



# Project Summary and FAQs

Watershed

Ecotone Analytics Social Impact Analysis

November 2024

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# High Level Takeaway

Watershed is projected to support the creation of \$244 million<sup>1</sup> in social value due to the affordable housing, arts-centric investments, planned programming, community resources, and improvements to public spaces that will be a part of The Bend. This is value that would not be realized by a typical market rate housing development and is in addition to any financial return generated for debt holders. Further, of that \$244 million, nearly \$140 million would not be achieved by typical affordable housing developments either.

The \$244 million in social value consists of \$128 million in value generated directly by Watershed and another \$116 million that can be realized with the investment of community partners in and around The Bend.

To realize this value, Watershed is raising impact investment funds, via a combination of debt and grants: \$109 million in below-market rate debt and \$54 million in grants and donations. Considering the foregone returns of the below-market rate debt (approximately \$38 million) and the direct value of the grants and donations targeted (\$54 million), Watershed is seeking approximately \$92 million in philanthropic contributions to bring the full vision of The Bend to life.

With Watershed projected to generate \$128 million in social and environmental value, every \$1 of philanthropic contribution is projected to generate \$1.39 of social and environmental impact. Philanthropic contributions will also help unlock \$116M in projected social and environmental value that can be generated with community partners' co-investment. This is value Watershed is committed to supporting through the planned buildings, public spaces, and staff time.

While the \$92 million in philanthropic contributions will go towards all 100 commitments that Watershed has for The Bend, when looking only at those commitments that are direct services provided entirely by Watershed (e.g. affordable housing units), the philanthropic contribution for those commitments is approximately \$54 million. This translates to a philanthropic SROI of \$2.37 - every \$1 of philanthropic contributions to direct service provision commitments is projected to generate approximately \$2.37 in social and environmental value.

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<sup>1</sup> The projected \$244 million is the present value of benefits generated over the next 30 years.

# Investment Sought

- Total Impact Investment Funds being Raised: \$163 million (combining grants and below-market rate debt)
- Total Philanthropic Contribution Sought: \$92 million (combining grants and foregone returns on below-market rate debt)
- Proportion of total philanthropic contribution going towards direct service provision commitments: \$54 million

# Projected Benefits

- Total Projected Benefits generated directly from Watershed's investment: \$128 million
- Total Projected Benefits supported with community partners' co-investment: \$116 million
- Total Projected Benefits from Watershed and Community Partners: \$244 million

# Projected Social Return on Investment

- Philanthropic SROI on all commitments: \$1.39
- Philanthropic SROI on direct service provision commitments: \$2.37

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# Project Summary

## The Vision and Expected Impact of The Bend

Watershed's development of The Bend is expected to support social and environmental value across 100 planned commitments that are divided into 5 imperatives. These imperatives include: Affordable Spaces, Art as Convener, Diverse and Inclusive Community, Environment and Stewardship, and Livable Neighborhood.

These 5 imperatives help make The Bend much more than just an affordable housing project.

- **Community Wealth & Health:** The Bend aims to go beyond traditional development by “cultivating community wealth and health” through real estate, engagement, and targeted programming.
- **Innovation:** Minimizing reliance on traditional affordable housing funding, The Bend seeks to be a replicable model while freeing up public resources.
- **Data-Driven Approach:** A commitment to robust impact measurement, SROI analysis, and ongoing data collection is central to The Bend's strategy.
- **Intangible Value:** Alongside quantifiable metrics, The Bend recognizes the less measurable benefits of art, belonging, and long-term community resilience.
- **Targeted Beneficiaries:** The Bend prioritizes serving low- to moderate-income residents, artists, and those facing systemic inequities, with highly specific demographics outlined.

Collectively, Watershed's commitments are expected to support more equitable communities with rich cultural environments, increased access to affordable housing and workspaces, increased wealth building and economic inclusion, improved environmental conditions, and improved health and well-being for low-income, diverse, and artist communities in Seattle.

This analysis projected the expected impact of The Bend's commitments and found that at least 33 of the 100 commitments have monetized impacts - impacts that can be summarized in dollar terms - showing the potential social and environmental returns on the development of The Bend, returns that are unique to The Bend and its focus on generating positive social and environmental impacts.

## Distilled Logic Model of The Bend's Intended Impacts

This analysis developed a qualitative logic model of the evidence-informed, expected impacts for all 100 commitments. The logic model (full version found in the technical document accompanying this document) summarizes the scope of inputs, activities, and intended outcomes and impacts from those activities and inputs. This model shows the breadth and depth of change expected to be facilitated by the development of The Bend.

Inputs	Activities	Outputs	Short-term Outcomes	Intermediate Outcomes	Long-Term Outcomes	2nd Generation Outcomes	Impact
<ul style="list-style-type: none"> <li>Funding</li> <li>Project team, including Watershed board and staff</li> <li>Contractors, architects, design architects, engineers, etc.</li> <li>Partnerships</li> <li>Georgetown community residents; BIPOC individuals; artists; low-income residents</li> </ul>	<ul style="list-style-type: none"> <li>Real estate development, building affordable live / work places</li> <li>Community outreach and engagement</li> <li>Build artist live, work, and gallery spaces</li> <li>Engage residents, community members, and broader public through art</li> <li>Design residences with resident functionality in mind</li> <li>Provide child care and early childhood education option</li> <li>Design connective community spaces</li> <li>Build non-car transit options</li> <li>Install green infrastructure</li> <li>Recycle construction and demolition waste</li> <li>Integrate renewable energy and EV charging options</li> <li>Design public green spaces</li> </ul>	<ul style="list-style-type: none"> <li># of residents (disaggregated by gender, race / ethnicity, age, occupation (artist), etc.)</li> <li># of units (by AMI and # of bedrooms)</li> <li># of businesses, employees and artists based in the district</li> <li># of art installations, events, community engagement activities</li> <li>% of units designed for accessibility</li> <li># of bus routes, shuttles, and car shares available</li> <li># of visitors</li> <li># of community serving entities (grocery, pharmacy, early childhood education, etc.)</li> <li># of tons of waste diverted from landfill</li> <li># of energy efficiency / infrastructure installations</li> <li>Area with green infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment in Georgetown community</li> <li>Increased affordable housing and workspaces</li> <li>Reduced barriers to arts / increased arts inclusion</li> <li>Increased access to artist workspace</li> <li>Increased participation in arts</li> <li>Increased accessibility of housing units to diversity of residents</li> <li>Increased use of public transit, bicycling and walking</li> <li>Increased access to and use of early childhood education</li> <li>Increased healthy food access</li> <li>Increased access to green space</li> <li>Increased energy efficiency and environmental health of buildings</li> <li>Increased retention and filtering of rainwater</li> </ul>	<ul style="list-style-type: none"> <li>Improved family / resident stability</li> <li>Increased connection to network of artists and makers</li> <li>Increased community engagement / involvement</li> <li>Reduced displacement</li> <li>Increased spending power from reduced housing cost burden</li> <li>Increased housing quality</li> <li>Increased independence for residents</li> <li>Improved diets and food access</li> <li>Reduced vehicle miles traveled (VMT)</li> <li>Improved air quality</li> <li>Increased energy savings</li> <li>Reduced waste in landfills</li> </ul>	<ul style="list-style-type: none"> <li>Improved quality of life for residents</li> <li>Increased individual artist well-being</li> <li>Increased sense of community, community ownership, and sense of pride</li> <li>Improved mental and physical health</li> <li>Increased economic security and wealth for households</li> <li>Improved quality of life</li> <li>Increased property values</li> <li>Reduced GHG emissions</li> <li>Reduced consumer costs for vehicle maintenance, parking, taxes, etc.</li> <li>Reduced risk of environmental hazards and pollution</li> </ul>	<ul style="list-style-type: none"> <li>Improved child nutrition and health, particularly for lowest income families</li> <li>Reduced climate risks for children</li> <li>Increased educational attainment, reduced risk of substance abuse</li> </ul>	<ul style="list-style-type: none"> <li>Increased equitable communities with rich cultural environments</li> <li>Increased access and reduced disparities in access to affordable housing and workspaces</li> <li>Increased community wealth and inclusion</li> <li>Improved community well-being and health</li> <li>Improved environmental and climate conditions</li> </ul>

# Monetizing the Projected Impacts of The Bend

Total monetized benefits across the 33 commitments where monetization was possible, and the 48 outcomes generated from those commitments amounted to approximately: \$244.6 million. This is the projected social and environmental value supported by Watershed. Prominent insights from the analysis include:

- Affordable Housing Impact:** Watershed’s investment in affordable housing is expected to save residents \$455 - \$1,150 monthly, allowing for better living conditions and enhanced overall well-being. Over 30 years this amounts to over \$86.8 million in savings for residents.
- Arts and Culture Benefits:** The Bend’s emphasis on arts is projected to boost residents’ and community members’ well-being by \$66.3 million, increase youths’ future lifetime earnings by \$15.8 million while also helping reduce health care expenditures and reduce crime rates in the community. Future research will help capture more benefits of arts and culture.
- Sustainability Initiatives:** Watershed’s environmentally sustainable practices, such as energy efficiency and solar power, are anticipated to lower emissions, save money for residents, and increase property values, reflecting a commitment to holistic development.
- SROI Insights:** The Bend shows a positive social return on investment (SROI) despite data gaps limiting the understanding of its full impact.
- Impact Measurement System:** The development of a robust system to track metrics like rent savings and resident well-being, will help ensure the full scope of impacts are better captured while also helping The Bend to adapt and maximize its positive community impact.

The function of Watershed’s funding of commitments serves one of three purposes:

- Direct service provision:** Watershed generates the impact on its own
- Catalyst:** Watershed creates the opportunity for impact to be generated by others
- Facilitation:** Watershed works with partners to deliver the intended impact

Disaggregating the benefits by the function of Watershed funding shows how Watershed’s investment will be delivering value. \$128 million is projected to be generated directly from Watershed’s investment, \$111 million is projected to be generated from activities catalyzed by Watershed. \$5 million is projected to be generated from activities that Watershed works with partners to implement.

**Table 1. Total Benefits**

	<b>Total Monetized Benefit</b> (e.g. multi-year present value for all people impacted)
Benefits Directly Generated	\$128,297,825
Benefits Catalyzed	\$111,179,239
Benefits Facilitated	\$5,104,754
<b>Total Benefits Supported</b>	<b>\$244,581,818</b>

The following tables (2 and 3) show the monetized benefits stemming from Watershed’s catalyzing and facilitation commitments.

**Table 2.** Benefits and talking points from Watershed’s Catalyst investments

Imperative	Outcomes	Total Monetized Benefit	Total Quantified Benefit per year	Sample Talking Point
Art as Convener*	Improved wellbeing from arts participation (for public)	\$66,310,496	16,000 people improve wellbeing from arts participation at The Bend per year	Watershed’s investment of \$45,752 in commitment 21 will allow it to make art publicly available. This lays the groundwork for outcomes such as improved wellbeing from arts participation that can support over \$66 million in value.
	Increased educational attainment from arts participation for at-risk youth (for public)	\$15,815,615	29.9 youth increase educational attainment	Watershed is investing in making art publicly available and supporting public art-making (commitments 21 and 31). These commitments and associated activities lay the groundwork for educational and health outcomes that can support over \$20 million in value.
	Avoided cost of doctor visit from arts participation (for public)	\$5,071,055	6,552 doctors visits avoided	
Environment and Stewardship	Improved physical health from increased walking/biking	\$12,064	1,231 miles of walking trips added	The \$7,648,575 investment will catalyze the creation of pedestrian-friendly pavements, a bicycle master plan, and improvements to 12 intersections (commitments 72, 85, and 90). These will lay the groundwork for health outcomes that can support \$12,064 in value and reduced VMT outcomes that support \$5,791 in value.
	Reduced VMT - air, noise, water benefits (walking)	\$5,791	14,772 vehicle miles traveled avoided from increased walking	
Liveable Neighborhood	Increased earnings from additional education (early childhood education)	\$10,484,491	30 early childhood education students reached	Watershed plays a catalytic role in the creation of an early childhood education center in The Bend (commitment 76), and its investment will help ensure that at least 30 students will be served. This lays the groundwork for future earnings and reduced special education costs that can support \$10,484,491 and \$1,019,261 in value.
	Reduced likelihood of use of K-12 special education thanks to early childhood education	\$1,019,261	30 early childhood education students reached	
	Reduced food insecurity from access to food bank	\$6,786,909	3,643 additional people reached	Watershed is committed to ensuring food security in The Bend (commitment 75), and its investment in a food bank will lay the groundwork for reduced food insecurity outcomes that can support \$6,786,909 in value.
	Reduced serious crime from cultural resources in a neighborhood	\$5,673,557	14.2 fewer crimes from cultural resources in the neighborhood	Watershed’s investment in livability will allow it to promote livability and community cohesion via active transit through a bicycle master plan, improved intersections, etc.; arts and resident-oriented design and apartment features; and local businesses and neighborhood resources. These activities lay the groundwork for reduced serious crime from cultural resources in a neighborhood which support \$5,673,557 in value.

\* Ecotone expects commitment 51 (Diverse and Inclusive Community) to support the realization of this value as well.

**Table 3.** Benefits and talking points from Facilitation investments

Imperative	Outcomes	Total Monetized Benefit	Total Quantified Benefit	Sample Talking Point
Environment and Stewardship	Reduced consumer costs for vehicle maintenance, parking, taxes, etc. from reduced vehicle use	\$2,984,484	1,000,000 vehicle miles traveled reduced per year	Watershed’s partnership(s) to achieve commitment 66 will support consumer maintenance cost savings benefits valued at \$2,984,484.
	Reduced VMT - air, noise, water benefits - HIGH	\$1,790,690		Watershed is partnering to achieve commitment 66, a commitment that is projected to support air, noise, and water benefits valued conservatively at \$238,759 to more optimistically at \$1,790,690.
	Reduced VMT - air, noise, water benefits - LOW	\$238,759	380,350 vehicle miles traveled avoided from increased transit and rideshare use	In partnership with community organizations and groups, commitments 86, 88, 97 will support air, noise, and water benefits valued at \$90,821.
	Reduced VMT from reduced personal vehicle use - air, noise, water benefits (transit / rideshare use)	\$90,821		

## Social Return on Investment (SROI) for direct service provision commitments

Across all 20 direct service provision commitments, the average SROI is projected to be approximately \$2.37 - for every \$1 of philanthropic contributions made to Watershed’s commitments, a projected \$2.37 in social value is expected to be generated. Total philanthropic contributions to those 20 commitments amounts to an estimated \$54,048,318, and total benefits are projected to be approximately \$128,297,826.

SROI ratios were estimated for Watershed’s direct service provision commitments with monetized impacts. For every \$1 of philanthropic contributions made to these commitments, anywhere from \$0.01 (commitment 94: new park) to \$19.45 (commitment 55: green building standards) of social and environmental benefits can be generated.

Table 4 shows the philanthropic and total SROI for the 20 direct service provision commitments themselves. The philanthropic SROI is the social return on philanthropic contributions expected for the given commitment, and the total SROI is the social return on the total cost to execute the given commitment. The total SROI as a result, will always be smaller than the philanthropic SROI because

it is accounting for more investment dollars. The value of these commitments are what make up the SROI of each imperative. Imperatives have anywhere from 2 to 10 commitments that are direct service provision and generate positive monetized outcomes.

Commitments within the Environment and Stewardship imperative have both the greatest number of commitments with an SROI and the two highest SROIs: commitment 55 (adhering to green building standards) and commitment 57 (individual water metering for each residential unit). As an example, use this phrasing to communicate the figures in Table 4: Commitment 55 is projected to generate over \$400,000 in benefits thanks to \$21,000 in philanthropic contributions. This results in a philanthropic SROI of \$19.45 - for every \$1 of philanthropic contributions to Commitment 55, \$19.45 of benefits are generated. When considering the total investment expected for Commitment 55, the SROI is projected to be \$7.20.

**Table 4.** Projected SROI for direct service commitments

Imperative	Commitment(s) with SROI	Philanthropic Contribution	Total Monetized Benefit (e.g. multi-year present value for all people impacted)	Philanthropic SROI	Total SROI
Affordable Spaces	1, 2	\$27,218,256	\$100,421,384	\$3.69	\$0.78
	3	\$3,140,333	\$4,445,496	\$1.42	\$0.52
	4	\$5,198,853	\$4,076,892	\$0.78	\$0.30
	11	\$931,531	\$398,771	\$0.43	\$0.16
	12	\$931,531	\$3,533,724	\$3.79	\$1.41
Diverse and Inclusive Community	36, 37	\$672,878	\$3,555,257	\$5.28	\$1.95
Environment and Stewardship	55	\$21,183	\$412,031	\$19.45	\$7.20
	56	\$254,024	\$39,947	\$0.16	\$0.07
	57	\$76,683	\$1,288,757	\$16.81	\$6.22
	59	\$161,783	\$618,361	\$3.82	\$1.41
	60	\$97,865	\$46,476	\$0.47	\$0.19
	61	\$853,683	\$3,782,515	\$4.43	\$1.64
	67	\$114,499	\$16,079	\$0.14	\$0.14
	69	\$2,819,339	\$3,918,642	\$1.39	\$1.39
	70, 71	\$3,265,707	\$1,620,808	\$0.50	\$0.50
Liveable Neighborhood	82	\$171,752	\$102,492	\$0.60	\$0.60
	94	\$8,118,420	\$20,194	\$0.00	\$0.00
Art as Convener	No SROI due to no direct service provision commitments				

When viewed at the imperative level (Table 5) and considering the philanthropic contributions made towards Watershed’s commitments, The Bend generates an average social return of \$0.01 to \$5.28 depending on the imperative being invested in.

**Table 5.** Projected SROI for imperatives

	Affordable Spaces		Environment and Stewardship	Liveable Neighborhood	Diverse and Inclusive Community	Art as Convener
	Without Commitment 3	With Commitment 3				
Philanthropic SROI	\$3.73	\$3.50	\$1.53	\$0.01	\$5.28	No SROI due to no direct service provision commitments
Total SROI	\$0.81	\$0.79	\$1.16	\$0.01	\$1.95	



# Core Analysis Assumptions

This analysis is a projected social return on investment and benefits analysis for The Bend. The following are some of the key assumptions that guide the estimation. Additional assumptions are built into the estimate of each individual outcome - details on these assumptions can be found in the technical document.

- **Counterfactual:** Residents, visitors, and people engaging with features of The Bend would not otherwise have similar experiences
- **Duration of Impact:** Benefits are spread over 1-30 years depending on the outcome being modeled. This is because some benefits will be realized over and over again for residents and visitors to The Bend while others are one-time boosts. In general, commitments that correspond to major infrastructure and construction projects are assumed to generate benefits for 30 years while programmatic commitments are assumed to generate benefits for 15 years.
- **Multi-year benefits:** Since benefits are often expected to accrue over multiple years, their value needs to be discounted to present value, to put their value into 2024 \$. We use a discount rate of 3%, a common discount rate for social benefits analyses. The discount rate helps to account for both future inflation and uncertainty in realizing future benefits.
- **Duration of engagement:** In order to estimate the benefits of each commitment we assume the experience of participating stakeholders has a similar duration to that studied in the literature.
- **Characteristics of Stakeholders:** We assume baseline conditions of people engaged so that we can estimate the size of the change each person is likely to experience.
- **Costs:** Costs per commitment assume there are no costs borne by residents/program participants beyond those costs budgeted by Watershed. It is also acknowledged that some commitments will require partnerships with other organizations who will have their own budgets necessary to implement the commitment. This expense is uncertain at this time, and as a result, only those commitments that can be implemented with Watershed's funding alone will receive an SROI estimate. Other commitments that require partners to contribute funding will receive only an estimate of the size of the benefits of the commitment.

# General FAQs

## 1. What is the purpose of this analysis?

- To accurately account for the social value generated by the commitments planned to be a part of Watershed's development 'The Bend', and to communicate that value with target stakeholders
- To provide an evidence-based valuation of the impact and identify the people to whom the benefits accrue

## 2. What is Ecotone Analytics GBC?

Ecotone is a Minneapolis-based impact analysis and stakeholder communication firm. Its mission is to help clients scale their social and environmental impact by estimating and communicating impact value to stakeholders and investors.

## 3. What is a monetized impact?

A monetized impact is when a dollar value is placed on the estimated change generated by an intervention. In this analysis, 'monetized impact', 'social return' and 'benefit' can be used interchangeably as the monetized impacts appear on the 'benefits' side of the cost-benefit ratio and are considered the 'social return' on the investment. For example, a monetized impact of 'improved respiratory health' could be the health care expenditures avoided as a result of that improvement in respiratory health.

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## 4. Why do you think you can monetize social and environmental impacts?

This analysis is focused on monetizing social and environmental impacts because these are impacts that are unlikely to appear on a financial statement or generate financial returns for investors. However, these impacts are always occurring with everything we do and we know implicitly they have value. But unless you are an expert in the particular field of social or environmental impact being analyzed, your perception of just how valuable that impact is may be relatively uninformed. By linking social and environmental changes (i.e. impacts) to some exchange of money (e.g. a cost occurring event), we can provide context of just how substantial that particular impact may be. For example, when I have a more nutritional diet, I am more likely to avoid future health conditions such as heart disease. When I avoid heart disease, I avoid the health care costs that come with it while also enjoying improved quality of life. Not all social and environmental impacts can be linked to a cost like in this example, but we are able to paint at least a partial picture of monetized value of otherwise often uncertain impact values.

While monetizing social impacts can provide valuable insights, it is important to approach it thoughtfully and ethically, ensuring that it serves the interests of all stakeholders and fosters genuine social improvement.

## 5. Why is it helpful to monetize social and environmental impacts?

Monetizing impacts is useful for multiple reasons. It puts often hard to understand impacts into readily understandable units - money, while also allowing for adding multiple impacts together and comparing impacts to each other.

The process to estimate the monetized impact requires a focus on causality, ensuring that the intervention conducted is driving the impact of interest rather than just being correlated. Monetization also helps boost the importance of outcomes, particularly long-term outcomes, as those long-term changes that we experience from an intervention tend to be those changes that

can be monetized. This is important because impact measurement often focuses only on measuring outputs (i.e. countable units such as # of people served) or short-term outcomes (e.g. improved test scores). Monetization forces the analyst to ask 'so what' - why does this output or that short-term outcome matter?

Together these features of impact monetization help with communicating impacts, supporting decision-making, improving program management and accountability, among other benefits.

## 6. What is a non-monetized impact?

There are impacts that are not monetized due to their intangible nature and/or the lack of quality data to support monetization presently. As future studies are conducted however, certain impacts may become monetizable.

## 7. What is a Social Return on Investment?

Social Return on Investment (SROI) is an adaptation of the financial ROI metric. It is used to measure social gains (returns) in addition to the standard economic gains, and compare that to the size of the financial investment needed to generate those returns. It accomplishes this by placing financial value on the social and environmental gains identified. It does not include non-monetizable impacts.

There are two primary definitions of SROI used in the field of impact accounting.

**1. A benefit-cost ratio:** This is the value generated for every dollar invested. It is calculated as:

$$\frac{\text{Social + Environmental + Economic Benefits}}{\text{Investment}}$$

**This is the definition used by Ecotone to communicate value creation.**

**2. A percent return:** SROI can also be communicated as a percentage, similar to a typical financial return. The calculation of the SROI in this case is:

$$\frac{(\text{Social + Environmental + Economic Benefits}) - \text{Investment}}{\text{Investment}} \times 100\%$$

When calculating the return as a percentage, the size of the investment is subtracted from the benefits generated so as to isolate the net benefit from the investment.

Future development of the field will likely isolate a single definition. We note them both here to clarify our own calculation as well as enable increased understanding of SROI metrics a client may see elsewhere.

## 8. How does outcome monetization differ from SROI?

Outcome monetization shows the evidence-based estimate of the social value generated from a given initiative in monetary terms. Outcome monetization shows us the size of the benefits. SROI takes that estimated social value (the benefits) and compares it to the size of the investment needed to implement the given initiative. SROI is helpful for understanding and monitoring the efficiency of impact of a given initiative per dollar invested. Changes in the SROI serve as signals for discussion around why the shift has occurred and can inform investment and program strategy decisions.

## 9. How does SROI compare to ROI?

ROI is traditionally a purely financial calculation:

$$\frac{\text{Gain from Investment} - \text{Investment}}{\text{Investment}} = \text{ROI}$$

ROI alone does not seek to measure the social, environmental, or economic impact of a program. Because of this, Ecotone refers to its estimates as an 'SROI'.

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## 10. How does this valuation differ from an economic impact study?

This analysis is focused on monetizing social impacts. This is distinct from an economic impact study given that we are not including estimations of economic growth, business activity, and indirect employment changes. While social and environmental impacts certainly can influence economic conditions, that is beyond the scope of this analysis.

Separately, Ecotone developed two economic impact analyses for Watershed, looking at the economic impacts of the construction of The Bend and the economic impacts of the operations of The Bend once it is completed. Refer to those documents for details. Notably, the economic impact analyses conducted for Watershed look at macroeconomic impacts, tracing the change in economic activity through industries in the region. This compares to the social impact analysis which, by monetizing social impacts, is focused on the microeconomic impacts of The Bend, looking at the experiences of individuals.

## 11. What is a 'good' SROI?

While there is no standard definition of what a 'good' SROI consists of, the first step in noting the cost effectiveness of the investment is simply having a return greater than the costs, i.e. an SROI greater than \$1. In some investor communities, an SROI of \$2.50 is used as a benchmark for screening potential investments. This benchmark however is not based on evidence that a return below \$2.50 is 'bad', but simply that it has served as a tool to limit those investments under consideration. This inherently places greater importance on those interventions that are able to more readily monetize their outcomes, as well as those interventions that have more near-term impacts, being less burdened by discount rates tied to long-term outcomes.

Further, using a single SROI benchmark across all sectors is risky, as different sectors are associated with greater SROIs. Comparing a workforce development SROI to an early childhood program's SROI becomes a comparison of apples and oranges. We recommend comparisons between

programs that are as similar as possible - and even then there may be nuance that is important to recognize. This nuance however is that aspect unique to organizations from which they can better manage and maximize their impact, using the SROI as both an external facing communication piece, but also, and equally important, the SROI becomes that internal accounting tool to understand organizational impact, recognize value pathways, improve KPIs, understand key assumptions and seek new learnings over time.

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# Project Specific FAQs

## Understanding the Deliverables

### 12. What does this analysis mean for investors/funders?

This analysis serves to create a baseline of the projected social value generated by The Bend. The analysis communicates the types of benefits that can accrue from the planned commitments of Watershed, where possible monetizing impacts to show the long-term value projected from the commitments, and providing a detailed picture of what dollars support. The analysis also highlights different stakeholder groups who receive value from the program, illustrating the reach of the program beyond the participants directly served.

### 13. Why did this analysis focus on monetizing impacts of commitments if not all commitments have impacts that could be monetized?

Impact monetization has some unique qualities that make it a useful tool when developments like The Bend are in a fundraising stage. It is well suited to projections, much like a financial proforma, and puts impacts in a readily understandable unit (\$). Impact monetization also forces the analyst to make causal linkages to long-term outcomes, as those are the outcomes most likely to be monetizable, and the methodology in principle requires a strong causal argument to ensure that the risk of overclaiming impact generated is minimized. This serves to provide an evidence-based backing to why the commitments pursued by Watershed are worth pursuing.

The process of pursuing monetization, even if monetization of impact is not achieved, also helps to identify key value drivers - those important metrics that Watershed can track going forward to help understand their impact generated. Many of these metrics identified can be applied to

both those commitments with monetized outcomes and those without monetized outcomes, with the goal being that in the future, more and more commitments will have monetizable outcomes.

Finally, developing an understanding of monetized impacts will be useful for the Watershed team to communicate with stakeholders and funders, showing the sophistication of Watershed's impact measurement approach as well as providing a baseline understanding of social value that is going to be developed, with the recognition that additional social value is likely to be realized from the other commitments.

### 14. What is the 'shelf life' of this analysis?

Given the early stage of development of The Bend, there are a handful of reasons that would prompt revisiting this analysis. If elements in the cost structure change or costs change significantly, if there's a new experimental longitudinal study linking any of Watershed's commitments to improved outcomes, if aspects of the commitments change, if there is a significant change in the number of residents/businesses/visitors served, or if the target population served changes, then the benefits projections or SROI projection (as appropriate) would likely need updating as well. The analysis may also be updated as further data is collected by Watershed, allowing for the estimation of additional monetized outcomes that at present have more limited data. These are described in the technical document and would serve to increase the benefits projected and potentially the SROI.

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## Understanding the Analysis

### 15. How did Ecotone estimate the benefits and SROI of Watershed's commitments?

#### What was Ecotone's process?

Ecotone's process analyzes and combines external literature of the highest level of evidence of causality with internal organization data where possible to quantify and project the potential value generated by the program, while identifying the people and entities to whom the benefits accrue. This helped to isolate the benefit of Watershed's commitment. Where possible, these outcomes and others developed from external literature were monetized. When monetization was not possible, non-monetizable outcomes were noted. This analysis is conservative and transparent in all calculations to ensure nothing is overstated, there is credible evidence, and there is no double counting of value.

### 16. What resources were used for this analysis?

Many external resources were used, ranging from rigorous scientific studies to websites or expert opinions. A full bibliography is included at the end of the technical documentation and is ranked by level of evidence of causality. Whenever possible, resources with higher levels of evidence are utilized over lower levels of evidence to ensure the causal argument is as strong as possible.

Watershed also provided many of their own materials that could be leveraged in developing impact estimates. This included their financial pro-formas and financial plan which include a wealth of details around the vision behind each of the commitments. This information was leveraged wherever possible to ensure the external evidence used to build impact projections was as aligned to Watershed's vision for each commitment as possible.

### 17. How were costs estimated?

For those commitments that have an estimated SROI, the cost of the commitment was based on Watershed's own estimates. These costs were derived from a variety of resources and with guidance from experts in their respective fields. Beyond the direct cost of the commitment there is also an overhead expense associated with each commitment. Watershed estimated the overhead expense, built largely from the staff time that would be required to deliver on the commitment. For example, to construct a building there are direct costs paid to the contractors for labor, materials, etc. but there is also the time spent by Watershed team members to facilitate transactions, engage with contractors, etc.

As noted elsewhere, commitments with a cost estimate were only those commitments that were direct service provision and/or construction-related commitments. Those commitments where the estimated costs served to facilitate or catalyze activities of partners were not considered suitable for an SROI as it would not reflect the investment required to deliver on the benefits that were estimated.

Ecotone also projected the social return for Watershed's commitments using just the philanthropic contribution in order to understand the returns on the proportion of project funding that is being donated. The philanthropic contribution is a combination of direct donations/grants and the value of the sacrificed financial returns from debt holders that accept a below-market rate of return. Below-market rate debt is also referred to as 'impact debt' due to the intention to generate positive impact and this being the rationale for accepting below-market rate returns. Sacrificed financial returns are based on an assumed 2 percentage point spread between market rate and the rate Watershed's impact debt holders will receive. This 2 percentage point difference over the 15 years Watershed intends to carry that debt translates into 30% of investors' potential returns being lost. This philanthropic contribution framing of the SROI isolates a portion of the total planned investment for The Bend, approximately \$92 million out of a total projected cost of \$347 million. This philanthropic contribution is the critical funding that makes the commitments possible and supports the realization of the social impact to be generated.

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## 18. Why don't all commitments have a monetized benefit?

Not all commitments have evidence linking the intended outcomes to monetizable outcomes. This is particularly true for commitments that are innovative as these types of commitments are less likely to have ever been studied before. Some commitments are also more likely to have more intangible outcomes - outcomes such as increased sense of belonging, increased satisfaction, etc. that tend to be uncertain, variable, and difficult to put a dollar value to.

## 19. Why don't all commitments with a monetized benefit also have an SROI?

13 commitments have a monetized benefit but no SROI. This is because for many commitments, the cost needed to realize the intended benefits is uncertain and requires the investment of partner organizations. For these commitments, the funding contributed by Watershed is designed to facilitate activities that drive value, and/or catalyze the opportunity for activities to be conducted that drive value. This compares to commitments that do have an SROI - these commitments are directly providing a service to intended stakeholders and the cost of the service is covered by Watershed's funding.

## 20. What outcomes were not monetized in this analysis?

It is important to note that while there are many commitments with outcomes that were monetized as a part of this analysis, there are many other commitments that did not have outcomes that were readily monetizable due to either limited evidence to support monetization or the inherently intangible nature of the outcome or both. This is not to say these commitments and their outcomes are not important or valuable, simply that attaching a dollar value to them was too unclear at this time to do so with confidence and defensibility. Examples of some of the prominent commitments that were not monetized in this analysis include:

- Value of residents, artists, and other community members receiving assistance in finding financing and subsidies to buy their workspaces and work with developers to minimize the cost of those spaces (commitment 6)
- Value of amenity space and amenities within apartments (commitments 9 and 10)
- Value of curated teams for design and programming and intentional outreach to residents (such as commitments 16, 17, and 23)
- Increased access to affordable, quality housing from exempting lease signers from income restrictions and verification (commitment 50)
- Improved biodiversity and environmental benefit from bird-friendly design strategies and directional down-lighting and other dark-sky friendly lighting strategies (commitment 58 and 73)
- Quality of life gains that may result from the bundling of gains generated by the imperative

## 21. What are the strengths of this analysis?

The impact projections in this analysis align with industry best practices, ensuring a robust and reliable approach. It uses conservative estimates to avoid overstating or double counting benefits, with each benefit projection being custom to the activities of Watershed, helping to capture the context unique to The Bend. Moreover, projections rely on the highest levels of evidence, drawing from proven and well-documented studies and data sources. These measures minimize bias in the estimates, delivering a balanced and credible projection of the program's outcomes.

## 22. Where are the greatest uncertainties in this analysis?

As with any benefits and SROI projection, there are uncertainties in the modeling. Specific uncertainties are aligned to specific commitments, however, a few of the more prominent areas of uncertainty that cut across many commitments include the following:

- Likelihood people reached by Watershed would otherwise have received comparable services
- Number of residents in The Bend, their AMI, characteristics of household members (e.g. age, health status, work status), and characteristics of their prior living conditions
- Number of visitors and community members reached by Watershed's programming and services
- Duration of impact from each commitment could have potentially very wide ranging timelines although few studies include long-term follow-ups (3+ years) to inform the full duration of impact

# Impact Communication

## 23. Why identify the United Nations' Sustainable Development Goals?

Established by the United Nations (UN), the Sustainable Development Goals (SDGs) provide a blueprint to achieving a better and more sustainable future. There are 17 distinct goals that serve as an easily recognizable marker of agreed upon impact areas for stakeholders. Funders can quickly understand what types of impacts are being generated and use the SDGs to categorize their portfolio of investments.

## 24. How are the relevant SDGs selected?

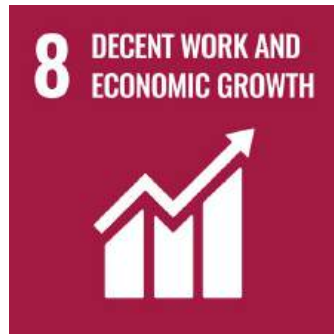
Ecotone reviews the targets and indicators that make up each SDG and identifies points of alignment with the outcomes identified as a part of the analysis. Alignment is noted for those SDGs that Watershed's commitments most directly impact. Other SDGs may be indirectly affected by the program beyond those identified here.



# United Nations Sustainable Development Goals

Established by the United Nations (UN), the Sustainable Development Goals (SDGs) provide a blueprint to achieving a better and more sustainable future. There are 17 distinct goals that serve as an easily recognizable marker of agreed upon impact areas for stakeholders. See below for impacted United Nations Sustainable Development Goals (UN SDGs).

For more information on UN SDGs: [un.org/SustainableDevelopment](https://un.org/SustainableDevelopment)



## Goal 3:

### Ensure healthy lives and promote well-being for all at all ages

Target 3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

Target 3.9

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination



## Goal 7:

### Ensure access to affordable, reliable, sustainable and modern energy for all

Target 7.1

By 2030, ensure universal access to affordable, reliable and modern energy services



## Goal 8:

### Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.3

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Target 8.9

By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products



## Goal 10:

### Reduce inequality within and among countries

#### Target 10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



## Goal 11:

### Make cities and human settlements inclusive, safe, resilient and sustainable

#### Target 11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

#### Target 11.2

By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

#### Target 11.3

By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

#### Target 11.6

By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

#### Target 11.7

By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities



## Goal 12:

### Ensure sustainable consumption and production patterns

#### Target 12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

## 25. What is the Impact Management Project and its Five Dimensions of Impact?

The Impact Management Project (IMP) was a community of 2,000+ organizations building consensus on how to measure, compare, and report impact on environmental and social issues. The IMP community developed a set of 5 dimensions of impact in order to help build consensus and a common language when organizations and investors discuss their impact. The IMP concluded having created the resources and frameworks it set out to develop and is now managed by Impact Frontiers.

Measuring and reporting on impact has been, and continues to be, a rapidly growing field, and future alignment to the 5 dimensions could help attract additional investment. The following table outlines the dimensions of impact for Watershed's commitments.



**WHAT:** The Bend is a live-work district that focuses on affordability, arts, liveability, diversity and inclusion, and environmental stewardship to create access to affordable spaces and community supports, build and support vibrant artist and artisan networks, and nurture community.



**WHO:** Designed to serve a community that lives, works, and creates in the Georgetown neighborhood of Seattle, the development will focus on centering people who live and work in the Duwamish Valley; BIPOC individuals; artists; and those who come from communities that have been, or are at risk of being, displaced from this region



**HOW MUCH:** \$347.8 million investment over the next 5 years to build 566 units and over 35,000 square feet of affordable community space at street level



**CONTRIBUTION:** There is a need for affordable, quality housing given the demand for housing in Seattle and the impact of limited access to quality, affordable housing on health and wealth outcomes. Efforts to increase community and neighborhood inclusion are likely to further support health, wealth, and other social outcomes.



**IMPACT RISK MITIGATION:** Affordable housing and connection to livability resources and environmental stewardship features address potential sources of health and wellbeing challenges, increasing the likelihood of community involvement. Apartment design, including artist workspaces, emphasizes affordable living and working spaces, increasing value for residents.

# Impact Management Project's Five Dimensions of Impact Defined

## Impact Dimension

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## Impact Questions Each Dimension Seeks to Answer

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### What

What outcome occurs in period?  
How important is the outcome to the people (or planet) experiencing it?

### Who

Who experiences the outcome?  
How under served are the affected stakeholders in relation to the outcome?

### How Much

How much of the outcome occurs--across scale, depth and duration?

### Contributions

What is the enterprise's contribution to the outcome accounting for what would have happened anyway?

### Impact Risk Mitigation

What is the risk to the people and planet that impact does not occur as expected?

**IMPACT**  
**MANAGEMENT**  
**PROJECT**

Impact Management Project: Creative Commons Attribution-NoDerivatives



# Social Impact Talking Points by Audience

For Watershed

Ecotone Analytics Social Impact Analysis

November 2024

# Key Audiences:

1. Government Officials
2. Corporate Foundations
3. Community Members
4. Potential Residents
5. Sophisticated Funders
6. Funders focused on Intangibles
7. Nonprofit Partnerships
8. Artists
9. Visitors
10. Low-income families with children

# Talking Points for Government Officials

Based on Ecotone's social impact analysis, here are some talking points about The Bend that would likely be of most interest to government officials:

- **The Bend will advance several policy goals related to affordable housing, community development, and sustainability:** The project's emphasis on affordable housing, arts and culture, and environmental stewardship aligns with key priorities for many government officials. The Bend's commitment to foregoing traditional affordable housing designated public funding sources could also appeal to officials looking for innovative approaches to addressing housing affordability.
- **The Bend is projected to generate significant social and economic benefits for residents and the broader community:** The analysis projects substantial benefits in various areas, including reduced housing cost burden for residents, improved health outcomes, increased earnings from early childhood education, and environmental benefits from sustainable practices.
- **The project's focus on community engagement and resident well-being aligns with government efforts to create thriving and inclusive neighborhoods:** The Bend's emphasis on resident decision-making, access to community resources, and the integration of arts and cultural programming can be framed as a model for community-driven development.
- **The Bend's commitment to sustainable building practices and reducing environmental impact supports local and national environmental goals:** The project's incorporation of green building standards, energy efficiency measures, and green infrastructure aligns with government efforts to promote sustainability and address climate change.
- **The analysis provides a framework for measuring and tracking the social impact of The Bend, which could inform future policy and funding decisions:** The report's emphasis on data collection, key performance indicators, and impact measurement aligns with the increasing demand for accountability and evidence-based decision-making in government.

You can use these talking points to emphasize the value and impact of The Bend to government officials who are interested in supporting initiatives that promote affordable housing, community development, and sustainability. Highlighting the quantifiable benefits, such as the projected SROI and specific outcome areas like reduced healthcare expenditures or increased resident earnings, can be particularly persuasive for officials who are looking for evidence-based solutions to social challenges.

# Talking Points for Corporate Foundations

Based on Ecotone’s social impact analysis, here are some talking points about The Bend that would likely resonate with a corporate foundation considering a donation:

- **The Bend is an innovative project with a strong social mission:** The Bend is not just another mixed-use development; it is a community-focused initiative designed to cultivate community wealth and health through affordable housing, arts and culture, and environmental stewardship. Highlighting this unique approach, as well as Watershed’s commitment to serving communities historically impacted by economic and environmental inequity, can be compelling to foundations seeking to support innovative and impactful projects.
- **The project aligns with several of the UN’s Sustainable Development Goals (SDGs):** The Bend’s impact can be communicated using the framework of the UN SDGs. Specifically, the project is projected to contribute to goals such as Good Health and Well-being, Quality Education, Affordable and Clean Energy, Sustainable Cities and Communities, and Reduced Inequalities. Many corporate foundations prioritize supporting projects that align with the SDGs, so emphasizing this connection can strengthen The Bend’s appeal for funding.
- **The analysis projects a positive social return on investment (SROI):** The Bend is projected to generate a positive SROI, meaning that for every dollar invested, there will be a quantifiable social and economic return. The analysis projects the social return on philanthropic contributions to be \$1.39 for every \$1 invested. This quantifiable measure of impact can be persuasive for foundations looking for evidence-based initiatives that demonstrate a strong return on their investment.
- **The Bend presents an opportunity for partnership and targeted investment:** The analysis identifies several specific areas where corporate foundations could contribute and see their investment make a tangible difference. These include:
  - **Supporting early childhood education:** The early childhood learning program (commitment 76) alone is projected to generate \$10 million in benefits through increased future earnings for participants. Emphasizing the potential for a corporate foundation to directly support this program and drive positive social impact could be a compelling argument.

