SEATTLE CENTER (CEN)

2027–2028 PROPOSED BUDGET

OVERVIEW & POLICY CONSIDERATIONS PAPER

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Table 1. Department Budget Summary

Budget Summary Level	2026 Adopted	2027 Proposed	% Change	2028 Proposed	% Change
Operating Budget					
Campus	$34.1M	$33.9M	(0.6%)	$33.9M	0.0%
Leadership and Administration	$9.4M	$12.3M	32.0%	$12.1M	(1.9%)
McCaw Hall	$7.0M	$6.9M	(1.8%)	$6.9M	0.1%
Waterfront	$8.6M	$8.5M	(0.6%)	$8.7M	1.5%
Operating Subtotal	**$59.1M**	**$61.7M**	**4.4%**	**$61.6M**	**(0.2%)**
Capital Budget					
Building & Campus Improvements	$36.4M	$20.1M	(45.0%)	$16.0M	(20.4%)
McCaw Hall Capital Reserve	$0.7M	$0.7M	5.8%	$0.8M	3.0%
Monorail Rehabilitation	$1.2M	$1.0M	(20.1%)	$1.0M	0.0%
CIP Subtotal	**$38.3M**	**$21.8M**	**(43.3%)**	**$17.7M**	**(18.7%)**
Total	**$97.4M**	**$83.4M**	**(14.4%)**	**$79.2M**	**(5.0%)**
FTE	**260**	**265**	**2%**	**265**	**0%**

I. OVERVIEW AND SUMMARY

Compared to the 2026 Adopted Budget, the 2027 Proposed Budget for Seattle Center (CEN) would decrease $14 million, down 14.4 percent. This change results primarily from greater capital appropriations in 2026 for the Memorial Stadium Redevelopment project than in 2027.

CEN's 2028 Proposed Budget would decrease $4.2 million from 2027 Proposed. The decreases from 2027 to 2028 would mostly result from greater capital appropriations in 2027 than 2028 for the Seattle Center Campus Revitalization Program (Campus Revitalization Program) and Memorial Stadium redevelopment, greater GF support for interfund loan payments in 2027 than 2028, and capital spending on the Monorail and Fisher Pavilion. The Operating Budget and Capital Budget sections describe the changes.

The 2027-2028 Proposed Budget would include operating support to maintain the City-owned portions of the Elliott Bay Connections project area (EBC): Myrtle Edwards Park and a greenway alongside Alaska Way from Pier 62 to Pier 70. The entire EBC project area includes Centennial Park, owned by Port of Seattle. CEN anticipates increasing staffing to maintain Myrtle Edwards Park and the greenway pending finalization and approval of the agreement with the Elliott Bay Connections Group (EBC Group) for ongoing funding.

See Issues for Council Consideration for discussion of the Campus Revitalization Program and future legislation regarding EBC.

A. Operating Budget

The 2027 Proposed operating budget for CEN would increase by 4.4 percent from the 2026 Adopted Budget. The increase would include:

- $2 million GF to repay a portion of the Arena/COVID 19 interfund loan;
- $743,000 Metropolitan Park District (MPD) funds to supplement Waterfront Park skilled maintenance; and
- $624,000 to maintain the City-owned portions of the EBC

The CEN operating budget from 2027 to 2028 would hold steady with a 0.2 percent decrease in appropriations and would include:

- $1 million GF to repay a portion of the Arena/COVID 19 interfund loan; and
- $685,000 MPD funds to supplement Waterfront Park skilled maintenance; and
- $565,000 to maintain the City-owned portions of the EBC

The one-time MPD adds in 2027 and 2028 for Waterfront Park skilled maintenance would support four term-limited temporary positions (no FTE change).

B. Capital Budget

The 2027 Proposed capital budget for CEN would decrease by 43.3 percent from the 2026 Adopted Budget. The 2026 Adopted Budget included a one-time addition of $27.3 million in capital appropriations related to the Memorial Stadium Redevelopment project. The 2027 Proposed capital spending in this project, $3.5 million, is significantly less. This project is planned to end in 2027 with the completion of construction.

The most significant change to CEN CIP would be the Campus Revitalization Program – financed through an interfund loan from Real Estate Excise Tax I or II (REET I or II) of $3.2 million for 2027 for project costs and interest. Consistent with RES 32205 affirming Seattle Center as a vital civic and cultural asset, the Campus Revitalization Program would advance critical planning efforts, including the Armory Space Planning study, the Comprehensive Campus Plan, the Fisher Pavilion Revitalization and Decarbonization design work, and the Armory Bridge to Monorail design. These investments would support early design, holistic campus coordination, and construction readiness in preparation for a major capital bond measure anticipated in 2027.

