urban Vitality Committee will meet on the 4th Friday of the month in 2020 from 4:00-5:30pm. You should have received Google calendar invitations. Unless otherwise specified, meetings will be held at the UPD offices at 1415 NE 45th Street. The full year's meeting dates are:

Jan. 28	May 26	Sept. 22
Feb. 25	June 23	Oct. 27
March 24	July 28	Nov. 24
April 28	Aug. 25	Dec. 22

2019-2020 Urban Vitality Priorities

1. *Development Tracking:* Internally tracking all proposed, pending and completed new development in the U District using a tracking spreadsheet. Regularly checking the City of Seattle's website and the Seattle in Progress website to ensure information is updated. Attended Early Design Guidance meetings and sharing a report to the committee and in

newsletters following a meeting. Sharing information on large development projects on our website. Proactively developing relationships with developers.

2. *Mobility and Transportation:* Tracking progress on the Link Light Rail station, Metro Northlink Connections restructure project, Route 44 RapidRide improvement program, NE 43rd Street redesign, scooters, and any other mobility and transportation related projects. Sharing updates with stakeholders and the public online and through meetings/memos when appropriate. Working with public agencies to convene U District stakeholders or the larger community when necessary.
3. *Public Realm:* Promoting existing and new open space in the district, especially the new Portage Bay park and Christie Park. as fiscal sponsor for the art installation by friends of Christie Park. Actively researching and promoting use and/or creation of publicly-accessible open space and activation of the public realm to developers. Designing public engagement around existing and potential open space at UDP events, such as the cherry blossom festival, Street Fair, Night Out, and Parking Day. Also, tracking the installation of a 5G network in the district and alerting business owners, property owners, and residents of construction impacts.
4. *Land Use:* Actively tracking proposed and implemented zoning changes in the district. This includes the proposed zoning changes to University Way, which are currently being evaluated by City Council. It also includes any intention to create a historic district or landmark designation status for existing properties along University Way. When necessary, share unbiased information on the impact of zoning changes to property owners, business owners, and residents. Act as an unbiased convener when necessary.
5. *Daily Engagement:* This includes all other non-project-based activities of the Community Relations Manager, such as meetings, phone calls, general marketing and engagement activities, etc.

The approach to each of these priorities will be the following and is intended to allow us to accomplish the UDP's mission, which I characterize as Serve, Convene, and Advocate.

1. *Become Aware:* Actively network and research in order to become apprised of the broad range of priority issues in the district
2. *Become an Expert:* Selectively determine which projects and issues to research and develop deeper knowledge
3. *Develop Relationships:* Proactively build relationships with key project leaders, decision makers, and community members
4. *Communicate with Stakeholders:* When appropriate, determine the appropriate information to disseminate to groups of stakeholders or the broader public, and how that information will be distributed. Be an unbiased convener of community when necessary.

Project Updates

Below are brief updates on key activities that are ongoing or imminent for each priority area:

1. Development Tracking

- a. *Early Design Guidance meetings:*
 - i. Katy Ricchiuto, Mark Crawford, and Stephen Antupit attended an EDG meeting for the Touchstone development at 4530 12th Ave NE, 4519 and 4536 Brooklyn Ave NE. The property will include new 9- and 11-story buildings and a neighborhood open space. The buildings are the only new commercial office space currently proposed in the U District, and have the potential to connect area research and academics with local innovative industries.
 - ii. Katy Ricchiuto and Mark Crawford attended an EDG meeting for the Viola Apartments being developed by Astora Construction at 4048 7th Ave NE. The property be a 7-story, 79-unit apartment building with parking and affordable housing, which is until now extremely uncommon to see in new developments in the district.
- b. *Potential development tracking map on website:* We are exploring the potential to build an interactive map on our website to provide information on new development happening in the district. We have contacted the developer of Seattle in Progress to see if there's potential to plug that existing map/technology into our website.
- c. *Relationship building with developers:* Katy Ricchiuto will begin to reach out to developers with planned or in-progress projects in the district. The purpose of these meetings is to signal the UDP as an important community organization to consult before development takes place.

