



MEMORANDUM

To: Kurt Triplett, City Manager
Michael Olson, Director of Finance & Administration

From: Lynn Zwaagstra, Director
Michael Cogle, Deputy Director
Leslie R. Miller, Human Services Coordinator

Date: October 12, 2016

Subject: Human Services Issue Paper

City of Kirkland Funding for Human Services

To provide the appropriate context, prior to focusing on the grant funding, staff has included a summary of the overall human services funding that the City has provided in the budget document. Funding for Human Services is incorporated into a variety of operating and non-operating budgets. The following summary provides an overview of Human Services funding.

Program/Funding Source	2015-2016 Budget	2017-2018 Budget
Human Services Program grants (including CDBG)	1,612,608	1,633,246
Human Services Forum and Other Regional Programs	27,450	25,000
Human Services Coordination	317,172	344,108
Senior Center Operations	1,123,715	1,097,564
King County Alcohol Treatment Programs	35,370	44,714
A Regional Coalition for Housing (ARCH) ¹	999,200	1,199,200
Community Youth Services Program/Teen Center	731,911	725,286
Rent Subsidy for Youth Eastside Services ²	55,998	55,998
Domestic Violence Programs	796,260	833,391
Police School Resource Program (City-funded portion)	217,015	222,827
Senior Discounts for Utility and Garbage Services ³	80,934	65,108
Kirkland Cares (assistance with utility bills from utilities customer donations)	8,000	8,000
Specialized Recreation Program	14,000	14,000
Recreation Class Discounts	6,000	6,000
Total Human Services Funding	6,025,633	6,274,442

TOTAL SPENDING PER CAPITA 2015-2016: \$71.67

TOTAL SPENDING PER CAPITA 2017-2018: \$74.10

¹2015-16 ARCH funding reflects the base budget amount of \$209,200, ongoing funding of \$160,000 from Community Development Block Grants, and a one-time service package funding of \$630,000. In addition to these amounts, Affordable Housing in Lieu fees totaling \$478,640 have been remitted to ARCH in 2015-16 that are not reflected in the table above. The 2017-18 Preliminary Budget amount includes the same funding elements and an additional \$200,000 of one-time funding for the Trust Fund.

²Current rent is \$1/year; figure represents a conservative market rent equivalent.

³Reduction is a result of fewer senior accounts registered across all utilities.

Current Human Services Grant Funding

The City supports human services grants by providing leadership, facilitation and funding regionally. This regional approach to funding and providing human services allows the City to act as a catalyst for improving the quality of life for Kirkland residents and makes the City's dollars go farther. Kirkland has worked with other King County cities to help agencies access regional funding more easily by:

- ✓ Providing an on-line joint funding application with 16 other King County cities;
- ✓ Launching a regional online data collection system that allows for consistent information and a better alignment of programs and funding;
- ✓ Participating in a pooled funding program with some north and east city funders to streamline the invoicing process for some of the programs the cities jointly fund.

Within its overall human services funding commitment, the City allocates funds to outside agencies to provide a variety of human services programs. The total amount budgeted for human services granting was \$1,543,246 for the 2015-2016 biennium (\$771,623 each year), to which the City Council added \$15,000 one-time in 2016 for the Eastside Winter Shelter for Families with Children. In addition, a portion of the Community Development Block Grant (CDBG) funding (\$54,371) was directed to grants, bringing the total biennial contribution in 2015-2016 to \$1,612,617.

City funding for grant programs has been derived from both ongoing funds approved in the Parks and Community Services Department's base budget as well as one-time supplemental funding as authorized by the City Council during each budget cycle. The following table provides overall approved funding amounts made available for granting over the past decade.

