

# HUMAN SERVICES DEPARTMENT (HSD)

## 2027–2028 PROPOSED BUDGET

### OVERVIEW & POLICY CONSIDERATIONS PAPER

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Table 1. Department Budget Summary

| Budget Summary Level                  | 2026<br>Adopted | 2027<br>Proposed | %<br>Change | 2028<br>Proposed | %<br>Change |
|---------------------------------------|-----------------|------------------|-------------|------------------|-------------|
| <b>Operating Budget</b>               |                 |                  |             |                  |             |
| Addressing Homelessness               | \$172.4M        | \$183.5M         | 6.4%        | \$190.1M         | 3.6%        |
| Leadership and Administration         | \$18.8M         | \$23.5M          | 24.9%       | \$23.8M          | 1.3%        |
| Preparing Youth for Success           | \$18.2M         | \$18.7M          | 2.6%        | \$19.3M          | 3.1%        |
| Promoting Healthy Aging               | \$81.1M         | \$95.2M          | 17.4%       | \$95.8M          | 0.7%        |
| Promoting Public Health               | \$35.1M         | \$32.1M          | (8.8%)      | \$33.2M          | 3.7%        |
| Supporting Affordability & Livability | \$44.8M         | \$47.7M          | 6.5%        | \$48.8M          | 2.4%        |
| Supporting Safe Communities           | \$50.6M         | \$44.8M          | (11.5%)     | \$46.6M          | 4.1%        |
| <b>Total</b>                          | <b>\$421.1M</b> | <b>\$445.4M</b>  | <b>5.8%</b> | <b>\$457.6M</b>  | <b>2.8%</b> |
| <b>FTE</b>                            | <b>481</b>      | <b>515</b>       | <b>7%</b>   | <b>515</b>       | <b>0%</b>   |

#### I. OVERVIEW AND SUMMARY

Compared to the 2026 Adopted Budget, the 2027-2028 Proposed Budget for the Human Services Department (HSD) would increase by \$24.3 million (5.8 percent). That increase is the result of additional funding for addressing homelessness, providing programming and services for older people, and providing food and nutrition services. Mandatory inflationary adjustments for human services contracts administered by HSD are also a factor in this budget increase.

#### A. Operating Budget

Proposed increases include the following:

##### Addressing Homelessness

- \$18.3 million ongoing JumpStart Payroll Expense Tax (JumpStart) revenues to support the provision of increased units of shelter, consistent with Mayor Wilson’s [Executive Order 2026-02](#). Combined with \$18.6 million appropriated in the 2026 Adopted Budget, some of which was already intended for shelter or safe lots and some of which was repurposed from other uses to support this shelter expansion, the total funding increment of \$36.9 million is anticipated to support the provision of approximately 960 new or expanded shelter beds by the end of 2027. See the General Fund Balancing and Sustainability Analysis memo for a discussion of the source of this funding.

\$3.5 million of the \$18.6 million funding increment referenced above is from prior-year Council actions to support vehicle residents. Section II below describes how the 2027-2028 Proposed Budget and [CB 121282](#), an appropriations bill recently passed out of the Public Safety Committee, are in conflict with each other in relation to the use of this \$3.5 million.

[ORD 127424](#), passed by the Council in April, amended the 2026 Adopted Budget, adding \$8.2 million in appropriation authority to support the implementation and operation of transitional encampment programs in 2026 and 2027, as described in Executive Order 2026-02. At the time, the Executive’s approach to these programs was still being developed, and ORD 127424 included a request that the Mayor’s Office report to Council in September with more concrete details about several aspects of intended new and expanded shelter projects. The “Shelter Expansion Council Information Request Responses” [report](#) (“Shelter Expansion Report”), provided on September 14, 2026, noted that 540 beds

towards the goal of 960 were already in development and addressed the majority of areas about which the Council had raised concerns.

In particular, the Council requested that the Mayor's Office describe the framework for implementing shelter services that would provide different levels of services for populations with various needs, for instance physical health supports and substance abuse disorder treatment. The Council, the Mayor's Office, and HSD established the High Acuity Work Group and identified and defined Essential, Enhanced, Enriched, and Complex shelters according to their operating models.

In the Shelter Expansion Report, the Executive did not meet the specific requirements of two Council requests related to public safety. The Council requested the development of a public safety plan and a commitment to monthly data reports, each applicable on a per-shelter basis. The Executive has, however, been sensitive to the public-safety concerns that shelter sites may pose and incorporates public-safety assessments and monitoring into each shelter's implementation process. For one such site, these assessments have led to infrastructure upgrades in the vicinity that will benefit both pedestrians and shelter clients. Continuing past practice, all operators of new and expanded shelters are required to hold Good Neighbor Agreements that commit shelter providers to engaging with neighbors.

