

# 2026 Shelter Expansion Council Bill (CB) 121185

Finance, Native Communities & Tribal Governments Committee

March 30, 2026



City of Seattle

# 2026 Shelter Expansion - Cost Estimates

- Estimated 2026 costs for 500 shelter beds:

One-time start-up costs:	\$9,000,000
<u>Ongoing costs (6 months):</u>	<u>\$8,500,000</u>
Total estimated costs:	\$17,550,000
- Estimated ongoing annual costs: \$17,000,000  
(2027 and beyond)
- Cost per unit: \$25k - \$45k (varies by program type)



# Council Bill 121185

Item	Department	Fund	Budget Summary Level/BCL Code	Amount (\$)
1.1	Human Services Department	Downtown Health and Human Service Account – General Trust Fund (15030)	Addressing Homelessness (15030-BO-HS-H3000)	1,589,440
1.2	Finance General	Low-Income Housing Fund (16400)	Appropriation to Special Funds (16400-BO-FG-2QA00)	3,316,214
1.3	Human Services Department	Human Services Fund (16200)	Addressing Homelessness (16200-BO-HS-H3000)	3,316,214
<b>TOTAL</b>				<b>8,221,868*</b>

*\*Note: In total, this CB only authorize \$4.9M of spending. The \$3.3 million shown on lines 1.2 and 1.3 requires a two-step appropriation process to transfer funds from the Housing Fund to the Human Services Fund.*



# 2026 Funding Identified to date for Shelter

The Executive prioritized fund sources that were not committed for other purposes

<i>Fund Source</i>	<i>Amount</i>
<i>CDBG OH Revolving Loan Fund Conversion*</i>	<i>\$3,300,000</i>
<i>CDBG-COVID</i>	<i>\$2,800,000</i>
<i>Downtown Fund*</i>	<i>\$1,600,000</i>
<i>KCRHA 2025 General Fund Underspend</i>	<i>\$7,750,000</i>
<i>Proviso HSD-060-A-1</i>	<i>\$2,100,000</i>
<b>TOTAL</b>	<b>\$17,550,000</b>

*\*Funds subject to Council approval via CB 121185*

# Federal Funds

- **Community Development Block Grant (CDBG) Office of Housing (OH) Revolving Loan Fund (RLF) Conversion: \$3.3M\***
  - CDBG RLFs use program income from previously awarded CDBG projects to make new awards
  - OH was unable to quickly award funding in some programs
  - In the 2025 budget, the RLFs were proposed to be dissolved and reallocated
  - To use the \$2.8M in CDBG-Covid (CV) funds that expire July 2026, these funds must be spent first
- **CDBG-CV: \$2.8M**
  - These are remaining CDBG funds from the CARES Act for cities to respond to COVID
  - These funds must have a nexus with COVID prevention
  - Must be expended by July 2026
  - All CDBG funds must comply with federal requirements for use

*\*Funds subject to Council approval via CB 121185*

# Downtown Fund and Proviso Funds

- **Downtown Fund: \$1.6M\***
  - Established in 1985 as part of a floor area bonus system for developers
  - Funds must be used for the provision of downtown health and human services
  
- ***Proviso HSD-060-A-1: \$2.1M***
  - Council proviso on \$2.85M GF for substance use treatment and recovery services
  - Of this amount, up to \$2.1M can be used for providing substance use disorder treatment and other behavioral health supports

*\*Funds subject to Council approval via CB 121185*

# King County Regional Homelessness Authority (KCRHA) Underspend

- ***KCRHA 2025 Underspend: \$7.7M***
  - At year-end close, \$20.5M in unexpended GF balance from the 2025 Budget
  - \$12.8 needed to pay for outstanding invoices and complete work
  - \$7.7M GF will be used for shelter expansion