



MEMORANDUM

To: Kurt Triplett, City Manager
From: Kari Page, Neighborhood Outreach Coordinator
Date: October 8, 2010
Subject: 2011–2012 NEIGHBORHOOD MATCHING GRANT AND NEIGHBORHOOD CONNECTION RECOMMENDATION

RECOMMENDATION:

City Council to consider modification to Neighborhood Matching Grant and Neighborhood Connection Program funding and provide direction regarding grant distribution options for 2011-2012.

BACKGROUND:

Neighborhood Services offers two “grant” programs to neighborhoods. The Neighborhood Matching Grant Program is included in the 2010 General Fund at \$7995 per year. Matching Grants provide support for neighborhood association activities, work parties, picnics, web pages and communications. A condition of the Matching Grant is that the association must match the City’s dollars with in-kind labor or donations. The Neighborhood Connection Program is included in the annual Capital Improvement Program budget at \$100,000 per year. Typically, four neighborhoods per year go through a process of identifying and prioritizing improvements for their \$25,000 allocation. A summary of both programs and program requirements is included as Attachment A.

In the 2010 Budget, the Neighborhood Matching Grant Program was reduced from \$3,500 per neighborhood per year to the current \$615. The Neighborhood Connection Program was reduced from \$125,000 per year to \$25,000 for the 2009/2010 biennium. The program went on hiatus in 2009 and targeted one neighborhood in 2010.

Neighborhood Services	2008	2009	2010
Neighborhood Matching Grant	\$31,000	\$27,500	\$7,995
Neighborhood Connection Program	\$125,000	\$0	\$25,000
Total Neighborhood Services	\$156,000	\$27,500	\$32,995

The Neighborhood Connection Program is included in the Capital Improvement Program and funded from sales tax. As part of the 2011–2012 Budget preparation, the City Manager’s Office recommends reducing the annual funding for the Neighborhood Connection Program to \$25,000 per year and combining the Neighborhood Connection Program funds with the Neighborhood Matching Grant funds for a total Neighborhood Services budget of \$32,995 in 2011 and \$35,455 in 2012. The difference between 2011 and 2012 is the recommended Annexation Service Package of \$2,460 which doesn’t start until 2012.

Neighborhood Services	2011	2012
Neighborhood Matching Grant	\$7,995	\$7,995
Annexation Service Package	\$0	\$2,460
Neighborhood Connection Program	\$25,000	\$25,000
Total Neighborhood Services	\$32,995	\$35,455

Staff has worked with the Kirkland Alliance of Neighborhoods (KAN) Coordinator regarding options for the program. The staff recommendation includes four program components:

- 1. Increase Neighborhood Matching Grants:** The first priority for the Neighborhood Services budget would be to increase the Neighborhood Matching Grants above the 2010 level of \$615 per neighborhood. Staff is investigating two options for increasing the Neighborhood Matching Grants (equal and per capita distributions).

Option 1: Equal grants (\$1,200/year). This option gives all of the neighborhoods more money. Equal grants reward any neighborhood who accomplishes Matching Grant objectives. Option 1 recognizes that small neighborhoods (with less population) can accomplish as much as larger neighborhoods. This option does not address the annexation area concerns about the cost of administering large neighborhoods that may result after neighborhood boundaries are established.

Option 2: Per capita grants (ranging from \$615 to over \$2,300/year). This option assumes costs for neighborhood activities and events are linked to population size. For example, larger neighborhoods may need more meeting signs, mailings are more expensive, and picnics have the potential of costing more. Additionally, per capita grants provide more funding for neighborhoods with larger geographic size (as per capita correlates with geographic size). However, this option does not provide increased funding for smaller neighborhoods (even if they have very successful accomplishments). Adding more money could also reduce the incentive to leverage funds and draw upon other community resources.

With either option, an administrative change would be made to switch to a biennial Matching Grant contract. This would not only ease paperwork requirements for the neighborhoods but reduce staff overhead needed to administer the program.

- 2. Encourage new neighborhoods (in annexation areas) to apply for Neighborhood Matching Grants starting June 2011:** Staff is recommending the requirement for new neighborhoods to be in existence for more than six months be waived for the new neighborhoods in the annexation area. All the other requirements for eligibility of matching grants would apply for the new neighborhoods. See Attachment A for a list of grant requirements.

As an incentive to organize, staff is also recommending new neighborhoods be allowed to apply for the full 2011 plus 2012 grant, immediately in June of 2011 if all applicable requirements are met.

Predicting the number of new neighborhoods taking advantage of these incentives is very difficult especially before neighborhood boundaries are established. Therefore, Figure 1 shows a range of possible budget implications for each Matching Grant option. The maximum level is based upon the following assumptions: Finn Hill would have no more than three neighborhoods; Juanita would count as one; and Kingsgate would have no more than two neighborhoods. These boundary decisions do not have to be made before the budget for Neighborhood Services is finalized but would be needed before grant funds can be distributed.

- 3. Temporarily create a Citywide Neighborhood Connection Program process:** Without knowing how long the City's budget reductions will be in effect, the Neighborhood Connection Program could take 13 to 18 years to reach all of the neighborhoods. Therefore, staff is recommending the program temporarily become a citywide funding source for projects ready to go, demonstrating strong community support, and involving a high level of neighborhood participation. Again, this would be on a temporary basis until funding could be restored to the program.

