SEATTLE CITY COUNCIL
CENTRAL STAFF

OFFICE OF HOUSING

2027–2028 Proposed Budget
Policy Considerations

Select Budget Committee | October 14, 2026

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Budget Summary

	2026 Adopted	2027 Proposed	% Change	2028 Proposed	% Change
Operating Appropriations by BSL					
Homeownership & Sustainability	$29.9M	$25.7M	(14.0%)	$25.7M	0.0%
Leadership and Administration	$11.8M	$11.5M	(2.4%)	$11.8M	2.0%
Multifamily Housing	$310.7M	$310.5M	(0.1%)	$310.2M	(0.1%)
Total	**$352.4M**	**$347.7M**	**(1.3%)**	**$347.6M**	**(0.0%)**

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Budget Summary

	2026 Adopted	2027 Proposed	% Change	2028 Proposed	% Change
Appropriation Totals					
Total Appropriations	**$352.4M**	**$347.7M**	**(1.3%)**	**$347.6M**	**(0.0%)**
Total FTE	**69**	**69**	**0%**	**69**	**0%**
Revenues					
GF	$0	$0	0.0%	$0	0.0%
JumpStart Payroll Expense Tax Fund (JumpStart)	$142M	$140M	(.7%)	$139M	(1.6%)
Other Source(s)	$210M	$208M	(1.1%)	$208M	.4%
Total Revenues	**$352M**	**$347M**	**(1.0%)**	**$347M**	**0%**

2026 Year-End Supplemental

- The most substantial change in OH's budget is in the 2026 Year End Supplemental, where OH's 2026 JumpStart Payroll Expense Tax Fund (JumpStart) appropriation is reduced by $65 million, as the Executive transitions to basing OH's annual JumpStart appropriation largely on its cash expenditure needs.

- The Executive's overall goal is to carry forward only:
  - The minimum needed for multi-family capital expenditures in the next fiscal year, with a modest buffer
  - All awarded but unspent homeownership funds, since homeownership appropriations would continue to be based on anticipated awards in that fiscal year

- This is a significant change from past practice, in which 100 percent of all available OH JumpStart appropriation was carried forward each year.

- Executive's position is that while this is a decrease over the long-term, in the short term it will not impact capital investment levels, capital awards, or the speed of construction for awarded projects, since OH's JumpStart appropriation is held steady at approximately $140 million in 2027 and 2028 Proposed Budget and the outyears.

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Policy Consideration

(Slide 1/3)

1. **Basing OH's JumpStart appropriation on annual cash expenditure needs only will require careful financial management**

   OH will be using future-year appropriations to pay for commitments made in the current year. OH and the City Budget Office (CBO) will need a strong system for monitoring expenditures and a strong methodology for determining JumpStart amounts to be included in its annual Multi-Family Notice of Funding Availability.

   Options:

   A. Adopt a Statement of Legislative Intent (SLI), requesting that OH provide quarterly budget to actual information and quarterly updates to its project expenditure projections, along with an explanation of any refinements OH has made to projecting project expenditures.

   B. Adopt a SLI, requesting that OH inform Council, prior to the publication of the 2027 Multi-Family NOFA, of the amount and purpose of any JumpStart included in that NOFA and provide the methodology for how this amount was determined.

   C. No Change

Policy Consideration

2. Making awards based on OH's future JumpStart appropriation may require unknown future trade-offs.

If JumpStart revenue declines significantly, the City will need to make difficult decisions about reducing funding in other priority areas, so that the City can meet its public and legal obligations.

Options:

A. Adopt a SLI, requesting that OH inform Council, prior to the publication of the 2027 Multi-Family NOFA, of the amount and purpose of any JumpStart included in that NOFA

B. No Change

Policy Consideration

3. **Basing OH's JumpStart appropriation largely on annual cash expenditure needs may impede OH's ability to react nimbly to emerging provider needs**

   Over the last several years, OH has been able to quickly respond to emerging provider needs, as they are able to decide in real-time if available JumpStart should be prioritized to stabilize existing properties or be awarded for new capital projects.

   Options:

   A. Council could adopt a SLI, requesting that OH inform them, prior to the publication of the 2027 Multi-Family NOFA, of the amount and purpose of any JumpStart included in that NOFA

   B. No Change

Questions?