

An aerial photograph of a city neighborhood, likely Seattle, showing a mix of residential and commercial buildings, trees, and a parking lot with cars. The image is split into two panels by a vertical line, with the left panel showing a more suburban feel and the right panel showing more urban density with taller buildings and construction cranes in the background.

# 2021 ANNUAL REPORT

We provide access to capital for low- and moderate-income community developments in the Pacific Northwest.

LOAN COMMITMENTS

**\$29,954,179**

NUMBER OF NEW  
PROJECTS FUNDED

**10**

AFFORDABLE RENTAL  
HOUSING UNITS CREATED

**1,725**

AFFORDABLE OWNERSHIP  
HOUSING UNITS CREATED

**40**

CAPACITY OF COMMUNITY  
SERVICES DEVELOPED

**3242**



OUR 2021  
IMPACTS

To our valued Partners, Investors and Colleagues,

2021 brought a difficult continuation of the COVID-19 pandemic, and with it an increase in the economic and financial challenges facing underserved communities throughout the Pacific Northwest. Pandemic related economic support initiatives helped suppress the wave of evictions that would have otherwise occurred. However, these economic support initiatives did little to curtail the rise of housing costs in the Pacific Northwest. Housing affordability and availability have only worsened during the past year, resulting in higher numbers of unhoused individuals and severely financially burdened families. It is into this challenging environment that Impact Capital has strived to provide services in an effort to alleviate the economic pain that these communities are experiencing.

Impact Capital has long recognized that community development needs in the Northwest are not limited to the Puget Sound region. Housing displacement within metro areas commonly leads to worsening housing conditions in surrounding areas. While still working to address the housing affordability conditions in the Puget Sound area, the IC team has also worked to deploy accommodative financial products into rural markets as well. We have identified this growing need and are working to provide our community development financing products to underserved rural markets within Washington State and beyond. We have also recognized the growing need for IC's flexible, patient community development funding beyond the borders of Washington State. This recognition has inspired our work to expand our lending capabilities to Northwest states beyond the borders of Washington State.

Through the social and economic turmoil resulting from the COVID-19 pandemic, Impact Capital has doubled our efforts to help counteract the financial hardship felt within the communities we serve. We have increased outreach to our community development and investment partners to accelerate the deployment of our accommodative capital products into communities in need. We are thrilled to have built new investment and borrower partnerships, and are eager to explore new opportunities with our partners to address our mutual goals of benefitting the communities we serve.

As the world slowly begins to emerge from the shadow of the COVID-19 pandemic, Impact Capital is optimistic that our efforts will help to lift our beneficiaries to new social and economic opportunities and to bring prosperity to historically underserved communities across the Pacific Northwest.

Respectfully,

Bryan Ketcham, Board Chair

Joel Millar, President



# 2021



# COMMUNITY LENDING FOR NONPROFITS

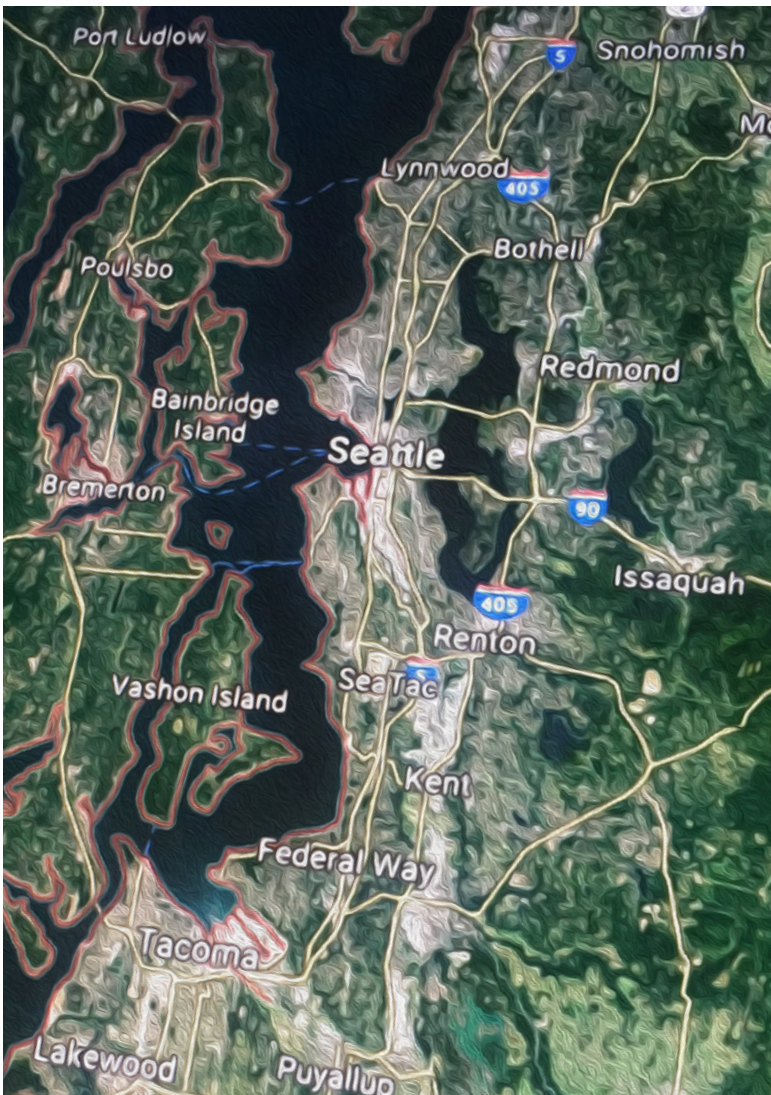
Capital for new projects can be scarce for nonprofits, housing authorities, and tribal entities. We offer essential early-stage financing that jumpstarts development and attracts more financing.

