



MEMORANDUM

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

From: Lynn Zwaagstra, Director
Leslie R. Miller, Human Services Supervisor

Date: October 4, 2020

Subject: HUMAN SERVICES ISSUE PAPER

City of Kirkland Funding for Human Services

This issue paper focuses on human services grant funding, but to provide the appropriate context, staff has included a summary of the overall human services funding below that the City provides in the budget document. Funding for Human Services is incorporated into a variety of operating and non-operating budgets.

Program/Funding Source	2019-2020 Budget	2021-2022 Budget¹
Human Services Program grants (including CDBG) ²	2,497,847	2,577,838
Prop 1: Women and Family Shelter Operations	106,634	200,000
Prop 1: Mental Health and Human Services Programs	373,219	420,000
State HB 1406: Rental Assistance	0	423,336
Human Services Forum and Other Regional Programs	20,000	18,028
Human Services Coordination (including CDBG)	505,140	584,664
Prop 1: Mental Health and Human Services Program Coordination	-	280,000
Senior Center Operations	790,011	596,582
King County Alcohol Treatment Programs	46,700	48,000
A Regional Coalition for Housing (ARCH) ³	1,320,574	1,486,561
Community Youth Services Program/Teen Center ⁴	577,158	742,666
Rent Subsidy for Youth Eastside Services ⁵	78,000	78,000
Community Safety Initiative: 4 Community Safety Responders	0	1,430,494
Community Safety Initiative: MIH-Funded Firefighters/EMT and Social Worker	0	648,376
Domestic Violence Advocacy in the Police Department	904,742	996,089
Prop 1: Mental Health Professional and Neighborhood Resource Officer ⁶	180,000	240,000
Police School Resource Program (City-funded portion)	56,718	377,928
Prop 1: 4 SROs in Kirkland Middle Schools (City-funded portion)	672,528	755,856
Senior Discounts for Utility and Garbage Services	91,402	97,475
Kirkland Cares (assistance with utility bills from utilities customer donations)	6,450	6,450
Recreation Class Discounts	6,000	14,000
Total Human Services Funding	8,689,902	11,926,704

TOTAL SPENDING PER CAPITA 2019-2020: \$93.91

TOTAL SPENDING PER CAPITA 2021-2022: \$131.55

¹ As proposed in the City Manager's 2021-2022 budget.

² Additional Human Services funding approved by the Council is not included in these figures. The Council approved almost \$900,000 of CARES Act finding for Human Services needs, which is expected to be supplemented from additional CARES Act funds of up to \$300,000. All of these funds need to be obligated before the end of 2020.

³ 2019-20 ARCH funding reflects the base budget amount of \$234,550, ongoing funding of \$256,024 from Community Development Block Grants (CDBG), and one-time service package funding of \$830,000. In addition to these amounts, Affordable Housing in Lieu fees totaling \$3,711,000 are expected to be remitted to ARCH or directly invested in affordable housing in 2019-20 that are not reflected in the table above. The 2021-2022 Preliminary Budget includes the same funding elements with adjusted base budget (\$360,689) and CDBG (\$295,872) amounts.

⁴ 2021-22 Budget includes the full expenses of running the Kirkland Teen Union Building after the end of the YMCA contract.

⁵ Rent is waived completely; figure represents a conservative market rent equivalent.

⁶ 2019-20 funding only included one and a half years of proposed mental health response services from Prop 1. Two full years of services are incorporated in 2021-2022 Preliminary Budget.

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.

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 funding sources are described below and summarized in the table on the following page. The on-going annual base budget is \$969,237. In the last few years, the City of Kirkland has added several sources of funding streams to support human services for Kirkland residents.

Community Development Block Grant (CDBG)

Since it became a Joint Agreement City in the King County Urban Consortium in 2015, the City has been able to allocate part of its share of the public services funds from federal Community Development Block Grant (CDBG) program. These dollars serve as an additional revenue source that may not supplant any ongoing city funding. The estimated amount for 2021 is \$38,931.

Enhanced Police Services and Community Safety Ballot Measure (Prop 1)

In 2018 Kirkland voters approved a 0.1% public safety sales tax that provided additional funding for police and human services initiatives, including enhanced police services, school

resource officers, a Mental Health Professional and a second Neighborhood Resource Officer, a gun safety program, operating support for the women and family shelters, and human services funding to address mental health needs, domestic violence and suicide prevention for youth. The funding available to support human services grants for 2021 is expected to be \$310,000 (\$100,000 for shelter operations and \$210,000 for grants).