- \$6.5 million in 2027 and 2028 for homelessness prevention services, funded by Housing Levy investment earnings. There is a total of \$16.3 million in 2027 and \$16.6 million in 2028 for homelessness prevention in the 2027-2028 Proposed Budget, as compared to \$11.5 million in the 2026 Adopted Budget. This reflects Housing Levy investment earnings in excess of the amount budgeted in the 2026 Adopted Budget and the use of GF to replace some Housing Levy interest earnings. Housing Levy interest earnings, which are a one-time fund source, had been swapped for ongoing GF in the 2026 Adopted Budget; this 2027-2028 proposed budget reverses that change.

#### Food and Nutrition

- \$3 million in ongoing GF Seattle Shield funding for food banks and meal programs and \$1 million for meal delivery, making permanent a one-time increase that was included in the 2026 Adopted Budget, which would bring the department's total budget across these investments to \$9.9M. Note that the 2027-2028 Proposed Budget also includes other food and nutrition investments in the Office of Sustainability and Environment and Department of Education and Early Learning.

#### Community Safety

- 2.0 FTE, a Strategic Advisor 2 and a Management Systems Analyst, to improve network coordination and data analysis related to the supportive-services program for youth that is part of the City's broader gun violence reduction efforts. Adding these positions is responsive to the March 2025 Office of the City Auditor [report](#), "Four Recommendations to Better Understand and Address Current Gun Violence Patterns in Seattle." Position costs are proposed to be funded with existing resources.

#### 2SLGBTQIA+ Supports

- \$500,000 in ongoing GF funding for a Queer and Trans Stabilization Fund to support organizations that help meet the emergent needs of 2SLGBTQIA+ community members. This proposed add is responsive to recommendations made by the Trans & Queer Stabilization Interdepartmental Team in 2026 and a Council-driven one-time reallocation of funds, in the 2026 Mid-Year Supplemental Budget Ordinance ([ORD 127496](#)), for the same purpose.

#### Affordability and Livability

- \$596,000 in ongoing funding for the position costs of 4.0 FTE Program Intake Representatives, supporting HSD's administration of the City's Utility Discount Program (see Section III).

### Human Services Contracts

- \$10.1 million to provide a 3.8 percent inflationary increase to human services contracts in 2027, as required by the Seattle Municipal Code.

### Proposed reductions include the following:

- \$603,000 in GF related to HSD resources to support the City's Unified Care Team (UCT). The UCT is an interdepartmental effort to (1) address unsanctioned tent encampments and recreational vehicles, and (2) clean and maintain the public spaces that have been affected by them. See Section II.

### Proposed fund swaps, shifts and interdepartmental transfers include the following:

- \$6.3 million in GF transferred to the Community Assisted Response and Engagement (CARE) department for two bodies of work:
  - \$5.1 million in Community Violence Intervention contracts addressing gun violence currently held by HSD's Safe and Thriving Communities Division
  - \$1.2 million to support new work in CARE related to implementation of the Mayor's Gun Violence Plan, including funding for 2.0 FTE positions and technical assistance
- \$393,000 in GF replaced by utility revenues from Seattle Public Utilities and Seattle City Light; HSD administers the City's Utility Discount Program for these departments
- \$329,000 in GF replaced by annually recurring state grant funding for aging-in-place services to older adults and caregivers
- \$153,000 in GF replaced by annually recurring Community Development Block Grant (CDBG) funding for the Minor Home Repair Program, which provides support to low-income homeowners

### One-time adds that were removed in 2027-2028 Proposed Budget

- Overall, there were \$28.3 million of one-time funding adds in the 2026 Adopted Budget that were removed in the 2027-2028 Proposed Budget. See Attachment 1 (One-Time Funds Removed from the 2027-2028 Proposed Budget) for more information.
  - About \$13 million of those removals were funds for a federal funding reserve<sup>1</sup>; while that \$13 million in funding was removed from HSD's budget it was added to Finance General in the 2027-2028 Proposed Budget. See "Federal Funding Reserve" discussion below for more detail about this reserve.
  - \$5 million was for expenditures that were truly one time, such as capital improvements.
  - \$2 million was Housing Levy interest earnings for homelessness prevention, which are always marked as one-time; the 2027-2028 Proposed Budget includes \$6.5 million of Housing Levy interest earnings in HSD for the same purpose.
  - The remaining \$7.9 million supported grants to community-based organizations for what are likely costs of an operational and ongoing nature. In the 2026 Adopted Budget, this amount included \$3 million for food banks and \$1 million for meal providers, and the 2027-2028 Proposed Budget adds both of these funding increments on an ongoing basis. \$900,000 of this \$7.9 million was contracted in 2026 for supportive services related to gender-based violence.

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<sup>1</sup> The total amount for a federal funding reserve in HSD in the 2026 Adopted Budget was \$20.4 million. Of that amount, \$7.8 million was ongoing and \$12.6 million was one time. In the 2027-2028 proposed budget, the \$7.8 million is now being used for new shelter operations. This bullet point addresses only the one-time funding.