## New Loans Per County in 2021

Grant: 2	Pierce: 1	Whatcom: 1
King: 3	Snohomish: 2	Yakima: 1

## Total Loans Per County

Adams: 5	Island: 2	Pierce: 66
Asotin: 1	Jefferson: 7	San Juan: 13
Benton: 9	King: 362	Skagit: 16
Chelan: 16	Kitsap: 7	Skamania: 4
Clackamas: 1	Kittitas: 7	Snohomish: 49
Clallam: 9	Klickitat: 2	Spokane: 52
Clark: 21	Lewis: 4	Stevens: 3
Cowlitz: 6	Lincoln: 4	Thurston: 7
Douglas: 4	Mason: 2	Walla Walla: 8
Ferry: 1	Multnomah: 1	Washington: 3
Franklin: 4	Okanogan: 14	Whatcom: 21
Grant: 19	Pacific: 8	Whitman: 8
Grays Harbor: 2	Pend Oreille: 1	Yakima: 31



# LOANS PER COUNTY

# BELLWETHER HOUSING

## Bellwether Greenwood, Seattle, WA

At the former site of an auditorium/gymnasium constructed in 1947, Bellwether is creating 62 new homes – family and studio apartments – for residents with incomes between 30 and 80% of area median income (AMI). Doors are expected to open in 2024.

The current plan will bring new apartments to the Greenwood neighborhood in North Seattle, an amenity-rich area in need of additional affordable housing, particularly for low-income families. The project is located adjacent to the Boys & Girls Club of North Seattle, which creates a natural opportunity for the families served by the Club to access the housing Bellwether will be creating.



“Impact Capital’s Phase I Pre-Dev Loan to Bellwether’s planned development at the Greenwood site contributed essential funds that have gone towards Design and Due Diligence tasks related to the project.”

