

SEED
SEATTLE
SouthEast Effective Development

2014 ANNUAL REPORT

SEED's mission is to improve the quality of life in Southeast Seattle by creating partnerships and inspiring investments in housing, arts and economic development – with a special focus on residents with fewer opportunities and resources.

SEED's vision is that Southeast Seattle is a vibrant, prosperous community with an abundance of retail, services, housing choices, arts and quality jobs. Residents from many cultures enjoy living in a diverse, safe, walkable and affordable neighborhood. Southeast Seattle is known as an arts destination driven by a strong creative economy. Food and beverage, green and knowledge-based industries thrive here and offer living wage jobs for local residents. Storefront occupancy, youth employment and high school graduation rates are high; crime and homelessness rates are low. Youth are invested in the community and schools are desirable to families. High quality education is attainable at all levels. The community has a culture of lifelong learning.

SEED's values:

- Integrity:** We are strictly ethical, honest, open, transparent, fact-based, and trusted in the community.
- Respect:** We are respectful, caring, communicative, we embrace differences, and we value and listen to the input of all team members and partners.
- Creativity:** We are curious, innovative, entrepreneurial, visionary, and we strive to make our work fun and inspiring.
- Teamwork:** We combine leadership with collaboration and dynamic partnerships.
- Dedication:** We are tenacious, hardworking, efficient, constructive, and committed.
- Quality:** We adhere to the highest standard of excellence and professionalism.
- Community:** We are based in and committed to the community, we are responsive to its needs, and we work for a sustainable relationship with the natural environment.

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FROM THE EXECUTIVE DIRECTOR

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Manager

Dear Friends,

2014 was a year of continued transition and unprecedented challenge and opportunity for Southeast Effective Development (SEED). The issues of affordability and equity – longtime daily challenges in Southeast Seattle – emerged as urgent middle class concerns citywide.

SEED's top priority was to energize implementation of the new strategic plan laboriously crafted with community partners in 2013. One of the plan's keynotes was *integration* – combining SEED's traditional housing, arts, and economic development programs in a unified community development thrust.

We are delighted to summarize in this report our fast start in executing the plan's early objectives.

Three points define SEED's community activities. First, our work is *practical* – benefitting real people in real ways. We are truly doing "effective" development, as our name suggests.

Second, all of SEED's work is *community driven*. We listen. We constantly engage with local stakeholders, an engagement that is both formal and informal, both deep and broad. Our neighbors, tenants, artists, and businesses tell us what is needed. Our goals spring from the grass roots.

Third, SEED works as a *team*. We have a brilliant and diverse Board and staff. We are constantly working with partners at all levels. Indeed, our work utterly depends on partnerships.

In this spirit, we welcome your ideas and your continued support. The need for good jobs, vibrant arts, and affordable housing is more pressing than ever. Sustaining the diversity of Southeast Seattle will not just happen. Please remember that all but a tiny portion of SEED's operating revenues flow from private sources. Our funders and donors make our work possible. We can't do this without you.

Sincerely,
Lance Matteson
Executive Director

THE SEED LEGACY

Southeast Effective Development's (SEED) legacy provides a strong foundation to help support, sustain, and catalyze Southeast Seattle's robust community and positive future growth.



SEED was founded in 1975 by community members who sought to improve the quality of life in Southeast Seattle. SEED was instrumental in reviving the historic Columbia City business district, improving access to health care for residents, retaining and recruiting key employers, expanding affordable housing in the area, and nurturing a vibrant local arts scene.

A more detailed overview of SEED's history and past achievements may be found in the 2013 SEED Annual Report, posted on our website at www.seedseattle.org. Suffice it here to say, SEED's original vision and core mission remain on point. Conditions have changed over the years, but not the basics: a decent and affordable home, a job that can support a family, and access to quality outlets for art and culture. These are central pillars of a just and vibrant community. They continue to power our purpose.



EXECUTION, TEAMWORK, AND RENEWAL

For SEED 2014 was a year of goal implementation, teamwork building, and catalyzing of renewed energy and commitment. The groundwork for this activity was laid in 2013 as we transitioned to a new leadership team, refocused our strategic vision, and did a major restructuring of our property management. SEED's 2014 achievements built on this foundation.

