



TO: City Council

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Office of Management & Budget

COPY: City Manager and City Clerk

SUBJECT: Washington State Department of Commerce Grant: Participatory
Budgeting Process in Council District 5

DATE: June 2, 2026

BACKGROUND:

The City initially invested in PB programs through the General Fund and Tacoma Creates in 2020, which programs were completed in 2022. In 2021, the City of Tacoma dedicated \$2.5 million in American Rescue Plan Act (ARPA) funds to support Council district-based PB projects which culminated in District 2 and 4 receiving \$1 million each. The City originally planned to do one \$1 million PB project in each of the five Council districts using ARPA funds, but by 2024, ARPA funding was redirected to meet other emerging City priorities. Consequently, the City of Tacoma’s PB program was expected to conclude following the implementation of the ongoing District 2 and 4 projects in 2025. Appendix B provides an overview of these PB projects.

In December 2025, as the City-led PB program was concluding, the Washington State Department of Commerce (Commerce) contacted OMB PB staff to explore funding a PB project centered on overburdened communities in Tacoma. Staff subsequently developed the scope of work and budget for the process, and the grant contract was finalized in April. Funded through the Climate Commitment Act (CCA), this new, one-time opportunity enables the City to continue the PB program with a focus on decarbonization and climate resiliency capital projects.

GRANT OVERVIEW AND REQUIREMENTS:

The 2025-2027 state biennial capital budget appropriated CCA funds for Commerce to “administer a participatory, community-driven, non-competitive grant program.”

Projects funded by these grants must:

- be focused on decarbonization and/or climate resiliency;
- specifically benefit and mitigate the disproportionate impacts of climate change on communities defined as “overburdened” under state code (see Appendix C.i.); and
- be capital projects.

Further, legislation required Commerce use these funds to engage with at least two overburdened communities from a shorter list of six developed by the state



Environmental Justice Council. East and South Tacoma, combined, constituted one of the communities on this shortlist.¹

PROGRAM SELECTION FACTORS:

Several neighborhoods that meet Commerce’s grant criteria and that have not previously participated in the City’s district-based PB process are located in Council District 5. District 5 is well-positioned for climate resilience and environmental justice-focused project funding, as it includes communities that:

- are ranked “low” or “very low” by the Equity Index’s Environmental Health determinant category (see Appendix C.ii.);
- fall within the South Tacoma Groundwater Protection District (see Appendix C.iii.); and
- abut Interstate-5; Interstate-5 bisects District 5 and proximity to freeways “present greater risk of adverse health impacts from air pollution;”² and
- have established community networks, leadership structures, and operational capacity that enable the PB process to move forward efficiently within the grant timeline.

Together, these indicators point to District 5 as the strongest match between Commerce’s funding priorities and the City’s capacity to deliver an effective and timely Participatory Budgeting process.

BUDGET:

Item	Time Period to Expend Funds	Amount
Participatory Budgeting Process Administration (includes 2.0 FTEs and operating supplies)	April 1, 2026 – June 30, 2027	\$650,000
Capital Project Implementation	Beginning ~July 1, 2027	\$1,600,000

The City’s agreement with Commerce does not require matching of funds. The current agreement with Commerce covers the Administration funds only; a separate contract will come before Council for the Capital funds at a future date.

¹These communities were Benton, Franklin, and Yakima Counties, and specific neighborhoods in Seattle, Spokane, and Tacoma.

²Washington State Department of Health. *Washington Environmental Health Disparities Map: Environmental Health Risks Across Communities of Washington State. Report Version 3.0.* Apr. 2026. Washington State Department of Health, <https://doh.wa.gov/sites/default/files/2026-04/EHDMMapReport.pdf>.



SUMMARY AND IMPACT:

This memorandum highlights the significant impact of the new CCA grant, which enables the City to continue its PB efforts beyond the conclusion of ARPA-funded activities. The grant positions Tacoma to direct meaningful investment toward overburdened communities in District 5 by supporting community-selected decarbonization and climate resiliency capital projects. With community engagement underway and administrative funding secured, the initiative will deliver tangible, community-driven environmental benefits and advance the City's climate and equity goals.

