



SEATTLE CITY COUNCIL

Select Budget Committee

Agenda

Session I & Session II

Tuesday, September 30, 2025

9:30 AM

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Dan Strauss, Chair
Maritza Rivera, Vice-Chair
Joy Hollingsworth, Member
Debora Juarez, Member
Robert Kettle, Member
Sara Nelson, Member
Alexis Mercedes Rinck, Member
Rob Saka, Member
Mark Solomon, Member

Chair Info: 206-684-8806; Dan.Strauss@seattle.gov

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SEATTLE CITY COUNCIL
Select Budget Committee
Agenda
September 30, 2025 - 9:30 AM
Session I & Session II

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<https://www.seattle.gov/council/committees/2025-select-budget-committee>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Only written public comment will be accepted at this meeting. Please submit written comments no later than four business hours prior to the start of the meeting to ensure that they are distributed to Councilmembers prior to the meeting. Comments may be submitted at Council@seattle.gov or at Seattle City Hall, Attn: Council Public Comment, 600 4th Ave., Floor 2, Seattle, WA 98104. Business hours are considered 8 a.m. - 5 p.m. Comments received after that time will be distributed after the meeting to Councilmembers and included as part of the public record.

Please note that the Select Budget Committee may recess between Sessions I and II.

Department Overview Presentations

The City Budget Office (CBO) and City Department Directors present changes reflected in the Mayor's Proposed 2026 Budget.

Session I

A. Call To Order

B. Approval of the Agenda

C. Items of Business**1. Office of Housing (OH)**

Supporting Documents: [Presentation](#)

Briefing and Discussion

Presenters: Maiko Winkler-Chin, Director, Rebecca Guerra, and Kelli Larsen, OH; Dan Eder, Director, City Budget Office

2. Seattle Center (CEN)

Supporting Documents: [Presentation](#)

Briefing and Discussion

Presenters: Marshall Foster, Director, and Diamatris Winston, CEN; Dan Eder, Director, City Budget Office

3. Office of Economic Development (OED)

Supporting Documents: [Presentation](#)

Briefing and Discussion

Presenters: Markham McIntyre, Director, and Joe Regis, OED; Dan Eder, Director, City Budget Office

Session II

4. Office of Arts and Culture (ARTS)

Supporting
Documents: [Presentation](#)

Briefing and Discussion

Presenters: Gülgün Kayim, Director, and Kelly Davidson, ARTS; Dan Eder, Director, City Budget Office

5. Seattle Department of Construction and Inspections (SDCI)

Supporting
Documents: [Presentation](#)

Briefing and Discussion

Presenters: Kye Lee, Interim Director, and Shane Muchow, SDCI; Dan Eder, Director, City Budget Office

D. Adjournment



Legislation Text

File #: Inf 2743, **Version:** 1

Office of Housing (OH)

Office of Housing

2026 Proposed Budget Overview

Dan Eder, Director, City Budget Office

Maiko Winkler-Chin, Director, Office of Housing

Becky Guerra, Finance & Administration Director, Office of Housing

Kelli Larsen, Policy & Planning Director, Office of Housing

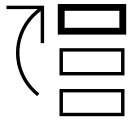
Seattle City Council Select Budget Committee
September 30, 2025



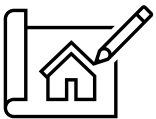
City of Seattle

Mayor Harrell's Housing Priorities

2026 Budget



Prioritize affordable housing and proven solutions to address homelessness.



Achieve Seattle Housing Levy unit production goals.

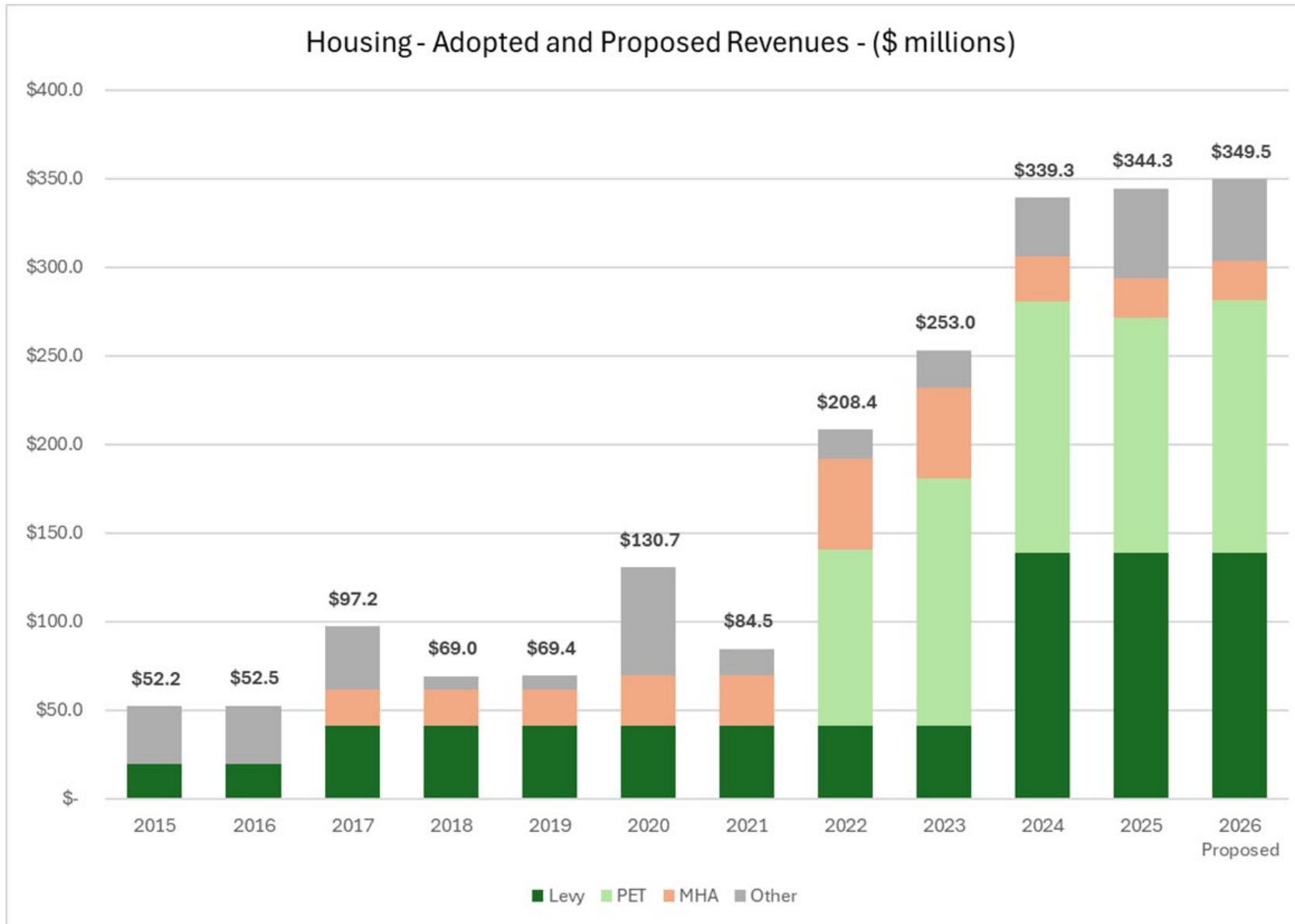


Support a stable, affordable housing sector and workforce.



Affirmatively further fair housing and advance the City's equity goals.

Record Investments in Housing



2026 Proposed Investments in Housing

- Mayor Harrell’s 2026 Proposed Budget includes record housing investments of more than **\$349 million**. This includes \$344 million in the OH budget and \$5 million in Finance General.
- The 2023 Housing Levy, Payroll Expense Tax, and other OH-specific funding sources are used to maintain core affordable housing services.