- **Expanding arts and cultural programming:** The analysis highlights the substantial social value of arts engagement, with an estimated \$66 million benefit stemming from improved well-being attributed to arts participation (commitments 21 and 51). A corporate foundation could potentially sponsor specific programs, events, or artist residencies, aligning their brand with The Bend’s vibrant arts scene.
- **Promoting sustainable practices:** The Environment and Stewardship initiatives, such as energy efficiency measures and green infrastructure, offer opportunities for foundations focused on environmental sustainability to contribute.
- **The Bend addresses key social and environmental challenges:** The Bend is designed to tackle critical issues such as:
  - **Affordable housing:** By providing a significant number of affordable units, The Bend contributes to alleviating the housing burden on low- and moderate-income residents, particularly artists and artisans who often struggle to afford housing in thriving urban areas.
  - **Community development:** The Bend goes beyond simply providing housing by creating a vibrant community hub with arts programming, community spaces, and resident engagement opportunities. This holistic approach aligns with corporate foundations invested in fostering thriving and inclusive communities.
  - **Sustainability:** Through its commitment to green building standards, energy efficiency, and reduced emissions, The Bend supports broader environmental goals and could be attractive to foundations focused on climate change mitigation and environmental responsibility.
- Supporting The Bend aligns with corporate social responsibility goals: Many corporations are increasingly focusing on aligning their philanthropic efforts with their core values and business objectives. Supporting The Bend could allow a corporate foundation to demonstrate their commitment to social and environmental responsibility in a tangible and measurable way.

You can tailor these talking points to resonate with the specific interests and priorities of a corporate foundation. For instance, if a foundation is particularly interested in supporting education or workforce development, you could highlight the potential long-term economic benefits

of investing in early childhood education (commitment 76). Similarly, if a foundation prioritizes environmental sustainability, you could emphasize the positive environmental impacts of The Bend's green building strategies and commitment to reducing its carbon footprint. By connecting the project's goals and projected impacts to the foundation's values, you can increase the likelihood of securing a donation.

## Talking Points for Community Members

Based on Ecotone's social impact analysis, here are some talking points about The Bend that would likely be most interesting to community members living nearby:

- **Increased Access to Arts and Culture:** The Bend is designed to be more than just a housing development; it aims to be a vibrant community hub with a strong focus on arts and culture. The project will offer a variety of arts engagement opportunities for residents and the public, including public art displays, art-making events, and cultural programs. The presence of artist studios and workspaces could also contribute to a more vibrant local arts scene. These initiatives could enhance the neighborhood's cultural life and make it a more attractive place to live.
- **Improved Neighborhood Livability:** The Bend includes commitments to enhance the livability of the surrounding neighborhood. These include:
  - **Improvements to public infrastructure:** The project plans to improve 12 intersections, create pedestrian-friendly pavements, and implement a bicycle master plan, all of which could enhance safety and accessibility for pedestrians and cyclists.
  - **Green spaces:** The development will include a half-acre park and plant 100 trees, contributing to the neighborhood's green spaces and offering recreational opportunities for residents and the surrounding community.
  - **Community services:** Watershed has committed to supporting a food bank and early childhood learning center, which would provide valuable resources for community members.
- **Environmental Sustainability:** The Bend is committed to environmentally sustainable practices. The project incorporates several initiatives to reduce its environmental footprint, including:

- **Green building standards:** The Bend will adhere to sustainable building standards and implement measures like increased insulation to improve energy efficiency.
- **Solar power:** The project will incorporate solar panels to reduce reliance on fossil fuels.
- **Green infrastructure:** The Bend will feature green stormwater infrastructure and permeable pavements to manage stormwater runoff and reduce the urban heat island effect.
- **Reduced car dependence:** The project aims to reduce car dependence by promoting alternative modes of transportation such as cycling, walking, ride-sharing, and public transit.

- These initiatives are in line with broader societal goals of addressing climate change and creating a more sustainable future.
- **Community Engagement and Inclusion:** Watershed emphasizes community engagement and aims to create a development that is inclusive and reflective of the diversity of the neighborhood. Key aspects of this commitment include:
  - **Resident decision-making:** Watershed plans to establish advisory boards and involve residents in decision-making processes.
  - **Culturally diverse programming:** The Bend's programming will celebrate cultural diversity and be responsive to the needs and interests of the community.
- Community members are likely to be interested in how Watershed plans to ensure that their voices are heard and that the development benefits the existing community.
- **Job Creation and Economic Benefits:** The construction and operation of The Bend will create jobs in the community. Additionally, by increasing the supply of affordable housing and workspaces, The Bend could attract new residents and businesses to the neighborhood, further stimulating economic activity. Watershed's commitment to supporting minority-owned businesses during the construction process can also be highlighted as a benefit to the local economy.

By highlighting these points and engaging with the community in a transparent and responsive manner, Watershed can address potential concerns and build support for The Bend among those who live nearby. It's important to note that these are potential benefits, and the actual impact of The Bend will depend on various factors, including the successful implementation of the project's commitments.



# Talking Points for Potential Residents

Based on Ecotone’s social impact analysis, here are some talking points that would likely be most interesting to people considering moving to The Bend:

- **Affordable Housing and Workspaces:** The Bend’s core commitment is to provide affordable housing and workspaces for artists, artisans, and others who contribute to a vibrant community. The Bend offers different levels of affordability, with apartments capped at varying percentages of the Area Median Income (AMI). This approach ensures a mix of income levels within the community and prioritizes affordability for those who might otherwise be priced out of the Seattle housing market. Additionally, workspaces are offered at below-market rates, supporting the financial sustainability of artists and artisans. This commitment to affordability could be a significant draw for individuals and families seeking affordable living and working spaces in a desirable urban location.
- **Vibrant Arts and Cultural Community:** The Bend is designed to be a community hub where arts and culture are central to daily life. This focus is evident in the numerous commitments related to arts programming, public art, and the presence of artist studios and workspaces. Potential residents can expect:
  - Publicly available art installations and displays.
  - Opportunities to engage in public art making and attend culturally diverse events.
  - A thriving community of artists and artisans living and working in the development, fostering creativity and collaboration.
- The potential social benefits of arts engagement, such as improved well-being, are a key feature of The Bend. This aspect could be particularly appealing to individuals seeking a community that values and supports the arts.
- **Focus on Livability and Community:** The Bend prioritizes creating a livable and cohesive community for its residents. Several commitments that contribute to this goal, include:
  - **Community-serving businesses and support resources:** The Bend will house businesses and services that cater to the needs of residents, such as childcare and healthy food options. This feature promotes convenience and fosters a sense of community.

- **Emphasis on active transportation and reduced car dependence:** The development will feature pedestrian-friendly infrastructure, bike paths, and promote the use of public transit and ride-sharing services. This approach supports a healthier lifestyle, reduces environmental impact, and could appeal to residents seeking alternatives to car-centric living.
- **Green spaces and environmental sustainability:** The inclusion of a half-acre park, the planting of 100 trees, and the use of green infrastructure contribute to a more pleasant and sustainable living environment. These features align with growing interest in sustainable and eco-friendly living.
- **Intentional Community Building:** The Bend is committed to fostering a strong sense of community and belonging among its residents. Watershed, the organization behind The Bend, aims to achieve this through several strategies:
  - **Resident engagement and decision-making:** Watershed plans to establish resident advisory boards and actively involve residents in shaping the community’s development.
  - **Culturally diverse programming and events:** The Bend will host a range of events and programs that celebrate cultural diversity and foster connections among residents.
  - **Prioritizing community health and wellbeing:** The development incorporates features and programs that support both physical and mental well-being, aligning with a holistic approach to community development.
- These initiatives could be attractive to individuals seeking an active and inclusive community where their voices are heard and their well-being is prioritized.

# Talking Points for Sophisticated Private Funders

Based on Ecotone's social impact analysis, here's a breakdown of talking points tailored for a sophisticated private funder interested in detailed insights:

## A. Investment Thesis & Impact Metrics:

- **Positive SROI, with Room for Growth:** The Bend projects a positive SROI with \$1.39 in social and environmental benefits for every \$1 of philanthropic contributions. This projection, however, is considered a conservative baseline due to current data limitations. Importantly, there are key data points for future collection (e.g., detailed resident demographics, specific program engagement metrics) that could significantly bolster future SROI calculations. This presents a compelling narrative for a sophisticated funder: demonstrating initial impact while highlighting the potential for even greater returns with more robust data collection and analysis.
- **Detailed Breakdown of SROI Drivers:** The analysis goes beyond simply presenting an overall SROI figure; it breaks down the SROI by imperative, stakeholder group, and even specific commitments. This granular approach caters to a sophisticated funder's desire for in-depth understanding of how impact is generated and measured.
- **Impact Risk Assessment & Mitigation:** Recognizing that projected impact isn't guaranteed, a thorough impact risk assessment was conducted using the Impact Management Project's framework. Each risk (e.g., evidence risk, execution risk) is assessed, and specific mitigation strategies are presented. For example, to address the risk of not fully capturing the impact of affordable housing, it is recommended to survey residents to gather detailed data on changes in their living conditions, financial well-being, and health outcomes. This proactive approach to risk management is likely to resonate with a sophisticated funder who understands the complexities of impact investing.
- **Alignment with Established Frameworks:** The Bend aligns with globally recognized frameworks, including the UN Sustainable Development Goals (SDGs) and the Impact Management Project's Five Dimensions of Impact. This alignment can be a crucial factor for funders seeking investments that demonstrably contribute to widely recognized impact targets.

## B. Innovative Model & Scalability Potential:

- **Addressing the Affordable Housing Crisis with Less Reliance on Public Funds:** The Bend stands out by aiming to minimize reliance on traditional affordable housing-designated public funds. This innovative approach frees up public resources for other community needs, creating a powerful narrative for potential funders and strengthening the project's appeal to government stakeholders. This unique funding model positions The Bend as a potential model for replication, a significant draw for impact investors seeking scalable solutions.
- **Supporting Artists and Catalyzing Economic Growth:** The Bend's commitment to providing affordable workspaces for artists, coupled with its focus on fostering a vibrant arts and cultural community, can be positioned as a catalyst for economic growth. This focus aligns with a growing body of evidence suggesting a strong link between arts and culture, community revitalization, and economic development. While there is a need for more research on the economic impact of artist-focused developments like The Bend, the existing evidence suggests positive economic ripple effects through increased tourism, job creation, and neighborhood revitalization.
- **Community Engagement and Long-Term Sustainability:** The Bend emphasizes robust community engagement and resident involvement in shaping the community's development. This commitment is evident in plans for resident advisory boards and culturally diverse programming reflective of residents' needs and interests. By fostering a strong sense of community ownership and belonging, The Bend is better positioned for long-term success and sustainability, an essential consideration for long-term investors.

## C. Transparency & Data-Driven Approach:

- **Commitment to Impact Measurement and Management (IMM):** This commitment to data-driven decision-making is further emphasized through the identification of specific KPIs across multiple domains. These KPIs encompass scale (e.g., number of residents by AMI, number of arts

engagement opportunities) and quality (e.g., resident rent savings, changes in health status). This granular approach ensures accountability, enables ongoing performance tracking, and allows for adjustments to maximize impact – elements highly valued by sophisticated investors seeking transparency and demonstrable outcomes.

By presenting these talking points with the analysis results and a clear articulation of the project’s innovative approach, Watershed can make a compelling case for investment to sophisticated private funders seeking both social impact and financial sustainability.

## Talking Points Focused on Intangible Benefits

Based on Ecotone’s social impact analysis, here are talking points emphasizing less quantifiable benefits likely to resonate with private funders prioritizing intangible returns:

- **Creating a Resilient and Thriving Arts Community:** A key intangible benefit is fostering a self-sustaining ecosystem where artists can live, create, collaborate, and thrive. This emphasis on community building, rather than just physical spaces, could appeal to funders driven by the transformative power of the arts on individuals and society.
  - The Bend’s arts imperative aims to create value on multiple levels: for individual artists (e.g., reduced anxiety, improved mood), and for the community (e.g., increased social capital, cohesion). Even without precise dollar amounts, these are appealing outcomes to those philanthropically inclined towards the arts.
  - Mentioning the qualitatively positive experiences artists report in purpose-built live/work settings highlights a research gap for monetization a funder could fill while still assuring them the concept has merit.

- **Fostering a Sense of Belonging and Inclusion:** The Bend goes beyond simply providing housing; it seeks to cultivate a true sense of community. This emphasis on belonging and inclusion, though difficult to quantify, can be a powerful attractor for funders driven by values of equity and social justice.
- **Nurturing a Sustainable Future:** The Bend’s commitment to environmental sustainability extends beyond quantifiable metrics like reduced emissions. It represents a dedication to creating a model for environmentally responsible development that can inspire future projects and contribute to a paradigm shift in how communities are designed and built.
  - Numerous “non-monetized” outcomes are listed, like bird-friendly design or curated resident outreach. These lack strong evidence for dollar value, BUT demonstrate the holistic mindset appealing to certain funders.
- **Empowering Residents and Strengthening Community:** The Bend’s focus on community engagement, resident involvement, and fostering long-term relationships are intangible yet essential elements of its impact.
  - Recommending resident surveys isn’t just for better SROI, it’s to “develop a deeper understanding...to create targeted programming.” This shows commitment to ongoing responsiveness, not just initial impact measurement.
- **Leveraging the Transformative Power of Art:** The Bend recognizes the power of art to inspire, heal, and connect. By integrating art into the very fabric of the community, The Bend aims to create a place where residents and visitors alike can experience the transformative benefits of artistic expression.
  - While more research is needed to link artist affordability to community-level outcomes, the hunch is there, aligning with funders who believe in that causal chain.

By focusing on these less tangible but deeply impactful aspects, Watershed can attract private funders who are particularly drawn to supporting projects that prioritize community building, social cohesion, environmental stewardship, and the transformative power of the arts. These funders often recognize that while some benefits are difficult to quantify, they are nonetheless essential for creating thriving, equitable, and resilient communities.

# Talking Points for Nonprofit Partnerships

Ecotone's social impact analysis provides a rich understanding of The Bend's goals and intended social impact, which can be leveraged to appeal to potential nonprofit partners. Here are some key talking points emphasizing areas of shared interest:

- **Alignment with Mission:** Nonprofits often seek partnerships that advance their own objectives. The Bend's five core imperatives (Affordable Spaces, Environment and Stewardship, Diverse and Inclusive Community, Liveable Neighborhood, Art as Convener) offer multiple avenues for collaboration.
  - Clearly lays out The Bend's overarching theory of change: "...cultivating community wealth and health through...real estate development, community engagement, and programming..." This allows nonprofits to quickly assess if their work fits into this broad vision.
- **Underserved Community Focus:** The Bend prioritizes serving communities facing systemic inequities. Nonprofits working with similar populations can find common ground and potentially greater impact through collaboration.
- **Beyond Direct Service Delivery:** While The Bend has numerous direct service commitments, it also acknowledges the role of catalysts and facilitators in achieving its vision. This opens doors for nonprofits with different capabilities and resources to participate meaningfully.
- **Robust Impact Measurement:** The Bend's commitment to rigorous impact tracking and SROI analysis can be appealing to nonprofits seeking data-driven collaborations and demonstrable outcomes.
  - The very existence of this detailed technical document signals a commitment to measurement unusual in early-stage developments. This suggests a partnership where data will be valued and used to improve, not just for reporting.
  - Acknowledging areas of uncertainty and recommending specific future research isn't just good practice, it's an invitation. Nonprofits with research capacity can position themselves as key to filling these gaps.

- **Specific Programmatic Overlaps:** The Bend's 100 commitments, spanning diverse areas like arts programming, food security, early childhood education, and sustainable transportation, offer numerous concrete opportunities for nonprofit involvement.
  - Listing the monetized commitments, even without going into detail on each, provides a menu of sorts for nonprofits to see where their expertise aligns.
  - Sections on less-quantified impacts, like arts' role in community cohesion or the complexities of green space, are not just filler. They highlight areas where nonprofits with qualitative data or program models can contribute uniquely.
- **Long-Term Vision:** The Bend is a multi-phase development with long-term impact goals. This aligns well with nonprofits seeking sustainable partnerships and lasting community change.
  - Assumptions around impact durations, some spanning 30 years, signal a commitment beyond short-term gains. Nonprofits can emphasize how their involvement contributes to this lasting legacy.
  - The Impact Strategy Recommendations are not just internal advice, they're potential partnership opportunities. For example, the call for resident ownership aligns with nonprofits already working in that space.

By focusing on these points, The Bend can demonstrate its commitment to collaborative impact and attract nonprofit partners who share its vision of creating a thriving, equitable, and resilient community.

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# Talking Points for Artists

The Bend offers a variety of compelling points that could appeal to artists considering living and working in The Bend. These talking points center around the development's core commitments to affordability, community building through the arts, and environmental stewardship.

- **Affordable Living and Working Spaces:** The most significant draw for many artists will be the affordability of The Bend. The sources highlight that “all apartments [are] capped at 70% AMI average” and “80% of apartments [are] capped at 60% AMI”. Additionally, dedicated “workspaces [are] capped at \$24/sf”, directly addressing a critical need for artists seeking affordable studio spaces. These commitments ensure that artists with varying income levels have access to housing and workspaces that won't break the bank, allowing them to focus on their craft.
- **Art as a Cornerstone of Community Building:** The Bend isn't just about providing affordable spaces; it's about fostering a thriving arts community. The emphasis on “Art as Convener” is evident throughout the sources, with commitments to making “art...publicly available” and supporting “public art making”. By integrating arts into the very fabric of the development, The Bend aims to create a dynamic and inspiring environment where artists can connect with fellow creatives, showcase their work, and contribute to a shared cultural experience.
- **Intentional Community and Support:** Beyond the physical spaces, The Bend strives to create a supportive community that values artists' contributions. The sources emphasize the importance of “community engagement” and “programming that fosters relationships across the neighborhood”. While not all details are outlined, this focus on building a strong social fabric within The Bend can be particularly appealing to artists who thrive in collaborative and interconnected environments.
- **Environmental Stewardship and Sustainability:** Recognizing the growing importance of environmental consciousness, The Bend has made significant commitments to sustainability. The sources detail initiatives such as adhering to “sustainable building standards,” utilizing “solar power,” and implementing “green stormwater infrastructure”. This dedication to eco-friendly practices can resonate with artists seeking to minimize their environmental footprint and align themselves with a development that shares those values.

- **Long-Term Vision and Impact:** The Bend is designed as a long-term project with a focus on creating lasting change. This is evident in the sources' discussion of impact durations spanning decades. For artists, this commitment to sustainability extends beyond the environmental aspect, signaling a development that seeks to foster a resilient and enduring arts community for years to come.

In addition to these key points, emphasizing the specific amenities and programs designed to support artists, such as gallery spaces, performance venues, or artist residency programs, would further enhance The Bend's appeal. By highlighting these tangible benefits alongside the overarching vision of a thriving arts community, The Bend can attract a diverse and talented pool of artists seeking an affordable, inspiring, and supportive place to live and create.

# Talking Points to Attract Visitors to The Bend

Ecotone’s social impact analysis primarily focuses on the long-term social and environmental impact of The Bend, providing less information specifically geared towards attracting visitors. However, by analyzing the available information, some compelling talking points can be crafted to entice people to visit:

- **A Vibrant Arts and Cultural Destination:** The Bend is explicitly designed as an arts-focused community, going beyond just housing to offer a concentration of creative activity. While the precise programming and public art installations are still under development, the emphasis on “Art as Convener” and attracting visitors is clear.
  - The mention of “culturally diverse events” suggests a welcoming atmosphere for a wide range of artistic expressions.
  - Talking points could highlight the uniqueness of experiencing art within a community where artists also reside, potentially offering behind-the-scenes glimpses into the creative process.
  - As more concrete information about events, exhibitions, or performances becomes available, marketing materials can promote these attractions to specific target audiences.
- **More Than Just Art:** While art is a central theme, The Bend’s other imperatives hint at attractions for a wider visitor base.
  - The commitment to a “Livable Neighborhood” includes improvements to public spaces like parks and promoting active transit options. This suggests a pedestrian-friendly environment conducive to leisurely exploration.
  - The presence of “community needs serving businesses” implies a mix of retail and dining options that could appeal to both visitors and residents.
  - Highlighting the neighborhood’s connection to its surroundings, such as its location in the Georgetown neighborhood of Seattle and proximity to the Duwamish Valley, can attract visitors interested in experiencing a specific aspect of the city.

- **Commitment to Sustainability:** The Bend’s strong emphasis on environmental stewardship can be an attractive feature for environmentally conscious visitors.
  - Talking points can highlight the development’s green building practices, solar power utilization, green stormwater infrastructure, and commitment to reducing its environmental footprint.
  - The presence of green spaces and tree canopy can be positioned as a welcome respite from the urban environment.
  - By showcasing its sustainable features, The Bend can attract visitors who prioritize eco-friendly destinations.
- **Supporting a Community-Driven Initiative:** The Bend’s commitment to affordability, inclusivity, and community engagement can resonate with visitors who want to support projects that align with their values.
  - Messaging could emphasize that by visiting The Bend, they contribute to the success of a development that prioritizes social good.
  - Showcasing the diverse businesses and organizations operating within The Bend can encourage visitors to support local entrepreneurs and contribute to the local economy.

To enhance these talking points and create a more compelling case for visiting The Bend, additional information would be beneficial, such as:

- **Details about specific events, exhibitions, or performances:** Providing a calendar of upcoming attractions would give potential visitors a reason to choose The Bend as their destination.
- **Information on the types of businesses and services available:** Highlighting unique shops, restaurants, or experiences can attract visitors seeking something different.
- **Maps and guides for exploring the neighborhood:** Making it easy for visitors to navigate and discover the area can enhance their experience.
- **Visuals showcasing the vibrant atmosphere and attractions:** High-quality photographs and videos can effectively convey the energy and appeal of The Bend.

By providing concrete and enticing information, The Bend can attract visitors interested in experiencing its unique blend of art, community, and sustainability.

# Talking Points for Low-Income Families with Children Considering The Bend

Several talking points could be of great interest to low-income families with children considering a move to The Bend. These points highlight the development's commitment to affordability, family-friendly design, and access to resources that support children's well-being.

- **Significant Rent Savings:** The Bend offers substantial rent savings compared to market-rate housing. The analysis found that “capping apartment rent based on AMI leads to annual rent savings of over \$4 million across all units”. Breaking this down further, “there is an estimated \$455 in savings per month for residents at greater than 60 - 80% AMI..., about \$720 in savings per month for residents at 50 - 60% AMI, and over \$1,150 for residents at 40% AMI on average”. These savings can provide significant financial relief, allowing families to allocate resources to other essential needs.
- **Family-Oriented Design and Amenities:** The Bend incorporates design elements specifically aimed at enhancing the lives of families with children and seniors. The development includes “design[ing] apartments for seniors and children” and “design[ing] apartments for special physical needs”. While the specifics of these designs aren't detailed, the commitment itself demonstrates consideration for the unique needs of these demographics. Additionally, the inclusion of amenities like a “half-acre park” provides a dedicated space for children to play and families to connect with nature.
- **Access to Early Childhood Education:** The Bend recognizes the importance of early childhood education and strives to provide access to this crucial resource. This accessibility can be a significant advantage for families, offering convenience and potentially reducing childcare costs.
- **Emphasis on Community Building:** Beyond the physical aspects, The Bend prioritizes building a strong and inclusive community. While details about specific programs are limited, this emphasis on social cohesion can be particularly appealing to families looking for a welcoming and supportive environment to raise their children.

- **Food Security Initiatives:** The Bend demonstrates a commitment to addressing food insecurity, a critical concern for low-income families. The presence of a “food bank” within the development ensures that residents have access to nutritious food. Furthermore, the inclusion of a “food education program” can empower families to make healthier choices and develop essential life skills.

In addition to these key talking points, highlighting specific programs or features that cater to children's needs, such as after-school activities, playgrounds, or family-friendly events, would further strengthen The Bend's appeal to families. By emphasizing these benefits alongside the development's overarching commitment to affordability and community, The Bend can position itself as an attractive and supportive place for low-income families with children to thrive.

# The Social ROI of Watershed's Imperatives

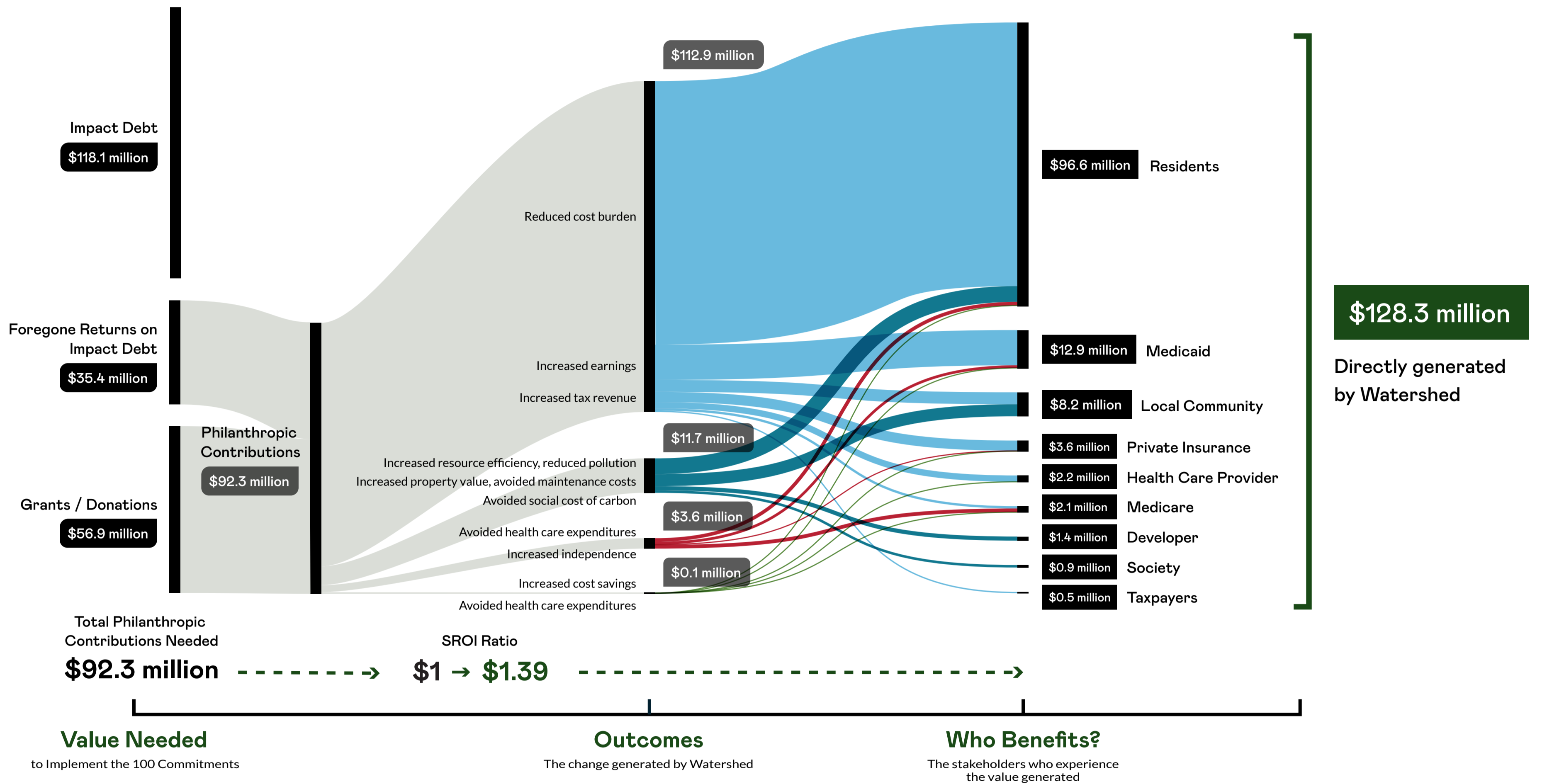
## \$244 million in social and environmental value projected

Watershed's 5 imperatives and 100 commitments are projected to directly generate \$128 million in social and environmental impact. That translates to a philanthropic SROI of \$1.39 - for every \$1 in philanthropic contributions, \$1.39 in impact is generated by Watershed.

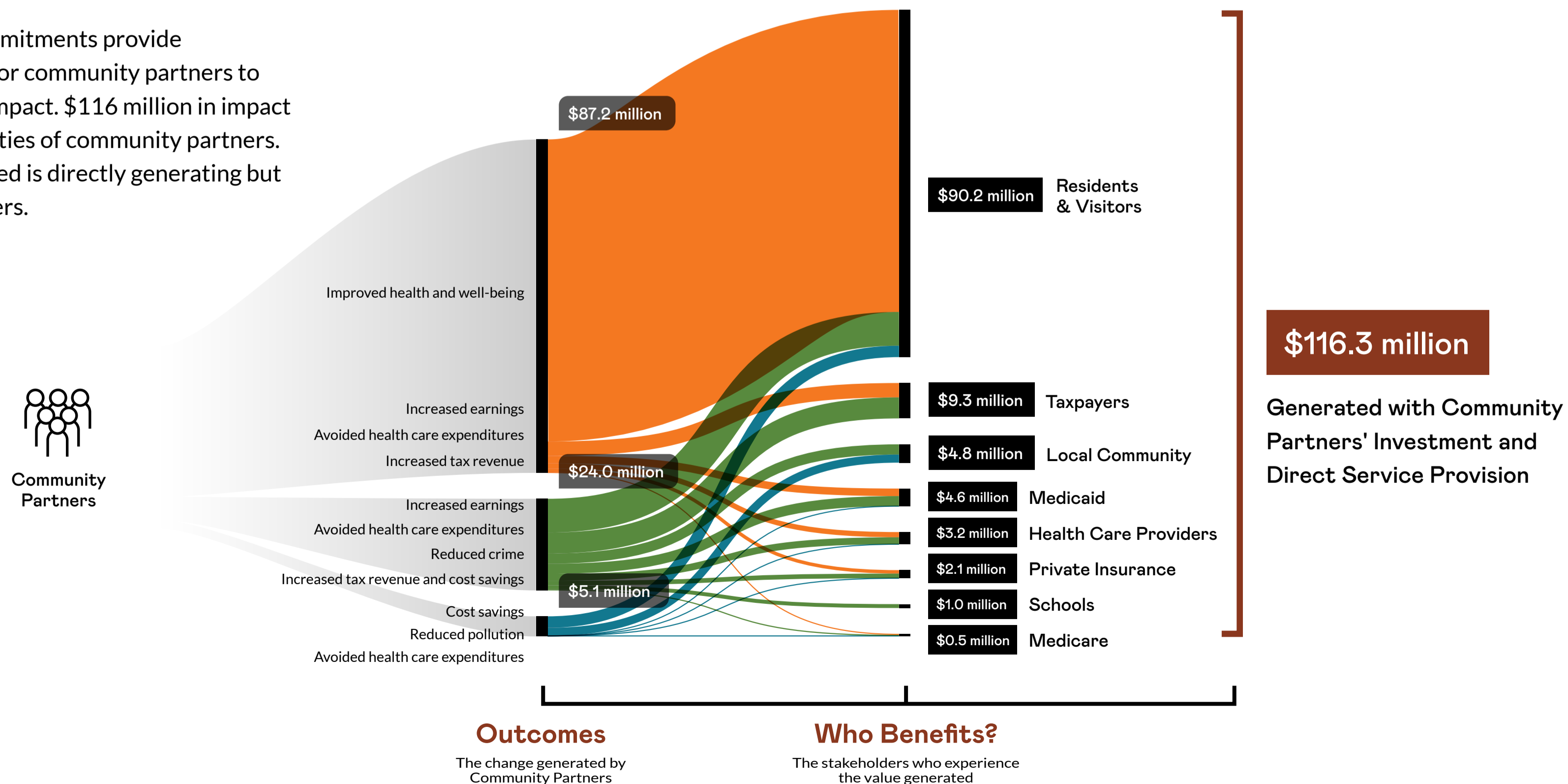
Philanthropic contributions will also help unlock \$116 million in impact through commitments that require community partners' co-investment. In total, \$244 million in impact is projected. This is impact beyond what a typical market-rate mixed-use housing development would achieve.

### The 5 Imperatives:

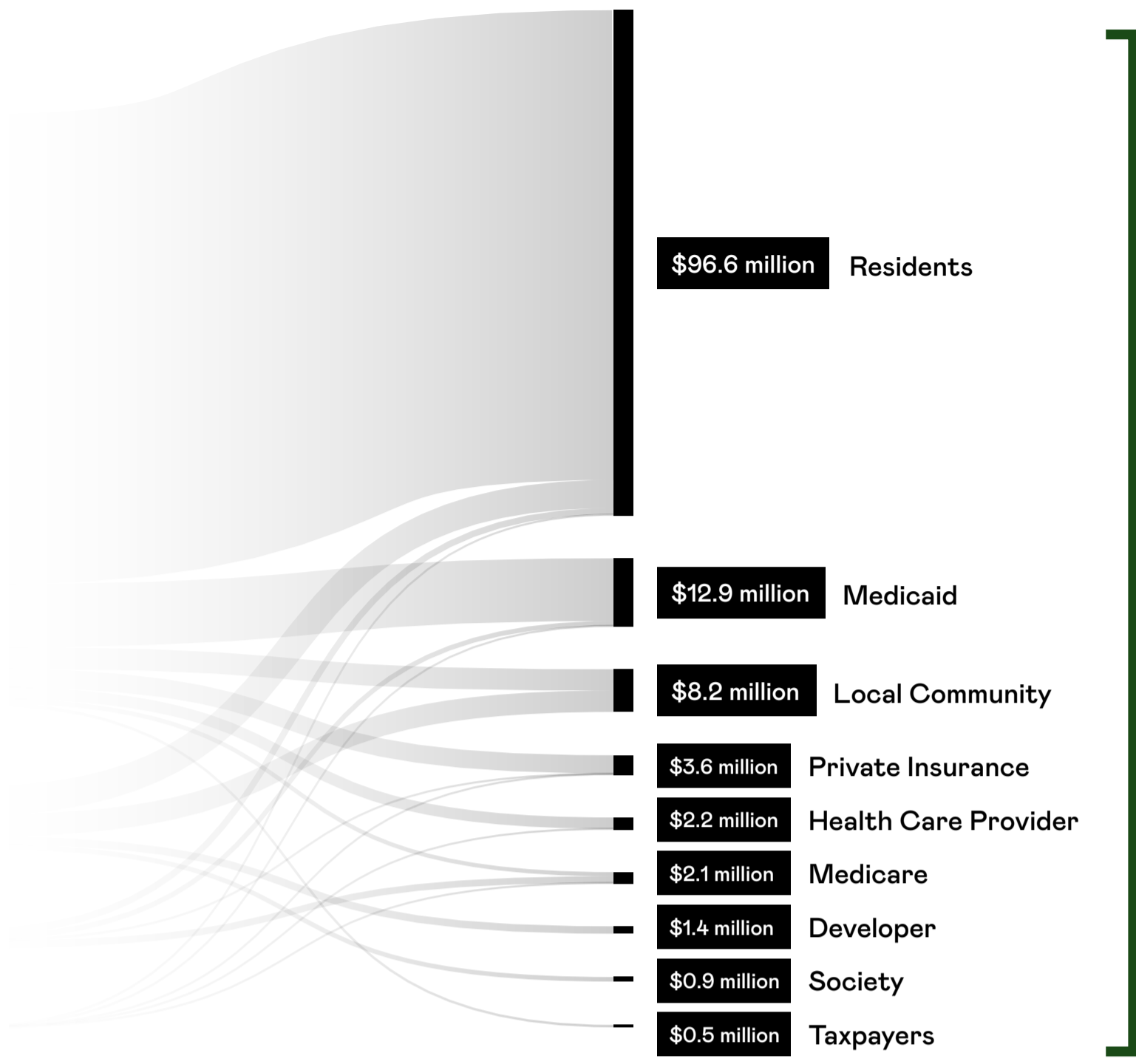
- Affordable Spaces
- Environment and Stewardship
- Art as Convener
- Diverse and Inclusive Community
- Liveable Neighborhood



Numerous Watershed commitments provide supportive infrastructure for community partners to utilize in their delivery of impact. \$116 million in impact is projected from the activities of community partners. This is not impact Watershed is directly generating but is supporting via the partners.



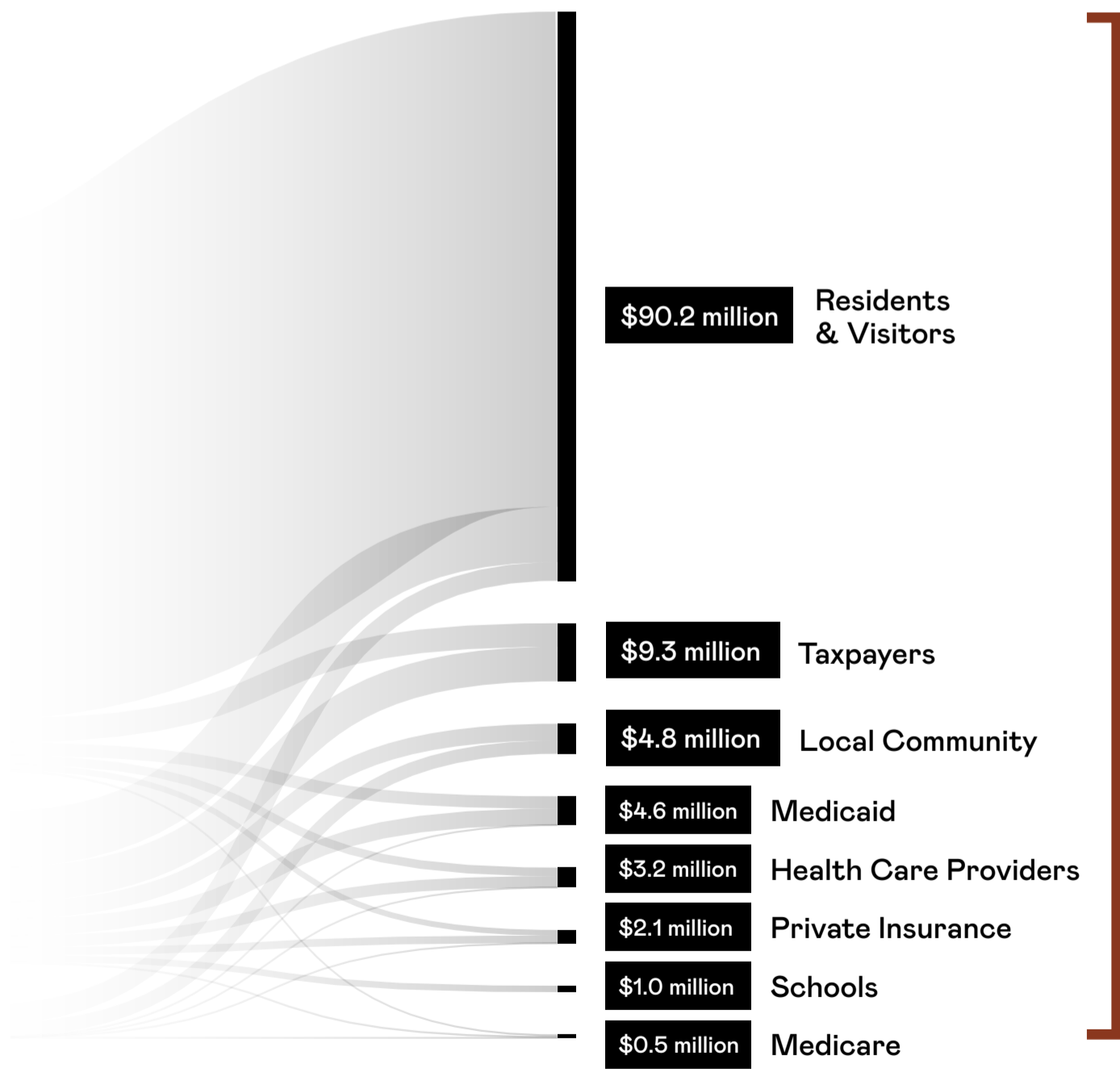




**\$128.3 million**

Directly generated by Watershed

+



**\$116.3 million**

Generated with Community Partners' Investment and Direct Service Provision

**\$244.6 million**

in total social and environmental impact supported by Watershed's development of the Bend



# The Bend has 100 Commitments to Deliver on 5 Imperatives for our Community

Total Projected Social Impact Supported by The Bend:

## \$244 Million

(in present value), realized over 30 years, with \$128 million of that being directly generated by Watershed. This is value beyond what a typical market rate development would generate.

Philanthropic ROI:

### \$1.39 on every \$1 contributed

Affordable Spaces

Environment and Stewardship

Art as Convener

Diverse and Inclusive Community

Liveable Neighborhood



Increased Trees (Commitment 69): Each tree is on average expected to support nearly \$40,000 in soil, air, water and GHG benefits.

Permeable pavement (Commitments 70 and 71): Projected to save \$170,000 in pavement maintenance costs over the lifetime of the pavement while saving \$2,000 in water treatment costs.



A projected 61,000 people per year will attend events at The Bend, with approximately 16,000 of those visitors participating in weekly and monthly activities at The Bend (Commitments 22 and 51).

Arts Participation (Commitments 21, 31, 51): Regular participation in arts and cultural activities and events at The Bend is expected to support improved well-being amongst participants by over \$14 million per year.

Housing affordability and stability (Commitments 1, 2, 3): Projected to support nearly \$1 million in physical and mental health benefits per year.

Rent Savings (Commitments 1, 2, 3): An estimated 1,565 residents in 566 households will stand to collectively save over \$4 million per year.

