

# Office of Economic Development

Markham McIntyre, Director

(206) 684-8090

[www.seattle.gov/economicdevelopment](http://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

	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
<b>Department Support</b>				
General Fund Support	11,793,868	10,335,107	10,908,446	16,752,872
Other Funding - Operating	21,871,344	20,834,512	20,433,741	23,934,957
<b>Total Operations</b>	<b>33,665,212</b>	<b>31,169,619</b>	<b>31,342,187</b>	<b>40,687,829</b>
<b>Total Appropriations</b>	<b>33,665,212</b>	<b>31,169,619</b>	<b>31,342,187</b>	<b>40,687,829</b>
Full-Time Equivalents Total*	61.00	63.00	63.00	63.00

\* 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 Mayor's 2026 Proposed Budget maintains core services for the Office of Economic Development. 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 focuses funding in: supporting small, women, and minority-owned businesses, creating BIPOC community wealth, investing in neighborhood business districts, and growing business and key industries.

The 2026 Proposed Budget for the Office of Economic Development (OED) increases by \$9.5 million, approximately 31%, relative to the 2025 Adopted Budget. The proposed budget builds on successful programs in OED, including expanding and increasing funding for the Back to Business Fund on a one-time basis in 2026, with plans for additional one-time funding in 2027. The Back to Business Fund iterates on the Storefront Repair Fund program, initially funded by the Coronavirus Local Fiscal Recovery Fund.

## Office of Economic Development

Additionally, the proposed budget includes funding to support new place-based programs that focus investments in neighborhoods to improve economic development, neighborhood vibrancy, and public safety. The proposed budget provides funding for the Stabilize, Activate, and Invest Locally (SAIL) Fund program, small business supports as part of the Phố Đẹp Initiative to address safety and livability in Seattle's historic Little Saigon neighborhood, programming to incubate and develop neighborhood corner stores, and programming to address safety and security in grocery stores.

Finally, the proposed budget includes a net-zero budget structure reorganization that aligns with the Future of Seattle of Economy framework and improves public transparency into how funding is allocated between strategies.

## Office of Economic Development

### Incremental Budget Changes

#### Office of Economic Development

	2026 Budget	FTE
<b>Total 2026 Endorsed Budget</b>	<b>31,342,187</b>	<b>63.00</b>
<b>Baseline</b>		
Miscellaneous Technical Corrections	-	-
Citywide Adjustments for Standard Cost Changes	(16,100)	-
<b>Proposed Operating</b>		
Establish a Stabilize, Activate, and Invest Locally (SAIL) Fund	4,000,000	-
Expand the Back to Business Fund Program	2,500,000	-
Establish a Grocery Store Security Fund Pilot Program	1,000,000	-
Provide Supports for Neighborhood Grocers	700,000	-
Support Small Businesses through the Phố Đẹp Initiative	200,000	-
Conduct a Business Climate Assessment	500,000	-
Support for the Waterfront Shuttle	500,000	-
Develop a Customer Relationship and Case Management System	400,000	-
Support for a Community Workforce Training Center	250,000	-
Abandon Grant Funding for Tenant Improvement Fund Program	(500,000)	-
<b>Proposed Technical</b>		
Align Budget Structure with the Future of Seattle Economy Framework	-	-
Align Budget for E-Proval Permitting System with Anticipated Expenditures	(50,000)	-
Bargained Annual Wage Adjustment to Base Budget	(122,315)	-
SCERS Retirement Contribution Rate Reduction	(15,944)	-
April General Fund Revenue Adjustment	-	-
August General Fund Revenue Adjustment	-	-
<b>Total Incremental Changes</b>	<b>\$9,345,641</b>	<b>-</b>
<b>Total 2026 Proposed Budget</b>	<b>\$40,687,829</b>	<b>63.00</b>

# Office of Economic Development

## Description of Incremental Budget Changes

### Baseline

#### **Miscellaneous Technical Corrections**

Expenditures -

This budget-neutral item makes adjustments to account-level budget coding for funds previously included in the department's budget. This change is necessary to ensure that data in the City's budgeting system accurately reflects the department's budget.

#### **Citywide Adjustments for Standard Cost Changes**

Expenditures \$(16,100)

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.