TOTAL BUDGET (\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed
General Fund	\$0	\$0	\$0
Payroll Expense Tax Fund	\$132,844	\$142,461	\$137,459
Other Funds	\$211,741	\$205,745	\$207,033
TOTAL	\$344,325	\$348,206	\$344,492
FTE	69	69	69

Budget Realignment

Shift \$5M of Multifamily Capital to Finance General for Northgate Project

- Of the 2026 Endorsed PET Budget for Multifamily capital, \$5M is shifted to Finance General in the 2026 Proposed Budget in order to support the Northgate Commons project.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	\$0	\$0	\$0	0%
Other Funds (PET)	\$80,622	\$81,954	\$76,399	(6.8%)

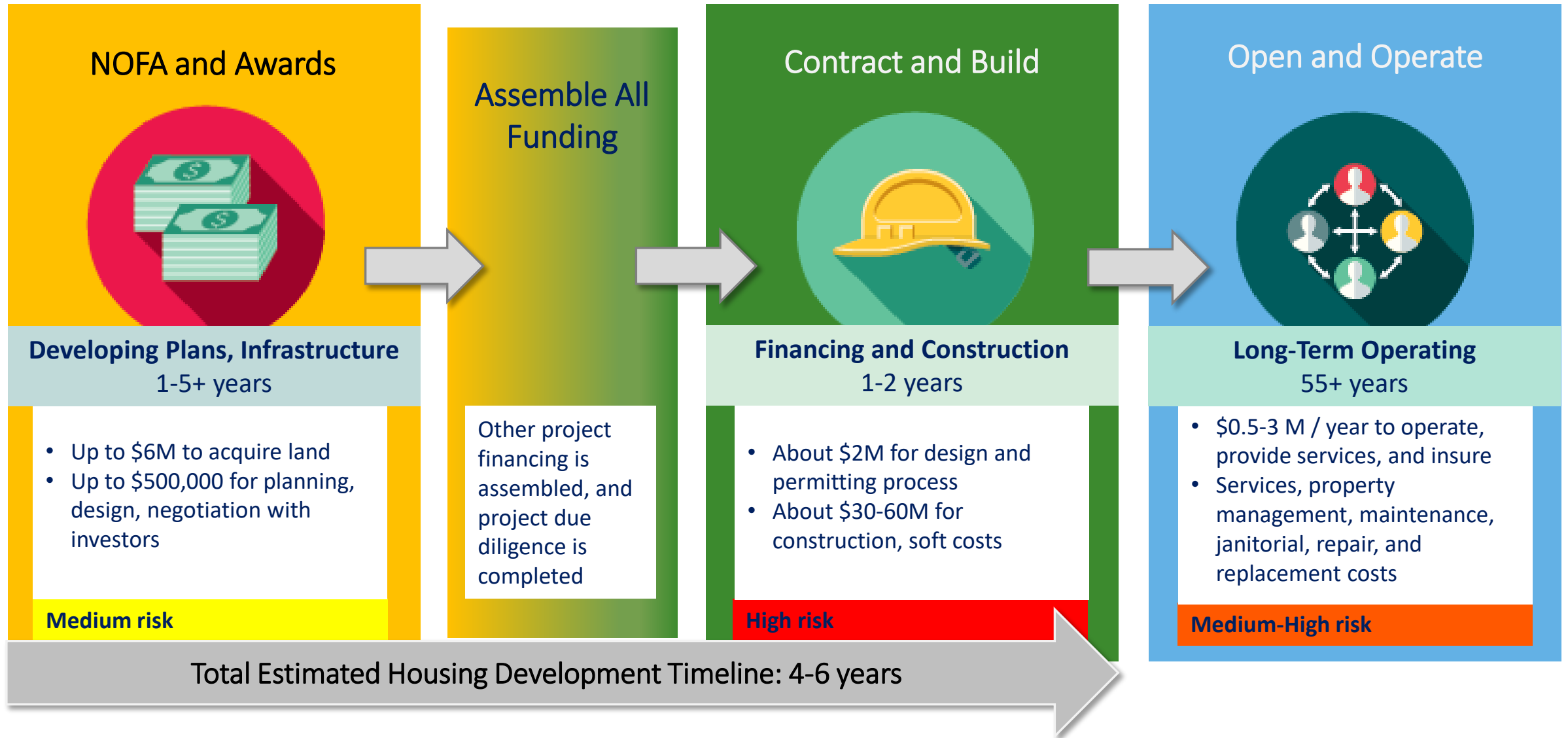
There are no significant additions to the Office of Housing's Budget from the 2026 Endorsed to the 2026 Proposed. As a reminder, the 2025 Adopted Budget included a Council add to restore \$3.4M to Homeownership capital in the 2026 Endorsed Budget, which is maintained in the Proposed.

Office of Housing Core Services

Investments maintain core services in rental housing production and preservation, homeowner programs, and OH's stewardship of public resources.

TOTAL BUDGET (\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed
Multifamily Rental Housing <i>Development and preservation of multifamily, rental housing & long-term stewardship and monitoring of housing.</i>	\$302,658	\$307,482	\$302,778
Homeownership & Sustainability <i>Homeownership loans & grants, health & safety home repairs, energy efficiency for low-income Seattle residents</i>	\$30,071	\$29,717	\$30,025
Leadership & Administration <i>Leadership, Planning & Policy, Contracting, Program Development, Financial Management, Administration</i>	\$11,595	\$11,008	\$11,689
TOTAL Budget	\$344,325	\$348,206	\$344,492

OH Rental Housing Lifecycle



Stages of OH Housing Development Cycle

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2020 OH Dollars	NOFA	AWARD	CONTRACT	BUILD	BUILD	OPEN	FINAL					
2021 OH Dollars		NOFA	AWARD	CONTRACT	BUILD	BUILD	OPEN	FINAL				
2022 OH Dollars			NOFA	AWARD	CONTRACT	BUILD	BUILD	OPEN	FINAL			
2023 OH Dollars				NOFA	AWARD	CONTRACT	BUILD	BUILD	OPEN	FINAL		
2024 OH Dollars					NOFA	AWARD	CONTRACT	BUILD	BUILD	OPEN	FINAL	
2025 OH Dollars						NOFA	AWARD	CONTRACT	BUILD	BUILD	OPEN	FINAL

1. NOFA Issued

NOFA

2. Awards Made

AWARD

3. Contracts Encumbered

CONTRACT

4. Construction Start

BUILD

5. Construction End

OPEN

6. Financing Close

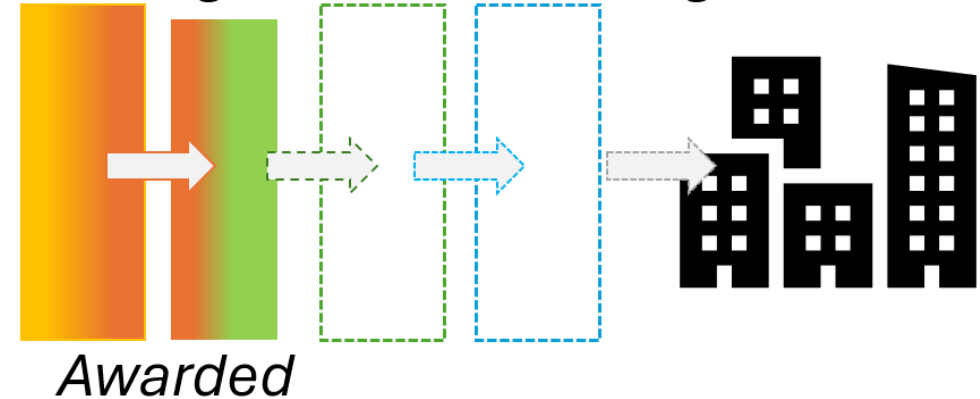
FINAL

OH Awarded Funding

Datapoints provided to Council

- Project Name and location
- Award amount
- Total Residential and Total Project Cost
- Units size and affordability
- Estimated timeline for funding draw down
- Anticipated completion

Housing Production Funding Timeline



Rental Housing: 1,041 new homes

Bellwether Housing – 58
Catholic Housing Services – 85
DESC – 120
El Centro de la Raza & Mercy Housing – 238
Low Income Housing Institute – 152
Mercy Housing Northwest – 112
Seattle Chinatown International District PDA – 70
SRM/Urban League – 114
TWG/Ethiopian Community of Seattle – 92

Homeownership: 143 new homes

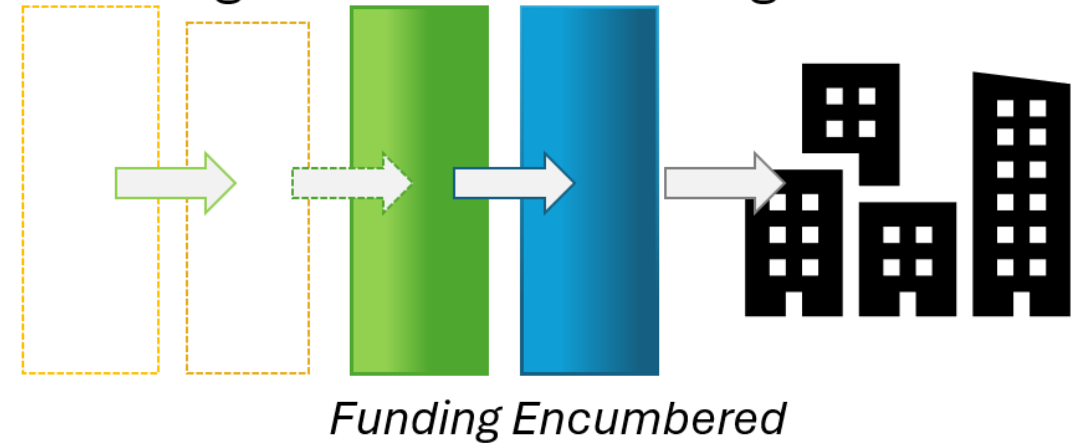
African Community Housing & Development & Habitat – 8
Frolic Community – 17
Habitat for Humanity – 68
Homestead Community Land Trust – 50

