

OFFICE OF PLANNING AND COMMUNITY DEVELOPMENT (OPCD)

2026 PROPOSED BUDGET

OVERVIEW & POLICY CONSIDERATIONS PAPER

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Table 1. Department Budget Summary

Budget Summary Level	2025 Adopted	2026 Endorsed	% Change	2026 Proposed	% Change
Operating Budget					
Design Commission	\$0.8M	\$0.8M	4.7%	\$1.0M	20.3%
Equitable Development Initiative	\$26.6M	\$27.6M	3.8%	\$27.4M	(0.8%)
Planning & Community Development	\$11.4M	\$10.9M	(4.0%)	\$11.2M	2.3%
Total:	\$38.7M	\$39.3M	1.5%	\$39.5M	0.5%

I. OVERVIEW AND SUMMARY

The Office of Planning and Community Development (OPCD) supports citywide and community planning efforts and manages the equitable development initiative grant program. Two commissions, the Seattle Design Commission and the Seattle Planning Commission, are staffed by OPCD. The 2026 Proposed Budget for OPCD remains relatively stable, increasing by \$200,000 over the 2026 Endorsed Budget. Most changes are technical or baseline adjustments, with a couple of additions to OPCD's work program in 2026. Staff have identified five issues for the Council's consideration that are discussed in more detail in the next sections.

A. Operating Budget

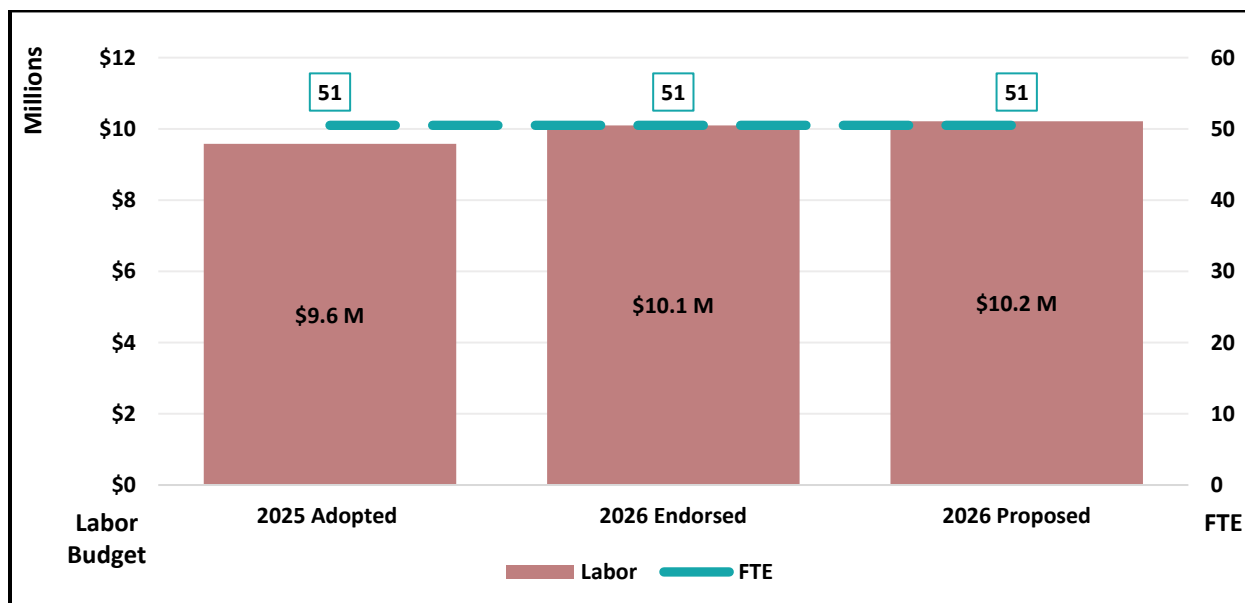
The 2026 Proposed Budget includes four additions to the Department's work:

1. \$250,000 GF for a new Northern Lights project, related to planning for SR 99/Aurora Avenue N;
2. \$200,000 (JumpStart Fund) to develop a process for the administration of an Equity Housing Fund, see also the Office of Housing and Office of Civil Rights' Overview and Policy Considerations papers;
3. \$167,000 GF and 1.0 FTE to support the Seattle Design Commission's review of Sound Transit 3 projects; and
4. Transfer of the Major Institutions and Schools program from the Department of Neighborhoods (DON), including \$184,000 GF of expenditures and approximately \$64,000 GF of revenues and 1.0 FTE, see Section II.3.

The 2026 Proposed Budget cuts \$194,000 GF, which would otherwise fund 1.0 vacant FTE in the Long-Range Planning Division, resulting in a reduction of resources for long-range planning, see Section II.1. In addition, 1.0 FTE and \$194,000 GF would be transferred to DON, and 1.0 FTE and \$194,000 JumpStart Fund would be transferred to the Office of Sustainability and Environment.