## Other Relevant Information to the 2027-2028 Proposed Budget:

### King County Regional Homelessness Authority

Administration of 117 City-funded homeless-services contracts totaling \$112 million will transfer from the King County Regional Homelessness Authority (KCRHA) to HSD on January 1, 2027. KCRHA will remain as the Continuum of Care (CoC) lead agency, with oversight of such CoC responsibilities as administering the Homeless Management Information System (HMIS), administering Coordinated Entry, conducting the Point in Time count, coordinating the CoC Board, and coordinating submittal of the Notice of Funding Availability application to the U.S. Department of Housing and Urban Development (HUD). It will also continue to administer some CoC funding and approximately \$16 million of annual Right of Way funding from the Washington State Department of Commerce.

In August 2026, KCRHA laid off 10 staff and eliminated six vacant staff positions, with plans for another round of layoffs in fall 2026. Concurrently, HSD added 23 emergency positions in 2026, to be ready to directly administer homelessness services contracts again in 2027. See information in Figure 1 below.

Turning Point Strategic Advisors, a consultant commissioned by HSD and the King County Department of Community and Human Services (DCHS), is working with KCRHA both to identify the amount of any past administrative funding overruns and to finalize KCRHA's 2027 and 2028 administrative budgets and staffing plan. HSD does not anticipate needing any funding, other than the amounts included in the 2027-2028 Proposed Budget, to support administrative overruns.

Additionally, HSD is exploring the ongoing need for an Ombuds Office and for regional coordination of a severe-weather response. It is not yet clear if the City will pay for a continued Ombuds Office function at KCRHA or pay for KCRHA to coordinate a severe weather response. As with the above, HSD does not anticipate needing any funding, other than what is included in the 2027-2028 Proposed Budget, if the City decides to contract with KCRHA for either of those functions.

### Federal Funding Reserve

The 2026 Adopted Budget included a \$20.4 million federal funding mitigation reserve, in HSD, largely intended to protect against potential reductions in Continuum of Care funding. As noted in the 2026 Year-End Supplemental section below, that \$20 million was removed from HSD's budget and then, in the 2027-2028 Proposed Budget, appropriated to Finance General (FG), where it was added to an existing \$2 million federal funding reserve.<sup>2</sup> There is now a total of \$22.5 million in FG for a federal funding reserve. There is also a \$37.4 million reserve at the Office of Housing for federal funding, for a total of \$59.9 million City-wide.

The Executive has stated that while CoC funding backfill is a potential use of the \$59.9 million in reserve, other potential uses exist. However, CoC funding presents the largest and most immediate risk, especially in terms of the impact of its loss on causing housed people to return to homelessness.

### Continuum of Care Funding Status Update

At the end of September, KCRHA submitted an application to HUD for the 2026 Notice of Funding Opportunity (NOFO) for contracts that will begin in 2027. Existing CoC contracts run for 12 months and have start dates throughout 2027, so the potential impacts described below would straddle the 2027 and 2028 calendar years.

The 2026 NOFO limits funding that may be expended on permanent housing to 60 percent of a CoC's annual funding amount, while historically King County CoC has used over 90 percent of its funding for permanent housing projects. As a result, even under a best-case scenario in which HUD fully funds King County's CoC application, there will be a \$20 million funding gap for existing projects that had been regularly receiving CoC

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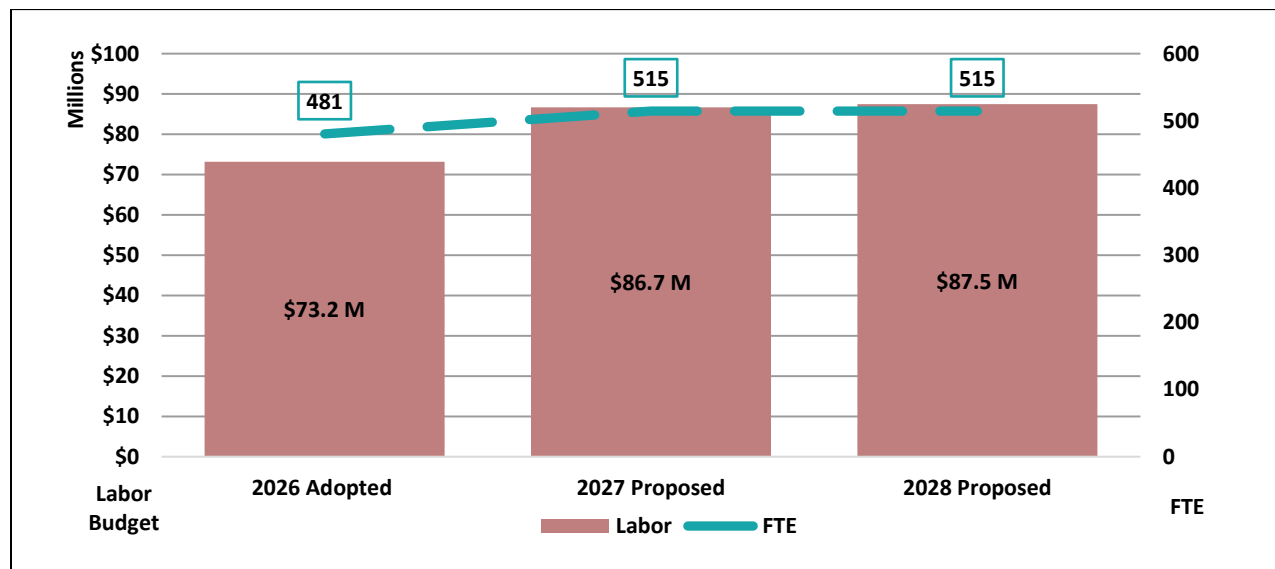
<sup>2</sup> The source of the original \$2 million in FG was from [FG-101-B-2026](#) and from unallocated funding from [Ordinance 127369](#) that was appropriated to FG in the 2026 mid-year supplemental.