Projects In Process: Construction to Close-Out

Rental Housing: 3,706 new homes

Bridge Housing Corporation – 84
Chief Seattle Club – 87
Community Roots Housing – 390
DESC – 204
Edge Development – 70
El Centro de la Raza – 87
First AME Housing Corporation – 250
GMD Development LLC – 182
InterIm Community Development Association – 109
Low Income Housing Institute – 418
Mt. Baker Housing Association – 409
New Hope Community Development Institute – 87
Plymouth Housing Group – 204
Sea Mar Community Health Centers – 78
Seattle Chinatown International District PDA – 160
Seattle Housing Authority – 228
SRM & Urban League of Metropolitan Seattle – 207
VBC Madison – 73
WF Northhaven LLC – 89
YWCA Seattle King Snohomish – 290

Housing Production Funding Timeline



Homeownership: 300 new homes

African Community Housing & Development and Habitat – 65
Habitat for Humanity Development – 82
HomeSight – 68
Homestead Community Land Trust – 85

Looking Forward

Affirmatively further fair housing and advance the City's equity goals.

Redevelopment of Lake City Community Center, Fort Lawton, Mount Baker transit station, and South Park properties.

Reparations Housing Investments to support the communities most impacted and at risk of displacement remain rooted in place.

Achieve Seattle Housing Levy unit production goals.

Permanently affordable homeownership projects, such as Rainier Valley Affordable Homeownership Initiative sites.

Acquisition, preservation and new construction commitments for rental apartments, selected through annual and site-specific funding processes.

Support a stable, affordable housing sector and workforce.

Address affordable housing provider challenges through policy change and program funding opportunities for the preservation and stabilization of housing.



Legislation Text

File #: Inf 2744, **Version:** 1

Seattle Center (CEN)

Seattle Center

2026 Proposed Budget Overview

Seattle City Council Select Budget Committee



City of Seattle 18

Seattle Center – At A Glance

Our Mission: *We create exceptional events, experiences, and environments that delight and inspire the human spirit to build stronger communities.*

- **74-acre campus, 40-acre green space** – we are both a regional destination for events and a green space for growing neighborhoods (Uptown, Belltown, South Lake Union, Queen Anne)
- **11.5M annual visitors** – largest attendance for any destination in WA
- **An economic engine for the arts** – \$1.86B in area business activity, 18,621 jobs and \$631M in labor income
- **Home to 35 independent organizations** – arts, culture sports and entertainment come together to form one community
- **Largely self-funded** – we generate revenue to cover 70% of our expenses
- **230+ full-time staff** and hundreds of part-time event staff in all aspects of campus and waterfront operations.

Seattle Center Priorities

Build On Recent Successes



Expand Into Partnerships

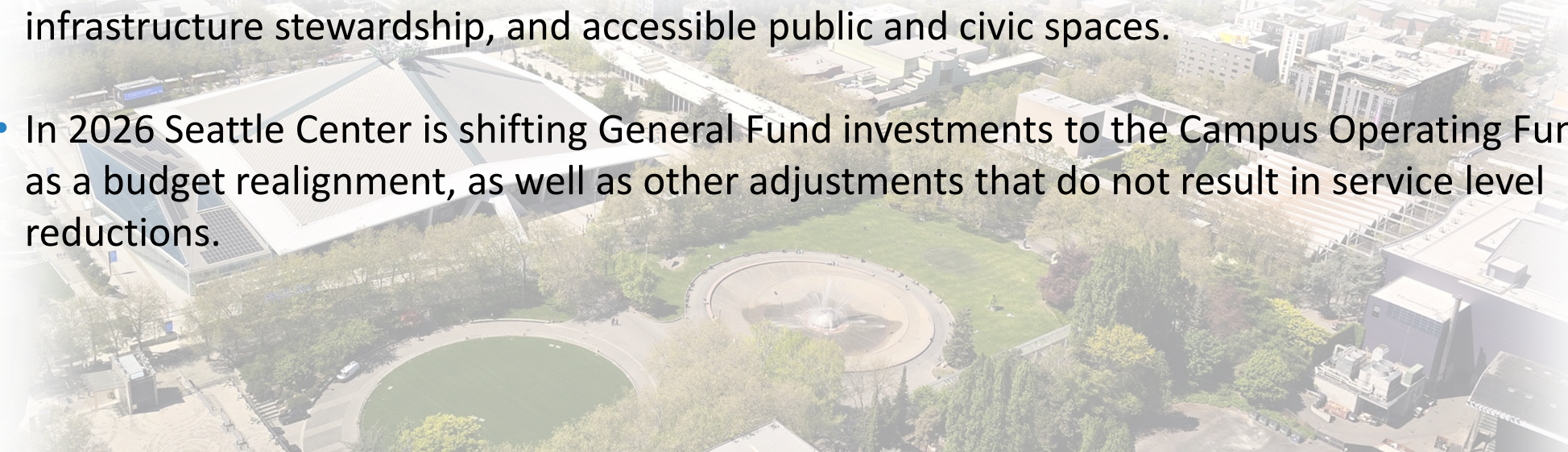


Shape Seattle Center's Future



Summary

- Seattle Center's 2026 budget directly supports the City's commitments to public safety, infrastructure stewardship, and accessible public and civic spaces.
- In 2026 Seattle Center is shifting General Fund investments to the Campus Operating Fund as a budget realignment, as well as other adjustments that do not result in service level reductions.



TOTAL BUDGET (\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed
General Fund	\$17,263	\$18,253	\$17,583
Other Funds	\$38,413	\$39,972	\$41,470
FTE	257.93	257.93	259.93

Budget Realignment

General Fund Realignment

- \$500,000 of General Fund expenditures will shift to the Campus Operating Fund as a budget realignment. No service level reduction is expected.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	\$500	\$500	(\$500)	



Significant Additions

Increase Budget for Pedestrian Safety Barriers

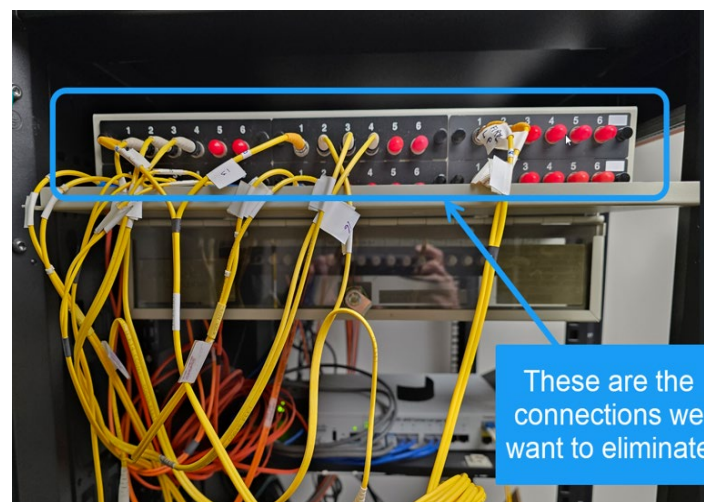
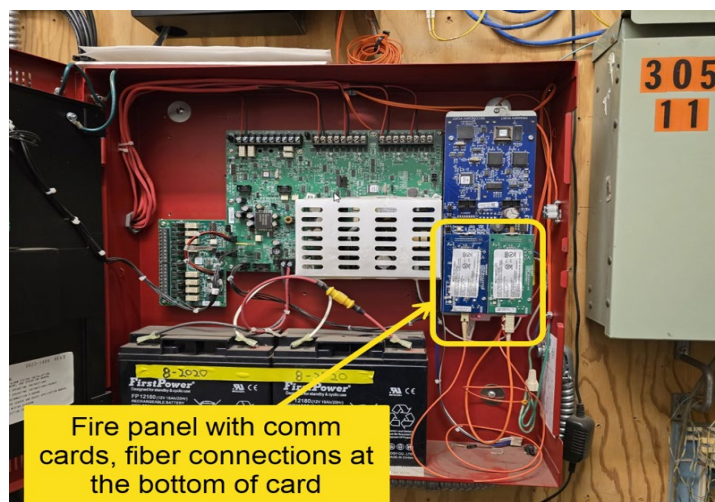
- One-time capital investment to replace aging safety barriers and install new barriers in critical areas on Seattle Center Campus to improve visitor safety, and at large events like Seattle's Fan Celebration for the 2026 World Cup.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
REET	\$0	\$0	\$1,577	

Significant Additions

Replace Fiberoptics for Fire Alarm System

- One-time capital investment to replace the existing system with a simplified and isolated communication path, which will result in significantly increased system reliability and reduced maintenance costs.