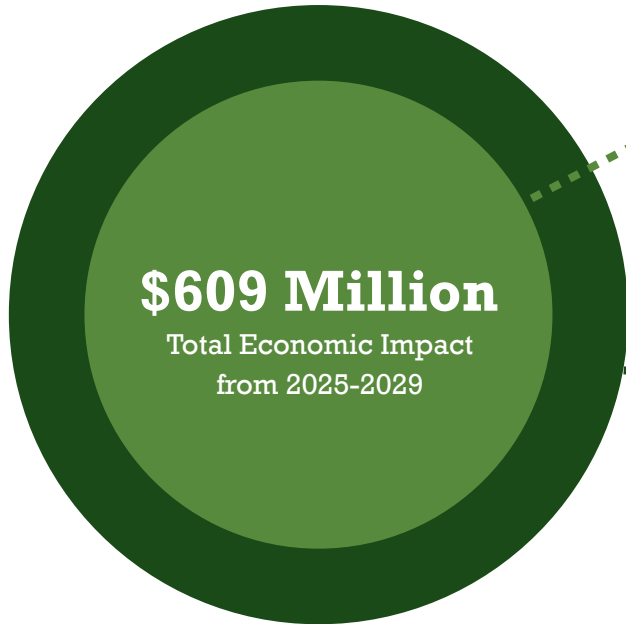
Early Childhood Care (Commitment 76): Projected to support \$800,000 in future lifetime earnings for participating children each year.

Accessibly Designed Housing (Commitment 36 and 37): Boosting safety for residents is projected to help avoid upwards of \$180,000 health care costs.





# Total Economic Impact in Washington from Construction of The Bend



**\$347.8 Million**

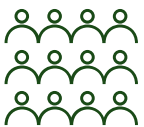
investment to build The Bend

- 2,146 jobs directly supported
- Revenue goes towards paying employees and buying from vendors

**\$261.2 Million**

in additional economic activity supported

- Additional 1,089 jobs supported
- Employees and vendors spend their income and buy from other vendors



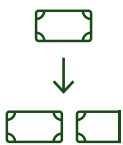
**3,235 Jobs**

in Washington supported by the construction of The Bend



**1 → 1.5 Jobs**

Each job to construct The Bend supports 1.5 jobs in Washington



**\$1 → \$1.75**

For every \$1 in investment to construct The Bend, there is \$1.75 worth of value supported in the Washington economy



Total tax effects amount to:

**\$99.8 Million**

Federal Taxes: \$71.5 Million  
States Taxes: \$18.7 Million  
County, City and Special District Taxes: \$9.7 Million



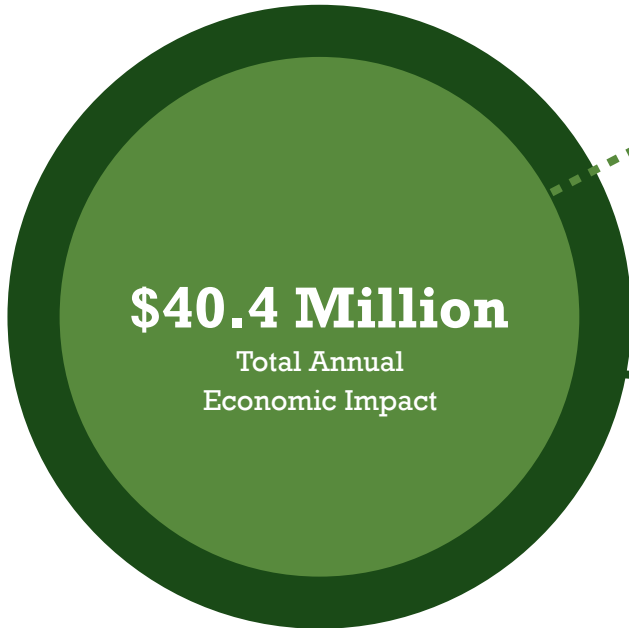
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# Annual Economic Impact in Washington of The Bend's Operations



## \$28.0 Million

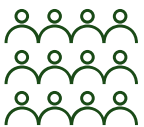
in projected annual revenues at The Bend

- 173 jobs directly supported
- Revenue goes towards paying employees and buying from vendors

## \$12.4 Million

in additional economic activity supported per year

- Additional 52 jobs supported
- Employees and vendors spend their income and buy from other vendors



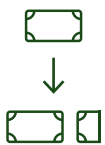
## 225 Jobs

in Washington supported each year by The Bend's operations



## 1 → 1.3 Jobs

Each job at The Bend supports 1.3 jobs in Washington



## \$1 → \$1.44

For every \$1 in economic activity at The Bend, there is \$1.44 worth of value supported in the Washington economy



Total tax effects per year amount to:

## \$6.2 Million

Federal Taxes: \$3.2 Million  
States Taxes: \$1.9 Million  
County, City and Special District Taxes: \$1.1 Million



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# Projected Economic Impacts of the Construction Phase of The Bend

Ecotone Analytics

10/16/2024

## I: Purpose of the Document

This document will introduce the estimated economic and tax impacts of the construction (including both hard and soft costs) of the Elements, Findlay, and Oasis projects, which include the first five mixed-use buildings to be built in The Bend, associated programming and right-of-way improvements.

These impacts are distinct from social impacts experienced by individuals such as a change in earnings, a change in health status, a change in educational attainment, etc. While social impacts are occurring from the construction of The Bend, they are addressed in a separate analysis, a Social Return on Investment (SROI) and benefits analysis. Related, development costs that are intentionally directed to diverse-owned and women-owned businesses and/or employees are accounted for as a social impact.

## II: Economic Impact of the Construction Phase

The construction of The Bend will have a significant economic impact on the Georgetown neighborhood of Seattle, the city of Seattle, King County, and the state of Washington as a whole. The following figures summarize the impact of the construction of The Bend in Washington.

**\$609 million**

cumulative economic impact supported in Washington

**\$72.0 million**

cumulative federal taxes supported

**\$28.0 million**

cumulative state and local taxes supported

**\$287 million**

cumulative labor income supported

**3,234 jobs**

supported

### III: What Does This Economic Impact Consist Of?

Employers and businesses have an effect on the economy. When Watershed provides jobs and purchases goods and services, it has a direct economic impact. Watershed suppliers hire people and purchase goods and services from other businesses within their supply chain, and those other businesses in turn purchase goods and services themselves. All these supply chain effects are considered indirect effects. Watershed employees and employees of Watershed’s supply chain earn an income that they use to buy groceries, pay rent, travel, etc. This income is considered household spending, and effects of household spending are considered to be induced effects. Watershed’s impact grows as it hires more people and purchases more goods and services from businesses. The more this is done with local people and local businesses, the greater the local economic impact will be as well.

Components of economic impact discussed in this report include output, labor income and jobs.

- Output is the value of production.
- Labor income is the total compensation (wages, benefits and/or fees) paid to employees and contractors.
- Jobs are the full-time and part-time positions supported, including contractors. The mix of full-time and part-time is based on industry averages.

### IV: Inputs for Economic Impact of Construction Phase

There are 5 categories of investment planned for the construction phase of The Bend (Table 1). These investments will take place over 5 years, 2025 - 2029.

**Table 1.** Construction costs for The Bend Phase 2

Investments	Estimated Expenditures
Elements (hard and soft costs)	\$68,806,397
Findlay / Oasis (hard and soft costs)	\$232,936,180
District Capital Investments	\$34,372,075
Programming	\$1,894,500
District Planning and Development	\$9,812,390
<b>Total</b>	<b>\$347,821,541</b>

In addition to the expenditures to bring about the development, this analysis includes accounting for the extent major line items would be procured locally - either from within the City of Seattle, King County, or Washington state. See appendix for details on how the proportion of these expenditures was allocated to local geographies.

## V: Economic Impact

The construction of The Bend in Georgetown is projected to support almost \$387 million worth of economic activity in Seattle (in 2024 dollars).

- This is a one-time impact from the development with impacts being spread over the 5 year construction period (2025-2029).
- These activities have an economic multiplier of \$1.11 - for every \$1 in development costs, there is \$1.11 worth of economic output supported in the Seattle economy.
- At the state level, for every \$1 in development costs, there is \$1.75 worth of economic output supported in Washington state.

In 2024, there are a **projected 2,146 jobs directly impacted by The Bend's construction, which will support the jobs of another 153 people around Seattle** via a combination of jobs in supply chain companies (e.g. building materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

This results in a total of 2,299 jobs in Seattle supported by construction of The Bend.

Table 2 shows the detailed breakdown of how the economic impacts will be realized in Seattle.

**Table 2.** Economic Impact in Seattle from construction of The Bend

	Jobs Impacted	Labor Income Impacted	Output Impacted
Direct - Watershed Spend	2,146	\$207 M	\$348 M
Indirect - Supply Chain Effects	74	\$7 M	\$22 M
Induced - Household Spend Effects	79	\$6 M	\$17 M
<b>Total</b>	<b>2,299</b>	<b>\$221 M</b>	<b>\$387 M</b>

Tables 3-4 outline the economic impact of the construction of The Bend across multiple overlapping geographies - the zip code 98108, City of Seattle, King County, and Washington state as a whole. The majority of impact occurs within zip code 98108 (\$353M), where the initial expenditure is occurring.

However, over \$256M of economic impact is also supported outside of 98108 but within WA state, leading to a total economic impact in WA state of \$609M. This suggests that there are many resources procured and employees supported from within King County and from WA state generally who do not operate in or live in Seattle. As intentional local hiring and procurement increases, the amount of economic impact will become increasingly local as well.



**Table 3.** Economic Impact in each Geography\*

The largest economic impact occurs within 98108

Location of Impact	Impact from Construction of The Bend
98108	\$353 M
Seattle Excluding 98108	\$34 M
King County Excluding Seattle	\$110 M
Washington State Excluding King County	\$112 M
<b>Total</b>	<b>\$609 M</b>

\*Economic impacts shown in Table 3 are cumulative of direct, indirect, and induced effects.

Table 4 notes the total jobs supported in each geography, with over 3,200 jobs supported in Washington state from The Bend’s construction. It is important to highlight that this is a one time impact and these jobs are not ‘created’ but ‘supported’ given most construction workers, for example, move from job to job.

Similar to Table 3, when the geographic scope is expanded, more and more jobs are supported, with over 1,070 jobs outside of Seattle being supported by the construction of The Bend.

**Table 4.** Jobs Impact in each Geography

Most jobs supported are within 98108.

Jobs Impact Summary		Jobs Impact in Each Geography				
Analysis Scope	Type of Impact	98108	Seattle Excluding 98108	King County Excluding Seattle	Washington State Excluding King County	Total*
Construction of The Bend	Direct	2,145	-	-	-	<b>2,145</b>
	Indirect	16	58	108	109	<b>291</b>
	Induced	1	78	344	374	<b>797</b>
	<b>Total Jobs Supported</b>	<b>2,162</b>	<b>136</b>	<b>453</b>	<b>483</b>	<b>3,233</b>

\*Figures may not sum due to rounding

## A. Additional Impact from Intentional Local Spend

Because Watershed has asked that contractors procure from local suppliers as much as possible, the local economic impact is greater than it otherwise would have been.

- In Seattle, there are an additional 16 jobs, \$1.6M in labor income, and \$5.8M in output thanks to the intentional local spend.
- In King County, the additional impact is very similar to Seattle, at 16 jobs, \$1.7M in labor income, and \$6.4M in output thanks to intentional local spend.
- In Washington state, the additional impact is again very similar at 17 jobs, \$1.4M in labor income, and \$5.2M in output thanks to intentional local spend.

This suggests that the benefit from the intentional local spend strategy is greatest within Seattle.

As the geographic bounds of the region of interest expands, the likelihood increases that goods and services procured would come from within that region regardless of the intentional local spend strategy and as a result, the benefit of the intentional local spend becomes less significant as the geography expands. This means that the intentional spend within Seattle has the most economic impact, dollar for dollar, compared to intentional spend within WA state because so much of the construction project would have purchased materials from within WA state anyways. See the FAQs for details on the percentage breakdown of where local spending is planned.

## B. Economic Impact from Arts-related Spend

Watershed will integrate art and artists throughout the construction of The Bend. While many mixed-use developments will include certain artistic elements to their work, it is unlikely they reach the level of commitment of Watershed. As a result, Watershed’s spend on art installations and payments to artists is considerably greater than a typical development.

During the construction phase of The Bend, Watershed estimates approximately \$6.28M in spend going towards art installations and artists. This compares to the industry average for a similarly sized development of near \$0 going to artists. Watershed also estimates that approximately 45% of this \$6.28M goes directly to artists as labor income - the income artists take home after covering their materials, transportation, overhead expenses, team members, etc.

This \$6.28M in spend to artists is estimated to support another \$600,000 in economic impact within Seattle, leading to a total impact of almost \$6.9M. Because this additional \$600,000 in impact is derived from the spend of artists both on their materials used but also their household spend, we would expect the arts community as a whole will experience a portion of this additional value.

**Table 5.** Impact in Seattle from Arts spend during Construction Phase

Impact Type	Employment	Labor Income	Output
Direct	38	\$2.9 M	\$6.3 M
Indirect	2	\$114,000	\$415,000
Induced	1	\$68,000	\$185,000
<b>Total Impact</b>	<b>41</b>	<b>\$3.1 M</b>	<b>\$6.9 M</b>

Further, it is estimated that independent artists and writers in Seattle generate about \$122.8M in economic output per year. As a result, Watershed is effectively creating demand for 5% of the total output of independent artists per year in Seattle (assuming independent artists receive the bulk of the \$6.28M in planned arts spend during the construction phase of The Bend).

## VI: Fiscal (Tax) Impact

When Watershed pays employees, Watershed and employees contribute payroll taxes and employees also contribute income taxes, property taxes, etc. (direct effects). When Watershed purchases from supply chain companies, these companies pay sales taxes, customs duties, and corporate profit taxes as do the suppliers of those companies (indirect effects). When Watershed employees or employees of the supply chain companies go to a restaurant, that restaurant pays taxes, and its employees pay taxes (induced effects).

The construction of The Bend is projected to have large tax effects across each level of government due to the jobs supported and purchasing from area businesses. The Bend construction is **projected to support \$2.3M in net County Tax revenue, \$18.7M million in net State tax revenue, as well as over \$71.5M million in net Federal tax revenue, all from within Washington state.**

**Approximately \$4.6M in tax revenue is supported for sub-county special districts in Washington state** which includes public school districts and fire districts (as applicable) and **\$2.8M in tax revenue is supported for Sub-County general - most of which will be for cities and towns such as Seattle.**

Note: The IMPLAN model used for these estimates calculates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid are likely to be higher than what appears in Table 6. For example, if Watershed pays 10.35% sales tax on materials for construction, a \$1,000 purchase would have an additional \$103.50 paid in sales tax. This would be the gross direct tax effect of the purchase. However, if the industry that supplied the materials received any subsidies or tax credits, the value of those subsidies or tax credits would be subtracted from the gross tax effect, resulting in a net tax effect less than the \$103.50.

**Table 6.** Tax effects are largely generated from within Seattle

		Tax impact from each geography			Total
		Seattle	King County	Washington	
Level of Government	Sub County General	\$1.2 M	\$1.2 M	\$0.4 M	<b>\$2.8 M</b>
	Sub County Special Districts	\$1.8 M	\$1.7 M	\$1.1 M	<b>\$4.6 M</b>
	County	\$0.8 M	\$0.8 M	\$0.7 M	<b>\$2.3 M</b>
	State	\$6.3 M	\$5.4 M	\$7.0 M	<b>\$18.7M</b>
	Federal	\$37.5 M	\$18.7 M	\$15.3 M	<b>\$71.5M</b>
	Total*	\$47.6 M	\$27.8 M	\$24.3 M	<b>\$99.8 M</b>

\*Figures may not sum due to rounding

One type of taxes that are prominent in a large construction project like The Bend are Taxes on Production and Imports net of subsidies<sup>1</sup> (TOPI). These are incurred at each level of government and are one of the primary sources of tax effects alongside payroll taxes, income taxes, property taxes, corporate profit taxes, and other personal taxes (e.g. motor vehicle registration). Table 7 provides a detailed view of the sources of TOPI effects both in total (direct, indirect, and induced effects) and direct effects only. These again are net tax effects rather than gross, but show the largest sources of tax revenue from Watershed are sales taxes and property taxes. To compare the difference between net and gross sales tax, gross sales tax receipts from construction is estimated to be about \$21M, significantly larger than the \$3.3M of direct net sales tax effects estimated by IMPLAN in Table 7.

**Table 7.** Taxes on Production and Imports net of subsidies (TOPI) impacted from economic activity within Seattle

	Total TOPI tax effects	Direct TOPI tax effects only
TOPI: Sales Tax	\$5,191,019	\$3,347,797
TOPI: Property Tax	\$2,788,819	\$1,798,568
TOPI: Motor Vehicle License	\$69,352	\$44,727
TOPI: Severance Tax	\$9,257	\$5,970
TOPI: Other Taxes	\$747,518	\$482,090
TOPI: Special Assessments	\$36,908	\$23,803
<b>TOTAL TOPI</b>	<b>\$8,842,872</b>	<b>\$5,702,954</b>

<sup>1</sup>“TOPI includes sales and excise taxes, customs duties, property taxes, motor vehicle licenses, severance taxes, other taxes, and special assessments. Subsidies are counted as a negative value towards TOPI, meaning that they are paying out of TOPI instead of generating TOPI. Because TOPI is net of subsidies, it can be negative for a given Industry in a given year if that Industry received more subsidies from the government than it paid out in these specific taxes in that year.” (IMPLAN, 2017)

## VIII: Top Industries Impacted

The following industries are those that the construction of The Bend supports most in Seattle either via its direct spend, supply chain spend or household spending of employees.

1. Construction of Mixed-use Structures
2. Independent Artists, Writers, and Performers (NOTE: this industry would otherwise be ranked 158th were it not for Watershed’s intentional spend with artists)
3. Retail - Building material and garden equipment and supplies stores
4. Ready-Mix concrete manufacturing
5. Owner-occupied dwellings (via household spend)
6. Truck transportation
7. Hospitals (via household spend)
8. Other real estate
9. Offices of Physicians (via household spend)
10. Architectural, engineering, and related services
11. Legal services
12. Monetary authorities and depository credit intermediation
13. Wholesale - Other durable goods
14. Management of companies and enterprises
15. Full-service restaurants (via household spend)
16. Retail - Nonstore retailers
17. Tenant-occupied housing (via household spend)
18. Internet publishing and broadcasting and web search
19. Other financial investment activities (via household spend)
20. Data processing, hosting, and related services (via household spend)
21. Other local government enterprises

## VII: Insights

Economic impacts of the construction of The Bend as outlined above are distinguished from other mixed-use developments by four features of this analysis:

1. Intentional Local Spend
2. Arts-focused Spend
3. Programming that is planned as a part of the development
4. District Capital Improvements planned as a part of the development

None of these four features of The Bend are typical to major mixed-use developments meaning that Watershed is creating both additional economic impact compared to a typical development and creating economic impacts in sectors otherwise experiencing little direct effect from new developments.

As previously described, the intentional local spend generates an additional \$5.8 million in economic impact in Seattle. The Arts-focused spend similarly generates approximately \$6.9 million in economic impact in Seattle, with over 90% of that being within the Arts industry, impact that would not have otherwise occurred without the intentionality of Watershed's arts focus.

Similarly, the programming, district capital improvements, and district planning and development expenditures, each of which are unique to The Bend, supports \$51.8 million in economic impact in Seattle beyond what construction of the buildings alone would entail.

Across these unique features of The Bend, there is almost \$68 million in additional economic impact in Seattle (noting the arts spend is a part of other line items).

## VIII: About This Report

This economic impact report was prepared by Ecotone Analytics in partnership with Watershed leadership.

This IMPLAN model uses a representation of the economy in 2022. Figures for 2023 are not yet available. All dollar values are communicated in 2024 values. Learn more about the IMPLAN model at [www.implan.com](http://www.implan.com).

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## IX: Glossary

**The Bend Activities / Direct Effects:** Direct effects are value from The Bend's spend.

**Supply Chain / Indirect Effects:** Indirect effects are value produced by the supply chain of The Bend contractors others that Watershed procures from

**Household Spending / Induced Effects:** Induced effects are those effects that result from household spending due to the labor income received by The Bend contractors, sub-contractors, those within the supply chain of The Bend contractors and any other entities Watershed buys goods/services from.

**Labor income:** The wages and benefits associated with either direct (construction industry employees or artists), indirect (supported by industries purchasing from industries), or induced (positions supported by household level spending on goods and service) jobs.

**Household level spending:** The purchases made by individuals and families for items such as food, clothing, durable and non-durable goods, and other retail. It also includes spending on personal services such as home repair, dry cleaning, restaurants, and automotive repair.

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**Output:** The value of all goods and services produced by the industries within the study region; may be either direct, indirect, or induced.

## X: Frequently Asked Questions

### What did Ecotone's economic impact analysis for Watershed consist of?

Ecotone conducted an economic input/output analysis using IMPLAN modeling software.

1. Input-output analysis is a macroeconomic analysis based on the interdependencies between different economic sectors or industries, showing how each sector of the economy is connected to others.
2. Input-output analysis is used to estimate the impacts of positive or negative economic shocks and analyzes the ripple effects throughout the economy.
3. Three types of impacts are modeled in input-output analysis. They are direct impact, indirect impact, and induced impact.

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This is applied to two phases of Watershed’s activities to show the size of the linkages to other industries and households.

4. The construction phase - this is showing how the hard and soft costs of developing The Bend are linked to other industries and households, i.e. how the development expenditures flow through society, how much local GDP is connected to the development, how many jobs are supported in the community from building these buildings, etc.
5. The operational phase - this is what happens after all the buildings are up, the tenants are in, and the businesses are operating. This shows how the revenues generated in the District end up impacting other businesses, support other jobs, etc.

*What this analysis is NOT:*

Economic impact assessments can take various forms. Economic input/output analysis is not the only method but it is the one used here and is what the tool, IMPLAN, is used for. As a result, this analysis is not sizing economic opportunity in the region, it’s not showing where profits are flowing or who is realizing profits, it’s not showing what industries are over or under-indexed in the region, or what an influx of residents will mean to transportation system economics.

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## What is IMPLAN?

IMPLAN is an input-output model used for this analysis. Input-output accounting describes commodity flows from producers to intermediate and final consumers. The total industry purchases of commodities, services, employment compensation, value added, and imports are equal to the value of the commodities produced.

IMPLAN follows accounting conventions of the U.S. Bureau of Economic Analysis. An IMPLAN impact analysis involves specifying a series of expenditures or other changes and applying them to the region’s economic multipliers in alignment with the IMPLAN sectoring scheme which is derived from the North American Industry Classification System (NAICS) codes. The multiplier represents the difference between the initial effect (e.g. compensation paid to employers and contractors by founders) and the total effects resulting from that.

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## What are the direct, indirect, and induced effects measured by economic input/output analysis?

The total economic impact of an organization can be calculated as direct, indirect and induced effects. Direct effects are value produced by the organization’s activities alone. Indirect effects are value produced by the supply chain of the organization. This includes the flow of spending from each business in a supply chain, as suppliers to a business will purchase goods and services themselves. Lastly, labor income from the organization’s jobs and labor income from jobs within their supply chain lead to changes in regional household spending. Those effects that result from household spending are termed induced effects. This can include all those aspects of life people may spend money on, whether it be rent, going to restaurants, buying a car, etc. – the effects on these industries are induced by labor income.

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## What is a job?

In this economic impact report and in the IMPLAN model, a job represents full and part-time annual averages, using the same definition as the Bureau of Economic Analysis Regional Economic Accounts (BEA REA) and Bureau of Labor Statistics Census of Employment and Wages (BLS CEW) data.

A job can be either full-time or part-time. As a result, jobs figures reported here are distinct from Full-Time Equivalent (FTEs). Similarly, the number of jobs may not equal the number of employees, particularly if there are multiple employees for what the BEA may consider a single job. A person can also hold multiple jobs, so one job does not necessarily equate to one employee.

## What were the sources of figures used to estimate a total construction cost of \$348M?

**Table 8.**

Investments	Planned Expenditures	Data Source
Elements	\$68,806,397	Elements Pro Forma 7-11-2024 BR
Findlay / Oasis	\$232,936,180	Oasis-Findlay pro forma 5.20.24 BR
District Capital Investments	\$34,372,075	Commitments 6-100
Programming	\$1,894,500	Commitments 6-100
District Planning and Development	\$9,812,390	District Development Soft Costs from District Budget 7.11.24

## Why do we say 'Watershed supports' and not 'Watershed causes' or 'Watershed created'?

In this analysis, Watershed supports \$609 million in economic activity in Washington. We use this language to note there is uncertainty around how much labor income, supply chains, jobs, and household spending would change were Watershed not to conduct this project. However, we can be certain that Watershed's work supports all of these components. This word choice helps to mitigate risk of overclaiming impact.

## Can I combine the Operating Impacts and the Development Impacts to get total Impacts of The Bend?

Given that the impacts of operations are expected to be recurring annually and the construction impacts are one-time events (potentially spread over multiple years), it is recommended that these figures not be combined and instead shared as separate figures.



## What are the industries that correspond to artists in IMPLAN?

To help understand the economic impact on the arts from Watershed’s intentional art-oriented spend as a part of their development, it was important to identify the economic sectors that would receive that spend. IMPLAN has two sectors that were considered appropriate in this analysis.

496	Performing arts companies
499	Independent artists, writers, and performers

## How was intentional local spend incorporated into this analysis?

Contractors used by Watershed are encouraged to procure from local suppliers as much as possible. To help account for the value of this effort, we identified the commodities of the greatest expected expense and requested contractors to note where they intend to procure those commodities from.

**Table 9.** Local procurement inputs for customization of the The Bend’s local economic impact - Elements

Elements (approx 25% of total)	Contractor: Synergy				
Top Commodities by Spend	Any Within Region (Y/N)	City %	County %	State %	Out of Region %
Wood	Y		50%	50%	
Concrete	Y		100%		
Stone	Y	50%		50%	
Windows and doors	Y			100%	
Furnishings	Y	25%	50%	25%	
Building materials retailer	Y	25%	75%		
Trucking services	Y		75%	25%	
Architectural and engineering services	Y	100%			

**Table.** Local procurement inputs for customization of the The Bend’s local economic impact - Oasis/Findlay

Oasis / Findlay (approx 75% of total)	Contractor: SRM Construction				
Top Commodities by Spend	Any with- in region (Y/N)	City %	County %	State %	Out of Region %
Wood	Y	50%		50%	
Concrete	Y	100%			
Stone	Y	50%		50%	
Windows and doors	Y			100%	
Furnishings	Y	25%	25%	25%	25%
Building materials retailer	Y	50%	50%		
Trucking services	Y	100%			
Architectural and engineering services	Y	45%	30%	20%	5%

**What is the breakdown of economic impact within 98108 and does it impact neighboring zip codes?**

Impact in zip code 98108			
Impact	Employment	Labor Income	Output
Direct 98108	2,146	\$207M	\$348M
Indirect 98108	16	\$1M	\$5M
Induced 98108	1	\$92M	\$248,000
<b>Totals</b>	<b>2,162</b>	<b>\$209M</b>	<b>\$353M</b>

Economic impact spillover into zip codes 98106 and 98134			
Impact	Employment	Labor Income	Output
Indirect 98106 and 98134	8.5	\$713,000	\$2.6M
Induced 98106 and 98134	0.01	\$1,000	\$3,000
<b>Totals</b>	<b>8.5</b>	<b>\$714,000</b>	<b>\$2.6M</b>

While the bulk of impact occurs within 98108, about \$2.6M in economic activity does occur in neighboring zip codes due to the construction of The Bend.



# Projected Economic Impacts of the Operational Phase of The Bend

Ecotone Analytics

10/16/2024

## I: Purpose of the Document

This document will introduce the estimated economic and tax impacts of the expected operations of The Bend, including the impacts from commercial tenants, the management of arts-related initiatives by Watershed, and the rental income from tenants. This includes projecting the estimated economic activity supported by The Bend's operations such as labor income paid out and number of jobs supported.

These impacts are distinct from social impacts experienced by individuals such as a change in earnings, a change in health, a change in education, etc. Social impacts will also occur from the operations of The Bend and are addressed in a separate social impact analysis where they are more fully accounted for. Related, operational costs that are intentionally directed to diverse-owned and women-owned businesses and/or employees are accounted for as a social impact.

## II: Economic Impact of the Operational Phase

The operations of The Bend will have a significant economic impact on the Georgetown neighborhood of Seattle, the city of Seattle, King County, and the state of Washington as a whole. The following figures summarize the expected annual impact of The Bend's operations in Washington.

**\$40.4 million**

cumulative economic impact supported in Washington

**\$3.2 million**

cumulative federal taxes supported

**\$3.0 million**

cumulative state and local taxes supported

**\$10.4 million**

cumulative labor income supported

**225 jobs**

supported in 2022

### III: What Does This Economic Impact Consist Of?

Employers and businesses have an effect on the economy. When Watershed completes the development of the Bend, the eventual tenants - commercial and nonprofit entities as well as the property managers - will be spending money, creating an economic impact in the community. When the tenants provide jobs or purchase goods and services, it has a direct economic impact. Tenants' suppliers hire people and purchase goods and services from other businesses within their supply chain, and those other businesses in turn purchase goods and services themselves. All these supply chain effects are considered indirect effects. Employees of tenants and their suppliers earn an income that they use to buy groceries, pay rent, travel, etc. This income is considered household spending, and the effects of household spending are considered to be induced effects. Tenants' and property managers' impact grows as they hire more people and purchase more goods and services from businesses. The more this is done with local people and local businesses, the greater the local economic impact will be as well.

Components of economic impact discussed in this report include output, labor income and jobs.

- Output is the value of production by the tenants and property managers.
- Labor income is the total compensation (wages, benefits and/or fees) paid to employees.
- Jobs are the full-time and part-time positions supported. The mix of full-time and part-time is based on industry averages.

### IV: Inputs for Economic Impact of Operational Phase

Once The Bend is operational, there will be multiple sources of economic impact. Table 1 shows each of those sources including the expected number of jobs (converted from FTEs) and the annual revenue expected once all units are filled. As a result, these economic impacts may not be realized in full in the first year of operations because of the time it will take to reach targeted occupancy levels, but these figures are intended to be representative of a typical year of operations.

**Table 1.** Sources of economic impact during operational phase of The Bend

	Number of Jobs Expected*	Total Annual Revenue Expected	Notes on Estimation**
Small Retail/Artist Studio	30.3	\$1,504,800	3,762sf @ \$400/sf
Artist Studios & Gallery	11.5	\$933,600	2,334sf @ \$400/sf
Café	7.5	\$958,300	1,369sf @ \$700/sf
Non-profits (some of which will be arts organizations)	41.5	\$4,659,800	6,907sf @ \$400/sf (for small spaces) and \$700/sf (for larger spaces)
Childcare		\$1,750,000	7,000sf @ \$250/sf
Grocery		\$4,400,000	8,800sf @ \$500/sf 1,560sf @ \$0/sf
Food Prep/Retail	23.6	\$1,419,200	2,402sf @ \$700/sf
Non-profit 2 - Performing Arts School	5.8	\$695,100	993sf @ \$700/sf
<b>Commercial and Non-profit Tenants Sub-total</b>	<b>120.1</b>	<b>\$16,320,800</b>	<b>-</b>
Art spend during the Operational phase (note this is not revenue but expenditures)	-	\$744,000	Estimated from 'The Bend Phase 2 Financial Plan CURRENT' in Art tab, using the annual cost for Art Leadership, Curation, and Art Maintenance
Oasis-Findlay Rent	16	\$10,748,956	Estimated income per year from 'Oasis-Findlay pro forma' in the Operations tab
Elements Rent	4	\$3,493,864	Estimated income per year from 'Elements pro forma' in the Operations tab
<b>Property Operations Sub-total</b>	<b>20</b>	<b>\$14,986,820</b>	<b>-</b>
<b>Total Estimated Operational Annual Revenues</b>	<b>-</b>	<b>\$31,307,620</b>	<b>-</b>

\*Jobs estimates were not available for every commercial/non-profit tenant at the time of this analysis. In those cases, the IMPLAN model utilizes industry averages for those respective tenants.

\*\*FTEs and annual revenue of tenants of The Bend were estimated based on industry averages and approximations from what the Watershed team knows about the potential tenants.

## V: Economic Impact

Tables 2-3 outline the economic impact of the operations of The Bend across multiple overlapping geographies - the zip code 98108 where The Bend is located, City of Seattle, King County, and Washington state as a whole.

The majority of impact occurs within zip code 98108 (\$28M), where The Bend is located. This is what we would expect. However, over \$12M of economic impact is also supported outside of 98108 but within Washington.

This suggests that there are many resources procured and employees supported from within King County and from Washington generally who do not operate in or live in 98108. As intentional local hiring and procurement by commercial tenants of The Bend increases the amount of economic impact will become increasingly local as well.

Economic impacts shown in Table 2 are cumulative of direct, indirect and induced effects.

**Table 2.** The largest economic impact occurs within 98108

Location of Impact	Annual Impact from Operations of The Bend
98108	\$28.1M
Seattle Excluding 98108	\$2.4M
King County Excluding Seattle	\$5.4M
Washington State Excluding King County	\$4.5M
<b>Total</b>	<b>\$40.4M</b>

Table 3 notes the total jobs supported in each geography. Similar to Table 2, when the geographic scope is expanded, more and more jobs are supported, with over 225 jobs supported by the operations of The Bend across the state of Washington.

**Table 3.** Most jobs supported are within 98108

Jobs Impact Summary		Annual Jobs Impact in each Geography				
Analysis Scope	Type of Impact	98108	Seattle Excluding 98108	King County Excluding Seattle	Washington State Excluding King County	Total
Operations of the Bend	Direct	173	-	-	-	<b>173</b>
	Indirect	0.3	6	9	8	<b>23</b>
	Induced	0.0	2	13	14	<b>29</b>
	<b>Total Jobs Supported</b>	<b>173</b>	<b>8</b>	<b>22</b>	<b>22</b>	<b>225</b>

## VI: Fiscal (Tax) Impact

When Watershed or its tenants pay employees, Watershed and employees contribute payroll taxes and employees also contribute income taxes, property taxes, etc. (direct effects). When Watershed and tenants purchase from supply chain companies, these companies pay sales taxes, customs duties, and corporate profit taxes as do the suppliers of those companies (indirect effects). When Watershed employees, employees of tenants, or employees of the supply chain companies go to a restaurant, that restaurant pays taxes, and its employees pay taxes (induced effects).

Through each of these channels, the development of The Bend is projected to have large tax effects across each level of government due to the jobs supported and purchasing from area businesses. The Bend development is **projected to support \$250,000 in County Tax revenue, \$1.9M million in State tax revenue, as well as over \$3.2M million in Federal tax revenue per year.**

Approximately **\$500,000 in tax revenue per year is supported for sub-county special districts in Washington state** which includes public school districts and fire districts (as applicable) and **\$300,000 in tax revenue per year is supported for Sub-County general - most of which will be for cities and towns such as Seattle.**

Of note, all tax effects are net of any industry and household tax credits or subsidies. As a result, gross tax payments may be larger than the values shown in Table 4.

**Table 4.** Tax impacts are largely generated from within Seattle

Tax Impact Summary		Tax Impact per Year from Each Geography			
Analysis Scope	Level of Government	Seattle	King County Excluding Seattle	Washington State Excluding King County	Total
Operations of the Bend	Sub County General	\$0.2M	\$40,000	\$22,000	<b>\$0.3M</b>
	Sub County Special District	\$0.3M	\$60,000	\$90,000	<b>\$0.5M</b>
	County	\$0.2M	\$29,000	\$55,000	<b>\$0.3M</b>
	State	\$1M	\$0.2M	\$0.7M	<b>\$1.9M</b>
	Federal	\$1.9M	\$0.7M	\$0.6M	<b>\$3.2M</b>
	<b>Total</b>	<b>\$3.7M</b>	<b>\$1.1M</b>	<b>\$1.4M</b>	<b>\$6.2M</b>



## VII: Arts Impact

Many of the tenants in The Bend will be artists and arts organizations including studios, galleries, arts experiences, and nonprofits. Further, Watershed plans to have operating costs for the management of The Bend that are specific to art maintenance, art curation, and arts programming such as events and residencies. This combination of arts-specific property management and a significant number of commercial tenants being artists or arts-related organizations means that a large portion of The Bend’s operational economic impacts will be tied to the arts, a feature that distinguishes The Bend from most other mixed use developments in the region. Table 5 shows those sources of economic impact that were arts-related.

**Table 5.** The largest economic impact occurs within 98108

	Number of Jobs Expected*	Total Annual Revenue Expected	Notes on Estimation**
Small Retail/Artist Studio	30.3	\$1,504,800	3,762sf @ \$400/sf
Artist Studios & Gallery	\$2.4M	\$933,600	2,334sf @ \$400/sf
Non-profit 2 - Performing Arts School	\$5.4M	\$695,100	993sf @ \$700/sf
Art Spend During the Operational Phase (note this is not revenue but expenditures)	\$4.5M	\$744,000	Estimated from 'The Bend Phase 2 Financial Plan CURRENT' in Art tab, using the annual cost for Art Leadership, Curation, and Art Maintenance

Table 6 highlights the economic impacts of these arts-related activities once The Bend is operational. Approximately \$3.5M in economic activity is supported in 98108 alone and a total of \$6.5M in Washington State as a whole. Further, about 50 jobs are expected to be supported within 98108 and another 14 jobs supported outside of 98108 but within Washington.

**Table 6.** Arts economic impacts

	Annual Economic Impact in each Geography				Total
	98108	Seattle Excluding 98108	King County Excluding Seattle	Washington State Excluding King County	
Economic Impact	\$3.5M	\$653,000	\$1.3M	\$1M	<b>\$6.5M</b>
Jobs	50	2	5	6	<b>64</b>

## VIII: Top Industries Impacted

The following industries are those that the operation of The Bend supports most in Seattle either via its direct spend, supply chain spend or household spending of employees. The largest industry impacted is tenant-occupied housing due to the rent collected by Watershed.

1. Tenant-occupied housing
2. Labor and civic organizations (non-profits)
3. Child day care services
4. Retail-food and beverage stores
5. Specialized design services and independent artists
6. All other food and drinking places
7. Limited-service restaurants
8. Promoters of performing arts and sports
9. Other educational services
10. Retail-Miscellaneous store retailers
11. Other real estate
12. Internet publishing and broadcasting and web search portals

13. Management of companies and enterprises
14. Monetary authorities and depository credit intermediation
15. Owner-occupied dwellings (via household spend)
16. Legal services
17. Cable and other subscription programming (via household spend)
18. Radio and television broadcasting (via household spend)
19. Management consulting services
20. Data processing, hosting, and related services

## IX: Insights

Economic impact is contingent on many factors: Economic impact changes by sector, by geography, by year, among other factors in the economy (e.g. major events such as COVID).

As much as tenants and Watershed work to hire and procure locally, the local economic impact will increase. Decisions around where to procure goods/services and where to hire employees from matters. The more a dollar can be spent locally, the more likely it is to stay local for longer.

The types of tenants that Watershed has at The Bend will influence the size of the economic impact. Different sectors have different economic and jobs multipliers in different geographies - i.e. have different linkages to other area industries. A dollar of output will support more local economic activity for some sectors over others given that the shape of the economy is different for every geography. Similarly, some sectors may support fewer jobs but they may be higher paying jobs compared to other sectors.

See Table 7 for examples of the variation amongst sectors' impact in Seattle compared against the operations of The Bend as whole. Each of the industry sectors included in Table 7 will be located at The Bend. The sectors with larger multipliers are thus having outsize contributions to the total economic impact of the operations of The Bend. For example, promoters of performing arts tend to have a greater economic multiplier and jobs multiplier than The Bend as a whole. Thus, increasing the size of tenants operating in this sector will increase the economic impact of The Bend more quickly than other sectors.

Table 7 also conveys the trade-offs to the different types of economic impact. Economic multipliers and jobs multipliers do not necessarily positively correlate with each other. For example, an industry may support more jobs but have comparatively less effect on total economic output (suggesting the jobs are lower paying) or may have greater effect on economic output with less effect on number of jobs (suggesting greater capital intensity and/or higher paying jobs). Consideration for the types of jobs The Bend wants to foster should consider the sectors that the development is supporting.

**Table 7.** Seattle Multipliers by Industry

Industry	Economic Multiplier	Jobs Multiplier
Cumulative Operations of The Bend	1.09	1.05
Specialized Design Services (Small Retail/Artist Studio)	1.14	1.02
Miscellaneous Retail - Art Gallery	1.21	1.04
Limited Service Restaurants - Cafe	1.22	1.09
Food and Drinking Establishments - Food Prep/Retail	1.18	1.04
Tenant Occupied Housing	1.02	1.06
Promoters of Performing Arts	1.21	1.2

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#### *What this analysis is NOT:*

Economic impact assessments can take various forms. Economic input/output analysis is not the only method but it is the one that we use and is what the tool, IMPLAN, is used for. As a result, this analysis is not sizing economic opportunity in the region, it's not showing where profits are flowing or who is realizing profits, it's not showing what industries are over or under-indexed in the region, or what an influx of residents will mean to transportation system economics.

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## What is IMPLAN?

IMPLAN is an input-output model used for this analysis. Input-output accounting describes commodity flows from producers to intermediate and final consumers. The total industry purchases of commodities, services, employment compensation, value added, and imports are equal to the value of the commodities produced.

IMPLAN follows accounting conventions of the U.S. Bureau of Economic Analysis. An IMPLAN impact analysis involves specifying a series of expenditures or other changes and applying them to the region's economic multipliers in alignment with the IMPLAN sectoring scheme which is derived from the North American Industry Classification System (NAICS) codes. The multiplier represents the difference between the initial effect (e.g. compensation paid to employers and contractors by founders) and the total effects resulting from that.

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## What are the direct, indirect, and induced effects measured by economic input/output analysis?

