

Seattle's Shifting Employment Landscape: The Downtown Jobs Struggle

September 2026

Introduction

While Seattle remains the region's major employment center with more than 600,000 jobs and downtown Seattle, the city's major employment center with more than 300,000 jobs, recent data reflect a shifting employment landscape. Regional job growth has been nearly flat since 2022 with employment growth trailing many of the nation's largest metropolitan areas since 2019.

Between 2024 and 2025, Seattle lost more than 18,000 jobs, while other cities such as Bellevue and Tacoma recorded gains. Within Seattle, downtown accounted for roughly 70% of Seattle's losses, with a decline of 13,000 jobs. With the decline in the downtown workforce other data sources reflect that worker foot traffic and commuter activity remain below 2019 levels.

Using a variety of data sources, this report seeks to understand how the Puget Sound region compares to other regions across the U.S., how employment has shifted within our region over time, and then examine these trends within Seattle. Taken together the data underscore the continued challenges and headwinds facing job growth in Seattle and downtown, and the need for a course correction to ensure downtown remains competitive, attracts and retains employers and supports long-term economic growth and prosperity.

Key Findings

- Between 2019 and 2025, among the top 30 large metropolitan areas in the U.S., the Puget Sound region lagged, ranking 20th in terms of employment growth.
- While Seattle remains the region's employment center, Seattle has lost a significant number of jobs over the past two years, while other cities in the Puget Sound region have added jobs.
- Seattle's job losses have been concentrated downtown, which absorbed roughly 70% of the city's losses.

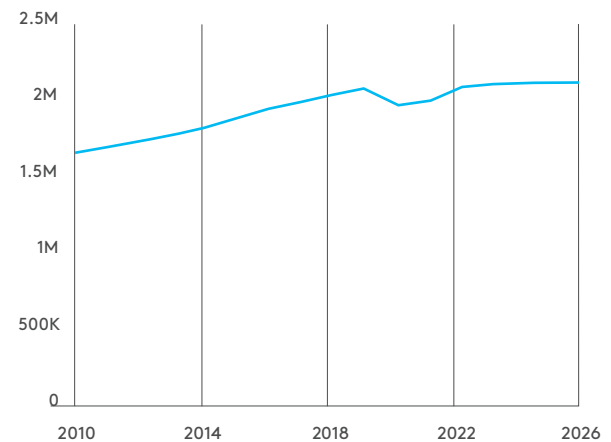
Trends in National, Regional and Local Employment – Downtown Seattle

I. Employment Level Changes since 2019 among top 30 Metropolitan Statistical Areas

- Between 2019 and 2025, the Puget Sound region ranked 20th in terms of employment growth among the top 30 MSAs.
- The average annual nonfarm payroll increased nearly 2% in the Puget Sound region since 2019, lagging other MSAs such as Austin (25%), Dallas/Forth Worth (14%) and Nashville (14%) over that same period.
- Seattle's regional employment has been almost flat since 2022, averaging less than 1% annually.