	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	\$0	\$0	\$310	

Significant Additions

Waterfront One-Time Support

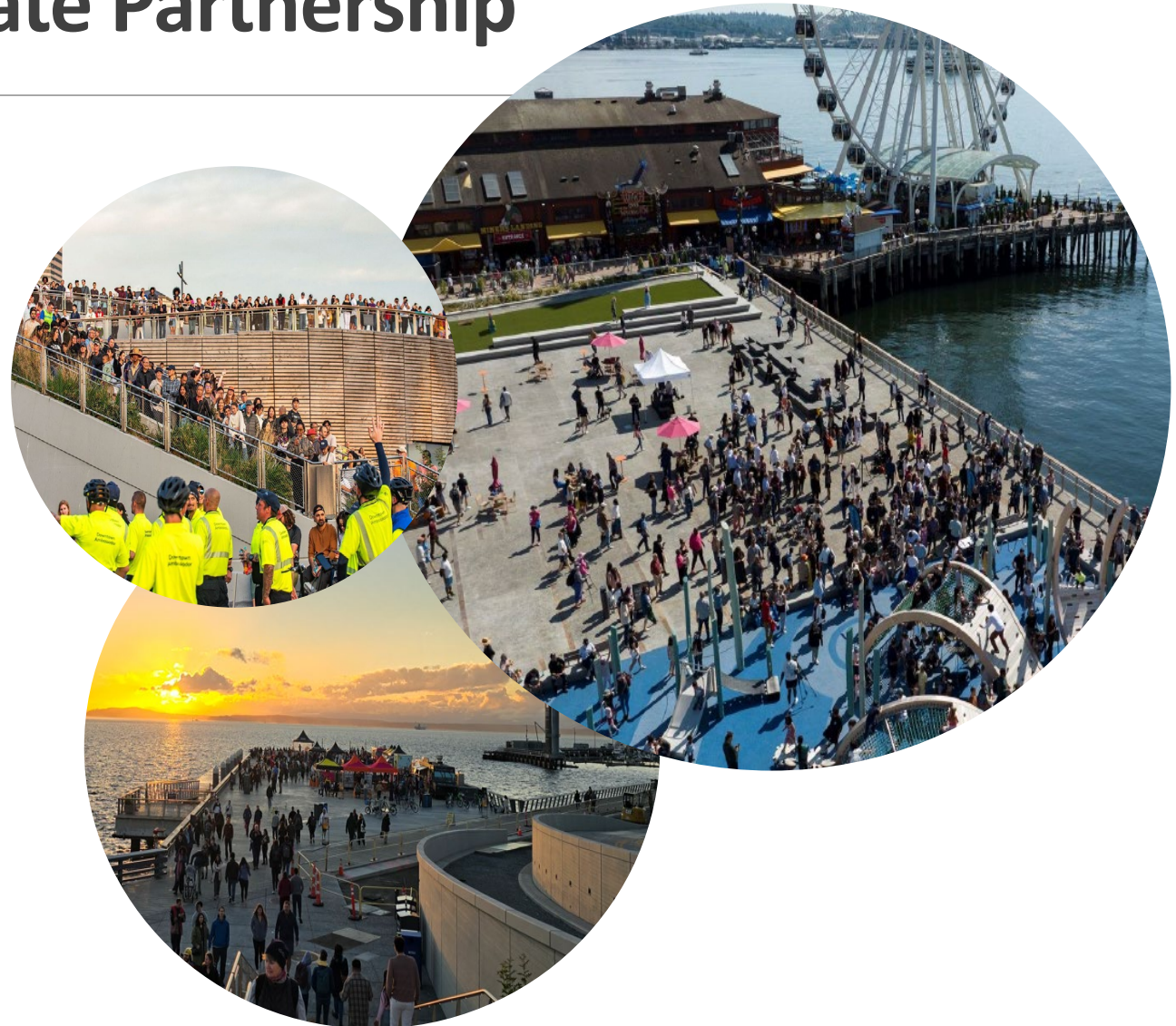
- One-time budget authority for Seattle Center’s operation and maintenance of Waterfront Park. Funding is from underspent budget from 2024 in the Metropolitan Park District Fund for Waterfront operations.



	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
Parks District Fund	\$0	\$0	\$1,650	

Waterfront – Public/Private Partnership

- 6-year agreement with Friends of Waterfront Park – through YE 2028
- Agreements aligns with Seattle Park District funding cycle and MOA between SPR/CEN
- Integrates Performance Standard
- Reviewed with Central Waterfront Oversight Committee



Waterfront Operations

Operations

- Park Inspections – 14 conducted in 2024
- Over 1,200 graffiti tags removed in 2024
- Over 300 work orders (on top of daily routine maintenance before park was fully open)
- ESU interactions in 2024: Public Interactions – 24,767 (93%), Other Interactions – 1,961 (7%)

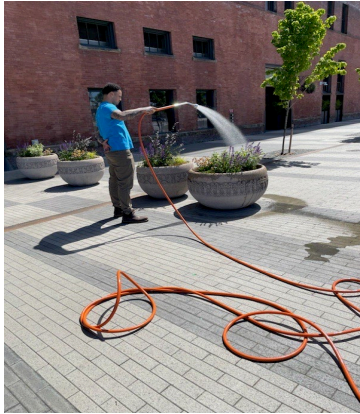


What's Next

- 2026: First full year of park being open. Anticipate full staffing at 38.0 FTE (Ops and ESU)
- 2.0 FTE Gardeners for SDOT landscaping (medians, west sidewalk, Elliott Way, Pioneer Square) contributes to seamless operations.
- Funding advances Waterfront Operations and Tribal Heritage Center.



Waterfront Operations Team





Questions?





Legislation Text

File #: Inf 2745, **Version:** 2

Office of Economic Development

2026 Proposed Budget Overview

Seattle City Council Select Budget Committee



City of Seattle **31**

OED's Core Purpose

Our focus: Leading projects and making investments that open up access to economic opportunities, reduce the racial wealth gap, and encourage innovation and growth, consistent with the Future of Seattle Economy framework adopted as City policy in Resolution 32099.

Striking a balance:

- Supporting our local economy
- Competing in the global economy

Advancing Citywide priorities

- Affordability
- Economic recovery and resilience across our City, including Downtown



OED in Action



AI House



Pan de La Selva



Neighborhood Engagement

What Does This Moment Call For?

- Clearly defining key economic problems
 - Priority issues for businesses: affordability, public safety
 - Understanding larger macroeconomic issues
- Determining and acting on the City's role and goal
 - Delivering results for our stakeholders
- Deploying tools with a focus on outcomes:
 - Policy, such as streamlining permitting
 - Programs like our Back to Business Fund
 - Partnerships such as the Seattle Climate Innovation Hub and the AI House

Priorities for OED's 2026 Budget

Current Businesses:

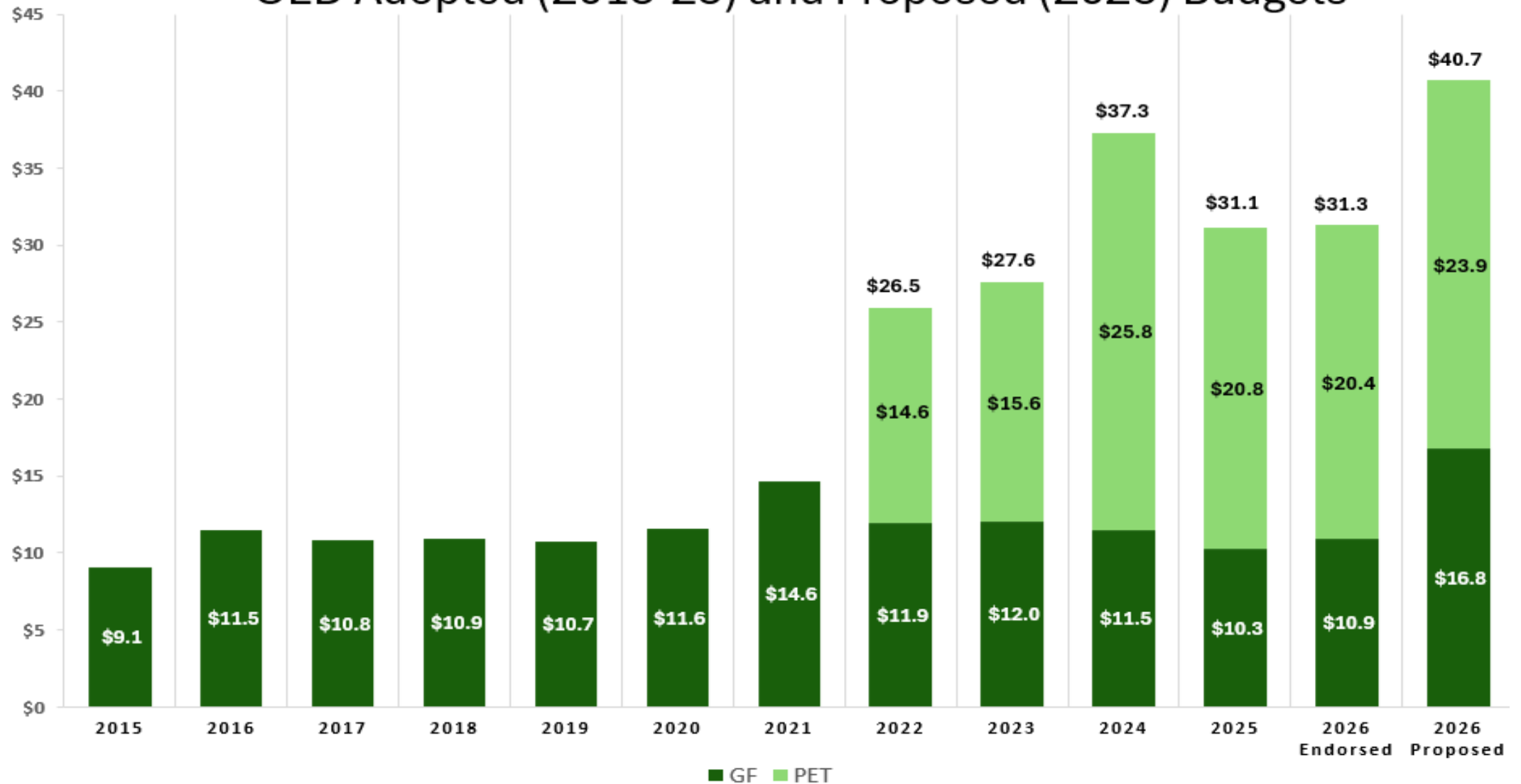
- Future of Seattle Economy framework
- Immediate support for small business
- More grocery stores and pharmacies
- Stabilize, Activate, Invest Locally (SAIL) theory of change

Future Businesses: charting a course for opportunities; minimizing risks

- AI and Clean Energy
- Assessing business landscape and making recommendations

OED Historical Funding

OED Adopted (2015-25) and Proposed (2026) Budgets



Summary

The Office of Economic Development is increasing investment in well-established and high-impact programs (i.e., Back to Business Program) and planning new work that is critical to the vibrancy of Seattle neighborhoods, the strength of Seattle’s business ecosystem, and makes it easier and more affordable to locate a business here.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	\$10,335	\$10,908	\$16,753	54%
PET Fund	\$20,835	\$20,434	\$23,935	17%
Total	\$31,170	\$31,342	\$40,688	30%
<i>FTE</i>	<i>63.0</i>	<i>63.0</i>	<i>63.0</i>	--

Budget Realignment

CDBG Abandonment for Tenant Improvement Program

- Abandon remaining \$500K of Community Development Block Grant (CDBG) funding from OED's budget. This funding is reallocated to support opioid facilities projects in HSD - please see the HSD budget book for more information.
- This CDBG funding previously supported a portion of the Tenant Improvement Program. This program, which helps stabilize or grow existing businesses by supporting improvements to their spaces, retains \$2M (PET) in the 2026 Proposed Budget.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund (CDBG)	\$500	\$500	\$(0)	(100%)
PET Fund	\$2,000	\$2,000	\$2,000	0%
FTE	--	--	--	--

Significant Additions: Stabilize, Activate, and Invest Locally (SAIL) Fund

Problem Statement

Neighborhoods in Seattle have persistent, interconnected problems related to **public safety**, **economic development**, and **neighborhood vibrancy**. Seattle has attempted to address these issues in a fragmented approach, which has not resulted in sustainable, positive change, despite investing millions of dollars in the neighborhood. The multiple projects in Little Saigon is an example of numerous, uncoordinated efforts and investments.

Downtown Activation Plan (DAP)

Launched in 2023 to revitalize the downtown core by increasing foot traffic, supporting businesses and improving economic conditions.

Downtown Activation Team (DAT)

Launched in 2024 to address public safety concerns and revitalize neighborhoods through a place-based approach.

Little Saigon Strategy

A 6-month collaboration sprint with Bloomberg & Harvard University, City staff, and community partners to help 5 blocks, 10 businesses, & 30 lives in Little Saigon

Significant Additions: Stabilize, Activate, and Invest Locally (SAIL) Fund

Objective: To restore and sustain a vibrant Seattle, we will address the challenge of clean, safe, and revitalized **neighborhood** and business districts with a compassionate, coordinated, and **place-based** approach.



Significant Additions

1. Establish the Stabilize, Activate, and Invest Locally (SAIL) Fund

- Addresses fragmented approach to persistent, interconnected problems related to public safety, economic development, and neighborhood vibrancy.
- The City will invest in a place-based, coordinated approach that addresses the cleanliness, safety, and economic revitalization at specific locations, such as Little Saigon and Lake City.
- This budget add will fund both short-term and long-term strategies in neighborhoods that include law enforcement, increased street cleaning, funding to support physical environment changes that are proven to prevent crime, and activation initiatives.

(\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
General Fund	\$0	\$0	\$4,000	100%
PET Fund	--	--	--	--
FTE	--	--	--	--

Significant Additions

2. Support Small Businesses through the Phố Đẹp Initiative

- Provide targeted support to small businesses in Little Saigon through the Phố Đẹp Initiative, aligning with the scope of the newly appointed SAIL subcabinet to strengthen community business corridors and cultural identity.

	(\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
General Fund		--	--	--	--
PET Fund		\$0	\$0	\$200	100%
FTE		--	--	--	--

Significant Additions

3. Expand the Back to Business Program

- The Back to Business program, launched in August 2025, supports small businesses impacted by vandalism and property damage in three tracks: Storefront Repair Fund, the proactive Storefront Security Fund, and Neighborhood Business District Investments.
- With high demand, this additional \$2.5M investment provides continuity throughout the year to help small businesses and commercial corridors stabilize operations, prevent displacement, and strengthen local recovery.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	--	--	--	--
PET Fund	\$800	\$800	\$3,300	313%
FTE	--	--	--	--

Significant Additions

4. Grocery Store Security Fund

- Funds the one-time implementation of a pilot Grocery Store Security Fund program. This program will address retail theft, property damage, and other crimes at grocery stores.
- This program will help make grocery stores safer and more welcoming for customers and workers, focusing on built environment improvements.

		2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
	(\$000s)				
General Fund		\$0	\$0	\$1,000	100%
PET Fund		--	--	--	--
FTE		--	--	--	--

Significant Additions

5. Access to Neighborhood Grocers

- Provides \$700,000 to support the opening and expansion of small businesses offering healthy, fresh foods and cultural household essentials throughout Seattle neighborhoods
- This program will seek to encourage and incentivize food access, with a specific focus on food deserts, as well as new opportunities for formats such as corner stores and bodegas through changes proposed in the One Seattle Comprehensive Plan Update.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	\$0	\$0	\$700	100%
PET Fund	--	--	--	--
FTE	--	--	--	--

Significant Additions

6. Conduct a Business Climate Assessment

- Our Future of Seattle Economy framework has guided the City’s economic development policy coming out of the pandemic.
- This funding supports an updated assessment of Seattle’s economic fundamentals, our policies and our practices, and recommendations for how the City’s economic development framework should adapt.

	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
(\$000s)				
General Fund	\$0	\$0	\$500	100%
PET Fund	--	--	--	--
FTE	--	--	--	--

Significant Additions

7. Support for the Waterfront Shuttle

- Continue shuttle service to improve access and mobility for residents, workers, and visitors along the waterfront, supporting both local businesses and visitor activity.
- Free summertime waterfront shuttle, operated by the Friends of the Waterfront, is intended to promote economic activity in downtown Seattle.