Execution

Benefitting the Southeast Seattle community requires organization, planning, and effective, efficient execution. SEED made great strides in implementing early goals in its first year of implementation of our 2014-2018 Strategic Plan, which was carefully sculpted in 2013 with broad community input. 2014 program achievements, including specific projects and activities corresponding to the goals and objectives in the Strategic Plan, are outlined separately below. But overall cross-department achievements focused on strengthening team and facilities capacity and breadth. SEED Board membership grew from 7 to 9 members (and is still growing), with strong community representation and diversity, easily exceeding HUD's Community Based Development Organization (CBDO) requirements. Staff capacity also grew, with the addition of a full time Director of Asset Management and a full time Community and Economic Development Assistant – implementing strategic staffing decisions made in 2013. We also made selective critical improvements in SEED's headquarters offices, grounds, equipment, and connectivity.

Teamwork

Productive, efficient teamwork and partnering are critical to SEED's success. In 2014 we paid special attention to strengthening this dimension. The contractual finance team (CFO/CPA services provided by Do It Right Accounting), already rebuilt and firmly founded in 2013, was further augmented in 2014. SEED began in earnest to implement the new Strategic Plan's mandate to up the ante in integrating the arts into all we do, starting with aggressive development of the Hillman City based SEEDArts Studios project – affordable rental studio spaces for creative enterprises – and substantive, well-coordinated contributions to the project came from SEED's real estate development, economic development, and asset management team members, as well as from the SEEDArts team. SEED continued to strengthen and deepen our relationships with commercial development partners, funding agencies, and property management firms. An exciting example of creative new partnering structures was embodied in the development structure for the Lake Washington Apartments resyndication and renovation project – which was a \$50 million affordable housing project with new cash entirely sourced with private capital investment. Finally, SEED deepened its collaboration and communication with our sister nonprofit organization, HomeSight, with which we share office ownership and occupancy.

Renewal

The renewal process at SEED gained impetus in 2014. After the staff and Board transitions that began in 2013, and our cross-the-board recommitment to SEED's equity driven mission and its diversity preserving premises, SEED launched its effort to renew its brand both substantively and in its presentation to the community. A new SEED logo refreshed our look. Accountability and transparency advanced, with the publication of a 2013 annual report, the posting of our audited financial reports online, and the reactivation of an Audit Committee comprised of one Board member and two outside CPAs (one also an attorney). In 2014 SEED settled litigation on favorable terms, protecting SEED and community interests. Finally, through persistent efforts by staff and Board members, SEED's standing with both the community and funders improved, reflected partly in favorable media coverage and in positive tenant survey feedback.

This renewing dynamic extended to all SEED's administrative and program areas. Financial administration continued to improve, including oversight of a rigorous request for proposals process resulting in a new audit firm. Programming staff participated increasingly in the budget setting function. Asset management began a major overhaul of policies and procedures, and systematically planned and undertook extensive deferred maintenance and repairs. Real estate development became more focused and creative. Economic development at SEED ramped back up as a priority – including heightened advocacy for small business development, local entrepreneur access to innovation and technology, and job creation at scale. And SEED redoubled its commitment to arts driven community development.

2014 ACHIEVEMENTS

2014 program achievements spanned economic and community development, affordable housing and real estate development, asset management, and arts and culture.

Economic and Community Development

2014 economic development highlights:



1. Validated Need for Jobs Creation
 - Tenant surveys (their #1 priority is jobs)
 - Affordability Commission public meeting (same result in instant “clicker” poll)
 - Rainier Beach Town Hall feedback (#1 priority is jobs)
 - Seattle 2035 Report (Jan 2015):
 - *Only 31.3% of 1994 20-year job creation goals met for Hub Urban Villages*
 - *Only 43% of all 20-year job goals have been met*
2. Development of Commercial Real Estate
 - Validated commercial condo model
 - Included commercial space in RCIV design
 - Piloted master lease model (Hillman City – empowered 12+ creative enterprises)
 - Influenced making commercial development a priority (Othello, Rainier Beach, etc.)
 - Facilitated commercial site searches
 - Actively explored 18+ commercial development project opportunities
3. Launched Makerspace Network
 - Advocated the concept of places for making things, innovating, applied learning
 - Facilitated networking among 6 heretofore disconnected makerspace projects
 - Tangibly supported coding makerspace pilot at Rainier Beach High School
 - Launched SEEDLab in Hillman City
 - Engaged with UW and Seattle U interns about makerspace development
4. Launched E-Commerce Project
 - Connected with Ignite WA via Tony Benton, CADMA, RVCC
 - Engaged with Meylah.com to launch Shop206.com, the 2nd local e-commerce portal in State
 - Explored serious partnering opportunities (Microsoft, Prudential, KIRO, City, Chamber, ID/SCIDPA)