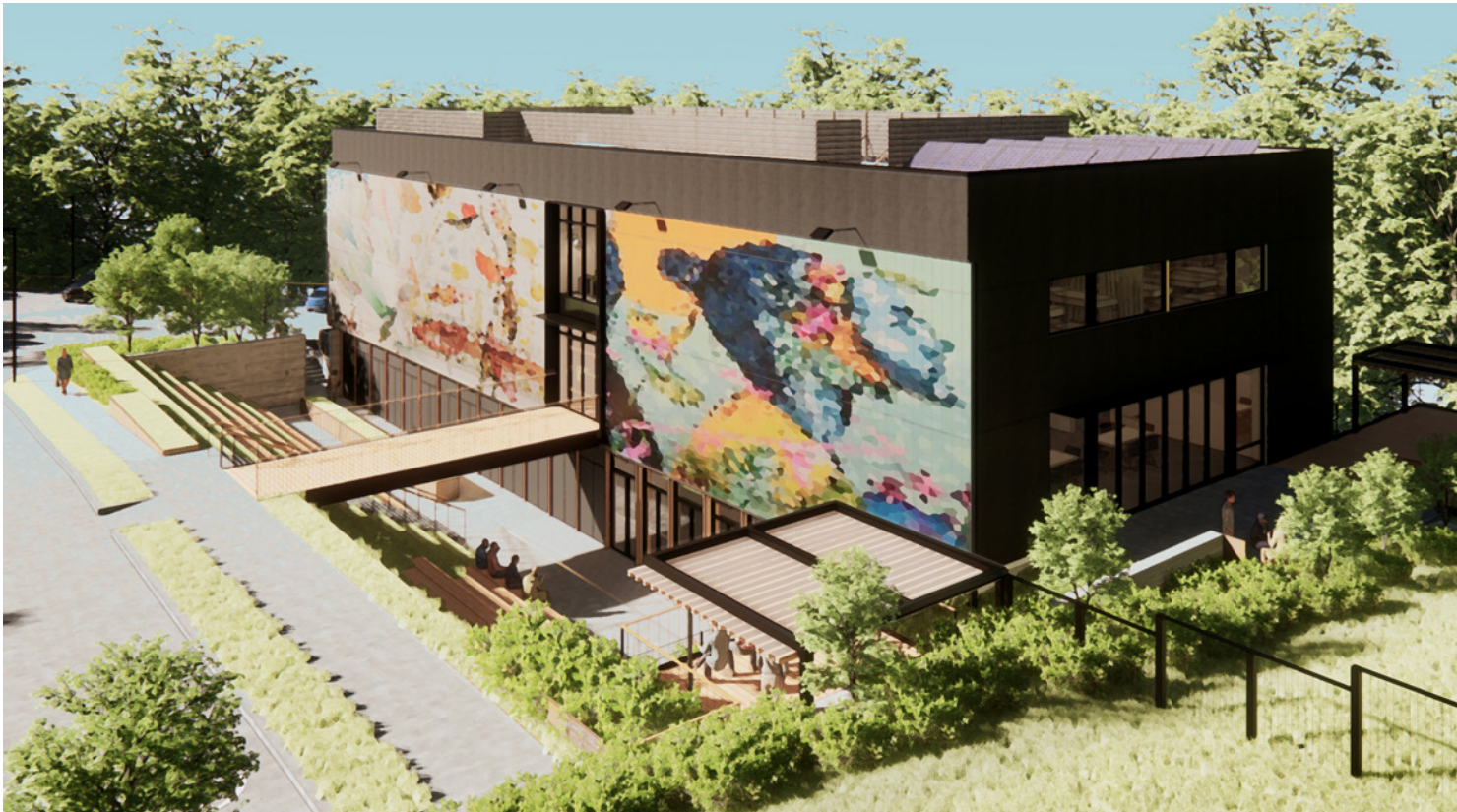
**Jonathan Smith**, *Principal, Bellwether Housing Developer*



# CONGREGATION FOR THE HOMELESS (CFH)

## Eastside Men's Shelter, Bellevue, WA

CFH has partnered with Inland Group, Horizon Housing Alliance, and Plymouth Housing to develop the 9-acre parcel into an Eastgate Housing Campus, featuring a daycare center, workforce housing, and shelter. On July 12, 2021, the City Council approved \$3.6 million in supplemental funding for the development of the permanent shelter.



“Since 2014, CFH has been actively working with the community to site and permit the Eastside’s first and only permanent men’s shelter. Preparations for the City of Bellevue’s permitting process required a significant upfront investment in professional fees related to legal, architectural, land use and real estate development. Impact Capital’s early predevelopment/ feasibility loan helped cover many of these costs while also providing CFH’s Board of Directors greater confidence in moving forward and investing its own funds in support of this project—a project which had significantly more risk than anything undertaken to date by the organization.”

**Linda Hall**, *CFH Project Manager*

# COMMUNITY ROOTS COLLABORATIVE (C-ROOTS)

## Fruit Valley Village, Vancouver, WA

An 1870s-era railway switch station and adjacent orchard were transformed into Fruit Valley Village. The building was renovated and converted into supportive housing for four residents (or a family). The 1.5-acre former orchard was transformed into a community of 21 high-efficiency [not so] tiny homes, with solar panels and heat pumps.

“Impact Capital’s support of Community Roots Collaborative has been critical to the establishment of the Fruit Valley Village. The community offers a home to people leaving homelessness through case management programs responding to substance abuse and/or mental health crisis. The case management and wrap around services that everyone was involved with will continue when they join the community, offering a continuity of care and service delivery that assures everyone their best chance at sustaining their success throughout their lives. This unique age in place model focuses on the long term per individual case while recognizing that neighbors and community support can be critical to individual wellbeing. Impact Capital’s early support has been invaluable to the project’s progress, and we look to make this community an example to be learned from and replicated.”

