



CITY OF BOSTON - MASSACHUSETTS

MICHELLE WU
MAYOR

April 11, 2022

TO THE BOSTON CITY COUNCIL

Dear Councilors:

I transmit herewith my Fiscal Year 2023 (FY23) Recommended Budget for the City of Boston. In this moment of urgency and opportunity for our city, our \$3.99 billion FY23 Operating Budget and \$3.6 billion FY23-FY27 Capital Plan sets a foundation for our future, connects our communities, and delivers on the details of city services across our neighborhoods. Through sound fiscal management, this budget is a roadmap for investing critical resources to build a more connected city for everyone.

Even as Boston continues to absorb the impacts of a lingering pandemic, strong fiscal health has paved the way for a strong public health response and citywide recovery. Last month, the City of Boston received AAA credit ratings for the eighth year in a row. These top credit ratings not only highlight solid financial management and policies embedding fiscal responsibility, but also secure the most favorable rates for our infrastructure investments to support equity, affordability, and resiliency in every neighborhood.

I'm proud that the first budget of our administration comes in the first year of a new balance of budgetary power with the City Council, and we have reshaped this process to reflect direct community engagement from the very beginning. For the first time, public feedback guided budget drafting from the start as residents highlighted community needs and priorities through listening sessions co-hosted by City Councilors, a citywide survey in 12 languages, and direct engagement over the last three months. Our recommended budget reflects the clear call for transformative action to support our people, our neighborhoods, and our City services.

The Recommended FY23 Operating Budget proposes a year-over-year increase of \$216 million or 5.7% over FY22, coordinated to target impact in key areas, including:

- Focusing on housing affordability, including creating and acquiring new affordable units, housing stability services, and an expanded voucher program. Over the next three years, new commitments in the Operating and Capital Budgets paired with federal recovery funds will infuse an unprecedented \$365 million into affordable housing, supportive services, and public housing preservation and creation.

- Moving fast on a Boston Green New Deal, with a greener City vehicle fleet, improvements for mobility and active transportation, the first citywide composting program, new leadership for food justice and urban agriculture, and investments in our tree canopy and open space.
- Investing in public safety grounded in public health, with a new Center for Behavioral Health to elevate mental health as a citywide priority, a coordinated crisis response program, specialized supports for older adults, and pathways for greater representation of Boston residents and people of color in public safety jobs.
- Accelerating an equitable economic recovery by more than doubling investments in our Main Streets districts to support our small businesses; creating an innovative Legacy Business Fund; funding the new Office of Contract Services that will help tie city contracting to wealth-building opportunities for BIPOC- and women-owned local businesses; expanding workforce development for immigrant professionals, young people, and city residents; and investing in neighborhood placemaking, arts, and culture.
- Amplifying all voices, with a major expansion of our language access capacity, investments in immigration legal services, wraparound supports for returning citizens, and resources to grow our new Office of Black Male Advancement and Office of LGBTQ+ Advancement.
- Empowering youth and families, with a significant commitment to the Boston Public Schools through \$40 million in Operating Budget growth paired with over \$100 million in federal ESSER funding to support students and school communities, strengthen academics, and improve facilities and operations; a new Office of Early Childhood; and funding for 6,000 youth summer jobs and 1,000 full-year jobs.

To lay a foundation for the future, this operating budget works in concert with the federal resources of the American Rescue Plan Act (ARPA) to accelerate a Green New Deal for Boston. Of Boston's nearly \$560 million ARPA allocation, \$110 million has been previously earmarked for revenue replacement from FY22 to FY24 to support the City's annual operating budget and vital public services through the economic uncertainty of the pandemic. The City also previously appropriated \$90 million for an emergency relief package, financial support for small businesses, and a two-year fare-free bus pilot—leaving \$349.5 million for once-in-a-generation, transformational investments that must create lasting impact. Informed by community-driven visioning and guided by the urgency for bold change, our proposed investments include:

- \$206 million for housing stability, affordable homeownership and financial assistance to first-generation homebuyers, strategic acquisitions to combat displacement, and deeply-affordable housing creation on City-owned land; a nation-leading pilot to advance energy efficiency in triple deckers and other multi-family homes while maintaining affordability; and upgrades to public housing units across five sites for air quality, energy efficiency, and health;
- \$34 million for economic opportunity and inclusion, to grow BIPOC-owned businesses, further invest in our Main Street business districts, expand tuition-free community college and workforce training programs, and create a commercial rental rebate program to support small business recovery and build wealth in our neighborhoods;
- \$31.5 million for climate-focused investments, including expanding the Green Youth Jobs program, creating walking and biking infrastructure, growing and preserving our

urban tree canopy, strengthening our local food systems, and supporting electrification of the City vehicle and school bus fleet;

- \$20 million for transformative arts and culture investments that will facilitate placemaking and strengthen both downtown and our neighborhood communities;
- \$20 million to ensure an equitable response to the ongoing pandemic by support critical COVID-19 vaccination efforts, ongoing testing, community engagement, and continued collaboration with community-based organizations and community health centers;
- \$18 million to tackle behavioral health and substance use disorder challenges;
- \$15 million for investments in our early education and childcare system, including growing the early educator workforce and streamlining access and enrollment for Boston families; and
- \$5 million for evaluation and equitable administration, to support language access, establish an equity framework, and ensure strong compliance with federal guidelines.