5. Advocated for Mt. Baker Re-zone
 - Highlighted jobs creation/retention as common ground in community
 - Made the case for density as enabling development of places for jobs at scale
 - Took a bold, visible position for economic development
 - Our position prevailed – the rezone is law
6. Advanced Local Business Districts
 - Actively facilitated three such districts:
 - Rainier Beach
 - Genesee/Mt. Baker (implemented \$50,000 marketing grant from OH)
 - Beacon Hill
 - Modestly facilitated three other districts:
 - Columbia City
 - Hillman City
 - Othello
 - Secured \$85,000 from City (OED/OIS)
7. Boosted Creative Enterprises
8. SEEDArts Studios – creative economy
 - Artists income from sale of work
 - Artists in public art projects
 - Artists in education
 - Artists in community development

Affordable Housing and Real Estate Development

2014 housing and mixed-use real estate projects that SEED developed with its partners included:

Lake WA Apartment rehab

SEED and development partner Bayside Communities, started construction in March 2014 on a \$50-million rehab project at the Lake WA Apartments that is financed with \$28 million in tax exempt bonds and \$12 million from tax credit investors.



- 366 units will be upgraded and 13 new affordable one-bedroom units will be added for a total of 379 units.

The rehab will encompass all buildings. The proposed scope of work includes replacing all roofs; updating all existing residential units with new cabinets, countertops, appliances, flooring, lights, radiant heaters, water heaters, and adding in-unit washers/dryers. Deficient plumbing and electrical will be upgraded. Thirteen existing storage units will be converted into 1-bedroom/1bath apartments. The office, lobby, community space, and maintenance shop will be expanded and updated. Ventilation to common areas and maintenance shop will be improved. Utility connections to buildings will be modified to accommodate for settling. A fitness center

will be built; parking expanded by 50-75 spaces; three more community gardens added; additional security cameras installed; and the site entry will be modified.

- Soon after construction commenced, additional repair needs were discovered that added \$2 million to the construction budget. The demolition of kitchens in the first building revealed that all cast iron plumbing stacks were in various states of disrepair and should not be repaired but replaced. Additional removal of mold was needed, primarily in the bathroom behind the tub surrounds and plumbing wall but mold in the kitchen plumbing walls was also discovered that needed to be remediated. R4, the Tax Credit Investor, agreed to increase the debt limit on the Lake WA rehab project from \$26 million to \$28 million.
- Proposed rents after rehab: The maximum proposed increase is \$83/month/year – for many households the rent increase will be less than this. The impact of the rent increase will be reduced by savings for the tenant from the new in-unit washer/dryer. Monthly savings on laundry will range from \$38 to \$66 per month, depending on household size.
- This is a non-prevailing wage construction project, with no monitoring by the City of Seattle to prevent wage theft, so SEED and Bayside Communities created a flyer for distribution to construction workers regarding wage theft. Sean Phelan (attorney experienced in mediating wage disagreements) will be available to answer questions and help resolve any worker wage issues.
- Construction at the Lake WA Apartments is progressing well and the estimated project completion date is 11/6/2015.
- SEED created a new partnership between the Urban Farm (Tilth) and Lake WA Apartments. A \$10,000 donation to Tilth was made available through WSHFC Bond financing. Tilth taught 36 residents how to cook local seasonal foods and they cooked three community dinners in 2014. Tilth also provided elderly residents the chance to garden at the farm, have lunch made from farm produce once a week, and take home a bag of produce. Tilth continues to work with families at the onsite daycare to gain more participation in the “Good Food Bag” program.



Rainier Court III

SEED, with development partner Bryan Park, completed construction of a \$14 million project that provided 70 affordable senior apartments at Rainier Court III (now “Columbia Gardens”) in August, 2014.

