

# OFFICE OF ECONOMIC DEVELOPMENT

2025 – 2026 Proposed Budget

Policy Considerations

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Select Budget Committee | October 18, 2024

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# Budget Summary

	2024 Adopted	2025 Proposed	% Change	2026 Proposed	% Change
<b>Operating Appropriations by BSL</b>					
Business Services	\$29.6M	\$21.1M	(28.8%)	\$21.3M	1.2%
Leadership and Administration	\$7.7M	\$9.2M	20.3%	\$9.1M	(1.5%)
<b>Total Appropriations</b>	<b>\$37.2M</b>	<b>\$30.3M</b>	<b>(18.7%)</b>	<b>30.4M</b>	<b>0.4%</b>
<b>Total FTE</b>	<b>61</b>	<b>63</b>	<b>3.3%</b>	<b>63</b>	<b>0.0%</b>
<b>Revenues</b>					
General Fund	\$11.5 M	\$10.3	(10.4%)	10.8	4.9%
JumpStart Fund	\$25.8M	20.0	(22.5%)	19.6	(2.0%)
<b>Total Revenues</b>	<b>\$37.2M</b>	<b>\$30.3M</b>	<b>(18.7%)</b>	<b>30.4M</b>	<b>0.4%</b>

# Policy Consideration

## 1. Scale and Prioritization of Proposed OED Budget Reductions

- OED's Proposed 2025 Budget is \$6.9 million less than its 2024 Adopted Budget, primarily reflecting ongoing appropriations proposed to continue prior one-time investments, at a reduced scale.
- OED's Proposed Budget continues to advance strategies identified in the Future of the Seattle Economy (FSE) strategic framework.
- Council may wish to restore, repurpose, scale, or provide direction for these proposed changes to advance priorities that are consistent with the FSE framework.

### Options:

- A. Restore any or all proposed reductions.
- B. Repurpose proposed appropriations in favor of other Council priorities, consistent with the FSE strategic framework.
- C. Impose a proviso on proposed appropriations to ensure they align with Council priorities.
- D. No change.

# Policy Consideration

## 2. Workforce Development Realignment

- The 2025-2026 Proposed Budget reduces appropriations for workforce development programs by \$3 million, representing an 86 percent reduction for the “Investing in Diverse Talent and Building Our Workforce” FSE pillar.
- OED anticipates that a forthcoming Citywide assessment will inform potential changes to Citywide workforce development funding in 2025 and 2026.
- The \$3 million proposed reduction is permanent, and there is no funding proposed to implement the recommendations of the workforce development assessment.
- Council may wish to allocate funding to ensure adequate resources to implement recommendations from the forthcoming Citywide workforce development assessment or restore some or all of the proposed reductions.

# Policy Consideration

## Options:

- A. Restore funding for any or all of the workforce development investments proposed to be reduced.
- B. Allocate funding in 2025 to implement the forthcoming Citywide assessment recommendations with a proviso to be lifted upon completion of the assessment.
- C. Accept proposed reductions for 2025 and allocate funding in 2026 for implementation of workforce development strategies.
- D. No change.

# Questions?