Seattle MSA Employment 2010-2025

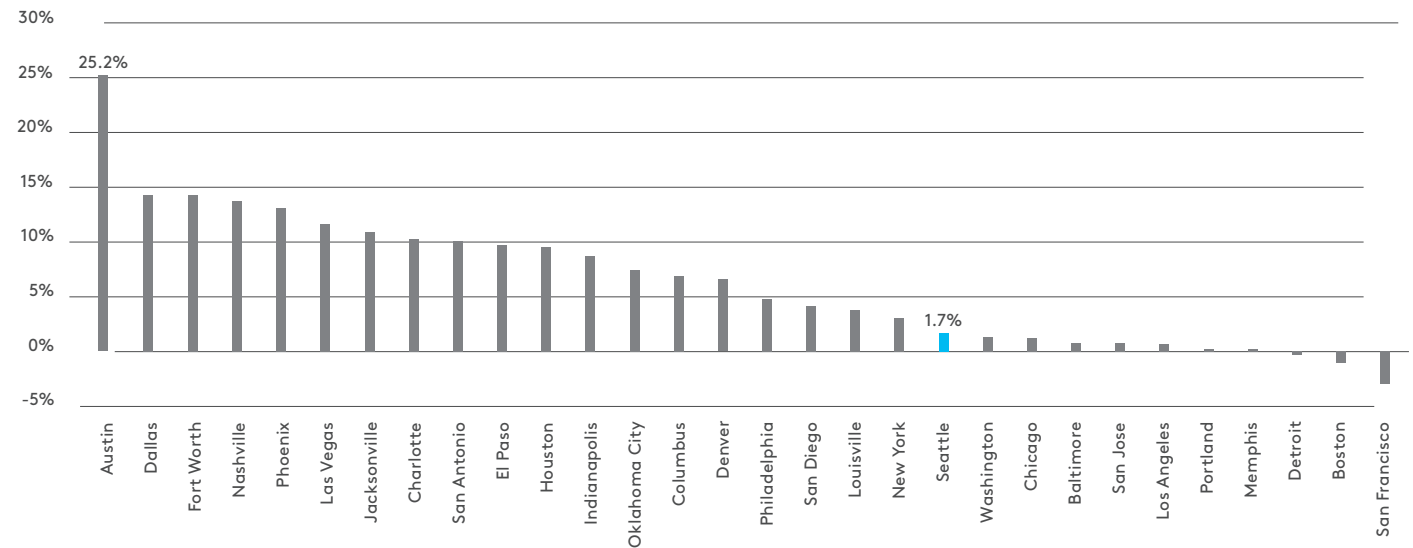
All Nonfarm Employees



Source: All Employees – Total Nonfarm Employment, Seasonally Adjusted. Federal Reserve Economic Data (FRED), Federal Reserve Bank of St. Louis, 2026.

Change in Employment 2019-2025

Top 30 MSAs

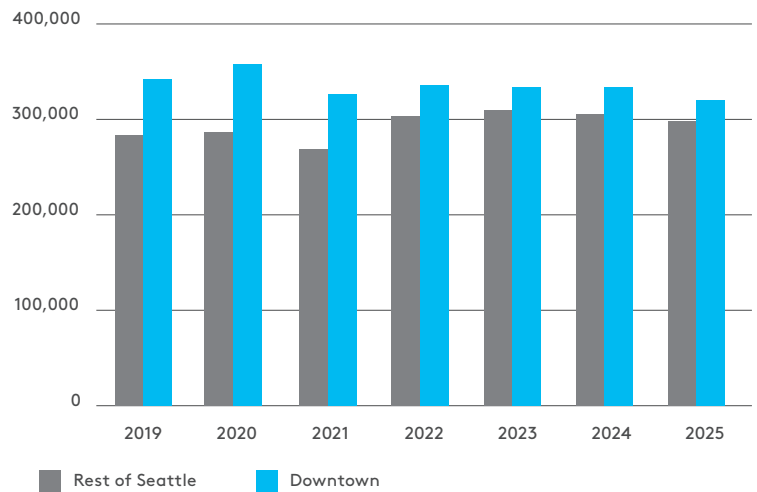


Source: All Employees – Total Nonfarm Employment, Seasonally Adjusted. Federal Reserve Economic Data (FRED), Federal Reserve Bank of St. Louis, 2026

II. Employment Trends within Puget Sound Region and Seattle

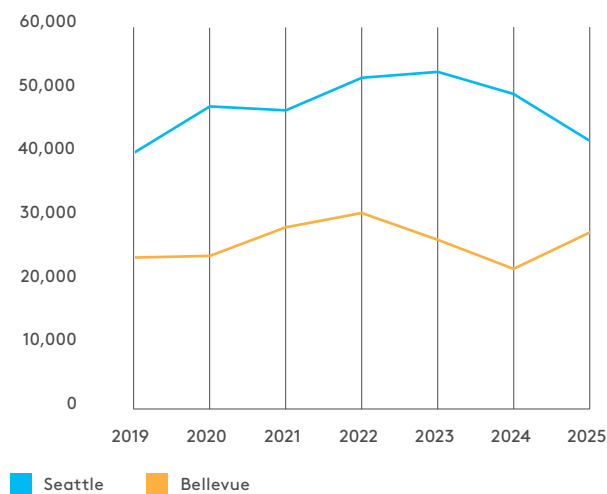
- While Seattle remains the region's employment center (home to nearly 1 in every 3 jobs) since 2024 **Seattle lost 18,605 jobs**.
- Over the same period, other cities, like Bellevue and Tacoma, increased total employment by 5,375 and 662 jobs, respectively.
- The National American Industry Classification System (NAICS) sectors that saw the most significant declines in Seattle were information and technology (NAICS 51), professional services (NAICS 54) and construction (NAICS 23).
- From 2024 to 2025, downtown Seattle lost 13,000 jobs, representing 70% of all jobs lost in the city of Seattle over this period.

Downtown's Share of Seattle Jobs



Source: Covered Employment Estimates, Puget Sound Regional Council, 2026.

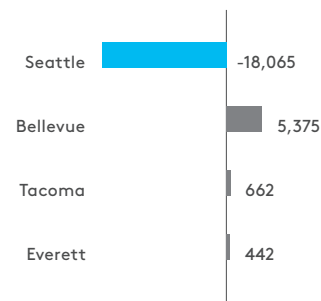
Tech Sector Jobs 2019–2025



Source: Covered Employment Estimates, Puget Sound Regional Council, 2026.