- Units were 75% pre-leased (53 out of the 70 total units) before obtaining the Certificate of Occupancy, indicating a very strong market for affordable senior apartments.
- The environmental cleanup of this site and on time repayment of the Brownfield revolving loan has been marketed by the State Commerce Department as a Seattle success story.
- Public Art created by local artists Alexandra Panieri and Daniel Barsher, consisting of large scale and colorful flowers, art benches and light pole banners were installed in September.

SEEDArts Studios in Hillman City

In August, 2014 SEED completed a \$50,000 rehab of the second floor of a historic hotel in Hillman City and created 22 artist work studios to stimulate redevelopment in Hillman City.

- SEED created a new partnership between the SEEDArts Studios and the Collaboratory (on the ground floor) of the O’Keefe building. Together these two organizations successfully installed business level Internet service that now serves the entire building at a reduced cost for both organizations.

Marketing Mt Baker Transit Oriented District (TOD) businesses

SEED and Artspace partnered to market two new mixed-use developments, the Claremont and Artspace Mt Baker Lofts, and other businesses in the Mt Baker light rail station area. Funding of \$50,000 was provided by a City of Seattle Cornerstones grant.



- An artist panel discussion on the topic of “Utilizing Commercial Space for Creative Activities” was held on February 11th from 6pm-8pm at the Claremont. This event provided local artists information about commercial space at the Claremont and the new Mt Baker Lofts, discussed what is involved in completing tenant improvements, and shared general business tips. About 40 artists participated.
- SEED sponsored a Mt Baker street art event on June 28th from 11am- 3pm to activate Rainier Avenue with participation from businesses and residents from the neighborhood. SEED hired Cori Ready to design an Art Event that would draw attention to the section of Rainier Avenue between the new Artspace artist lofts (at the light rail station) and the Claremont apartments. Cori came up with the concept, “Connect the Dots – Walk.Ride.Make.Eat. on Rainier Ave South”. The event started at the Mt Baker Light Rail Station with live music, unique local crafts, Franklin High School Dance Team, Lion Dancers, Chaotic Wzdumb (DJ), and a skate board demonstration by “Skate Like A Girl”. A parade, led by the Chaotic Noise Marching Band, moved the crowd down Rainier to the Claremont commercial suites where an art workshop, drumming circle and food trucks were featured. About 150 people attended this event.
- SEED hired consultant Peter Tran to meet with small business owners in the area, many of whom are Vietnamese, to report on needs related to growing their businesses. SEED also hired Penniless Projects consultants Maia Segura and Daimian Lix to market the area around the Mt Baker light rail station by getting input from the business community, defining an identity, creating a logo and a pedestrian walk/bike map. We now have a PowerPoint presentation of the Mt Baker community identity and a logo that can be used to market the neighborhood. It includes significant history of businesses and famous people who have their roots in this area. Many current business owners and residents in the community participated in the process of defining the identity for this neighborhood. The Mt Baker

Neighborhood Walk & Bike Map has been completed. Several local organizations (King County, Mt Baker Community Club, and Mioposto Pizzeria) have contributed to cover the cost of printing the first 6000 maps.

Claremont commercial suites

SEED, with the help of commercial Broker Kathleen Taylor, sold all four commercial suites at the Claremont in 2014. The Rainier Valley Commercial Development Fund (RVCDF) \$950,000 commercial loan on the property, with a 10-year term, was paid off in three years.

- Four minority-owned businesses provide needed community services (dentistry, Tae Kwon Do instruction, Real Estate services, and a Fired Arts studio) and have made an investment in the Mt Baker TOD area with the purchase of commercial condos at the Claremont. Owning commercial property now will protect them from being priced out later, after additional redevelopment occurs in the area.



Rainier Court IV

In December 2014, SEED and private development partner Bryan Park submitted a financially feasible \$24.4 million mixed-use project on the Rainier Court IV site for \$3 million in financing from the State Housing Trust Fund. Preliminary design includes 90 affordable senior apartments, 10 commercial suites, and environmental remediation of a contaminated site.

- SEED is also working with the Seattle Parks Department to develop a $\frac{3}{4}$ acre public park on the south end of the RCIV block.
- SEED met with Office of Housing (OH) staff and Director, Steve Walker, on November 24th. We were successful in getting their commitment to support State Housing Trust Fund financing for this project.