### Proposed Operating

#### **Establish a Stabilize, Activate, and Invest Locally (SAIL) Fund**

Expenditures \$4,000,000

This one-time item, supported by the General Fund, will establish a Stabilize, Activate, and Invest Locally (SAIL) Fund. Neighborhoods in Seattle have persistent, interconnected problems related to public safety, economic development, and neighborhood vibrancy. To address this, the City will invest in a place-based approach that addresses cleanliness, safety, and economic revitalization at specific locations. This funding will support both short-term and long-term strategies in neighborhoods, such as Lake City and Little Saigon, that include law enforcement, increased street cleaning, funding to support physical environment changes that are proven to prevent crime, and activation initiatives.

#### **Expand the Back to Business Fund Program**

Expenditures \$2,500,000

This one-time item, supported by the Payroll Expense Tax Fund, will expand the Back to Business Fund for a total budget of \$3.3 million in the 2026 Proposed Budget. The Executive intends to propose an additional \$2.5 million in one-time funding for this program in the 2027 Proposed Budget. The Back to Business Fund, launched in August 2025, supports small businesses impacted by vandalism and property damage. The program provides funding in three tracks: Storefront Repair Fund, Storefront Security Fund, and Neighborhood Business District Investments. The Storefront Repair Fund builds on the success of the earlier Coronavirus Local Fiscal Recovery Fund program of the same name, and provides grants to businesses to reimburse the cost for fixing damages from vandalism or other property damage. The Storefront Security Fund provides grants to businesses to reimburse the cost for improving storefront security. Finally, the Neighborhood Business District Investments provides funding to neighborhood business organizations to address public safety and improve the look of neighborhood business areas.

## Office of Economic Development

### **Establish a Grocery Store Security Fund Pilot Program**

Expenditures \$1,000,000

This one-time item, supported by the General Fund, will fund the implementation of a pilot Grocery Store Security Fund program. This program will address retail theft, property damage, and other crimes at grocery stores. This program will provide support for infrastructure improvements and security solutions that make grocery stores throughout Seattle safer for workers and customers.

### **Provide Supports for Neighborhood Grocers**

Expenditures \$700,000

This one-time item, supported by the General Fund, will support the opening and expansion of small businesses offering healthy, fresh foods and cultural household essentials throughout Seattle neighborhoods. This support will encourage and incentivize food access, with a specific focus on food deserts, as well as new opportunities for corner stores and bodegas through changes proposed in the One Seattle Comprehensive Plan Update.

### **Support Small Businesses through the Phố Đẹp Initiative**

Expenditures \$200,000

This one-time item, supported by the Payroll Expense Tax Fund, will provide small business and neighborhood supports as part of the Phố Đẹp (Beautiful Neighborhood) Initiative, a community-led effort to address safety and livability in Seattle's historic Little Saigon neighborhood. These investments will enhance economic vibrancy by supporting business recruitment, providing resources for new businesses, and improving marketing throughout the neighborhood.

### **Conduct a Business Climate Assessment**

Expenditures \$500,000

This one-time item, supported by the General Fund, will support consultant costs for a Business Climate Assessment. The assessment will review the City's laws, regulations, taxes, levies, fees and practices applicable to businesses and analyze how the City compares to other regional, national, and international municipalities. The assessment will produce a comprehensive report that will include an overall business friendliness score and specific policy recommendations to improve the business environment for specific business types and sectors, informed by quantitative data and qualitative evaluations of regulatory complexity.

### **Support for the Waterfront Shuttle**

Expenditures \$500,000

This one-time item, supported by the Payroll Expense Tax Fund, will provide continued support for the downtown waterfront shuttle. The free summertime waterfront shuttle, operated by the Friends of the Waterfront, is intended to promote economic activity in downtown Seattle, especially during the 2026 FIFA World Cup.

### **Develop a Customer Relationship and Case Management System**

Expenditures \$400,000

This one-time item, supported by the Payroll Expense Tax Fund, will support the development of a customer relationship and case management system to support implementation of the department's program. This project will provide the department with the necessary tools to centralize customer and program data, and will improve the department's internal workflows. There is a corresponding change in the Information Technology Department's budget.