There are many considerations with a citywide program. Some include:

- Funding criteria: project readiness; leveraged funding; volunteer effort; and widespread public benefit and support.
- Limiting the number of projects per neighborhood to ensure funds are distributed throughout the community.
- Setting maximum grant amounts (\$5,000 or \$10,000) to enable more projects to be done.
- Deciding who selects the projects (KAN, the Neighborhood Services Team, the City Manager and/or the City Council).

- 4. Purchase insurance for all neighborhoods:** Staff will investigate the possibility of using a portion of the funding to purchase an “umbrella” insurance policy for all neighborhood meetings, work parties, picnics, and special events. This step would streamline neighborhood picnic processing saving time for both staff and neighborhood picnic coordinators while providing additional security for all of their activities. \$3,500 is listed below as an insurance cost placeholder. Staff will research the feasibility and cost of this idea and adjust the Neighborhood Connection Program budget accordingly.

Staff will continue to work with the Kirkland Alliance of Neighborhoods (KAN) and new neighborhood leaders to develop a recommendation for City Council later this year.

Figure 1

Neighborhood Services Funding Options (Annualized)				Option 1	Option 2
	Population	% of Total	2010	Equal*	Per Capita*
Allocation					
Annual Matching Grant			\$7,995	\$7,995	\$7,995
Annexation Service Package				\$2,460	\$2,460
Neighborhood Connection			\$25,000	\$25,000	\$25,000
Total Allocation			\$32,995	\$35,455	\$35,455
Matching Grants					
Existing Neighborhoods					
Central Houghton	3,369	0.042	\$615	\$1,200	\$947
Everest**	1,317	0.016	\$615	\$1,200	\$615
Highlands	2,478	0.031	\$615	\$1,200	\$697
Lakeview	2,937	0.036	\$615	\$1,200	\$826
Market	2,203	0.027	\$615	\$1,200	\$619
Moss Bay	4,469	0.055	\$615	\$1,200	\$1,256
Norkirk	3,869	0.048	\$615	\$1,200	\$1,088
North Rose Hill	6,762	0.084	\$615	\$1,200	\$1,901
South Rose Hill	3,103	0.038	\$615	\$1,200	\$872
Bridle Trails	2,184	0.027	\$615	\$1,200	\$615
Totem Lake	3,073	0.038	\$615	\$1,200	\$864
South Juanita	8,395	0.104	\$615	\$1,200	\$2,360
North Juanita	4,017	0.050	\$615	\$1,200	\$1,129
Total Existing Neighborhoods	48,176	0.596	\$7,995	\$15,600	\$13,789
Remaining (Total Allocation less Existing Neighborhood Matching Grants)				\$19,855	\$21,666
Insurance Policy (placeholder)				\$3,500	\$3,500
Matching Grants for new neighborhoods (if all organize)				up to \$7,200	up to \$9,165
Neighborhood Connection Program (depending on new neighborhood grants)				\$9,155 to 16,385	\$9,001 to 18,166
Total Neighborhood Services				\$35,455	\$35,455
New Neighborhoods***					
Kingsgate	11,700	0.145			
North Juanita	5,600	0.069			
Finn Hill	15,300	0.189			
Total New Neighborhoods	32,600	0.404			
Total City					
				80,776	
* Distribution amounts subject to change based on final funding amount and distribution methods.					
** Everest is given an increase of \$241 to bring them to the minimum \$615 (per capita scenario).					
*** Based upon King County population figures for new neighborhoods.					

Attachment A

Neighborhood Connection Program: Neighborhoods become empowered to suggest improvements and help implement neighborhood solutions. The program provides funding to neighborhoods for roadway, sidewalk, landscaping or park improvements. The program helps build a sense of community and creates connections between City Hall and the neighborhood.

Since the program's inception, the program has addressed over 2,000 requests and completed over 85 small capital projects totaling \$900,000. The projects fall into the following categories:

\$167,000	Pedestrian improvements: asphalt walkways, gravel paths, sidewalk connections
\$160,000	Pedestrian crossings: sidewalk bump outs, traffic islands, flashing beacons, overhead signs
\$150,000	Park capital investments: playgrounds, gazebos, swings
\$102,000	Traffic calming: islands, street narrowing, and radar signs
\$82,000	Street lighting
\$65,000	Park major maintenance: resurfacing basketball courts, hoops and backboards, resurfacing trails
\$61,500	Art: sculptures (including "Save the Animals")
\$50,000	Benches: along city right of way
\$32,500	Park vegetation: removal of invasive plants and re-vegetating with native plants
\$30,000	Landscaping and street trees along public right of way

Neighborhood Matching Grant Program: Neighborhoods receive matching funds to support their neighborhood efforts on physical improvements, neighborhood identity projects, special events, leadership training, communications, and fostering active living. Applications of up to \$3,500 have historically been available to all neighborhoods; however with the economic downturn, matching grants have been reduced to \$615 per year, per neighborhood. To qualify to receive City neighborhood grant funding, a recognized Kirkland Neighborhood Association, the association must:

- be located in the City of Kirkland;
- have boundaries contiguous with Kirkland's Comprehensive Plan neighborhood designations;
- be incorporated as a non-profit, tax exempt organization with by-laws and a Board of Director;
- match the City's dollars with in-kind labor or donations;
- have a majority of the organization's members living or operating businesses in the neighborhood;
- not discriminate and must actively offer membership to all neighborhood residents; and
- be in existence for six months.

Over the years, the program has funded the following sample of projects:

Websites
Newsletters
Neighborhood Informational Kiosks
Work parties (in parks or along City right of way)
Benches
Neighborhood entry signs
Walkway improvements
Neighborhood picnics and parades
Neighborhood art