The 2027-2028 Proposed Budget would establish the Seattle Center Campus Revitalization Program as a new CEN Capital Improvement Program (CIP) project (MC-SC-S19999) with spending planned for 2027. Of the $3.1 million in spending, $2.4 million would pay project costs including design, planning and permitting work in anticipation of the passage of the anticipated bond measure. The remaining $787,000 would pay the costs for three term-limited temporary staff positions (no new FTE) and one new, permanent Policy Lead position (1 FTE); all of these positions will be working exclusively on bond preparation. See FTE and Labor Changes below.

See Issues for Council Consideration for more on CEN's interfund loan and anticipated bond measure. See also the description of the CEN UTGO Interfund Loan Authorization ORD in Budget Legislation.

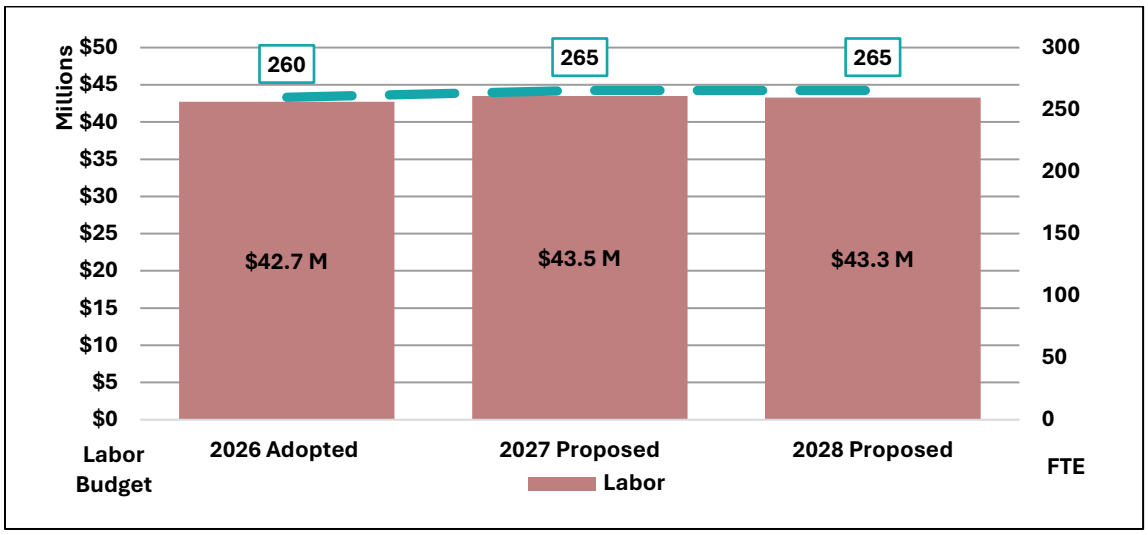
Other notable increases in CEN's 2027 Proposed CIP would include:

- $1 million for Fisher Pavilion Asset Preservation;
- $1 million for Public Gathering Space Improvements; and
- $965,000 for Monorail Improvements.

The proposed CEN capital budget from 2027 to 2028 would decrease 18.7 percent mostly because it does not include spending on Memorial Stadium redevelopment or for the Seattle Center Campus Revitalization Program.

C. FTE & Labor Changes

Figure 1. FTE & Labor Budget Summary



Compared to the 2026 Adopted Budget, the 2027-2028 Proposed Budget would add 5.5 FTE more positions:

- 1.0 FTE Senior Capital Projects Coordinator;
- 1.0 FTE Policy Lead for the Campus Revitalization Program; and
- 3.5 EBC maintenance positions.