## Office of Economic Development

### Support for a Community Workforce Training Center

Expenditures	\$250,000
--------------	-----------

This one-time item, supported by the General Fund, will provide funding to support capital costs for the development of a community workforce training center. The facility, to be developed and operated by Uplift Northwest, will provide space for job training and certification programs, dining, hygiene facilities, community activities and collaboration, administrative offices, and leasable commercial spaces.

### Abandon Grant Funding for Tenant Improvement Fund Program

Expenditures	\$(500,000)
--------------	-------------

Revenues	\$(500,000)
----------	-------------

This ongoing item will abandon Community Development Block Grant (CDBG) funding from the department's budget. This CDBG funding previously supported the Tenant Improvement Fund program. The Office of Economic Development, in collaboration with the Human Services Department, has determined that the CDBG funding source is not a good match for this program given challenges identifying projects that fulfill compliance requirements of the grant. The Tenant Improvement Fund program, which provides grants to small businesses to support acquisition of signage and commercial equipment, retains \$2 million in the 2026 Proposed Budget. Please see the Human Services Department proposed budget for details on how this CDBG funding will be redeployed in 2026.

### Proposed Technical

#### Align Budget Structure with the Future of Seattle Economy Framework

Expenditures	-
--------------	---

This technical item adds new budget programs and projects and makes adjustments to program and project coding to align the department's budget structure with the Future of Seattle Economy framework. The Future of Seattle Economy, adopted as City policy in Resolution 32099, provides a community-driven investment framework for the City to promote inclusive economic growth.

#### Align Budget for E-Proval Permitting System with Anticipated Expenditures

Expenditures	\$(50,000)
--------------	------------

This technical item aligns budget for ongoing costs associated with the E-Proval permitting software with anticipated actuals. The E-Proval permitting software supports workflows in the Special Events Office. Ongoing costs for the software were initially budgeted at \$100,000 per year beginning in 2024, but the department has since determined that ongoing costs for the software will be \$50,000 per year.

#### Bargained Annual Wage Adjustment to Base Budget

Expenditures	\$(122,315)
--------------	-------------

This centrally administered change adjusts base budget appropriations to reflect the proper Annual Wage Increase (AWI) increment for 2026, as outlined in the agreements between the City and the Coalition of City Unions for personnel costs. AWI increments are determined based on the average change in the local Consumer Price Index (CPI). This change represents a true-up between the forecasted CPI assumption included in the Endorsed Budget and the actual CPI data.

## Office of Economic Development

### SCERS Retirement Contribution Rate Reduction

Expenditures	\$(15,944)
--------------	------------

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 2025, this item reduces the employer contribution rate from the endorsed rate of 15.17% to the SCERS minimum actuarial required rate of 15.06%.

### April General Fund Revenue Adjustment

Revenues	\$22,000
----------	----------

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

### August General Fund Revenue Adjustment

Revenues	\$(82,000)
----------	------------

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

## Office of Economic Development

### Expenditure Overview

	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
<b>Appropriations</b>				
<b>OED - BO-ED-ADMIN - Leadership and Administration</b>				
00100 - General Fund	4,908,625	4,734,884	4,959,263	6,557,302
14500 - Payroll Expense Tax	2,542,149	4,480,769	4,118,819	4,950,552
<b>Total for BSL: BO-ED-ADMIN</b>	<b>7,450,774</b>	<b>9,215,653</b>	<b>9,078,082</b>	<b>11,507,854</b>
<b>OED - BO-ED-X1D00 - Business Services</b>				
00100 - General Fund	6,885,243	5,600,223	5,949,183	10,195,570
12400 - Arts and Culture Fund	-	-	-	-
14000 - Coronavirus Local Fiscal Recovery Fund	3,126,216	-	-	-
14500 - Payroll Expense Tax	16,202,979	16,353,743	16,314,923	18,984,405
<b>Total for BSL: BO-ED-X1D00</b>	<b>26,214,438</b>	<b>21,953,966</b>	<b>22,264,106</b>	<b>29,179,975</b>
<b>Department Total</b>	<b>33,665,212</b>	<b>31,169,619</b>	<b>31,342,187</b>	<b>40,687,829</b>
<b>Department Full-Time Equivalents Total*</b>	<b>61.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>