Projects in the pipeline

Create potential project partnerships with landowners in Rainier Beach or Othello near light rail stations. Projects that are in early development stages:

- Potential project partnership with a landowner in Rainier Beach TOD is in progress with a property owner, within $\frac{1}{2}$ mile of the Light Rail Station for development of a mixed-use project.
- SEED partnered with HomeSight to submit a mixed-use development proposal in response to a Sound Transit RFP for a site near the Othello the light rail station. Our proposed project was not selected.

Asset Management

SEED provides affordable housing to more than 1,000 individuals and families. Our mission is to preserve the long-term health and financial viability of our portfolio assets and provide quality customer service.

In 2014 SEED's Asset Management team continued to successfully manage its portfolio through consistency, continuity, and collaboration. Strategically managing its assets to achieve desired outcomes set by the Board, SEED's Asset Management team strives to address not just physical conditions – it also addresses broader human considerations through its resident-centered management services model.

Except for newly developed properties at Rainier Court and the Claremont, SEED has an aging portfolio that offers some functional obsolescence and escalating capital needs. In 2014 SEED implemented a long term funding strategy to address the capital needs for four of its smallest projects. Those projects would be combined and refinanced under one loan. The infusion of cash (at a low rate) will allow SEED to bring the properties up to a presentable long-term condition and maintain the property's competitive marketability.

Day-to-day management of all SEED's residential properties is now handled by third party property management firms: Coast Real Estate Services, Senior Housing Assistance Group (SHAG), Independent Living, and FPI/Bayside.

Key Accomplishments:

- Completed the first year of Annual Inspections of all SEED owned properties by SEED staff
- Completed the first year of Resident Surveys for all SEED owned properties
- Improved occupancy and rent collections by 2% from 2013
- Initiated the sale of excess land at Lilac Lodge Apartments
- Continued to work on the refinancing of four SEED owned properties
- Purchased first duplex under our proposed "Take Back Your Neighborhood" program
- Received and began renovations on three donated single family homes in Kent, Washington
- Completed property management transition to Coast Real Estate Services
- Co-chaired the Housing Development Consortium Asset and Property Management Affinity Group
- Completed initial design for proposed elevator at Lilac Lodge Senior Apartments



During 2014, SEED, through a donation by one of its development partners, added three single-family homes to its portfolio. The homes located in Kent and built in the early 1900s had been vacant for a few years and were starting to deteriorate.

SEED renovated the properties for occupancy while visually maintaining the look and feel of the original design. SEED hopes to join with HomeSight to offer home ownership opportunities for first-time homebuyers. Renovations were completed by end of 2014 on two homes.

Key Performance Indicators: (219 units SEED owned properties)

• Number of households served	252
• Number of people served	506
• Occupancy rate for all units	95%
• Number of households on wait list	37
• Rent collection rate	98%
• Turnovers	21%
• Per unit Annual Expense	\$5,147

SEEDArts

Columbia City Gallery

- Columbia City Gallery sales were \$104,427 – the second year in a row over \$100,000
- Gallery maintained rotating exhibits in a pop-up gallery in the Seattle Center Armory. Sales for the 6-month period were about \$6,700 and we met several new clients as a result of the partnership.
- CCG artists approved new gallery structure that added one more exhibit per year and raised member dues (to pay for the added expense). We expect this will further increase sales in 2015 as sales tend to last the last few weeks of each exhibit.
- Columbia City Gallery celebrated its 15-year anniversary.



SEEDArts Studios

- In collaboration with Housing and Economic Development staff, SEEDArts leased and renovated the top floor of 5617 Rainier Ave S to convert to artist studios. Renovations consisted of new floors, electrical upgrades, interior painting, and Internet installation.
- Sublet 80% of the studios by December.
- Reserved one studio (#21) to become SEEDLab, a community art making and makerspace.
- Received \$26,723 in matching funds from 4Culture and Office of Arts & Culture to put in new flooring and install security fixtures.