The total economic impact of an organization can be calculated as direct, indirect and induced effects. Direct effects are value produced by the organization's activities alone. Indirect effects are value produced by the supply chain of the organization. This includes the flow of spending from each business in a supply chain, as suppliers to a business will purchase goods and services themselves. Lastly, labor income from the organization's jobs and labor income from jobs within their supply chain lead to changes in regional household spending. Those effects that result from household spending are termed induced effects. This can include all those aspects of life people may spend money on, whether it be rent, going to restaurants, buying a car, etc. – the effects on these industries are induced by labor income.

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## What is a job?

In this economic impact report and in the IMPLAN model, a job represents full and part-time annual averages, using the same definition as the Bureau of Economic Analysis Regional Economic Accounts (BEA REA) and Bureau of Labor Statistics Census of Employment and Wages (BLS CEW) data.

A job can be either full-time or part-time. As a result, jobs figures reported here are distinct from Full-Time Equivalents (FTEs). Similarly, the number of jobs may not equal the number of employees, particularly if there are multiple employees for what the BEA may consider a single job. A person can also hold multiple jobs, so one job does not necessarily equate to one employee.

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## Why do we say 'Watershed supports' and not 'Watershed causes' or 'Watershed created'?

In this analysis, Watershed supports \$40 million in economic activity in Washington. We use this language to note there is uncertainty around how much labor income, supply chains, jobs, and household spending would change were Watershed not to conduct this project. However, we can be certain that Watershed's work supports all of these components. This word choice helps to mitigate risk of overclaiming impact.

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## Can I combine the Operating Impacts and the Construction Impacts to get total Impacts of this new development?

Given that the impacts of operations are expected to be recurring annually and the construction impacts are one-time events (potentially spread over multiple years), it is recommended that these figures not be combined and instead shared as separate figures.

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## If the operating impacts are annual, can I project them over multiple years to show a bigger economic impact?

This should be done with caution. A forward projection of the annual economic impacts assumes that the economic make-up of the region does not change. This means there are no shifts in demand, no changes in population, no changes in industry linkages, etc. As a result, multiplying the annual economic impact of The Bend over a number of years should only be done to provide very preliminary estimates of the scale of impact over time.

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## What are the industries that correspond to artists in IMPLAN?

To help understand the economic impact on the arts from Watershed's intentional art-oriented spend as a part of their development, it was important to identify the economic sectors that would receive that spend. IMPLAN has two sectors that were considered appropriate in this analysis.

496	Performing arts companies
499	Independent artists, writers, and performers

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# Construction Phase Economic Impact in King County from The Bend

**Total economic impact in King County:  
\$497 million and 2,751 jobs**

The construction of The Bend from 2025-2029 is projected to support \$497 million in economic activity in King County. For every \$1 dollar spent on its construction, \$1.43 worth of economic activity is supported in King County. A total of 2,751 jobs in King County will be supported by the construction of The Bend. There are a projected 2,146 jobs directly impacted by the construction of The Bend, which will support the jobs of another 605 people around King County via a combination of jobs in supply chain companies (e.g. art materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

**Investment to build The Bend:  
\$348 million and 2,146 jobs**

**Additional economic activity  
supported in King County:  
\$150 million and 605 jobs**



**Table 1.** Economic Impact in King County from the construction of The Bend (2025-2029)

Impact Type	Employment	Labor Income	Output
<b>Total</b>	<b>2,751 Jobs</b>	<b>\$258 Million</b>	<b>\$497 Million</b>
<b>Investment in The Bend (Direct effect)</b>	2,146 Jobs	\$207 Million	\$348 Million
<b>Supply Chain Impact (Indirect effect)</b>	182 Jobs	\$17 Million	\$51 Million
<b>Household Spend Impact (Induced effect)</b>	423 Jobs	\$34 Million	\$99 Million

Sub County General  
**\$2.4 Million**

Washington State  
**\$12.0 Million**

Sub County Special Districts  
**\$3.5 Million**

Federal  
**\$56.2 Million**

King County  
**\$1.7 Million**

**Total Tax Impact in King County  
from the construction of the Bend<sup>1</sup>  
\$75.5 Million**

Note: All dollar values are in 2024 dollars. Figures may not sum due to rounding.

<sup>1</sup> IMPLAN estimates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid may be higher than what appears above.





# Operational Phase Economic Impact in King County from The Bend

**Annual economic impact in King County:  
\$35.9 million and 203 jobs**

The operations of The Bend are projected to support \$35.9 million in economic activity in King County. For every \$1 dollar in revenue, \$1.28 worth of economic activity is supported in King County. A total of 203 jobs in King County will be supported by the operations of The Bend. There are a projected 173 jobs directly impacted by the operations of The Bend, which will support the jobs of another 30 people around King County via a combination of jobs in supply chain companies (e.g. art materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

Projected annual revenues  
at The Bend:

**\$28.0 million and 173 jobs**

Additional economic activity  
supported in King County:

**\$7.9 million and 30 jobs**



**Table 1.** Annual Economic Impact in King County from the operations of The Bend

Impact Type	Employment	Labor Income	Output
<b>Total</b>	<b>203 Jobs</b>	<b>\$9.3 Million</b>	<b>\$35.9 Million</b>
Investment in The Bend (Direct effect)	173 Jobs	\$6.5 Million	\$28.0 Million
Supply Chain Impact (Indirect effect)	15 Jobs	\$1.5 Million	\$4.3 Million
Household Spend Impact (Induced effect)	15 Jobs	\$1.2 Million	\$3.6 Million

Sub County General <b>\$0.3 Million</b>	Washington State <b>\$1.2 Million</b>
Sub County Special Districts <b>\$0.4 Million</b>	Federal <b>\$2.6 Million</b>
King County <b>\$0.2 Million</b>	

**Annual Tax Impact in King County  
from the operations of the Bend<sup>1</sup>  
\$4.7 Million**

Note: All dollar values are in 2024 dollars. Figures may not sum due to rounding.

<sup>1</sup> IMPLAN estimates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid may be higher than what appears above.



# Construction Phase Economic Impact in Seattle from The Bend

**Total economic impact in Seattle:  
\$387 million and 2,299 jobs**

The construction of The Bend from 2025-2029 is projected to support \$387 million in economic activity in Seattle. For every \$1 dollar spent on its construction, \$1.11 worth of economic activity is supported in Seattle. A total of 2,299 jobs in Seattle will be supported by the construction of The Bend. There are a projected 2,146 jobs directly impacted by the construction of The Bend, which will support the jobs of another 153 people around Seattle via a combination of jobs in supply chain companies (e.g. art materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

**Investment to build The Bend:  
\$348 million and 2,146 jobs**

**Additional economic activity  
supported in Seattle:**

**\$39 million and 153 jobs**



**Table 1.** Economic impact in Seattle from the construction of The Bend (2025-2029)

Impact Type	Employment	Labor Income	Output
<b>Total</b>	<b>2,299 Jobs</b>	<b>\$221 Million</b>	<b>\$387 Million</b>
Investment in The Bend (Direct effect)	2,146 Jobs	\$207 Million	\$348 Million
Supply Chain Impact (Indirect effect)	74 Jobs	\$7 Million	\$22 Million
Household Spend Impact (Induced effect)	79 Jobs	\$6 Million	\$17 Million

City of Seattle  
**\$1.2 Million**

Sub County Special Districts  
**\$1.7 Million**

King County  
**\$0.8 Million**

Washington State  
**\$6.3 Million**

Federal  
**\$37.5 Million**

**Total Tax Impact in Seattle from  
the construction of the Bend<sup>1</sup>  
\$47.6 Million**

Note: All dollar values are in 2024 dollars. Figures may not sum due to rounding.

<sup>1</sup> IMPLAN estimates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid may be higher than what appears above.



# Operational Phase Economic Impact in Seattle from The Bend

**Annual economic impact in Seattle:  
\$30.5 million and 181 jobs**

The operations of The Bend are projected to support \$30 million in economic activity in Seattle. For every \$1 dollar in revenue, \$1.09 worth of economic activity is supported in Seattle. A total of 181 jobs in Washington will be supported by the operations of The Bend. There are a projected 173 jobs directly impacted by the construction of The Bend, which will support the jobs of another 8 people around Seattle via a combination of jobs in supply chain companies (e.g. art materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

Projected annual revenues  
at The Bend:

**\$28.0 million and 173 jobs**

Additional economic activity  
supported in Seattle:

**\$2.5 million and 9 jobs**



**Table 1.** Annual Economic Impact in Seattle from the operations of The Bend

Impact Type	Employment	Labor Income	Output
<b>Total</b>	<b>181 Jobs</b>	<b>\$7.4 Million</b>	<b>\$30.5 Million</b>
Investment in The Bend (Direct effect)	173 Jobs	\$6.5 Million	\$28.0 Million
Supply Chain Impact (Indirect effect)	6 Jobs	\$655,000	\$1.9 Million
Household Spend Impact (Induced effect)	3 Jobs	\$208,000	\$568,000

City of Seattle  
**\$0.2 Million**

Washington State  
**\$1.0 Million**

Sub County Special Districts  
**\$0.3 Million**

Federal  
**\$1.9 Million**

King County  
**\$0.2 Million**

**Annual Tax Impact in Seattle from  
the operations of the Bend<sup>1</sup>  
\$3.7 Million**

Note: All dollar values are in 2024 dollars. Figures may not sum due to rounding.

<sup>1</sup> IMPLAN estimates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid may be higher than what appears above.



# Construction Phase Economic Impact in Washington State from The Bend

**Total economic impact in Washington:  
\$609 million and 3,234 jobs**

The construction of The Bend from 2025-2029 is projected to support \$609 million in economic activity in Washington. For every \$1 dollar spent on its construction, \$1.75 worth of economic activity is supported in Washington. A total of 3,234 jobs in Washington will be supported by the construction of The Bend. There are a projected 2,146 jobs directly impacted by the construction of The Bend, which will support the jobs of another 1,088 people around Washington via a combination of jobs in supply chain companies (e.g. art materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

**Investment to build The Bend:  
\$348 million and 2,146 jobs**

**Additional economic activity  
supported in Washington:  
\$262 million and 1,088 jobs**



**Table 1.** Economic Impact in Washington from the construction of The Bend (2025-2029)

Impact Type	Employment	Labor Income	Output
<b>Total</b>	<b>3,234 Jobs</b>	<b>\$287 Million</b>	<b>\$609 Million</b>
<b>Investment in The Bend (Direct effect)</b>	2,146 Jobs	\$207 Million	\$348 Million
<b>Supply Chain Impact (Indirect effect)</b>	291 Jobs	\$23 Million	\$84 Million
<b>Household Spend Impact (Induced effect)</b>	797 Jobs	\$56 Million	\$178 Million

Sub County General  
**\$2.8 Million**

Sub County Special Districts  
**\$4.6 Million**

County  
**\$2.3 Million**

Washington State  
**\$18.7 Million**

Federal  
**\$71.5 Million**

**Total Tax Impact in Washington  
from the construction of the Bend<sup>1</sup>  
\$99.8 Million**

Note: All dollar values are in 2024 dollars. Figures may not sum due to rounding.

<sup>1</sup> IMPLAN estimates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid may be higher than what appears above.



# Operational Phase Economic Impact in Washington State from The Bend

**Annual economic impact in Washington:  
\$40.4 million and 225 jobs**

The operations of The Bend are projected to support \$40.4 million in economic activity in Washington. For every \$1 dollar in revenue, \$1.44 worth of economic activity is supported in Washington. A total of 225 jobs in Washington will be supported by the operations of The Bend. There are a projected 173 jobs directly impacted by the operations of The Bend, which will support the jobs of another 52 people around Washington via a combination of jobs in supply chain companies (e.g. art materials retailers) and jobs supported by employee spending habits (e.g. housing, grocery stores, etc.).

Projected annual revenues  
at The Bend:

**\$28.0 million and 173 jobs**

Additional economic activity  
supported in Washington:

**\$12.4 million and 52 jobs**



**Table 1.** Annual Economic Impact in Washington from the operations of The Bend

Impact Type	Employment	Labor Income	Output
<b>Total</b>	<b>225 Jobs</b>	<b>\$10.4 Million</b>	<b>\$40.4 Million</b>
Investment in The Bend (Direct effect)	173 Jobs	\$6.5 Million	\$28.0 Million
Supply Chain Impact (Indirect effect)	22 Jobs	\$1.9 Million	\$5.8 Million
Household Spend Impact (Induced effect)	30 Jobs	\$2.1 Million	\$6.6 Million

Sub County General	Washington State
<b>\$0.3 Million</b>	<b>\$1.9 Million</b>
Sub County Special Districts	Federal
<b>\$0.5 Million</b>	<b>\$3.2 Million</b>
County	
<b>\$0.3 Million</b>	

**Annual Tax Impact in Washington  
from the operations of the Bend<sup>1</sup>  
\$6.2 Million**

Note: All dollar values are in 2024 dollars. Figures may not sum due to rounding.

<sup>1</sup> IMPLAN estimates net taxes paid rather than gross taxes paid. Any subsidies, tax breaks, etc. are automatically factored in by IMPLAN. As a result, gross taxes paid may be higher than what appears above.



# Technical Documentation for Watershed Community Development

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November 2024

ecotone 

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# Table of Contents

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## About This Report

Ecotone Analytics conducted this impact analysis and projected the social benefits and social return on investment for Watershed Community Development (Watershed or WCD). This report considers the impact generated by Watershed’s planned development, The Bend, which emphasizes arts, affordability, livability, diversity and inclusion, and environmental stewardship.

## About Ecotone Analytics

Ecotone Analytics is an impact analysis and impact strategy organization that does benefit-cost analysis for clients’ social and environmental impacts. Combining evidence-based research analysis and monetization of impact outcomes, Ecotone projects impacts and identifies the key stakeholder groups to whom those benefits accrue.

## Disclaimer

*This assessment addresses the impact measurement and management systems, practices, and metrics employed by the impact assessment consultants. It does not address financial performance and is not a recommendation to invest. Each investor must evaluate whether a contemplated investment meets the investor’s specific goals and risk tolerance. Ecotone Analytics GBC (Ecotone), its staff, and Ecotone analysts are not liable for any decisions made by any recipient of this assessment.*

*This assessment relies on the written and oral information provided by the analyst at the time of the Ecotone analysis. Under no circumstances will Ecotone, its staff, or the Ecotone analysts have any liability to any person or entity for any loss of damage in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstances related to this assessment.*



Click section names to jump to their page  
(PDF readers only)

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# Executive Summary

Watershed Community Development is building community through affordable housing for artists, artisans, and folks creating a vibrant community in the Georgetown neighborhood of Seattle. Watershed's development, The Bend, is designed to serve a community that lives, works, and creates in the neighborhood. It aims to foster a sense of belonging and inclusion through design and programming that focuses on affordable housing and workspaces, arts, livability, diversity, and environmental stewardship. The joint implementation of these components is intended to help generate a resilient community. The Bend is unique because of Watershed's approach to creating community, its strong focus on the arts and artists, and its commitment to forego traditional affordable housing designated public funding sources, thereby freeing up public dollars for either other housing investments or alternative uses entirely.

Ecotone Analytics conducted an impact analysis on Watershed's commitments - a collection of 100 promises and goals that Watershed has made to the community as a part of the development of The Bend. These commitments range from affordable housing units priced for specific area median incomes (AMIs) to extensive arts programming to public infrastructure upgrades. Across these 100 commitments, Ecotone sought to monetize - i.e. to put a dollar value to - the impacts of as many of these commitments as possible. This involved projecting the impact of commitments based on the vision for each commitment. Monetizing this impact both helps to communicate the planned benefits of Watershed's commitments to the community while also identifying key metrics that will be important to track once commitments are implemented. Given the variability of commitments, what they entail, and the extent evidence exists for them, not all commitments had a monetized impact that could be readily accounted for. Based on current evidence, 33 commitments include a monetized impact estimate and a subset of those commitments also include a social return on investment (SROI) estimate, which compares the size of the monetized impact to the investment being made by Watershed (similar to a cost-benefit ratio). The 67 other commitments without a monetized impact, either because of currently

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limited evidence to build a projection around or because the impacts are more intangible, will still have recommended key metrics to track in the future to help measure, manage, and communicate their impacts.

Many commitments have a monetized benefit but no SROI. This is because for many commitments, the cost needed to realize the intended benefits is uncertain and requires the investment of partner organizations. For these commitments, the funding contributed by Watershed is designed to facilitate activities that drive value, and/or catalyze the opportunity for activities to be conducted that drive value. This compares to commitments that do have an SROI - these commitments are directly providing a service to intended stakeholders and the cost of the service is covered by Watershed's funding. The total projected benefit for The Bend's commitments amounts to approximately \$244 million in present value, with value being generated over an assumed 30 year timeframe.

Watershed is expected to directly create a total of \$128 million in social and environmental value. Philanthropic contributions will also help unlock another \$116 million in projected social and environmental value that can be generated with community partners' co-investment. This is value Watershed is committed to supporting through the planned buildings, public spaces, and staff time. Combined this \$244 million in value is value that would not be generated by a typical market rate housing development, and nearly \$140 million of that value would not have been generated by a typical affordable housing development either.

Across all commitments, the largest outcome monetized was the value from reduced cost-burden from affordable housing (Commitments 1, 2, and 3) which is valued at almost \$87 million. The next largest outcome monetized for the Affordable Spaces imperative was the improved mental health from reducing financial stress (\$9.9 million). The largest outcome monetized for the Arts as Convener imperative was improved wellbeing from arts participation for the public (\$66 million). The largest outcome monetized for Environment and Stewardship was increased savings from energy efficiency (due to reduced utility costs from reduced heat loss) (\$3.8 million) and for the Livable Neighborhood imperative, it was increased earnings from



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additional education (due to early childhood education) (\$10 million). For the Diverse and Inclusive Community imperative, the largest outcome monetized was reduced risk of fall leading to hospitalization (admission and emergency department costs) due to home accessibility design features (\$2.5 million). Amongst stakeholders, the leading beneficiary was residents.

To reiterate, not all of these outcomes were included in the SROI projections. Outcomes derived from commitments that Watershed is facilitating or catalyzing do not have an SROI, just a projection of benefits. See the projected outcomes and projected social return on investment sections of this report for more details.

For those commitments that do have an SROI, the investment considered for the ratio is the philanthropic contribution made via a combination of direct donations/grants and the value of the foregone financial returns from debt holders that accept a below-market rate of return. As a result, this framing of the SROI isolates a portion of the total planned investment for The Bend, approximately \$92 million. This philanthropic contribution is the critical funding that makes the commitments possible and supports the realization of the social impact to be generated. This is a key distinguishing feature for The Bend - it leverages philanthropic contributions to deliver a multitude of social and environmental initiatives that would not typically be incorporated in a mixed-use affordable housing development.

With \$128 million in social and environmental value being directly generated by Watershed and \$92 million in philanthropic contributions, there is a SROI of approximately \$1.39 - for every \$1 in philanthropic contributions to Watershed, \$1.39 of social and environmental value is projected.

When considering only the direct service provision commitments, the philanthropic SROI is projected to be approximately \$2.37 - for every \$1 of philanthropic contributions made to Watershed's direct service commitments, a projected \$2.37 in social value is expected to be generated.

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Upon grouping direct service commitments together by imperative, the resulting philanthropic SROIs range from \$0.01 (Livable Neighborhood) to \$5.28 (Diverse and Inclusive Community)<sup>1</sup>. That is, for every \$1 dollar of philanthropic contribution made towards Watershed's direct service commitments, the projected social return for Livable Neighborhood is \$0.01; for Environment and Stewardship, \$1.53; for Affordable Spaces including commitment 3 (40% AMI), \$3.50; for Affordable Spaces without commitment 3, \$3.73; and for Diverse and Inclusive Community, \$5.28. Across imperatives, this value is being realized through reduced cost burden, improved physical health and mental health, increased earnings, reduced emissions, and increased energy efficiency. Of note, there was no SROI projection for the Art as Convener imperative given that there were no commitments within that imperative that were direct service provision funded entirely by Watershed.

When looking at philanthropic SROIs by commitment, a broader range of ratios is seen, with SROIs ranging from \$0.01 for commitment 94 (new park) to \$19.45 for commitment 55 (green building standards). Much of the variation in SROIs is due to variations in the availability of evidence that aligns to the commitment. Commitments with an SROI may have other currently non-monetized benefits that could improve the SROI ratio in the future as more data and evidence is collected.

Based on this analysis, recommendations for future impact measurement were identified, along with operational management and strategic opportunities to consider pursuing. This includes leveraging the UN Sustainable Development Goals as well as the Impact Management Project's 5 dimensions of impact to communicate the type of change being facilitated by Watershed. Further discussion on recommendations are included starting on page [X].

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<sup>1</sup> *The SROI here is communicated as a benefit-cost ratio. SROI can also be communicated as a percent return, similar to a financial ROI which reflects a net SROI. For example, using the two definitions for the Environment and Stewardship imperative, Watershed's philanthropic SROI can be framed as \$1.39 or 39%. Each is valid although the benefit-cost ratio framing is used throughout this report for consistency and to minimize potential confusion.*



# Introduction

Watershed Community Development is developing The Bend to cultivate community wealth and health through thoughtful real estate development, community engagement, and programming that fosters relationships across the neighborhood. Watershed envisions a thriving live-work community, where artists and artisans have access to affordable spaces and the community is nurtured by neighborhood organizations, livability-oriented services, and environmentally-focused design features. Watershed made 100 commitments across five imperatives: 1) Affordable Spaces - focused on affordable and quality living and working space, 2) Environment and Stewardship - focused on environmental sustainability, 3) Diverse and Inclusive Community - focused on creating a community built by and for all potential residents, 4) Livable Neighborhood - focused on improving access to basic needs, supporting cultural resources, and renovating area public spaces, and 5) Art as Convener - focused on enriching the lives of area residents through art.

Ecotone Analytics conducted an impact analysis including projecting monetized benefits and a social return on investment for a selection of those 100 commitments that were best suited for the analysis based on the availability of data and evidence. The SROI analysis mirrors a benefit-cost approach, leveraging external literature of the highest available level of evidence of causality to project the social value generated and to compare that social value to the size of the investment.

Ultimately impact projections were built for 33 commitments across all 5 imperatives; however, SROI projections appear only within 20 commitments, 4 of the 5 imperatives, due to differences in financing and organizational responsibility. As a result, this analysis is not an exhaustive assessment of the expected social impact of The Bend as a whole but is a robust projection of the quantified and monetized social impacts of many of the largest commitments (by dollars invested) that Watershed has made.

Key findings emphasize the significant social value created by affordable housing, particularly the reduced cost-burden for residents, improved mental health outcomes, and potential for increased earnings. Many of these impacts are valued in millions of dollars, highlighting the significant value being supported by The Bend beyond a financial return to investors. This is important for The Bend given its unique approach to mixed-use affordable housing development - highlighting the significant value being generated that exists outside the financial statements helps to create a more complete picture of what the potential for development entails.

In addition to a detailed review of findings, this document also discusses data quality and impact risks, acknowledging key uncertainties. Recommended future research is highlighted, including surveys and longitudinal studies, to improve the analysis's accuracy. Furthermore, the report explores strategies for effective impact communication, suggesting alignment with the United Nations Sustainable Development Goals (SDGs) and the Impact Management Project's (IMP) five dimensions of impact to demonstrate The Bend's value to potential funders and stakeholders.

# Structuring the Analysis

## Scoping

The scope of this analysis was developed in collaboration with the Watershed team. Over a series of milestone meetings, Ecotone and Watershed discussed the goals and structure of The Bend and the 100 commitments made across the five imperatives. Ecotone went through a process to determine which commitments were suited for outcome monetization, which involved considering whether the commitment was a goal or promise, the availability of a cost estimate for the commitment, the confidence in the cost estimate, the use of those costs, the specificity of the commitment itself, and the likelihood of evidence supporting outcome monetization based on Ecotone’s knowledge and expertise. Appendix B. (Commitments Taxonomy) details which commitments were monetized and which were not. For those commitments that were not monetized, the taxonomy notes why this was the case (i.e. insufficient evidence, intangible outcomes, or both). As described in more detail in the Projected Outcomes section, commitments with insufficient evidence may be incorporated into future SROI analyses as research evolves and evidence becomes available.

Ecotone then reviewed external literature that aligned with the programs, services, and design features of each commitment to supplement milestone meeting discussion with external evidence, relying on sources with higher levels of evidence of causal impact where possible. This review of existing research involved understanding the effect of affordable housing on health and wellbeing, the impact of different types of livability features, and the effect of green infrastructure on environmental quality, among other topics. Table 1 summarizes the analysis scope.

**Table 1.** Scoping Summary

<b>Goals for the Analysis</b>	Watershed wants to be able to project, measure, and manage the social and environmental impact of commitments made as a part of The Bend that distinguish it from standard mixed-use developments. The impact insights will be used to guide strategy, build trust with stakeholders, and bolster fundraising efforts.
<b>Target Audience for Analysis</b>	Funders are the primary audience, with additional communication goals for governmental departments and community leaders and members. Watershed needs to identify qualitative and quantitative impact talking points to effectively demonstrate the impact The Bend will have beyond traditional financial outcomes to attract funding.
<b>Population Served</b>	The Bend will house people earning no more than 80% of the area median income. Watershed will focus on serving communities that have been historically and systemically impacted by economic and environmental inequity, including people who: live and/or work in the Duwamish Valley; are BIPOC, Immigrant, and/or Refugees; create art passionately; and have been, or are at risk of, being displaced.
<b>Scale</b>	With \$347.8 million in investment over the next 5 years, The Bend will build 566 units and over 35,000 square feet of affordable community space at street level, housing over 1,500 people.
<b>Theory of Change</b>	Creating community wealth and wellbeing through real estate development, community engagement, and art.

All 100 commitments were explored; however, only the following 33 commitments have at least one monetized outcome. A few commitments (such as commitments 1, 2, and 3) have several monetized outcomes.

- 1 - All apartments capped at 70% AMI average
- 2 - 80% of apartments capped at 60% AMI
- 3 - Some apartments capped at 40% AMI
- 4 - Workspaces capped at \$24/sf
- 8 - Future ownership by apartment residents
- 11 - Good air filtration
- 12 - Good sound insulation
- 21 - Art is publicly available
- 31 - Public art making
- 36 - Design apartments for seniors and children
- 37 - Design apartments for special physical needs
- 51 - Culturally diverse events
- 55 - Sustainable building standards
- 56 - 1 watt of solar per square foot of building
- 57 - Individual water metering
- 59 - Universal EV charging
- 60 - 90% C&D recycling
- 61 - More insulation
- 66 - Cut a million car miles per year
- 67 - 90% food waste diversion
- 69 - Plant 100 trees
- 70 - Remove 1 acre of pavement
- 71 - Green stormwater infrastructure
- 72 - Pedestrian-friendly pavements
- 75 - Food bank
- 76 - Early childhood learning
- 82 - Food education program
- 85 - Bicycle Master Plan
- 86 - Ride-sharing
- 88 - Shuttle Service
- 90 - Improve 12 intersections
- 94 - Half acre park
- 97 - Better bus service

## Assumptions

This analysis is a projected benefits and social return on investment analysis for The Bend. Some SROs were developed for Watershed's commitments, while other commitments resulted in benefits-only talking points due to differences in financing and organizational responsibility. The following are some of the key assumptions that guide the projections. Additional assumptions are built into the estimate of each individual outcome and will be detailed with those outcomes.

**Counterfactual:** Residents, visitors, and people otherwise engaging with features of The Bend would not have had similar experiences.

**Duration of Impact:** Benefits are spread over 1-30 years depending on the outcome being modeled. This is because some benefits will be realized over and over again for residents and visitors to The Bend while others are one-time boosts. In general, commitments that correspond to major infrastructure and construction projects are assumed to generate benefits for 30 years. This timeframe assumes that the investment needed to develop the buildings and infrastructure will not require major additional investment during those 30 years. After 30 years, it is more likely that large investments will be needed to be able to continue to generate the positive benefits modeled today. Benefits derived from programmatic commitments are assumed to generate benefits for 15 years. This shorter time frame is assumed to be conservative because of the number of other factors that could influence residents' and visitors' likelihood of realizing program benefits in decades to come given that the community and market will continue to shift forcing either changes in programming or making access to similar programming easier.

**Multi-year benefits:** Since benefits can be generated for multiple years, their value needs to be discounted to present value in order to put their value into 2024 \$. We use a discount rate of 3%, a common discount rate for social benefits analyses. The discount rate helps to account for both future inflation and uncertainty in realizing future benefits.

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**Duration of engagement:** In order to estimate the benefits of each commitment we assume the experience of participating stakeholders has a similar duration to that in the literature. This is particularly relevant for programmatic interventions (as opposed to housing). That means that, for public art experiences for example, that the public in The Bend will have a similar experience to that of the individuals included in the study used to develop the outcome estimate.

**Characteristics of Stakeholders:** With each outcome, we need to make assumptions around the characteristics of the people who are going to be engaged. In particular, we assume baseline conditions of people engaged so that we can estimate the size of the change each person is likely to experience. For example, the benefits of affordable housing are dependent on the characteristics of the people who move to The Bend and the housing conditions they are moving from. To appropriately allocate benefits of affordable housing, certain benefits are assigned only to certain age groups (assumed based on area demographics) and to certain income levels. The benefits of living at The Bend will differ from a household at 80% AMI versus a household at 40% AMI.

**Aligning Pro-forma figures with Evidence:** Using the latest pro-forma built from the Core budget for both Elements and Oasis/Findlay, the lowest AMI included in the apartment mix model is 50%. However, noting that residents down to 40% AMI are part of Watershed's goal and included in the Core+ budget it is assumed that 40% AMI are represented in the units in a separate scenario. As a result, there is a benefits estimate for affordable housing units based on the Core budget (commitments 1 and 2) and another estimate for units based on the Core+ budget (including commitment 3).

**Costs:** Costs per commitment assume there are no costs borne by residents/program participants beyond those costs budgeted by Watershed. Watershed's budget may be partially covered by resident/program participants. It is also acknowledged that some commitments will require partnerships with other organizations who will have their own budgets necessary to implement the commitment. This expense is uncertain at this time.

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- The type of commitment however will impact the extent the costs incurred are up-front costs or are recurring costs. For example, costs that go towards infrastructure will tend to be large upfront costs with comparatively small annual overhead expenses. This is important because of the duration of impact assumption previously detailed - some commitments will generate impact for years to come without significant additional investment, while others will have smaller upfront costs but require continued management costs or follow-on funding from partners.
  - Due to the varying role of Watershed's funding, and in some cases the reliance on other partners to fully execute on the social value proposition, developing an SROI on only Watershed's investment risks misconstruing the necessary investment by partners, as in many cases it is unclear at this time how much investment by partners may be needed and over what timeframe. As a result, these commitments, as detailed later in the document, will only have estimated benefits as a part of this analysis, rather than an SROI that compares Watershed's investment to the benefits.

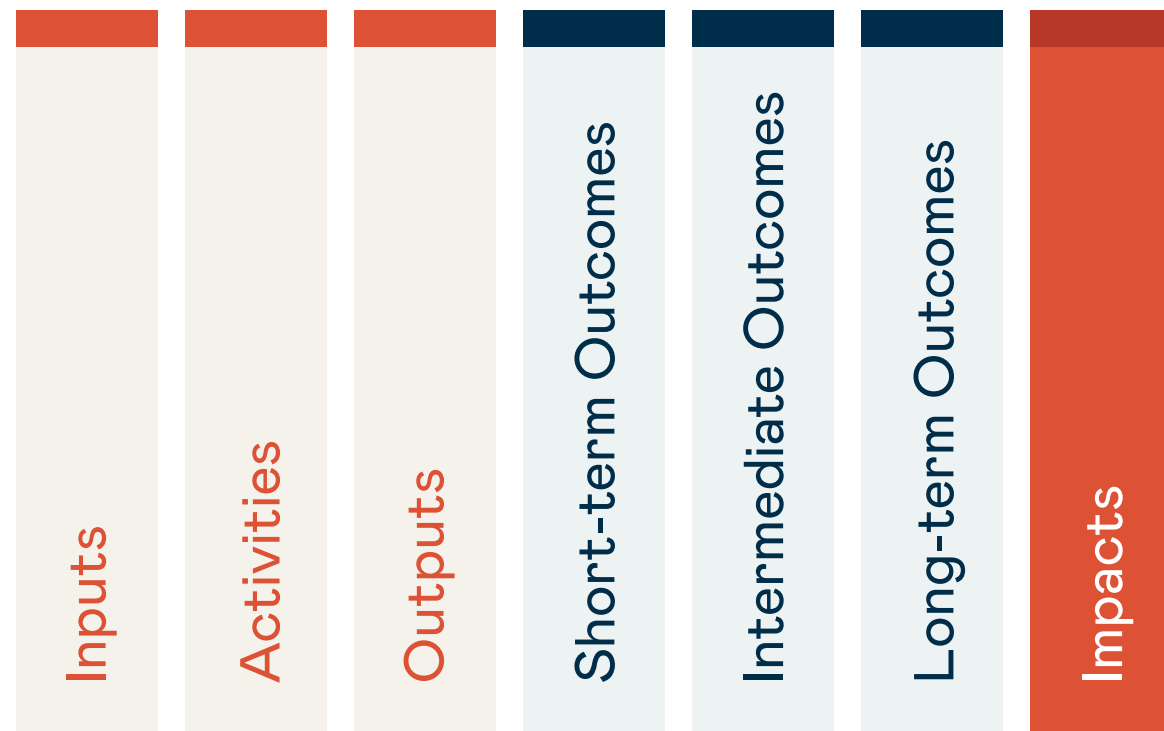
### Additional Clarifications

This analysis is a projection, it is not a measurement of impact realized. The values included in this SROI and benefits analysis are based on a vision and data provided by Watershed, but their valuation is projected based on pre-existing evidence from other sources. While each person engaged by the Bend will have a different experience and realize different types of benefits, this analysis frames the benefits as averages to communicate the representative value created. This should not diminish the stories of the individuals engaged.

# Logic Model

The following tables show the logic model, identifying the planned inputs, activities, and outputs of The Bend. From there, the logic model describes the outcomes accruing from all those activities conducted. These outcomes can be distinguished by whether they were short-term outcomes, intermediate outcomes or long-term outcomes (those achieved indirectly from the short-term and intermediate outcomes achieved). Last are the impacts directly attributed to The Bend. The logic model serves as the map of the analysis, as intermediate and long-term outcomes are those monetized as a part of the final SROI.

Of note, while pursuing monetization for all those pathways identified in the logic model, inevitably some have a better evidence base than others, and in some cases, the data is not sufficient to pursue monetization with a reasonable causal understanding. The following sections will describe in detail those pathways that were successfully monetized.



# Logic Model Key

## 1. How to Read It

Reads from left to right, with each column collectively influencing the column to its right and being influenced by the column on its left.

## 2. Relationship Between Columns

Individual lines do not necessarily link directly to those immediately on their left or right, although these specific causal chains will be established in our next steps.

## 3. Purpose

Connects 'Inputs', those resources required to begin, with the projected final 'Impact' resulting and attributed to Watershed.

## 4. In Comparison to What

Outcomes and Impact described in the logic model are assumed to be in comparison to not working with Watershed.

Inputs	Activities	Outputs
<ul style="list-style-type: none"> <li>Funding and expenses</li> <li>Funding from government, commercial lenders, impact investors, arts and 501c3 bonds, etc.</li> <li>Grants and donations</li> <li>Project team, including WCD board and staff</li> <li>Contractors (Synergy), architects, design architects (Signal), engineers, etc.</li> <li>Partnerships</li> <li>Housing Developers, including SRM Development, Together We Grow, El Centro de la Raza, Bridge Housing, Artspace, and Mount Baker Housing</li> <li>Community Organizations, including Duwamish River Clean-up Coalition, Duwamish Valley Safe Streets, Georgetown Council, Friends of Historic Georgetown, Beacon Hill Council, Equity &amp; Education Coalition, Somali Health Board, SPEA RAJANA, 350 Aviation, and Climate Reality, and Weld Seattle</li> <li>Commercial / Cultural Groups</li> <li>Georgetown community residents, with focus on centering people who live and work in the Duwamish Valley; BIPOC individuals; artists; and those who come from communities that have been, or are at risk of being, displaced from this region.</li> </ul>	Live/Work District (overall)	
	<ul style="list-style-type: none"> <li>Real estate development, building affordable live / work places</li> <li>Community outreach and engagement throughout development process and residences</li> </ul>	<ul style="list-style-type: none"> <li># of residents (disaggregated by gender, race / ethnicity, age, occupation (artist), etc.)</li> <li># of units</li> <li># of jobs created (construction-phase and occupancy phase)</li> <li>% of jobs filled by local people</li> <li>Total \$ of investment in Georgetown</li> <li># of businesses, employees and artists based in the district</li> </ul>
	Art as Convener	
	<ul style="list-style-type: none"> <li>Build artist live, work, and gallery spaces</li> <li>Engage residents, community members, and broader public through art curation, sponsorship, creation, education, facilities, events, and resident art superintendent</li> </ul>	<ul style="list-style-type: none"> <li># of artists living and working in Georgetown</li> <li># of art installations, events, community engagement activities</li> <li># of residents participating in art installations, events</li> <li># of sq. ft. devoted to artist workspaces, venues, galleries, etc.</li> <li># of tourists from other areas of Seattle and beyond</li> </ul>
	Affordable Places	
	<ul style="list-style-type: none"> <li>Build affordable housing and workspaces, maximizing opportunities for people to live and work in same neighborhood</li> </ul>	<ul style="list-style-type: none"> <li>Total # of units</li> <li># of units by # of bedrooms</li> <li>% of units at or below 50%, 70% AMI</li> <li># of commercial workspaces</li> <li>% of workspaces to artists, cultural, and neighborhood serving organizations</li> <li># of units occupied by employees working in the Duwamish Valley MIC</li> </ul>
	Diverse and Inclusive Community	
	<ul style="list-style-type: none"> <li>Restore and expand diversity using anti-displacement, anti-racism strategies</li> <li>Amplify art and voices of diverse communities</li> <li>Design residences with resident functionality in mind (for families, seniors, artists, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>% of residences occupied by artists / artisans, BIPOC, refugee, immigrant, local workers / residents, gender diverse communities</li> <li>% of businesses owned by artists / artisans, BIPOC, refugee, immigrant, local workers / residents, gender diverse communities</li> <li>% construction completed with union labor/prevaling wage</li> <li>% of units designed for accessibility across ages and health conditions</li> </ul>
Livability		
<ul style="list-style-type: none"> <li>Build affordable housing units in similar in size, ceiling height, and finishes to comparable market-rate units with comfortable interior environments</li> <li>Provide child care and early childhood education option</li> <li>Design connective community spaces</li> <li>Build for pedestrian needs including plaza streets, safer intersections, meander and mews, etc.</li> <li>Build commercial workspaces for businesses that meet community needs including healthy food access (grocer, food bank, food hub, community garden, and food education), early childhood education, and credit union</li> <li>Create better transit linkages (shuttles, bus routes, car share, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Average distance residents travel for basic needs and work</li> <li># of bus routes, shuttles, and car shares available</li> <li># of healthy food access points created</li> <li># of miles of pedestrian walkways</li> <li># of daily pedestrian walkway users</li> <li># of community serving entities (grocery, pharmacy, early childhood education, health clinic, etc.) in district</li> </ul>	
Environmental Awareness and Stewardship		
<ul style="list-style-type: none"> <li>Work with developers on third party green building certifications (Energy Star, Evergreen) and carbon neutral building operations</li> <li>Install green infrastructure, including stormwater management and rainwater catchment systems</li> <li>Recycle construction and demolition waste</li> <li>Build composting and diversion program for food waste</li> <li>Design public green spaces</li> <li>Develop and test environmental stewardship pilot projects</li> <li>Enable electrification of energy and transportation systems with solar panels, EV charging stations,</li> </ul>	<ul style="list-style-type: none"> <li># of tons of construction / demolition material recycled</li> <li># of pounds of food waste recycled or diverted</li> <li># of energy efficiency / infrastructure installations</li> <li># or % of residents with access to energy efficiency / infrastructure installations</li> <li>% of resident power use / energy needs covered by solar panels</li> <li># of sq. ft. green space</li> <li>% of district with permeable surface</li> <li>% of buildings certified Built Green to 5-star standards</li> <li>Gallons of stormwater cleaned/slowed per year</li> </ul>	

Short-term Outcomes	Intermediate Outcomes	Long-Term Outcomes	2nd Generation Outcomes	Impact
<b>Live/Work District (overall)</b>				<ul style="list-style-type: none"> <li>Increased equitable communities with rich cultural environments</li> <li>Reduced disparities in access to affordable housing and workspaces</li> <li>Increased community wealth and inclusion</li> <li>Improved community well-being and health</li> <li>Improved environmental and climate conditions</li> </ul>
<ul style="list-style-type: none"> <li>Increased investment in Georgetown community</li> </ul>	<ul style="list-style-type: none"> <li>Increased supply of quality, affordable housing and workspaces</li> </ul>	<ul style="list-style-type: none"> <li>Improved quality of life for residents</li> <li>Increased social connectedness and community pride</li> </ul>		
<b>Art as Convener</b>				
<ul style="list-style-type: none"> <li>Reduced barriers to arts / increased arts inclusion</li> <li>Increased access to artist workspace</li> <li>Increased participation in arts</li> <li>Increased viewing of art</li> </ul>	<ul style="list-style-type: none"> <li>Increased connection to network of artists and makers</li> <li>Increased community engagement / involvement</li> <li>Improved mental and physical health (artists, district residents, and visitors)</li> <li>Increased opportunity for selling art</li> <li>Increased tourist spending in the neighborhood</li> </ul>	<ul style="list-style-type: none"> <li>Increased individual artist well-being</li> <li>Increased sense of community, community ownership, and sense of pride</li> <li>Increased neighborhood livability, social wellbeing, and social capital</li> <li>Increased artist retention in Seattle</li> </ul>	<ul style="list-style-type: none"> <li>Increased educational attainment</li> <li>Improvements in critical thinking and social emotional skills development</li> </ul>	
<b>Affordable Places</b>				
<ul style="list-style-type: none"> <li>Increased affordable housing and workspaces</li> <li>Increased access to desired housing for individuals and families</li> <li>Increased access to ownership opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Reduced displacement</li> <li>Increased spending power from reduced housing cost burden</li> <li>Increased local employment opportunities and spending</li> <li>Increased housing quality</li> </ul>	<ul style="list-style-type: none"> <li>Improved mental and physical health</li> <li>Improved housing stability (avoided eviction, foreclosure, delinquency, etc.)</li> <li>Increased resources brought to community and neighboring properties</li> <li>Increased economic security and wealth for households</li> <li>Improved health for adults (mental health, physical health, access to healthcare services)</li> </ul>	<ul style="list-style-type: none"> <li>Improved educational attainment and school success</li> <li>Improved child nutrition for lowest income families</li> <li>Improved child health (asthma, weight, mental health) for lowest income families</li> </ul>	
<b>Diverse and Inclusive Community</b>				
<ul style="list-style-type: none"> <li>Reduced risk of displacement</li> <li>Increased access to affordable live / work opportunities, with added focus for supporting businesses owned by underrepresented communities</li> <li>Increased accessibility of housing units to diversity of residents</li> </ul>	<ul style="list-style-type: none"> <li>Increased equity in live and work opportunities</li> <li>Increased community stability</li> <li>Increased independence for residents</li> <li>Reduced fall risk for older residents</li> </ul>	<ul style="list-style-type: none"> <li>Increased inclusion and sense of neighborhood cohesion</li> <li>Increased diversity of ideas / community</li> <li>Increased preservation of existing community economic and cultural assets</li> <li>Improved quality of life</li> <li>Increased aging in place for older residents</li> <li>Reduced risk of need for hospitalization, medical visits, and ER use</li> </ul>		
<b>Livability</b>				
<ul style="list-style-type: none"> <li>Improved proximity to employment opportunities and businesses / organizations serving community needs</li> <li>Increased use of public transit, bicycling and walking</li> <li>Increased access to and use of early childhood education</li> <li>Increased healthy food access</li> <li>Reduced noise and air pollution in home</li> </ul>	<ul style="list-style-type: none"> <li>Improved family / resident stability</li> <li>Increased sense of social support, safety, and community relationships</li> <li>Reduced risk of food insecurity</li> <li>Reduced vehicle miles traveled (VMT)</li> <li>Increased ease for parents to work</li> <li>Increased comfort in home</li> </ul>	<ul style="list-style-type: none"> <li>Improved mental and physical health</li> <li>Reduced health care expenditures</li> <li>Increased community trust and safety</li> <li>Increased property values</li> <li>Reduction in chronic disease</li> <li>Reduced depression and anxiety?</li> </ul>	<ul style="list-style-type: none"> <li>Increased educational attainment, reduced risk of substance abuse for children in ECE</li> <li>Increased future lifetime earnings for children in the ECE program</li> </ul>	
<b>Environmental Awareness and Stewardship</b>				
<ul style="list-style-type: none"> <li>Increased investment in green infrastructure</li> <li>Increased access to green space</li> <li>Increased energy efficiency and environmental health of buildings</li> <li>Increased likelihood of using public transit and pedestrian corridors instead of personal vehicle</li> <li>Increase in building material recycled and reused</li> <li>Increased tree cover</li> <li>Increased access to recycling, reuse, and organics disposal options for tenants</li> </ul>	<ul style="list-style-type: none"> <li>Improved air quality</li> <li>Increased energy savings</li> <li>Reduced car dependency</li> <li>Reduced vehicle miles traveled</li> <li>Reduced waste in landfills</li> <li>Increased retention and filtering of rainwater</li> <li>Reduced waste generation by tenants</li> </ul>	<ul style="list-style-type: none"> <li>Reduced GHG (from reduced vehicle use, use of other electricity sources, etc.)</li> <li>Reduced air quality health effects</li> <li>Reduced consumer costs for vehicle maintenance, parking, taxes, etc.</li> <li>Improved physical and mental health</li> <li>Increased property values</li> <li>Reduced stormwater grey infrastructure expenditures</li> <li>Reduced risk of environmental hazards and pollution</li> </ul>	<ul style="list-style-type: none"> <li>Reduced climate risks for children</li> <li>Reduced risk of environmental health issues</li> </ul>	





# Projected Costs

The costs of this analysis are based on information provided by Watershed. This report includes both total cost estimates for commitments and the proportion that is considered a philanthropic contribution. Costs used in the SROI projections isolate the philanthropic contributions Watershed seeks to raise - thus the 'I - Investment' being considered is the philanthropic investment being made. These philanthropic contributions come in two forms, 1) direct donations/grants and 2) sacrificed financial returns on the below-market rate debt. Below-market rate debt is also referred to as 'impact debt' due to the intention to generate positive impact and this being the rationale for accepting below-market rate returns. Sacrificed financial returns are based on an assumed 2 percentage point spread between market rate and the rate Watershed's impact debt holders will receive. This 2 percentage point difference over the 15 years Watershed intends to carry that debt translates into 30% of investors' potential returns being lost.

