



2024 Stakeholder Letter

from Jordan Beaudry, Director of Development

Dear ROOTS Community,

We are pleased to present you with our first annual organizational stakeholder letter. Part of our commitment to you is to be good stewards of your contributions and transparent about the value of your support. To honor this commitment, we will be sending a stakeholder letter in the first quarter of each year. **This letter will summarize the impacts of our services over the previous year, the financial health of our organization, and our plans for the upcoming year and beyond.**

We are not asking you for money today - we are thanking you for your support. All we ask is that you share the good work you help make possible by telling others about ROOTS.

Summary of the Past Year

Your support allows ROOTS to meet community needs that have never been greater. **In 2023, we provided over 12,000 bed nights of shelter for 469 unduplicated young adults, which represents a 9% increase over the 423 individuals we served in 2022.** Between our shelter and Friday Feast program, we served over 35,000 warm meals. 135 individual young adults participated in Case Management in 2023 and cumulatively achieved 185 self-identified goals. These included steps towards accessing housing, employment, mental and physical health services, and obtaining legal documents such as birth certificates and state ID's. Across the board, we are providing more services than ever before.

Our guest demographics over the past year have remained largely consistent with previous years. **Roughly two-thirds of our clients on any given night are people of color** (Self-reported race/ethnicity of shelter guests: White 34%, African American 29%, American Indian/Alaska Native 4%, Asian/Pacific Islander 5%, two or more races 23%, with the remainder selecting "other." An additional 14% reported being of Hispanic ethnicity). More than half reported that they have some sort of current disability. One-third spent at least some time in the foster care system as a minor. **Approximately 30%-35% of our clients identify as LGBTQIA+**, which is 2-3x the rate of Seattle's general population. Many are survivors of the juvenile justice system, domestic abuse, or other trauma.

In King County, homeless young adults are:

66% People of Color

33% LGBTQIA+

33% Former Foster Children

50% Struggling with Mental Health

These demographics are reflective of the population ROOTS serves.



It is ROOTS’s deepest commitment that clients not only create their personal pathway out of homelessness, but that they also experience belonging and a sense of purpose. To that end, over 150 volunteers come into the shelter each week to build community with guests and provide social support. In 2023, over 55% of our weekly volunteers served in an ongoing capacity for at least 6-months, and volunteers contributed approximately 15,759 hours of their time to help run our programs. There is a community of love surrounding ROOTS’s work that maximizes the impact of your contributions.

Over the past year we have also increased the number of on-site activities we offer outside of shelter hours. Programs such as the *Healing Pages Book Club*, Teen Feed’s *In-Reach* daytime drop-in program, and our ongoing *Guest Art Group* have been a big hit with our guests. One guest commented, “I think book group is cool because it is a way to get people to read and enjoy reading. The group is a way to provide the opportunity to find a connection between other people.”

ROOTS is now offering 7 hours of daytime services per week, which is the most daytime programming we have provided so far in our new location. We are excited to build upon these programs as we expand to 24/7 services in the coming years.



Mural in shelter painted by Guest Art Group, 2023

Capital Campaign Progress

2023 was a momentous fundraising year for ROOTS’s capital campaign. **Over the last 12 months, we have secured \$4.5M for facility acquisition and renovations.** Our request for \$1.5M from the Washington State Legislature is one of only a small handful of local community projects approved as part of the state capital budget in May 2023. We were also fortunate to be among the few organizations approved for a \$3M capital grant from the Washington State Housing Trust Fund. With this funding, we have raised nearly \$10.5M to purchase and renovate our facility. **We are now only \$550,000 away from completing this phase of the project.** The next phase of our campaign will focus on fully activating the facility to provide the best opportunities for our guests as they chart their course into their futures.

