

CITY COUNCIL STUDY SESSION

Briefing on King County Best Starts for Kids Levy Renewal

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DIRECTION NEEDED FROM COUNCIL**INFORMATION
ONLY**

No action is required; this is an informational briefing. King County Executive Dow Constantine has proposed and the King County Council is considering placing a property tax measure on the August ballot that would renew the Best Starts for Kids (BSK) Levy. Tonight's briefing includes a presentation from King County Department of Community and Human Services staff Leo Flor and Sheila Capestany. Staff will provide an overview of the proposed renewal levy and the prevention-focused programs that would be funded by the levy if it is approved by King County voters.

No action is required by Council tonight. This briefing is informational and an opportunity to learn about the proposed levy renewal and provide feedback to staff.

RECOMMENDATION

N/A

BACKGROUND & ANALYSIS**Background and Highlights—2016-2021 BSK Levy**

The BSK levy was approved by King County voters in 2015 and expires at the end of this year. King County is proposing a renewal levy to continue the work of the original levy. Emerging neuroscience demonstrated that the first five years are critical for brain development, and as brain development (including regions of the brain that govern self-regulation and impulse control) continues through the teen-age years. The idea behind the BSK levy is to strengthen early development, invest in programs to support key developmental milestones, and help create healthy communities that will support youth and families.

The premise is that by investing in prevention and early intervention, more costly future problems can be prevented, e.g., substance abuse, mental illness, chronic disease, incarceration, and other involvement with the criminal justice system. King County spends approximately 75 percent of its General Fund budget supporting the law and justice system, and many cities devote a similar percentage of their General Fund budgets to public safety. One goal of the levy is to invest early in the health and wellbeing of children instead of waiting until there is a crisis.

2016 Levy Fund Allocations: The measure approved by voters in 2015 directed that \$19 million of the proceeds from the first year of the levy be set aside to fund the Youth and Family Homelessness Prevention Initiative. The remaining proceeds were to be disbursed as follows:

- **50 percent for the Invest Early Allocation:** focusing on children ages 0 to 5 and families to support healthy child development and family well-being.
- **35 percent for the Sustain the Gain Allocation:** focusing on supporting positive development for children and young people ages 5 to 24 as they progress into adulthood.
- **10 percent for the Communities Matter Allocation—Communities of Opportunity:** focusing on strategies to create safe and healthy communities, building on a partnership between the County and The Seattle Foundation on Communities of Opportunity, which is based on the latest research regarding the impact of place on individual and population health and well-being outcomes. This includes local community supports in building their own capacity to create positive change.
- **5 percent for the Outcomes-Focused and Data-Driven Allocation:** Supporting evaluation, data collection and improving the delivery of services and programs under the levy.

Implementation Plan: In 2016 the King County Council adopted the BSK Levy implementation plan to provide guidance on the goals, investments, and implementation steps for the levy. The plan outlined the goals for the 2016-2021 levy as follows:

- Babies are born healthy and provided with a strong foundation for lifelong health and well-being.
- King County is a place where everyone has equitable opportunities to be safe and healthy as they progress through childhood, building academic and life skills to be thriving members of their communities.
- Communities offer safe, welcoming, and healthy environments that help improve outcomes for all of King County's Children and families, regardless of where they live.

Levy Oversight: The BSK Levy is overseen by the Children and Youth Advisory Board (CYAB). This group has dual responsibilities tied to the BSK Levy, the Youth Action Plan, and the Communities of Opportunity-BSK Advisory Board. Bellevue Parks and Community Services staff member Helena Stephens represents Bellevue on the CYAB. These groups play an integral role in monitoring progress of service and program implementation, partnering with the County to ensure BSK investments are consistent with levy requirements, are effective and transparent to the public.

Five Year Highlights: The existing BSK Levy has funded nearly 600 programs and served more than 500,000 children, youth, young adults, and families in King County with community-driven programming since 2016. Included below are highlights from each investment area:

Invest Early Highlights: These programs served approximately 377,000 children, youth, and families in the first five years of the levy. Many programs intentionally expanded services to reach communities that have historically lacked access to health and early learning services.

Sustain the Gain Highlights: The BSK Levy served approximately 40,000 youth in this strategy area. These programs empowered youth; promoted social-emotional development, positive identity, health, academics, and employability; and provided safe and healthy spaces for youth to connect with peers and supportive adults in and out of school.

Communities of Opportunity (COO) Highlights: From 2018 through June 2020, BSK's COO invested in community-led initiatives to change policies and conditions in communities through collaboration with over 150 organizations to create more than 241 new community partnerships and build the skills and capacity of approximately 2,500 people serving in leadership positions.

Youth and Family Homelessness Prevention Highlights: Of the more than 9,200 youth and families served by the program, 90 percent did not enter the homeless system while enrolled in the program and 92 percent of those completing the program remained housed one year after leaving.