City of Kirkland Funding for Human Services Grants 2007 – 2018

Year	Population	Ongoing Funding Base Budget	Supplemental One-time Funding	CDBG	Total Funding	Per Capita
2007	47,180	\$394,425	\$123,528	\$0	\$517,953	\$10.98
2008	48,000	\$413,280	\$104,173	\$0	\$517,453	\$10.78
2009	48,410	\$416,810	\$113,780	\$0	\$530,590	\$10.96
2010	48,787	\$421,890	\$113,781	\$0	\$535,671	\$10.98
2011	49,020 ¹	\$459,481	\$117,656	\$0	\$577,137	\$11.77*
2012	81,480	\$656,944	\$0	\$0	\$656,944	\$8.06
2013	81,730	\$656,944	\$44,814	\$0	\$701,758	\$8.59
2014	82,590	\$656,944	\$44,814	\$0	\$701,758	\$8.49
2015	83,460	\$656,944	\$114,679	\$24,479	\$796,093	\$9.54
2016	84,680	\$656,944	\$129,679	\$29,892	\$816,515 ²	\$9.64
2017	84,680	\$701,758 ³	\$84,865 ³	\$29,892	\$816,515 ³	\$9.64
2018	84,680	\$701,758 ³	\$84,865 ³	\$29,892	\$816,515 ³	\$9.64

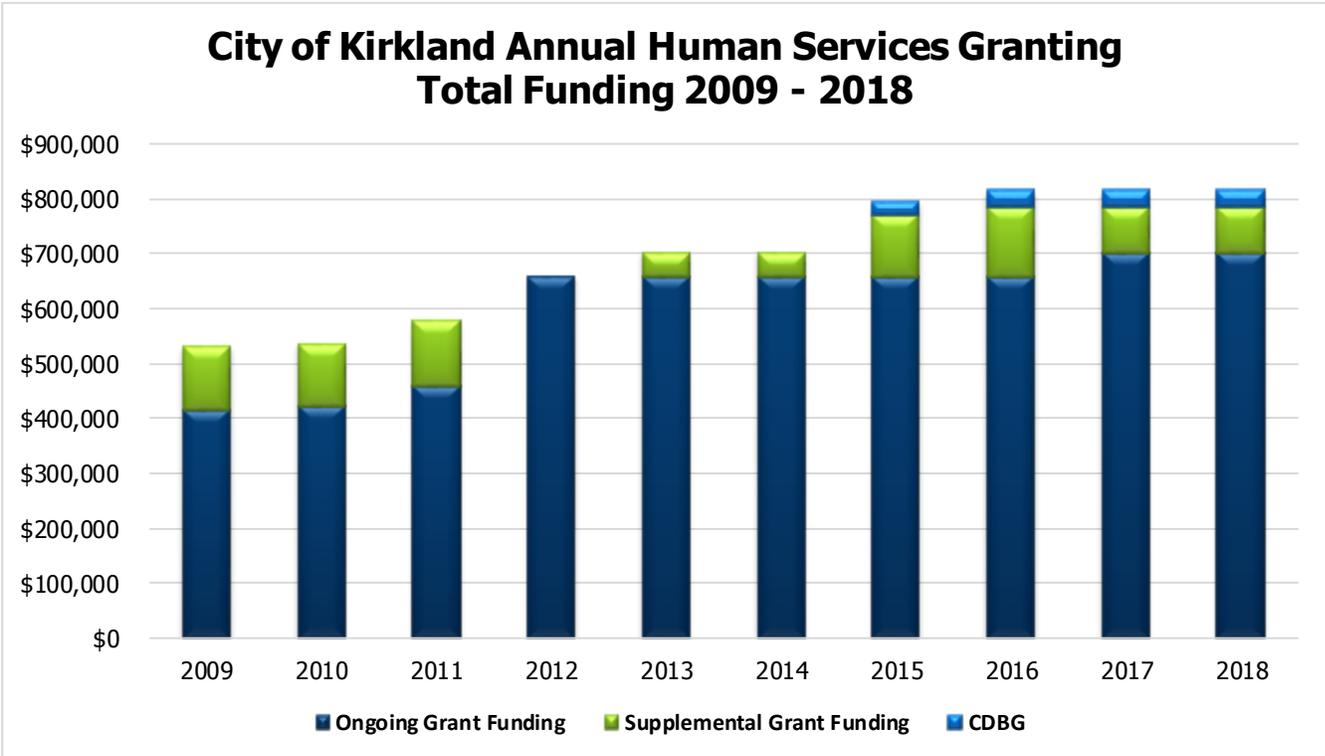
¹ Kirkland 2011 population prior to June 1 annexation

² 2016 includes one-time contribution from the Council Special Projects Reserve for the Eastside Winter Shelter for Families (\$15,000)

³ As proposed in 2017-2018

*See note on next page regarding 2011 per capita calculation.

