



**MEMORANDUM**

**To:** Kurt Triplett, City Manager  
Tracey Dunlap, Finance Director

**From:** Jennifer Schroder, Director  
Carrie Hite, Deputy Director  
Sharon Anderson, Human Services Coordinator  
Human Services Advisory Committee

**Date:** September 29, 2010

**Subject:** Human Services Issue Paper

This paper is to inform Council of the current state of human services both locally and regionally in preparation for budget decisions.

**Current Human Services Per Capita Funding**

The total amount budgeted for human services agencies is \$1,066,261 for the 2009-2010 biennium (\$530,590 in 2009; \$535,671 in 2010). This amount is based on \$838,700 ongoing per capita and one-time funds of \$227,561 for the biennium. The total ongoing per capita is \$8.61; the per capita with the addition of one-time funds is \$10.93. Below is a table that demonstrates the human services funding allocated by Kirkland since 2002.

**Summary of the City's Contribution to Human Services**

Year	Pop	Ongoing Per Capita	Ongoing Per Capita Funding	Additional One-time Funding	Total Human Services Funding <sup>1</sup>	Actual Per Capita Rate
2002	45,770	\$7.25	\$331,833	\$28,316	\$360,149	\$7.87
2003	45,786	\$8.11	\$371,324	\$11,448	\$382,772	\$8.36
2004	45,630	\$8.11	\$370,059	\$45,791	\$415,850	\$9.11
2005	45,800	\$8.11	\$371,438	\$58,503	\$429,941	\$9.39
2006	45,800	\$8.11	\$371,438	\$58,503	\$429,941	\$9.39
2007	47,180	\$8.36	\$394,425	\$123,528	\$517,953	\$10.98
2008	48,000	\$8.61	\$413,280	\$104,173	\$517,453	\$10.78
2009	48,410	\$8.61	\$416,810	\$113,780	\$530,590	\$10.96
2010	49,000	\$8.61	\$421,890	\$113,781	\$535,671	\$10.93

<sup>1</sup> Funding for Domestic Violence programs (\$31,264 annually) was transferred from the Police budget to Human Services in the 2009-10 biennium and is not included in the Total Human Services Funding or Actual Per Capita Rate calculations.

As you can see, Council was able to increase the ongoing per capita amount for 2009-2010 and allocate additional one-time funds for this past biennium. The one-time funds were used to give agencies a cost of living adjustment, and in some cases allocate funding at the agencies' full request. One-time funds assist our agencies to continue to provide high-quality services and allow Kirkland to fund emerging needs. However, it makes a very tenuous funding puzzle for agencies each year to rely on one-time funds.

**Attachment A** demonstrates a comparison of our neighboring cities' per capita allocations for human services. As is evident, Kirkland's per capita is near the top of the range of our regional counterparts. The Human Services Advisory Committee (HSAC) closely aligns Kirkland's needs and demographics to Bellevue and Redmond, and recommends using these two cities as the most relevant comparables.

### **Local Needs Increasing**

In May, the City received 73 applications with requests for \$884,414 annually for the 2011-2012 biennium. 28 applications were for new programs. This year we noticed a substantial increase in funding requests from the 45 programs the City currently funds. The HSAC held a series of roundtable discussions with agencies the City currently funds and conducted two Public Hearings that included all applicants.

Below are just a few examples of the demand for services facing these organizations. The HSAC also heard success stories and how their services have changed the lives of those they serve.

**Assistance League of the Eastside-Operation School Bell:** This program provides new school clothing to low-income and homeless children in the Lake Washington, Northshore and Bellevue school districts. In the City of Kirkland, they currently serve 10 schools and approximately 300 students. For many families this is the only time they are able to buy new clothing for their children.

**Eastside Legal Assistance Program (ELAP):** Volunteer attorneys provide free legal aid to low-income Kirkland residents through advice clinics, self-help dissolution workshops, drafting of simple wills, directives and durable powers of attorney and extensive brief services (e.g. advice, coaching and pleading preparation) to survivors of domestic violence. Today, the need for legal services is greater than ever. In the first half of 2010, ELAP has logged nearly twice as many calls as compared to 2009.

**Hopelink:** Hopelink continues to see a dramatic increase in requests for housing, food and transportation assistance. They have also experienced a decline in donations and in volunteers who need to return to the workforce to make ends meet. The Emergency Service Program provides low income residents with basic needs including food and emergency financial assistance. In 2010 Hopelink has been serving an average of 131 more Kirkland households per month, as compared to 2009. This represents a 23% increase in one year. For financial assistance, both 2009 and 2010 demonstrate a 53% increase as compared to 2008.

**Eastside Domestic Violence Program (EDVP):** EDVP is the largest domestic violence service provider in Washington State. Specifically in Kirkland last year, EDVP served 87 victims of abuse, provided 1,311 nights of shelter and received 777 calls to the 24-hour crisis line. The need for services continues to increase. EDVP reports that their turn-away rate for shelter is 18-to-1.

**Kirkland Interfaith Transition in Housing (KITH):** KITH provides housing and case management services for homeless families and individuals and permanent supportive housing for those at risk of homelessness. KITH has experienced an increase in requests for service. In 2009, KITH turned away 22 households for every one household served.