State House Bill 1406

At its May 19, 2020 meeting, City Council passed Ordinance O-4727 establishing a local sales and use tax for affordable and supportive housing as allowed by Substitute House Bill 1406. The funds are restricted to benefit people with an income at or below 60 percent of King County median income. Revenues will be received for 20 years. The City Manager is recommending that these funds be utilized in 2021 and 2022 for rental assistance due to the impact of the COVID-19 pandemic on low income tenants. In future years the funds are likely to be allocated to Kirkland affordable housing efforts coordinated through A Regional Coalition for Housing (ARCH). The collection cap for the City of Kirkland in 2021 is estimated to be \$211,749.

Multi Family Tax Credit Agreement with Kirkland Sustainable (MFTE)

In the fall of 2019, the City entered into an agreement with Kirkland Sustainable Investments, LLC (KSI) to offer new affordable rental housing units and City (and other public sector) employee rental housing units in downtown Kirkland. Part of this agreement called for "the payment to the City of 65% of KSI's property tax savings for use by the City to invest in low-income housing programs and in support of the Eastside Women and Family Shelter." For the first three years of this agreement the City is supporting housing navigators and client move-in assistance to families and women staying at the new Kirkland Place for Families and Women. The amount in 2021 is expected to be \$38,862.

The total funding proposed in the City Manager's budget for 2021 and 2022 is \$3,197,838 (\$1,598,919 per year).

The following table provides overall approved funding amounts made available for grants since 2013.

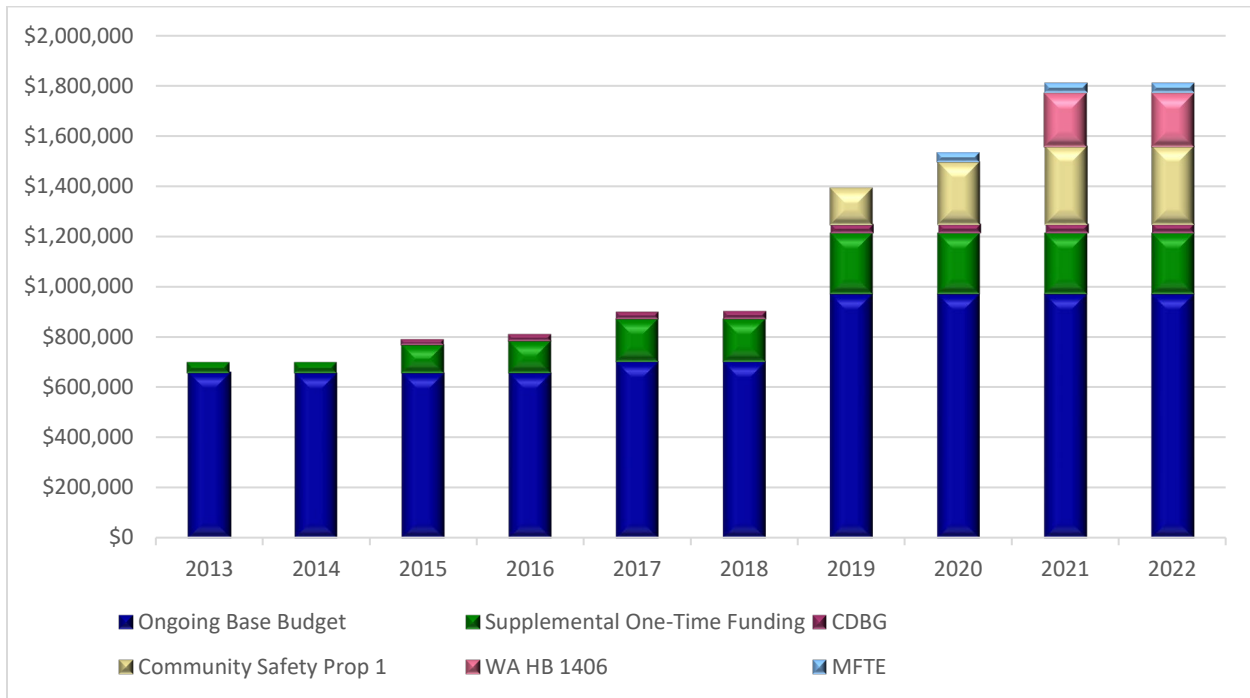
City of Kirkland Funding for Human Services Grants 2013 – 2022