*\* 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

	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
00100 - General Fund	11,793,868	10,335,107	10,908,446	16,752,872
12400 - Arts and Culture Fund	-	-	-	-
14000 - Coronavirus Local Fiscal Recovery Fund	3,126,216	-	-	-
14500 - Payroll Expense Tax	18,745,128	20,834,512	20,433,742	23,934,957
<b>Budget Totals for OED</b>	<b>33,665,212</b>	<b>31,169,619</b>	<b>31,342,187</b>	<b>40,687,829</b>



## Office of Economic Development

### Revenue Overview

#### 2026 Estimated Revenues

Account Code	Account Name	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
322900	Nonbus Lic&Perm-Other	974,231	1,155,000	1,155,000	1,155,000
331110	Direct Fed Grants	-	500,000	500,000	-
334010	State Grants	120,552	-	-	-
341070	Print & Copy Svcs-Outsourced	(235)	-	-	-
360020	Inv Earn-Residual Cash	14,161	-	-	-
360220	Interest Earned On Delinquent A	79	-	-	-
360300	St Space Facilities Rentals	(135)	-	-	-
360310	Lt Space/Facilities Leases	35,845	60,000	60,000	-
360540	Cashiers Overages & Shortages	-	-	-	-
360900	Miscellaneous Revs-Other Rev	179,972	-	-	-
<b>Total Revenues for: 00100 - General Fund</b>		<b>1,324,471</b>	<b>1,715,000</b>	<b>1,715,000</b>	<b>1,155,000</b>
331110	Direct Fed Grants	3,124,165	-	-	-
<b>Total Revenues for: 14000 - Coronavirus Local Fiscal Recovery Fund</b>		<b>3,124,165</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total OED Resources</b>		<b>4,448,636</b>	<b>1,715,000</b>	<b>1,715,000</b>	<b>1,155,000</b>

## 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.

<b>Program Expenditures</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Citywide Indirect Costs	919,383	964,610	1,008,831	1,053,365
Departmental Indirect Costs	5,608,108	7,403,380	7,142,679	4,532,793
Pooled Benefits	923,283	847,663	926,571	1,221,696
Strategic Initiatives	-	-	-	4,700,000
<b>Total</b>	<b>7,450,774</b>	<b>9,215,653</b>	<b>9,078,082</b>	<b>11,507,854</b>
Full-time Equivalents Total*	20.00	20.00	20.00	20.00

*\*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*

*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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Citywide Indirect Costs	919,383	964,610	1,008,831	1,053,365

#### **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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Departmental Indirect Costs	5,608,108	7,403,380	7,142,679	4,532,793
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.

	2024	2025	2026	2026
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Pooled Benefits	923,283	847,663	926,571	1,221,696

## Strategic Initiatives

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

	2024	2025	2026	2026
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Strategic Initiatives	-	-	-	4,700,000

### 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	2024	2025	2026	2026
	Actuals	Adopted	Endorsed	Proposed
Business Districts	-	-	-	3,770,758
Business Sectors	-	-	-	3,252,196
Business Services	26,214,438	21,953,966	22,264,106	-
Community Wealth	-	-	-	9,584,749
Film, Music, and Special Events	-	-	-	1,552,827
Small Business Development	-	-	-	10,269,445
Workforce Development	-	-	-	750,000
<b>Total</b>	<b>26,214,438</b>	<b>21,953,966</b>	<b>22,264,106</b>	<b>29,179,975</b>
Full-time Equivalents Total*	41.00	43.00	43.00	43.00

*\*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*

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

### 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.

	2024	2025	2026	2026
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Business Districts	-	-	-	3,770,758

# Office of Economic Development

## 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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Business Sectors	-	-	-	3,252,196

## 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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Business Services	26,214,438	21,953,966	22,264,106	-
Full Time Equivalents Total	41.00	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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Community Wealth	-	-	-	9,584,749

## 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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Film, Music, and Special Events	-	-	-	1,552,827

## Office of Economic Development

### 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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Small Business Development	-	-	-	10,269,445

### 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.

<b>Expenditures/FTE</b>	<b>2024 Actuals</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>	<b>2026 Proposed</b>
Workforce Development	-	-	-	750,000