### **Regional and Local Impacts**

There are several human services funding issues to consider that may impact Kirkland this next biennium:

1. King County is facing a \$63.5 million deficit in the 2011 budget. The Executive's budget was not released to the full County Council until September 27<sup>th</sup>. Preliminarily, all Eastside human services agencies are bracing for cuts from the County. One proposed cut being considered is the Children and Family Commission funding, totaling \$1.3M. This will impact the agencies that provide family support and violence prevention efforts on the Eastside. An example of this is that Healthy Start will be cut by \$280,000, or 30% of their annual operating budget.

Currently, there are efforts from the Eastside Human Services Forum, King County Human Service Alliance, and the Alliance of Eastside Agencies to work with the County to mitigate any proposed cuts, and service level impacts.

2. United Way, a major funder of human services, has continued to shift dollars to their priorities of homelessness, early learning/school readiness, and a new area for family support. We know this has had an impact on agencies and programs in East King County. In addition, they are projecting a 10% cut in funding for their funding year July 2010 – June 2011. Again, Eastside Human Service agencies are bracing for cuts from United Way. As an example, United Way has already reduced funding for domestic violence programs. Eastside Domestic Violence Program has sustained a significant cut and is looking to local jurisdictions to help with the impact.
3. King County Veterans and Human Services Levy – this was approved by voters in 2005 and increases property taxes by 5 cents per \$1,000 of assessed valuation for six years. It is estimated to raise \$13.3 million per year and is divided between veterans, military personnel and their families, and regional health and human services, such as housing assistance, homelessness prevention, mental health services, substance abuse services, and employment assistance. This is slated to expire in 2011. The levy has augmented the human services system significantly. There are early discussions by the local human service agencies to leverage support for renewing this when it expires.

4. Mental Illness and Drug Dependency (MIDD) fund – in 2005 the State Legislature gave counties the option to raise local sales taxes by 0.1% to be used specifically for mental health and chemical dependency services. In the 2008 State Legislative session, this was expanded to include using these sales tax funds for housing. It was anticipated to raise \$50 million annually, but has consistently fallen short. This has also augmented the human service system significantly.
5. Eastside Cities – Most of our neighboring cities are having budget difficulties as well, but at the same time, all have budget proposals to either increase human services funding, or hold it harmless to cuts. For example, the City of Bellevue is recommending a 3.1% increase in human services through their Budget-by-Priorities proposals. City of Redmond, even though facing some tough budget decisions, is also proposing an increase. The cities of Issaquah and Mercer Island are proposing flat-funding. These local decisions will certainly impact the Eastside human services agencies and allow them to keep up with some of the demand.

### **Annexation Service level**

The proposed budget recommends a phased approach to increasing the funding for Human Services. A phased approach is based on the assumption that King County will have funded those agencies servicing the annexation area for 2011. For 2012, funding in the amount of \$197,463 is proposed. Although this amount on a per capita basis is less than the \$8.61/per capita that is budgeted for the current service area, it reflects a 43% increase to the current funding level. As the Human Service needs of the annexation area become better defined, including the impact to staff that may occur in administering the program; the service level can be reconsidered as part of the mid-biennial budget process or for the 2013-14 budget.

### **Committee Recommendation**

The HSAC understands that the City is facing a difficult budget year. In addition, demand for human services in Kirkland remains high and is ever increasing during this recession. The committee asks that City Council recognize the long term return on investment that our local human services agencies provide.

The committee is particularly challenged with the number of new applications, the increase in service demands, and many programs the City currently funds have requested more funding to meet the increased service demands.

The committee will complete their review and present recommendations to City Council in October.

**2009-2010**  
**North and East King County Cities**  
**Human Services Funding**

	<b>2009 Population</b>	<b>2010 Population Estimates</b>	<b>2009 Human Services General Fund</b>	<b>2010 Human Services General Fund</b>	<b>Funding Formula (If any)</b>	<b>Calculated on a Per Capita Basis (Approximates)</b>
Bellevue	118,411	NA	\$2,529,553	\$2,642,240	Inflation + population growth	\$21.36
Bothell	32,860	33,500	\$230,020	\$234,500	Per Capita	\$7/Capita
Issaquah	26,000	27,000	\$218,000	\$217,000	1% of the general fund	\$8.04/Capita
Kenmore	20,220	20,650	\$284,499	\$290,377	3% of the general fund	\$14.06
Kirkland	48,410	49,010	\$561,854	\$566,935	Per Capita: 8.61, plus 113,780 one time <sup>1</sup>	\$10.93
Redmond	52,683	53,684	\$647,421	\$672,902	Per Capita + 74,500/year in Domestic Violence funds	\$11.15
Sammamish	40,670	41,070	\$160,000	\$160,000	No Formula	\$3.93
Shoreline	54,320	54,580	340,307	340,307	No Formula	6.23
Woodinville	10,560	11,350	80,592	80,592	No Formula	\$7.10

<sup>1</sup>Excludes funding for Domestic Violence programs (\$31,264 annually) was transferred from the Police budget to Human Services in the 2009-10 biennium.