Year	Population	Ongoing Base Budget	Supplemental One-time Funding	CDBG	Community Safety Prop 1	WA HB 1406	MFTE	Total Funding	Per Capita
2013	81,730	\$656,944	\$44,814	\$0	\$0		\$0	\$701,758	\$8.59
2014	82,590	\$656,944	\$44,814	\$0	\$0		\$0	\$701,758	\$8.49
2015	83,460	\$656,944	\$114,679	\$24,470	\$0		\$0	\$796,093	\$9.54
2016	84,680	\$656,944	\$129,679	\$29,892	\$0		\$0	\$816,515	\$9.64
2017	86,080	\$701,758	\$171,149	\$30,691	\$0		\$0	\$903,598	\$10.50
2018	87,240	\$701,758	\$171,149	\$33,687	\$0		\$0	\$906,594	\$10.39
2019	88,940	\$969,237	\$241,889	\$36,664	\$148,818		\$0	\$1,396,608	\$16.01
2020	90,660	\$969,237	\$241,889	\$38,931	\$248,818		\$38,862	\$1,537,737	\$16.96
2021	90,660	\$969,237	\$241,889	\$38,931	\$310,000	\$211,668	\$38,862	\$1,810,587 ¹	\$19.97
2022	90,660	\$969,237	\$241,889	\$38,931	\$310,000	\$211,668	\$38,862	\$1,810,587 ¹	\$19.97

¹ As proposed in the City Manager's 2021-2022 budget

Kirkland’s total funding amount for human services grants has increased annually, as shown in the chart on the next page.

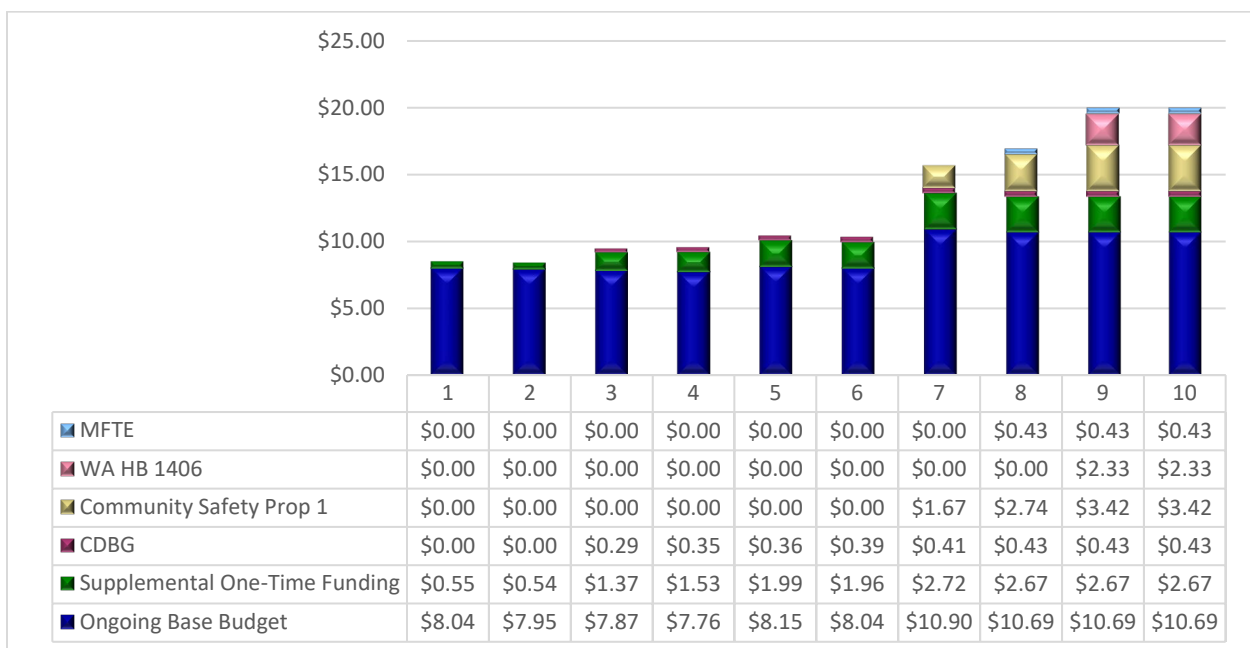
City of Kirkland’s Total Human Services Grant Funding since 2013



Note: 2021 and 2022 as proposed

Below is an expression of grant funding level by a per capita measurement.