APPENDICES:

- A. Participatory Budgeting Definition, Steps, and Project Timeline
- B. Council Districts 2 and 4 Participatory Budgeting Overview
- C. Maps
 - i Washington State Department of Health Environmental Health Disparities
 - ii Equity Index Environmental Determinant
 - iii South Tacoma Groundwater Protection District

APPENDIX A

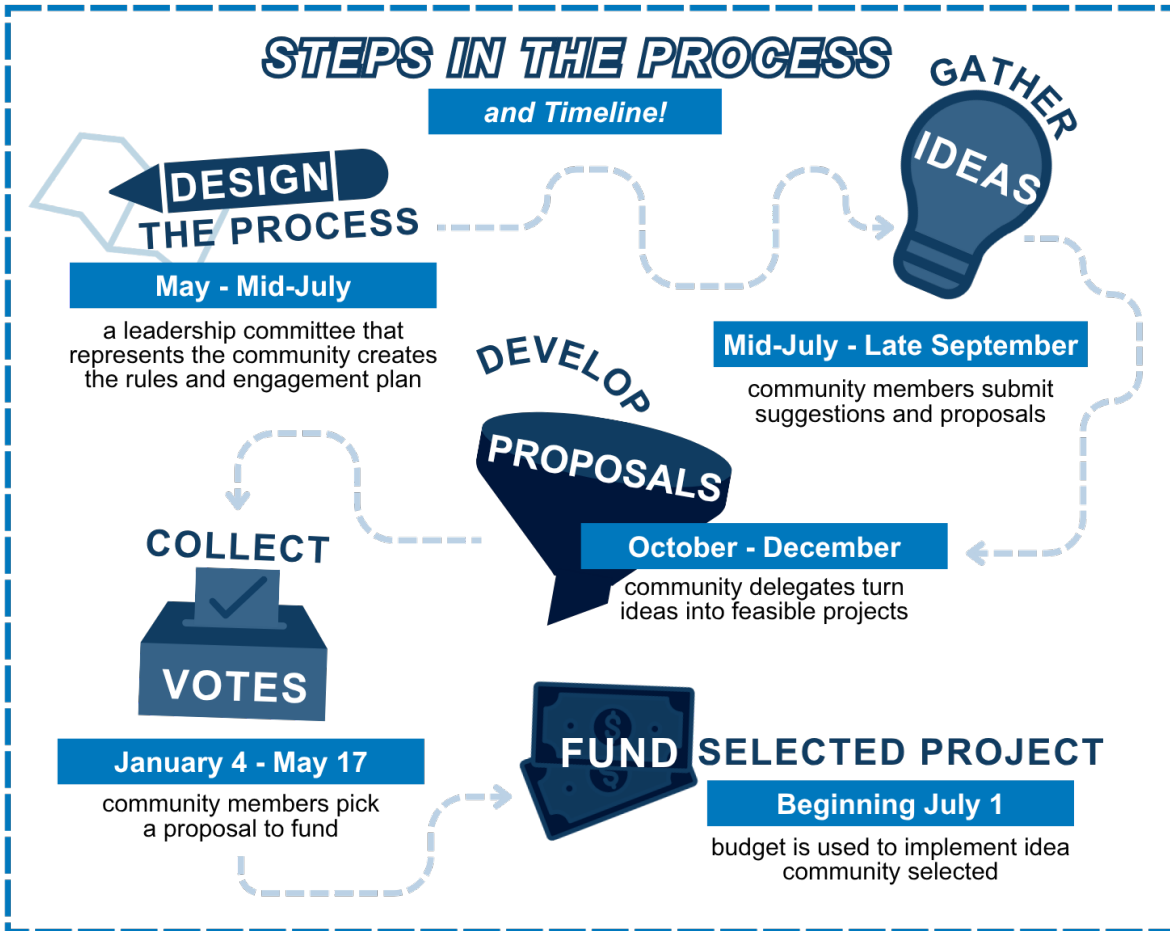
Participatory Budgeting Definition, Steps, and Project Timeline

PARTICIPATORY BUDGETING

is a democratic process in which community members decide how to spend a portion of the public budget.

STEPS IN THE PROCESS

and Timeline!