The two forms of philanthropic contributions are allocated differently based on the type of commitment. Commitments tied to the buildings themselves are estimated to use 90% impact debt and 10% donations/grants. Commitments tied to programming or public spaces will use 100% donations/grants.

Watershed and its funding also play different roles for different commitments, and commitments must be classified based on the role that funding has in the monetized outcomes projected by Ecotone. Commitments may be classified as one of the following:

1. Commitment creates monetized social impact
  - a. Funding role: Direct Service Provision/Construction - "The Fire": Watershed pays for the implementation of the commitment, and the commitment is a direct source of social value creation.
2. Commitment enables creation of monetized social impact
  - a. Funding role: Catalyst - "The Spark": Watershed helps get the ball rolling but then hands off the commitment to other organizations. Watershed plays a minimal long-term role.
  - b. Funding role: Facilitation - "The Firepit and the Wood": Watershed works continuously with other organizations to deliver on the commitment. Watershed helps to shape and guide the commitment.

Classification of commitment types informs how to talk about the results from the social impact analysis. For example, where Watershed is a catalyst, benefits are the focus of the talking point ("\$X investment will allow us to do activities A, B, C. These activities lay the groundwork for outcomes X, Y, Z, that can support \$X in value."). Facilitation talking points focus on benefits only as well ("In partnership with groups A, B, C, this commitment will support benefits valued at \$X"). In comparison, when Watershed plays a direct service provision role, talking points focus on the SROI of the commitment itself ("The social return on your investment in commitment XX will be \$X.").

Table 2 shows the commitments with monetized outcomes, investment type, the total startup and overhead costs, and the estimated philanthropic contribution. Table 3 shows the philanthropic contribution by budget item. The philanthropic contribution is a partial subset of the total commitment start-up cost given that the direct donations and grants will be spent as a part of their start-up budget, but the foregone return to impact debt holders is not money spent by Watershed, instead helping Watershed afford its debt payments in the future. The impact debt itself is what Watershed will spend. The estimated commitment start up cost and overhead cost are for the entire 5 year duration of Phase 2 (i.e. the full development phase of The Bend).

**Table 2.** Estimated costs by commitment and investment type

Individual Commitments	Investment type - means of supporting social value creation	Commitment Start-up Cost (Phase 2 - 2024 thru 2029) <sup>1</sup>	Overhead <sup>2</sup>	Philanthropic Contribution
1 - All apartments capped at 70% AMI average	Direct Service/ Construction	\$172,500,000	\$352,954	\$0
2 - 80% of apartments capped at 60% AMI	Direct Service/ Construction	\$73,209,901	\$352,954	\$27,218,256
3 - Some apartments capped at 40% AMI	Direct Service/ Construction	\$8,134,433	\$352,954	\$3,140,333
4 - Workspaces capped at \$24/sf	Direct Service/ Construction	\$13,698,000	\$352,954	\$5,198,853
11 - Good air filtration	Direct Service/ Construction	\$2,400,000	\$117,651	\$931,531
12 - Good sound insulation	Direct Service/ Construction	\$2,400,000	\$117,651	\$931,531
21 - Art is publicly available	Catalyst	\$ -	\$45,752	\$45,752
31 - Public art making	Facilitation	\$ -	\$91,503	\$91,503
36 - Design apartments for seniors and children	Direct Service/ Construction	\$1,000,000	\$34,295	\$382,689
37 - Design apartments for special physical needs	Direct Service/ Construction	\$750,000	\$34,295	\$290,189
51 - Culturally diverse events	Facilitation	\$100,000	\$68,590	\$168,590
55 - Sustainable building standards	Direct Service/ Construction	\$ -	\$57,250	\$21,183
56 - 1 watt of solar per square foot of building	Direct Service/ Construction	\$629,300	\$57,250	\$254,024
57 - individual water metering for each residential unit	Direct Service/ Construction	\$150,000	\$57,250	\$76,683
59 - Universal EV charging	Direct Service/ Construction	\$380,000	\$57,250	\$161,783
60 - 90% C&D recycling	Direct Service/ Construction	\$150,000	\$114,499	\$97,865
61 - More insulation	Direct Service/ Construction	\$2,250,000	\$57,250	\$853,683
66 - Cut a million car miles per year	Facilitation	\$ -	\$57,250	\$57,250
67 - 90% food waste diversion	Direct Service/ Construction	\$ -	\$114,499	\$114,499

Individual Commitments	Investment type - means of supporting social value creation	Commitment Start-up Cost (Phase 2 - 2024 thru 2029) <sup>1</sup>	Overhead <sup>2</sup>	Philanthropic Contribution
69 - Plant 100 trees	Direct Service/ Construction	\$2,762,090	\$57,250	\$2,819,339
70 - Remove 1 acre of pavement	Direct Service/ Construction	\$1,841,393	\$57,250	\$1,898,643
71 - Green stormwater infrastructure	Direct Service/ Construction	\$1,195,315	\$171,749	\$1,367,064
72 - Ped-friendly pavements	Direct Service/ Construction	\$4,603,483	\$114,499	\$4,717,982
75 - Food bank	Catalyst	\$160,000	\$107,628	\$99,022
76 - Early childhood learning	Catalyst	\$2,600,000	\$107,628	\$1,001,822
82 - Food education program	Direct Service/ Construction	\$100,000	\$71,752	\$171,752
85 - Bicycle Master Plan	Catalyst	\$25,000	\$35,876	\$60,876
86 - Ride-sharing	Facilitation	\$ -	\$71,752	\$71,752
88 - Shuttle Service	Facilitation	\$80,000	\$107,628	\$187,628
90 - Improve 12 intersections	Direct Service/ Construction	\$2,762,090	\$107,628	\$2,869,717
94 - Half acre park	Direct Service/ Construction	\$8,010,792	\$107,628	\$8,118,420
97 - Better bus service	Facilitation	\$ -	\$71,752	\$71,752

<sup>1</sup> Source: The Bend Phase 2 Financial Plan 7-12-2024 BR

<sup>2</sup> Source: The Bend Phase 2 Financial Plan 7-12-2024 BR

**Table 3.** Philanthropic Investment by Budget Item

	Philanthropic Investment
Buildings	\$48,550,987
District Planning and Development	\$1,478,029
Art	\$7,421,486
Public Spaces	\$31,183,475
Programs	\$3,666,712
<b>Total philanthropic investment</b>	<b>\$92,300,689</b>



Ecotone’s approach to monetizing outcomes involves analyzing organization data and aligning it with external literature of the highest level of evidence of causality. Whenever possible, the highest level of evidence is utilized. Ranking sources by the level of evidence signals the relative strength of the outcome estimations. In some cases, there may not be enough evidence to support a causal understanding and to pursue monetization for certain outcomes. These outcomes are non-monetized outcomes, and it is important to note that where data limitations restrict the ability to monetize an outcome there may continue to be significant value not presently represented in the SROs or benefits only estimates shown. The numbers in this analysis are conservative and can be considered a baseline onto which additional non-monetized outcomes can be added.

Table 4 shows the benefit per year and the benefit per ‘unit’ - i.e. per person, per VMT, per tree, per kWh, and per acre thanks to the commitments made by Watershed. Multi-year benefits are presented in the final column as net present value (NPV) with a discount rate of 3% - this is the cumulative benefit of the commitment over time. Table 4 also shows in the left most column how commitments were grouped together when the same outcome would apply to multiple commitments.

As monetization of outcomes is occurring, Ecotone’s process utilizes trumping rules - best practice for benefit-cost analyses (as detailed by WSIPP, 2019). This means that where multiple outcome projections lead to the same category of outcome (e.g. increased earnings from improved academic performance vs. increased earnings from

additional education), only the pathway with the strongest causal understanding in the SROI calculation is used (and in the case of projections with similar levels of causal understanding, the largest pathway is utilized). This is to avoid risk of double counting gains made and to be sure not to overclaim impact generated. With future research, this approach may prove to be too conservative; however, at present it is unclear how these outcomes may or may not overlap.

**Table 4.** Outcomes Monetized by Commitment

Commitment(s)	Outcome	Outcome value per year	Outcome value per year per unit (e.g. per person, per VMT, etc.)	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
1 - All apartments capped at 70% AMI average	Reduced cost-burden from affordable housing - commitments 1 and 2	\$4,305,556	On average: \$455 for >60-80% AMI, \$724 for 50-60% AMI	\$84,390,790
	Improved health from increased use of preventative health care and having health insurance	\$280,098	\$431	\$3,343,792
2 - 80% of apartments capped at 60% AMI	Improved mental health from reducing financial stress	\$504,804	\$372	\$9,894,381
	Improved respiratory health - children - avoided loss of QALY	\$4,708	\$54	\$92,282
	Improved physical health from reduced exposure to lead - for kids	\$63,253	\$720	\$1,239,792
	Improved physical health - reduced hospitalizations for older adults	\$74,506	\$909	\$1,460,347

**Table 4.** Outcomes Monetized by Commitment (continued)

Commitment(s)	Outcome	Outcome value per year	Outcome value per year per unit (e.g. per person, per VMT, etc.)	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
3 - Some apartments capped at 40% AMI	Reduced risk of child being underweight	\$38	\$8	\$737
	Reduced risk of being food insecure	\$4,062	\$106	\$79,622
	Reduced health care expenditures from increased housing stability	\$34,932	\$907	\$684,679
	Increased employment/earnings from increased housing stability	\$26,547	\$795	\$520,327
	Increased educational attainment of children from increased housing stability	\$38,016	\$7,348	\$745,137
	Reduced cost-burden from affordable housing - commitments 1, 2, and 3	\$4,428,767	On average: \$455 for >60-80% AMI, \$612 for 50-60% AMI, \$1,166 for 40% AMI	\$86,805,784
4 - Workspaces capped at \$24/sf	Reduced cost-burden from affordable artist studio space	\$208,000	\$8,320	\$4,076,892
11 - Good air filtration	Improved health from indoor air quality improvements through improved ventilation systems and MERV 13 filters or above	\$20,345	\$13	\$398,771
12 - Good sound insulation	Improved health from reduced noise pollution from sound insulating windows	\$180,288	\$115	\$3,533,724
21 - Art is publicly available	Improved wellbeing from arts participation (for public)	\$14,479,200	\$905	\$66,310,496
51 - Culturally diverse events				

**Table 4. Outcomes Monetized by Commitment (continued)**

Commitment(s)	Outcome	Outcome value per year	Outcome value per year per unit (e.g. per person, per VMT, etc.)	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
21 - Art is publicly available	Avoided cost of doctor's visit from arts participation (for public)	\$1,107,288	\$426	\$5,071,055
31 - Public art making				
51 - Culturally diverse events	Increased educational attainment from arts participation for at-risk youth (for public)	\$5,591,300	\$43,010	\$15,815,615
36 - Design apartments for seniors and children	Reduced risk of fall leading to hospitalization due to home modifications (e.g. ramps, grab bars, etc.) - Avoided hospital admission and ED costs	\$130,171	\$2,237	\$2,551,401
37 - Design apartments for special physical needs	Reduced risk of fall leading to non-hospitalization due to home modifications (e.g. ramps, grab bars, etc.)	\$51,216	\$880	\$1,003,856
55 - Sustainable building standards	Reduced greenhouse gas emissions from energy efficiency	\$21,021	\$37	\$412,031
56 - 1 watt of solar per square foot of building	Reduced greenhouse gas emissions from solar	\$2,038	\$4	\$39,947
57 - Individual water metering	Increased water/energy efficiency	\$107,955	\$191	\$1,288,757
59 - Universal EV charging	Reduced GHG from increased EV adoption	\$34,868	\$38	\$347,075
	Reduced cost of vehicle from increased EV adoption	N/A	\$298	\$271,286
60 - 90% C&D recycling	Reduced emissions from construction and demolition recycling	\$46,476	\$10	\$46,476
61 - More insulation	Increased savings from energy efficiency (reduced utility costs from reduced heat loss)	\$192,981	\$341	\$3,782,515

**Table 4. Outcomes Monetized by Commitment (continued)**

Commitment(s)	Outcome	Outcome value per year	Outcome value per year per unit (e.g. per person, per VMT, etc.)	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
66 - Cut a million car miles per year	Reduced VMT - air, noise, water benefits - LOW	\$20,000	\$0.02	\$238,759
	Reduced VMT - air, noise, water benefits - HIGH	\$150,000	\$0.15	\$1,790,690
	Reduced consumer costs for vehicle maintenance, parking, taxes, etc. from reduced vehicle use	\$250,000	\$0.25	\$2,984,484
67 - Implement a food waste composting/diversion program with no less than 90% diversion of food waste	Reduced emissions from reduced food waste (increased composting)	\$1,347	\$0.86	\$16,079
69 - Plant 100 trees	Increased tree canopy - reduced soil erosion	N/A	\$13,125	\$1,312,500
	Increased tree canopy - improved air quality	N/A	\$26,040	\$2,604,000
	Increased tree canopy - carbon captured	N/A	\$21	\$2,142
70 - Remove 1 acre of pavement	Avoided cost of upkeep from permeable pavement	N/A	\$171,320	\$171,320
71 - Green stormwater infrastructure	Reduced water treatment benefits from increased permeable pavement and vegetation	N/A	\$2,022	\$2,022
	Increased real estate value from permeable pavement	N/A	\$1,414,500	\$1,414,500
71 - Green stormwater infrastructure	Increased energy efficiency from green roof	N/A	\$32,966	\$32,966
72 Pedestrian-friendly pavements	Reduced VMT - air, noise, water benefits (walking)	\$295	\$0.04	\$5,791
85 - Bicycle Master Plan				

**Table 4.** Outcomes Monetized by Commitment (continued)

Commitment(s)	Outcome	Outcome value per year	Outcome value per year per unit (e.g. per person, per VMT, etc.)	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
90 - Improve 12 intersections	Improved physical health from increased walking/ biking	\$616	\$0.07	\$12,064
75 - Food bank	Reduced food insecurity from access to food bank	\$6,786,909	\$1,863	\$6,786,909
76 - Early childhood learning	Increased future earnings from additional education (early childhood education)	\$878,250	\$29,275	\$10,484,491
	Reduced likelihood of use of K-12 special education thanks to early childhood education	\$85,380	\$2,846	\$1,019,261
82 - Food education program	Improved health from food education program	\$22,380	\$143	\$102,492
86 - Ride-sharing	Reduced VMT from reduced personal vehicle use - air, noise, water benefits (transit / rideshare use)	\$7,608	\$2	\$90,821
88 - Shuttle Service				
97 - Better bus service				
94 - Half acre park	Improved health from community garden	\$1,770	\$55	\$8,104
	Increased household food cost savings from community garden	\$2,640	\$240	\$12,090
Most Livable Neighborhood commitments	Reduced serious crime from cultural resources in a neighborhood	\$475,254	\$66	\$5,673,557

## Estimation Process Example

Estimating the value of each outcome is a multi-step process consisting of 3 primary types of variables: 1) a scale figure - how many people are projected to experience the outcome, 2) an effect size(s) - how much change is expected for each person for a given outcome, and 3) a cost or value of the outcome - either the cost of an event avoided or the benefit of an event that occurs.

With 48 monetized outcomes included in this analysis and another 2 outcomes monetized to inform impact strategy, the resulting 50 monetized outcomes means there are over 150 variables used in estimating the value of the outcomes.

As an example, the largest outcome from the imperative Art as Convener will be detailed to provide a greater sense of the monetization process and provide insights into those outcomes most likely to receive attention from stakeholders.

### Outcome: Improved well-being from arts participation (Commitments 21 and 31)

Watershed estimates that The Bend will reach 61,000 people through new events and casual visitors. Of those 61,000, about 16,000 are estimated to be participating in some combination of Arts & Culture events (which occur semi-weekly) and Neighborhood events (which occur monthly). We will assume those visitors that participate in these events will experience a similar level of engagement and depth of experience as they would if they were to visit an art museum. This assumption is important because the literature uses museums as a proxy for 'arts participation' and measures change in perceived well-being of visitors from one visit to a museum. Falk et al., 2023 measured

'the Public & Economic Value of Art Museum Experiences' finding that "the overall benefits derived from a museum experience by an average visitor... lasted a day or longer and was equivalent to \$904.95 in perceived monetary value." This perception of value can then be multiplied by the number of expected visitors per year to reach an estimated annual benefit for visitors of approximately \$14.5 million. Noting that these benefits can be realized year over year, but that the additional value of future visits may be less, it is assumed that at least every 3 years an equivalent level of well-being will be realized by repeat visitors and/or be realized by new visitors. Thus, realizing \$14.5 million in benefits every 3 years for 15 years - the assumed timeline for programmatic commitments, results in a present value of benefits from arts participation of approximately \$66 million.

The remaining Art as Convener pathways follow a similar monetization process but reference different studies to create additional outcome estimates. The following provides a high-level summary of these studies to help clarify the monetization process and resources used.

### **Outcome: Avoided cost of doctor's visit from arts participation (for public) (Commitments 21 and 31)**

Study: The Impact of Professionally Conducted Cultural Programs on the Physical Health, Mental Health, and Social Functioning of Older Adults

Description: This report examines the impact of professionally conducted community-based cultural programs on the physical health, mental health, and social activities of individuals aged 65 and older. Researchers found that older adults who participated in a professionally conducted chorale reported a higher overall rating of physical health, fewer doctor visits, less medication

use, fewer instances of falls, and fewer other health problems than the comparison group after 12 months.

### **Outcome: Increased educational attainment from arts participation for at-risk youth (for public) (Commitments 21 and 31)**

Study: The Arts and Achievement in At-Risk Youth: Findings from Four Longitudinal Studies

Description: This report examines the relationship between intensive arts involvement and academic and social achievements in teenagers and young adults from lower socioeconomic status backgrounds. The report found that at-risk students with arts-rich backgrounds consistently demonstrated better academic outcomes, including higher GPAs, increased college enrollment and attainment rates, and greater civic engagement, compared to their peers with less arts involvement.

### **Outcome: Reduced serious crime from cultural resources in a neighborhood (Livable Neighborhood Imperative)**

Study: The Social Wellbeing of New York City's Neighborhoods: The Contribution of Culture and the Arts

Description: This report examines the relationship between the concentration of cultural assets and social well-being in New York City neighborhoods. The study found a statistically significant relationship between the presence of cultural assets and improved social well-being, particularly in low-income neighborhoods, but emphasizes that this association should not be interpreted as a causal relationship.

When disaggregating the outcome values from Table 4 by the role of Watershed’s funding (Table 5), it becomes apparent that value generated directly by Watershed is the largest, at over \$128 million. This is primarily due to the investment in housing units as all value generated by those units are due to Watershed’s investment. Commitments that catalyze social impact also generate over \$100 million in benefits while commitments that facilitate social impact are much lower, at about \$5 million. This is because there are relatively few facilitation commitments and the value derived from them is focused on more sustainable transportation options.

**Table 5.** Total Benefit by Watershed Investment Type

	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
<b>Benefits Directly Generated</b>	\$128,297,825
<b>Benefits Catalyzed</b>	\$111,179,239
<b>Benefits Facilitated</b>	\$5,104,754
<b>Total Benefits Supported</b>	<b>\$244,581,818</b>

Commitments can be grouped into one of the five imperatives. Chart 1 shows how the bulk of monetized value generated from these imperatives is from Affordable Spaces (\$112,876,267), followed by Art as Convener (\$87,197,166). This is because capping apartment rent based on AMI leads to annual rent savings of over \$4 million across all units. When breaking this value down by units and the AMI the rent is set for, there is an estimated \$455 in savings per month for residents at greater than 60 - 80% AMI (the highest income residents), about \$720 in savings per month for residents at 50 - 60% AMI, and over \$1,150 for residents at 40% AMI on average (these AMI groupings are used to help assign other social benefits to residents in alignment with the literature which will be described in later sections of this document). This is a large value driver as the value accrues over an assumed 30-year period during which there is no further major investment in the development’s infrastructure.

## Growing Wealth for Diverse Owned Businesses through Intentional Procurement Practices

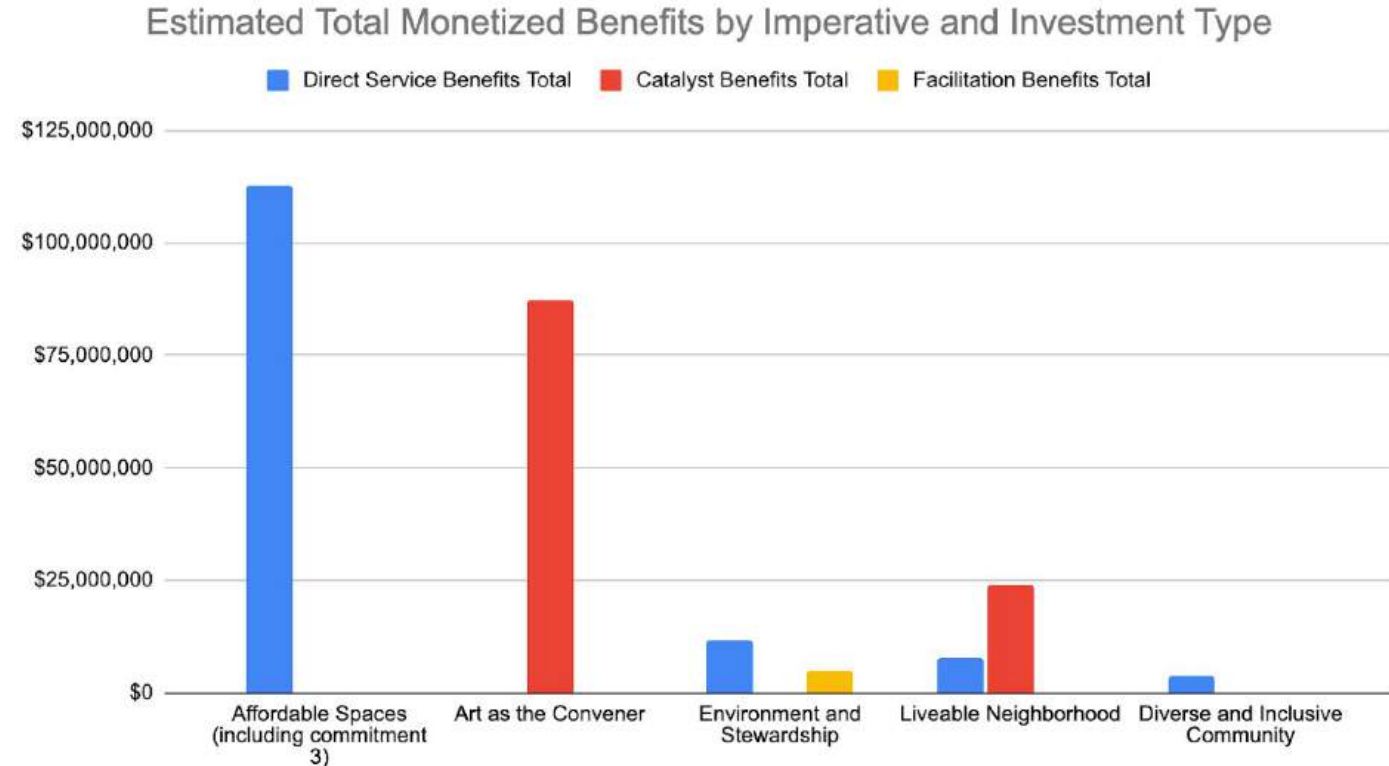
For business owners, as revenue comes in, the opportunity to invest a portion of that revenue into the business is presented and when this investment occurs, the value of the company grows. As a result, intentional spending with businesses not otherwise likely to have such revenue opportunities serves as an investment in the wealth of that businesses’ owners. Reduced opportunities to large revenue opportunities are particularly limited for diverse owners that may not have the professional network or capacity to pursue certain sales.

McKinsey (2021) estimates that of each additional dollar of revenue for the average business, six cents goes to investment back into the company. Thus every dollar of intentional spend with diverse-owned businesses is on average a six cent boost to the owner’s net worth. With an estimated 13 minority owned firms participating as subcontractors in the development of the Bend, that is at least 13 owners who are experiencing a wealth boost. Played out at scale, if Watershed spends \$500,000 with each of those 13 diverse owners, that is an estimated \$30,000 boost in net worth for each owner or \$390,000 total boost in net worth across all 13 businesses.



Similar to the Affordable Spaces, the value of Art as Convener is driven largely from a single outcome - the estimated value of improved well-being experienced by people who are experiencing arts and cultural events on a regular basis due to The Bend. Other imperatives show comparatively lower value generated but this is in part due to the difficulty in monetizing outcomes associated with these imperatives as a result of the limited evidence available to date. Total benefits for these imperatives include Environment and Stewardship (\$16,866,224), Livable Neighborhood (\$24,086,904), and Diverse and Inclusive Community (\$3,555,257).

**Chart 1.** Disaggregation of projected value created by Watershed’s imperatives



## Benefits for Catalyzing and Facilitation Commitments by Outcome

The following tables (6 and 7) show the monetized benefits stemming from Watershed’s catalyzing and facilitation commitments. For catalyst commitments, the benefits are the focus of what the commitment will support (“\$X investment will allow us to do activities A, B, C. These activities lay the groundwork for outcomes X, Y, Z, that can support \$X in value.”). For facilitation commitments, talking points similarly focus on benefits only and lead to statements such as “In partnership with groups A, B, C, this commitment will support benefits valued at \$X”. See the Talking Points and FAQs document for further details on how to talk about these impacts.

Tables 6 and 7 also show the quantified benefit, the step immediately preceding the monetization of the benefit, in order to help convey the estimation process as well as provide another example of talking points derived from the impact projections.

**Table 6.** Benefits from Watershed’s Catalyst investments, by Outcome

Imperative	Outcomes	Total Monetized Benefit	Total Quantified Benefit per year
<b>Art as Convener*</b>	Improved wellbeing from arts participation (for public)	\$66,310,496	16,000 people improve wellbeing from arts participation at The Bend per year
	Increased educational attainment from arts participation for at-risk youth (for public)	\$15,815,615	29.9 youth increase educational attainment
	Avoided cost of doctor visit from arts participation (for public)	\$5,071,055	6,552 doctors visits avoided
<b>Environment and Stewardship</b>	Improved physical health from increased walking/ biking	\$12,064	1,231 miles of walking trips added
	Reduced VMT - air, noise, water benefits (walking)	\$5,791	14,772 vehicle miles traveled avoided from increased walking
<b>Livable Neighborhood</b>	Increased earnings from additional education (early childhood education)	\$10,484,491	30 early childhood education students reached
	Reduced likelihood of use of K-12 special education thanks to early childhood education	\$1,019,261	30 early childhood education students reached
	Reduced food insecurity from access to food bank	\$6,786,909	3,643 additional people reached
	Reduced serious crime from cultural resources in a neighborhood	\$5,673,557	14.2 fewer crimes from cultural resources in the neighborhood

\* Ecotone expects commitment 51 (Diverse and Inclusive Community imperative) to support the realization of this value as well.

**Table 7.** Benefits from Facilitation investments, by Outcome

Imperative	Outcomes	Total Monetized Benefit	Total Quantified Benefit
<b>Environment and Stewardship</b>	Reduced consumer costs for vehicle maintenance, parking, taxes, etc. from reduced vehicle use	\$2,984,484	1,000,000 vehicle miles traveled reduced per year
	Reduced VMT - air, noise, water benefits - HIGH	\$1,790,690	
	Reduced VMT - air, noise, water benefits - LOW	\$238,759	
	Reduced VMT from reduced personal vehicle use - air, noise, water benefits (transit / rideshare use)	\$90,821	380,350 vehicle miles traveled avoided from increased transit and rideshare use

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## Non-monetized Commitments and Outcomes

It is important to note that while there are many outcomes that were monetized as a part of this analysis, there are many other outcomes that were not readily monetizable due to either limited evidence to support monetization or the inherently intangible nature of the outcome or both. This is not to say these outcomes are not important or valuable, simply that attaching a dollar value to them was too unclear at this time to do so with confidence and defensibility. Examples of some of the outcomes that were not monetized in this analysis include:

- Value of residents, artists, and other community members receiving assistance in finding financing and subsidies to buy their workspaces and work with developers to minimize the cost of those spaces (commitment 6)
- Value of amenity space and amenities within apartments (commitments 9 and 10)
- Value of curated teams for design and programming and intentional outreach to residents (such as commitments 16, 17, and 23)
- Increased access to affordable, quality housing from exempting lease signers from income restrictions and verification (commitment 50)
- Improved biodiversity and environmental benefit from bird-friendly design strategies and directional down-lighting and other dark-sky friendly lighting strategies (commitment 58 and 73)
- Quality of life gains that may result from the bundling of gains generated by the imperatives

Two imperatives, Art as Convener and Livable Neighborhood, had numerous other commitments that were not readily monetizable. The following provides additional details about the expected impacts of those imperatives.

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## Art as Convener

Core to Watershed’s placemaking strategy, the arts imperative will serve artists, residents, and the community. Arts support benefits for individuals, such as reduced anxiety and improved mood, and for the community, such as increased social capital and community cohesion:

- “The arts contribute to fostering community ownership, cohesion, and sense of pride. Particularly in neighborhoods with limited economic resources, arts and cultural resources and engagement creates social capital and supports equitable development” (Nair et al., 2018).
- “Arts and culture can play a major role in community development and redevelopment by creating new jobs as well as fostering an environment and amenities that attract talented young workers; and tourism centered on arts and culture can contribute to state and local economic growth by providing a diversified and sustainable means for creating jobs and attracting revenue” (Thomasian, 2009).
- “Creative arts therapies and creative arts interventions seem to have a positive impact on perceived stress and stress management. They reduce anxiety levels and improve subjects’ mood” (Martin et al., 2018).

## Livable Neighborhood

Boosting housing affordability, while an important social determinant, will not on its own create positive outcomes as housing conditions and community context are essential factors in supporting sustainable and stable housing (CMHC, 2018). Watershed is pairing its affordable housing development with community serving businesses and support resources such as child care and healthy food access.

- Compact cities (cities with mixed land uses) are associated with positive effects on outcomes of “productivity, innovation, services access (amenities), value of space, efficiency of public services delivery, social equity, safety, energy efficiency, and sustainable mode choice” (Ahlfeldt & Pietrostefani, 2017).
- “[C]ommon determinants of neighborhood satisfaction were found to be the proximity to city center, neighborhood perceived safety, and neighborhood attachment[, and] common determinants of neighborhood happiness were found to be neighborhood perceived safety, neighborhood perceived quietness, neighborhood social cohesion, neighborhood attachment, and lower neighborhood density. . . [S]ome of the links between neighborhood characteristics and livability may depend on the local context” (Mouratidis & Yiannakou, 2022).

Beyond these two imperatives, The Bend will include a variety of commitments that, while promising, have a more limited evidence base to draw upon for a social return on investment analysis. The following describes the outcomes for select commitments in need of additional research in order to be able to monetize them: anti-displacement; food hubs; and parks and green spaces (partially monetized in this analysis but missing many facets of the potential value).

**Anti-displacement** - Watershed is building affordable places and strengthening community resources to improve community health and wellbeing. Several of Watershed’s affordable places and community resource commitments are likely to increase property values and community desirability, creating a tension between creating additional value and risk of displacement. Core to Watershed’s mission, however, is serving communities that have been historically and systemically impacted by economic and environmental inequity, including people who have been, or are at risk of being, displaced. Benefits of intentional community building and anti-displacement strategies are broadly supported, although not easily monetizable. Benefits include:

- Reduced disparities in access to affordable places
- Increased opportunities to remain in the community long-term

- Increased equity in access to community resources
- Increased inclusion and sense of neighborhood cohesion
- Increased preservation of existing community economic and cultural assets

**Parks and Green Spaces** - Access to green space supports social, environmental and economic benefits such as:

- Improved mental and physical health
- Improved social cohesion
- Improved wellbeing
- Reduced crime
- Improved air quality
- Reduced urban area temperatures
- Increased wildlife habitat
- Increased tourism

While evidence suggests there are many benefits to improving access to green space, evidence on the causal impact is limited. For example, how much green space or how much time spent in it is needed to create change in mood or physical activity is unclear. There is also uncertainty in the extent that The Bend is increasing access to green space for residents than they would otherwise have access to.

**Food Hubs** - Food hubs facilitate connections across the food value chain, creating new opportunities for producers to reach institutional and retail markets. Promising outcomes include:

- Increased access to and consumption of healthy food
- Additional market opportunities for small and mid-sized farms
- Potentially reduced emissions from local food distribution

Food hubs have experienced growth in the past few years, supporting additional economic activity and likely, positive producer, customer, and community outcomes. While food hubs serve as an important link in the food value chain, there is limited evidence for food hubs' impact on health and employment outcomes (Federal Reserve Bank of St. Louis, 2017; Sharpe et al, 2019; Sharpe et al, 2020). For example, there is uncertainty in the extent that food hubs change individuals' consumption of fruit and vegetable consumption or their experience of food (in)security. There is also limited evidence to understand the impact of food hubs on the change in food miles traveled, and as a result, the potential effect of reduced emissions from local distribution on environmental outcomes. The causal argument for whether increases in net income experienced by the farmers and food producers are due to the food hub is also unclear at this time.



## Projected Social Return on Investment

Social return on investment is a metric adapted from the traditional return on investment metric and is used to measure social, environmental, and economic gains that result from an investment. It captures a broader set of impacts than financial ROI given that it identifies those impacts beyond simply financial or business outcomes, putting often intangible concepts into a more tangible form: a dollar. The SROI ratio provides a single metric to measure and manage impact over time. It is one tool for measuring and managing impact, among many, providing a partial view of impact, but a focus on the long-term impact projected that is causally linked to the investment.

An SROI ratio was estimated for the 20 direct service provision commitments that had a monetized outcome. This was done to help ensure any SROI ratios shown in this analysis are communicating a causal connection between Watershed's investment amount and the benefit generated. This states that Watershed's investment caused the positive social impact, as compared to the catalyst and facilitation investments that are reliant on other community organizations in order to deliver the intended impact.

Across all direct service provision commitments, the philanthropic SROI is projected to be approximately \$2.37 - for every \$1 of philanthropic contributions made to Watershed's commitments, a projected \$2.37 in social value is expected to be generated. Total philanthropic contributions to those 20 commitments amounts

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to an estimated \$54,048,318, and total benefits are projected to be approximately \$128,297,826.

When considering the total philanthropic contribution, estimated at \$92 million, the philanthropic SROI for The Bend as a whole is projected to be \$1.39. That philanthropic SROI then provides the foundation for community partners to contribute on other Watershed commitments which are projected to generate \$116 million in value, on top of the \$128 million Watershed will directly generate.

Direct service provision commitments within each imperative were grouped together to get a sense of what the SROI by imperative looks like. For every \$1 of philanthropic contributions invested there was an average social return ranging from \$0.01 (Livable Neighborhood) to \$5.28 (Diverse and Inclusive Community) depending on the imperative being invested in (Table 8). That is, for every \$1 dollar of philanthropic contributions to The Bend's direct service provision commitments, the projected social return for Livable Neighborhood is \$0.01; for Environment and Stewardship, \$1.53; for Affordable Spaces including commitment 3 (40% AMI) it is \$3.50; for Affordable Spaces without commitment 3, \$3.73; and for Diverse and Inclusive Community, \$5.28.

As noted, the Livable Neighborhood imperative has a social return below \$1. While this SROI is less than \$1, meaning the social value generated does not outweigh the philanthropic investment required to deliver that value, the social value is still positive - the SROI is greater than \$0, i.e. residents are better off from The Bend than they would be otherwise. An SROI less than \$1 is in large part a reflection of data availability and the state of evidence around Livable Neighborhood commitments. Further, this imperative has relatively few monetized outcomes compared to the size of the investment in the commitments that generate those outcomes. This signifies that there are likely numerous non-monetized outcomes, as previously detailed, that fall within that imperative, showing the need for further research to better ascribe the value to those commitments.

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For the Environment and Stewardship imperative, evidence is more robust, showing value being generated through reduced emissions, reduced cost burden; reduced soil erosion, improved air quality, and increased carbon captured from tree canopy; increased real estate value from permeable pavement; and increased energy and water efficiency.

For the Affordable Spaces imperative, as will be described in greater detail later in this report, much of the value is tied to the rent savings residents will experience. Other outcomes expected include improved mental health and increased housing stability, while lower income households (40-50% AMI) will be the most likely to experience health and income benefits from the improved housing conditions expected relative to alternative housing options.

For the Diverse and Inclusive Community imperative, value is being realized through reduced risk of fall and resulting cost savings from avoided hospital admission and emergency department use and reduced future activities of daily living.

The Art as Convener imperative does not have a projected social return given that the commitments and outcomes presently monetized are through catalyzing investments made by Watershed (not direct service investments).

Table 8 shows the projected philanthropic SROI by stakeholder. For all imperatives except Diverse and Inclusive Community, residents are the leading beneficiary group. For Diverse and Inclusive Community, Medicare (Federal) is the leading beneficiary, followed closely by residents. This is because the population most likely to benefit from the Diverse and Inclusive Community commitments that were direct service provision (commitments 36 and 37) tend to be over 65 years old and experience reduced health care expenditures as a result of the commitments.