dollars.<sup>3</sup> About 70 percent of that gap (\$14 million) will be for currently occupied, scattered-site permanent supportive housing (PSH) projects and 30 percent (\$6 million) will be for rapid rehousing projects that would serve future households moving from homelessness to housing. Additionally, \$6 million in CoC funds that have historically supported King County projects will now be awarded in a more competitive category, putting these projects at a significant risk of not receiving funds.

Although King County’s CoC application has been submitted, the situation remains fluid and uncertain. Under a worst-case scenario, the King County CoC could receive no money at all, a potential loss of \$65 million for existing projects. Additionally, the 2026 CoC NOFO is in litigation, and the impact of future Court rulings is unknown at this time. King County has set aside \$10 million in one-time reserves for CoC impacts in its Adopted 2026-2027 Biennial Budget. Additionally, the Washington State Department of Commerce has \$15 million for a CoC reserve, but the agency has not yet provided details on how that funding might be allocated across the state’s six CoCs.

## B. FTE & Labor Changes

**Figure 1. FTE & Labor Budget Summary**



Direct labor costs constitute approximately 20 percent of HSD’s overall budget. HSD’s labor costs are relatively low compared to other non-capital departments because the department is primarily responsible for administering human services contracts rather than providing services themselves (with the exception of the Aging and Disability Services Division, which is a significant provider of direct services). The 2027-2028 Proposed Budget reduces two vacant positions that support the Unified Care Team and adds two positions to support youth gun-violence prevention. The 2027-2028 Proposed Budget also includes four new Program Intake Specialists for the City’s HSD-administered Utility Discount Program and the transfer of a Strategic Advisor 3 position from the City Budget Office to HSD’s Homeless Services Division.

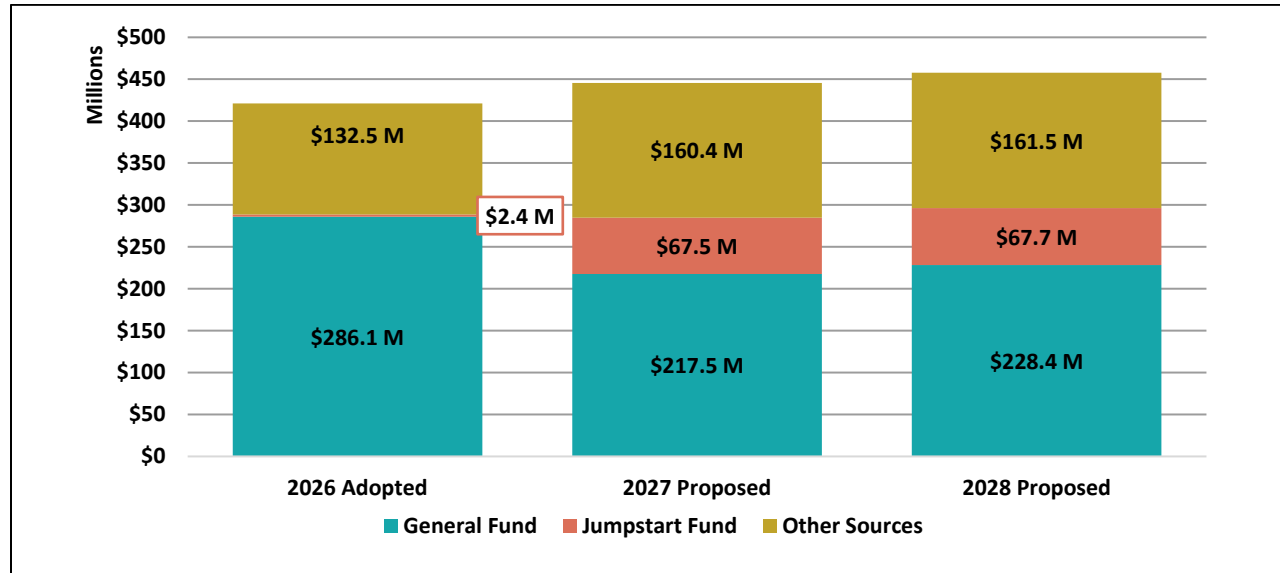
Twenty-nine of the 34 net new full-time positions shown in the 2027-2028 Proposed Budget were added as one-time emergency positions in 2026. Of those emergency positions, 23 are related to the transfer of contracts from KCRHA back to HSD. They include one Executive II (Homeless Services Division Director), nine Senior Grants and Contracts Specialists, one Senior Planning and Development Specialist, two Grants and Contracts Supervisors, one Administrative Specialist III, one Strategic Advisor 1, one Public Records Coordinator, one Senior Personnel Specialist, and six various accounting positions. The other six emergency positions are related to the Mayor’s shelter expansion initiative. They include two Senior Planning and

<sup>3</sup> [https://kcrha.org/wp-content/uploads/2026/09/WA-500\\_Final-Priority-List.pdf](https://kcrha.org/wp-content/uploads/2026/09/WA-500_Final-Priority-List.pdf)

Development Specialists, two Senior Grants and Contracts Specialists, one Management Systems Analyst, and one Accountant. The total cost of all 29 positions is \$5.1 million. All of these positions are proposed to be funded by existing resources, including funding that previously supported KCRHA positions.