B. FTE & Labor Changes

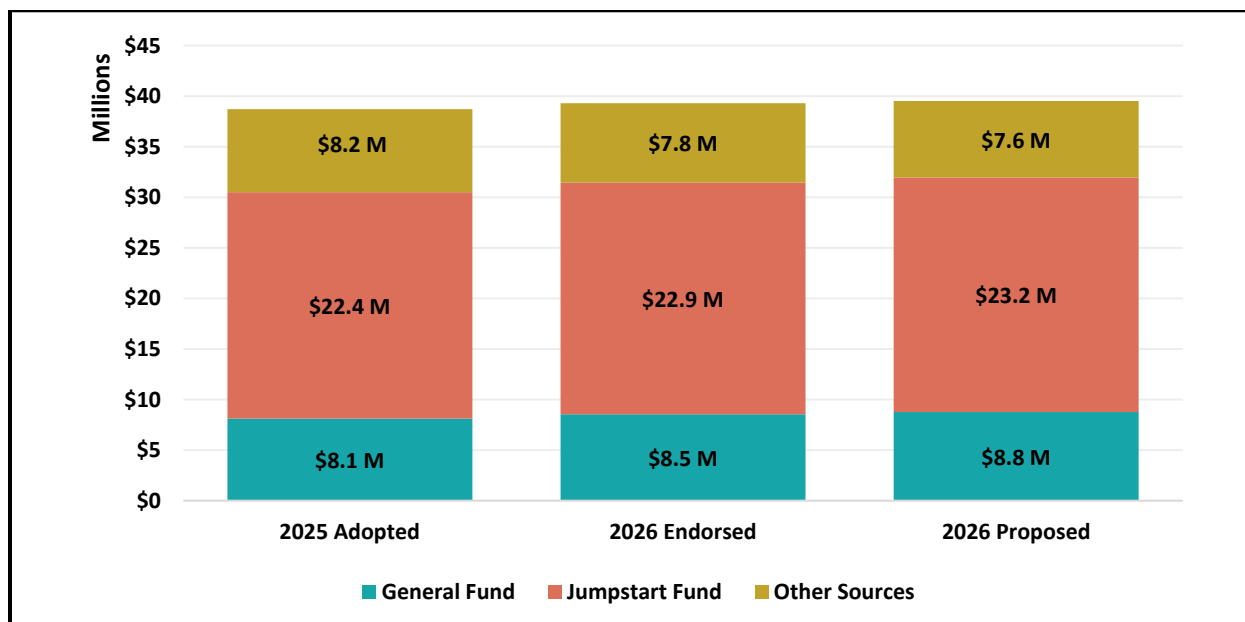
Figure 1. FTE & Labor Budget Summary



OPCD's budget includes the addition of 2.0 FTE, and the transfer of 2.0 FTE to other departments as described above. In total, the department's FTE count and personnel budget remain stable.

C. Fund Appropriations Summary

Figure 2. Fund Appropriations Summary



OPCD would see small changes in its fund allocation between the 2026 Endorsed and 2026 Proposed budgets. General Fund increases in OPCD include the Northern Lights project (\$250,000) and a new 1.0 FTE Planning and Development Specialist II position (\$167,000) to support the Seattle Design Commission's review of Sound Transit 3.

Short-term rental tax (STRT) proceeds to the Equitable Development Initiative (EDI) are decreased by \$285,000 as costs for permanent supportive housing, another permissible use of the fund, are proposed to increase due to increased contracting costs. Overall, OPCD would receive \$7.6 million in STRT funds. Of those funds, \$4.8 million would be allocated to EDI grants, less than the \$5 million required under [Ordinance 125872](#). The remaining \$2 million would be allocated to EDI staff salaries, more than the \$1.1 million authorized for that use under Ordinance 125872. See the discussion of Council options, below.

JumpStart Funds to the EDI would increase by \$922,000 in the 2026 Proposed Budget. With work underway or completed on the Comprehensive Plan and planning for Regional Centers, the allocation of JumpStart Funds for planning projects is reduced from \$1.2 million in the Endorsed Budget to \$600,000 in the Proposed Budget.

Other funds OPCD receives include Real Estate Excise Tax (REET) funding that supports the Seattle Design Commission's review of public projects.

II. ISSUES FOR COUNCIL CONSIDERATION DURING BUDGET DELIBERATIONS

1. Long Range Planning Staffing

The Comprehensive Plan Docketing Resolution, [Resolution 32183](#), currently under consideration by the Council, requests that OPCD undertake a significant body of work in 2026 related to long-range planning, including analyzing and making recommendations regarding nine additional neighborhood centers, analyzing and making recommendations regarding removing parking requirements citywide, amending Accessory Dwelling Unit regulations, and adjusting height limits in Neighborhood Residential zones and Neighborhood Centers. This is on top of an existing work program that includes rezoning all neighborhood centers, urban and regional center expansion areas, and frequent transit corridors, and developing proposals to major transit areas and other areas inside existing regional and urban centers.

The 2026 Proposed Budget eliminates funding for one of two long-range planning positions in the Long Range Planning section of the Office, which is currently vacant.

