Office of Economic Development

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https://www.seattle.gov/economicdevelopment

Department Overview

The purpose of the Office of Economic Development (OED) is to shape an economically prosperous, diverse, just, and resilient city, with the guiding principle that an inclusive economy is more competitive. OED is committed to building an inclusive economy in the City of Seattle by making strategic investments to break down barriers and unlock access to opportunity, which will generate wealth equitably. OED programs focus on the five key pillars of the community-driven Future of Seattle Economy framework, which the City adopted as policy in Resolution 32099: investing in diverse talent and building our workforce, supporting small, women and minority-businesses, building BIPOC community wealth, investing in neighborhood business districts, and growing businesses and key industries.

Budget Snapshot

	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Department Support				
General Fund Support	9,898,406	16,432,872	10,426,763	10,515,526
Other Funding - Operating	21,766,600	23,934,957	18,251,769	18,280,827
Total Operations	**31,665,006**	**40,367,829**	**28,678,532**	**28,796,353**
Total Appropriations	**31,665,006**	**40,367,829**	**28,678,532**	**28,796,353**
Full-Time Equivalents Total*	63.00	63.00	61.00	61.00

** FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here*

Budget Overview

The 2027-2028 Proposed Budget maintains core services for the Office of Economic Development (OED). The department will continue to invest in the Future of Seattle Economy (FSE) framework. The FSE framework, adopted as City policy in Resolution 32099, provides a community-driven investment strategy for the City to promote inclusive economic growth. The proposed budget prioritizes strategies and programs that deliver direct impact, while maintaining operational and staffing capacity necessary to implement these programs. The proposed budget will allow the department to support programming in all five pillars of the FSE framework and to support implementation of the Building a Resilient Seattle Economy Executive Order. This Executive Order builds on a recently released, independent business climate assessment commissioned by OED that examines key elements of Seattle's economy, offers a comparison of these elements with national peers, and identifies areas of opportunity for a more resilient economy.

The 2027-2028 Proposed Budget for OED removes approximately $12 million of one-time items funded in the 2026 Adopted Budget. Generally, investments supported by one-time funding in the 2026 Adopted Budget were intended to address one-time needs (e.g., development of a Maritime Innovation Center or start-up costs for a customer relationship and case management IT system) or to support place-based stabilization and revitalization actions. The summary of incremental changes section below provides a full list of one-time items removed in the proposed budget. The proposed budget transfers funding from the Office of Sustainability and Environment for small business supports in the Duwamish Valley. Additional changes in the department's proposed budget focus on aligning budget and staff capacity with the strategic direction of the department.

Office of Economic Development

Incremental Budget Changes

Office of Economic Development

	Dollars	FTE
2026 Adopted Budget	**40,367,829**	**63.00**
Baseline		
Remove One-Time Items	(11,924,606)	-
Citywide Adjustments for Standard Cost Changes	564,627	-
Reduce SCERS Retirement Contribution Rate	(123,049)	-
Proposed Operating		
Transfer Funding for Duwamish Valley Small Business Support	200,000	-
Reduce Funding for Professional Development	(42,475)	-
Remove Vacant Community Development Specialist Position	(157,248)	(1.00)
Remove Major Events & Venues Operations Manager Position	(206,545)	(1.00)
Proposed Technical		
Miscellaneous Technical Corrections	-	-
August General Fund Revenue Adjustment	-	-
Total Incremental Changes	**$(11,689,297)**	**(2.00)**
Total 2027 Proposed Budget	**$28,678,532**	**61.00**

Description of Incremental Budget Changes

Baseline

Remove One-Time Items

Expenditures $(11,924,606)

This item removes one-time funding added in the 2026 Adopted Budget, including $3 million for the Stabilize, Activate, and Invest Locally Fund, $2.6 million for the Downtown Activation Plan, $2.5 million for the Back to Business Fund, $1.7 million for initiatives related to grocery stores and food access, $700,000 for Key Industries and Workforce Development initiatives, $500,000 for the Waterfront Shuttle, $400,000 for a case management IT project, $300,000 for enhanced cleaning in neighborhood business districts, $200,000 for small business supports as part of the Pho Dep Initiative, and $50,000 for business district support in Capitol Hill.

Citywide Adjustments for Standard Cost Changes

Expenditures $564,627

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including rates from the Department of Finance & Administrative Services, Seattle Information Technology Department, Seattle Department of Human Resources, and for healthcare and other central cost factors. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Office of Economic Development

Reduce SCERS Retirement Contribution Rate

Expenditures	$(123,049)

The City's employee retirement system, the Seattle City Employees Retirement System (SCERS) is a defined benefit pension program funded by a combination of salary-based employer (i.e., the City) and employee contributions, and investment earnings. Based on the updated actuarial valuation for 2026, this item reduces the employer contribution rate from the endorsed rate of 15.06% to the SCERS minimum actuarial required rate of 13.48% for 2027 and 13.52% for 2028.