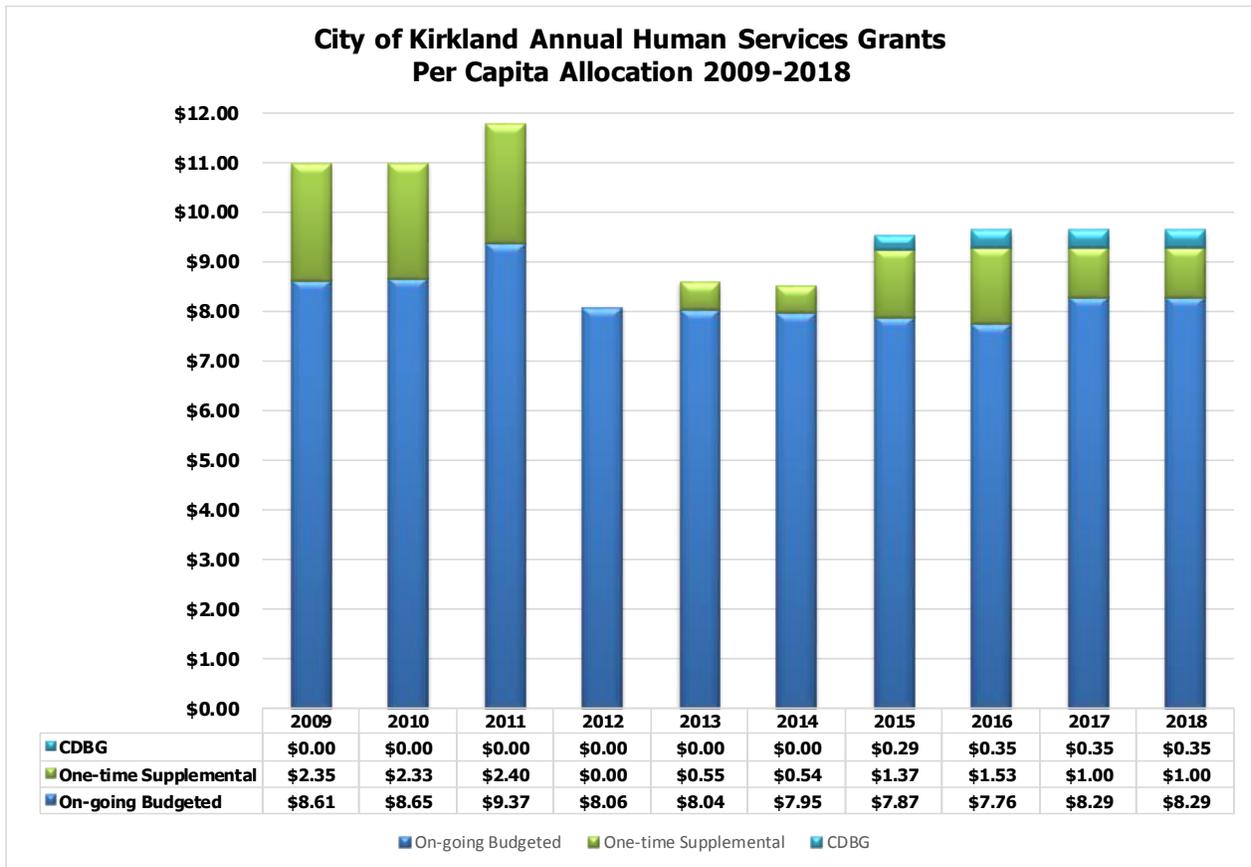
Kirkland’s total funding amount for human services grants has increased annually, as shown in the graph below.



Note: 2017 and 2018 as proposed

While Kirkland’s total funding for human services grants has increased annually, Kirkland’s on-going grant funding on a per capita basis declined after annexation, as shown on the following page.