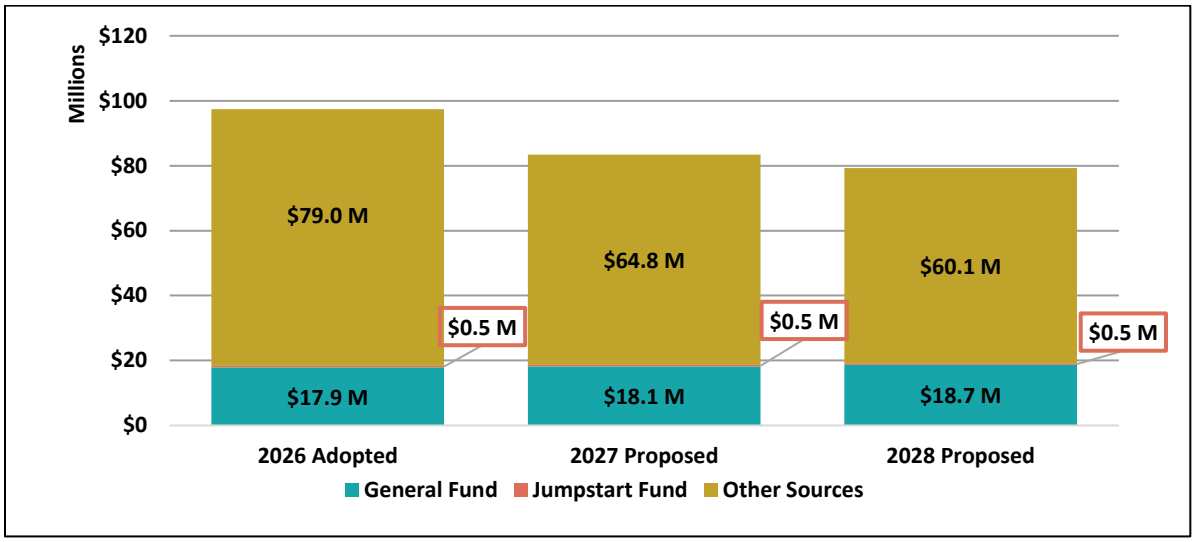
The Mid-Year Supplemental Budget Ordinance (ORD 127496) added the Senior Capital Projects Coordinator for 2026 and the 2027-2028 Proposed Budget would make it ongoing. The new Policy Lead would be dedicated to bond preparation for the Campus Revitalization Program. CEN proposes 3.5 FTE as the initial staff needed to maintain the City-owned portions of the EBC project.

CEN anticipates increasing staffing to maintain the City-owned portions of the EBC project pending finalization and approval of the agreement with the EBC Group for ongoing funding. See Issues for Council Consideration below.

Without affecting the total change in FTE, the 2027-2028 Proposed Budget would make ongoing an otherwise sunsetting Executive 2 position to lead CEN's Planning and Capital Development division.

D. Fund Appropriations Summary

Figure 2. Fund Appropriations Summary



In Figure 2, Other Sources (78 percent in 2027 and 76 percent in 2028) combines all funding sources that are not GF or JumpStart. GF and JumpStart funds make up 22 percent and less than one percent of CEN's 2027 Proposed Budget, respectively. Similarly, GF and Jumpstart funds comprise 24 percent and less than one percent for the 2028 Proposed Budget, respectively.

In the 2027-2028 Proposed Budget, CEN would be funded by a combination of GF, JumpStart, MPD, Admission Tax (Ad Tax), REET I and II, Limited Tax General Obligation (LTGO) bonds, interfund loans, and other sources.

CEN's other sources of revenue include facility rentals, parking fees, long-term leases to for-profit and non-profit organizations, sponsorships, concession sales, Monorail fares, donations, and state and federal grants. These revenues are deposited and spent from the Seattle Center Fund, or from the Seattle Center McCaw Hall Fund for revenues generated at this facility.

The 2027-2028 Proposed Budget would include $1.1 million ongoing, annual support from Ad Tax revenue for festivals at the Seattle Center:

- $460,000 for Festáls (total of 25);
- $401,000 for Northwest Folklife; and
- $222,000 for Winterfest.

The 2027-2028 Proposed Budget would remove Council's one-time designation of Ad Tax support to Northwest Folklife and Winterfest in the 2026 Adopted Budget (ARTS-009-B-1) and make it ongoing. See the discussion of the allocation of Ad Tax revenue to departments other than the Office of Arts and Culture (ARTS) in the ARTS Overview and Policy Considerations Paper.

Interfund loan from REET II - Arena construction and COVID-19 crisis - ORD 126218

In 2018, ORD 125717 authorized an interfund loan of up to $5 million to the Seattle Center Fund from the Unrestricted Cumulative Reserve Fund to support Seattle Center operations during the renovation of KeyArena to Climate Pledge Arena. In 2020, recognizing the economic impact of the COVID-19 pandemic, the City extended the time to repay the interfund loan from the end of 2026 to the end of 2033, and it increased the maximum amount to $18 million via ORD 126218. This legislation also changed the loan fund to the REET II Capital Projects Fund.