**Table 8.** Projected philanthropic social return on investment by stakeholder and imperative

	Affordable Spaces		Environment and Stewardship	Livable Neighborhood	Diverse and Inclusive Community	Art as Convener
	Without Commitment 3	With Commitment 3	Same with and without Commitment 3	Same with and without Commitment 3	Same with and without Commitment 3	Same with and without Commitment 3
<b>Total</b>	<b>\$3.73</b>	<b>\$3.50</b>	<b>\$1.53</b>	<b>\$0.01</b>	<b>\$5.28</b>	No SROI due to no direct service provision commitments
Residents	\$2.97	\$2.79	\$0.70	\$0.01	\$1.80	
Local community	\$0.14	\$0.13	\$0.65	\$0.00	\$0.00	
Taxpayers - Federal (income)	\$0.00	\$0.01	\$0.00	\$0.00	\$0.00	
Taxpayers - State (income)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Taxpayers - Local (indirect from income)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Medicare (Federal)	\$0.03	\$0.03	\$0.00	\$0.00	\$1.90	
Medicaid - Federal	\$0.27	\$0.25	\$0.00	\$0.00	\$0.85	
Medicaid - State	\$0.13	\$0.12	\$0.00	\$0.00	\$0.51	
Private Insurance	\$0.11	\$0.11	\$0.00	\$0.00	\$0.23	
Health care providers	\$0.07	\$0.07	\$0.00	\$0.00	\$0.00	
Developers	\$0.00	\$0.00	\$0.18	\$0.00	\$0.00	

Table 9 shows the total SROI for each of the imperatives, illustrating how much the social returns decline when accounting for the full cost to implement the commitments and not only the philanthropic contributions. Of note, the SROI for Affordable Spaces still does not include senior debt, but does include the value of the below-market debt received by Watershed (as opposed to the value of the foregone returns on the below-market debt as is used in the philanthropic SROI estimate).

**Table 9.** Projected total social return on investment by stakeholder and imperative

	Affordable Spaces		Environment and Stewardship	Livable Neighborhood	Diverse and Inclusive Community	Art as Convener
	Without Commitment 3	With Commitment 3	Same with and without Commitment 3	Same with and without Commitment 3	Same with and without Commitment 3	Same with and without Commitment 3
<b>Total</b>	<b>\$0.81</b>	<b>\$0.79</b>	<b>\$1.16</b>	<b>\$0.01</b>	<b>\$1.95</b>	No SROI due to no direct service provision commitments
Residents	\$0.64	\$0.63	\$0.53	\$0.01	\$0.66	
Local community	\$0.03	\$0.03	\$0.49	\$0.00	\$0.00	
Taxpayers - Federal (income)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Taxpayers - State (income)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Taxpayers - Local (indirect from income)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Medicare (Federal)	\$0.01	\$0.01	\$0.00	\$0.00	\$0.70	
Medicaid - Federal	\$0.06	\$0.06	\$0.00	\$0.00	\$0.32	
Medicaid - State	\$0.03	\$0.03	\$0.00	\$0.00	\$0.19	
Private Insurance	\$0.02	\$0.02	\$0.00	\$0.00	\$0.08	
Provider Charitable contribution	\$0.01	\$0.02	\$0.00	\$0.00	\$0.00	
Developers	\$0.00	\$0.00	\$0.14	\$0.00	\$0.00	

Table 10 shows the monetized outcomes included in the SROI estimate for each imperative, the relevant direct service provision commitments, and the total monetized benefit.

**Table 10.** Monetized Outcomes included in SROI estimates by imperative

Imperative	Relevant commitment	Monetized Outcome	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
Affordable Spaces	1, 2, 3	Reduced cost-burden from affordable housing	\$86,805,784
	1, 2	Reduced cost-burden from affordable housing (without commitment 3)	\$84,390,790
	1, 2	Improved mental health from reducing financial stress	\$9,894,381
	4	Reduced cost-burden from affordable artist studio space	\$4,076,892
	12	Improved health from reduced noise pollution from sound insulating windows	\$3,533,724
	1, 2	Improved health from increased use of preventative health care and having health insurance	\$3,343,792
	1, 2	Improved physical health - reduced hospitalizations for older adults	\$1,460,347
	1, 2	Improved physical health from reduced exposure to lead - for kids	\$1,239,792
	3	Increased educational attainment of children from increased housing stability	\$745,137
	3	Reduced health care expenditures from increased housing stability	\$684,679
	3	Increased employment/earnings from increased housing stability	\$520,327
	11	Improved health from indoor air quality improvements through improved ventilation systems and MERV 13 filters or above	\$398,771
	1, 2	Improved respiratory health - children - avoided loss of QALY	\$92,282
	3	Reduced risk of being food insecure	\$79,622
	3	Reduced risk of child being underweight	\$737



**Table 10.** Monetized Outcomes included in SROI estimates by imperative (continued)

Imperative	Relevant commitment	Monetized Outcome	Total Monetized Benefit (e.g. multi-year present value for all people impacted)
Environment and Stewardship	61	Increased savings from energy efficiency (reduced utility costs from reduced heat loss)	\$3,782,515
	69	Increased tree canopy - improved air quality	\$2,604,000
	70, 71	Increased real estate value from permeable pavement	\$1,414,500
	69	Increased tree canopy - reduced soil erosion	\$1,312,500
	57	Increased water/energy efficiency	\$1,288,757
	55	Reduced greenhouse gas emissions from energy efficiency	\$412,031
	59	Reduced GHG from increased EV adoption	\$347,075
	59	Reduced cost of vehicle from increased EV adoption	\$271,286
	70, 71	Avoided cost of upkeep from permeable pavement	\$171,320
	60	Reduced emissions from construction and demolition recycling	\$46,476
	56	Reduced greenhouse gas emissions from solar	\$39,947
	71	Increased energy efficiency from green roof	\$32,966
	67	Reduced emissions from reduced food waste (increased composting)	\$16,079
	69	Increased tree canopy - carbon captured	\$2,142
70, 71	Reduced water treatment benefits from increased permeable pavement and vegetation	\$2,022	
Diverse and Inclusive Community	36, 37	Reduced risk of fall leading to hospitalization due to home modifications (e.g. ramps, grab bars, etc.) - Avoided hospital admission and ED costs	\$2,551,401
	36, 37	Reduced risk of fall leading to non-hospitalization due to home modifications (e.g. ramps, grab bars, etc.) - reduced future ADLs	\$1,003,856
Livable Neighborhood	82	Improved health from food education program	\$102,492
	94	Increased household food cost savings from community garden	\$12,090
	94	Improved health from community garden	\$8,104
Art as Convener	No SROI due to no direct service provision commitments		

Table 11 shows the projected philanthropic and total SROI for the 20 direct service provision commitments themselves. The value of these commitments are what make up the SROI of each imperative. Imperatives with an SROI have anywhere from 2 to 10 commitments that are direct service provision and generate positive monetized outcomes. Within each imperative, commitments can have a range of SROI values as certain commitments may be closely aligned with existing evidence while other commitments may be evidence-informed but the evidence may only yet exist for certain outcomes linked to the given commitment.

Commitments within the Environment and Stewardship imperative tend to have supporting evidence and as a result have both the greatest number of commitments with an SROI and the two highest SROIs: commitment 55 (adhering to green building standards) and commitment 57 (individual water metering for each residential unit).

**Table 11.** Projected philanthropic and total SROI for direct service commitments

Imperative	Commitment(s) with SROI	Philanthropic contribution	Total Monetized Benefit (e.g. multi-year present value for all people impacted)	Philanthropic SROI	Total SROI
Affordable Spaces	1, 2	\$27,218,256	\$100,421,384	\$3.69	\$0.78
	3	\$3,140,333	\$4,445,496	\$1.42	\$0.52
	4	\$5,198,853	\$4,076,892	\$0.78	\$0.30
	11	\$931,531	\$398,771	\$0.43	\$0.16
	12	\$931,531	\$3,533,724	\$3.79	\$1.41
Diverse and Inclusive Community	36, 37	\$672,878	\$3,555,257	\$5.28	\$1.95
Environment and Stewardship	55	\$21,183	\$412,031	\$19.45	\$7.20
	56	\$254,024	\$39,947	\$0.16	\$0.07
	57	\$76,683	\$1,288,757	\$16.81	\$6.22
	59	\$161,783	\$618,361	\$3.82	\$1.41
	60	\$97,865	\$46,476	\$0.47	\$0.19
	61	\$853,683	\$3,782,515	\$4.43	\$1.64
	67	\$114,499	\$16,079	\$0.14	\$0.14
	69	\$2,819,339	\$3,918,642	\$1.39	\$1.39
	70, 71	\$3,265,707	\$1,620,808	\$0.50	\$0.50
Livable Neighborhood	82	\$171,752	\$102,492	\$0.60	\$0.60
	94	\$8,118,420	\$20,194	\$0.00	\$0.00
Art as Convener	No SROI due to no direct service provision commitments				

Table 10 showed specific outcomes of affordable housing valued, and Table 11 showed the SROI for each affordable housing commitment. However, certain outcomes will be more prominent for certain Area Median Income levels. When disaggregating the outcome values by AMI, it becomes more evident that the SROI will vary by the AMI of the household (Table 12).

To disaggregate the outcome values, three AMI groupings were established given the uncertainty around who could be realizing each outcome and the fact that the literature does not clearly define that outcome X applies to AMI Y. This means that assumptions are leveraged, such that certain outcomes studied in the literature that are significant for low and very-low income households are going to be most relevant for 40% AMI households and below. These assumptions come with limitations of course. For example, it may be that a household at 60% AMI experiences more benefits than a household at 40% AMI, but on average it is assumed that the lower income household stands to benefit in more ways than a higher income household. The results of this disaggregation are shown in Table 12, where benefits per unit are compared to the average impact investment needed to construct each unit (not controlling for size of unit). As can be seen with the two 40% AMI scenarios, the characteristics of the residents of the unit can significantly impact the expected scale of benefits and the resulting SROI. The SROI is generally maximized when children and seniors reside in the unit and minimized when otherwise healthy, employed adults reside in the unit.

**Table 12.** Projected philanthropic SROI by AMI

Unit AMI	Benefit per unit (NPV over 30 years)	Philanthropic contribution per unit on average	Philanthropic SROI by AMI
65-80% AMI	\$16,483	\$53,637	\$0.31
55-60% AMI	\$61,456	\$53,637	\$1.15
40% AMI (Low scenario*)	\$74,024	\$53,637	\$1.38
40% AMI (High scenario*)	\$410,514	\$53,637	\$7.65

*\*To maximize benefits per unit on average, 2 children and 1 adult over 65 years old are assumed to live in the unit. Low benefits are based on 1 healthy working age adult living in the unit.*

Many affordable housing developments tend to have SROIs less than \$1. Housing developments that have SROIs greater than \$1 (when considering total investment amount such as those in Table 11) tend to be targeted to a specific population such as those that are unstably housed, need supportive housing, have large health care expenditures, live in low quality housing, or have other specific needs that are directly targeted by the development.

The key data gap faced in developing an SROI for the affordable housing units at The Bend is the uncertainty around the characteristics of the future residents and their prior living conditions. Because SROI is a microeconomic analysis, it is focused on the experience of the individual, which means the value generated is based on the experience of the individual. When less is known about the individual it becomes harder to assign expected benefits to them without risking overclaiming value or ‘impact-washing’. As a result, this analysis is framed conservatively and with future data collection there will be opportunity to add to the currently estimated benefits.



In order to estimate the SROI to each stakeholder, Ecotone estimates the extent each outcome creates value to the relevant stakeholder. Tables 13 - 17 show how the value of each outcome (left column) is allocated to the given stakeholder (top row). The value attributed to each stakeholder is informed by external research, including Washington State Institute of Public Policy’s Benefit-Cost Technical Documentation (a compilation of industry best practices), federal effective tax rates, Ecotone assumptions around how an individual participant may be benefiting, and other sector-specific resources as needed. Of note, the stakeholders with value assigned to them only include those with associated monetized outcomes. This stakeholder breakdown should be viewed as a preliminary estimate to note the potential scale of value to target beneficiaries. This disaggregated view of value illustrates the collective nature of costs and benefits associated with the activities conducted by Watershed. Future research will help to understand the value created for other stakeholders.

**Table 13.** Outcome attribution ratio for Affordable Spaces Imperative

Outcomes	Residents	Local community	Taxpayers - Federal (income)	Taxpayers - State (income)	Taxpayers - Local (indirect from income)	Medicare (Federal)	Medicaid - Federal	Medicaid - State	Private Insurance	Provider Charitable Contribution	Developers
Reduced cost-burden from affordable artist studio space	\$0	\$4,076,892	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced cost-burden from affordable housing	\$84,390,790	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced risk of child being underweight	\$90	\$0	\$0	\$0	\$0	\$33	\$148	\$138	\$132	\$197	\$0
Reduced risk of being food insecure	\$9,714	\$0	\$0	\$0	\$0	\$3,511	\$15,992	\$14,894	\$14,204	\$21,307	\$0
Improved health from increased use of preventative health care and having health insurance	\$407,943	\$0	\$0	\$0	\$0	\$147,428	\$671,614	\$625,476	\$596,532	\$894,799	\$0
Reduced health care expenditures from increased housing stability	\$83,531	\$0	\$0	\$0	\$0	\$30,187	\$137,521	\$128,073	\$122,147	\$183,220	\$0
Increased employment/earnings from increased housing stability	\$396,646	\$0	\$68,007	\$37,302	\$18,373	\$0	\$0	\$0	\$0	\$0	\$0
Increased educational attainment of children from increased housing stability	\$568,018	\$0	\$97,389	\$53,419	\$26,311	\$0	\$0	\$0	\$0	\$0	\$0
Improved mental health from reducing financial stress	\$108,838	\$0	\$0	\$0	\$0	\$0	\$5,808,119	\$2,176,647	\$1,800,777	\$0	\$0
Improved respiratory health - children - avoided loss of QALY	\$92,282	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Improved physical health from reduced exposure to lead - for kids	\$866,234	\$0	\$98,372	\$30,366	\$20,037	\$0	\$81,235	\$8,125	\$135,422	\$0	\$0
Improved physical health - reduced hospitalizations for older adults	\$116,828	\$0	\$0	\$0	\$0	\$438,104	\$511,121	\$306,673	\$87,621	\$0	\$0
Improved health from indoor air quality improvements through improved ventilation systems and MERV 13 filters or above	\$48,650	\$0	\$0	\$0	\$0	\$17,582	\$80,095	\$74,593	\$71,141	\$106,711	\$0
Improved health from reduced noise pollution from sound insulating windows	\$431,114	\$0	\$0	\$0	\$0	\$155,802	\$709,763	\$661,004	\$630,416	\$945,625	\$0
<b>Total without commitment 3</b>	<b>\$86,462,679</b>	<b>\$4,076,892</b>	<b>\$98,372</b>	<b>\$30,366</b>	<b>\$20,037</b>	<b>\$758,915</b>	<b>\$7,861,947</b>	<b>\$3,852,518</b>	<b>\$3,321,910</b>	<b>\$1,947,134</b>	<b>\$0</b>
<b>Total with commitment 3</b>	<b>\$89,935,671</b>	<b>\$4,076,892</b>	<b>\$263,768</b>	<b>\$121,087</b>	<b>\$64,720</b>	<b>\$792,645</b>	<b>\$8,015,608</b>	<b>\$3,995,623</b>	<b>\$3,458,393</b>	<b>\$2,151,859</b>	<b>\$0</b>

**Table 14.** Outcome attribution ratio for Arts as Convener Imperative

Outcomes	Residents	Local community	Taxpayers - Federal (income)	Taxpayers - State (income)	Taxpayers - Local (indirect from income)	Medicare (Federal)	Medicaid - Federal	Medicaid - State	Private Insurance	Provider Charitable Contribution	Developers
Improved wellbeing from arts participation (for public)	\$66,310,496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Avoided cost of doctors visit from arts participation (for public)	\$618,669	\$0	\$0	\$0	\$0	\$223,582	\$1,018,542	\$948,571	\$904,676	\$1,357,014	\$0
Increased educational attainment from arts participation for at-risk youth (for public)	\$12,056,243	\$0	\$2,067,101	\$1,133,821	\$558,449	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$78,985,408</b>	<b>\$0</b>	<b>\$2,067,101</b>	<b>\$1,133,821</b>	<b>\$558,449</b>	<b>\$223,582</b>	<b>\$1,018,542</b>	<b>\$948,571</b>	<b>\$904,676</b>	<b>\$1,357,014</b>	<b>\$0</b>

**Table 15.** Outcome attribution ratio for Environment and Stewardship Imperative

Outcomes	Residents	Local community	Taxpayers - Federal (income)	Taxpayers - State (income)	Taxpayers - Local (indirect from income)	Medicare (Federal)	Medicaid - Federal	Medicaid - State	Private Insurance	Provider Charitable Contribution	Developers
Reduced emissions from construction and demolition recycling	\$0	\$46,476	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced VMT from reduced personal vehicle use - air, noise, water benefits (transit / rideshare use)	\$0	\$90,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced VMT - air, noise, water benefits - LOW	\$0	\$238,759	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced VMT - air, noise, water benefits - HIGH	\$0	\$1,790,690	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced VMT - air, noise, water benefits (walking)	\$0	\$5,791	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Improved physical health from increased walking/ biking	\$1,472	\$0	\$0	\$0	\$0	\$532	\$2,423	\$2,257	\$2,152	\$3,228	\$0
Reduced consumer costs for vehicle maintenance, parking, taxes, etc. from reduced vehicle use	\$2,984,484	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced greenhouse gas emissions from energy efficiency	\$0	\$412,031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced greenhouse gas emissions from solar	\$0	\$39,947	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased savings from energy efficiency (reduced utility costs from reduced heat loss)	\$3,782,515	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased tree canopy - reduced soil erosion	\$0	\$1,312,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased tree canopy - improved air quality	\$0	\$2,604,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased tree canopy - carbon captured	\$0	\$2,142	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced GHG from increased EV adoption	\$0	\$347,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced cost of vehicle from increased EV adoption	\$271,286	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Avoided cost of upkeep from permeable pavement	\$0	\$171,320	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased environmental benefits from green infrastructure / porous pavement	\$0	\$2,022	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased real estate value from permeable pavement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,414,500
Increased energy efficiency from green roof	\$32,966	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced emissions from reduced food waste (increased composting)	\$0	\$16,079	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased water/energy efficiency	\$1,288,757	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$8,361,479</b>	<b>\$7,079,652</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$532</b>	<b>\$2,423</b>	<b>\$2,257</b>	<b>\$2,152</b>	<b>\$3,228</b>	<b>\$1,414,500</b>

**Table 16.** Outcome attribution ratio for Livable Neighborhood Imperative

Outcomes	Residents	Local community	Taxpayers - Federal (income)	Taxpayers - State (income)	Taxpayers - Local (indirect from income)	Medicare (Federal)	Medicaid - Federal	Medicaid - State	Private Insurance	Provider Charitable Contribution	Developers
Improved health from food education program	\$102,492	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Improved health from community garden	\$989	\$0	\$0	\$0	\$0	\$357	\$1,628	\$1,516	\$1,446	\$2,169	\$0
Increased household food cost savings from community garden	\$12,090	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased earnings from additional education (early childhood education)	\$7,992,328	\$0	\$1,370,323	\$751,633	\$370,207	\$0	\$0	\$0	\$0	\$0	\$0
Reduced likelihood of use of K-12 special education thanks to early childhood education	\$0	\$0	\$101,009	\$918,252	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reduced food insecurity from access to food bank	\$828,003	\$0	\$0	\$0	\$0	\$299,234	\$1,363,178	\$1,269,532	\$1,210,785	\$1,816,177	\$0
Reduced serious crime from cultural resources in a neighborhood	\$0	\$2,666,572	\$0	\$1,929,009	\$1,077,976	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$8,935,901</b>	<b>\$2,666,572</b>	<b>\$1,471,332</b>	<b>\$3,598,895</b>	<b>\$1,448,183</b>	<b>\$299,592</b>	<b>\$1,364,806</b>	<b>\$1,271,048</b>	<b>\$1,212,230</b>	<b>\$1,818,346</b>	<b>\$0</b>

**Table 17.** Outcome attribution ratio for Diverse and Inclusive Community Imperative

Outcomes	Residents	Local community	Taxpayers - Federal (income)	Taxpayers - State (income)	Taxpayers - Local (indirect from income)	Medicare (Federal)	Medicaid - Federal	Medicaid - State	Private Insurance	Provider Charitable contribution	Developers
Reduced risk of fall leading to hospitalization due to home modifications (e.g. ramps, grab bars, etc.) - Avoided hospital admission and ED costs	\$204,112	\$0	\$0	\$0	\$0	\$1,275,700	\$574,065	\$344,439	\$153,084	\$0	\$0
Reduced risk of fall leading to non-hospitalization due to home modifications (e.g. ramps, grab bars, etc.) - reduced future ADLs	\$1,003,856	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,207,968</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,275,700</b>	<b>\$574,065</b>	<b>\$344,439</b>	<b>\$153,084</b>	<b>\$0</b>	<b>\$0</b>



## Discussion on Data Quality and Risk Analysis

The SROI and benefits projections leverages external literature of the highest level of causality available and Watershed data, where possible. The monetization process utilized a market price method such that dollar values are attached to impacts based on the market price associated with that impact and/or a benefits transfer method, utilizing the value in another study when the study is appropriately aligned with programs and services delivered by Watershed. This is in comparison to other valuation methods that may attach value based on surveying individuals for how they perceive the value (referred to as contingent valuation), among other methods.

## Areas of Uncertainty

As with any benefits and SROI projection, there are uncertainties in the modeling. Specific uncertainties are aligned to specific commitments, however, a few of the more prominent areas of uncertainty that cut across many commitments include the following:

- Likelihood people reached by Watershed would otherwise have received comparable services
- Number of residents in The Bend, their AMI, characteristics of household members (e.g. age, health status, work status), and characteristics of their prior living conditions
- Number of visitors and community members reached by Watershed's programming and services
- Duration of impact from each commitment could have potentially very wide ranging timelines although few studies include long-term follow-ups (3+ years) to inform the full duration of impact



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## Future Research


This analysis is a projection. It is a baseline onto which additional data tracking and research may be added as it becomes available. Future research would be useful for bolstering the strength of this analysis and potentially increasing both the number of commitments accounted for as well as the size of impact per commitment. Future research recommended includes surveying residents and community members to gain a sense of how impactful The Bend is using key performance indicators (KPIs) outlined in Appendix B.

Further, a longitudinal quasi-experimental study of residents and program participants compared to similar people who do not live in The Bend. This would serve to customize future SROIs to be as specific to The Bend as possible and reduce the extent external literature is leveraged to build the monetized pathways. Implementation of this type of longitudinal study may not be readily feasible given the resource intensiveness of those studies, but is noted here to acknowledge its role in future SROI analyses.

## Impact Risk

A part of understanding impact is the risk of not achieving the desired positive impact and the risk of creating unintended negative impacts. The Impact Management Project (IMP) was a community of 2,000+ organizations building consensus on how to measure, compare and report impact on environmental and social issues (the IMP has concluded because it created the many impact reporting resources and frameworks that it set out to develop- it is now housed by Impact Frontiers). One of the frameworks created by the IMP is the 9 types of impact risk, shown in figure 1. A risk assessment and brief analysis of the 9 types of impact risk are shown in Table 18. These risks present as opportunities for further growing the impact and SROI of Watershed's commitments.

Figure 1.

Enterprises and investors face nine types of impact risks		Risk 
Impact Risk	Definition	
1 Evidence risk	→ The probability that insufficient high-quality data exists to know what impact is occurring	
2 External risk	→ The probability that external factors disrupt our ability to deliver the impact	
3 Stakeholder participation risk	→ The probability that the expectations and/or experience of stakeholders are misunderstood or not taken into account	
4 Drop-off risk	→ The probability that positive impact does not endure and/or that negative impact is no longer mitigated	
5 Efficiency risk	→ The probability that the impact could have been achieved with fewer resources or at a lower cost	
6 Execution risk	→ The probability that the activities are not delivered as planned and do not result in the desired outcomes	
7 Alignment risk	→ The probability that impact is not locked into the enterprise model	
8 Endurance risk	→ The probability that the required activities are not delivered for a long enough period	
9 Unexpected impact risk	→ The probability that significant unexpected positive and/ or negative impact is experienced by people and the planet	

Source: Impact Management Project



**Table 18.** Impact Risk Assessment of Watershed’s commitments

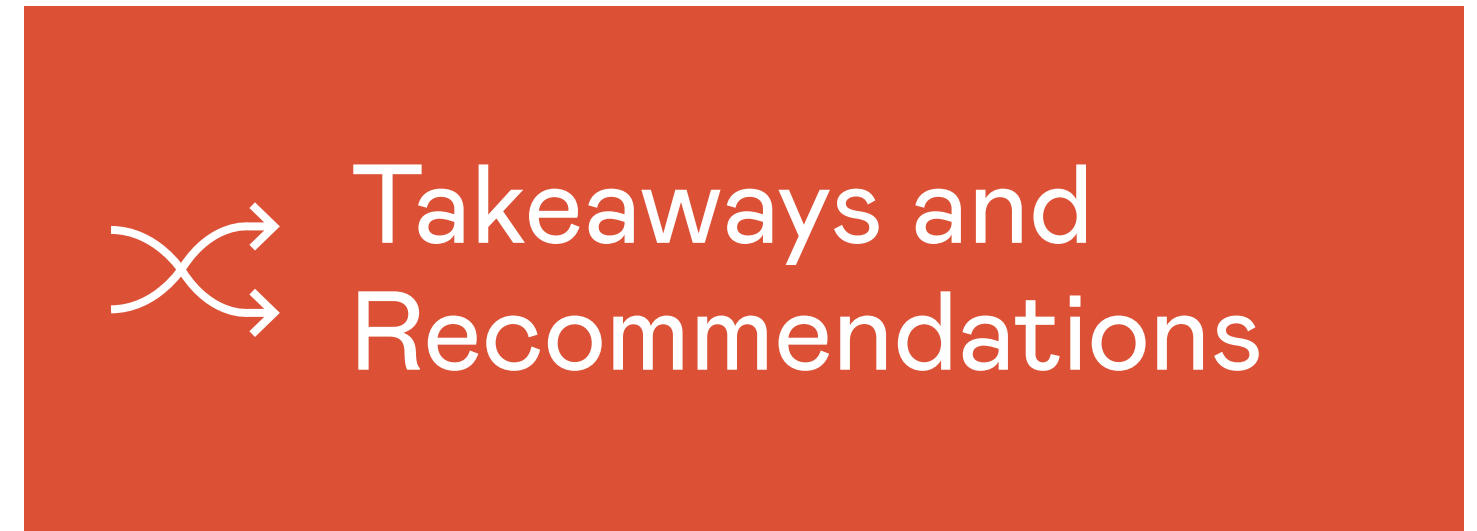
Impact Risk	Assessment	Analysis of Perceived Risk
Evidence Risk	Medium	There are numerous strong signals of the potential value of The Bend in the evidence base; however, evidence was often attached to very specific programs that were not exact matches with Watershed’s current level of specificity (e.g. arts engagement opportunities come in many forms and occur over many time periods). Future research is also needed to help better understand how the combination of programs and services under the five imperatives drive value together. Each of these factors create risk for the understanding of impact generated by Watershed.
External Risk	Low	Watershed has built several partnerships and holds varying levels of responsibility for delivering on its commitments, which diversifies programmatic funding sources and suggests that The Bend will be financially equipped to continue to deliver on its commitments.
Stakeholder Participation Risk	Low	Watershed has many commitments centered on including and promoting voices from the neighborhood such as creating advisory boards, providing opportunities for community members to serve in a decision-making capacity, and developing culturally-aligned programming to maximize likelihood of stakeholder participation. This is intended to understand where Watershed’s stakeholders are at in order to create programming, services, and overall sense of community that best meets stakeholder needs.
Drop-off Risk	Medium	<p>In alignment with the Evidence Risk, the duration of positive outcomes supported is at times uncertain. For example, the duration that benefits derived from programmatic commitments (such as the wellbeing benefits from arts engagement) is unclear. There are a number of factors that could influence residents’ and visitors’ likelihood of realizing program benefits in decades to come given that the community and market will continue to shift, forcing either changes in programming or making access to similar programming easier.</p> <p>There is also uncertainty around how long infrastructure will last and how long that infrastructure will support the outcomes initially realized. For example when considering health related impacts from increased active transit from improved transit linkages and sidewalk networks, the deteriorating health of residents, lack of awareness of community services, etc. may spur a faster drop-off of impact. Further study and follow-ups are needed to more fully understand this risk, but knowing Watershed is committed to establishing a robust impact measurement and management system will help mitigate this risk.</p>

**Table 18.** Impact Risk Assessment of Watershed’s commitments (continued)

Impact Risk	Assessment	Analysis of Perceived Risk
Efficiency Risk	Medium	<p>Watershed’s approach to supporting diversity, inclusion, and community belonging includes leveraging resident and local community member expertise, increasing the likelihood that people receive programming and services that are relevant.</p> <p>The perceived efficiency of The Bend is at risk due to the higher cost of the development relative to other forms of affordable and market-rate housing given the emphasis on development elements beyond housing quality and affordability (e.g. programming, district planning and improvement); however, Watershed is continuing to develop communications materials to readily distinguish the key features of The Bend and account for what drives up the costs relative to other housing developments. Further, continued use of SROI metrics helps to keep an eye on cost effectiveness of impact being generated.</p>
Execution Risk	Medium	<p>Because The Bend is in the developmental stages, effective execution of the vision may be the single greatest impact risk faced by Watershed.</p> <p>Funding sources contribute to execution risk, with Watershed pursuing significantly less of traditional affordable housing-designated public funding sources. Funding availability influences Watershed’s ability to deliver on its commitments including the type and size of programs offered, leading to Watershed potentially not meeting its promises and goals if they are outside budget capacity.</p> <p>Because commitments are in many cases still in formative stages of development, the implementation of them could vary from what evidence was found to be impactful. This does not mean that an innovative implementation cannot be impactful, but given the amount of uncertainty of what actual implementation will look like, this is a risk that much of Watershed’s time in subsequent years will be focused on addressing.</p>
Alignment Risk	Low	The Bend is centered on cultivating community wealth and health through thoughtful real estate development, community engagement, and programming that fosters relationships across the neighborhood. This is at minimal risk of shifting in the near-term.

**Table 18.** Impact Risk Assessment of Watershed’s commitments (continued)

Impact Risk	Assessment	Analysis of Perceived Risk
Endurance Risk	Medium	Much like drop off risk and evidence risk, there is uncertainty around how long stakeholders need to be engaged to ensure the greatest possible impact is realized. Watershed provides opportunities for residents and community members to participate in programming and access services, which is likely to have low endurance risk as people can engage as they desire. Some outcomes will likely require continuous engagement to realize the greatest impact. For example, evidence pointing to the reduced likelihood of doctor’s visits from arts participation for older adults studied adults who were engaged with arts on a weekly basis for over half a year (Cohen et al., 2006). It is unclear whether this is the optimal ‘dose’ but it is what was studied and thus serves as one of few signals of program endurance required.
Unexpected Impact Risk	Low	Given the importance of housing as a social determinant of health, there is potential for unexpected impacts. Unexpected impacts may be positive or negative. A potential unexpected impact is increased congestion or traffic for existing residents due to the large community draw from new events and programming in The Bend.



# Takeaways and Recommendations

The Bend generates positive social value, generating a projected \$128 million directly from planned commitments and will support the creation of another \$116 million in value with the co-investment of community partners, leading to a total of \$244 million in social and environmental value on the table. Comparing this value creation to the philanthropic contributions sought by Watershed, average philanthropic SROI is projected to be \$1.39, the philanthropic SROI on direct service provision commitments only is \$2.37, and philanthropic SROIs by imperative range from \$0.01 to \$5.28. This conservative analysis shows that the commitments brought to life by Watershed and its community partners create additional social value beyond what would otherwise be likely possible. To help ensure the intended benefits are realized, it will be important for Watershed to have an effective impact measurement and management (IMM) system in place. A big component of this IMM system consists of the metrics to be tracked. These are detailed in the next section and included in the accompanying spreadsheet which aligns key metrics with each commitment.

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## Key Metrics of Monetized Outcomes

The following section identifies both the key metrics that played a leading role in estimating the scale of monetized benefit to be generated by The Bend as well as the key metrics that Watershed can track going forward. The two sets of metrics overlap each other but in some cases, the key metrics that impact the size of value generated are going to be harder for Watershed to track without research partner engagement.

Key metrics that drive value for The Bend include:

- Estimated proportion of residents per AMI
- Rent savings by AMI
- Annual number of visitors to the district or community members reached through arts and community programming
- The wellbeing gained from participating in arts activities
- Reduction in vehicle miles traveled and the increased rates of active or shared modes of transit
- Proportion of residents at risk of a fall and the reduced risk of falling from Watershed's design elements
- Health care expenditures and quality of life affected by housing quality and design elements

As these metrics were the most important for determining the monetized outcomes, that is not to say there are not other metrics that are valuable and important to track as well. Table 19 identifies the recommended KPIs for tracking The Bend's impact. KPIs noted are those that align closely with the outcomes monetized in this analysis, would be useful for future monetization efforts, and are metrics that are most feasible for Watershed to track. See Appendix B for the commitments taxonomy, which identifies the relevant commitments for each of the following KPIs.

Of note, each commitment will have its own outputs to track (e.g. number of trees planted applies only to commitment 69) - these are not included in the taxonomy. Further, tracking of commitments will require implementation evaluations, to isolate

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challenges to implementation for example. This type of tracking will sit along the currently identified metrics which would be considered a part of an ongoing output and outcome evaluation process.

Table 19 includes the KPIs for Watershed to track, including both scale KPIs and quality KPIs. Scale KPIs are outputs and subsets of outputs that can be used to understand the scale of impact of Watershed's programs and services. Quality KPIs are those incremental improvements that can be used to help understand the benefit generated per person reached by the programs and services. These are often short-term or intermediate outcomes within the logic model. These figures can take various forms, such as indicators tracked on a cumulative basis or over designated time periods. They may also be lead or lag indicators, depending on the extent they are a signal of future value potentially created versus a measurement of benefits already created. Use of these KPIs will be helpful in understanding the value generated by The Bend as well as serve as strong communication points to help other stakeholders understand the types of impact Watershed and The Bend are generating.

**Table 19.** Key Performance Indicators by commitment

Scale KPIs	Quality KPIs
Key Metric	
<ul style="list-style-type: none"> <li>• # of units (by % AMI)</li> <li>• # of residents per unit (including # of children per unit, employment status, etc.)</li> <li>• # of residents / people (disaggregated by income/AMI, race/ethnicity, age, gender, disability, occupation, employment history, education level, etc.)</li> <li>• # of arts engagement opportunities</li> <li>• # of programs offered by imperative</li> <li>• # of visitors</li> <li>• \$ amount invested (per phase, per year, per imperative)</li> <li>• # of commercial workspaces (affordable and market rate)</li> <li>• # of community needs serving businesses operating in the district</li> <li>• # of jobs created (construction-phase and operational phase)</li> </ul>	<ul style="list-style-type: none"> <li>• Rent savings (by AMI)</li> <li>• % of residents reporting reduced cost burden</li> <li>• Cost savings from energy efficiency and apartment design (ie. insulation and Built Green)</li> <li>• Change in number of residents per unit at The Bend compared to previous residence</li> <li>• Change in living conditions (e.g. safety, energy efficiency, interior air quality, crowding, monthly rent payment)</li> <li>• Change in academic performance of children</li> <li>• Change in time spent on creative pursuits</li> <li>• Change in financial situation including change in income before and after moving to The Bend; change in debt load; and change in discretionary spending amount including spending on creative pursuits</li> <li>• Use of public assistance (e.g. WIC, SNAP, UI, etc.) or extent residents are connected to supporting services</li> <li>• Savings amount (y/n have savings, y/n could cover \$500 expense, etc.) including change in savings and use of savings (new / expanded areas of additional expenditure like food expenditure increases)</li> <li>• Net promoter score</li> <li>• Health status of residents - (e.g. have health care, have regular check ups, previously experienced health issues from housing condition) and change in mental and physical health from program participation and development / unit design (e.g. change in stress, anxiety, depression)</li> <li>• % of residents improving wellbeing and sense of belonging and agency</li> <li>• Average number of events / programming attended per resident</li> <li>• Proportion of residents and community members reporting increased active transit / decreased vehicle miles traveled</li> <li>• Proportion of community members who report reduced food insecurity and proportion who reporting improved cooking confidence</li> <li>• Year to year job retention or proportion of residents who report increased employment / earnings from increased housing stability</li> </ul>

Many of these KPIs correspond to the broader theme of resiliency, an important part of Watershed’s goal for The Bend. Arup and Rockefeller Foundation developed a City Resilience Framework composed of 4 dimensions and 12 drivers. The 4 dimensions—Health & Wellbeing; Economy and Society; Infrastructure & Environment; and Leadership & Strategy—are closely related to Watershed’s 5 imperatives, reflecting Watershed’s intentional approach to resilient development.

Table 20 shows the City Resilience Framework dimensions and drivers from Rockefeller Foundation and Arup along with key metrics recommended by Ecotone that align to each driver. While the set of metrics listed in Table 19 are recommended for tracking The Bend’s impact, Table 20 outlines a set of core resiliency topics and metrics that Watershed can align with to help identify The Bend’s resilience-related strengths and understand areas potentially deserving greater emphasis or partnership moving forward.

**Table 20.** Key Metrics aligned to City Resilience Framework

Dimension	Driver	Ecotone Recommended Metrics
Health & Wellbeing	Meets Basic Needs	Health status of residents
	Supports Livelihoods and Employment	# of commercial workspaces; proportion of residents who report increased employment
	Ensures Public Health Services	Number of community needs serving businesses operating in the district
Economy & Society	Promotes Cohesive and Engaged Communities	Average number of events / programming attended per resident
	Ensures Social Stability, Security, and Justice	Perception of safety, citizen satisfaction, and trust of police
	Fosters Economic Prosperity	Local sourcing of goods and services by Watershed, and local businesses purchasing from and/or hiring from The Bend
Infrastructure & Environment	Enhances and Provides Protective Natural & Man-Made Assets	Storm water diversion rates; # of trees planted
	Ensures Continuity of Critical Services	On-site energy generation rates; Storm water diversion rates
	Provides Reliable Communication and Mobility	Proportion of residents and community members reporting increased active transit and number of reduced vehicle miles traveled
Leadership & Strategy	Promotes Leadership and Effective Management	Number of community and advisory groups feedback sessions (including demonstrating decision-making process and transparency in how feedback was incorporated)
	Empowers a Broad Range of Stakeholders	Proportion of residents, by demographic, improving wellbeing, sense of belonging, and agency
	Fosters Long-term and Integrated Planning	Regular updating of District Plan and transparent communication of progress on commitments

Source: Arup & Rockefeller Foundation, 2015.

## Nuances of affordable housing impacts and the communication of those impacts

The Bend is unique because it is pursuing significantly less use of traditional affordable housing designated public funding sources, thereby freeing up public dollars for either other housing investments or alternative uses entirely. As a result, it is important for Watershed to communicate the social and environmental benefits of its commitments, especially its commitment to affordable rents because this is a differentiator for The Bend from other area market rate housing projects that are seeking private funding.

However, affordable rents and rent savings in general do not have a robust evidence base. This signifies an important topic for Watershed and research partners to study. Watershed’s hypothesis is that residents of The Bend will reduce their household cost burden and will put a portion of the rent savings towards: 1) improved living conditions - both increased space and quality of housing, 2) increased financial savings, 3) increased health care spending, 4) increased food consumption, and/or 5) increased local discretionary spending (because many of the residents will be artists, a greater proportion of discretionary spending will go towards creative purposes than other housing developments. Creative purposes may include being able to afford time off to allow for creative pursuits, purchasing creative works supplies, paying for creative classes, etc.). Due to uncertainty in the extent rent savings will be allocated to each of these categories of spending, this analysis only accounted for the value of the rent savings.

Despite this uncertainty, the following pieces of evidence can be used to help highlight the types of potential benefits from rent savings.

**Evidence suggests:** As housing prices increase, the risk of overcrowding increases.

- Housing vouchers in the U.S. help to reduce the rent burdens of low-income households, allow them to live in less crowded homes, and minimize the risk of homelessness (Ellen, 2018).

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- Housing allowances in the UK reduce overcrowding (Clair, 2022).

**Takeaway:** A portion of the value from Watershed's lowered rents will likely lead to increased space per resident compared to what they otherwise would have had.

**Evidence suggests:** As incomes increase, health tends to improve, food and health care expenditures increase, and children's academic performance increases.

- The earned income tax credit (EITC) has been studied to show improvements in household health, food security, and health insurance coverage (Lenhart 2019).
- Covid stimulus checks in many cases were used to pay down debts while recipients report spending about 40% of the total transfer on average (Coibion et al., 2020).

**Takeaway:** Non-housing related spending would likely increase when Watershed lowers rents.

**Evidence suggests:** As spending power and income stability increases, employment rates, mental health, and savings tend to increase as well.

- Household cost burden limits health care spending, retirement savings and reduces mental health (Hess et al., 2024).
- Universal Basic Income tends to reduce poverty levels, increases household expenditures, often increases educational attainment, and has mixed effects on employment (Hasdell, 2020).
- Guaranteed Basic Income in King County when provided with wraparound services boosted employment and earnings of program participants.

**Takeaway:** Lowered rents would likely lead to increased personal savings, greater financial resiliency, and potentially working more hours.

**Evidence suggests:** Affordability of housing alone tends not to be a significant driver of social impact.

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- Housing affordability on its own does not appear to be the key driver of well-being, physical health, or mental health (Pomeroy & Marquis-Bissonnette, 2016; Canada Mortgage and Home, 2018).

**Takeaway:** Evidence that looks at proxies of affordability provide the strongest signals of types of impact that may be realized.

**More evidence is needed:** The connection between affordable housing for artists, community art, artist density, artist financial well-being, and community resiliency is understudied.

- Qualitatively artists report positive experiences with live/work arrangements designed for artists (ArtSpace, 201).
- Increases in cultural assets in a community are associated with reduced crime levels in that community (Stern and Seifert, 2017).