*Note regarding 2011, the per capita figure of \$11.77 is based on the pre-annexation population of 49,020. If the post-annexation population of approximately 81,000 was used, the per capita amount would be \$7.13. If a weighted average of 67,675 (5 months at 49,020 and 7 months at 81,000), the per capita figure would be \$8.52.



The economic recession, changes in federal, state and regional allocations, and the scarcity of affordable housing in our community has led to an increase in the number of citizens with unmet basic needs. These trends are reflected in the number and amount of requests for funding from the many agencies serving Kirkland residents. Funding requests for the upcoming biennium have increased by 21% over the 2015-2016 biennium. The City received 81 applications with requests for \$2,848,644 (\$1,424,322 annually) for the upcoming biennium. During the most recent budget period, Kirkland funded about 65.5% of the program funds requested.

Comparison of Funds Requested to Funds Available 2009 - 2018

Budget Period	Kirkland Funds Requested	Kirkland Funds Available	Percentage of Requests Funded
2009-10	\$1,474,052	\$1,066,261	72.34%
2011-12	\$1,772,826	\$1,234,081	69.61%
2013-14	\$1,794,000	\$1,403,516	78.23%
2015-16	\$2,354,298	\$1,543,246 ¹	65.50%
2017-18	\$2,848,644	\$1,633,030 ^{1 2}	57.33%

¹Includes CDBG

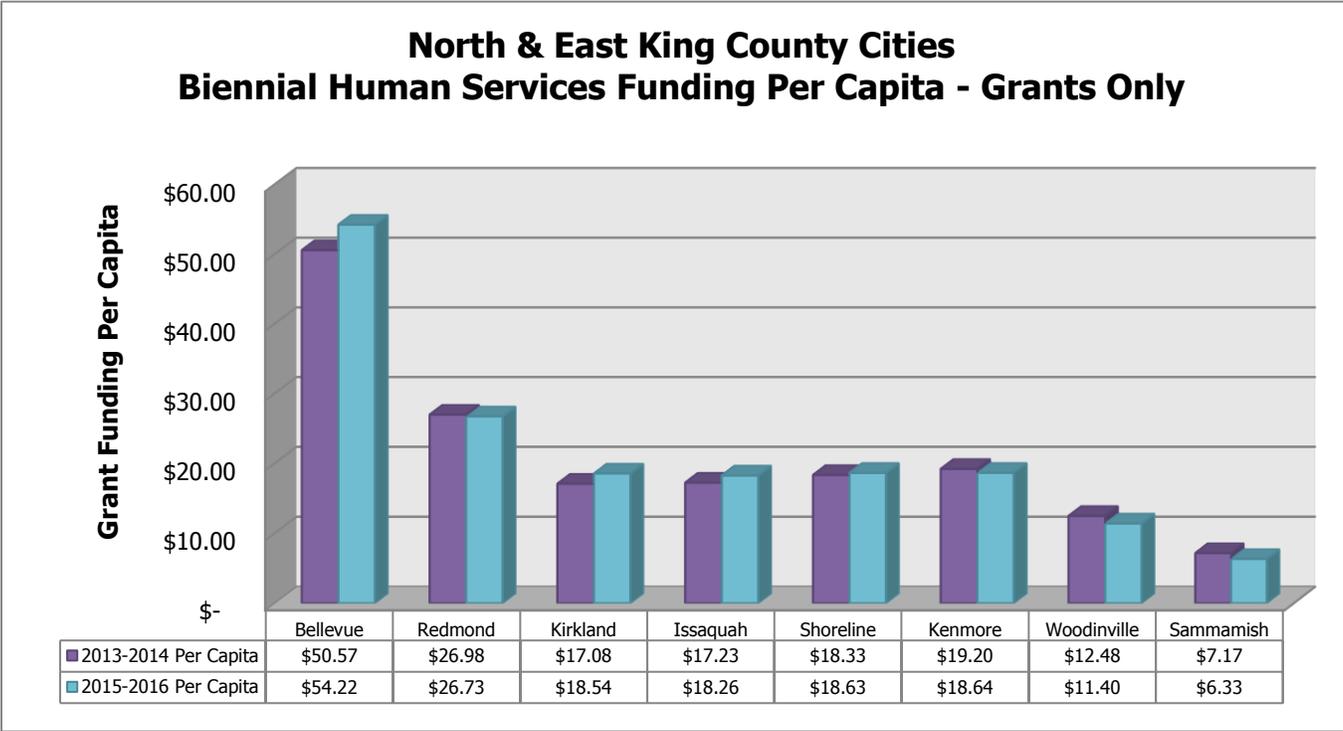
²As proposed in 2017-2018

Community Development Block Grant (CDBG)

