

Office of Sustainability & Environment

2025 & 2026 Proposed Budget Overview

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SEATTLE
CITY HALL

Seattle City Council Select Budget Committee



City of Seattle

Office of Sustainability & Environment (OSE)

Through Mayor Harrell's **One Seattle Climate Justice Agenda**, we are centering those most impacted by climate change to take bold action that meets the scale of the climate crisis.

OSE delivers lean, effective programs that advance climate and environmental justice, reduce carbon pollution, and grow healthy and resilient communities.

Building An
Equitable Clean
Energy Economy

Ensuring A Just
Transition Away
from Fossil Fuels

Investing in Healthy
& Resilient
Communities

2025-2026 Priorities

Building An Equitable Clean Energy Economy

- Clean Energy Workforce Development Program
- Clean Energy Apprenticeships
- Youth leadership in the Duwamish Valley

Ensuring A Just Transition Away from Fossil Fuels

- Building Emissions Performance Standards
- Clean Building Accelerator
- Seattle Clean Heat Program
- Municipal Energy and Emissions Program

Investing in Healthy & Resilient Communities

- Fresh Bucks healthy food benefits
- Environmental justice grantmaking
- Healthy Food in Schools
- Tree planting in low canopy industrial areas

Summary

In 2025-2026, the Office of Sustainability & Environment (OSE) will scale back funding for several community investments to help address the City's forecasted revenue shortfall, while **leveraging City investments with external funding for specific projects (\$30M+ in recent awards)**.

The 2025-2026 budget represents a 15% reduction from 2024.

TOTAL BUDGET (\$000s)	2024 Adopted	2025 Proposed	2026 Proposed
General Fund	\$7,260	\$8,361	\$8,743
Payroll Expense Tax Fund*	\$17,174	\$12,043	\$12,179
Other Funds	\$6,151	\$6,337	\$6,423
FTE	49.5	50.5	50.5

**2024 Adopted includes \$4M in one-time funding*

Align BEPS IT Solution Budget with Updated Costs

- This reduction recognizes estimated cost savings for Building Emissions Performance Standards (BEPs) technology solution
- Aligns OSE's budget with actual projected spending needs
- Ongoing budget is projected to be sufficient for actual costs

CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
Payroll Expense Tax Fund	(\$552)	(\$552)

Sunset Funding for Heavy Duty Electric Truck Incentives

- OSE’s pilot led to increased engagement and investment for Heavy Duty EV incentive programs.
- This work will transition to other public sector partners to implement similar programs with state and federal resources at a larger, regional scale.
- Funding that was already allocated for this pilot will continue to be deployed, focusing on drayage vehicles operating in Port adjacent communities in the Duwamish Valley.

CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
Payroll Expense Tax Fund	(\$900)	(\$900)

Consolidate Workforce and Small Business Investments in Duwamish Valley

- The 2025-2026 budget reduced funding used to support OSE's workforce development and small business assistance efforts in the Duwamish Valley
- Small business support will be consolidated with OED.
- OSE will maintain a focus in this neighborhood in OSE's aligned program areas, such as the Clean Energy Workforce Development Program and the Clean Building Accelerator, and through ongoing investments in Duwamish Valley Youth Leadership and Industrial Greening.

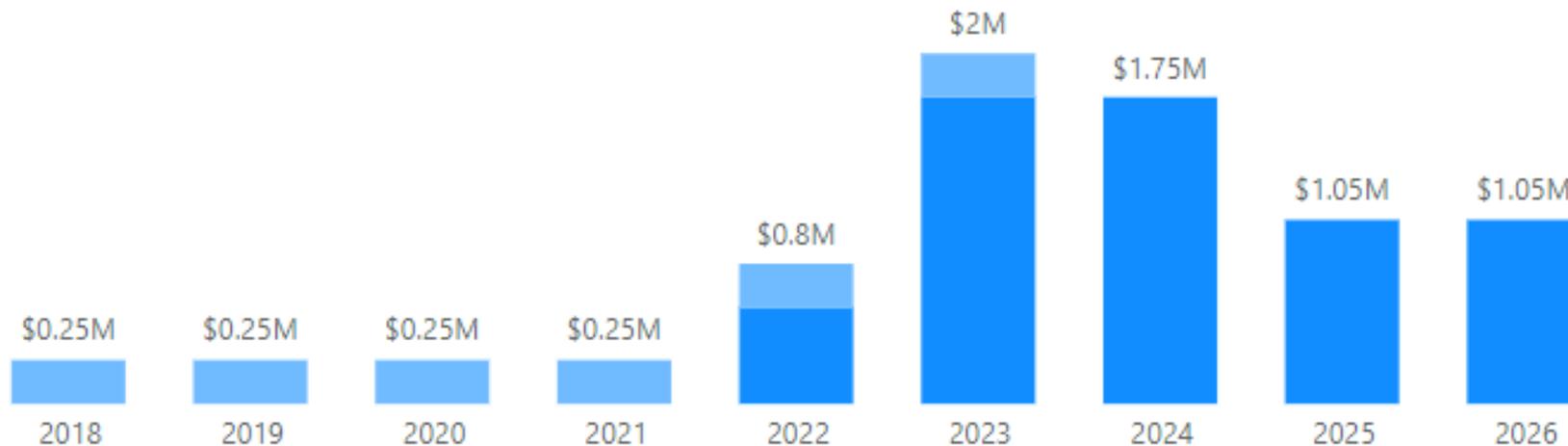
CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
Payroll Expense Tax Fund	(\$400)	(\$400)

Environmental Justice (EJ) Fund Changes

- The EJ Fund awards grants to community-led projects that improve environmental conditions and advance climate and environmental justice.
- The 2025-2026 proposed budget stabilizes the Environmental Justice Fund budget following the sunsetting of one-time funding.

Environmental Justice Fund Budget History

● Payroll Expense Tax ● General Fund



Environmental Justice (EJ) Fund Changes

- 1) Sunset one-time addition (\$1.2M reduction)**
2023 and 2024 budgets included one-time funding for the EJ fund
- 2) Restore ongoing EJ Fund baseline budget to continue programming (\$250k addition)**
Allows OSE to maintain the current program model
- 3) Consolidate the Duwamish River Opportunity Fund with the EJ Fund**
OSE will consolidate into one community grantmaking program focused on environmental and climate justice

NET CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
Payroll Expense Tax Fund	(\$950)	(\$950)

Questions?