Proposed Operating

Transfer Funding for Duwamish Valley Small Business Support

Expenditures	$200,000

This item transfers funding for small business supports in the Duwamish Valley from the Office of Sustainability and Environment (OSE) to the Office of Economic Development (OED). The Duwamish Valley Program's economic opportunity work currently supports over 70 small businesses through tailored technical assistance such as marketing support, navigation for Public Health requirements, and connecting businesses to Small Business Administration grants and the City's Storefront Repair Fund. This funding also supports business district activation events and local job connections.

Transferring this funding will help align and consolidate small business supports in OED. OSE currently coordinates with OED to administer this funding and will continue to maintain a partnership to ensure the program continues to meet the Duwamish Valley Action Plan's Economic Opportunity and Jobs Priority goals. No net funding reduction will occur as a result of this transfer.

Reduce Funding for Professional Development

Expenditures	$(42,475)

This ongoing item reduces funding for professional development by $42,475 and centralizes professional development in the department. The department will retain $40,000 of ongoing General Fund in the baseline budget to support professional development for staff.

Remove Vacant Community Development Specialist Position

Expenditures	$(157,248)
Position Allocation	(1.00)

This ongoing item removes a vacant Community Development Specialist position supporting the department's neighborhood business district programs. The department continues to focus the neighborhood business district programming toward supporting and encouraging the development of business improvement areas across the city. This position was intended to focus on other business district supports and is not aligned with the department's strategic focus on business improvement areas. This change aligns capacity for the business district supports with the strategic direction of the program area without a significant service reduction.

Remove Major Events & Venues Operations Manager Position

Expenditures	$(206,545)
Position Allocation	(1.00)

This ongoing item removes a Strategic Advisor 2 position focused on connecting major events and venues operators with City departments. The department continues to implement a new strategic workplan for the special events and permit coordination team and anticipates that the Citywide Director of Special Events will hold this body of work moving forward. This change aligns capacity for the special events and permit coordination team with the strategic direction of the program area without a significant service reduction.

Proposed Technical

Miscellaneous Technical Corrections

Expenditures	-

This budget-neutral item adjustment to detail project level budget coding. This change is necessary to ensure that data in the City's budgeting system accurately reflects department's budget.

August General Fund Revenue Adjustment

Revenues	-

This is a technical adjustment to capture centrally projected and forecast General Fund revenue increments for this department.

Office of Economic Development

Expenditure Overview

Appropriations	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
OED - BO-ED-ADMIN - Leadership and Administration				
00100 - General Fund	4,750,341	6,057,302	5,276,322	5,367,682
14500 - Payroll Expense Tax	4,988,063	4,950,552	1,991,333	2,019,783
Total for BSL: BO-ED-ADMIN	**9,738,404**	**11,007,854**	**7,267,655**	**7,387,465**
OED - BO-ED-X1D00 - Business Services				
00100 - General Fund	5,148,065	10,375,570	5,150,441	5,147,844
14500 - Payroll Expense Tax	16,778,537	18,984,405	16,260,436	16,261,043
Total for BSL: BO-ED-X1D00	**21,926,602**	**29,359,975**	**21,410,877**	**21,408,888**
Department Total	**31,665,006**	**40,367,829**	**28,678,532**	**28,796,353**
Department Full-Time Equivalents Total*	**63.00**	**63.00**	**61.00**	**61.00**

** FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Budget Summary by Fund Office of Economic Development

	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
00100 - General Fund	9,898,406	16,432,872	10,426,763	10,515,526
14500 - Payroll Expense Tax	21,766,600	23,934,957	18,251,769	18,280,827
Budget Totals for OED	**31,665,006**	**40,367,829**	**28,678,532**	**28,796,353**

Office of Economic Development

Revenue Overview

2027 Estimated Revenues

Account Code	Account Name	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
322900	Nonbus Lic&Perm-Other	965,041	1,155,000	1,155,000	1,155,000
331110	Direct Fed Grants	457,243	-	-	-
334010	State Grants	491,203	-	-	-
360020	Inv Earn-Residual Cash	14,981	-	-	-
360220	Interest Earned On Deliquent A	2,488	-	-	-
360310	Lt Space/Facilities Leases	45,226	-	-	-
360540	Cashiers Overages & Shortages	1	-	-	-
360900	Miscellaneous Revs-Other Rev	151,541	-	-	-
397200	Interfund Revenue	(71,399)	-	-	-
Total Revenues for: 00100 - General Fund		**2,056,324**	**1,155,000**	**1,155,000**	**1,155,000**
322900	Nonbus Lic&Perm-Other	(864)	-	-	-
Total Revenues for: 14500 - Payroll Expense Tax		**(864)**	**-**	**-**	**-**
Total OED Resources		**2,055,460**	**1,155,000**	**1,155,000**	**1,155,000**

Office of Economic Development

Appropriations by Budget Summary Level and Program

OED - BO-ED-ADMIN - Leadership and Administration

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology and business support to the Office of Economic Development.