2. Mobility and Transportation

- a. *NE 43rd Street coordination meetings:* Katy Ricchiuto attended the November SDOT coordination meeting for the NE 43rd Street project, focused on major streetscape and traffic pattern changes between 15th Ave NE and Roosevelt Way NE . The project is at 80 percent design. SDOT hopes construction will begin in mid-2020 with a completion date in the fall of 2021 in alignment with the opening of the Sound Transit Link station. Meeting minutes are in a separate document sent with this memo.
- b. *Metro Northlink Connections Partner Review Board:* The Metro Northlink Connections project is the agency's restructure of the North Seattle bus network. The UDP was invited to participate on their Partner Review Board in 2019. The December meeting was intended to share Metro's preliminary network options with the board. Staff member Katy Ricchiuto was out on sick leave the day of the meeting, but an individual meeting to review plans in scheduled. The UDP has expressed in writing that while we are grateful for the chance to review plans, our participation does not indicate approval of any plans.
- c. *Route 44 RapidRide improvements:* SDOT and King County Metro are partnering to explore concepts for speed and reliability improvements for King County Metro Route 44, which runs from the Ballard Locks to the University of Washington Station. SDOT and King County held a public review meeting for potential traffic pattern changes (bus

lanes, channelization modifications, intersection improvements, signal optimization, and transit signal priority) on Nov. 19, 2019. Katy Ricchiuto and Mark Crawford to provide public comment on the potential impacts of traffic changes along 15th Ave and 45th Ave to surrounding streets and businesses. Work is scheduled to be complete in 2023.

3. Public Realm

- a. *5G installation:* Communications infrastructure company Crown Castle is installing fibers in the U District for ATT and Sprint in preparation for the launch of 5G in the next several years. The construction has caused some issues by blocking entrances to businesses along University Way. UDP is actively in conversation with Crown Castle to make sure that construction is proceeding without permit violations and to minimize the impacts to businesses as much as possible. Fiber installation is planned to finish in mid-2020.
- b. *Christie Park:* UDP is acting as a fiscal sponsor for the Friends of Christie Park, who are responsible for a public art installation in the newly updated park. The fiscal sponsorship runs through June 2020 (end of the fiscal year). The City is currently renovating and creating an addition to the park, with construction planned to finish in April. Friends of Christie Park hope that the public art piece will be finished by June. UDP may help market a park opening ceremony organized by the Friends of Christie Park.
- c. *Cherry Blossom event:* Daniel Lokic, Economic Development Manager, has developed a task force to plan a new event in celebration of the cherry blossoms in March/April. The event is still in the early planning stages, but there will be opportunity for the Urban Vitality committee/team to engage the public realm in the event.

4. Land Use

- a. *University Way SEIS/rezone:* The City of Seattle is in the process of preparing a [Supplemental Environmental Impact Statement \(SEIS\)](#) to evaluate the potential impacts of additional Mandatory Housing Affordability (MHA) requirements related zoning changes in several areas of the U District. These areas include University Way and area in the north district extending to Ravenna Boulevard and west to I-5. According to the most recent information we have on the process, the City presented the three alternatives for discussion as they pertain to the implementation of MHA in the remaining commercial and multi-family areas of the U District. City Council's zoning options for the Ave include the below. Note that we are working to confirm what options the final EIS (FEIS) will include.
 - i. *Alternative One:* No action, MHA is not implemented; no zoning changes (no affordable housing requirements triggered). Property owners retain the right to sell or develop their property to 65 feet with no setbacks required. Note that setbacks are step-like recessions in a wall. They are often mandated by land use codes or used for aesthetic reasons, especially in densely built-up areas where they allow for more daylight and fresh air to the street level.

ii. *Alternative Two:* Implement MHA and increase floor area and/or height by one to two stories (from 65 to 75 or 85 feet). Property owners retain the right to sell or develop their property, and setbacks will be required.