Public & Community Arts

- Facilitated contracts with artists for three major works at Tukwila Village: East Coast artist Stu Schechter for **Time Keeper** (12 ft. wood inlay clock tower), local artist team Bruce & Shannon Andersen for **Twin Wind Sculptures** (16 ft. kinetic mandala sculptures), and Southeast Seattle artists Mary Coss for **Waves of Welcome** (8 ft. water vessel).
- Facilitated a sound component to the Courtland Glass Mosaic (targeted for installation in early 2015). Twelve women residents recorded their songs, poetry, and stories at Jack Straw Productions. A speaker system near the mosaic will allow the public to experience the audio.
- Hired local ceramic artist Julie Maher to work with youth from Rainier Court to design and fabricate mosaic tiles for the entrance column at Columbia Gardens, the new senior housing building.
- Completed four sessions of after school classes at Lake WA Apts with teaching artists Anne Harrington, Deborah Lawrence, and Carl Smool. In summer we partnered with Catholic Community Services to teach an Art & Science Summer Camp.



Rainier Valley Cultural Center

- Launched new RVCC website: www.rainiervalleyculturalcenter.org.
- In a new partnership with Northwest Folklife Festival, SEEDArts showcased diverse Rainier Valley performers at the Xfinity Amphitheater stage during the 2014 Folklife Festival. We presented The EriAm Sisters, Jazz Night School, and Kutt'N Up. NW Folklife also partnered with RVCC to present Arts Gumbo 2014 featuring Japan, Tahiti, and the Caribbean. The event featured music, dance, food, book readings, a companion visual exhibit at Columbia City gallery, and films from each culture.
- RVCC hosted a variety of community productions including an after-school musical theater club production of The Little Mermaid, Magic Circle Mime Theater, Congressman Adam Smith's Town Meeting, West African Christian Church Cultural Event, Magic Circle Mime rehearsals, Walk of Faith Church Services, Red Eagle Soaring Youth Theater rehearsals, JazzED classes, Jazz Night School rehearsals and performances, Banda Le Mejor rehearsals, Group Health Walks, Life Line Screening, Columbia City Landmarks Board, and Hispanic Seafair.
- Presenting Partners Anything Is Possible Theater Company staged a two-week run of Robin Hood in August and Jazz Night School held six performances that brought in students and music patron from around the region.



- SEEDArts Cinema held its 2nd annual Made in the NW festival, two days of locally made documentaries; two Cinema Under the Stars events (securing \$4,330 in sponsorships from local businesses); and coordinated a new series of Fall Foreign Films to coincide with and complement the Arts Gumbo series.



Rainier Valley Radio

- On behalf of Rainier Valley Radio, SEED received a construction permit and FM license to operate a low power station at 107.5 FM. The radio station is being facilitated by a group of radio enthusiasts working with SEED to start a terrestrial and online station in early 2016. A broadcast station has been secured and a timeline has been established to raise the funds required to build out at a vacant commercial suite at Rainier Court.
- Rainier Valley Radio, in partnership with MUSICA, launched the Creative Arts Digital Media Academy for middle and high school youth at Rainier Community Center, Rainier Vista Boys & Girls Club, and Mercer Middle School and trained 30 youth in digital media skills.

THANK YOU TO OUR DONORS

In 2014, SEED received \$174,370 from foundations, corporations and individual contributions.

