

Amendment 4 Version 1 to CB 121253 - CBO 2026 Mid-Year Supplemental ORD

Sponsor: Chair Strauss

Reallocate \$3.6 million JSF from the SHA Northgate Commons Project to Restore Universal School Meals Program

Effect: This amendment would add \$3.6 million JumpStart Payroll Expense Tax Fund to the Office of Sustainability and Environment (OSE) to implement Universal School Meals with Seattle Public Schools in the 2026-2027 school year in the School Meals bucket of the Families, Education, Preschool, and Promise (FEPP) Levy implementation plan (Pages 56-58 of [Attachment 1](#) to [CB 121240](#)). This increase is funded by reducing the appropriation from the JumpStart Fund to the Office of Housing's Multifamily Housing Budget Summary Level for the Northgate Commons project in the 2026 Adopted Budget. Central Staff's understanding is that sufficient funding remains after this reduction to complete the project. Any remaining surplus projected at the end of the year would be available to offset potential cuts in the 2027 budget.

Background: At the July 22, 2026 City Council meeting, the Council adopted an amendment to the FEPP spending plan that invested \$3.0 million to provide meals to low-income children outside the classroom during weekends and school breaks for the next six years. This funding was reallocated from the universal free school meals program. As a result, Seattle would begin funding universal free school meals for all students in the 2027–2028 school year rather than in the 2026–2027 school year as originally proposed by the Executive through the FEPP Levy Implementation and Evaluation Plan.

Access to school meals varies across Seattle Public Schools (SPS): 56 schools offer free meals to all students through CEP or HB 1238, while the remaining 53 provide free meals only to students who qualify for the Free or Reduced Price (FRP) meal program. To achieve universal access, the City would cover meal costs for students at these 53 schools who are not enrolled in FRP, with SPS and OSE expecting that not all students will participate.

OSE and SPS developed a reimbursement model based on current meal prices and federal rates, assuming stable CEP participation and a 30 percent increase in meal participation at non-CEP/HB 1238 schools in 2026–2027. Federal, state, and district funds already cover about 84 percent of SPS meal program costs, meaning the City's contribution fills a relatively small but critical gap—approximately one City dollar for every six dollars from other sources. Costs could fall if more SPS schools qualify for CEP or if participation increases are lower than projected. Under this model, Year 1 universal meals would cost an estimated \$3.6 million, increasing by 15 percent to \$4.1 million in Year 2 to reflect higher reimbursement rates and increased meal demand.

Add a new item to Section 1 of CB 121253 as follows, and renumber item numbers as needed:

Section 1. The appropriations for the following items in the 2026 Budget are decreased by ~~\$10,791,537~~ \$14,391,537 from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/ BCL Code	Amount (\$)
<u>1.23</u>	<u>Executive (Office of Housing)</u>	<u>Payroll Expense Tax (14500)</u>	<u>Multifamily Housing (14500-BO-HU-3000)</u>	<u>(3,600,000)</u>

Add a new item to Section 2 of CB 121253 as follows, and renumber item numbers as needed:

Section 2. In order to pay for necessary costs and expenses incurred or to be incurred in 2026, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2026 Budget, appropriations for the following items in the 2026 Budget are increased by ~~\$136,470,095~~ \$140,070,095 from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/ BCL Code	Amount (\$)
<u>2.39</u>	<u>Executive (Office of Sustainability and Environment)</u>	<u>Payroll Expense Tax (14500)</u>	<u>Office of Sustainability and Environment (14500-BO-SE-X1000)</u>	<u>3,600,000</u>