**Chris Thobaben, C-Roots Project Manager & Board Member**





# HOMESTEAD CLT (HCLT)

## Riverton Cascade, Tukwila, WA

Upon completion in late summer 2023, the \$11 million Riverton Cascade project will consist of 18 single-family and duplex homes. Thirteen of the homes will be sold to households at or below 80% AMI. The 3- and 4-bedroom homes are certified net zero energy and will be sold for \$310,000 to income qualified first time homebuyers. The homes are arranged around a common green space that will also house a p-patch garden for the residents. The property was purchased at a discounted price from the Riverton Park United Methodist Church.

Funding sources besides Impact Capital include Washington State, King County, Community Frameworks, and private fundraising done by Homestead.

“One of the biggest challenges for non-profit housing developers is how to finance the pre-development expenses of a project. The funding sources for homeownership typically come from the WA Housing Trust Fund, and King County HFP. Neither of these sources provides funds prior to a fully designed project receiving its building permits and demonstrating that it has all the funding necessary to construct the project. This means all the pre-development expenses such as design, engineering and permitting must be funded through other means. Sources such as Impact Capital are invaluable in allowing a non-profit developer to complete the work necessary to get to the point that a construction loan can be closed, and affordable housing subsidies can be accessed.”

**Eric Pravitz**, *HCLT Director of Development*





# HOUSING HOPE (HH)

## Edmonds Lutheran Church

Edmonds Lutheran Church Field Apartments will be comprised of 52 multifamily units to households at or below 50% and 30% of area median income (AMI). Twenty-six of the units will be designated to serve households that have previously experienced homelessness, with 6 of these units dedicated to serving households with histories of substance abuse. The 26 units serving homeless households will be supported with Project-based Section 8 vouchers from the Housing Authority of Snohomish County (HASCO). Supportive services for the 26 units will be tailored under a Resident Services delivery model, where case managers will work with residents to create plans that help the respective families engage in activities that strengthen their households and increase their ability to be self-sufficient and inter-dependent with their community.

“Housing Hope is extremely grateful for our continued partnership with Impact Capital, and their commitment to assisting us in our efforts to create more affordable housing options for the residents of Snohomish County. Their recent partnership with us on our Edmonds Lutheran Church Field Apartments project is providing us the bridge capacity to complete our pre-construction design work and complete our permitting process with the City of Edmonds. Our work would be tremendously challenging without Impact Capital, and I know there are many affordable housing development organizations like us that feel the same way!”

**Bobby Thompson**, *HH Chief Housing Developer*



# JOINT PACIFIC COMMUNITY HOUSING AUTHORITY (JPCHA)

## Willapa Center, Raymond, WA

Willapa Center includes 30 units of affordable housing; 5 three-bedrooms, 17 two-bedrooms, and 8 one-bedroom apartments. Half of the units have project-based rental assistance and target formerly homeless households. This project is on the site of the former Willapa Hotel, which provided affordable housing until 1998 when it was destroyed by a fire, displacing its residents. The site also includes a preschool which will be operated by the local school district and space for local social service providers.



“Willapa Center has been a very difficult project to develop and if it wasn’t for Impact Capital’s help in providing predevelopment funding, both a Phase I and a Phase II loan, we would not have gotten it across the line.”

**Max Benson**, *Senior Housing Developer at Community Frameworks*



# TWG DEVELOPMENT

## 192 Shoreline, Shoreline, WA

Projected to be completed by mid-2023, the 192 Shoreline project will be 250 units of affordable housing with 55 units reserved for people with disabilities. A 4,700-sf community facility will also be included on the second level with services for individuals with intellectual and developmental disabilities provided by Alpha Supported Living Services.

“250 planned and permitted market rate units were secured and transitioned to 100% affordable housing at and below 50% and 60% AMI in an important location for transit, growth, and amenities due to the capacity of Impact Capital to work with its local development and services partners in a quick and efficient manner during initial project efforts. TWG was able to obtain site control, analyze and underwrite, plan for permitted-set revisions, order third party reports, and apply and win competitive LIHTC-bonds in 90 days! That was only possible due to Impact Capital being ready to commit predevelopment lending and sophisticated in understanding a unique project and partnership between local non-profits and reputable national for-profits.”

