

Office of Economic Development

2025 & 2026 Proposed Budget Overview

SEATTLE
CITY HALL

Seattle City Council Select Budget Committee



City of Seattle

Office of Economic Development (OED)

Our focus: Leading projects and making investments that open up access to economic opportunities, reduce the racial wealth gap, and encourage innovation and growth, consistent with the Future of Seattle Economy framework adopted as City policy in Resolution 32099.

Striking a balance:

- Supporting our local economy
- Competing in the global economy

Advancing Citywide priorities

- Downtown revitalization
- Economic recovery and resilience across our City



Activating Downtown

- Downtown accounts for approximately half of all the economic activity in Seattle
- More than 110,000 people call downtown home.
- People are coming Downtown.



Waterfront Block Party, photo: Adam Lu

**statistics from the Downtown Seattle Association*

Seven bold goals for Downtown



Make Downtown **safe** and welcoming



Transform Downtown into a lively **neighborhood** where more people can afford to live



Create a unique Downtown **retail** experience



Make Downtown a place where people want to **work** and that reflects the future of our economy



Celebrate Downtown Seattle's **arts, culture, sports, and entertainment**



Make Downtown **a top destination** for Seattleites and visitors year-round



Create a healthy, resilient, and **green** Downtown

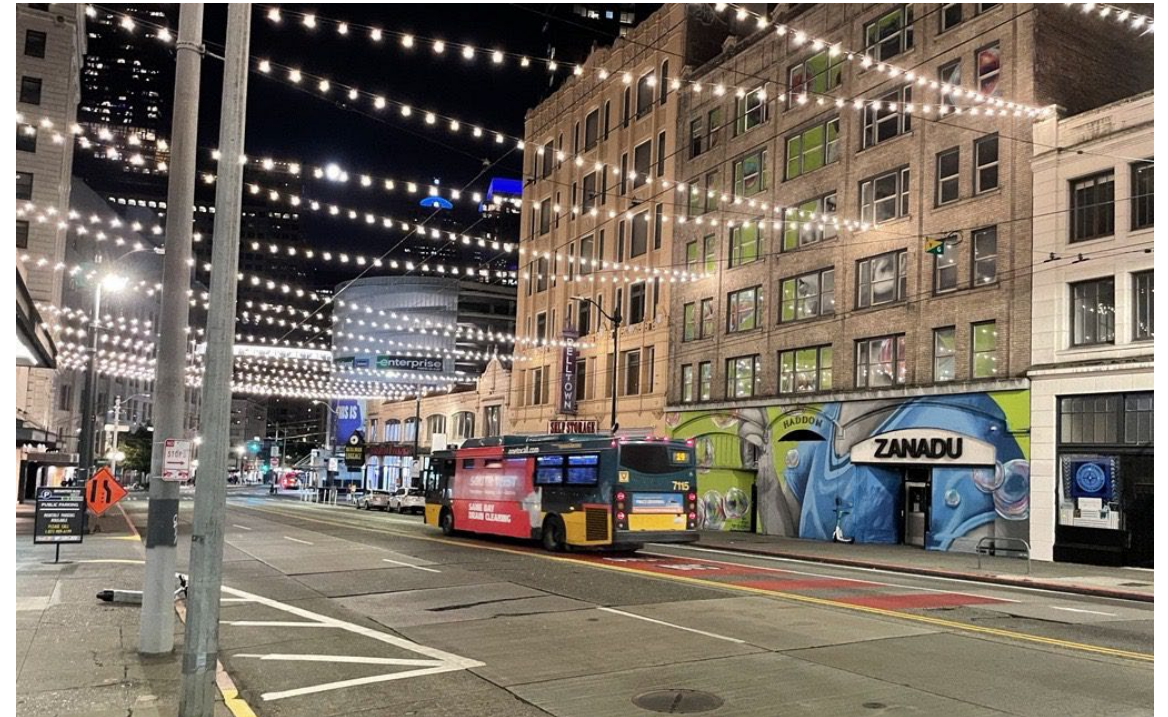


Photo: King County Metro

Investing in Downtown

The City is taking a cross-departmental approach to advancing key elements of Downtown revitalization:

- Iconic public spaces such as Waterfront Park and Westlake Plaza
- Art and beautification throughout Downtown
- Enhanced cleaning efforts
- Activating Vacant Storefronts
- Getting ready to host the 2026 Men's World Cup

The budget proposes \$8.2 million in 2025 and \$5.5 million in 2026 across six departments for this work.

