SEATTLE CITY COUNCIL
CENTRAL STAFF

# Seattle Department of Transportation

## 2027–2028 Proposed Budget
## Policy Considerations

Select Budget Committee | October 14, 2026

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SEATTLE CITY COUNCIL
CENTRAL STAFF

# Budget Summary

| | 2026 Adopted | 2027 Proposed | % Change | 2028 Proposed | % Change |
|---|---|---|---|---|---|
| **Operating Appropriations by BSL** | | | | | |
| Bridges & Structures | $17.0M | $16.6M | (2.4%) | $17.1M | 2.7% |
| First Hill Streetcar Operations | $9.8M | $10.1M | 3.5% | $10.5M | 3.5% |
| General Expense | $45.1M | $52.0M | 15.4% | $54.7M | 5.3% |
| Leadership and Administration | $0.0M | $0.0M | 0.0% | $0.0M | 0.0% |
| Maintenance Operations | $63.4M | $56.9M | (10.3%) | $60.6M | 6.6% |
| Mobility Operations | $124.3M | $130.0M | 4.6% | $147.6M | 13.6% |
| Parking Enforcement | $0.0M | $0.0M | 0.0% | $0.0M | 0.0% |
| ROW Management | $52.3M | $51.4M | (1.8%) | $53.2M | 3.5% |
| SLU Streetcar Operations | $4.5M | $4.7M | 3.5% | $4.9M | 3.5% |
| Waterfront and Civic Projects | $9.6M | $13.1M | 36.0% | $13.6M | 3.5% |
| **Operating Subtotal** | **$326.0M** | **$334.7M** | **2.7%** | **$362.1M** | **8.2%** |
| **Capital Appropriations by BSL** | | | | | |
| Capital General Expense | $6.5M | $6.2M | (5.6%) | $6.2M | 0.1% |
| Central Waterfront | $0.6M | $0.8M | 25.0% | $0.8M | 0.0% |
| Major Maint./Replacement | $104.2M | $98.5M | (5.5%) | $162.3M | 64.8% |
| Major Projects | $0.5M | $0.0M | (100.0%) | $0.0M | 0% |
| Mobility-Capital | $235.7M | $188.6M | (20.0%) | $182.4M | (3.3%) |
| **Capital Subtotal** | **$347.7M** | **$294.0M** | **(15.4%)** | **$351.6M** | **19.6%** |

# Budget Summary

| | 2026 Adopted | 2027 Proposed | % Change | 2028 Proposed | % Change |
|---|---|---|---|---|---|
| **Appropriation Totals (Operating + Capital)** | | | | | |
| **Total Appropriations** | **$673.6M** | **$628.7M** | **(6.7%)** | **$713.7M** | **13.5%** |
| **Total FTE** | **1,291** | **1,282** | **(1%)** | **1,282** | **0%** |
| **Revenues** | | | | | |
| General Fund | $59.6 M | $59.0 M | (1%) | $60.1 M | 1.9% |
| Unrestricted Cumulative Reserve Fund | $2.4 M | $0 M | (100%) | $0 M | 0% |
| Move Seattle Levy Fund | $5.6 M | $3.8 M | (31.4%) | $0.0 M | (100.0%) |
| Transportation Levy Fund | $190.6 M | $219.5 M | 15.2% | $284.1 M | 29.4% |
| Seattle Streetcar Operations | $14.3 M | $14.8 M | 3.5% | $15.3 M | 3.5% |
| Transportation Fund | $266.5 M | $177.0 M | (33.6%) | $175.9 M | (0.6%) |
| Payroll Expense Tax | $3.3 M | $0.0 M | (100.0%) | $0 M | 0% |
| Automated Traffic Safety Camera Fund | $11.4 M | $19.5 M | 71.6% | $22.6 M | 15.8% |
| Transportation Benefit District Fund | $99.6 M | $119.3 M | 19.8% | $133.7 M | 12.1% |
| REET I Capital Fund | $3.5 M | $0.5 M | (84.4%) | $0.0 M | (100%) |
| REET II Capital Fund | $16.9 M | $15.2 M | (9.7%) | $22.0 M | 44.2% |
| **Total Revenues** | **$673.6 M** | **$628.7 M** | **(6.7%)** | **$713.7 M** | **13.5%** |

# Policy Consideration

**1. Transportation Fund Stability and Proposed Interfund Loan (IFL)**

The Transportation Fund (TF) has struggled to maintain a positive cash balance due to several contributing factors. An Interdepartmental Team is assessing the causes and developing strategies to restore long-term stability. To address short-term cash needs, the Executive proposes authorizing a ten-year interfund loan of up to $63.5 million while longer-term solutions are implemented.

**Options:**

A. Add annual reporting requirement on IFL loan repayments.
B. Request a report from the IDT detailing the causes of the TF's cash balance issues and the strategies to restore a positive balance.
C. No change.

# Policy Consideration

## 2. Capital Project Selection

SDOT selects and scopes capital projects based on city-wide policy documents adopted by City Council. Community input, engineering constraints, environmental requirements, program budgets, and policy goals guide investment decisions, though outcomes may not always align with District stakeholder expectations.

The Council created the Council District Fund in the 2025–2026 budget, allowing Councilmembers to direct resources to neighborhood-scale safety and transportation priorities. Funding was provided only for 2025 and 2026. The Mayor's Proposed Budget does not continue the program beyond 2026.

**Options:**

A. Reinstate the Council District Fund by making commensurate cuts or increasing revenues.
B. No change.

# Policy Consideration

## 3. Commercial Parking Tax Proposed 2.5 Percent Increase

The Mayor proposes increasing the Commercial Parking Tax (CPT) from 14.5 percent to 17 percent, generating $9.3 million in 2027.

City Council last increased the CPT in 2022, from 12.5 percent to 14.5 percent. Customers paying CPT also pay sales tax on their purchase.

**Options:**

A. Amend the CPT tax increment.
B. No Change.

# Policy Consideration

## 4. Traffic Enforcement Camera Expansion - Contextual Policy Consideration

SDOT's proposed budget supports installation of seven Automated Traffic Safety Cameras at four new locations to help enforce speed limits outside of a school zone. Traffic safety cameras are a proven, effective way to get people to follow traffic laws.

As part of the 2025–2026 budget, the Seattle City Council included $1.2 million to add school zone cameras and to deploy additional traffic safety cameras outside of school zones. This expansion of 37 school speed zone cameras at 19 locations citywide, which began November 2025, was completed at the beginning of the 2026/2027 school year.

ATSC revenues are anticipated to increase by $9.6 million 2026 Adopted to 2026 Revised. With the final installation of school zone cameras, an additional $3.6 million is anticipated in 2027.

# Policy Consideration

**5. Transportation Funding Task Force - Contextual Policy Consideration**

In September 2026, City Council approved appointment of members to the Transportation Funding Task Force. This Task Force, comprised of interested public stakeholders with diverse perspectives is to evaluate and recommend near-term, practicable policy, funding, program management, and delivery strategies, with a focus on sidewalks, bridges, and paving.

The Task Force is expected to make final Recommendations to Council December 2027.

# Questions?