### C. Fund Appropriations Summary

**Figure 2. Fund Appropriations Summary**



The 2027-2028 Proposed Budget significantly increases the proportion of HSD's overall budget that is supported by the JumpStart Fund, which is funded by Payroll Expense Tax (PET) revenues. In 2026, this proportion was 0.6 percent, and it is proposed to increase to 15 percent in 2027. This increased allocation is concentrated in HSD's Addressing Homelessness Budget Summary Level (BSL). In 2026, that BSL received \$527,000 from the JumpStart Fund, and in 2027 it is proposed to receive \$65.6 million. From the 2026 Adopted Budget to the 2027-2028 Proposed Budget, the amount of GF in HSD's budget would decrease by \$68.6 million (24 percent).

## II. ISSUES FOR COUNCIL CONSIDERATION DURING BUDGET DELIBERATIONS

### 1. Proposed reductions to Unified Care Team

The Unified Care Team (UCT) is an inter-departmental collaboration that aims to (1) address unsanctioned tent encampments and recreational vehicles, and (2) clean and maintain the public spaces that have been affected by them. The UCT was established in 2022, and a Core Team responsible for Citywide strategy and policy, overall coordination, administration, data analysis, and performance reporting was based in the Mayor's Office. This Core Team moved into HSD in 2026 to ensure its continuity of operations. The Core Team currently includes seven positions.

Two Regional Field Operations groups are responsible for managing and coordinating the on-site operations of the UCT. Seattle Department of Transportation (SDOT) leads the South Regional Field Operations group, covering Council Districts 1 and 2, and Seattle Parks and Recreation (SPR) leads the North Regional Field Operations group, covering Council Districts 3, 4, 5, 6, and 7. Encampments in Seattle are primarily located either in SPR facilities or in the right-of-way. SDOT assumed a more active role on the UCT at the same time as the UCT began to organize itself into neighborhood-based teams, and SPR and SDOT split team-coordination assignments according to each neighborhood's prevalent encampment profile. SPR and SDOT each have dedicated staff and budget for UCT operational work, in addition to their oversight roles. One HSD Regional Coordinator and two HSD Outreach Counselors staff each UCT response district.

Other City departments also play ongoing, budgeted roles in UCT operation.<sup>4</sup> Seattle Public Utilities (SPU) provides cleaning, disposal, and remediation services; the Seattle Police Department (SPD) ensures the safety of sites where field operations groups are working; and Seattle IT (ITD) provides mapping services. The Department of Finance and Administrative Services provides customer service support and holds the City's contract for recreational vehicle (RV) disposal.

Across participating UCT departments, reductions included in the 2027-2028 Proposed Budget total \$2.1 million (6.9 percent). Much of this budget reduction would come from reduced staff, from 113.5 FTE to 105.0 FTE (9.3 percent). Table 2 summarizes proposed budget changes across these departments.

**Table 2. UCT Budget Summary**

| Dept.        | 2026<br>Adopted Budget |              | 2027<br>Proposed Budget |            | % Change      |
|--------------|------------------------|--------------|-------------------------|------------|---------------|
|              | \$                     | FTE          | \$                      | FTE        |               |
| HSD          | \$5.7M                 | 30           | \$5.06M                 | 28         | (10.6%)       |
| FAS          | \$0.9M                 | 2            | \$0.9M                  | 2          | -             |
| SDOT         | \$6.7M                 | 21           | \$6.05M                 | 19         | (10.0%)       |
| ITD          | \$0.3M                 |              | \$0.15M                 |            | (44.4%)       |
| SPD          | \$2.2M                 |              | \$2.8M                  |            | 24.4%         |
| SPR          | \$11.4M                | 60.5         | \$10.1M                 | 56         | (11.7%)       |
| SPU          | \$2.8M                 |              | \$2.9M                  |            | 3.7%          |
| <b>Total</b> | <b>\$30M</b>           | <b>113.5</b> | <b>\$27.96M</b>         | <b>105</b> | <b>(6.9%)</b> |

<sup>4</sup> Another group of departments may be incorporated into UCT operations on an ad-hoc basis, depending on needs that arise. These departments do not have dedicated budget or staffing for the UCT. They include Seattle Public Libraries, Seattle City Light, Seattle Department of Construction and Inspections, the Seattle Fire Department, and the City Attorney's Office.