**Megan Adams**, *Development Director at TWG Development.*



# MT. BAKER HOUSING

## Maddux Gateway, Seattle, WA

Named after the Hall of Fame pitcher, Greg Maddux, The Maddux will be a two-building transit-oriented multifamily affordable housing project in the Mt. Baker neighborhood of Seattle. Only two blocks from the Mt. Baker light rail station and within close proximity to parks, open space, other transportation and schools, the project will serve families and individuals. The current design has 30% of the project's units as larger sized family units, and 50% of the units target households earning at or below 60% AMI with 50% units at or below 50% AMI. MBH envisions this project to serve as a "gateway" between the Mt. Baker town center and Mt. Baker residential neighborhood, creating a safe pedestrian thoroughfare between the two.

"Mount Baker Housing's purpose is Building Brighter Futures in South Seattle. We are rewriting the playbook to imagine new ways to create urban density in Southeast Seattle and transform underutilized sites into strong, vibrant communities, investing in people and empowering community voices to realize community needs. We value inclusivity, curiosity, empathy, courage, creativity and vitality. It is for those reasons and more that Impact Capital has always been and will remain a vital partner in everything we do. Impact Capital's partnership, as exhibited by its creativity, curiosity and courage, among other traits, has assisted Mount Baker Housing in fulfilling its purpose."

**David Tan**, *Executive Director, Mt. Baker Housing*





**Bellwether Housing**  
Greenwood Boys and Girls Club

**Catholic Housing Services of Western Washington**  
Grant County Sites / Mattawa III

**Chief Seattle Club**  
Sacred Medicine House

**Community Roots Collaborative**  
Fruit Valley Road Village

**Community Roots Housing**  
Lake City Acquisition

**Compass Housing Alliance**  
Compass Columbia City

**Congregations for the Homeless**  
East King County Men's Shelter

**DASH**  
Line of Credit

**El Centro de la Raza**  
El Centro Columbia City

**Emerald Cities Seattle**  
RENEW

**FAME**  
Bryant Manor Apartments

**Georgetown Community Development LLC**  
Lucile

**H.A. of Chelan County and City of Wenatchee**  
Mountainview  
Housing Development

**Homestead CLT**  
Riverton Park

**Hope Alliance**  
HRN Emergency Shelter

**Housing Authority of Skagit County**  
Mount Vernon Farmworker Housing

**Housing Hope**  
Edmonds Lutheran Church Housing  
Scriber Field / Twin Lakes Landing II

**ICDA**  
Acme Apartments

**Joint Pacific County Housing Authority**  
Willapa Center

**Mount Zion Housing Development**  
Mt. Zion at 19th

**Nexus Youth and Families**  
936 Remodel

**Olympic Community Action Programs**  
7th and Hendricks

**Opportunity Council**  
Laurel and Forest

**Parkview Services**  
Parkview Homes XIX -  
Group Training Home

**Primm ABC Child Care Center**  
Primm ABC Childcare Expansion

**ROOTS Young Adult Shelter**  
ROOTS Shelter

**Sabin CDC**  
Harvey Rice Heritage

**Shorline TWG LLLP**  
Shorline TWG LLLP

**Yakima Housing Authority**  
Cosecha Court II Phase III



2021  
BORROWERS

## THANK YOU

We offer heartfelt thanks to our Impact Capital family of supporters. We are proud to list friends, partners, donors, and colleagues who made everything possible in 2021. Your support helps us build vibrant communities throughout the Pacific Northwest.

### Investors

Ist Security  
Banner Bank  
CDFI  
City of Seattle Office  
of Housing  
Heritage Bank  
Key Bank  
Northern Trust Bank  
Sinsinawa Dominicans

United Business Bank  
Umpquah Bank  
US Bank  
Washington State DOC  
Washington State Housing  
Finance Commission  
Yakima Federal Savings &  
Loan  
Zions Bancorporation

### Corporate, Foundation, and Government Supporters

Amazon Smile  
Banner Bank  
Heritage Bank



# 2021 SUPPORTERS



## Staff

**Kena Edmunds** | *Loan Underwriter*

**Joel Millar** | *President*

**Hans Von Schnauzer** | *Office Security*

**Marcel Neff** | *Vice President, Lending*

**Lora Bourelle** | *COO/CFO*



## Board Officers

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Board Chair, Executive/Finance Committee Chair  
*Director | Catholic Charities Housing Services of Yakima*