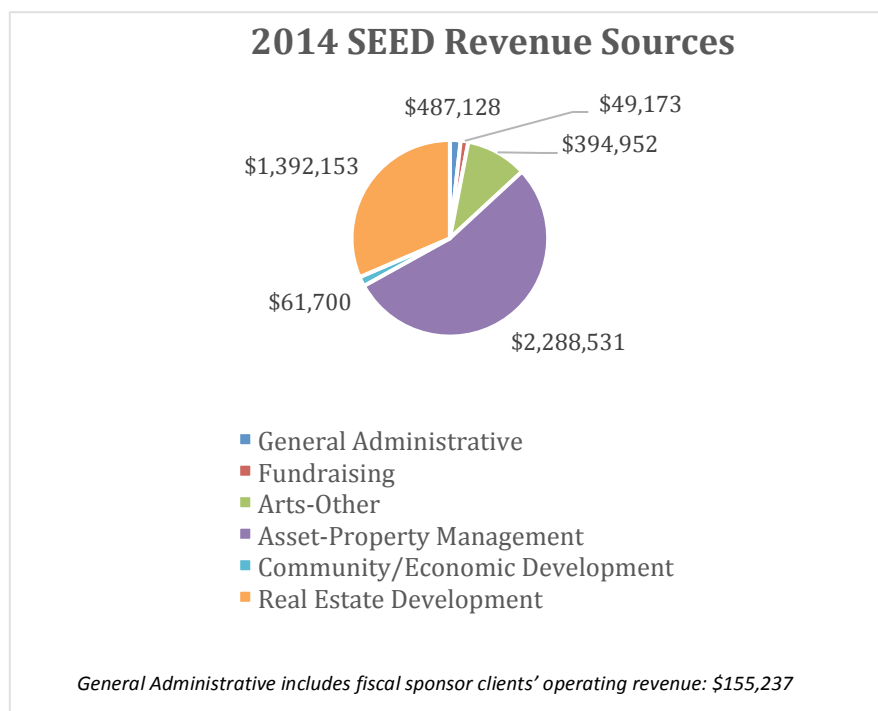
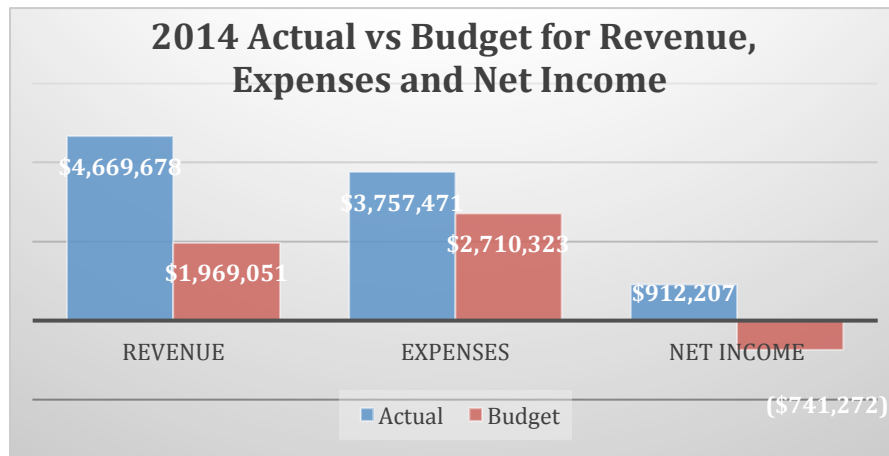
Major contributors:

Bayside Communities LLC, BNSF Railway Foundation, C&G Law Group P.S, CHC Services LLC, CITI, Enterprise, Fidelity Charitable, Green River Court Apt, Jeffris Wood Foundation, Kantor Taylor, Kenyon Health, Kim's TaeKwoDo, Meeker Court Apt, Norcliffe Foundation, OneFamily Foundation, Pacific Northern Construction Co. Inc, Park Court Apt, PCC, Peterson Sullivan LLP, Puffin Foundation, Satterberg Foundation, Seattle Foundation, US Bank Foundation, James Brusstar, and Anthony McMillan

FINANCIAL SUMMARY

2014 was a strong year financially for SEED. Highlights included:

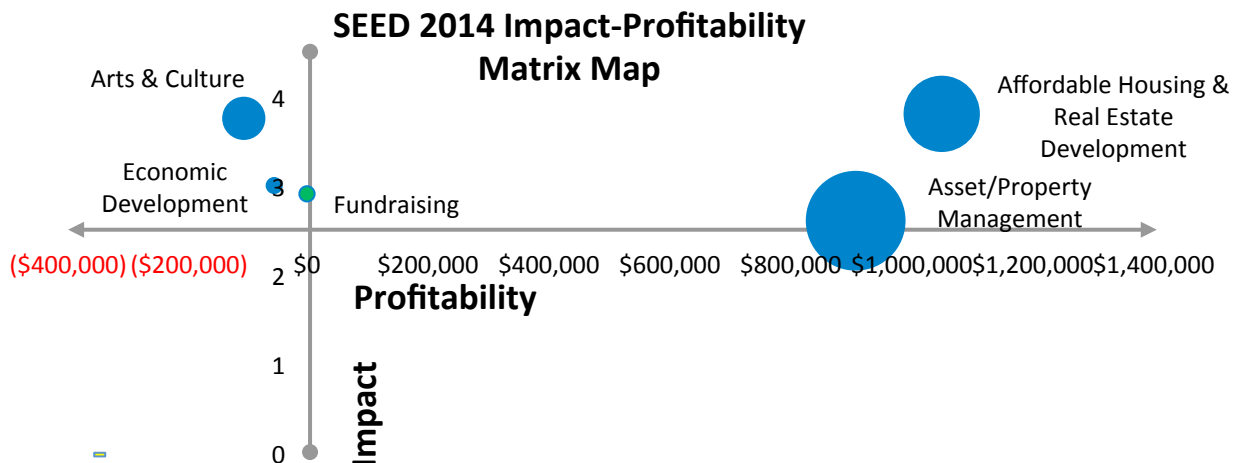
- Net income of \$889,000
- Rainier Court III, a project to develop and operate 70 units of residential housing in Columbia Gardens at Rainier Court, was finished and placed in service at a total project cost of \$14 million
- Development planning started on Rainier Court IV, a project to develop and operate 90 rental housing units, with a total estimated project cost of \$24 million
- Sold Lake Washington Limited Partnership to Lake Washington II Limited Liability Partnership, recognizing a gain of \$852,000 and earning a project management fee of \$150,000
- Received three donated single-family residences valued at \$506,000
- Sold three commercial condominium units at the Claremont Apartments, for a gain of \$91,000