The Executive characterizes reductions across the UCT as reflecting a “right-sizing” approach for continuing to provide the current level of service. Components of these proposed reductions are as follows:

- HSD: Reduce 2.0 FTE vacant HSD positions; reduce operating budget by \$330,000
- SDOT: Reduce 2.0 vacant FTE and hold vacant 2.0 FTE
- ITD: Reduce budget for providing mapping services to the UCT by \$120,000
- SPR: Reduce 2.5 FTE vacant positions and transfer 2.0 vacant positions from the UCT to SPR’s Natural Resources Unit; reduce operating budget by \$690,000

In all, the proposed budget addresses 10.5 vacant positions across the UCT, which is over nine percent of its authorized staff across City departments. Some of the referenced positions have been vacant since 2023 and some have not been filled since they were added in the 2026 Adopted Budget.

It is unlikely that filling these vacant positions would have an impact on the team’s throughput. That is in part because many of them do not have roles in UCT field operations – instead, they are administrative, advisory, or analytical. The UCT’s budget and staffing level was significantly expanded in the 2025 Adopted Budget, with the Executive anticipating at the time that the net result would be a 60 percent increase from its current levels of activity. It is possible that some UCT positions then allocated are a mismatch for the way the UCT currently operates, particularly given its subsequent transfer to HSD. The situation of the UCT Core Team at HSD may have provided an opportunity to rely on established HSD teams, processes, and bodies of knowledge and obviated the need for redundant staff in other departments. Additionally, the two SPR positions that are proposed to be transferred encompass bodies of work that may be overspecialized in the context of the site work typically performed by UCT teams. If the Council has interest in increasing the impact of the UCT, it may make sense to reclassify some or all of the positions proposed for reduction, identifying the classifications that are directly related to producing a set of defined outcomes according to Council priorities.

With respect to the anticipated 60 percent increase from 2024 levels of activity, it is not clear that this service improvement has been achieved; although HSD provides quarterly reports to the Council about the activities and performance of the UCT, much of the data in these reports provides an on-the-ground snapshot of the UCT’s work environment (e.g., number of tents, number of encampments) rather than a qualitative assessment of the work and whether it is meeting policy goals. This report design may reflect the focus areas of a prior Council.

**Options:**

- A. Increase the UCT’s staffing level and/or budget and revise positions commensurate with express Council goals for this program
- B. Impose a proviso on one or more departments’ 2027 UCT budgets until HSD provides an operational plan responsive to express Council goals for this program
- C. Adopt a Statement of Legislative Intent (SLI) that revises current reporting standards and sets clear expectations and goals, so that the Council is better informed about this group’s work and its progress
- D. Some combination of A, B, and C
- E. No change

## 2. Conflicting uses of \$3.5 million in ongoing funding for activities related to vehicle residents

The 2026 Adopted Budget provided \$3.5 million of ongoing funding for programs and activities related to vehicle residents.<sup>5</sup> The 2027-2028 Proposed Budget and [CB 121282](#), which was passed out of the Public Safety Committee on September 22, 2026, are in conflict with each other in terms of how to use that \$3.5 million.

On September 22, 2026, the Public Safety Committee voted out of committee [CB 121283](#), which would create a new permit program for motor homes and travel trailers. CB 121282, referenced above, would create seven new outreach positions at HSD to conduct outreach related to the new permit program and help people apply for the permit, for a total annual cost of \$1 million. CB 121282 would also add one new Permit Technician position at SDOT, for a total annual cost of \$232,000. Finally, it would transfer \$216,000 from HSD to SDOT to pay for one-time Accela costs and fund half of the annual position costs of the Permit Technician. The intended source of the funding for these new positions and appropriation transfer to SDOT is the same \$3.5 million that the 2027-2028 Proposed Budget includes to support a new safe lot in the 2027-2028 Proposed Budget.

The Executive has also identified other one-time and ongoing costs to implement the new permit program for motor vehicles and travel trailers, which are not reflected in CB 121282 or the fiscal note for CB 121283. One-time costs identified by the Executive include conducting a census of lived-in motor homes and travel trailers to determine permit eligibility (\$250,000) and staff costs to establish the permit program (\$345,000). Ongoing costs include a Strategic Advisor to oversee permit program coordination (\$188,000), increased contracts with contracted outreach providers (\$687,000), new overtime costs for police officers to accompany Parking Enforcement Officers overnight (\$390,000), and potential increases to vehicle impound, towing and disposal costs (\$270,000). The sponsor of CB 121282 and CB 121283 anticipated that the \$3.5 million would be used to address these other costs.

The 2027-2028 Proposed Budget would use the full \$3.5 million to fund the ongoing operations of a new safe lot with approximately 90 units. This funding is part of the Executive's proposal to use \$37 million of existing and new funding to create approximately 960 new shelter beds in 2026 and 2027.