Program Expenditures	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Citywide Indirect Costs	962,621	1,053,365	1,386,850	1,418,748
Departmental Indirect Costs	7,542,990	4,532,793	4,426,433	4,427,630
Pooled Benefits	1,232,793	1,221,696	1,454,372	1,541,087
Strategic Initiatives	-	4,200,000	-	-
Total	**9,738,404**	**11,007,854**	**7,267,655**	**7,387,465**
Full-time Equivalents Total*	20.00	20.00	20.00	20.00

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The following information summarizes the programs in Leadership and Administration Budget Summary Level:

Citywide Indirect Costs

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Citywide Indirect Costs	962,621	1,053,365	1,386,850	1,418,748

Departmental Indirect Costs

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Departmental Indirect Costs	7,542,990	4,532,793	4,426,433	4,427,630
Full Time Equivalents Total	20.00	20.00	20.00	20.00

Office of Economic Development

Pooled Benefits

The purpose of the Pooled Benefits program is to fund department costs associated with health and dental insurance, workers compensation, and unemployment insurance contributions.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Pooled Benefits	1,232,793	1,221,696	1,454,372	1,541,087

Strategic Initiatives

The purpose of the Strategic Initiatives program is to support focused actions that respond to emergent economic development issues.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Strategic Initiatives	-	4,200,000	-	-

OED - BO-ED-X1D00 - Business Services

The purpose of the Business Services Budget Summary Level is to promote economic development in the City.

Program Expenditures	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Business Districts	-	4,500,758	4,179,110	4,177,529
Business Sectors	-	3,652,196	3,230,956	3,231,418
Business Services	21,926,602	-	-	-
Community Wealth	-	9,584,749	9,566,086	9,566,520
Film, Music, and Special Events	-	1,552,827	1,332,030	1,330,429
Small Business Development	-	9,269,445	2,602,695	2,602,993
Workforce Development	-	800,000	500,000	500,000
Total	**21,926,602**	**29,359,975**	**21,410,877**	**21,408,888**
Full-time Equivalents Total*	43.00	43.00	41.00	41.00

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The following information summarizes the programs in Business Services Budget Summary Level:

Office of Economic Development

Business Districts

The purpose of the Business Districts program is to support investments in the "Investing in Neighborhood Business Districts" strategic pillar of the Future of Seattle Economy framework, which the City adopted as policy in Resolution 32099.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Business Districts	-	4,500,758	4,179,110	4,177,529
Full Time Equivalents Total	-	-	(1.00)	(1.00)

Business Sectors

The purpose of the Business Sectors program is to support investments in the "Growing Businesses and Key Industries" strategic pillar of the Future of Seattle Economy framework, which the City adopted as policy in Resolution 32099.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Business Sectors	-	3,652,196	3,230,956	3,231,418

Business Services

The purpose of the Business Services Program is to provide direct services to businesses and to support a healthy business environment that empowers businesses to develop, grow, and succeed. The Business Services Program provides assistance navigating government services, facilities access to capital and building management expertise, and invests in workforce development services focused on building skills that benefit individual job-seekers and support employers in key industry sectors.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Business Services	21,926,602	-	-	-
Full Time Equivalents Total	43.00	43.00	43.00	43.00

Community Wealth

The purpose of the Community Wealth program is to support investments in the "Building BIPOC Community Wealth" strategic pillar of the Future of Seattle Economy framework, which the City adopted as policy in Resolution 32099.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Community Wealth	-	9,584,749	9,566,086	9,566,520

Office of Economic Development

Film, Music, and Special Events

The purpose of the Film, Music, and Special Events program is to support film and special events permitting activities, and to support the Seattle Film Commission and the Seattle Music Commission.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Film, Music, and Special Events	-	1,552,827	1,332,030	1,330,429
Full Time Equivalents Total	-	-	(1.00)	(1.00)

Small Business Development

The purpose of the Small Business Support program is to support investments in the "Supporting Small Business and Women and Minority Owned Business Enterprises" strategic pillar of the Future of Seattle Economy framework, which the City adopted as policy in Resolution 32099.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Small Business Development	-	9,269,445	2,602,695	2,602,993

Workforce Development

The purpose of the Workforce Development program is to support programming aligned with the "Investing in Talent and Building our Workforce" strategic pillar of the Future of Seattle Economy framework, which the City adopted as policy in Resolution 32099.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Workforce Development	-	800,000	500,000	500,000