iii. *Alternative Three:*

1. Implement MHA with larger development capacity increases of more than one story in sub-portions of the study area (as in, more affordable housing requirements in sub-areas outside of the Ave. to account for fewer or no affordability requirements along the Ave).
2. Downzone the Ave to 45 feet. MHA is not implemented. Property owners maintain the right to sell or develop their property with no setbacks required.
3. *Historic or special district overlay/Landmark designations:* We are aware of an effort by a group of individuals to designate properties along University Way as Landmarks, or to explore the creating of a historic or special district overlay for the Ave as a part of the rezone conversation. UDP has not taken an opinion on the creation of a historic district along University Way. However, in an effort to make sure property owners are informed of this effort and the potential regulations involved, we have written and mailed an informational letter to all property owners between NE 41st Street and NE 50th Street. Please see the letter for more information on historic districts/Landmark designations.

Currently the UDP is not taking a specific position on these proposals. We believe it is critical that all stakeholders, including residents, business owners, and property owners, are aware of what is being proposed and have a chance to weigh in as the City prepares its analysis and develops recommendations to the City Council for potential action.

UNIVERSITY DISTRICT SERVICE FUND

FINANCIAL REPORT

JUNE 30, 2019

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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, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, 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, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Peterson Sullivan LLP.

November 5, 2019

UNIVERSITY DISTRICT SERVICE FUND

STATEMENT OF FINANCIAL POSITION

June 30, 2019

ASSETS

Current Assets

Cash and cash equivalents	\$	270,105
Government contracts receivable		96,130
Insurance claim receivable		50,650
Prepaid expenses and other assets		12,718

Total assets	\$	429,603
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$	39,572
Accrued payroll and related liabilities		14,751

Total current liabilities		54,323
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Net Assets without Donor Restrictions		375,280
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Total liabilities and net assets	\$	429,603
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See Notes to Financial Statements

UNIVERSITY DISTRICT SERVICE FUND

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2019

Support and Revenue	
Government contracts - BIA	\$ 891,300
Government contracts - other	22,000
Contributions	16,239
Event revenue	290,238
Gain on insurance claim recovery	<u>11,493</u>
Total support and revenue	1,231,270
Expenses	
Programs	1,002,295
General and administrative	<u>157,800</u>
Total expenses	<u>1,160,095</u>
Change in net assets	71,175
Net Assets without Donor Restrictions, beginning of year	<u>304,105</u>
Net Assets without Donor Restrictions, end of year	<u><u>\$ 375,280</u></u>

See Notes to Financial Statements

UNIVERSITY DISTRICT SERVICE FUND

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2019

	Program Expenses									General and Administrative	Total
	Community Engagement	Cleaning and Public Safety	Marketing	Events and Activation	Economic Development	Urban Vitality	Street Fair	Other Programs	Total Programs		
Personnel expenses	\$ 65,863	\$ 130,612	\$ 41,206	\$ 11,699	\$ 115,486	\$ 28,630	\$ 28,398	\$ -	\$ 421,894	\$ 45,566	\$ 467,460
Contractors		232,196	25,574				40,079	39,856	337,705		337,705
Professional fees	2,208				12,000		77,700		91,908	83,003	174,911
Rent and parking	7,182	14,242	4,493	1,276	12,593	3,122	3,097		46,005	4,969	50,974
Beautification		33,813							33,813		33,813
Office support	1,156	6,062	3,025		1,862	1,759			13,864	12,154	26,018
Equipment rental							18,463		18,463		18,463
Permits and registration							14,572		14,572		14,572
Technology and software	3,632						593		4,225	5,996	10,221
Supplies	593						4,530		5,123	3,473	8,596
Insurance	731	1,449	457	130	1,281	318	3,305		7,671	461	8,132
Travel and meetings	223				598		591		1,412	2,178	3,590
Banking fees							3,483		3,483		3,483
Taxes							2,157		2,157		2,157
Total expenses	<u>\$ 81,588</u>	<u>\$ 418,374</u>	<u>\$ 74,755</u>	<u>\$ 13,105</u>	<u>\$ 143,820</u>	<u>\$ 33,829</u>	<u>\$ 196,968</u>	<u>\$ 39,856</u>	<u>\$ 1,002,295</u>	<u>\$ 157,800</u>	<u>\$ 1,160,095</u>