Goal: Purchase and Renovate Facility

\$11,000,000

Foundation Grants	\$450,000	4%
Washington State Capital Budget Funding, 2020	\$1,500,000	14%
Federal Congressional Funding, 2022	\$4,000,000	36%
Washington State Capital Budget Funding, 2023	\$1,500,000	14%
Washington State Housing Trust Fund Award, 2023	\$3,000,000	27%

Total Secured

\$10,450,000 95%

Remaining Fundraising Goal

\$550,000

2023 Expenses and Operating Revenue

Below we've printed our profit and loss report for 2023:

Operating Revenue

Public Funding	\$748,612	50%
Foundation, Corporate, and Church Gifts	\$526,190	35%
Individual Giving	\$208,123	14%
Program, Interest, and Dividend Income	\$14,050	1%
Total Income	\$1,496,975	

Expenses

Personnel and Contractors	\$1,225,465	74%
Facility and Utilities	\$51,410	3%
Food Program	\$35,043	2%
Laundry and Bedding	\$51,213	3%
Operating Costs and Supplies	\$74,464	5%
Interest Payments on Building Loan	\$215,250	13%
Total Expenses	\$1,652,844	

Net Income

-\$155,869

While raising the money to purchase our new home, we have been paying interest on a bridge loan provided by the seller. **These interest payments have placed a significant strain on our operating budget, reaching \$215,250 in 2023.** Because of these payments, our budget included a deficit of \$155,869. When we complete the purchase these interest payments will stop, freeing up a nearly \$60,000 operating surplus to be invested in our services. We may sustain a smaller budget deficit in 2024 as we work to fulfill the contractual requirements of the \$10M we have raised in state and federal capital funding. **However, we are on track to fully pay off the building by the end of this year. This will secure ROOTS' future and free up more money to advance our guests' successes.**

Completing renovations will have the further financial benefit of nearly eliminating our laundry and food program costs. We currently contract with a commercial laundry company to wash guest bedding and purchase pre-made meals from community partners. Renovations will add commercial washer/dryers and a commercial kitchen on-site, eliminating the need for these contracts and reducing annual operating costs by up to an additional 5%.

We plan to grow our revenue in 2024 by recruiting more individual donors. In 2023, ROOTS raised \$208,123 in individual contributions, which is only \$8k more than we raised in 2022. Core support among donors who contribute \$1,000 or more annually has remained steady year over year. However, ROOTS experienced a 30% decline in our total number of individual donors over the past year, which tracks with national trends reported by Giving USA. Fortunately, ROOTS has a unique opportunity to grow in this area by launching the public phase of our capital campaign. Beginning this fall, we will make a concerted media outreach push leading up to the final phase of renovations. This will raise awareness about the impact of our services and help bring in new supporters.

Looking Ahead

2024 will be a historic year for ROOTS. **This will be the year that we fully pay off our building, which has been our most important institutional goal since securing our new home in 2019.** We are projected to break ground on the final phase of facility renovations by the end of this year, which will allow us to begin offering expanded services in 2025. When we first learned in 2018 that we would need to leave our home of nearly 20 years, survival was uncertain. Because of our amazing community, ROOTS is now positioned to do more for our guests than ever before.



We will also be welcoming a new leader to replace outgoing Executive Director Jerred Clouse. Under Jerred's leadership, ROOTS moved into our new location, completed the first phase of facility renovations, and safely made it through the COVID-19 pandemic without suspending services. We have enjoyed Jerred's sound management, yet we are excited to bring on a new leader who will build on his successes and work with staff to implement our expanded service model.

Once renovations are completed, ROOTS will continue offering emergency shelter while expanding to provide 24/7 programming. Each day community partners will offer young adults medical and mental health services, educational opportunities, and expanded quality of life programs. Additionally, ROOTS will launch a housing stabilization program that provides dormitory style housing to young adults transitioning out of homelessness. Expanded services will enhance outcomes for young adults as integral members of a community that centers their needs, so that they can enjoy full and rewarding lives.

Thanks to our amazing community, we are entering 2024 in a position of strength. The initiatives planned for the next two years will allow ROOTS to deepen its impact for generations to come. We appreciate your commitment to supporting young adults experiencing homelessness and look forward to reporting back on our progress again soon.

Warm Regards,

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