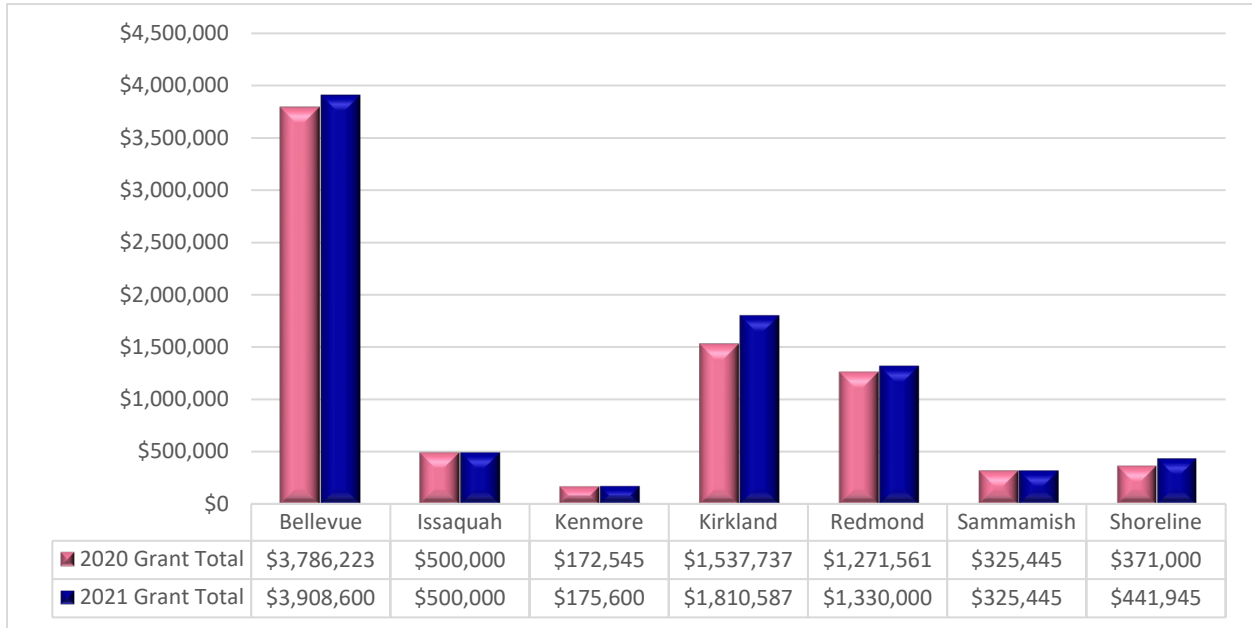
City of Kirkland’s Annual Human Services Grants Per Capita Allocation Since 2013