**Summarizing this evidence, Watershed's efforts to reduce rent expenditures for low-income households stands to create net positive economic and social value for the local economy and the residents of The Bend beyond what was projected in this analysis.**

**Economic value:** The macroeconomic improvement to local GDP, jobs, and tax revenue

1. Household spend with local businesses will increase, supporting employment at those businesses and the supply chains they procure from.
2. Local sales tax revenue will increase.
3. Public housing funds will be reallocated to other neighborhoods, boosting those local economies through construction expenditures, increased populations, and greater local household spend.



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**Social value:** The microeconomic improvement to individual health, earnings, safety, and wealth

1. Health care coverage will increase, supporting increased preventative care, avoided medicaid expenditures and provider covered care.
2. Personal savings will increase, supporting financial resiliency and avoiding use of public assistance.
3. Reduced property crime, supporting reduced justice system expenses, avoided costs to victims, improved well-being of all.
4. Food security and nutritional quality of food consumed will increase, supporting reduced risk of chronic diseases, weight gain, and mental health.
5. Residents will have increased personal space, experience reduced overcrowding, supporting improved academic performance of children and mental health of all residents.

## Impact Strategy Recommendations

The following recommendations are based on the assessed impact risk and are opportunities for Watershed to grow and protect the impact generated by their various programs:

1. Continue communicating the programming and services planned to maximize interest and engagement by stakeholders including prospective residents.
2. Survey residents using the previously identified metrics to develop a deeper understanding of resident characteristics and needs to create targeted programming.
3. Develop a strategy for commitment 44: create and lay groundwork for converting at least 100 units to resident ownership within 20 years, with affordability restrictions. This could be a large source of social value: Taking a conservative average of \$4,500 in annual wealth gains, and assuming residents of The Bend are

able to pursue homeownership within 5 years of moving to The Bend, the resulting benefit would be approximately \$81,978 (in present value) per household going out 25 years. This would make the wealth generated from sustainable homeownership the second largest outcome, behind reduced household cost burden (estimated from rent savings but if the mortgage payment is a similar size monthly savings compared to a comparable market rate homeownership opportunity, then that cost burden estimate would remain suitable).

4. Evidence highlights the potential positive impact of lowered rents, while also highlighting the levers that can be pulled to increase/decrease that impact. As data is collected, the size of the effect of pulling each lever will be better understood.
5. Consider how the marketing of housing units will impact who is interested in living at The Bend. For example, If applicants pursue a larger apartment (more bedrooms) than they otherwise would have because of the increased affordability, they will be less likely to realize other health related benefits from reduced household cost burden. Thus, consider what criteria will be used to determine who is eligible for what apartment. Each of these will influence the characteristics of residents, and as result, the types of benefits residents will be likely to experience.
  - a. What are employment requirements? What are income requirements?
  - b. What are household size requirements? Are families given preference over 3 working professionals, for example?
  - c. How large is the deposit?
  - d. How is prior rental history used to select applicants?

6. Consider what 'unwritten' criteria may influence who would pursue these apartments and be able to realize the benefits. The characteristics of the apartments, their location, and how they are managed will influence the characteristics of residents, and as a result, the types of benefits residents will be likely to experience.
  - a. How do people hear about apartment availability?
  - b. Are the apartments physically accessible?
  - c. Are units furnished?
  - d. Is it convenient to live there if you don't work in/near Georgetown?
  - e. Will residents use cars more to get to shopping, entertainment, dining, etc.?

In addition to mitigating impact risks which protect the SROI, there are additional means to grow the SROI. These include:

- Targeting people with lower AMI to live in The Bend
- Increasing the number of community members and residents engaged by programming without increasing costs, which may be done by increasing programming class sizes or expanding the reach of artworks and events that can be experienced from streets and sidewalks or from parts of the site which the public can visit

# Impact Communication Frameworks

Effective impact communication is important for partner engagement and fundraising. Use of the United Nations' Sustainable Development Goals and the Impact Management Project's Five Dimensions of Impact can help funders quickly understand the nature of The Bend.

## United Nations Sustainable Development Goals

Established by the United Nations (UN), the Sustainable Development Goals (SDGs) provide a blueprint to achieving a better and more sustainable future. There are 17 distinct goals that serve as an easily recognizable marker of agreed upon impact areas for stakeholders. See below for impacted United Nations Sustainable Development Goals (UN SDGs).

For more information on UN SDGs: [un.org/Sustainabledevelopment](https://un.org/Sustainabledevelopment)





### Goal 3:

## Ensure healthy lives and promote well-being for all at all ages

#### Target 3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

#### Target 3.9

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination



### Goal 7:

## Ensure access to affordable, reliable, sustainable and modern energy for all

#### Target 7.1

By 2030, ensure universal access to affordable, reliable and modern energy services



### Goal 8:

## Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

#### Target 8.3

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

#### Target 8.9

By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products



### Goal 10:

## Reduce inequality within and among countries

#### Target 10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



### Goal 11:

## Make cities and human settlements inclusive, safe, resilient and sustainable

#### Target 11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

#### Target 11.2

By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

#### Target 11.3

By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

#### Target 11.6

By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

#### Target 11.7

By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities



### Goal 12:

## Ensure sustainable consumption and production patterns

Target 12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

# Impact Management Project Five Dimensions of Impact

The Impact Management Project (IMP) was a community of 2,000+ organizations building consensus on how to measure, compare and report impact on environmental and social issues. The IMP community developed a set of 5 dimensions of impact in order to help build consensus and a common language when organizations and investors discuss their impact. The IMP concluded having created the resources and frameworks it set out to develop and is now managed by Impact Frontiers.

Measuring and reporting on impact has been, and continues to be, a rapidly growing field, and future alignment to the 5 dimensions could help attract additional investment. Table 21 defines the dimensions of impact, and Table 22 outlines the dimensions of impact for The Bend.

**Table 21.** Impact Management Project’s Five Dimensions of Impact Defined

Impact Dimension	Impact Questions Each Dimension Seeks to Answer
<b>What</b>	What outcome occurs in period? How important is the outcome to the people (or planet) experiencing it?
<b>Who</b>	Who experiences the outcome? How under served are the affected stakeholders in relation to the outcome?
<b>How Much</b>	How much of the outcome occurs--across scale, depth and duration?
<b>Contributions</b>	What is the enterprise’s contribution to the outcome accounting for what would have happened anyway?
<b>Impact Risk Mitigation</b>	What is the risk to the people and planet that impact does not occur as expected?

Impact Management Project: Creative Commons Attribution-NoDerivatives

# IMPACT MANAGEMENT PROJECT



**WHAT:** The Bend is a live-work district that focuses on affordability, arts, livability, diversity and inclusion, and environmental stewardship to create access to affordable spaces and community supports, build and support vibrant artist and artisan networks, and nurture community.



**WHO:** Designed to serve a community that lives, works, and creates in the Georgetown neighborhood of Seattle, the development will focus on centering people who live and work in the Duwamish Valley; BIPOC individuals; artists; and those who come from communities that have been, or are at risk of being, displaced from this region.



**HOW MUCH:** \$347.8 million investment over the next 5 years to build 566 units and over 35,000 square feet of affordable community space at street level.



**CONTRIBUTION:** There is a need for affordable, quality housing given the demand for housing in Seattle and the impact of limited access to quality, affordable housing on health and wealth outcomes. Efforts to increase community and neighborhood inclusion are likely to further support health, wealth, and other social outcomes.



**IMPACT RISK MITIGATION:** Affordable housing and connection to livability resources and environmental stewardship features address potential sources of health and wellbeing challenges, increasing the likelihood of community involvement. Apartment design, including artist workspaces, emphasizes affordable living and working spaces, increasing value for residents.

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# Appendix A. Levels of Evidence and Bibliography

On the following pages, specific sources referenced or whose figures were directly used are included. Each study is ranked by its level of evidence and includes its relevant finding. This helps to communicate the relative strength of the findings estimated and used. Whenever possible, the highest level of evidence is utilized.

## Levels of Evidence of Causality: 1 is Highest, 7 is Lowest

- 1** Evidence from a systematic review or meta-analysis of all relevant RCTs (randomized controlled trial) or evidence-based clinical practice guidelines based on systematic reviews of RCTs or three or more RCTs of good quality that have similar results.
- 2** Evidence obtained from at least one well-designed RCT (e.g. large multi-site RCT).
- 3** Evidence obtained from well-designed controlled trials without randomization (i.e. quasi-experimental).
- 4** Evidence from well-designed case-control or cohort studies.
- 5** Evidence from systematic reviews of descriptive and qualitative studies (meta-synthesis).
- 6** Evidence from a single descriptive or qualitative study.
- 7** Evidence from the opinion of authorities and/or reports of expert committees.
- N/A** Fact - Information provided in the source does not make causal claims. This includes statistics and other facts.

Level of Evidence	Study	Relevant Finding
1	Washington State Institute for Public Policy. (2019). Benefit-cost technical documentation. Olympia, WA: Author.	Informed the causal factor of education on earnings and cost of felony crime
1	Washington State Institute for Public Policy. (2023). State early childhood education programs: Universal. Benefit- Cost Results. Olympia, WA.	Early childhood education programs have positive impacts on labor market earnings and reduced school costs
2	Goldin, J., Lurie, I. Z., & McCubbin, J. (2021). Health insurance and mortality: Experimental evidence from taxpayer outreach. <i>The Quarterly Journal of Economics</i> , 136(1), 1-49.	Having health insurance improves health
2	Taylor, L.A. (2018, June 7). Housing And Health: An Overview Of The Literature. Health Affairs Health Policy Brief. <a href="https://www.healthaffairs.org/doi/10.1377/hpb20180313.396577/full/">https://www.healthaffairs.org/doi/10.1377/hpb20180313.396577/full/</a>	Housing stability reduces health care expenditures
3	Brisson, A. (2014). Impact of affordable housing on families and communities: a review of the evidence base. Enterprise Community Partners.	Household stability and quality can support improved health, educational and work outcomes
3	Cohen, G. D., Perlstein, S., Chapline, J., Kelly, J., Firth, K. M., & Simmens, S. (2006). The impact of professionally conducted cultural programs on the physical health, mental health, and social functioning of older adults. <i>The Gerontologist</i> , 46(6), 726–734. <a href="https://doi.org/10.1093/geront/46.6.726">https://doi.org/10.1093/geront/46.6.726</a>	Arts participation can lead to fewer needed doctors visits.
3	Desmond, M. & M. Bell. (2015). Housing, Poverty and the Law. <i>Annual Review of Law and Social Science</i> , 11: 15-35.	Housing vouchers have mixed effects on prices, but legal representation and environmental justice are important
3	J. Bhattacharya, T. DeLeire, S. Haider, and J. Currie. (2003). Heat or Eat? Cold-Weather Shocks and Nutrition in Poor American Families. <i>American Journal of Public Health</i> 93: 1149–54.	Increased heating costs are associated with reduced calorie consumption in low-income Americans
3	Pomeroy, S. & Marquis-Bissonnette, M. (2016). Non-Housing Outcomes of Affordable Housing. CMHC.	The outcomes of stable, affordable housing are multi-faceted with varying depth and breadth of impact
3	Theodos, B., Plerhoples Stacy, C., Braga, B. & Daniels, R. (2019). Affordable Homeownership: An Evaluation of the Near-Term Effects of Shared Equity Programs, <i>Housing Policy Debate</i> , 29(6): 865-879, DOI: 10.1080/10511482.2019.1596965	Shared equity programs can reduce debt levels and support financial health
4	Alaimo, K., Packnett, E., Miles, R., & Kruger, D. (2008). Fruit and Vegetable Intake among Urban Community Gardeners. <i>Journal of nutrition education and behavior</i> . 40. 94-101. 10.1016/j.jneb.2006.12.003.	Community gardening is associated with fruit and vegetable consumption

Level of Evidence	Study	Relevant Finding
4	Arif, M.S. (2013). Residential Solar Panels and Their Impact on the Reduction of Carbon Emissions. <a href="https://nature.berkeley.edu/classes/es196/projects/2013final/ArifM_2013.pdf">https://nature.berkeley.edu/classes/es196/projects/2013final/ArifM_2013.pdf</a>	Residential solar can reduce GHG emissions
4	Berkowitz, S.A., Basu, S., Meigs, J.B. and Seligman, H.K. (2018), Food Insecurity and Health Care Expenditures in the United States, 2011–2013. <i>Health Serv Res</i> , 53: 1600-1620. doi:10.1111/1475-6773.12730	Cost of food insecurity per person per year
4	Boehm, T. P., & Schlottmann, A. (2004). Wealth accumulation and homeownership: Evidence for low-income households. U.S. Department of Housing and Urban Development Office Of Policy Development & Research. <a href="https://www.huduser.gov/publications/pdf/wealthaccumulationandhomeownership.pdf">https://www.huduser.gov/publications/pdf/wealthaccumulationandhomeownership.pdf</a>	Homeownership can support annual wealth gains of thousands of dollars per year for low income households
4	Boeing, H; Bechthold, A; Bub, A; Ellinger, S; Haller, D; Kroke, A; Leschik-Bonnet, E; Muller, M; Oberritter, H; Schulze, M; Stehle, P; Watzl, B. (2012). Critical Review: Vegetables and Fruit in the prevention of chronic diseases. <i>European Journal of Nutrition</i> . 51:637–663. DOI 10.1007/s00394-012-0380-y.	Effect of fruit and veggie consumption on chronic diseases
4	Catterall, J. S., Dumais, S. A., & Hampden-Thompson, G. (2012). The Arts and Achievement in At-Risk Youth: Findings from Four Longitudinal Studies. National Endowment for the Arts.	Arts participation increases the likelihood of attending college
4	City of Salem Public Works Department. (2014). City of Salem Community Forestry Strategic Plan. <a href="https://www.cityofsalem.net/CityDocuments/community-forestry-strategic-plan-2014.pdf">https://www.cityofsalem.net/CityDocuments/community-forestry-strategic-plan-2014.pdf</a>	Trees provide a multitude of co-benefits
4	Craig, B. M., Hartman, J. D., Owens, M. A., & Brown, D. S. (2016). Prevalence and Losses in Quality-Adjusted Life Years of Child Health Conditions: A Burden of Disease Analysis. <i>Maternal and child health journal</i> , 20(4), 862–869.	Asthma symptoms can lead to Quality-Adjusted-Life Years (QALY) losses
4	Galvez, M., Brennan, M., Meixell, B. & R. Pendall. (2017). Housing as a safety net: ensuring housing security for the most vulnerable. Urban Institute.	Housing stability can support job stability
4	Gould, E. (2009). Childhood Lead Poisoning: Conservative Estimates of the Social and Economic Benefits of Lead Hazard Control. <i>Environmental Health Perspectives</i> , 117(7).	Preventing lead poisoning has a positive social return on investment

Level of Evidence	Study	Relevant Finding
4	Grigg, J. (2012). School Enrollment Changes and Student Achievement Growth: A Case Study in Educational Disruption and Continuity. <i>Sociology of Education</i> , 85(4), 388-404. <a href="https://doi.org/10.1177/0038040712441374">https://doi.org/10.1177/0038040712441374</a>	Housing stability affects educational achievement
4	Henderson, J. (2023). Medical Spending Higher for Kids Outside Healthy Weight Limits. <i>MedPage Today</i> . <a href="https://www.medpagetoday.com/pediatrics/obesity/105306">https://www.medpagetoday.com/pediatrics/obesity/105306</a>	Children who are underweight have higher health care costs than those who are healthy weights.
4	Herbert, C.E., McCue, D.T., & Sanchez-Moyano, R. (2016). Update on Homeownership Wealth Trajectories Through the Housing Boom and Bust. The Harvard Joint Center for Housing Studies. <a href="https://www.jchs.harvard.edu/sites/default/files/media/imp/2013_wealth_update_mccue_02-18-16.pdf">https://www.jchs.harvard.edu/sites/default/files/media/imp/2013_wealth_update_mccue_02-18-16.pdf</a>	The median wealth gains of homeownership are estimated to be gains of \$6,600-7,700 per year of ownership.
4	Hess, C., Colburn, G., Allen, R., Crowder, K. (2024). Cumulative housing cost burden exposures and disadvantages to children's well-being and health. <i>Social Science Research</i> , 119. <a href="https://doi.org/10.1016/j.ssresearch.2024.102984">https://doi.org/10.1016/j.ssresearch.2024.102984</a>	Housing stability affects educational achievement
4	Holl, M., van den Dries, L., Wolf, J. (2016). Interventions to prevent tenant evictions: a systematic review. <i>Health and Social Care in the Community</i> , 24(5): 532-546.	Interventions to prevent tenant evictions take multiple forms and all are shown to be effective
4	<a href="https://www.ahajournals.org/doi/10.1161/JAHA.118.008731">https://www.ahajournals.org/doi/10.1161/JAHA.118.008731</a>	The cost of hypertension is about \$1920
4	Interagency Working Group on Social Cost of Greenhouse Gases, United States Government. (2021). Technical Support Document: Social Cost of Carbon, Methane, and Nitrous Oxide Interim Estimates under Executive Order 13990. <a href="https://www.whitehouse.gov/wp-content/uploads/2021/02/TechnicalSupportDocument_SocialCostofCarbonMethaneNitrousOxide.pdf?source=email">https://www.whitehouse.gov/wp-content/uploads/2021/02/TechnicalSupportDocument_SocialCostofCarbonMethaneNitrousOxide.pdf?source=email</a>	The social cost of carbon is estimated at about \$50 per metric ton
4	Jia, H., Lubetkin, E. I., DeMichele, K., Stark, D. S., Zack, M. M., & Thompson, W. W. (2019). Quality-adjusted life years (QALYs) associated with limitations in activities of daily living (ADL) in a large longitudinal sample of the U.S. community-dwelling older population. <i>Disability and health journal</i> , 12(4), 699-705. <a href="https://doi.org/10.1016/j.dhjo.2019.05.003">https://doi.org/10.1016/j.dhjo.2019.05.003</a>	Increasing ease of conducting activities of daily life can increase quality of life

Level of Evidence	Study	Relevant Finding
4	Kawano, L., & LaLumia, S. (2017). How income changes during unemployment: Evidence from tax return data. <i>Journal of Human Resources</i> , 52(2), 418-456.	Unemployment is associated with reductions in annual household wage earnings.
4	Koh, K.A., Racine, M., Greta, J.M., Goldie, J., Martin, D.P., Bock, B., Takach, M., O'Connell, J.J. & Song, Z. (2020). Health Care Spending And Use Among People Experiencing Unstable Housing In The Era Of Accountable Care Organizations. <i>Health Affairs</i> 2020 39:2, 214-223.	Housing stability reduces health care expenditures
4	Litman, T. (2021). Evaluating Active Transport Benefits and Costs Guide to Valuing Walking and Cycling Improvements and Encouragement Programs. <a href="https://vtpi.org/nmt-tdm.pdf">https://vtpi.org/nmt-tdm.pdf</a>	The benefits of active transport often outweigh the costs
4	Litman, T. (2024). Evaluating Active Transport Benefits and Costs Guide to Valuing Walking and Cycling Improvements and Encouragement Programs. Victoria Transport Policy Institute.	The health benefit from walking can be worth as much as \$0.50 per user-mile.
4	Marciniak, M. D., Lage, M. J., Dunayevich, E., Russell, J. M., Bowman, L., Landbloom, R. P., & Levine, L. R. (2005). The cost of treating anxiety: the medical and demographic correlates that impact total medical costs. <i>Depression and anxiety</i> , 21(4), 178-184. <a href="https://doi.org/10.1002/da.20074">https://doi.org/10.1002/da.20074</a>	The incremental cost of anxiety is approximately \$3,000
4	Mast, E. (2019). The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market. Upjohn Institute Working Paper 19-307. Upjohn Institute for Employment Research. <a href="https://doi.org/10.17848/wp19-307">https://doi.org/10.17848/wp19-307</a>	Increased supply of market-rate housing helps put downward pressure on housing prices
4	Missik, L., Haller, T., Adelstein, A. (n.d.). Built Green homes are even more efficient than you—and we—thought. BuiltGreen.	Built Green 5-star ratings reduce kWh used.
4	Mudarri, D., & Fisk, W.J. (2007). Public health and economic impact of dampness and mold. <i>Indoor Air</i> , 17(3), 226-235.	About 21% of asthma cases are due to dampness and mold exposure in home
4	Rebuilding Together. (2017). <i>Repairing Homes &amp; Rebuilding Lives: Key findings about our work with older adults in 2014-2017.</i>	Receiving repairs reduced the likelihood of falling by 2-3X

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4	Rodgers, S.E., Bailey, R., Johnson, R., Poortinga, W., Smith, R., Berridge, D., Anderson, P., Phillips, C., Lannon, S., Jones, N., Dunstan, F.D., Morgan, J., Evans, S.Y., Every, P., & Lyons, R.A. (2018). Health impact, and economic value, of meeting housing quality standards: a retrospective longitudinal data linkage study. <i>Public Health Research</i> , 6(8).	Home repairs and weatherizations have been shown to reduced hospitalization rates by upwards of 40%
4	Rosenlund M, Berglind N, Pershagen G, et al. (2001). Increased prevalence of hypertension in a population exposed to aircraft noise. <i>Occupational and Environmental Medicine</i> ; 58:769-773.	Noise exposure increases chances of hypertension
4	Smerillo, N. E., Reynolds, A. J., Temple, J. A., & Ou, S. R. (2018). Chronic absence, eighth-grade achievement, and high school attainment in the Chicago Longitudinal Study. <i>Journal of school psychology</i> , 67, 163–178. <a href="https://doi.org/10.1016/j.jsp.2017.11.001">https://doi.org/10.1016/j.jsp.2017.11.001</a>	Housing stability affects educational achievement
4	Stern, M.J. & Seifert, S.C. (2017). The Social Wellbeing of New York City’s Neighborhoods: the Contribution of Culture and the Arts. University of Pennsylvania.	There are decreased crime rates with increase cultural resources in a neighborhood
4	Volker, J., Handy, S., Kendall, A & Barbour, E. (2019). Quantifying Reductions in Vehicle Miles Traveled from New Pedestrian Facilities. <a href="https://ww2.arb.ca.gov/sites/default/files/classic/cc/capandtrade/auctionproceeds/pedestrian_facilities_technical_041519.pdf">https://ww2.arb.ca.gov/sites/default/files/classic/cc/capandtrade/auctionproceeds/pedestrian_facilities_technical_041519.pdf</a>	Sidewalk coverage boosts likelihood and amount of walking by residents
4	Webber, D. (2014). The lifetime earnings premia of different majors: correcting for selection based on cognitive, non cognitive, and unobserved factors. <i>Labour Economics</i> , 28: 14-23.	The estimated lifetime earnings vary by major, with highest earnings coming from STEM and business degrees.
4	Webber, D. (2019). Projected Lifetime Earnings for Bachelor’s Degree Holders by Major.	The estimated lifetime earnings vary by major, with highest earnings coming from STEM and business degrees.
4	Wrieden, W. L., Anderson, A. S., Longbottom, P. J., Valentine, K., Stead, M., Caraher, M., ... Dowler, E. (2007). The impact of a community-based food skills intervention on cooking confidence, food preparation methods and dietary choices – an exploratory trial. <i>Public Health Nutrition</i> , 10(2), 203–211. doi:10.1017/S1368980007246658	Cooking classes can increase cooking confidence

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4	Zhao, D., Azimi, P., & Stephens, B. (2015). Evaluating the Long-Term Health and Economic Impacts of Central Residential Air Filtration for Reducing Premature Mortality Associated with Indoor Fine Particulate Matter (PM2.5) of Outdoor Origin. <i>International journal of environmental research and public health</i> , 12(7), 8448–8479. <a href="https://doi.org/10.3390/ijerph120708448">https://doi.org/10.3390/ijerph120708448</a>	Indoor air quality improvements improve health
4	Zhao, Z., Fang, M., Tang, L., Yang, X., Kan, Z., & Li, Q. (2022). The Impact of Community Shuttle Services on Traffic and Traffic-Related Air Pollution. <i>International journal of environmental research and public health</i> , 19(22), 15128. <a href="https://doi.org/10.3390/ijerph192215128">https://doi.org/10.3390/ijerph192215128</a>	Community shuttles lead to reduced emissions
5	Antunes, L.N.; Ghisi, E.; Thives, L.P. (2018). Permeable Pavements Life Cycle Assessment: A Literature Review. <i>Water</i> , 10, 1575. <a href="https://doi.org/10.3390/w10111575">https://doi.org/10.3390/w10111575</a>	There are cost savings from permeable pavement.
5	Brown, J., Seidman, J., Solanki, N., Neinstein, D., & Factor, S. (2004). O’Hare International Airport Noise Pollution: A cost-benefit analysis.	Noise exposure increases chances of hypertension
5	Center for Neighborhood Technology. (2020). Green Values® Stormwater Management Calculator.	Green infrastructure creates water quality, energy efficiency, and property value benefits
5	Falk, J.H., Claudio, N., Meier, D., & Koke, J. (2023). Measuring the Public & Economic Value of Art Museum Experiences. Institute for Learning Innovation.	The perceived value of a muesuem visit is approximately \$900.
5	FEMA. (2010). Debris Estimating Field Guide. U.S. Department of Homeland Security.	Informed the estimated volume of construction and demolition waste
5	Frey, P., Harris, R., Huppert, M. (2012). Saving Windows, Saving Money: Evaluating the Energy Performance of Window Retrofit and Replacement. National Trust for Historic Preservation / Preservation Green Lab.	Insulation can reduce heating and cooling costs.
5	Gurin-Sands, C., Loury, A., Waas, S., Kolak, M., Elias, R.R., Jutte, D.P., Cunningham, M., Laflamme, E. (2019). From Outcomes to Impact: An Exploratory Model for Estimating the Health Returns of Comprehensive Community Development. Build Healthy Places Network.	Increased health literacy leads to cost savings



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5	Haynes, M. (2021). Expert Alert: The Economic Impact of Shopping Local. University of Minnesota. <a href="https://news.d.umn.edu/articles/expert-alert-economic-impact-shopping-local">https://news.d.umn.edu/articles/expert-alert-economic-impact-shopping-local</a>	Spending at locally owned businesses creates more jobs and value in the local community (compared to spending at a national business).
5	Malmgren, I. (2016). Quantifying the Societal Benefits of Electric Vehicles. <i>World Electr. Veh. J.</i> , 8, 996-1007. <a href="https://doi.org/10.3390/wevj8040996">https://doi.org/10.3390/wevj8040996</a>	The estimated maintenance savings from having an EV over the life of a vehicle is \$1,488
5	National Renewable Energy Laboratory. (n.d.). Life Cycle Greenhouse Gas Emissions from Solar Photovoltaics. <a href="https://www.nrel.gov/docs/fy13osti/56487.pdf">https://www.nrel.gov/docs/fy13osti/56487.pdf</a>	Residential solar can reduce GHG emissions
5	Patt, A., Aplyn, D., Weyrich, P., & van Vliet, O. (2019). Availability of private charging infrastructure influences readiness to buy electric cars. <i>Transportation Research Part A: Policy and Practice</i> , 125, 1-7.	Having access to charging infrastructure at home is estimated to increase the proportion of people who are likely or very likely to make their next car an EV by about 20 pp.
5	Siegner, A., Sowerwine, J., & Acey, C. (2018). Does Urban Agriculture Improve Food Security? Examining the Nexus of Food Access and Distribution of Urban Produced Foods in the United States: A Systematic Review. <i>Sustainability</i> , 10(9), 2988. doi:10.3390/su10092988	Urban Agriculture positively influences food security
5	U.S. Environmental Protection Agency. (2023). Waste Reduction Model (WARM), version 16.	Diverting food waste from landfill reduces GHG emissions.
5	Weston Solutions. (2012). Engineering Calculations Demolition Debris & Waste Source Volume Calculations. <a href="https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5357505.pdf">https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5357505.pdf</a>	Informed the estimated volume of construction and demolition waste
5	World Health Organization. (2007). WHO global report on falls prevention in older age. Geneva: World Health Organization. <a href="https://apps.who.int/iris/handle/10665/43811">https://apps.who.int/iris/handle/10665/43811</a>	Informed the proportion of adults at risk of fall
6	Alonso, A., Suarez, R., Patricio, J., Escandon, R., Sendra, J.J. (2021). Acoustic retrofit strategies of windows in facades of residential buildings: Requirements and recommendations to reduce exposure to environmental noise. <i>Journal of Building Engineering</i> , 41. <a href="https://www.sciencedirect.com/science/article/pii/S2352710221006318#sec6">https://www.sciencedirect.com/science/article/pii/S2352710221006318#sec6</a>	Sound insulating windows reduce noise exposure
6	Ashour, L., Shen, Q., Vernez Moudon, A., Treece, B. (2023). Seattle 2022 Commute Survey. Seattle, WA: Mobility Innovation Center, University of Washington	Informed the number of shuttle riders

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6	Claxton, G., Rae, M., Levitt, L., Cox, C. (2018). How have healthcare prices grown in the U.S. over time?. Peterson-KFF Health System Tracker. <a href="https://www.healthsystemtracker.org/chart-collection/how-have-healthcare-prices-grown-in-the-u-s-over-time/#Chart:%20Variation%20in%20prices%20for%20outpatient%20lower%20lumbar%20MRI%20by%20location%20of%20service,%202016">https://www.healthsystemtracker.org/chart-collection/how-have-healthcare-prices-grown-in-the-u-s-over-time/#Chart:%20Variation%20in%20prices%20for%20outpatient%20lower%20lumbar%20MRI%20by%20location%20of%20service,%202016</a>	The cost of a doctors visit is approximately \$170.
6	Ko, Y., Lee, J.H., McPherson, E.G., & Roman, L.A. (2015). Long-term monitoring of Sacramento Shade program trees: Tree survival, growth and energy-saving performance. <i>Landscape and Urban Planning</i> , Volume 143, 183-191.	Long-term survivorship of trees from public program was 42%
6	Linton, S. L., Leifheit, K. M., McGinty, E. E., Barry, C. L., & Pollack, C. E. (2021). Association Between Housing Insecurity, Psychological Distress, and Self-rated Health Among US Adults During the COVID-19 Pandemic. <i>JAMA network open</i> , 4(9), e2127772. <a href="https://doi.org/10.1001/jamanetworkopen.2021.27772">https://doi.org/10.1001/jamanetworkopen.2021.27772</a>	Financial stress can negatively impact health
6	Lusk, A.C.; Li, X.; Liu, Q. (2023). If the Government Pays for Full Home-Charger Installation, Would Affordable-Housing and Middle-Income Residents Buy Electric Vehicles? <i>Sustainability</i> , 15, 4436. <a href="https://doi.org/10.3390/su15054436">https://doi.org/10.3390/su15054436</a>	Informed the number of households buying an EV
6	Mossey, J. M., Mutran, E., Knott, K., & Craik, R. (1989). Determinants of recovery 12 months after hip fracture: the importance of psychosocial factors. <i>American journal of public health</i> , 79(3), 279-286. <a href="https://doi.org/10.2105/ajph.79.3.279">https://doi.org/10.2105/ajph.79.3.279</a>	Falls can lead to long-term loss of ADLs
6	Nair, R., Miccio, C., & Savath, V. (2018). Social Impact of the Arts Study: How arts impact King County communities. BERK Consulting.	Art can positively impact health, especially among older adults.
6	Nichols, G; Bell, T; Pedula, K; O'Keeffe-Rosetti, M. (2010). Medical Care Costs Among Patients With Established Cardiovascular Disease. <i>The American Journal of Managed Care</i> . 010;16(3):e86-e93	Medical costs of CVD
6	Portland General Electric. (2023). 2023 resources and emissions at a glance, About Us. <a href="https://portlandgeneral.com/about/who-we-are/sustainability">https://portlandgeneral.com/about/who-we-are/sustainability</a>	The emissions intensity per kWh is .0003 metric tons of CO2e.

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6	Seattle Department of Transportation. (2017). Georgetown Mobility Study. <a href="https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf">https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf</a>	Informed the number of shuttle riders
6	Tolbert, J., Drake, P., & Danica, A. (2023). Key Facts about the Uninsured Population. KFF.	Informed the proportion of people without health insurance
6	Voss, G., Fannie, V., & Woong Park, Y. (2017). At What Cost? How Distance Influences Arts Attendance. <a href="https://culturaldata.org/media/2831/ncarwhitepaperoctober201710-18.pdf">https://culturaldata.org/media/2831/ncarwhitepaperoctober201710-18.pdf</a>	Informed the annual number of visitors
7	Been, V., Ellen, I.G., and O'Regan, K. (2018). Supply Skepticism: Housing Supply and Affordability. NYU Furman Center.	A combination of market-rate and affordable housing will be needed to meet housing demand and maintain a supply of housing affordable to a range of incomes.
7	Boston Solar. (2020). How Much CO2 Do Solar Panels Save? <a href="https://www.bostonsolar.us/solar-blog-resource-center/blog/how-much-co2-do-solar-panels-save/#:~:text=Every%201%20kWh%20of%20electricity,0.846%20=%208%2C460%20lbs%20of%20CO2">https://www.bostonsolar.us/solar-blog-resource-center/blog/how-much-co2-do-solar-panels-save/#:~:text=Every%201%20kWh%20of%20electricity,0.846%20=%208%2C460%20lbs%20of%20CO2</a>	Residential solar can reduce GHG emissions
7	City of Seattle. (2018). Duwamish Valley Action Plan: Advancing Environmental Justice & Equitable Development in Seattle.	Informed the annual number of visitors
7	Energy Star. (n.d.) Why Seal and Insulate?. <a href="https://www.energystar.gov/saveathome/seal_insulate/why-seal-and-insulate">https://www.energystar.gov/saveathome/seal_insulate/why-seal-and-insulate</a>	Insulation can reduce heating and cooling costs.
7	McDermott, D., Hudman, J., Cotliar, D., Claxton, G., Cox, C., & Rae, M. (2020). How costly are common health services in the United States? <a href="https://www.healthsystemtracker.org/chart-collection/how-costly-are-common-health-services-in-the-united-states/">https://www.healthsystemtracker.org/chart-collection/how-costly-are-common-health-services-in-the-united-states/</a>	The average outpatient office visit cost is about \$110 in 2024.
7	National Endowment for the Arts. (2019). State Level Estimates of Arts Participation Patterns (2017-2018). <a href="https://www.arts.gov/impact/research/arts-data-profile-series/adp-23">https://www.arts.gov/impact/research/arts-data-profile-series/adp-23</a>	Informed the annual number of visitors
7	Perth Airport. (2016). Reducing aircraft noise in existing homes.	Sound insulating windows reduce noise exposure

Level of Evidence	Study	Relevant Finding
7	Purchaser Business Group on Health. (2023). A Vicious Circle: Food Insecurity Both a Cause and Effect of Higher Health Care Costs. <a href="https://www.pbgh.org/food-insecurity-cause-and-effect-of-higher-health-care-costs/">https://www.pbgh.org/food-insecurity-cause-and-effect-of-higher-health-care-costs/</a>	Food insecure families pay more in health costs.
7	U.S. Economic Research Service. (2024). Food Security and Nutrition Assistance. U.S. Department of Agriculture. <a href="https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-security-and-nutrition-assistance/">https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-security-and-nutrition-assistance/</a>	Food insecurity rates are highest for households with incomes below the poverty line and single-mother households
7	United Way Halifax. (2020). What is the housing continuum?.	Housing types exist along a continuum
7	Washington State Department of Health. (2024). Lead Risk from Housing. Washington Tracking Network (WTN), A Source for Environmental Public Health Data. <a href="https://fortress.wa.gov/doh/wtn/WTNPortal/#lq0=722">https://fortress.wa.gov/doh/wtn/WTNPortal/#lq0=722</a>	Informed the proportion of residents at risk of lead in their housing
N/A	American Lung Association. (2024). Current Asthma Demographics. <a href="https://www.lung.org/research/trends-in-lung-disease/asthma-trends-brief/current-demographics">https://www.lung.org/research/trends-in-lung-disease/asthma-trends-brief/current-demographics</a>	Informed the proportion of children with asthma
N/A	Centers for Disease Control and Prevention. National Center for Chronic Disease Prevention and Health Promotion, Division of Nutrition, Physical Activity, and Obesity. Data, Trend and Maps [online].	Approximately 19% of adults report consuming vegetables less than one time daily.
N/A	Centers for Disease Control and Protection. (2017). Important Facts about Falls. <a href="https://www.cdc.gov/homeandrecreationsafety/falls/adultfalls.html">https://www.cdc.gov/homeandrecreationsafety/falls/adultfalls.html</a>	One out of five falls causes serious injury
N/A	City of Seattle. (2023). Build a Neighborhood Profile, from the American Community Survey. <a href="https://seattlecitygis.maps.arcgis.com/apps/dashboards/f1d03858ab394ba0ba77d09e49d1e0da">https://seattlecitygis.maps.arcgis.com/apps/dashboards/f1d03858ab394ba0ba77d09e49d1e0da</a>	Informed the crime rate
N/A	City of Seattle. (2024). Food Insecurity. <a href="https://www.seattle.gov/rsji/racial-equity-research/food-insecurity">https://www.seattle.gov/rsji/racial-equity-research/food-insecurity</a>	Informed the reach of the food bank
N/A	Delaware River Waterfront Corporation. (2022). Cherry Street Pier - Year 3 Report. <a href="https://www.cherrystreetpier.com/wp-content/uploads/2022/08/CSP-Year-3-Report.pdf">https://www.cherrystreetpier.com/wp-content/uploads/2022/08/CSP-Year-3-Report.pdf</a>	Informed the annual number of visitors
N/A	Department of Ecology, State of Washington. (2024). Use Food Well Washington Plan.	Washington has statewide food waste reduction goals

Level of Evidence	Study	Relevant Finding
N/A	Fryar, C.D., Carroll, M.D., Afful, J. (2020). Prevalence of underweight among children and adolescents aged 2–19 years: United States, 1963–1965 through 2017–2018. NCHS Health E-Stats.	Informed the proportion of children that are underweight
N/A	Hunger Intervention Program. (2021). 2020-21 Annual Report. <a href="https://hungerintervention.org/wp-content/uploads/2022/06/Annual-report-2020-2021-FINAL.pdf">https://hungerintervention.org/wp-content/uploads/2022/06/Annual-report-2020-2021-FINAL.pdf</a>	Informed the number of people reached by food education course
N/A	National Institute of Mental Health. (2024). Any Anxiety Disorder. <a href="https://www.nimh.nih.gov/health/statistics/any-anxiety-disorder">https://www.nimh.nih.gov/health/statistics/any-anxiety-disorder</a>	Informed the proportion of adults with anxiety / depression
N/A	National Transit Database. (2024). City of Seattle - Seattle Center Monorail Transit (SMS). <a href="https://www.nationaltransitdatabase.org/washington/city-of-seattle-seattle-center-monorail-transit/">https://www.nationaltransitdatabase.org/washington/city-of-seattle-seattle-center-monorail-transit/</a>	The average trip length for the City of Seattle Seattle Center Monorail Transit service is 0.90 miles.
N/A	Neumann, P.J., Cohen, J.T., & Weinstein, M.C. (2014). Updating Cost-Effectiveness — The Curious Resilience of the \$50,000-per-QALY Threshold. The New England Journal of Medicine, 371(9), 796-797.	QALY has often been benchmarked at \$50,000
N/A	Seattle City Light. (2024). Solar Power. City of Seattle.	WCD has a commitment to install at least 1 watt of solar panels per gross square foot of building area.
N/A	Seattle City Light. (2024). Understanding My Bill. City of Seattle.	The average Seattle City Light residential customer uses 613 kWh each month.
N/A	Seattle Housing Authority. (n.d.). Utility estimates. <a href="https://www.seattlehousing.org/housing/housing-choice-vouchers/renting-with-a-voucher/utility-estimates">https://www.seattlehousing.org/housing/housing-choice-vouchers/renting-with-a-voucher/utility-estimates</a>	The average utility cost for WCD's mix of units is estimated at \$258.3
N/A	Seattle Neighborhoods. (n.d.) Seattle Department of Neighborhoods P-Patch Community Gardening. <a href="https://www.seattle.gov/documents/Departments/Neighborhoods/Shared/FactSheets/P-Patch_Fact-Sheet_ENG.pdf">https://www.seattle.gov/documents/Departments/Neighborhoods/Shared/FactSheets/P-Patch_Fact-Sheet_ENG.pdf</a>	Informed the number of residents participating in the community garden
N/A	Seattle Office of Housing. (2024). FY 2024 INCOME AND RENT LIMITS. <a href="https://www.seattle.gov/documents/Departments/Housing/PropertyManagers/IncomeRentLimits/2024/2024_RentIncomeLimits_5.28.24.pdf">https://www.seattle.gov/documents/Departments/Housing/PropertyManagers/IncomeRentLimits/2024/2024_RentIncomeLimits_5.28.24.pdf</a>	The average income for a family size of 2 at 30% AMI in Seattle is \$36,150
N/A	Seattle Police Department. (2024). Crime Dashboard. <a href="https://www.seattle.gov/police/information-and-data/data/crime-dashboard">https://www.seattle.gov/police/information-and-data/data/crime-dashboard</a>	Informed the crime rate

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N/A	Solid Ground. (2022). Community Report. <a href="https://s14621.pcdn.co/wp-content/uploads/2023/11/2022-Community-Report-SG-11.15.23-WEB.pdf">https://s14621.pcdn.co/wp-content/uploads/2023/11/2022-Community-Report-SG-11.15.23-WEB.pdf</a>	Informed the number of people reached by food education course
N/A	Statista. (2021, May 27). Percentage of U.S. population with a hospitalization in past year from 2000 to 2018, by age. <a href="https://www.statista.com/statistics/184447/us-population-with-a-hospitalization-by-age/">https://www.statista.com/statistics/184447/us-population-with-a-hospitalization-by-age/</a>	17% of those 65+ will have a hospitalization in a given year.
N/A	The National Institute for Occupational Safety and Health. (2023). Aircrew Safety & Health – Noise/Hearing Loss. <a href="https://www.cdc.gov/niosh/topics/aircrew/noise.html#:~:text=A%20study%20of%20noise%20on,higher%20or%20lower%20noise%20levels">https://www.cdc.gov/niosh/topics/aircrew/noise.html#:~:text=A%20study%20of%20noise%20on,higher%20or%20lower%20noise%20levels</a>	Noise from planes is around 60-85 dBA.
N/A	U.S. Census Bureau. (2022). Poverty Status in the Past 12 Months of Families. American Community Survey, ACS 1-Year Estimates Subject Tables, Table S1702. Retrieved July 22, 2024, from <a href="https://data.census.gov/table/ACSST1Y2022.S1702?q=poverty%20in%20king%20county%20washington">https://data.census.gov/table/ACSST1Y2022.S1702?q=poverty%20in%20king%20county%20washington</a> .	Informed the number of students reached
N/A	U.S. Energy Information Administration. (2023). Washington Electricity Profile 2022. <a href="https://www.eia.gov/electricity/state/washington/">https://www.eia.gov/electricity/state/washington/</a>	Residential solar can reduce GHG emissions
N/A	U.S. Environmental Protection Agency. (2023). Zero Waste Case Study: Seattle. <a href="https://www.epa.gov/transforming-waste-tool/zero-waste-case-study-seattle">https://www.epa.gov/transforming-waste-tool/zero-waste-case-study-seattle</a>	Seattle has construction and demolition recycling goals.
N/A	Washington HealthCareCompare. (2024). Doctor Office Visit: Current Patient. <a href="https://www.wahealthcarecompare.com/procedure/doctor-office-visit-current-patient?zipcode=98108">https://www.wahealthcarecompare.com/procedure/doctor-office-visit-current-patient?zipcode=98108</a>	The cost of a doctors visit is approximately \$170.
N/A	Washington HealthCareCompare. (n.d.) How much do clinic visits cost?. <a href="https://www.ofm.wa.gov/sites/default/files/public/dataresearch/healthcare/APCD/clinic_visit_costs_by_county_and_procedures_cost.pdf">https://www.ofm.wa.gov/sites/default/files/public/dataresearch/healthcare/APCD/clinic_visit_costs_by_county_and_procedures_cost.pdf</a>	The cost of a doctors visit is approximately \$170.
N/A	Washington State Office of Financial Management. (2023). Total population and percent change. <a href="https://ofm.wa.gov/washington-data-research/statewide-data/washington-trends/population-changes/total-population-and-percent-change">https://ofm.wa.gov/washington-data-research/statewide-data/washington-trends/population-changes/total-population-and-percent-change</a>	Informed the estimated tons of food waste
N/A	Watershed Community Development. (2024). Commitments new numbering 5.8.24.	WCD has 100 commitments across 5 imperatives

Level of Evidence	Study	Relevant Finding
N/A	Watershed Community Development. (2024). Draft GCDA Case for Support (Oct 2022).	Informed the number of shuttle riders
N/A	Watershed Community Development. (2024). Elements Plan of Finance.	WCD has a commitment to install at least 1 watt of solar panels per gross square foot of building area.
N/A	Arup & Rockefeller Foundation. (2015). City Resilience Framework. <a href="https://www.rockefellerfoundation.org/wp-content/uploads/100RC-City-Resilience-Framework.pdf">https://www.rockefellerfoundation.org/wp-content/uploads/100RC-City-Resilience-Framework.pdf</a>	City resilience may be measured across 4 dimensions, which are similar in nature to Watershed's imperatives.

