

2025-2026 PROPOSED BUDGET  
**POLICY CONSIDERATIONS PAPER**

**SEATTLE DEPARTMENT OF HUMAN RESOURCES**

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This paper highlights a policy consideration related to the Seattle Department of Human Resources (SDHR) 2025-2026 Proposed Budget. Considerations included here are not intended to be exhaustive and others may surface as Central Staff continues its analysis of the proposed budget. For more information about SDHR's 2025-2026 Proposed Budget, please see the 2025-2026 Proposed Budget Overview Papers.

**Background**

The Seattle Department of Human Resources (SDHR) Workforce Equity Division manages the City's [Workforce Equity Initiative](#) and supports the City's broader [Race and Social Justice Initiative](#).<sup>1</sup>

**The Workforce Equity Initiative is the City's commitment to eliminating racial disparities and achieving equity for City employees.**<sup>2</sup> Principle goals include achieving (1) a workforce that is inclusive of people of color and other marginalized or under-represented groups at a rate that is representative of the greater Seattle area at all levels of City government; and (2) a workplace where institutional and structural barriers impacting employee attraction, selection, participation and retention have been eliminated and there is opportunity for employment success and career growth.<sup>3</sup> Earlier this year, SDHR issued the 2024-2029 Workforce Equity Strategic Plan with learnings from previous years, current workforce metrics, and the City's strategic priorities for the next 5 years.<sup>4</sup>

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<sup>1</sup> The City's Race and Social Justice Initiative was officially adopted in 2004 and established as a City policy in 2023 by [Ordinance 126799](#).

<sup>2</sup> [Executive Order 2015-02](#) established the Workforce Equity Initiative. [Council Resolution 31588](#) affirmed the Workforce Equity Initiative and requested the Executive to develop metrics to measure the City's progress in implementing Workforce Equity actions and strategies for strengthening gender and race/ethnic wage equity for City employees; and to issue an annual report to Council beginning in 2016.

<sup>3</sup> In 2016, under direction from the Mayor and Council, SDHR issued the [2016 Workforce Equity Strategic Plan](#) followed by annual reports examining the City's progress toward workforce equity and providing data analysis. The most recent report, the [2021 Workforce Equity Update](#), found that Black, Indigenous, and People of Color (BIPOC) employees, especially BIPOC women, were underrepresented at the top levels (e.g., supervisors and high wage earners) of City employment when compared to the general population. An accompanying [2021 Technical Report](#) provided more detail on the future work necessary for addressing these disparities.

<sup>4</sup> The 2024-2029 Workforce Equity Strategic Plan is available on the City's internal website.

**SDHR’s Workforce Equity Division is responsible for implementing the Workforce Equity Strategic Plan and leading other efforts to advance equity at the City.** The 2024-2029 Workforce Equity Strategic Plan tasks the Workforce Equity Division with engaging stakeholders Citywide to create a collaborative, sustainable approach to achieve workplace equity while amplifying the voices of the employees most impacted by structural racism at the City. The Workforce Equity Division is responsible for identifying and recommending best practices for achieving positive outcomes for inclusion, diversity, equity, and access in the following areas:

**1. Attraction and selection phases of the employee life cycle**

- Removing barriers to equity in the internal hiring process for Black women, indigenous women, women of color, and employees who identify as having a disability; and
- Attracting indigenous and Latine talent to City jobs.

**2. Development and retention phases of the employee life cycle**

- Retaining Black women, indigenous women, women of color, and employees who identify as having a disability; and
- Advancing inclusion, belonging, and relational culture across the City to enable all employees to thrive in City service.

**3. Ongoing responsiveness to City employees**

- Engaging employees on how to continuously improve and target workforce equity initiatives at the City; and
- Support emerging employee needs.

The Office of City Auditor (AUD) [Workforce Equity in Promotions Audit](#) references the role of the Workforce Equity Division in the report’s recommendations to improve internal promotion practices. The AUD issued the recommendations after finding disparities in the City’s promotion practices<sup>5</sup> and noting that the City’s decentralized HR framework (the “federated model”) hinders the necessary collaboration for implementing best promotion practices Citywide. Recommendations relevant to the Workforce Equity Division include (1) addressing data gaps, (2) improving Citywide human resources collaboration, and (3) performing a racial equity analysis of promotion policies.

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<sup>5</sup> The Workforce Equity in Promotions Audit found that women received lower promotion pay increases compared to men; women of color received lower promotion pay increases compared to men of color, white women, and white men; and American Indian or Alaska Native employees received the lowest promotion pay increase compared to other racial/ethnic groups (p. 10-13).

## **Policy Consideration**

### **Elimination of Workforce Equity Division**

SDHR's 2025-2026 Proposed Budget would eliminate the Workforce Equity Division (\$371,000 in 2025 and \$389,000 in 2026) by abrogating two Workforce Equity positions (1.5 FTE) and associated non-labor expenses; and absorbing the remaining positions (2.0 FTE) into another division.

The abrogated positions would include a filled full-time Director (Executive 2) and vacant part-time Advisor (Strategic Advisor 1). The remaining positions would include a Program Advisor (Strategic Advisor 1) and Data Analyst (Strategic Advisor 1); these positions would continue to focus on workforce equity in the SDHR Business Operations Division.

SDHR's administration of the Workforce Equity Initiative would shift to an advisory role. The Workforce Equity Strategic Plan would be administered at the department level. Citywide progress would primarily be monitored through an internal SharePoint site showing employee demographics, compensation, turnover rates, and equity work in each department. This site, referred to as Unifying Next Level Inclusion Through Equity (UNITE), is currently being tested by Seattle Center and is expected to launch Citywide Q3 2025.

The proposed elimination of the Workforce Equity Division is part of a larger package of SDHR General Fund reductions to address the General Fund deficit and reflects SDHR's focus on maintaining core services that are required by law or City regulation. Under SDHR's framework, core services include (1) Employee Benefits, Leaves, Workers Compensation, and Talent Acquisition; (2) HR Compliance, Policy, and Legislation; (3) Labor Relations; and (4) Classification of Positions and Wage Management. Non-core services include (1) Workforce Development, (2) Workforce Equity, and (3) Learning and Development.

If Council accepts this proposal, SDHR estimates that removing the Director position would have the most notable impacts on the areas of strategic direction (e.g., ensuring that departments are making meaningful efforts to integrate equity into their practices) and executive sponsorship (e.g., leveraging credibility and expertise with the City's senior leaders). SDHR does not forecast significant impacts from removing the part-time Advisor position as it has been vacant for this entire year.

SDHR estimates that the UNITE Framework could fulfill the AUD's recommendations for cross-departmental collaboration. SDHR also notes that the Workforce Equity Director and OCR Race and Social Justice Director are currently partnering to complete the recommended adaptation of the City's Racial Equity Toolkit and expect to complete that work by the end of the year.

If Council identifies funding to partially or fully restore the Workforce Equity Division, SDHR would have more resources to continue coordinating Citywide efforts to advance workforce equity. SDHR has indicated that further reducing the program would likely put the implementation of the 2024-2029 Workforce Equity Strategic Plan at risk.

### **Options:**

- A. Add appropriations to partially or fully restore SDHR's Workforce Equity Division.
- B. No change.