See Notes to Financial Statements

UNIVERSITY DISTRICT SERVICE FUND

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

Cash Flows from Operating Activities	
Change in net assets	\$ 71,175
Adjustments to reconcile change in net assets to net cash flows from operating activities	
Changes in assets and liabilities	
Government contracts receivable	21,582
Insurance claim receivable	(50,650)
Prepaid expenses and other assets	(1,401)
Accounts payable	(37,944)
Accrued payroll and related liabilities	<u>4,323</u>
Net cash flows from operating activities and change in cash and cash equivalents	7,085
Cash and Cash Equivalents, beginning of year	<u>263,020</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 270,105</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 year ended June 30, 2019, the Organization earned \$891,300 under this contract. The Organization is currently awaiting Seattle City Council's vote regarding the potential renewal of the BIA contract. As the contract is the Organization's primary source of support and revenue, the outcome will greatly affect its operations. The Seattle City Council's vote is expected to take place in early 2020.

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.

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.

Financial Statement Presentation

The Organization reports information regarding its financial position according to two classes of net assets: without donor restrictions and with donor restrictions. Contributions with donor restrictions that are met in the same year as received are reported as revenues without donor restrictions. The Organization has no net assets with donor restrictions, so this class of net assets is 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, 2019.

At June 30, 2019, 87% 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 year ended June 30, 2019, 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 statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel expenses, professional fees, office support, and technology and software are allocated based on estimates of time and effort. Rent and parking as well as insurance are allocated based on an estimated use of square footage. The Organization incurred an immaterial amount of fundraising expense in the year ended June 30, 2019; 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.

Recent Accounting Pronouncement Adopted

During the year ended June 30, 2019, the Organization adopted the provisions of Accounting Standards Update ("ASU") No. 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classifications, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively.

Subsequent Events

The Organization has evaluated subsequent events through the date these financial statements were available to be issued, which was November 5, 2019.

Note 2. Liquidity and Availability of Resources

The Organization strives to maintain liquid financial assets and reserves sufficient to cover at least 60 days of general expenditures. This policy was established in order to sustain operations through delays in payments of committed funding and to accept reimbursable contracts and grants with the BIA and other organizations without jeopardizing ongoing operations. Financial assets in excess of daily cash requirements are invested in savings accounts (cash and cash equivalents).

The following table reflects the Organization's financial assets as of June 30, 2019, available to meet general expenditures within one year of the statement of financial position date.

Cash and cash equivalents	\$ 270,105
Government contracts receivable	96,130
Insurance claim receivable	50,650
	<hr/>
	\$ 416,885
	<hr/>

Note 3. Lease Obligation

The Organization previously leased its facilities under a noncancelable operating lease originally entered into in February 2018 and expiring in January 2021. In January 2019, the Organization's facilities were destroyed by a fire, leaving it without facilities from January to March 2019. In addition, a majority of their supplies and other non-capitalized office equipment were lost in the fire, which will be recovered through an insurance claim of \$50,650 (collected subsequent to June 30, 2019). The cost of recovering the damaged assets, net of insurance claim, resulted in gain on insurance claim recovery of \$11,493, recognized on the statement of activities.

In April 2019, the Organization entered a new noncancelable facilities lease which expires in January 2020. In June 2019, the Organization was able to terminate the pre-existing lease. Rent expense under these two leases (and other operating leases) was \$44,530 for the year ended June 30, 2019. Future minimum payments under the new lease total \$24,850 for the year ending June 30, 2020.