## Appendix B. Commitments Taxonomy

Please see the accompanying spreadsheet:

[https://docs.google.com/spreadsheets/d/1BCgY1lcF2Gm7bVxz\\_DlrVI81lBfYWF3IS-Dk2Ej1iO4/edit?usp=sharing](https://docs.google.com/spreadsheets/d/1BCgY1lcF2Gm7bVxz_DlrVI81lBfYWF3IS-Dk2Ej1iO4/edit?usp=sharing)

## Appendix C. Estimating Occupancy and Resident Characteristics

The following tables show the projected occupancy by AMI for Oasis / Findlay and Elements buildings. The occupancy is estimated based on 1 person living in a studio and 1.5 people per bedroom for 1- through 4-bedroom units. Tables C1 and C4 show the occupancy when commitments 1 and 2 are realized, and tables C2 and C5 show the occupancy when commitments 1 - 3 are realized.

**Table C1.** Estimated number of residents and units at The Bend by AMI - commitments 1 and 2

AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total # of Units by AMI	Total # of Residents by AMI
40%	0	0	0	0	0	0	0
50%	44	0	0	0	0	44	44
55%	0	50	0	0	0	50	75
60%	8	121	71	31	0	231	542
65%	0	23	73	36	0	132	415
70%	0	0	24	36	0	60	234
75%	0	0	0	24	12	36	180
80%	0	0	1	0	12	13	75
<b>Total</b>	<b>52</b>	<b>194</b>	<b>169</b>	<b>127</b>	<b>24</b>	<b>566</b>	<b>1565</b>

(Sources: derived from Oasis/Findlay and Elements pro-formas)

**Table C2.** Estimated number of residents and units at The Bend by AMI - commitments 1 - 3

AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total # of Units by AMI	Total # of Residents by AMI
40%	19	10	0	1	0	30	38
50%	25	0	0	0	0	25	25
55%	0	18	0	0	0	18	27
60%	8	143	32	30	0	213	453
65%	0	23	112	24	0	159	479
70%	0	0	24	48	0	72	288
75%	0	0	0	24	12	36	180
80%	0	0	1	0	12	13	75
<b>Total</b>	<b>52</b>	<b>194</b>	<b>169</b>	<b>127</b>	<b>24</b>	<b>566</b>	<b>1565</b>

(Sources: derived from Oasis/Findlay and Elements pro-formas)

**Table C3.** Assumed ages of residents

Total number of residents	Residents under the age of 5	Residents between 5 and 18	Residents between 18 and 64	Residents aged 65 and over
1565	95	113	1163	194

(Source: based on Seattle Neighborhood Snapshots - Georgetown, 2023 and American Community Survey - Neighborhood Profiles)

**Table C4.** Estimating Average AMI for The Bend - commitments 1 and 2

AMI	% of Units	AMI x % of Units for Weighted Average AMI
40%	0.00%	0.00%
50%	7.80%	3.90%
55%	8.80%	4.90%
60%	40.80%	24.50%
65%	23.30%	15.20%
70%	10.60%	7.40%
75%	6.40%	4.80%
80%	2.30%	1.80%
<b>TOTAL</b>	<b>100%</b>	<b>62.40%</b>

(Sources: derived from Oasis/Findlay and Elements pro-formas)

**Table C5.** Estimating Average AMI for The Bend - commitments 1 - 3

AMI	% of Units	AMI x % of Units for Weighted Average AMI
40%	5.30%	2.10%
50%	4.40%	2.20%
55%	3.20%	1.70%
60%	37.60%	22.60%
65%	28.10%	18.30%
70%	12.70%	8.90%
75%	6.40%	4.80%
80%	2.30%	1.80%
<b>TOTAL</b>	<b>100%</b>	<b>62.40%</b>

(Sources: derived from Oasis/Findlay and Elements pro-formas)

# Appendix D. Scale Figures

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
21 - Art is publicly available 31 - Public art making 51 - Culturally diverse events	Improved wellbeing from arts participation (for public)	16,000	<p>Type: Annual number of visitors to the district</p> <p>Note: WCD estimates that it'll reach 61,000 people through new events and casual visitors:            New events (104x100 + 12x500) approx. 16k -- Arts &amp; Culture (semi-weekly) and Neighborhood (monthly)            Casual visitors approx. 45k -- Souk &amp; Meander walk-around (daily) - (96x365) - we hope much higher - this assumes one visitor every 5 minutes 10am-6pm – consider grocery is magnet for people who and Resident/employee guests - (weekly) - (~2000 x 52x)</p> <p>We will assume those visitors that participate in events will experience a similar level of value to that as an art museum visit which is what is used in the literature to gauge well-being from arts participation.</p> <p>Source: For reference of attendance rates: <a href="https://www.cherrystreetpier.com/wp-content/uploads/2022/08/CSP-Year-3-Report.pdf">https://www.cherrystreetpier.com/wp-content/uploads/2022/08/CSP-Year-3-Report.pdf</a></p>
21 - Art is publicly available 31 - Public art making 51 - Culturally diverse events	Avoided cost of doctor's visit from arts participation by seniors (for public)	2,600	<p>Type: Number of older community members reached (participatory estimate)</p> <p>Note: WCD estimates that its new events will bring in approximately 16,000 people, with 10,400 of those coming through semi-weekly arts &amp; culture events. There is uncertainty around the visitor rates and the extent visitors would be repeat visitors event by event, or year over year. However if half of attendees are repeat visitors (i.e. those most likely to realize the benefits) and of those repeat visitors a further half are seniors there will be approximately 2,600 people expected to experience this outcome per year.</p> <p>Source: <a href="https://culturaldata.org/media/2831/ncarwhitepaperoctober201710-18.pdf">https://culturaldata.org/media/2831/ncarwhitepaperoctober201710-18.pdf</a>  <a href="https://www.seattle.gov/documents/Departments/OSE/Duwamish/DuwamishValleyActionPlan_June2018.pdf">https://www.seattle.gov/documents/Departments/OSE/Duwamish/DuwamishValleyActionPlan_June2018.pdf</a>  <a href="https://www.arts.gov/impact/research/arts-data-profile-series/adp-23">https://www.arts.gov/impact/research/arts-data-profile-series/adp-23</a></p>

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
21 - Art is publicly available 31 - Public art making 51 - Culturally diverse events	Increased educational attainment from arts participation for at-risk youth (for public)	130	<p>Type: Number of 'at-risk' students reached by arts participation efforts</p> <p>Note: Using the same assumptions as the number of people reached (participatory estimate), modified by the proportion of low socioeconomic students in Seattle area. Based on the Census table S1702 for King County, Washington, 10% of families with related children of householders under 5 years and 5 to 17 years lived below poverty level.</p> <p>Source: <a href="https://data.census.gov/table/ACSST1Y2022.S1702?q=poverty%20in%20king%20county%20washington">https://data.census.gov/table/ACSST1Y2022.S1702?q=poverty%20in%20king%20county%20washington</a></p>
Most Livable Neighborhood commitments including: 21 - Art is publicly available 22 - 250 art interventions 28 - Art in the streets 29 - Expand art installations beyond the Bend 30 - Art embedded in public spaces design	Reduced serious crime from cultural resources in a neighborhood	7,165	<p>Type: Number of community members reached</p> <p>Note: Based on WCD's occupancy projections, there will be 1565 residents in the development. The Duwamish Valley Action Plan reports that there are approximately 5,600 people living in South Park and Georgetown, resulting in a total of 7165 people being reached.</p> <p><a href="https://www.seattle.gov/documents/Departments/OSE/Duwamish/DuwamishValleyActionPlan_June2018.pdf">https://www.seattle.gov/documents/Departments/OSE/Duwamish/DuwamishValleyActionPlan_June2018.pdf</a></p>

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
<p>4 - Workspaces capped at \$24/sf</p> <p>5 - Space for micro-businesses</p> <p>6 - Workspaces owned by tenants</p>	Reduced cost-burden from affordable artist studio space	25	<p>Note: The Phase 2 commercial spaces document lists 25 uses for small retail / artist studio. WCD also promises to preferentially offer at least 50% of all apartments, for at least one month after they become available to rent, to artists and artisans, with a goal of at least one artist tenant for every two apartments (commitment 17). 50% of all units would be 79 units, but assume the average state vacancy rate applies (5.2%), making this an additional 74 artists. Total of 100 artists served from apartments and commercial workspaces. However, because this estimate is specific to workspaces, rather than apartments, we will use the 25 designated workspaces as the scale figure.</p> <p><a href="https://docs.google.com/spreadsheets/d/1fyws4eLFIR-Ua_HdMmFa2a3G-8TNDhK/edit#gid=1217049209">https://docs.google.com/spreadsheets/d/1fyws4eLFIR-Ua_HdMmFa2a3G-8TNDhK/edit#gid=1217049209</a></p> <p>Vacancy rate - <a href="https://wcrer.be.uw.edu/wp-content/uploads/sites/60/2022/10/Washington-Apartment-Market-Report-Fall-2022-Final.pdf">https://wcrer.be.uw.edu/wp-content/uploads/sites/60/2022/10/Washington-Apartment-Market-Report-Fall-2022-Final.pdf</a></p>
<p>60 - 90% C&amp;D recycling</p> <p>100 - Reuse salvaged materials onsite</p>	Reduced emissions from construction and demolition recycling	4556	<p>Type: Estimated tons of material from buildings coming down</p> <p>Note: Total of 12 buildings are coming down. 4 of them are like 1.5 story houses. The others are commercial and industrial buildings. All dimensions are in feet and assumed 10 feet per story on average.</p> <p>M5 block: 20x90x100 L5 block: 20x120x100 k5 block: 35x20x15 for 3 buildings (these are more like houses); 20x30x10; 20x30x20 J5 block: 35x20x15 (this is like a house); 80x40x20; 100x60x20; 60x40x10 for two buildings</p> <p>Uses General Building Debris Estimation Formula (Per FEMA, Debris Estimating Field Guide, FEMA Publication No. 329, September 2010): <math>(\text{Length} \times \text{width} \times \text{height} \times (1/3)) / 27 = \text{Cubic yard of waste}</math></p> <p>And use single family residence formula for the four houses: <math>\text{Length} \times \text{Width} \times \text{S} \times 0.20 \times \text{VCM} = \text{CY}</math>, where VCM is vegetative cover multiplier. Used Light VCM: (1.1 multiplier) includes new home developments where more ground is visible than trees and canopy cover is sparse</p> <p>Then divide by two to get tons of construction and demolition debris: Construction and demolition debris: 1 ton = 2 CY</p> <p>Source: WCD estimate <a href="https://www.fema.gov/sites/default/files/2020-07/fema_329_debris-estimating_field-guide_9-1-2010.pdf">https://www.fema.gov/sites/default/files/2020-07/fema_329_debris-estimating_field-guide_9-1-2010.pdf</a> <a href="https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5357505.pdf">https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5357505.pdf</a></p>

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
<p>86 - Ride-sharing</p> <p>97 - Better bus service</p> <p>88 - Shuttle Service</p>	Reduced VMT from reduced personal vehicle use - air, noise, water benefits (transit / rideshare use)	3480	<p>Type: Number of potential shuttle riders / folks driving to and around Georgetown</p> <p>In the Georgetown mobility study an online survey asked how people got to Georgetown and how they travel around Georgetown. Approximately 41% of people reported driving alone to get to Georgetown, and 27.4% of people said that they drive alone to travel around Georgetown.</p> <p>WCD's case for support notes that approximately 29,000 people are employed by local businesses. Assume that 27.4% of these people would be driving alone to travel to and around Georgetown, and modify it by the approximately 75% of survey respondents who said they live or work in Georgetown (assuming these people represent a frequent rider base).</p> <p>In the 2022 Seattle Commute survey, 21% of respondents drive alone to work, and 52% report the convenience of having their car as the main reason they drive alone. Non-commute trips have the highest drive alone rates (ranging from 52% of people driving alone to go to the gym up to 80% of health or medical appointments). Assume that the 52% of people who reported choosing driving because of the convenience applies to non-commute trips as well, and apply this to the 80% of people going to medical appointments via car as a conservative estimate for people are unlikely to change their driving habits</p> <p>Source: <a href="https://docs.google.com/document/d/18N_OpyWO45NTD-jcNPseoXggmiM_jyI9/edit">https://docs.google.com/document/d/18N_OpyWO45NTD-jcNPseoXggmiM_jyI9/edit</a> <a href="https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf">https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf</a> <a href="https://www.commuteseattle.com/wp-content/uploads/2023/03/2022-Seattle-Commute-Survey-Report.pdf">https://www.commuteseattle.com/wp-content/uploads/2023/03/2022-Seattle-Commute-Survey-Report.pdf</a></p>
66 - Cut a million car miles per year	Reduced VMT - air, noise, water benefits - LOW	1,000,000	Type: VMT reduced per year Notes: Watershed has a goal of reducing vehicle miles traveled by 1 million per year
	Reduced VMT - air, noise, water benefits - HIGH	1,000,000	Type: VMT reduced per year Notes: Watershed has a goal of reducing vehicle miles traveled by 1 million per year

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
85 - Bicycle Master Plan  90 - Improve 12 intersections  72 - Ped-friendly pavements	Reduced VMT - air, noise, water benefits (walking)	8417	<p>Type: Number of people walking to and around Georgetown</p> <p>In the Georgetown mobility study an online survey asked how people got to Georgetown and how they travel around Georgetown. Approximately 8.6% of people reported walking to get to Georgetown, and 38.7% of people said that they walk to travel around Georgetown.</p> <p>WCD's case for support notes that approximately 29,000 people are employed by local businesses. Assume that 38.7% of these people would be walking to travel to and around Georgetown, and modify that by the approximately 75% of survey respondents who said they live or work in Georgetown (assuming these people represent frequent walkers).</p> <p>Source:  <a href="https://docs.google.com/document/d/18N_OpyWO45NTD-jcNPseoXggmiM_jyl9/edit">https://docs.google.com/document/d/18N_OpyWO45NTD-jcNPseoXggmiM_jyl9/edit</a>  <a href="https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf">https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf</a></p>
	Improved physical health from increased walking/ biking	8417	<p>Type: Number of people walking to and around Georgetown</p> <p>In the Georgetown mobility study an online survey asked how people got to Georgetown and how they travel around Georgetown. Approximately 8.6% of people reported walking to get to Georgetown, and 38.7% of people said that they walk to travel around Georgetown.</p> <p>WCD's case for support notes that approximately 29,000 people are employed by local businesses. Assume that 38.7% of these people would be walking to travel to and around Georgetown, and modify by the approximately 75% of survey respondents who said they live or work in Georgetown (assuming these people represent frequent walkers).</p> <p>Source:  <a href="https://docs.google.com/document/d/18N_OpyWO45NTD-jcNPseoXggmiM_jyl9/edit">https://docs.google.com/document/d/18N_OpyWO45NTD-jcNPseoXggmiM_jyl9/edit</a>  <a href="https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf">https://www.seattle.gov/documents/Departments/SDOT/TransportationPlanning/GMS_Report_FINAL_10-25-2017_Small.pdf</a></p>
66 - Cut a million car miles per year	Reduced consumer costs for vehicle maintenance, parking, taxes, etc. from reduced vehicle use	1,000,000	<p>Type: VMT reduced per year</p> <p>Notes: Watershed has a goal of reducing vehicle miles traveled by 1 million per year</p>

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
55 - Sustainable building standards	Reduced greenhouse gas emissions from energy efficiency	4,163,496	<p>Type: Average kWh used per year</p> <p>Note: The average Seattle City Light residential customer uses 613 kWh each month. Multiply this by the number of units (566) and 12 months.</p> <p>Source: <a href="https://seattle.gov/city-light/residential-services/billing-information/understanding-my-bill#faq4">https://seattle.gov/city-light/residential-services/billing-information/understanding-my-bill#faq4</a></p>
56 - 1 watt of solar per square foot of building	Reduced greenhouse gas emissions from solar	434,000	<p>Type: kWh of solar</p> <p>Note: WCD has a commitment to install at least 1 watt of solar panels per gross square foot of building area. Based on WCD's commitments, this would be 434,000 gsf, or 434,000 watts. Boston Solar says that "An average residential solar system is 9 kW and would produce about 10,000 kWh in a year." Seattle City Lights says that "a residential solar electric system installed in an unshaded area typically generates about 1,000 kilowatt-hours (kWh) per year for each kW installed. . . . currently in Seattle, the average residential solar electric system size is 8kW." This would mean WCD's solar produces 434000 kWh per year.</p> <p>Source: <a href="https://docs.google.com/spreadsheets/d/1yiNFZPnSl2F57t1OgEflUmSNzusDJZys/edit#gid=1640775770">https://docs.google.com/spreadsheets/d/1yiNFZPnSl2F57t1OgEflUmSNzusDJZys/edit#gid=1640775770</a></p> <p><a href="https://www.bostonsolar.us/solar-blog-resource-center/blog/how-much-co2-do-solar-panels-save/#:~:text=Every%201%20kWh%20of%20electricity,0.846%20=%208%2C460%20lbs%20of%20CO2">https://www.bostonsolar.us/solar-blog-resource-center/blog/how-much-co2-do-solar-panels-save/#:~:text=Every%201%20kWh%20of%20electricity,0.846%20=%208%2C460%20lbs%20of%20CO2</a>  <a href="https://seattle.gov/city-light/residential-services/home-energy-solutions/solar-power#factsaboutsolar">https://seattle.gov/city-light/residential-services/home-energy-solutions/solar-power#factsaboutsolar</a></p>
61 - More insulation	Increased savings from energy efficiency (reduced utility costs from reduced heat loss)	566	<p>Type: Number of units</p> <p>Note: Based on WCD's occupancy projections, there will be 1565 residents and 566 units in the development.</p>
69 - Plant 100 trees	Increased tree canopy - reduced soil erosion	100	Type: Number of new trees planted
	Increased tree canopy - improved air quality	100	
	Increased tree canopy - carbon captured	100	



Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
59 - Universal EV charging	Reduced GHG from increased EV adoption	182	Type: Number of households in The Bend with an EV  Note: We'd expect this to be a transition over several years as residents are unlikely to immediately purchase an EV if they did not already have one.
	Reduced cost of vehicle from increased EV adoption	182	For affordable housing residents: 62.2% agreed "I would lease or buy a secondhand electric vehicle (EV) if I had an EV charging station where I park my car at home" and 21.6% agreed "I am likely to lease or buy an electric vehicle (EV) in the next 2 years." If there are 1049 residents in the district, then we assume that 62% would be likely to buy or lease an EV due to chargers being accessible in the district, and of these, approximately 22% will buy or lease one in the next 2 years.  Source: <a href="https://www.mdpi.com/2071-1050/15/5/4436">https://www.mdpi.com/2071-1050/15/5/4436</a>
82 - Food education program	Improved health from food education program	156	Type: Number of people engaged with food education course  Note: A Seattle nonprofit providing cooking class reached 634 participants who increased their cooking and nutrition skills and knowledge. <a href="https://s14621.pcdn.co/wp-content/uploads/2023/11/2022-Community-Report-SG-11.15.23-WEB.pdf">https://s14621.pcdn.co/wp-content/uploads/2023/11/2022-Community-Report-SG-11.15.23-WEB.pdf</a>  Another program reached 120 families — HIP also developed a new Wellness Program to bring nutrition and cooking education directly into the homes of families while in-person educational programming remained on hold. Through this five week program, recipients receive a recipe and all of the ingredients to prepare it, as well as a packet of health and wellness tips, right to their homes every Friday. Over 120 families participated in the program's two cycles during the 2020-21 fiscal year, and it has received widespread praise from participants and continues to run in the new fiscal year.  Based on these figures it appears appropriate that approximately 10% of residents could be reached by the course.  Source: <a href="https://hungerintervention.org/wp-content/uploads/2022/06/Annual-report-2020-2021-FINAL.pdf">https://hungerintervention.org/wp-content/uploads/2022/06/Annual-report-2020-2021-FINAL.pdf</a>
11 - Good air filtration	Improved health from indoor air quality improvements through improved ventilation systems and MERV 13 filters or above	1565	Type: Number of residents  Note: Based on WCD's occupancy projections, there will be 1566 residents in the development.

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
61 - More insulation	Improved health from reduced noise pollution from sound insulating windows	1565	Type: Number of residents  Note: Based on WCD's occupancy projections, there will be 1566 residents in the development.
12 - Good sound insulation	Improved health from community garden	32	Type: Number of residents participating in community garden  Note: Seattle's community gardening program offers 3 plot sizes, and we assume the WCD plot sizes are the mid-tier size (10 x 20). This would reach a maximum of 15 people assuming no space between plots, though if we assume WCD includes a 1 ft walk way between plots, this reaches approximately 11 people. Multiplied by the average occupancy in the district (2.92).  <a href="https://www.seattle.gov/documents/Departments/Neighborhoods/Shared/FactSheets/P-Patch_Fact-Sheet_ENG.pdf">https://www.seattle.gov/documents/Departments/Neighborhoods/Shared/FactSheets/P-Patch_Fact-Sheet_ENG.pdf</a>
94 - Half acre park	Increased household food cost savings from community garden	11	Type: Number of residents participating in community garden  Note: Seattle's community gardening program offers 3 plot sizes, and we assume the WCD plot sizes are the mid-tier size (10 x 20). This would reach a maximum of 15 people assuming no space between plots, though if we assume WCD includes a 1 ft walkway between plots, this reaches approximately 11 people.  <a href="https://www.seattle.gov/documents/Departments/Neighborhoods/Shared/FactSheets/P-Patch_Fact-Sheet_ENG.pdf">https://www.seattle.gov/documents/Departments/Neighborhoods/Shared/FactSheets/P-Patch_Fact-Sheet_ENG.pdf</a>
76 - Early childhood learning	Increased earnings from additional education (early childhood education)	30	Type: Number of students reached  Note: WCD has a promise to reach at least 30 students in an ECE program
	Reduced likelihood of use of K-12 special education thanks to early childhood education	30	Type: Number of students reached  Note: WCD has a promise to reach at least 30 students in an ECE program

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
70 - Remove 1 acre of pavement 71 - Green stormwater infrastructure	Avoided cost of upkeep from permeable pavement	1	Type: acre of permeable pavement Note: WCD commitment #70 (new number) -- remove an acre of pavement to allow green stormwater management, ecological restoration, and lower heat retention
	Increased environmental benefits from green infrastructure / porous pavement	1	Type: acre of permeable pavement Note: WCD commitment #70 (new number) -- remove an acre of pavement to allow green stormwater management, ecological restoration, and lower heat retention
36 - Design apartments for seniors and children 37 - Design apartments for special physical needs	Reduced risk of fall leading to hospitalization due to home modifications (e.g. ramps, grab bars, etc.) - Avoided hospital admission and ED costs	58	Type: number of residents at risk of fall Note: estimated 194 people age 65 and over in the development, and assume that approximately 30% of these individuals are at risk of fall. Source: WCD occupancy estimates & WHO <a href="https://www.who.int/publications/i/item/9789241563536">https://www.who.int/publications/i/item/9789241563536</a>
	Reduced risk of fall leading to non-hospitalization due to home modifications (e.g. ramps, grab bars, etc.)	58	Type: number of residents at risk of fall Note: estimated 194 people age 65 and over in the development, and assume that approximately 30% of these individuals are at risk of fall. Source: WCD occupancy estimates & WHO <a href="https://www.who.int/publications/i/item/9789241563536">https://www.who.int/publications/i/item/9789241563536</a>
74 - Neighborhood grocery 75 - Food bank	Increased food security	3643	Type: Number of people reached by Food Bank Notes: PSLA is estimated to serve 4,250 households per month. If we conservatively say that represents at least 1 person, and the average person makes two visits per month to the food bank, and visited the food bank for 7 months over the prior year (given that 7 months is the average proportion of the previous year that food insecure households reported food insecurity - USDA), that would result in at least 3,643 unique individuals reached per year as a conservative baseline. Source: <a href="https://www.seattle.gov/rsji/racial-equity-research/food-insecurity">https://www.seattle.gov/rsji/racial-equity-research/food-insecurity</a> ; <a href="https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-u-s/frequency-of-food-insecurity/">https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-u-s/frequency-of-food-insecurity/</a>

Commitment Groupings	Outcomes	Estimated Annual Scale Figures	Estimation details
39 - Local subcontractor and material sourcing	Increased wealth to diverse owner(s) of emerging developer contracted or subcontracted by WCD's team	13	Type: Number of diverse owners contracted or subcontracted with Notes: The estimated reinvestment of additional revenue into the business, thereby increasing the net worth of the diverse owner will be estimated.
57 - Provide individual water metering for each residential unit	Increased energy/water efficiency	566	Type: Number of individual water meters for residents of The Bend
67 - Implement a food waste composting/diversion program with no less than 90% diversion of food waste	GHG emissions avoided	101	Type: Tons of food waste generated (not recovered) by number of residents in district
			In 2018, the total food waste generated (edible food waste disposed, residential sector; inedible food disposed, residential sector; and recovered food waste, residential sector) was 518,361 tons. The total of disposed food (not recovered) was 479,773 tons. <a href="https://apps.ecology.wa.gov/publications/documents/2107027.pdf">https://apps.ecology.wa.gov/publications/documents/2107027.pdf</a>
			In 2018, WA had a population of 7,427,570 people. The food waste disposed (not recovered) per person would then be 0.0646 tons. Assume in 2024 the amount per person would be similar (2015 the rate was smaller at 0.0544 tons per person) -- this would be a total of approximately 101 tons of food waste. <a href="https://ofm.wa.gov/washington-data-research/statewide-data/washington-trends/population-changes/total-population-and-percent-change">https://ofm.wa.gov/washington-data-research/statewide-data/washington-trends/population-changes/total-population-and-percent-change</a>

# Appendix E. Estimating Rent Savings by AMI

Residents at The Bend experience rent savings compared to if they were to pay market rate. Watershed estimated the savings for each unit so Ecotone used those estimates per unit to estimate the average saving per AMI and grouped those savings into 3 AMI brackets in order to estimate the benefits per AMI. The following tables show the key figures used in those estimates.

**Table E1.** Estimated number of residents and units at The Bend by AMI

AMI	Commitments 1 and 2		Commitments 1 - 3	
	Total # of Units by AMI	Total # of Residents by AMI	Total # of Units by AMI	Total # of Residents by AMI
40%	0	0	30	38
50%	44	44	25	25
55%	50	75	18	27
60%	231	542	213	453
65%	132	415	159	479
70%	60	234	72	288
75%	36	180	36	180
80%	13	75	13	75
<b>Total</b>	<b>566</b>	<b>1565</b>	<b>566</b>	<b>1565</b>

(Sources: derived from Oasis/Findlay and Elements pro-formas)



**Table E2.** Elements Building savings per unit

AMI	Commitments 1 and 2			Commitments 1 - 3		
	Total savings by AMI	# of units	Average saving per unit	Total savings by AMI	# of units	Average saving per unit
40%	\$0	0	\$0	\$26,206	22	\$1,191
50%	\$40,144	45	\$892	\$22,150	25	\$886
57%	\$1,338	2	\$669	\$0	0	\$0
58%	\$7,428	12	\$619	\$7,428	12	\$619
60%	\$53,903	62	\$869	\$53,903	62	\$869
63%	\$6,435	13	\$495	\$6,435	13	\$495
64%	\$469	1	\$469	\$469	1	\$469
65%	\$7,992	18	\$444	\$7,992	18	\$444
67%	\$1,476	4	\$369	\$1,476	4	\$369
80%	(\$55)	1	(\$55)	(\$55)	1	(\$55)

(Source: Elements Pro-forma)

**Table E3.** Grouped savings for Elements residents

AMI	Savings by grouped AMI for commitments 1 and 2	Savings by grouped AMI for commitments 1 - 3
50% AMI and below	\$892	\$1,039
60% AMI	\$719	\$496
Above 60% AMI	\$344	\$344



**Table E4.** Oasis/Findlay Buildings savings per unit

AMI	Commitments 1 and 2			Commitments 1 - 3		
	Total savings by AMI	# of units	Average saving per unit	Total savings by AMI	# of units	Average saving per unit
40%	\$0	0	\$0	\$9,120	8	\$1,140
55%	\$18,611	26	\$716	\$12,884	18	\$716
60%	\$80,634	139	\$580	\$80,634	139	\$580
65%	\$66,812	123	\$543	\$66,812	123	\$543
70%	\$43,330	72	\$602	\$43,330	72	\$602
75%	\$23,301	36	\$647	\$23,301	36	\$647
80%	\$6,979	12	\$582	\$6,979	12	\$582

(Source: Oasis/Findlay Pro-forma)

**Table E5.** Grouped savings for Oasis/Findlay residents

AMI	Savings by grouped AMI for commitments 1 and 2	Savings by grouped AMI for commitments 1 - 3
50% AMI and below	\$716	\$1,140
60% AMI	\$580	\$648
Above 60% AMI	\$593	\$593

## Appendix F. Affordable housing literature insights

### Affordable Housing Evidence

Housing affordability, on its own, does not appear to be the key driver of physical or mental health.

(Pomeroy and Marquis-Bissonnette, 2016)

Household cost burden is linked to worse outcomes for children and reduced budget for preventative health and food spending

- “The Harvard Joint Center for Housing Studies found that in 2011, an average low-income family with children spent \$1,400 a month on all expenses, including housing and discretionary spending. Families that devote over half their spending on housing are left, on average, with only \$565 to cover all other monthly expenses.”
- “Researchers have found that when families do not have enough income left over to cover the rest of their household budget, children experience poorer health outcomes, lower levels of engagement in school, and emotional/mental health problems. Families are also less likely to be able to afford the food they need for a healthy, active life (this is characterized as ‘food insecurity’).”
- “In northern states, poor families with children spend less on food and more on home fuel, and their children have lower caloric intake during the winter months, than higher income families.”

(Brisson, 2014; J. Bhattacharya et al., 2003)

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## Increasing supply of market-rate housing can improve housing affordability

- “New market-rate housing construction can improve housing affordability for middle- and low-income households, even in the short run. The effects are diffuse and appear to benefit diverse areas of a metropolitan area. Policies that increase market-rate construction are thus likely to improve affordability, even outside of the submarkets where new construction occurs. In addition to formal policies, these results also suggest that if policymakers expend the political capital required to get new housing proposals through the often subjective and onerous approval process, there are likely to be benefits throughout the region.”

*(Mast et al., 2019)*

## Supporting increased household spending power with local independent businesses will support greater local economic impact than spending at chain stores.

- “According to an economic impact analysis by the American Independent Business Alliance, 48% of each purchase at local independent businesses was recirculated locally (a multiplier of 1.48), compared to less than 14% of purchases at chain stores (multiplier of 1.14). This means that small independent retailers return more than three times as much money per dollar of sales to the local economy than chain competitors. So, in short, shopping at local independent retailers creates more revenue for local businesses and more local jobs.”

*(Haynes, 2021)*

## Housing Stability Evidence

### The outcomes of stable, affordable housing are multi-faceted with varying depth and breadth of impact

- “Housing instability has a negative effect on health and can have a negative effect on child development.”

- 
- “The stability provided by public or social housing may contribute to improved employment outcomes.”
  - “Affordable housing can contribute to couple stability, regardless of tenure.”

*(Pomeroy and Marquis-Bissonnette, 2016)*

## Poor child and family health is associated with lack of affordability of housing

- “Children of families that have missed a rent payment in the last year are more likely to be in poor health and are at higher risk of developmental delays than their stably housed peers. Mothers in these families suffer as well – having higher incidence of depression and poor health.”
- “Studies have shown that families living in affordable housing are able to dedicate more than twice as much of their income to health care and insurance, and are significantly less likely to forgo needed doctor’s visits and medications due to a lack of money.”

*(Brisson, 2014)*

## Quality housing plays a role in supporting educational and health outcomes.

- “Poor housing conditions have been found in many studies to have a negative impact on children’s educational outcomes, on child development outcomes and on the physical and mental health of occupants.”
- “Crowding has been found to have a negative impact on children’s educational outcomes, on child development outcomes and on the physical and mental health of occupants.”

*(Pomeroy and Marquis-Bissonnette, 2016)*

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## Fair Housing Evidence

### Protecting housing stability and avoiding eviction can protect against poverty

- “Research on the consequences of forced displacement is still in its infancy. Even as eviction has become commonplace in poor urban neighborhoods, social scientists know remarkably little about its ramifications for children, families, and communities. But the budding literature documenting the effects of eviction and foreclosure suggests that involuntary displacement is a cause, not simply a condition, of poverty and social suffering.”

*(Desmond and Bell, 2015)*

### Targeted legal and financial assistance supports housing stability.

- Evans and McAteer (2011): “Tenants facing debt challenges were offered a variety of services, including informational debt advice and budgeting action plans via phone or face-to-face. These services decreased the level of rental arrears by 37%, producing an average cost savings of £139 per tenant receiving debt advice due to associated costs with addressing arrears such as letters, conversations, court actions. Based on program costs, debt referral delivered a net benefit of £239 per tenant.”

*(Holl et al, 2015).*

### Access to social supports and resources designed for tenants can improve tenant housing experiences.

- Hillet al. (2002): “Social workers offered tailored care to support individuals and families who face eviction risk due to social or behavioral challenges. Those staying in the housing provided had more successful cases than those receiving only outreach support (83% vs. 56%, respectively). Among those interviewed, 60% of families believed their housing situation improved and 75% of children believed it had improved.”

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“Nelson and Sharp (1995): Tenants... received help with accessing the social services system in order to increase the resources available to them. Subsequently, mediation between the landlord, tenant and utility providers took place to resolve issues that may lead to eviction. In 3.5 years, 476 households were helped, of which 318 [67%] received resource development support and engaged in repayment negotiations or formal mediation processes. Per household, access to approximately \$280 in community resources was established. Nelson and Sharp (1995) estimated that in the years 1989–1993, eviction would, on average, cost the community \$3,000 per household in rent, deposits, furnishings and appliances to re-house these households. Thus, the project achieved community savings of \$2,720 per household; for the 318 households that received resource development support, this results in total savings of \$864,960.”

*(Holl et al, 2015).*

# Appendix G. Alignment with Amazon Metrics

Amazon has many metrics related to their housing investments that are applicable to The Bend. Indeed all of Amazon’s metrics are potentially trackable by The Bend, but will require intentional surveying efforts in multiple cases (e.g. education status of resident children). While The Bend does not necessarily need to track all of these metrics, **the collection of these data points can be used for impact communication on their own and also be incorporated into future SROI estimates.** The right column of Table G1 shows how many of the metrics we currently do not have information on, which serves as a signal of the limited data points to inform the SROI at present. However, what this means is that the SROI is currently a conservative benchmark that can be added to as additional data, such as those in Table 19, are collected.

**Table G1.** Requested Metrics from Amazon

Resident Metrics: Households Served	Currently available
Total # of households served	Y
Total # of households referred for additional (housing) services	N
Total # of households who received additional information (outside of the direct housing services including tools, websites, information forums, etc.)	N
Breakdown of household size (if known)	N
Number of children in the household (under 18, included in the above number)	N
Household race and ethnicity (if collected)	N
Location of previous residence	N
Resident Metrics: Work, Income, Assets	Currently available
Number of households served at or below 30% AMI	-
Number of households served between 30% to 50% AMI	Y
Number of households served between 50% and 80% AMI	Y
Housing costs as a percentage of household income	Y
% of households whose gross income increased	N
% of households whose income from employment increased	N
\$ increase in median income from employment	N

% of employed residents	N
% of residents who gained employment over time	N
% of households who reported increased assets	N
% of unbanked households	N
Resident Metrics: Housing Stability	Currently available
Median duration of residence	N
% of households who moved out because of non-payment of rent/mortgage	N
% of households who moved out because of poor health	N
% of households who moved out because of home purchase	N
% of households who moved out because of death	N
% of households who moved out because they no longer need the current level of financial assistance	N
Resident Metrics: Education	Currently available
% of 3-4 year-old children enrolled in Pre-K, Preschool, Head Start, or other early education program	N
% of young adults who graduated high school	N
% of residents who completed higher education	N
Resident Metrics: Community and Engagement	Currently available
% of residents utilizing community facilities on-site	N
% of residents utilizing services on-site	N
Property Metrics: Organizational Profile	Currently available
Organizational structure for operational partners - Specify if non-profit or for-profit entity for operational partners such as property manager, service providers, and financial partners.	Y
Ownership type for operational partners - Specify if M/WBE for operational partners such as property manager, service providers, and financial partners.	Y
Spending on operational partners - For each operational partner, specify spending on each organization, enabling [Community Bondholders] to track spending based on organizational characteristics identified above (e.g., \$X invested in non-profit organizations, \$X invested in minority- or women-owned businesses).	Y
Property Metrics: Organizational Profile	Currently available
Number of housing units with access to community facilities on-site	Y
Community Indoor Spaces	Y
Playground/Child Friendly Facilities (including pools)	Y
Outdoor Green Space	Y
Number of housing units with access to services on-site	Y

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## Appendix H. Glossary

### Common Terms in the Ecotone Analysis:

**Discount Rate:** The annual rate of reduction of the value of outcomes accrued in the future, designed to account for uncertainty and the time value of money when calculating a present value.

**Effect Size:** The change in the likelihood of a cost occurring given the program

**Estimated Return:** Present value of all monetized outcomes

**External Data/Secondary Research:** Data not gathered by and/or studies not conducted by the program being analyzed

**External Validity:** The extent to which results of a given study are applicable across other contexts

**Evidence Based:** An approach to the program's work which is designed based on existing research and applications

**Evidence Informed:** An approach to program's work which is designed with the knowledge and influence of existing research

**Impact:** The change in outcomes derived exclusively from the given program

**Internal Data:** Data gathered by the program itself

**Internal Validity:** The extent to which results of a given study are only applicable to the context of that study

**Intermediate Outcome:** The change resulting from the short-term outcome

**Levels of Evidence of Causality:** Level 1 = greatest level of evidence that there is a causal relationship between the variables, Level 7 = lowest level of evidence that there is a causal relationship between the variables

**Logic Model:** The planned methodology for accomplishing the desired change(s)

**Long-term Outcome:** The change resulting from the intermediate outcome

**Marginal Cost:** The effect size \* the outcome cost. The average change in cost accrued.

**Monetized Outcome:** An outcome which has been linked to a cost occurring event, thereby placing a dollar value on the outcome

**Net Present Value (NPV):** The aggregation of benefits and costs valued in the present day given an assumed time period and discount (interest) rate

**Non-monetized Outcome:** The change which is not or could not be linked, due to data quality, to a cost occurring event, thereby keeping the outcome from having a dollar value placed on it

**Outcome:** The resulting change occurring from the program's inputs and activities

**Outcome Cost:** The total cost of an event occurring

**Output:** The product from the inputs and activities of the program (e.g. number of people served)

**Present Value (PV):** A single annuitized benefit or cost (depending on the outcome) valued in the present day given an assumed time period and discount rate

**Short-term Outcome:** The initial change generated from the program

**Social Value:** the quantification of the relative importance that people place on the changes they experience in their lives

**Trumping Rules:** Selecting certain outcomes over others when they are interlinked to avoid double counting