

***EXCERPT FROM***

**REPORT TO THE FINANCE COMMITTEE**

**of the**

**PALO ALTO CITY COUNCIL**

**on a**

**HUMAN NEEDS ASSESSMENT**

**with**

**SPECIAL EMPHASIS**

**on the**

**HUMAN SERVICES RESOURCE  
ALLOCATION PROGRAM (HSRAP)**

**by the**

**HUMAN RELATIONS COMMISSION**

**JUNE 19, 2012**

## Executive Summary

**Introduction:** What is the nature and extent of human services needs in Palo Alto, how well are they being met, and what potential service improvements may be needed? These are the main questions that this study—prepared by the Human Relations Commission in response to the interest of the Finance Committee of the City Council—set out to answer. At the center of this inquiry is the Human Service Resource Allocation Process (HSRAP) through which the City has been allocating funds since 1983. The current year's allocation is \$1,110,452 to fourteen nonprofits. While HSRAP is at the center, the Finance Committee was also interested in the larger context of which HSRAP is a part.

Allocations to HSRAP have declined since 2003. This has sharply reduced latitude in responding to new or growing needs and frustration in the service provider community. These, too, are factors motivating this study.

**Sources:** Our sources were results from 495 surveys, (from providers, recipients, and other residents), eight focus groups (reaching 100 service providers and recipients), interviews with 25 stakeholders (generally those who led agencies or programs), statistical, archival, and Web-based research, and inquiries put to professionals in the field. From these sources, we identified nine categories of human needs for further study. These were:

1. Childcare
2. Clothing
3. Disabilities
4. Domestic Violence and Elder Abuse
5. Food
6. Homelessness (including permanent and temporary housing and the assistance needed to get into and remain in housing)
7. Mental and Physical Health
8. Seniors
9. Transportation

**Community Profile:** The low-income population of Palo Alto is difficult to count but appears to number approximately 2,500 households below \$25,000 annual income and another 3,000 between \$25,000 and \$50,000; in total about 21 percent of total households. (There are approximately 26,000 households in the City.) The overall population is aging and the poverty rate is increasing in those over 65 for whom it now stands at 8.1 percent. Nearly 2,500 individuals received Medi-Cal coverage in January 2012. We estimate that HSRAP grantees touch the lives of roughly 7,000 Palo Altans of which about 3,000 are low-income.

**Other Communities:** Three near neighbors (Redwood City, Menlo Park, and Mountain View) and a few other cities were looked at. They were different from each other and from Palo Alto along many dimensions. All had human service programs but they took quite different forms.

**Other Santa Clara County Resources:** Some of the County's social services reach Palo Alto even though the bulk of the low-income population lives farther south. Among the benefits provided are grants to build low-income housing, support of adult mental health programs, food stamps, support to institutions assisting low-income and elderly individuals, and assistance to those with disabilities. Some counts of Palo Alto residents served appear in the report.

**Public-Private Partnerships Responding to Human Service Needs:** Municipal government-nonprofit provider relationships depend heavily on the experience, professional training, and judgment of those who lead them. This is nowhere more true than in responding to human needs. Numerous challenges influence the identification of needs (e.g., are they single or interrelated, short term or chronic; is the needed response preventive or reactive?). The same is true about meeting needs (e.g., one visit or a course of therapy, "cure" followed by relapse, broad reach or focused impact, helping a senior find a friend or caring for someone abandoned, providing a meal or stocking a larder). Identifying success presents its own problems (e.g., long term problems generally have long term solutions, formal research is ferociously expensive, client privacy must be honored); this leaves surveys, assessments by professionals, case manager evaluations, staff/board reviews of progress against goals, and similar tools heavily reliant on observation and judgment, and with limited potential for quantification.

What these challenges add up to is a hugely varied profile of needs and an array of nonprofits peopled by flexible professionals, trained staff, and volunteers who do their best to match that profile of needs. *These nonprofits are one of Palo Alto's greatest resources in maintaining a caring community.*

As public and private agencies search for a new equilibrium of shared responsibility for human needs, the public sector has a special role. It sees things whole. Where private funds and nonprofit organizations can focus on particular needs and aims, the public sector is the partner with the biggest signature on the social contract. It needs to step into gaps and sew up holes in the safety net, be alert to where problems originate, and make the social investments that improve future possibilities.