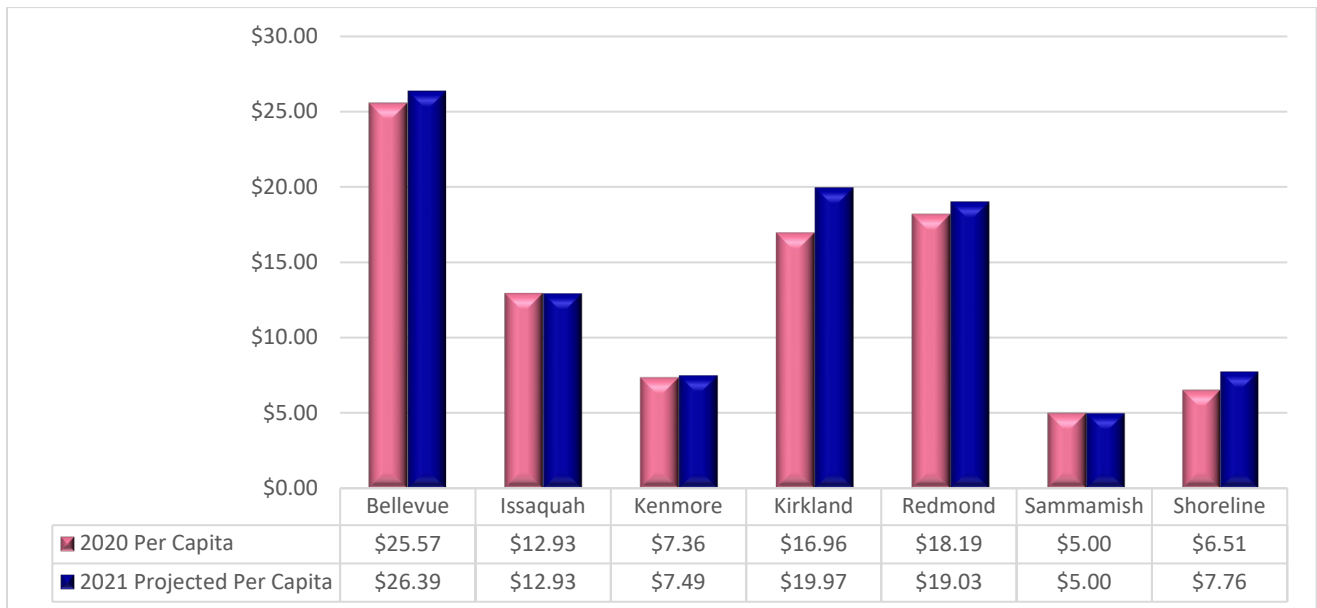
Comparison with Neighboring Cities

The charts below provide a comparison of Kirkland and neighboring cities funding allocations for human services grants by total of dollars and by a per capita basis. The 2020 numbers are actual dollars and the 2021 numbers are the projected totals.

**Human Services Grant Funding Totals for 2020 & 2021
for North and East King County Cities**



**Human Services Grant Funding on a Per Capita for 2020 & 2021
for North and East King County Cities**



The economic disruption due to COVID-19, 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 residents with unmet basic needs. These trends are reflected in the number and total amount of requests for funding from the many agencies serving Kirkland residents. The City received 99 applications with requests for \$4,741,854 for the upcoming biennium (\$2,370,927 annually).

Comparison of Funds Requested to Funds Available since 2013

Budget Period	Kirkland Funds Requested	Kirkland Funds Available	Percentage of Requests Funded
2013-14	\$1,794,000	\$1,403,516	78.2%
2015-16	\$2,354,298	\$1,597,608 ¹	67.9%
2017-18	\$2,848,644	\$1,810,192 ¹	63.5%
2019-20	\$4,080,740	\$2,934,345 ²	71.9%
2021-22	\$4,741,854	\$3,197,838 ³	67.4%

¹ Includes CDBG

² Includes CDBG and Prop 1 funding

³ Includes CDBG and Prop 1 funding; as requested and proposed in 2021-2022

Human Services Commission Update

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 was limited to this purpose. In 2018, the City Council established a Human Services Commission like those in Bellevue, Issaquah, Redmond, and Sammamish. The Commission meets regularly to stay well versed in the community needs, available community programs and the impact of these programs. In addition, the Commission is available to provide additional policy guidance to Council and staff.

The City Council charged the commission with using their knowledge to create a defined strategy to meet specified high priority needs in the Kirkland community. According to this guidance, the Commission provided recommended priority areas for the 2019-2020 grant awards as well as a proposed significant increase in the level of funding for grants. The City Council accepted the priority areas and fully funded the Commission's recommendations.

While the Human Services Commission went on hiatus for much of 2020 due to the need for staff to redirect its attention to the COVID-19 pandemic response, the Commission provided valuable input this summer to the 2021-2022 grant recommendations. Commission members are eager to return to meeting monthly in 2021.

Like other official City advisory boards and commissions, the Human Services Commission has required staff support from the Parks and Community Services Department. A service package for one-time funding was approved for 2017-2018 and 2019-2020. Correspondingly, a service package has again been submitted for 2021-2022 funding to support the Human Services Commission and the growing grant program. The City Manager is recommending this support as outlined below.