Performance Measurement and Evaluation Highlights: BSK evaluators held nine community meetings, called "data dives", with families and service providers. Members of specific communities provided thoughts, context, and analysis regarding the data COW Meeting Materials Page 13 April 7, 2021 collected from their community. Participant communities included: Black/African American, American Indian/Alaska Native, Chinese American, Latinx, Lesbian/Gay/Bisexual/Trans/Queer/Two Spirit, Samoan, Somali American and Vietnamese American.

To address the significant lack of data on young children in King County, BSK created the BSK Health Survey, implemented biennially beginning in 2017. The survey focuses on questions about the health, well-being, strengths, and needs of young children and their caregivers. This unique data set quantifies current needs and disparities as well as progress and helps guide BSK investments. The survey is available in six languages (Chinese, English, Russian, Somali, Spanish, and Vietnamese). Nearly 6,000 families have participated.

Technical Assistance and Capacity Building Highlights: In 2018, BSK created a technical assistance and capacity building (TA/CB) program, partnering with community-based consultants to provide support for a diversity of organizational functions that assist organizations to be stable and healthy and provide ongoing quality services. These functions included financial management, human resources, data system development, fundraising, board governance, and leadership. Through 2019, BSK provided more than 2,540 hours of technical assistance to 250 organizations. 40 percent of the organizations that received technical assistance had never applied for King County funding before – 62 percent of the organizations that received technical assistance were awarded for at least one application. The capacity building portion of the program started in late 2019. BSK supported more than 70 CBOs with intensive capacity building services in the first year.

2022-2027 Proposed BSK Levy Renewal

The Executive's proposal would create a new six-year levy covering 2022-2027 with an initial levy rate of \$0.19 per \$1,000 of assessed value (AV). The initial rate for the existing levy was \$0.14 per \$1,000

AV in 2016 with an annual three percent growth factor. If approved by voters, the renewal levy is projected to generate a total of about \$872 million over the life of the six-year levy based on the most recent revenue forecast. That compares with a total of nearly \$405 million for the existing levy. At the proposed rate of \$0.19 per \$1,000 AV, the owner of a home in Bellevue assessed at \$961,000, which is the median, would contribute \$182 per year for the BSK levy. In 2021, the existing amount for the average homeowner in Bellevue is approximately \$134 per year.

The proposed renewal levy would continue to provide funding for prevention and early intervention programs and services for children, youth, and young adults ages 0 to 24, as well as their families and their communities. Additionally, the renewal levy would expand to add funding for improved access to childcare in the County.

Proposed Levy Expenditures:

The amount necessary to pay for the cost of the election related to the renewal levy would be paid out of the levy's first year proceeds. After accounting for elections costs, the ordinance directs that the remaining levy proceeds shall be used to:

1. Promote improved health and well-being outcomes of children and youth, as well as the families and the communities in which they live, including, but not limited to:
 - ensuring adequate services and supports for pregnant persons and newborn children;
 - access to safe and healthy food; developmental screening for children and youth;
 - programs that care for children and youth when they are not at home including child care and out-of-school-time programs;
 - programs and services that promote a sense of belonging, connection and positive identity in children and youth; and,
 - programs and services that provide academic support and promote academic achievement.
2. Prevent and intervene early on negative outcomes, including, but not limited to:
 - poor birth outcomes, developmental delays, chronic disease, social emotional isolation, substance abuse, dropping out of school, homelessness, domestic violence and effects of systemic racism and incarceration.
3. Reduce inequities in outcomes for children and youth in the County.
4. Strengthen, improve, better coordinate, integrate and encourage innovation in health and human service systems and the agencies, organizations, and groups addressing the needs of children and youth, their families, and their communities.

Levy proceeds are to be disbursed to plan, provide, and administer the following:

- 50 percent for Invest Early strategies (ages 0-5)
- 37 percent for Sustain the Gain strategies (age 5 or older)

- 8 percent for Communities of Opportunity
- 5 percent for performance measurement, evaluation, and data collection.

The proposed ordinance states that the King County Children and Youth Advisory Board (CYAB) shall serve as the oversight and advisory board for the levy and its strategies, except for Communities of Opportunity, which will be governed by the COO-BSK Advisory Board if the levy is approved by voters. In addition, following voter approval of the levy renewal, the County Executive must transmit to Council by October 1, a BSK governance update report that describes and explains necessary and recommended changes to sections of the King County Code and applicable ordinances that describe the composition and duties of the CYAB and the COO-BSK Advisory Board.

