



UTILITIES RATE RELIEF PROGRAM REVIEW

10/08/2018

Council Meeting

Nav Otal,
Utilities Director

AGENDA

- Review current Utility Rate Relief Program
- Present proposed program changes

UTILITY LOW INCOME RELIEF PROGRAMS

1. Utility Rate Relief Program

- 62 + years old OR permanently disabled OR home kidney dialysis
- Funded by utility rates

2. Utility Tax Relief Program

- No age or disability requirements
- Funded by General Fund

3. Solid Waste Rate Relief Program

- 62 + years old OR permanently disabled OR home kidney dialysis
- Funded by solid waste rates – administered by Republic Services

LEGAL AUTHORITY

State

- RCW 74.38.070 authorizes cities to provide assistance and reduce utilities rates for low income persons
- Article 8, Sec. 7 of the State Constitution permits "gifts" of public funds in "support of the poor or infirm"

City

- Rate Relief Program – BCC 24.10.020 Utility Service Charges - Relief
- Tax Relief Program – BCC 4.10.055 - .070 Occupational Tax Relief

UTILITY RATE RELIEF PROGRAM

- 1,122 Customers Served in 2017
- Utility Bill: Single Family Residents (SFR) – 469 (42%)
- No Utility Bill: Multi Family Residents (MFR) – 653 (58%)
- Utility charges discounted by 40% or 75%
- Program cost ~ \$1M
- Program coverage ~ 20% of potentially eligible URR population

CUSTOMER STATISTICS

- 80% seniors; 20% persons w/disabilities
- Majority of the customers are:
 - Age: 70yrs +
 - HH Income: <\$30K
 - HH Size: 1-2 persons
 - Discount: 75%
 - Avg. Benefit: ~\$865/year or ~\$72/month

CUSTOMER OUTREACH

- Article in It's Your City and Park's Connection Booklet
- Program listed with KC Crisis Clinic
- Message in annual Utility bill and newsletter
- City website
- Workshops at City Hall and Mini City Hall
- Workshops at senior apartments
- Direct mail to previous participants
- COB staff referrals

BELLEVUE'S PROGRAM COMPARED TO NEIGHBORING CITIES

City	# Participants	All Low-Income	Seniors	Multifamily	Discount
Seattle	28,000	√	√	√	50%
Bellevue	1,122		√	√	75%
Renton	338		√		50%
Redmond	130		√		50%
Kirkland	129		√		50%
Issaquah	60		√		75%

PROPOSED PROGRAM CHANGES

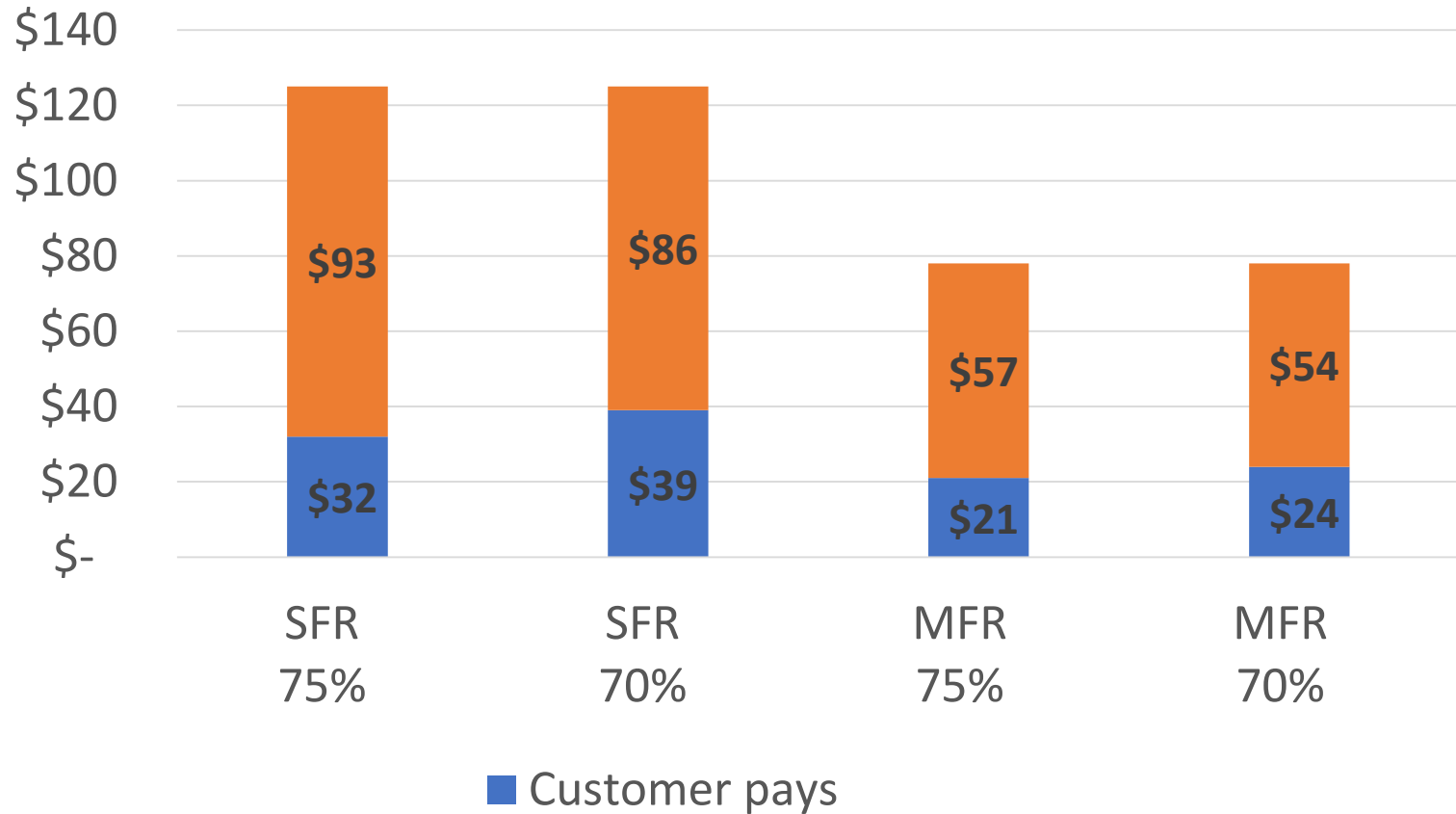
Streamline the current program

- Uniform discount of 70%
- Discount based on core level of service
- Qualifications review every 2 years

Offer a new program

- Emergency Assistance Program

MONTHLY BILL IMPACT



EMERGENCY ASSISTANCE PROGRAM

- Helps to avoid utility service disconnection
- Emergency relief for temporary financial crisis
- No age or disability requirement
- Relief for up to 4 months
- Eligible every 3 years
- Funded by savings from proposed program changes

➤ Program not intended for ongoing discount to low income residents

CODE CHANGES

- Implement program changes
- Update income benchmark and align income review period

COUNCIL DIRECTION NEEDED

Modify the current URR program as recommended:

- Uniform discount of 70%
- Qualifications review every 2 years
- Introduce new Emergency Assistance Program

➤ Environmental Services Commission recommends program changes