		2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
	(\$000s)				
General Fund		--	--	--	--
PET Fund		\$0	\$0	\$500	100%
FTE		--	--	--	--

Significant Additions

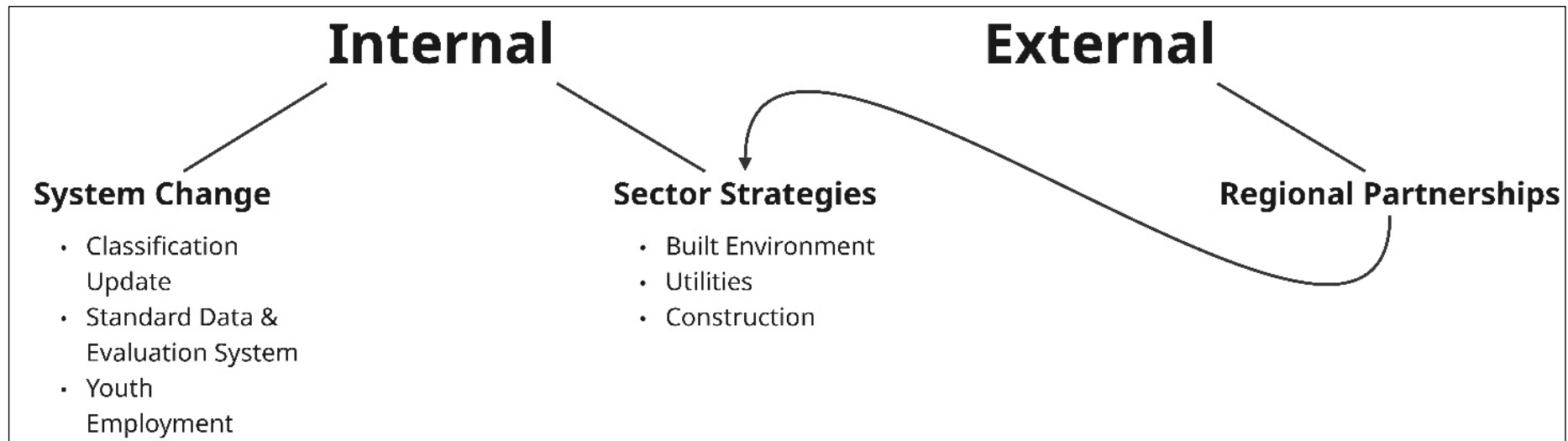
8. Support for a Community Workforce Training Center

- Provide funding to support the development of a community workforce training center.
- The facility, to be developed and operated by Uplift Northwest, will provide space for job training and certification programs, dining, hygiene facilities, community activities and collaboration, administrative offices, and leasable commercial spaces.

	((\$000s))	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
General Fund		\$0	\$0	\$250	100%
PET Fund		--	--	--	--
FTE		--	--	--	--

Citywide Workforce Development Task Force

The City's greatest strategic opportunity lies in aligning workforce development with City departments and service areas—particularly in utilities, the construction trades, and sustainability careers.



Questions?



Legislation Text

File #: Inf 2746, **Version:** 1

Office of Arts and Culture (ARTS)

Seattle Office of Arts & Culture

2026 Proposed Budget Overview

Presentation by:
Director Gülgün Kayim

Seattle City Council Select Budget Committee



City of Seattle **52**

Department Overview

Mission: We activate and sustain Seattle through arts and culture.

Vision: We envision a city driven by creativity that provides the opportunity for everyone to engage in diverse arts and cultural experiences.



Chiwoniso at The Meany Center
Funded by Civic Partners
(C.A.R.E.)

Summary

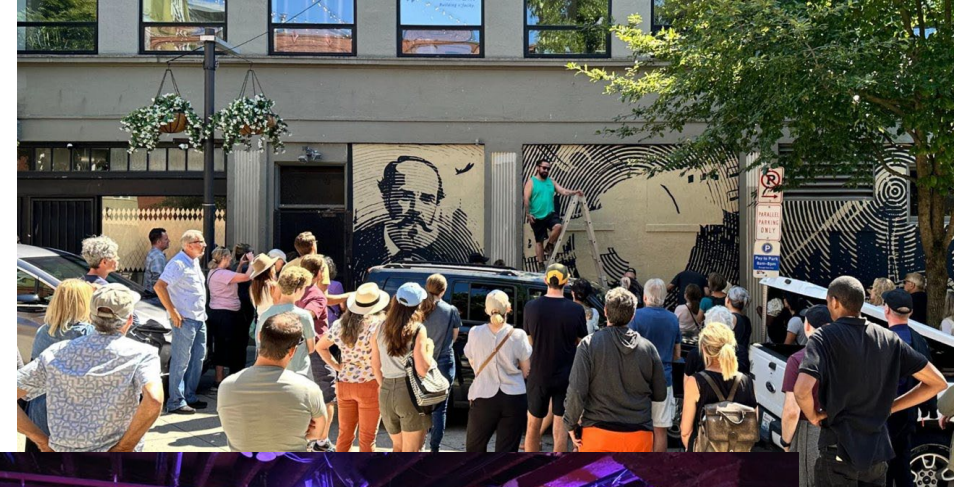
ARTS is committing significant funding to downtown activations and preparations for the World Cup. The 2026 Proposed Budget includes investments in Hope Corps, graffiti interventions, and cultural planning.

		2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
	(\$000s)				
Arts & Culture Fund		\$19,341	\$17,300	\$17,640	1.8%
Municipal Arts Fund		\$5,703	\$5,804	\$5,890	1.4%
FTE		43.75	43.75	44.75	2%

Significant Additions

1. Hope Corps (\$350k, ongoing)

- The Mayor's 2026 Proposed Budget makes Hope Corps, which had previously been funded year-to-year, into an ongoing program. This \$350,000 investment includes funds for staffing and programming.
- ARTS will assess options to appropriately scale the program to align with available funding considering factors such as geographic reach to ensure its effectiveness.



Top Right:
Mural in
Belltown
(2024)

Lower Left: Jazz
Night in
Pioneer Square
(2025)

Significant Additions

2. Cultural Planning (\$200k, one-time)

- Proposed Budget includes \$200,000 in one-time funding to lead a cultural planning process
- The process will involve community engagement, cultural asset mapping, data analysis, and the development of a broad plan to guide future investments in the cultural landscape in Seattle.
- A successful cultural plan will depend on the depth of community engagement and the strength of stakeholder buy-in in the process



ARTS staff, Otts Bolisay, working on a strategic planning exercise in 2024

Significant Additions

3. Graffiti Specialist Program One-Year Extension (\$160k, one-time)

- The role supports working with the Mayor's Office and partners on education and remediation programs for graffiti.
- This is a part of a \$1.6 million/6.0 FTE investment in the One Seattle Graffiti Plan, focused on graffiti removal, enforcement and assistance to businesses, and support for public art and volunteer clean-up efforts.



Thank You

Questions?



Legislation Text

File #: Inf 2747, **Version:** 1

Seattle Department of Construction and Inspections (SDCI)

Seattle Department of Construction & Inspections

2026 Proposed Budget Overview

Seattle City Council Select Budget Committee



City of Seattle **60**

Seattle Department of Construction and Inspections (SDCI)

*Our **vision**: To set the standard for great local government service.*

*Our **purpose**: Helping people build a safe, livable, and inclusive Seattle.*

*Our **values**: Equity, respect, quality, integrity, and service.*

SDCI administers City ordinances regulating building construction, the use of land, and housing. It supports key City priorities, including delivering essential City services and building safer, more just communities.