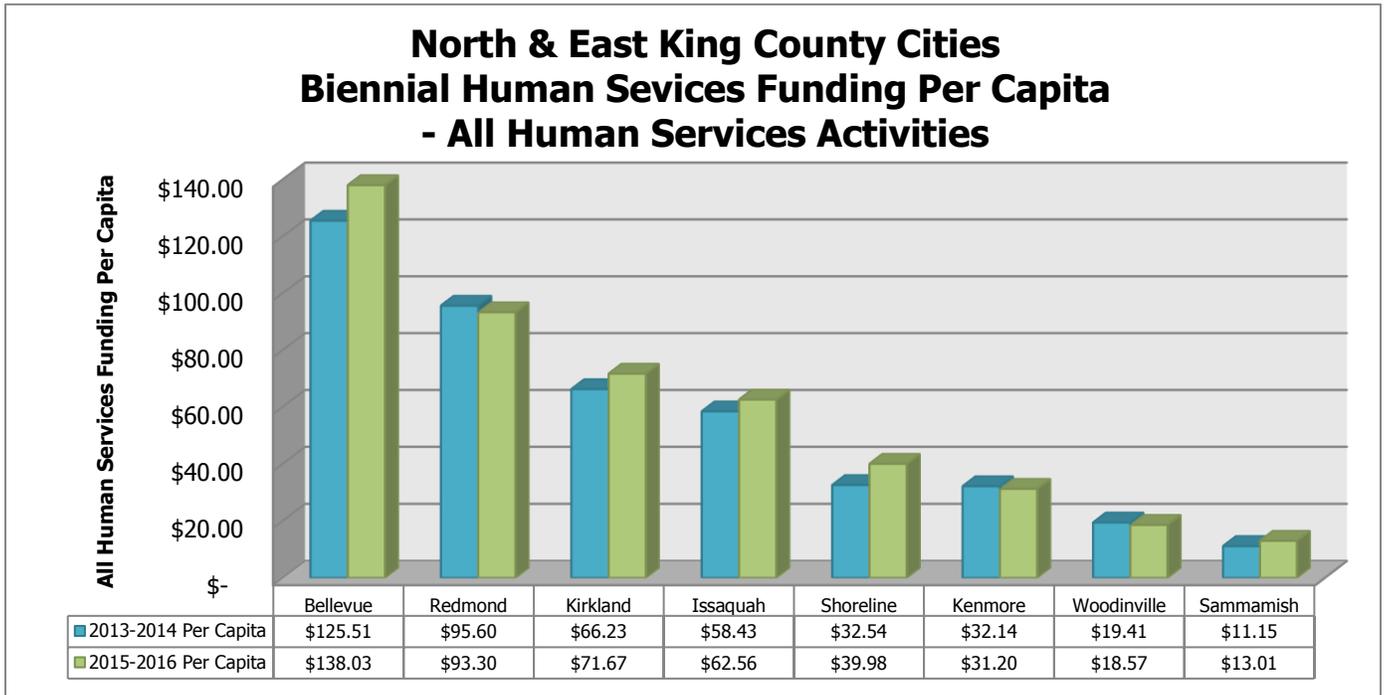
Traditionally Kirkland’s residents benefited from these Department of Housing and Urban Development dollars as part of the King County Consortium. With Kirkland’s decision to become a Joint Agreement City effective in 2015, the City will be able to directly allocate some of its dollars. Kirkland is projected to receive \$29,892 for human services programs in 2017. These dollars serve as an additional revenue source that may not supplant any ongoing city funding. The Human Services Advisory Committee has recommended these funds be allocated to Congregations for the Homeless in 2017.