In addition to the \$3.5 million in ongoing funding, the 2027-2028 Proposed Budget also includes, in 2027, \$5 million of one-time, unallocated funding from prior years that is also intended to assist vehicle residents in transitioning to shelter and housing (this includes the \$3.5 million that was not expended in 2026 and \$1.5 million carried forward from 2025). The 2027-2028 Proposed Budget is silent on the specific use of the \$5 million in one-time funding, but the Executive has acknowledged the availability of those funds and their intended use to support this vehicle-resident work.

Under CB 121283, the permit program would be limited only to motor homes and travel trailers as identified during a one-time census. As a result, the program would by its nature be time limited and its "ongoing" costs may have an end date. That said, it is very likely that most, if not all, of the identified ongoing costs would persist through 2027 and 2028.

### Options:

- A. Impose a proviso on the \$3.5 million of ongoing funding in 2027, restricting its use only to costs associated directly with implementing the new permit program for motor homes and travel trailers.
- B. Identify a new funding source for a new safe lot
- C. Combination option A and B
- D. No change

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<sup>5</sup> That \$3.5 million was the result of HSD-019-A-1-2025 for \$1.5 million and HSD-072-A-1-2026 for \$2 million.

### III. BUDGET LEGISLATION

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#### 1. Year-End Supplemental Ordinance

The 2026 Year-End Supplemental Ordinance would add four Program Intake Specialist positions, which support the expansion of eligibility requirements for (1) Seattle City Light's Emergency Bill Assistance Program and (2) the City's Utility Discount Program. The Council approved the expansion of both programs in 2026 with [ORD 127467](#) and [ORD 127468](#), respectively; the new requirements will take effect in January 2027. Position costs will be allocated across Seattle City Light and Seattle Public Utilities. Additionally, the Year-End Supplemental Ordinance would transfer a Strategic Advisor 3 position from the City Budget Office's Innovation and Performance team to HSD. At HSD, the position would project-manage, coordinate, and evaluate HSD's homelessness-response initiatives (other than those addressed by the UCT), with funding provided from existing department resources. Central Staff has reviewed all of the proposed appropriations and has not identified any issues.

As noted above, the 2026 Year-End Supplemental Ordinance abandons \$20.5 million of reserve budget for shelter uses, which was held in the 2026 Adopted Budget to mitigate federal funding impacts. The 2026 Adopted Budget added \$9.4 million as a reserve for shelter supports and emergency housing, and the Council imposed a proviso on \$11.1 million of HSD's budget for the same purpose. This net reserve is appropriated to FG in the 2027-2028 Proposed Budget.

#### 2. Annual Grant Acceptance Ordinance

The 2027 Proposed Grant Acceptance Ordinance includes 34 annual grants that HSD typically receives from federal, state, and a few other sources (Seattle Housing Authority, University of Washington). These grants total over \$115 million of funding and support various programs. HSD anticipates receiving all of these grants.

#### 3. Year-End Acceptance Ordinance

The 2026 Year-End Acceptance Ordinance would accept funding awarded to HSD (\$1.2 million) from the Washington State Department of Social and Health Services, supporting HSD's administrative oversight of contractor-provided services within the state-level WA Cares Fund.

### IV. ATTACHMENTS

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1. One-Time Funds Removed from the 2027-2028 Proposed Budget