The levy renewal legislation was referred to both the King County Council Committee of the Whole and the Regional Policy Committee (RPC). Bellevue Councilmember John Stokes serves on the RPC. The RPC received briefings on the proposal at its February and March regular meetings and at a special meeting on March 26 where the proposal was amended as follows:

Amendment 5B (sponsored by Committee members Bothell Councilmember James McNeal, County Councilmembers Rod Dembowski, Claudia Balducci, and Girmay Zahiray): Creates a capital grants program (up to \$50 million over the levy period, subject to total levy revenue projections of at least \$822 million) for facility/building repairs and expansion, and to support the construction of new buildings/facilities, that will serve children and youth. Program funding would be subject first to reduction if total levy revenue projections falls below \$872 million. The amendment identifies that buildings and facilities that serve children and youth shall include, but not be limited to, housing and childcare, early learning, and recreational facilities.

Program details to be described in the BSK Implementation Plan, as well as a policy for prioritizing capital investments in new buildings/facilities as compared to investments in existing buildings/facilities.

Amendment 6 (sponsored by Committee member Auburn Mayor Nancy Backus): Adds language (regarding eligible expenditures) on programs and services that promote “social and emotional well-being” and “mental health”. Also adds “mental health challenges” to the list of negative outcomes.

Amendment 7 (sponsored by Committee member Dembowski): Adds \$5 million to the \$235 million “First Allocation” for a total of at least \$240 million over the levy period and requires \$1 million annually go toward a grant program (to be described in the Implementation Plan) to support capacity building and developing infrastructure in areas lacking services/services infrastructure.

Amendment 8B (sponsored by Committee member Redmond Mayor Angela Birney): Directs the Implementation Plan to require annual reporting on levy expenditures, services and outcomes, including total expenditures of levy proceeds by program area by ZIP Code and the number of individuals receiving services by program area by ZIP Code where the individuals reside at the time of service.

(NOTE: This amendment is critical to obtaining information on where services funded by the renewal levy would be available and tracked. Due to the way information is categorized by County staff, it has been very difficult for cities to obtain information from the existing levy on where services are delivered in the County and other important information that would help ascertain how and where the funds are allocated and spent. RPC members representing cities have requested this information on many occasions throughout the life of the existing levy. This amendment should provide better data and information on funding if the renewal levy is approved by voters.)

Amendment 9 (sponsored by Committee member Seattle Councilmember Lisa Herbold): Requires the Executive in developing the Implementation Plan to ensure that residents throughout King County and in any city in the County can access levy-funded strategies provided by their city or in their community.

Next steps and key dates: The RPC adopted the amendments and approved sending the proposed ordinance to the King County Council Committee of the Whole (COW). On April 7, the COW took up the measure, made no further amendments and referred the ordinance for consideration to the next Regular Meeting of the County Council on April 20. If the full Council amends the legislation at that time, it will need to be re-referred to the RPC for its consideration before back to the full Council for possible final action.

The following are key dates by which the RPC and County Council must complete their respective review processes and the Council must pass legislation to place a renewal levy proposal on the August 3 countywide ballot.

- Last regular Council meeting with minimum processing time (10 days) is May 4.
- Last regular Council meeting to pass as emergency is May 11.
- Last special Council meeting to pass as an emergency is May 14.

The King County Elections Division deadline for receiving effective ordinance is May 14.

POLICY & FISCAL IMPACTS

The Executive's proposal would create a new six-year levy covering 2022-2027 with an initial levy rate of \$0.19 per \$1,000 of assessed value (AV). The initial rate for the existing levy was \$0.14 per \$1,000 AV in 2016 with an annual three percent growth factor. If approved by voters, the renewal levy is projected to generate a total of about \$872 million over the life of the six-year levy based on the most recent revenue forecast. That compares with a total of nearly \$405 million for the existing levy. At the proposed rate of \$0.19 per \$1,000 AV, the owner of a home in Bellevue assessed at \$961,000, which is the median, would contribute \$182 per year for the BSK levy. In 2021, the existing amount for the average homeowner in Bellevue is approximately \$134 per year.

Bellevue Human Services staff and staff from other cities have attempted to track which East King County agencies receive funding from Best Start for Kids Levy and the type of services that are provided. Obtaining this information has been challenging. Information staff can track is somewhat

fragmented and when an agency provides services in several parts of the County it does not specify where the recipients of the services reside.

The amendment to the BSK Renewal Levy ordinance noted earlier in this agenda memo would require the County to provide information on services and program funding by ZIP Code. Having this information is critical to transparency and understanding where the services are provided. Some information that Bellevue staff was able to gather regarding services on the Eastside include: Bellevue School District Collaborative, LifeWire, Youth Eastside Services, Kindering Center, Indian Association of Western Washington, Friends of Youth, International Community Health Service, Asian Counseling and Referral Service, Chinese Information and Service Center and Bellevue Schools Foundation.

OPTIONS

N/A

ATTACHMENTS & AVAILABLE DOCUMENTS

N/A

AVAILABLE IN COUNCIL LIBRARY

N/A