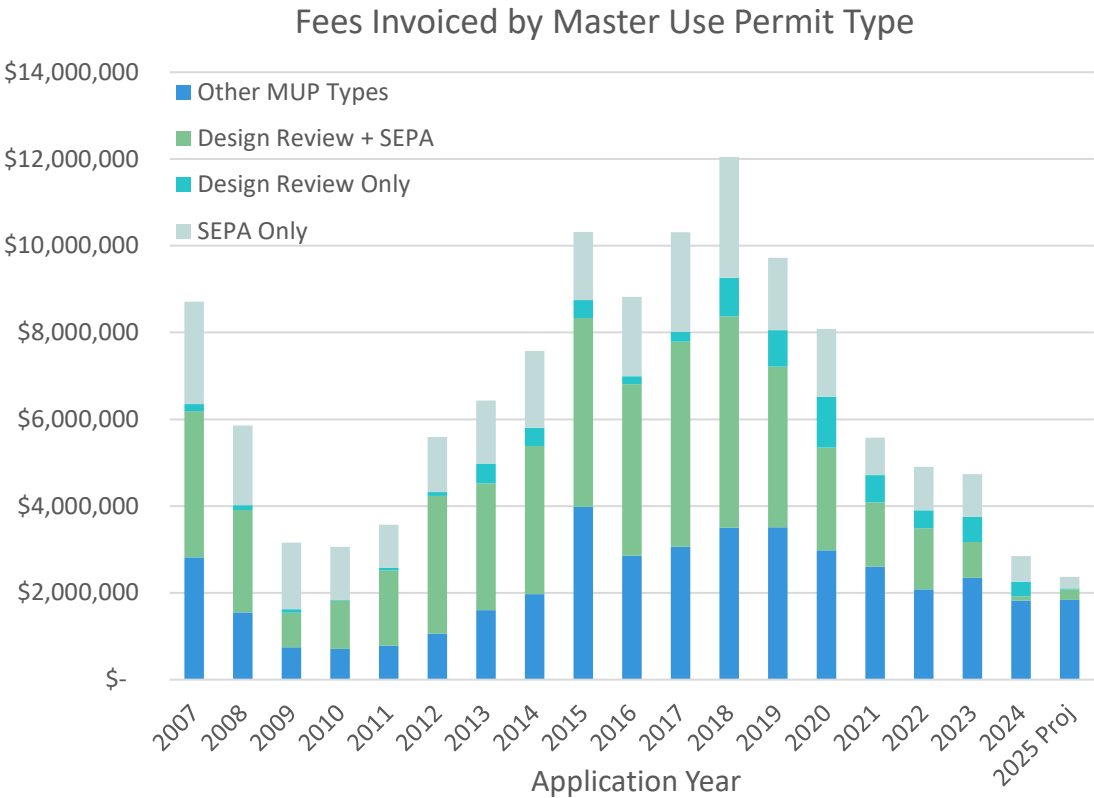
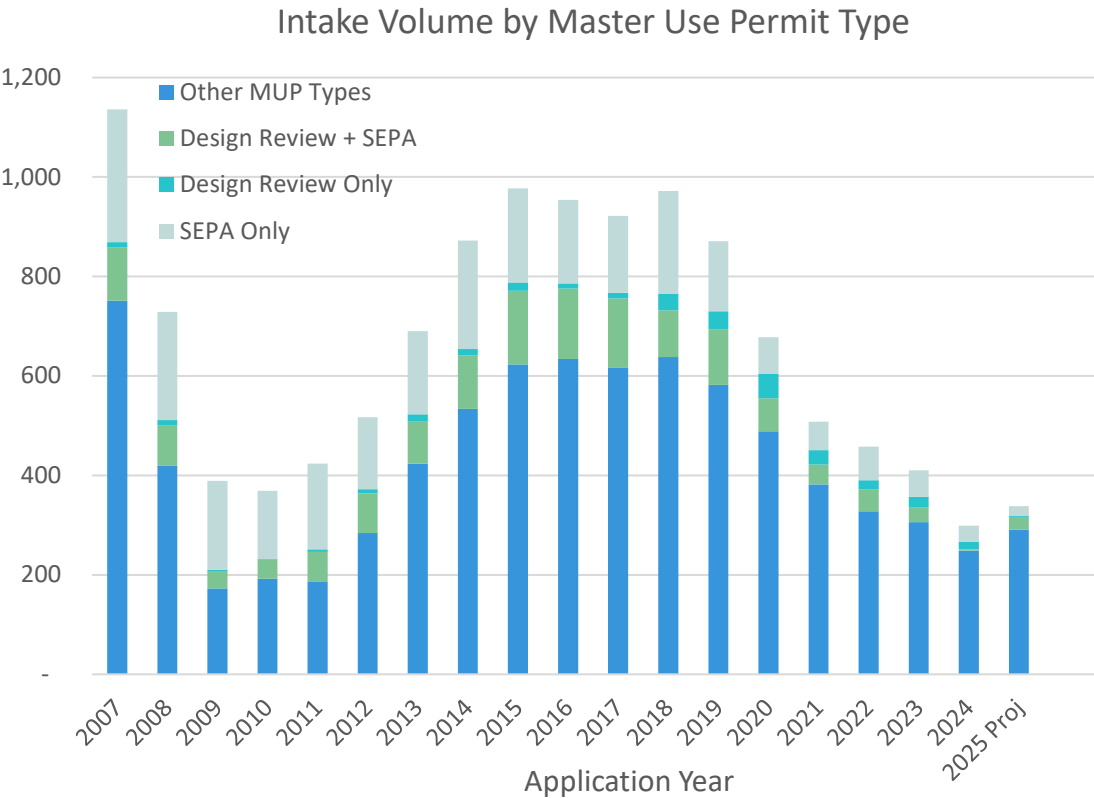
Overview

- ❖ SDCI is funded 91% by permit fees and 9% by General Fund resources.
- ❖ State law requires SDCI to set fees that recover service costs and limits use of permit fee revenue to fee-supported services.
- ❖ SDCI is focused on delivering the Mayor’s PACT initiative, preparing for Sound Transit permit work, and sustaining services while meeting Citywide reduction targets.

TOTAL BUDGET (\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed
General Fund	\$8,347	\$8,739	\$9,103
Other Funds	\$114,128	\$118,036	\$116,889
FTE	462.0	462.0	452.0

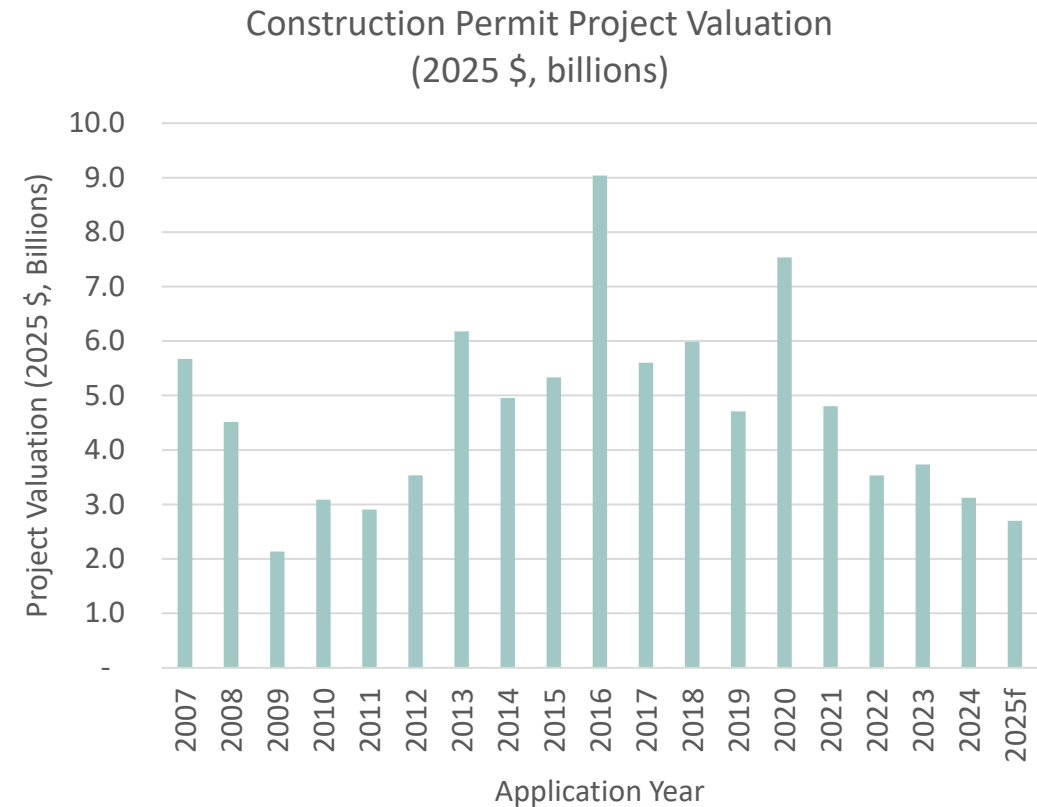
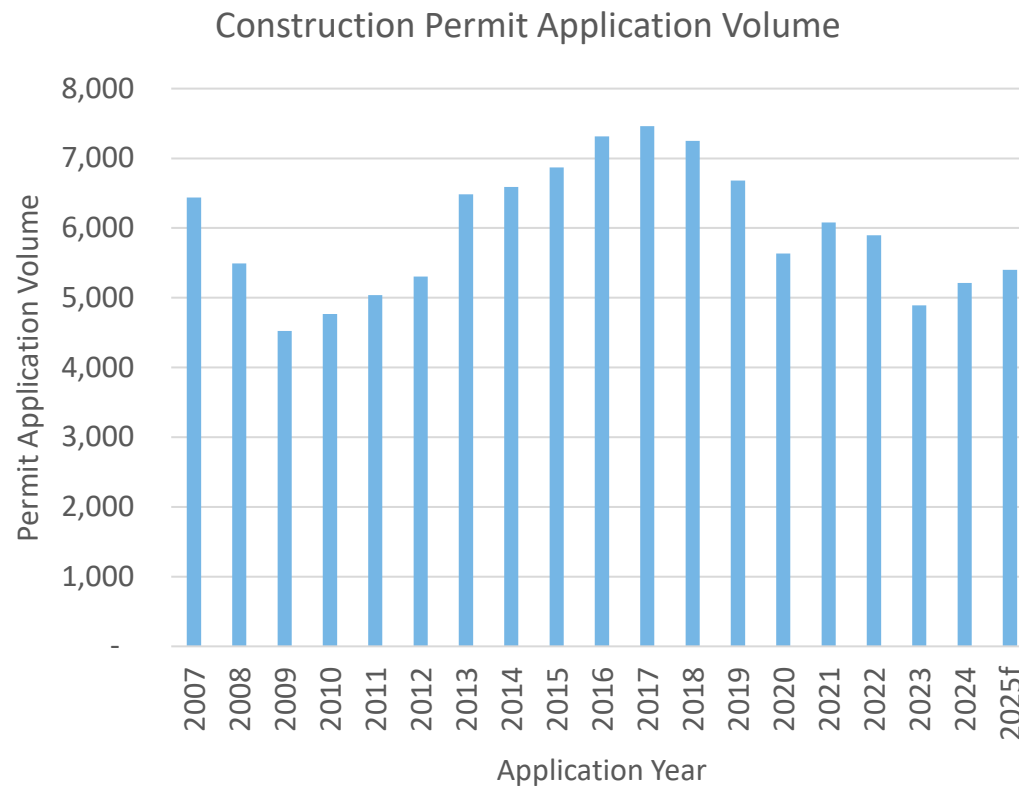
Master Use Permit Applications

2025 projected MUP application volumes are expected to be 65% lower than 2019 levels, while construction permit applications are projected to be 20% lower across the same period.