**APPENDIX B
City Council Districts 2 and 4 Participatory Budgeting Overview**

District 4

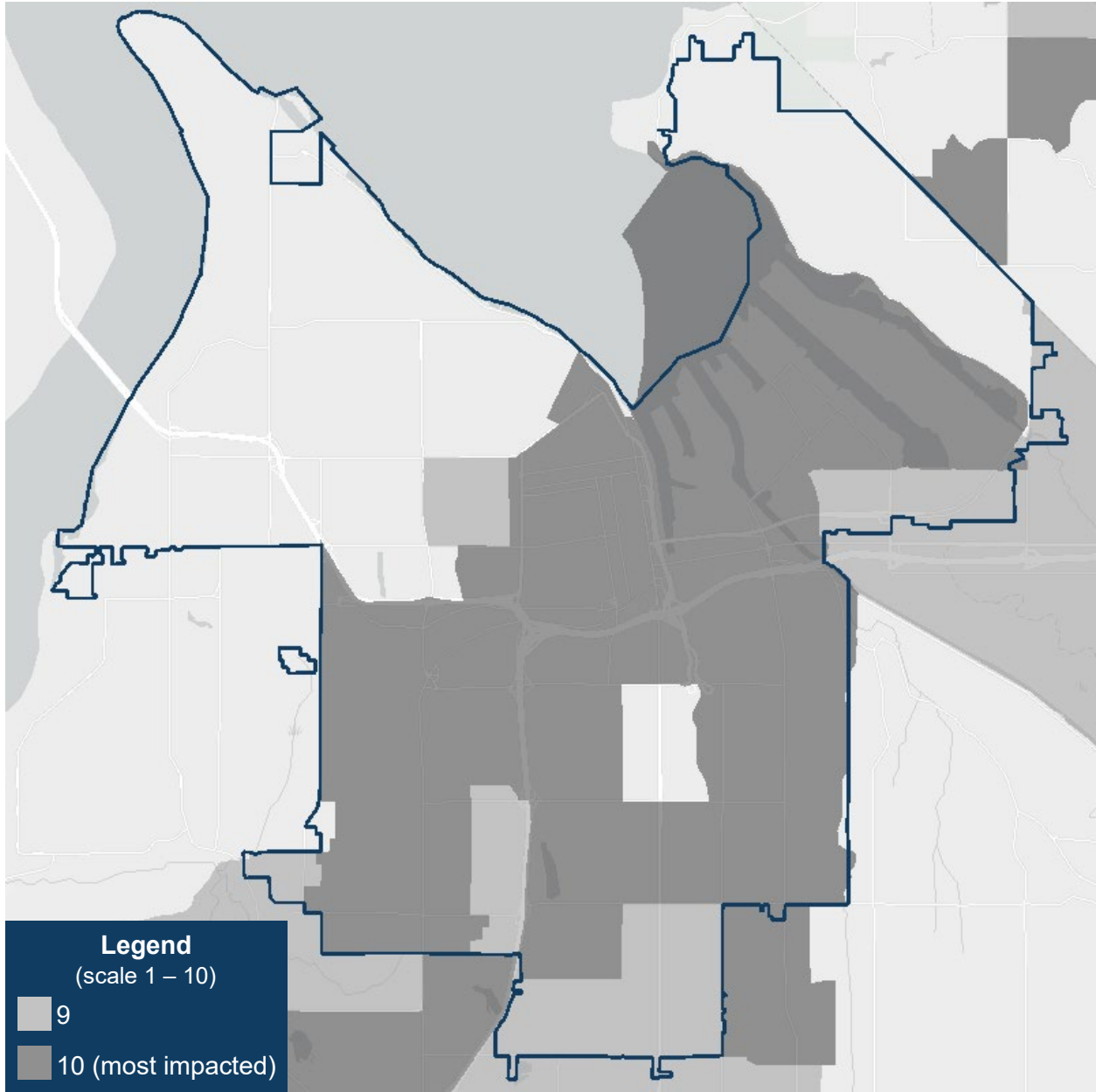
TIMELINE			
Process Started	Idea Collection	Voting Window	Implementation
Early 2022	August 2022 - March 2023	June - September 2023	2024 - 2028
ENGAGEMENT			
Ideas Submitted	1,000+	Votes Cast	12,389
Proposals on Ballot			
<ul style="list-style-type: none"> • Short-term job training program for East Tacoma residents to plant trees, improve parks, and other climate actions • Tennis court lighting at Lincoln Playfield and a covered basketball court in Lincoln Park • Three years of community garden expansion, including collaborative work such as business training, cultural food education, and a community kitchen • Grants supporting three years of cultural events, and one year of out-of-school youth programming, and community activities with community-capacity building 			
FUNDED PROJECT			
Summary		Implementation Partner	
15 citywide cultural events and youth programs, events continuing through 2028		Foundation for Tacoma Students	