CEN has borrowed a total of $15.5 million under this loan authorization. The balance of the interfund loan is $13.9 million (loan draw plus interest). By the end of 2026, Seattle Center will have made repayments totaling $1.6 million. The total repayment due by end 2026 according to the loan repayment schedule set out by ORD 126218 is $5.1 million. The 2027-2028 Proposed Budget would add $2 million GF in 2027 and $1 million GF in 2028 to CEN to be used to make interfund loan payments.

Interfund loan from REET I and REET II - Memorial Stadium Redevelopment – ORD 127342

The City and Seattle Public Schools (SPS) are redeveloping Memorial Stadium on the Seattle Center campus. In June 2025, the Council passed ORD 127222 approving an interlocal agreement with SPS and a development agreement with Memorial Stadium Redevelopment LLC. As part of those agreements, and as authorized in prior CIPs, the City's financial commitment to the project is $40 million.

With the 2025 Adopted Budget in fall 2024, the Council passed ORD 127125 that authorized the Director of Finance to make a non-revolving loan of up to $9.3 million from the REET I Capital Project Fund for the benefit of the Memorial Stadium Redevelopment project. The interfund loan was slated to be repaid with proceeds from the sale of LTGO bonds in 2026. The 2025–2030 Adopted CIP also included an additional $29 million of LTGO-backed resources for 2027.

With the 2026 Adopted Budget in fall 2025, the Council passed ORD 127342 amending ORD 127125 to: a) increase the interfund loan amount from $9.3 million to $39.8 million, b) add the REET II Capital Project Fund as an additional source of the loan, c) create a new 2027 Multipurpose LTGO Bond Fund B in the City Treasury, and d) change the repayment date for the interfund loan from the end of 2026 to the end of 2027.

In summary, ORD 127342 replaced two years of LTGO bond sales with one bond sale in 2027, and it increased the interfund loan amount and extended the repayment date to cover all of the City's project costs. The 2027-2028 Proposed Budget would repay this interfund loan with a portion of the proceeds from the LTGO bond sale in 2027. See the Budget Legislation section of the Finance and Administrative Services Overview and Policy Considerations Paper for a description of the Office of City Finance Multipurpose LTGO Bond ORD for more details.

II. ISSUES FOR COUNCIL CONSIDERATION DURING BUDGET DELIBERATIONS

1. Campus Revitalization Program interfund loan and bond measure

For 2027 Proposed, the Campus Revitalization Program would be financed with an interfund loan of up to $3.2 million from the REET Capital Projects Funds to be repaid with the proceeds from a potential 2027 Unlimited Tax General Obligation (UTGO) bond measure. Passing the CEN UTGO Interfund Loan Authorization ORD (described below) would approve this interfund loan.

The 2027–2032 Proposed CIP would establish the Seattle Center Campus Revitalization Program to support pre-bond planning and design work ahead of the bond measure, which could support multiple years of spending beyond 2027. If the Council approves sending a bond measure to the voters next year and the voters pass it, then 2028 appropriations for CEN in the budget proposal next year could be significantly higher. Seattle Center will begin incurring early project costs in 2026 using its existing resources.

If voters approve the anticipated 2027 UTGO bond measure, then City Council could authorize revision of the terms and amount of the interfund loan, coordinated with the sale of the first series of UTGO bonds anticipated in 2028. If the measure does not proceed or fails, then the Executive expects the REET funds, or other City funds including potential non-voted bonds, to be sufficient to repay the interfund loan.

For context, Council should consider that this would be the third interfund loan to CEN. The $40M Memorial Stadium redevelopment interfund loan would be repaid from a portion the proceeds of the planned LTGO bond sale in 2027. The Arena/COVID crisis interfund loan ($13.9 outstanding from $15.5M borrowed) would be partially repaid with an increase of $3M GF in the 2027-2028 Proposed Budget. By year-end 2026, Seattle Center will have repaid $1.6M of the $5.1M repayments due on the Arena/COVID crisis interfund loan.

Options:

A. Council could not pass the CEN UTGO Interfund Loan Authorization ORD and amend the 2027-2028 Proposed Budget to remove or adjust the associated spending and FTE.

B. No change.

2. Future legislation regarding Elliott Bay Connections

The EBC Group invested approximately $56 million to renovate the entire EBC area, and they have paid for maintenance since project completion in early 2025. The EBC Group has committed to pay for maintenance of the City-owned portions of the EBC, including Myrtle Edwards Park and the new greenway along Alaskan Way between Pier 62 and Pier 70, from the second quarter of 2027 to the second quarter of 2031. Funding in perpetuity will be a City responsibility past second quarter 2031.