Options:

- A. Add funding (\$194,375 GF or JumpStart Fund) to enable OPCD to hire an additional 1.0 FTE for Long Range Planning
- B. Add additional positions and funding to further support Long Range Planning given the Council's interest in this work
- C. No change.

2. Outreach and Engagement Staffing and Resources

Councilmembers have indicated that they would like OPCD to undertake more expansive engagement processes, either through direct mailing or through more intensive work with local communities. OPCD currently has 1.0 FTE (\$191,176 JumpStart Fund in 2026) dedicated to supporting outreach and engagement regarding the Comprehensive Plan and Regional Center Planning. That position is due to sunset at the end of 2026. With the exception of special projects that include dedicated funding for outreach and engagement, OPCD has limited funding for outreach such as mailings.

Options:

- A. Add funding for outreach and engagement tools, such as mailings.
- B. Make the outreach and engagement position permanent.
- C. Add outreach and engagement staff beyond the sunseting position.
- D. No change.

3. Transfer of Major Institution and Schools Program from DON to OPCD

The 2026 Proposed Budget would transfer the Major Institutions and Schools program and 1.0 FTE from DON to OPCD. The Major Institutions and Schools Program supports community input into the planning and development decisions of Major Institutions (colleges, universities, and hospitals) and the Seattle Public Schools (SPS). Major Institutions and Schools are generally larger than the surrounding development. The Land Use Code provides flexibility for their development, but requires a public process, which is staffed by DON. Historically, DON has convened and staffed community-based advisory committees, which advise Major Institutions, SPS, and the Seattle Department of Construction and Inspections (SDCI) on waivers of development standards and zoning changes.

The stated intent of this change is to better integrate planning for Major Institutions and Schools into the broader long-range planning work that OPCD does. This has the opportunity to deepen the City's relationship with Major Institutions and the SPS but may over time change the program's current focus on supporting community input into these planning and development decisions.

Options:

- A. Do not pass MO Major Institutions and Schools Program ORD and restore 1.0 FTE and funding related to that work to DON.
- B. No change to the Budget, pass MO Major Institutions and Schools Program ORD.

4. Housing Reparations Program

The 2026 Proposed Budget would add \$200,000 to develop a process for the administration of an Equity Housing Fund focusing on remedying historical injustices for descendants of Black slaves. Work on this item would begin after the Office of Civil Rights completes a Housing Reparations Study. Because work on this project has not begun, the Council has the opportunity to shape or provide direction to this work. See also the OCR and OH memoranda.

Options:

- A. Add a proviso on the Housing Reparations Funds in OPCD's budget to require a report to Council prior to expenditure of funding.
- B. Add a Statement of Legislative Intent regarding the Council's interests in this work.
- C. No change.

5. Short Term Rental Tax Fund Policies

Ordinance 125872 states that the first \$5 million of annual proceeds from the STRT should be allocated to OPCD “for grants made to organizations for investments in community-initiated equitable development projects.” Other permitted uses of the STRT in Ordinance 125872 include \$2.2 million for debt service payments for affordable housing projects, \$3.3 million for permanent supportive housing, and \$1.1 million for EDI overhead including staffing and consulting. Washington State law, [RCW 36.100.040](#) (14)(d), states Short Term Rental Tax proceeds “must be used by the city to support community-initiated equitable development and affordable housing programs, as determined by the city in its sole discretion.”

The 2026 Proposed Budget provides \$4.8 million of STRT for EDI grants, \$2 million for affordable housing debt service, \$4 million for permanent supportive housing, and allocates \$2 million from the STRT to EDI staffing.

Options:

- A. Amend the OPCD and HSD budgets consistent with Ordinance 125872.
- B. Amend Ordinance 125872 to reflect updated priorities for the STRT Fund. Central Staff anticipates that the Executive will be transmitting legislation to amend Ordinance 125872 consistent with the 2026 Proposed Budget.
- C. No change.

III. BUDGET LEGISLATION

1. MO Major Institutions and Schools Program ORD

This bill would amend the Land Use Code to transfer responsibility over the Major Institutions and Schools programs from DON to OPCD. The Major Institutions and Schools program provides staff support for community advisory committees convened to discuss new or updated Major Institution Master Plans (MIMPs), implementation of MIMPs, and waivers of zoning standards for SPS projects. SDCI reviews plans and development projects concurrent with the committees’ review. Pursuant to appearance of fairness requirements in Washington State law, new MIMPs and Major Updates to MIMPs require Council approval as Quasi-Judicial actions.

There are currently two active Development Advisory Committees reviewing updates to MIMPs, 11 standing MIMP Implementation Advisory Committees, and one active School Departure Advisory Committee. There are no current School Use Advisory Committee meetings, but if SPS decides to close schools, it is likely that school use advisory committees would be convened.

The intent of the bill is to better position the City to “consider the needs of major institutions and schools to grow and change over time in the context of the City’s Comprehensive Plan and its overarching policies for growth and development.”