Comparison with Neighboring Cities

The chart below provides a comparison of our neighboring cities’ funding allocations for human services grants from each city’s General Fund on a per capita basis. These calculations do not include CDBG or other non-General Fund sources. These are the latest figures available. 2017-2018 numbers could be obtained in early 2017 if the Council would like to see the numbers before the next budget cycle.



The next chart provides a comparison of funding by cities for all human services and human services-related activities, including not only grants but also city-funded activities for: seniors, teens, and special populations; affordable housing; substance abuse; and certain public safety activities such as those related to domestic violence and school resource officers.



To provide some context, the following table shows the proportion of general government revenues used for human services activities for the 2013-2014 budget period for each city:

	General Government Revenues Per Capita	Human Services Expenditures Per Capita	Percentage of Revenues For Human Services
Bellevue	\$2,457.30	\$125.51	5.10%
Redmond	\$2,151.75	\$95.60	4.44%
Kirkland	\$1,719.65	\$66.23	3.85%
Kenmore	\$854.38	\$32.14	3.76%
Issaquah	\$1,679.20	\$58.43	3.48%
Shoreline	\$1,020.39	\$32.54	3.19%
Woodinville	\$1,578.81	\$19.41	1.23%
Sammamish	\$1,220.81	\$11.15	.913%

Advancing from a Human Services Advisory Committee to a Human Services Commission

The following section provides information about the possible formation of a Human Services Commission for the City of Kirkland, including staffing and cost considerations.

The City formed a Human Services Advisory Committee in 1986 in order to provide funding recommendations to the City Council for the distribution of grants to agencies providing human services to Kirkland residents. The Committee's role is limited to this purpose. Several local cities have formed Commissions which meet regularly (at least monthly) throughout the year to provide additional policy guidance to Council and staff. The cities of Bellevue, Federal Way, Issaquah, Kent and Redmond all have Human Services Commissions. The City of Sammamish is currently considering forming a Commission.

Functions served by Commission's can include:

- The commission in all matters is advisory to the City Council.
- The commission provides the public with opportunities to be involved in the commission's activities.
- The commission's work is governed by adopted human services policies and advises the City Council as to changes or refinements to these policies.
- The commission reviews requests for funding of human services and makes recommendations to the City Council.
- The commission develops recommendations on priorities for the allocation of City resources to meet identified needs.
- The commission promotes and pursues regional cooperation in the planning, funding and delivery of human services.

The benefits of a Commission as identified by cities who have them include:

- A Commission provides increased visibility and awareness for human services.
 - ✓ Act as ambassadors for human services in the community.
 - ✓ Support City Council and staff on an ongoing basis.
- Meeting on a regular basis allows commissioners to become better educated on human services needs in the community and can help lead to better informed and more robust funding recommendations.
- Commissions provide an excellent sounding board.
 - ✓ Discuss new ideas/emerging trends and appropriate responses with city staff.
 - ✓ Bring their own knowledge of resources to the table to assist with problem solving and help leverage additional resources and support.
 - ✓ Assist community groups and nonprofit organization by vetting their projects.

Like other official City advisory boards and commissions, a Human Services Commission would require technical and clerical staff support from the Parks and Community Services Department. Current workload and staffing levels within the Department make it difficult for a new Commission to be absorbed without re-prioritizing responsibilities or allocating additional resources. Options for providing additional staffing resources include:

1. Add an On-Call Program Assistant @ 10 hours/week
Annual additional cost: \$17,000

or:

2. Convert Existing CDBG-Funded Hourly Position from 20 hours/week to 30 hours/week Program Assistant (0.75 FTE w/benefits)
Annual additional cost: \$35,000

Staffing one benefited position versus two part-time non-benefited positions provides for more effective recruitment and retention leading to greater continuity and programmatic support.

While the concept of a Human Services Commission has been discussed at several Council Retreats, the Council has never formally requested the creation of such a commission. The City Manager's Preliminary 2017-2018 Budget does not include funding for staffing a Human Services Commission. If the Council wishes to implement a commission with staffing, it can make the addition as part of the final budget adoption.