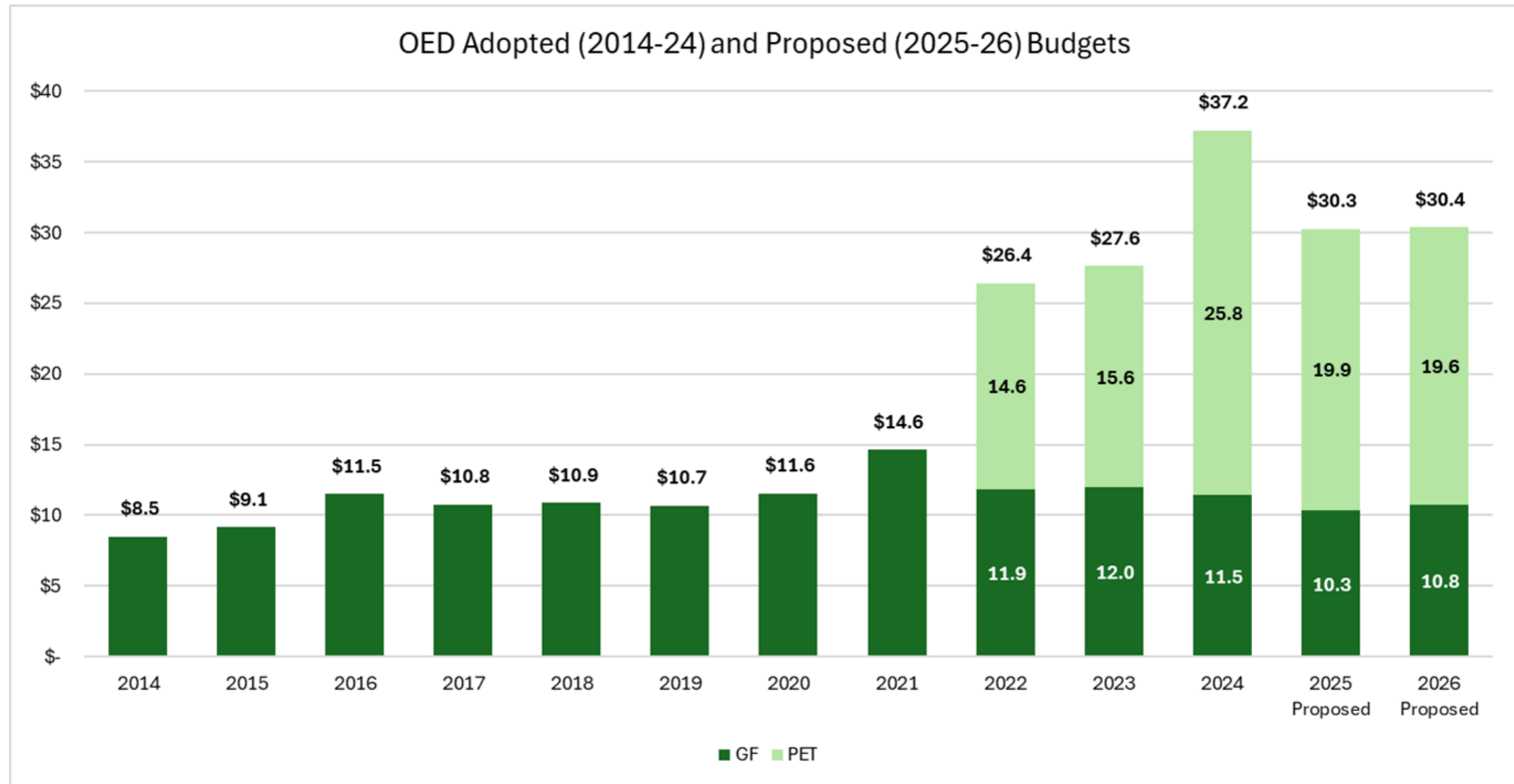
Summary

Office of Economic Development (OED) 2025 & 2026 Proposed Budget:

- 2025 Proposed Budget: \$30.3M (-18.7% below 2024 Adopted Budget)
- 2026 Proposed Budget: \$30.4M (+0.4% above 2025 Proposed Budget)

TOTAL BUDGET (\$000s)	2024 Adopted	2025 Proposed	2026 Proposed
General Fund	\$11,460	\$10,335	\$10,758
Payroll Expense Tax Fund	\$25,781	\$19,935	\$19,634
FTE	61.0	63.0	63.0

OED Historical Funding 2014-2026



Budget Restorations 2025-2026

Change Request	2025 Proposed	2026 Proposed
Remove One-Time Budget Adds	\$ (18,136,499)	\$ (18,136,499)
Technical Assistance (legal, leasing, accounting)	\$ 800,000	\$ 800,000
Business Community Ownership Fund Program	\$ 2,500,000	\$ 2,500,000
Capital Access Program	\$ 2,450,000	\$ 2,450,000
Commercial Affordability (TI Fund, Seattle Restored)	\$ 2,431,756	\$ 2,431,756
Neighborhood Capacity (BIA formation and support)	\$ 2,067,705	\$ 2,067,705
Language Access	\$ 200,000	\$ 200,000
Downtown Activation Plan	\$ 1,011,432	\$ 574,606
Total Restorations	\$ 11,460,893	\$ 11,024,067
Grand Total	\$ (6,675,606)	\$ (7,112,432)

Notable Reductions

1. Workforce Development investments

- Continue investment in the Workforce Development Council, the regional backbone of our workforce system, and in connecting workers to jobs through the MLK Labor Council virtual Hiring Hall.
- Pause other workforce investments while the Mayor’s Office leads a Citywide assessment of workforce investments and programming and WDC leads a regional strategic plan refresh.

CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
General Fund	(\$1,252)	(\$1,252)
Payroll Expense Tax Fund	(\$1,715)	(\$1,715)
Other Funds	--	--
FTE	--	--

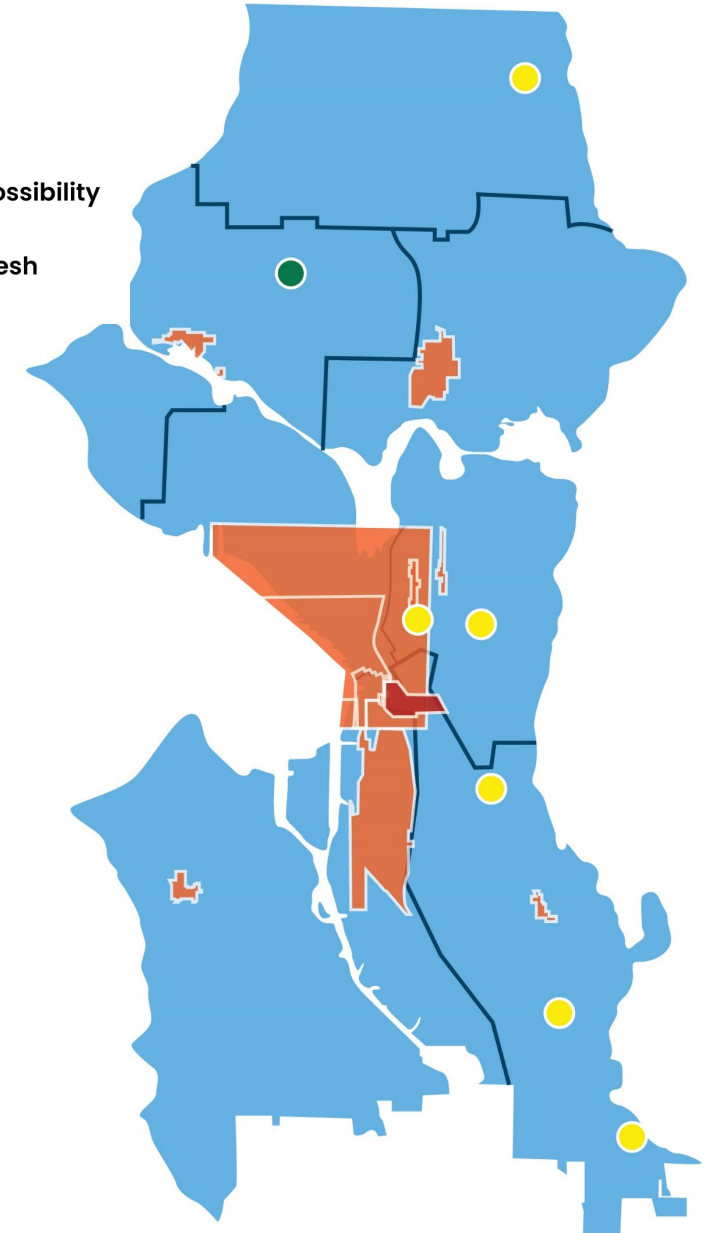
Notable Reductions

2. Place-based capacity building

- Prioritize pathways to create more Business Improvement Areas (BIAs) and support our existing 11 BIAs across the city.
- 2025 and 2026 Proposed Budget: \$3.8M (-42% below 2024 Adopted Budget of \$6.5M)

CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
General Fund	(\$0)	(\$0)
Payroll Expense Tax Fund	(\$2,844)	(\$2,844)
Other Funds	--	--
FTE	--	--

- Current BIAs
- Forming a BIA
- Exploring BIA possibility
- Exploring a refresh



Notable Reductions

3. Community Wealth Building scale down

- 2025 and 2026 Proposed Budget: \$9.9M
(-22% below 2024 Adopted Budget of \$12.8M)
- Sustain Seattle Restored and reduce number of projects for Tenant Improvement Fund and Business Community Ownership Fund

CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
General Fund	(\$0)	(\$0)
Payroll Expense Tax Fund	(\$2,824)	(\$2,824)
Other Funds	--	--
FTE	--	--

Storefront Repair Fund

- Created with federal COVID Relief Funds.
- \$1.85 million invested between October 2022 – July 2024:
 - 800 grants individual issued.
 - \$250,000 allocated to local organizations to support localized storefront repair programs.
- Exploring options to evolve the program.



Casa Del Mariachi in Pinehurst received the 800 and final grant check.

Significant Additions

Special Events Office capacity increase

- We are increasing staffing for our Special Events Office to meet the needs of current permit throughput and anticipate increased permit requests. We permit over 400 special events annually, each one requiring complex permit coordination.

CHANGE FROM 2024 ADOPTED (\$000s)	2025 Proposed	2026 Proposed
General Fund	\$0	\$0
Payroll Expense Tax Fund	\$325	\$325
Other Funds	--	--
FTE	2.0	2.0

Questions?