Recommended Human Services Staff Support

The Human Services Element of the City's Comprehensive Plan calls for the City to create a community in which all members are able to meet their basic physical, economic and social needs, and the opportunity to enhance their quality of life. The City serves as facilitator and coordinator in addition to funder to meet this goal. City staff in the human services division are directed in the plan to do the following:

1. Regularly assess local human service needs and provide leadership in the development of services to address newly identified needs.
2. Promote community awareness of human service needs, the resources available to meet those needs and the gaps in services.
3. Provide funding for local nonprofit organizations serving the needs of Kirkland residents.
4. Maintain and support a Human Services Commission.
5. Commit Community Development Block Grant Funds (CDBG) to affordable housing and house repairs for low- and moderate-income residents.
6. Participate and provide leadership in local and regional human service efforts.
7. Encourage the development of partnerships among the City, schools, human services providers and others, to address the needs of children and families within the school setting.
8. Ensure human service programs are available and financially accessible.
9. Prior to adoption, consider impacts to human services of any proposed legislation, including City codes and regulations.
10. Administer community donation programs.

In order to fulfill the Comprehensive Plan, the Parks & Community Services Department and the City Manager are recommending reclassifying the human services' administrative position to a higher-level coordinator position and adding an additional coordinator position using some of the Prop 1 enhanced community safety sales tax funds. These two positions, in addition to the current supervisor and youth services coordinator will allow the human services division to more fully and meaningfully meet the community's human services needs.

Current Human Services Team	Proposed Human Services Team
Human Services Supervisor	Human Services Supervisor
Youth Services Coordinator	Human & Youth Services Coordinator
Senior Office Specialist	Human Services Equity Coordinator
	Human Services Well Being Coordinator

Each position would share the responsibilities of grant management, supporting the Human Services Commission, supporting the Council and city staff, and regional coordination. Each position would focus their work on one of the following four goal areas:

#1 Equitable Delivery of Human Services for Residents

- Residents have access to human services programs that serve them effectively, whether they are a person of color or white, and access to the data that shows program outcomes disaggregated by race (R-5434).
- Residents who have often been denied opportunities to thrive because of structural racism have access to human services programs that support them.

- Residents have knowledge of human services programs available to meet their human services needs.

What is required:

- Collaboration with other funders and service providers to document program outcome metrics by race.
- Development of and support for programming for residents whose opportunities have been limited by racism. This needs to be done in collaboration with community members.
- Development of meaningful connections and relationships to ensure that those most in need of human services know about services that exist.

#2 An Emotionally Resilient Community

- Residents have access to programs that improve their ability to cope with the ongoing stresses of life as well as trauma they have experienced. Residents wellbeing will improve, with a corresponding decrease in substance use, anxiety, depression, suicide and domestic violence.

What is required:

- Collaboration between human services providers, the City, the school district, the hospital and community organizations to ensure that residents have meaningful access to needed supports.
- The City provide educational opportunities to supplement gaps in services.

#3 A Community in Stable Housing

- Residents who have lost housing are safe and have assistance with finding housing.
- Residents who are struggling to remain housed have access to legal, financial and case management services needed to do so.

What is required:

- Advocacy for sufficient funding for Eastside homeless prevention and homeless services.
- Collaboration between the police department, service providers and human services staff to make sure that all unhoused people receive appropriate assistance.
- Convene providers of services for those unstably housed to ensure best practices are followed.

#4 A Supported Youth Population

- Kirkland's youth have opportunities to meet their potential, feel welcomed and included in the community and to have opportunities to contribute to its vibrancy.

What is required:

- Create opportunities for young people to advise the city on issues of special concern to them and supported participation in the city's community engagement processes.
- Provide the infrastructure needed for a teen center
- Provide connections for youth to the community

- Provide access to information and services for Kirkland youth
- Promote healthy lifestyles
- Offer positive opportunities to connect with the justice system, such as Teen Traffic Court

The above outcomes address priorities identified by the City Council, the community, and the Human Services Commission as outlined in recent Council work plans and discussions, the creation and passage of the 2018 Enhanced Police and Community Safety Ballot Measure, the City's Comprehensive Plan and Resolutions R-5240 and R-5434.

The increased investment in both the human services grant program and the coordination of human services recommended in the City Manager's Preliminary 2021-2022 budget recognizes the significant needs of Kirkland residents and takes a significant step forward in addressing those needs.