**Leanne Antonio**

Vice Board Chair  
*President, CEO | Yakima Federal*

**Doug Prince**

Board Secretary  
*Shareholder | Buchalter Law Firm*

**Susan Duren**

Board Treasurer  
*President | Washington Community Reinvestment Association*

## Board Members

**Lowel Krueger**

*Executive Director | Yakima Housing Authority*

**Kim Etherton**

*Vice President, Relationship Manager | Umpqua Bank, Spokane*

**David Foreman**

*Chief Financial Officer | Opportunity Council, Bellingham*

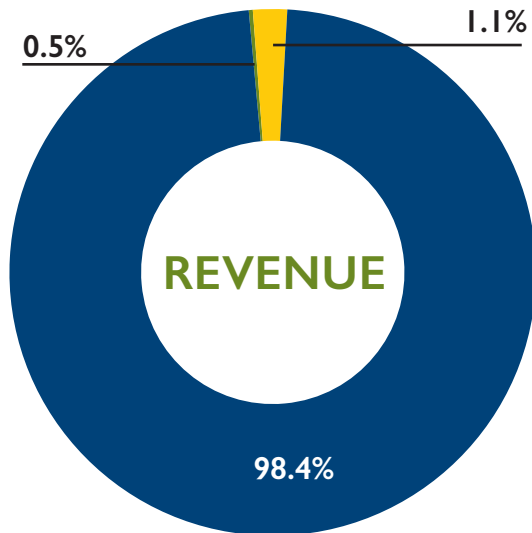
**Steve Walker**

*Director | Office of Housing, City of Seattle*

# 2021 STAFF & BOARD OF DIRECTORS

## REVENUE

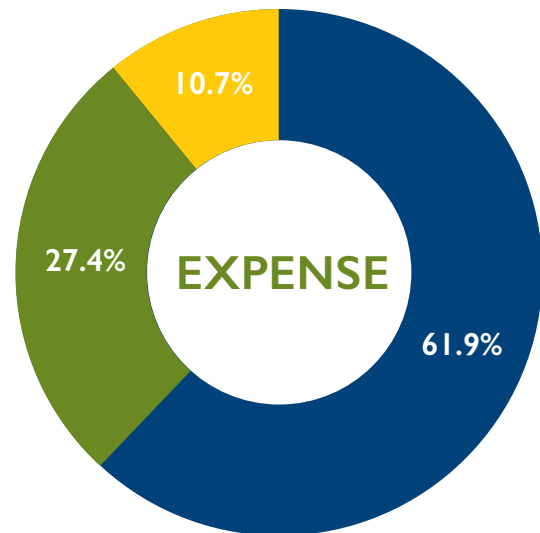
Program Interest & Fees	\$1,383,163
Contributed Income	\$7,552
Other Income	\$15,500
<b>Total Revenue</b>	<b>\$1,406,215</b>



- Program Interest & Fees
- Contributed Income
- Other Income

## EXPENSE

Lending	\$454,928
Management & General	\$201,424
Fundraising	\$79,026
<b>Total Expense</b>	<b>\$735,378</b>



- Lending
- Management & General
- Fundraising

2021



# STATEMENT OF FINANCIAL POSITION

ASSETS		LIABILITIES & NET ASSETS	
Cash & Investments	\$8,168,427	Accounts Payable	\$98,051
Loans Receivable	\$13,830,551	Loans Payable	\$16,478,061
Accounts Receivable & Other Assets	\$196,202	Net Assets	\$5,619,068
<b>Total Assets</b>	<b>\$22,195,180</b>	<b>Total Liabilities &amp; Net Assets</b>	<b>\$22,195,180</b>

# STATEMENT OF ACTIVITIES

	Unrestricted	Donor Restrictions	Total
Revenues	\$1,406,215	-	\$1,406,215
Net Assets Released from Restrictions	\$56,621	\$(56,621)	-
<b>Total Revenues</b>	<b>\$1,462,836</b>	<b>\$(56,621)</b>	<b>\$1,406,215</b>

Expenses	\$735,378	-	\$735,378
Change in Net Assets	\$727,458	\$(56,621)	\$670,837
Net Assets Beginning of Year	\$1,774,084	\$3,174,147	\$4,948,231
<b>Total Liabilities &amp; Net Assets</b>	<b>\$2,501,542</b>	<b>\$3,117,526</b>	<b>\$5,619,068</b>

FINANCIAL  
OVERVIEW

TOGETHER WE CAN MAKE A LASTING IMPACT



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[impactcapital.org](http://impactcapital.org)

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