As stated above, the 2027-2028 Proposed Budget would add 3.5 FTE and $624,000 in 2027 and $565,000 in 2028 to maintain the City-owned portion of EBC backed by expected EBC donations in 2027. Annual appropriations for EBC could increase contingent upon the approval and execution of an agreement with EBC Group. One or more packages of legislation to execute this agreement, to accept the EBC improvements, to transfer jurisdiction from Seattle Parks and Recreation and the Seattle Department of Transportation of the City-owned portions of the EBC to CEN, and to authorize additional position and appropriation authority in CEN, are anticipated to be ready for consideration during the first quarter of 2027.

Options:

Contextual budget issue. No staff options identified at this time.

III. BUDGET LEGISLATION

1. CEN UTGO Interfund Loan Authorization ORD

This legislation would create a new Seattle Center UTGO Bond Fund into which the principal proceeds and any premium received from the sale and delivery of UTGO bonds in 2028 shall be deposited for the purpose of paying all or part of the costs of various elements of the City's CIP included in the Campus Revitalization Program, and other City purposes approved by ordinance.

Further, the legislation would authorize the Director of Finance to make a non-revolving loan of up to $3.2 million principal and interest outstanding from REET I Capital Projects Fund or the REET II Capital Projects Fund to the Seattle Center UTGO Bond Fund. This loan would provide bridge financing for expenditures related to the Campus Revitalization Program (MC-SC-S1999) intended to be financed by authorized UTGO bond proceeds. The legislation requires that the loan be repaid, or amended by Council action to adjust the term and/or amount of the loan, no later than December 31, 2027, with interest on the loan at the rate of return of the City's Consolidated Cash Pool.

Finally, the legislation would allow the Director of Finance to effectuate the loan by transferring cash to the Seattle Center UTGO Bond Fund from the REET I Capital Projects Fund and/or the REET II Capital Projects Fund, or by carrying the Seattle Center UTGO Bond Fund in a negative cash position, in a total amount not to exceed $3.2 million until no later than December 31, 2027. It would also authorize the Director of Finance to establish, and modify, if necessary, from time to time, a repayment plan and schedule.

2. CBO 2026 Year-End Acceptance ORD

This ordinance would amend the 2026 Adopted Budget and 2026-2031 CIP by accepting grants, service contracts, private, or donation funds from various agencies and organizations and would authorize the expenditure of funding backed by their respective revenue sources. For CEN, this legislation would increase revenue-backed appropriation authority in the Building and Campus Improvements BSL by $2 million and accept a grant in this amount from the Washington State Department of Commerce for the design and engineering for the decarbonization of Fisher Pavilion. The work related to this grant would span July 2026 to July 2028 with no required local match from CEN.

3. CBO 2026 Year-End Supplemental ORD

This ordinance would amend various aspects of Ordinance 127362, which adopted the 2026 Budget, including the 2026-2031 CIP. For CEN, this legislation would increase one-time appropriation authority by $500,000 GF for CEN in the Campus BSL for public safety enhancements. Such enhancements include weapon detection equipment with operating costs, portable barrier fencing, campus patrol vehicles for security staff, and active shooter de-escalation, and other related trainings for key staff.

4. CBO 2027 Annual Acceptance ORD

This ordinance would authorize acceptance of grants from non-City sources, enter into revenue-backed service contracts, and carry forward related appropriations in 2027. For CEN, this legislation would authorize the acceptance of a $965,000 grant from the Federal Transit Administration for Seattle Monorail preventative maintenance.

5. CEN Facility Fees 2027-2028 ORD

This legislation would update the CEN facility fee schedule to reinstate short-term rental fees for the International Fountain Pavilion after being unavailable due to the term of a previous long-term lease and to add language regarding a surcharge pursuant to an agreement that CEN holds with Ticketmaster. This surcharge is not new; the language would be added for transparency.

6. CEN Monorail Fare Ceiling Increase ORD

This legislation would authorize the CEN Director to execute an amendment to CEN's agreement with Seattle Monorail Services, LLC, to increase the maximum allowable fares. The fare cap has not been updated for 12 years. The amendment would raise the fare cap from $4.00 to $7.00, an increase of 175 percent and consistent with fare cap adjustments over the past three decades. The City of Seattle owns the Seattle Center Monorail (Monorail) and contracts with the private firm, Seattle Monorail Services, LLC, to operate and maintain the Monorail through a concession agreement. The operating expenses of the Monorail are fully funded by fare revenue. CEN also receives income from Monorail fare revenue.