**The Nine Categories:** The largest single section of this report describes the categories of need and fills in the substance. Each category is organized as follows: definition, needs, providers, interrelations, and gaps.

**Recommendations:** The six recommendations that conclude this report take six pages. This one-page summary captures their essence, but they should be read in full in the report. The full version of each recommendation includes a rationale.

- 1. Funding**

We recommend that the HSRAP total of \$1,110,452 be augmented by 5 percent annually until it reaches \$1,500,000 in approximately 6 years and thereafter by inflation. At that level, it would approximate 1.0 percent of the City's General

Funds budget which we recommend as an aspirational commitment of the City to human needs funding.

We also present one *alternative recommendation* if our principal recommendation is not approved:

*Alternative recommendation #1:* If HSRAP receives no funding increase, we recommend that for the next five years all continuing grants above \$10,000 will, at the expiration of present contracts and if renewed, be subject to a 3 - 5 percent annual reduction, with the freed funds made available for new programs and new agencies. (The precise percentage will depend on conditions at the time.) Where HSRAP funding triggers matching revenue, affected agencies can apply for an exception to a reduction in order to maintain such revenue.

**2. Coordination and Collaboration**

We recommend that the Council, in partnership with the HRC, convene a collaborative to meet at least semi-annually. Its membership would include representatives of nonprofits, pertinent City departments, the PAUSD, the faith community, and possibly others. Its role would be to advise the HRC and the City's Office of Human Service (OHS) on the current state of basic needs, the efficacy of the social safety net, increased cooperation among providers, and other measures to increase the potency of the City and nonprofit community in helping meet human needs.

**3. Basic Needs, Low-income, and Quality of Life Criteria: the influence of each regarding HSRAP emphases:**

We recommend that HSRAP be focused primarily on meeting basic needs, serving low-income residents, and to a lesser extent benefiting agencies or projects that make no economic distinctions among beneficiaries. In this latter category might be grantees that bring a distinctive strength to or meet a critical need of the community.

**4. Simplify the HSRAP Application Process:**

We recommend that the HSRAP application process be pared down to essentials and enable multi-year grants.

**5. Transportation:**

We recommend that the Planning and Transportation Commission study the relationship of transportation needed to better connect residents to human services and, working with the HRC, the VTA, and the Transportation Division of the City's Department of Planning and Community Environment, that it propose an action plan that will make transportation integral to the social safety net.

**6. Recommendations related to findings, by category of need:**

The recommendations in this category take the form of guidelines to focus attention in the future.

*Children and Youth:* We recommend continuing attention to the needs of children and youth at the lower income levels to assure they get the best possible start in life.

*Clothing:* We recommend having the current providers continue clothing services and that HSRAP remain open to the work of other agencies responding to this basic need.

*Disability:* We recommend continued consideration within HSRAP of disability services to those at lower income levels.

*Domestic Violence and Elder Abuse:* We recommend that more systematic attention to this issue become an objective of the coalition of service providers in recommendation #2 and that consideration of future HSRAP funds be given to responsive services.

*Food:* We recommend that HSRAP remain open to the needs of agencies responding to this basic need.

*Homelessness (including permanent and temporary housing and the assistance needed to get into and remain in housing):* We recommend improved coordination and increased case-management resources coupled with strategically placed additional funding to continue and increase gains in this area.

*Mental and Physical Health:* We recommend that the coordinating body proposed above (see recommendation #2) take as one of its early projects the identification of healthcare initiatives that can improve the lives of low-income Palo Altans who have health issues and, as a collateral benefit, increase the effectiveness of other social support mechanisms.

*Seniors:* We recommend giving special attention to providing facilities, particularly in the exploration of a renewed community service center at the Cubberley site, for senior programs and services. With increased programs and services would come increased operating costs. Accordingly, we recommend increased collaboration among the City, Avenidas, local foundations and philanthropists, and Foothill College to expand senior services as needed in our community.

*Transportation:* We have recommended (see recommendation #5) that the Planning and Transportation Commission and the HRC, along with appropriate city and nonprofit agencies, work together to study and make recommendations on how transportation can become more integral to the social safety net.