

MEMO

TO: Environmental Justice Council

FROM: Jennifer Grove, Assistant Director, Energy Division
Rowena Pineda, Environmental Justice and Community Engagement Manager

DATE: January 26, 2026

RE: Progress Report on Community Participatory Budgeting

The Department of Commerce is committed to providing the Environmental Justice Council with regular updates on the status of community participatory budgeting. Below is a quick review of how we got to where we are now as well as a DRAFT of how Commerce plans to roll out community participatory budgeting.

BACKGROUND:

Community Participatory Budgeting was championed by the Environmental Justice Council and was included in their budget recommendations for the 23-25 Biennium. The legislature approved a budget proviso to fund participatory budgeting and directed the Washington State Department of Health (DOH) to administer it. A total of \$8.3 million were reappropriated to Commerce in the most recent capital budget - see [Sec. 1029 of the '25-'27 Capital Budget](#).

The original budget proviso called for DOH to identify at least five geographically diverse communities wherein to conduct a participatory budgeting process. DOH created a community advisory committee to accomplish this. The advisory committee identified the following communities:

- Yakima, Benton, and Franklin counties
- City of Tacoma
- City of Spokane East Central and Hillyard neighborhoods and agricultural areas in Spokane County
- City of Seattle communities adjacent to Boeing (South Park and Georgetown)

Building on the work of the community advisory committee, DOH convened a separate youth advisory committee to create a program design for participatory budgeting. Members of the youth advisory committee came from the east central neighborhood of Spokane, the city of Tacoma, and Yakima County. The recruitment of youth from these areas was intentional. DOH planned to scaffold the roll out of participatory budgeting starting with these three communities first followed by the remaining communities.

DOH conducted Tribal collaboration and consultation following the DOH procedure. DOH held tribal listening sessions, roundtable discussions, and consultation. As a result, DOH committed to a variety of changes in its grant process to make participation more accessible, flexible, and respectful to tribes. DOH agreed to a 10% set aside of funding available for projects to be equally distributed to Tribes in a non-competitive process.

Commerce plans to build upon DOH's work as stated in the current proviso.

OBJECTIVES:

There are two components for how Commerce plans to implement community participatory budgeting:

- 1) Set aside funds for Tribes to support existing projects that promote decarbonization, resilience or both.
- 2) Engage with at least two of the six communities identified by DOH and conduct a participatory, community-driven, process for identifying projects that mitigate the disproportionate impacts of climate change on overburdened communities.

The objectives below delineate between these two components.

Community Participatory Budgeting

- Partner with either local governments or philanthropic organizations in at least two of the six communities identified by DOH to develop a participatory, community-driven process for identifying projects that mitigate the disproportionate impacts of climate change on overburdened communities.
- Identify projects that promote either decarbonization, resilience, or both, that benefit overburdened communities in at least two of the six communities identified by DOH.
- Consult with the environmental justice council.

Tribal Set Aside

- Of the \$5.5 million available for project specific grants, Commerce intends to allocate 10% (minus 3% for Commerce's admin expenses) to federally recognized Tribes through noncompetitive grants.
- Funds will be used to supplement grants Tribes are already receiving through Commerce's Tribal Climate Resilience programs.

PROPOSED IMPLEMENTATION PLAN:

Community Participatory Budgeting

Commerce is building on the work done by DOH during the previous biennium. The proviso noted that this is a noncompetitive grant program. We plan to partner with local governments and/or philanthropic institutions to implement participatory budgeting in the following areas:

- City of Tacoma
- City of Spokane (either Hillyard or the east central neighborhood)
- Yakima County

To date, Commerce has been meeting with the City of Tacoma which already has infrastructure in place for community participatory budgeting and has funded projects using the community participatory budgeting process. A partnership between Commerce and the City of Tacoma will allow the city to engage with residents in a district that has not yet done participatory budgeting. We are having conversations with City of Spokane staff, council members, and community members about what participatory budgeting entails. We are doing exploratory conversations with community members from Yakima County to determine how to approach the implementation of participatory budgeting in that area.

Commerce is aiming to execute contracts with partners in these three communities between March and May of 2026 allowing 8-12 months to engage communities in participatory budgeting. This will allow for projects that are identified through the CPB process to receive funds for implementation by March of 2027.

Tribal Set Aside

Given the dollar amount available for Tribes, it is most feasible to fund existing projects that promote decarbonization, resilience or both. The exact amount per Tribe will be determined based on interest. After we know the total number of tribes who are interested in accessing this funding, Commerce will notify each participating tribe. Funds will be disbursed following the execution of the funding agreement. We will also work with tribes to identify data that will be provided to Commerce.

A Dear Tribal Leader Letter (DTLL) will be sent on **January 26th** announcing availability of the funds and will be presented and discussed during Commerce's Tribal Briefing on February 6, 2026.

NEXT STEPS:

Commerce will provide the Council with regular progress reports. We will also be happy to do a short presentation when requested.

If you have any questions or need more information, please contact Rowena Pineda at rowena.pineda@commerce.wa.gov or Jennifer Grove at jennifer.grove@commerce.wa.gov.