District 2

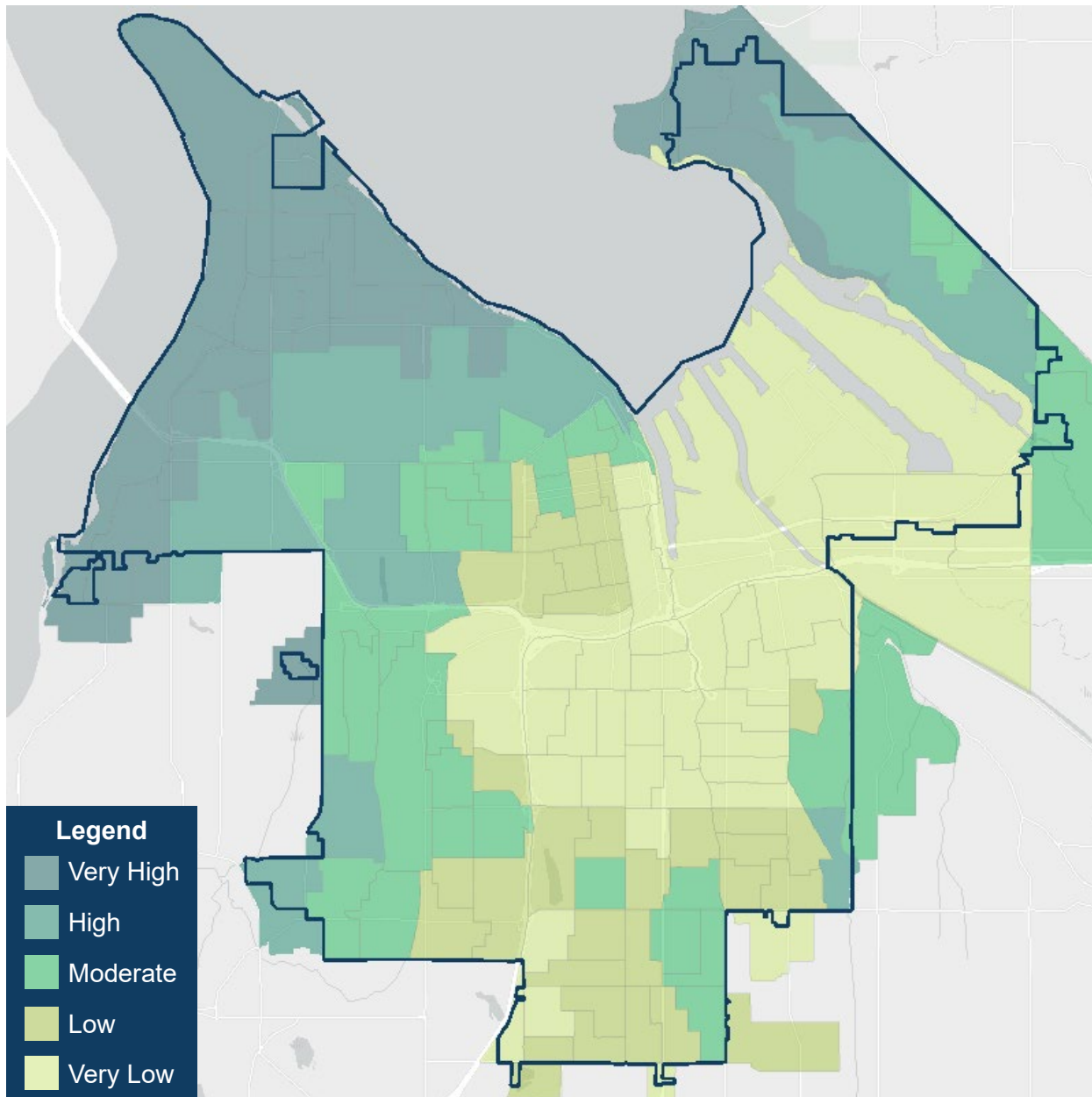
TIMELINE			
Process Started	Idea Collection	Voting Window	Implementation
Fall 2023	January - April 2024	June - September 2024	Contract signed early 2026
ENGAGEMENT			
Ideas Submitted	2,500+	Votes Cast	6,000+
Proposals on Ballot			
<ul style="list-style-type: none"> • Covered skate park featuring public art under I-705 • Youth programming for the new dedicated teen area, community hub, and makerspace at Tacoma Public Library's Main location • Upgrade accommodations at the City's emergency shelter stability site on Puyallup Avenue, including two shower/bathroom units, additional access to electricity, and ADA accessibility 			
FUNDED PROJECT			
Summary		Implementation Partner	
Downtown covered skate park under I-705 with public art		Parks Tacoma	



APPENDIX C.i.
Washington State Department of Health Environmental Health Disparities Map



APPENDIX C.ii.
Equity Index Environmental Determinant



APPENDIX C.ii.
South Tacoma Groundwater Protection District