Construction Permit Applications

Construction permit application volumes began to rebound in 2024; however, the project types are less complex with lower project value and lower fee revenue.



Fee Adjustments

2026 Fee Legislation

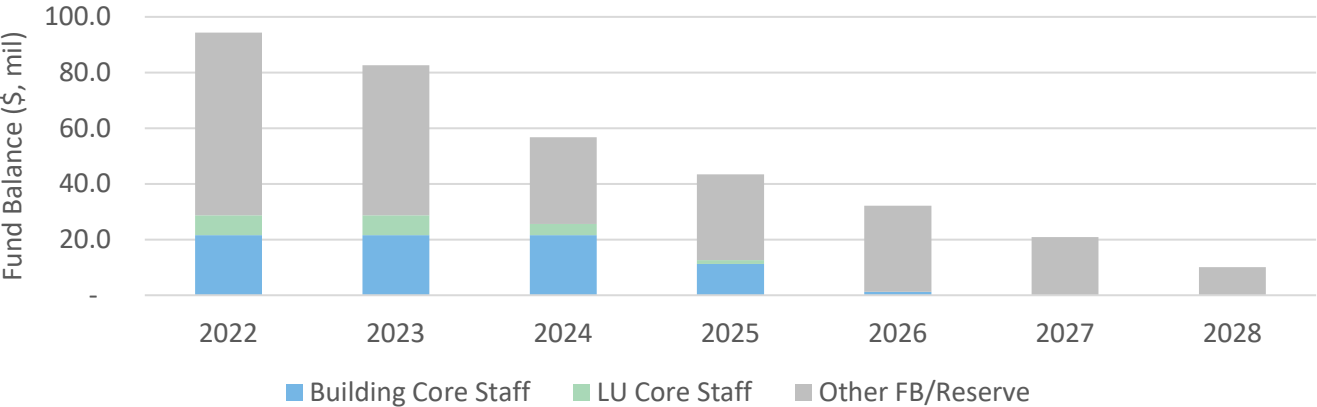
- **Permit Fee Adjustments:** SDCI proposes an 18% increase to most Construction and Master Use Permits, along with updates to Land Use, Electrical, and Rental Registration fees.
 - Changes address reduced revenue from project mix and policy shifts, sustain core permitting services, and align fees with actual program costs.
- **Equity & Simplification:** Introduces an incentive for URM retrofits, simplifies pre-application and tree/land use fees, and streamlines electrical fee tables.
 - Changes improve customer clarity, reduce errors, and ensure fair cost recovery across all fee payers.

Fee Impact: Construction Permits

500 Square Foot DADU	2025	2026 Proposed	\$ Change	% Change
Plan Review and Permit Fee	\$2,908	\$ 3,451	\$543	18.7%
Housing Units	1	1		
Fee Per unit	\$2,908	\$3,451	\$543	18.7%
SqFt per Unit	500	500		
4,500 Square Foot 4 Unit Townhouse	2025	2026 Proposed	\$ Change	% Change
Plan Review and Permit Fee	\$12,214	\$14,454	\$2,240	18.3%
Housing Units	4	4		
Fee Per unit	\$3,054	\$3,614	\$560	18.3%
SqFt per Unit	1,125	1,125		
150,000 Square Foot 230 Unit Apartment w/ Parking	2025	2026 Proposed	\$ Change	% Change
Plan Review and Permit Fee	\$274,486	\$324,775	\$50,289	18.3%
Housing Units	230	230		
Fee Per unit	\$1,193	\$1,412	\$219	18.3%
SqFt per Unit	652	652		

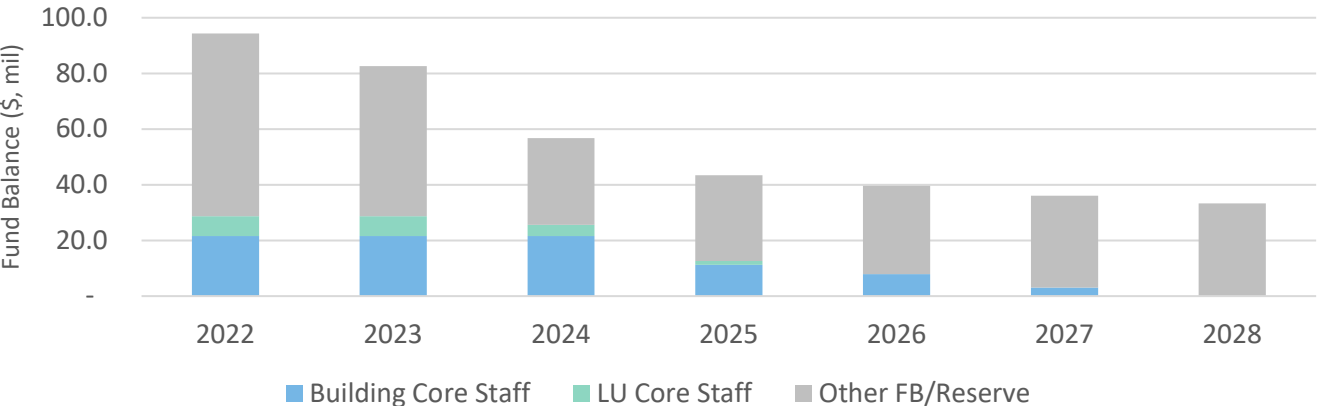
Fund Balance Impact

SDCI Fund Balance- No Fee Increase



Without Building and Land Use Fee increases, SDCI’s core staffing reserve will be exhausted in 2026 and the overall SDCI permit fund is at risk of exhausting in 2027-2028

SDCI Fund Balance- With 18% Fee Increases



Fee increases will slow drawdown of reserves and fund balance while SDCI evaluates resource needs

Right-sizing Staffing

Defund Vacant Positions on Process Improvement Team

- Right-size staffing to reduce fee burden.
- Positions have been vacant since 2024 with duties absorbed by existing staff; no service interruption to core services is expected.
- Position authority preserved for future strategic needs when resources allow.

	((\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
General Fund		--	--	--	--
Other Funds		\$0	\$0	(\$386)	N/A
FTE		--	--	--	N/A

Significant Additions

1. Permitting Accountability and Customer Trust (PACT) IT Costs

- \$500k one-time cost of acquisition and implementation of AI permitting improvement technology. Software will improve the applicant experience and strengthen permit submittals.
- \$250k ongoing costs to support integration with existing systems and licensing/subscription costs

	(\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
General Fund		\$0	\$0	\$750	N/A
Other Funds		--	--	--	--
FTE		--	--	--	--

Significant Additions

2. Develop Incentive Program for Private Property Owners to Preserve Trees

- This proposal adds \$100,000 ongoing to develop a conservation easement program incentivizing tree preservation on private property, in partnership with external stakeholders.
- To support an Executive Order recognizing trees' value and directing policies to preserve significant species and groves on private property.
- The funding may be used for consulting support or contracting with a non-profit partner.
- Additional City funding and staffing support will likely be necessary to fully operationalize.

	(\$000s)	2025 Adopted	2026 Endorsed	2026 Proposed	% Change (Endorsed to Proposed)
General Fund		--	--	\$100	N/A
Other Funds		--	--	--	--
FTE		--	--	--	--

Summary

- SDCI will focus on key priorities including advancement of the Mayor's PACT initiative and preparing for Sound Transit expansion workload.
- SDCI will sustain core service delivery, invest in process improvements, and ensure a financially sustainable plan aligned with Citywide priorities.
- SDCI is currently in a leadership transition.

Questions?