**Attachment 1 - One-Time Funds Removed from the 2027-2028 Proposed Budget**

| Council Budget Action (CBA) or Change Request (CR) that added the item in 2025 or 2026 | One-time items in the 2026 Adopted Budget that were removed from the 2027-2028 Proposed Budget | Corrected Amount | Fund Source                       | HSD Status Update                                                                                            | Notes                                                                                                                                                                        |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>EXECUTIVE CHANGES</b>                                                               |                                                                                                |                  |                                   |                                                                                                              |                                                                                                                                                                              |
| 2025 HSD-134                                                                           | Opioid Settlement Fund                                                                         | (\$116,000)      | Opioid Settlement Fund            | N/A                                                                                                          |                                                                                                                                                                              |
| 2025 HSD-156                                                                           | Food bags for childcare providers                                                              | \$80,000         | Sweetened Beverage Tax            |                                                                                                              | This funding has been removed in 2025; the 2027-2028 Proposed Budget adds it back.                                                                                           |
| 2026 HSD-170                                                                           | Federal funding mitigation reserve                                                             | (\$9,350,000)    | GF                                | N/A                                                                                                          | In the 2027-2028 Proposed Budget, \$20 million, including this \$9.4 million, is moved from HSD to Finance General for a federal funding reserve.                            |
| 2026 HSD-174                                                                           | Community Solutions Initiative                                                                 | (\$4,050,000)    | GF                                | \$3.3 million under proviso in 2026 for federal funding reserve; \$700,000 used for other priorities in 2026 | In the 2027-2028 Proposed Budget, \$20 million, including the \$3.3 million that had been under proviso, is moved from HSD to Finance General for a federal funding reserve. |
| 2026 HSD-172                                                                           | Food banks                                                                                     | (\$3,000,000)    | GF                                | Contracts executed                                                                                           |                                                                                                                                                                              |
| 2026 HSD-181                                                                           | Thunderbird Treatment Center one-time funding                                                  | (\$1,800,000)    | GF                                | Contract anticipated to be executed in Q4 2026                                                               |                                                                                                                                                                              |
| 2026 HSD-173                                                                           | Meal programs                                                                                  | (\$1,000,000)    | GF                                | Contracts executed                                                                                           |                                                                                                                                                                              |
| 2026 HSD-157                                                                           | Building improvement needs to create opioid treatment facility                                 | (\$500,000)      | Community Development Block Grant | Transfer complete                                                                                            |                                                                                                                                                                              |
| 2026 HSD-165                                                                           | Mitigation efforts to prepare for King County Crisis Care Center coming to Capitol Hill        | (\$500,000)      | GF                                | Not yet allocated                                                                                            |                                                                                                                                                                              |
| <b>COUNCIL CHANGES</b>                                                                 |                                                                                                |                  |                                   |                                                                                                              |                                                                                                                                                                              |
| 2025 HSD-001-A-1                                                                       | Homelessness prevention                                                                        | (\$1,900,000)    | Housing Levy interest earnings    | Contracts executed                                                                                           |                                                                                                                                                                              |
| 2025 HSD-004-B-1                                                                       | Food banks, meal programs, and culturally nourishing foods                                     | (\$250,000)      | GF                                | Contracts executed                                                                                           | Total funding was \$250,000 one-time and \$1 million ongoing. The ongoing portion remains in the 2027-2028 Proposed Budget.                                                  |
| 2025 HSD-005-A-1                                                                       | Free tax preparation services                                                                  | (\$100,000)      | GF                                | Contract executed                                                                                            |                                                                                                                                                                              |
| 2026 HSD-050-A-2                                                                       | Thunderbird Treatment Center one-time funding                                                  | (\$2,200,000)    | GF                                | Contract anticipated to be executed in Q4 2026                                                               |                                                                                                                                                                              |
| 2026 HSD-061-A-2                                                                       | Sexual assault services                                                                        | (\$500,000)      | GF                                | Contract executed                                                                                            |                                                                                                                                                                              |
| 2026 HSD-064-C-2                                                                       | Supports for survivors of commercial sexual exploitation                                       | (\$400,000)      | GF                                | Contracts executed                                                                                           |                                                                                                                                                                              |
| 2026 HSD-080-A-1                                                                       | Food and homelessness support programs                                                         | (\$375,000)      | GF                                | Contracts executed                                                                                           |                                                                                                                                                                              |
| 2026 HSD-042-A-2                                                                       | Monterey Loft behavioral health space improvements and repairs                                 | (\$350,000)      | GF                                | Contract anticipated to be executed in Q3 or Q4 2026                                                         |                                                                                                                                                                              |
| 2026 HSD-047-B-1                                                                       | Expansion of services at City-funded senior centers                                            | (\$250,000)      | GF                                | Contracts executed                                                                                           |                                                                                                                                                                              |

**Attachment 1 - One-Time Funds Removed from the 2027-2028 Proposed Budget**

| <b>Council Budget Action (CBA) or Change Request (CR) that added the item in 2025 or 2026</b> | <b>One-time items in the 2026 Adopted Budget that were removed from the 2027-2028 Proposed Budget</b> | <b>Corrected Amount</b> | <b>Fund Source</b> | <b>HSD Status Update</b>        | <b>Notes</b> |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------------|--------------------|---------------------------------|--------------|
| 2026 HSD-048-B-1                                                                              | Services and programs for black and LGBTQ+ communities                                                | (\$250,000)             | GF                 | Contract executed               |              |
| 2026 HSD-051-B-1                                                                              | Food delivery to housing residents in Magnuson Park                                                   | (\$250,000)             | GF                 | Contract executed               |              |
| 2026 HSD-063-A-2                                                                              | Refugee and immigrant women's supports                                                                | (\$250,000)             | GF                 | Contract executed               |              |
| 2026 HSD-065-A-2                                                                              | Family-based youth violence prevention and mentoring                                                  | (\$250,000)             | GF                 | Contract executed               |              |
| 2026 HSD-081-A-1                                                                              | Programs serving families, youth, and seniors                                                         | (\$225,000)             | GF                 | Contracts executed              |              |
| 2026 HSD-043-A-1                                                                              | Greenwood Senior Center roof replacement                                                              | (\$150,000)             | GF                 | Contract will be executed in Q4 |              |
| 2026 HSD-078-B-1                                                                              | Stipends to pay for rent in privately run recovery housing                                            | (\$150,000)             | GF                 | Funds not allocated             |              |
| 2026 HSD-046-A-2                                                                              | Strategic planning for health services for African American elders                                    | (\$125,000)             | GF                 | Contract executed               |              |
| 2026 HSD-044-A-1                                                                              | Relocation of Villa Comunitaria's childcare center                                                    | (\$75,000)              | GF                 | Contract will be executed in Q4 |              |
| 2026 HSD-069-A-2                                                                              | Gun Violence Summit                                                                                   | (\$25,000)              | GF                 | Completed                       |              |
|                                                                                               | <b>TOTAL</b>                                                                                          | <b>(\$28,311,000)</b>   |                    |                                 |              |