2014 Financial Statement (Audited)

STATEMENT OF FINANCIAL POSITION	
(12/31/2014)	
ASSETS	
Cash and Investments	1,065,686
Accounts Receivable and Other Assets	2,598,495
Developer fee receivable	6,173,039
Notes receivable	895,574
Restricted reserves	1,194,849
Project development costs	4,116,743
Investment in LLC	1,281,278
Land, property and equipment	19,333,328
Other Assets	
Total Assets	36,658,992
LIABILITIES and NET ASSETS	
Accounts and Other Payables	889,809
Project management fee payable	5,767,616
Long Term Debt and Accrued interest	24,371,323
Total Liabilities	31,028,748
Net Assets	5,630,244
Total Liabilities and Net Assets	36,658,992

STATEMENT OF ACTIVITIES	
	Unrestricted
Revenues	4,673,637
Net Assets Release from Restriction	0
Total Revenue	4,673,637
Total Expenses	3,784,603
Change in Net Assets	889,034
Net Assets Beginning of the Year	4,741,210
Net Assets 12/31/14	5,630,244



LOOKING TO THE FUTURE

In 2015 SEED will celebrate a milestone: our 40th anniversary. This occasion marks four decades of community development by SEED in Southeast Seattle. We will have plenty to be proud about. But we will also have much to ponder regarding the needs and trends – immediate ones as well as medium and long term. What will Southeast Seattle look like 40 years from now? What vision and activism do current trends call forth from SEED and its supporters?

SEED interacts yearly and constantly with thousands of affordable housing tenants, workers, small business operators, nonprofits, and innovators and creators in this community. We do surveys and focus groups at times, but our Board and staff are already in the heart of the community and glean directly from local concerns and needs. From this basis, when the SEED team looks into the future we see the following urgent challenges emerging – some of them familiar, many with new twists:

- Shaping the community's inevitable growth and increased density in a manner than is community driven, equitable, and maintains or creates a beautiful, vibrant, livable, and environmentally sustainable community
- Countering displacement of local residents – most of them lower income, immigrants, and people of color – through a major expansion of access to well-managed, high quality affordable housing
- Preserving and multiplying expressions of art and culture befitting our multiethnic heritage and driving community renewal that nurtures the creativity and the nonmaterial riches of mind, heart, and soul – for peoples of all cultures, ages, and lifestyles
- Creation of thousands of living wage jobs for local residents – and development of the skills and knowledge to land and succeed in those jobs
- Preservation and prospering of diverse small businesses – including expansion at scale of affordable commercial space, business and technology know-how, and fostering a vigorous culture of entrepreneurship, innovation, and life-long learning
- Improving public health and safety
- Leadership for community and economic development, convening different cultural communities for common good, more strategic partnerships (non-profit and private sector) and integration of interests, bringing people together
- More efficient and innovative delivery of nonprofit resources – more transparent, efficient, businesslike, and broad-based marshaling and deploying of human, intellectual, and financial resources.

SEED eagerly looks forward to engaging with community members in intelligent, vigorous responses to these looming challenges. As always, we welcome new ideas and participants in this effort.