Note: Tech sector is defined as those jobs classified under NAICS code 51.

Changes in Employment Among Select Puget Sound Cities 2024–2025

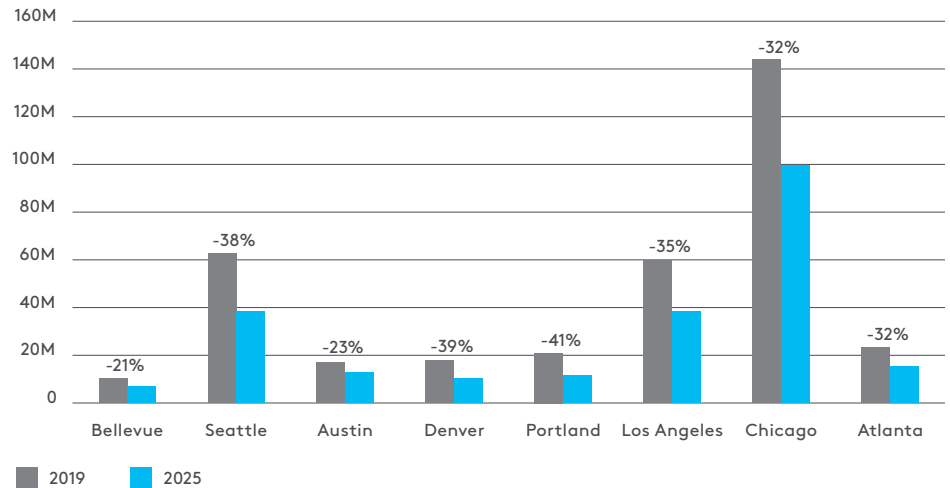


Source: Covered Employment Estimates, Puget Sound Regional Council, 2026.

IV. Downtown Peers

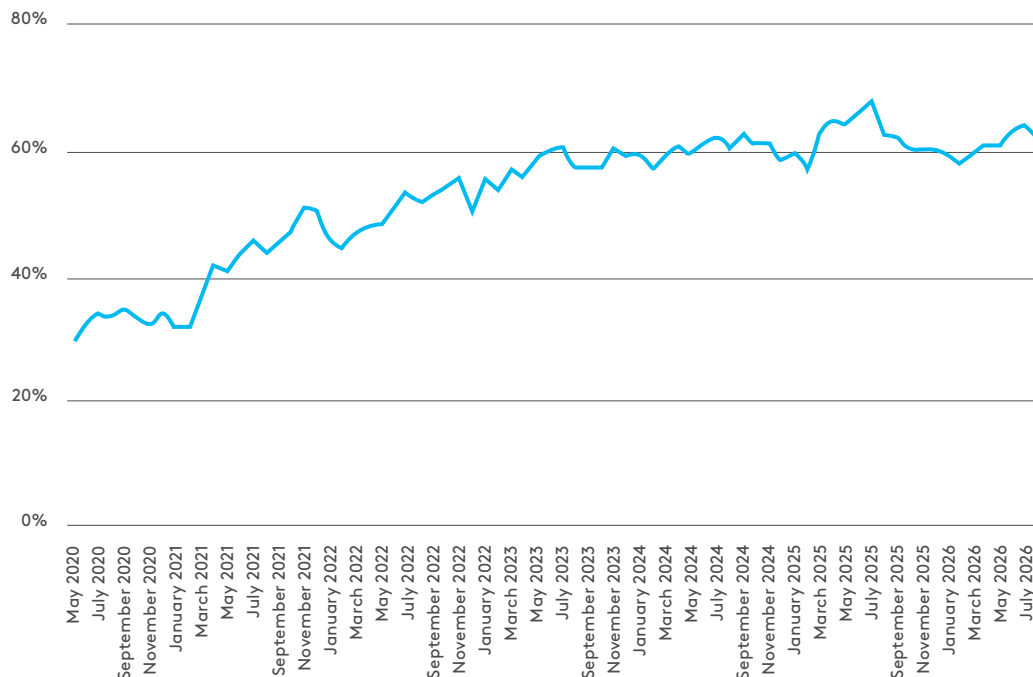
- While many peer downtowns saw decreases in worker foot traffic following COVID-19, Seattle's has remained persistent, signaling a weaker recovery compared to several peers.
- Worker foot traffic data from Placer.ai is showing a similar trend with fewer workers making fewer visits downtown, holding steady in the low 60% range compared to 2019. Preliminary foot traffic data indicate this trend is continuing into 2026.

Shifts in Inbound Commuter Foot Traffic in 2019 and 2025



Source: Placer.ai Extended Inbound Commuter visits estimates.
Note: Inbound commuters are defined as those who work within downtown Seattle but do not live downtown.

Average Downtown Worker foot traffic compared to 2019



Source: Placer.ai