These ARPA investments are paired with the Operating and Capital Budgets to jumpstart solutions to long-term challenges; coordinate across departments and sectors to deliver equity, climate resiliency, jobs, and health as the foundation for a Boston Green New Deal; and prioritize financial sustainability beyond ARPA. Along with coordinated housing investments, engineering and planning positions funded in the Operating Budget support ARPA-funded projects to make Boston more bikeable and walkable, as well as an expanded capital project for the Blue Hills Multimodal Corridor. A new Office for Early Childhood and a new Behavioral Health Center in the Operating Budget are complemented by significant infusions of ARPA funding to immediately scale impact.

It will take time for the city's economy to fully regain its footing, and we are planning carefully around the uncertainty from viral variants, geopolitical events, and macroeconomic pressures. This fiscally responsible, balanced budget fully funds our long-term liabilities, such as pensions and debt service, enabling investment in the largest Capital Plan in our City's history. The Capital Plan supports capital projects across all our neighborhoods, from healthier schools and beautiful libraries, to safer streets, street trees, and dog parks.

As we continue to emerge from the pandemic, this budget points the way toward an equitable recovery and charts the course for our brightest future. I look forward to the continued partnership of the City Council in this budget process and beyond. I respectfully request your favorable action on the FY23 Operating Budget, the FY23-FY27 Capital Plan and the forthcoming ARPA orders.

Sincerely,



Michelle Wu
Mayor of Boston

**CITY OF BOSTON
IN CITY COUNCIL**

**Appropriation and Tax Order for the fiscal year
Commencing July 1, 2022 and ending June 30, 2023**

ORDERED:

I. That to meet the current expenses of the City of Boston, in the fiscal year commencing July 1, 2022 and ending June 30, 2023, the respective sums of money specified in the schedules hereinafter set out, be, and the same hereby are, appropriated for expenditure under the direction of the respective boards and officers severally specified, for the several specific purposes hereinafter designated and, except for transfers lawfully made, for such purposes only said appropriations, to the extent they are for the maintenance and operation of parking meters, and the regulation of parking and other activities incident thereto (which is hereby determined to be \$30,000,000), being made out of the income from parking meters and, to the extent they are for other purposes, being made out of the proceeds from the sale of tax title possessions and receipts from tax title redemptions in addition to the total real and personal property taxes of prior years collected from July 1, 2020 up to and including March 31, 2021, as certified by the City Auditor under Section 23 of Chapter 59 of the General Laws, and out of available funds on hand, (which is hereby determined to be \$40,000,000) as certified by the Director of Accounts under said Section 23, and from the available funds provided by the American Rescue Plan Act of 2021 and received and deposited into the general fund, and the balance of said appropriations to be raised by taxation pursuant to Section 23 of Chapter 59 of the General Laws:

CITY DEPARTMENTS

	Personnel Services	Contractual Services	Supplies & Materials	Current Charges & Obligations	Equipment	Special Appropriation	Structures & Improvements	Non-Structural Improvement	Land	Total
Human Services										
388 Office of Human Services	1,566,807	3,392,898	10,750	-	-	-	-	-	-	4,970,455
385 Boston Center for Youth & Families	23,482,105	5,100,077	375,798	335,392	346,303	-	-	-	-	29,639,675
387 Age Strong	3,663,770	1,754,525	317,566	88,110	34,832	-	-	-	-	5,859,803
404 Commission For Persons w/Disabilities	642,084	21,150	7,000	-	-	-	-	-	-	670,234
110 Library Department	28,849,707	9,288,482	3,914,686	635,872	390,254	-	-	35,000	-	43,114,001
741 Boston VETS	1,104,033	185,202	71,550	3,331,601	-	-	-	-	-	4,692,386
448 Youth Engagement & Employment	9,308,234	4,202,786	68,500	56,496	4,500	562,500	-	-	-	14,203,016
Housing										
188 Mayor's Office of Housing	5,366,010	3,342,561	32,500	124,588	22,986	32,963,343	-	-	-	41,851,988
Public Health										
620 Public Health Commission	-	-	-	-	-	117,724,077	-	-	-	117,724,077
Information & Technology										
149 Department of Innovation & Technology	14,630,592	5,644,865	42,950	20,717,562	1,013,404	-	-	-	-	42,049,373
Public Safety										
231 Emergency Management	472,786	343,508	6,000	386,857	-	-	-	-	-	1,209,151
221 Fire Department	252,165,237	9,963,865	6,251,133	5,120,411	5,047,094	-	-	20,000	-	278,567,740
211 Police Department	350,371,811	24,853,867	8,792,829	5,529,868	6,303,876	-	-	-	-	395,852,251
Streets										
321 Central Fleet Management	2,258,211	452,796	104,585	6,350	364,203	-	-	-	-	3,186,145
310 Office of Streets	2,518,411	24,050	6,650	6,600	172	-	-	-	-	2,555,883
311 Public Works Department	24,375,302	73,896,764	2,158,537	628,650	2,905,904	-	600,000	-	-	104,565,157
331 Snow & Winter Management	-	22,640,141	57,500	-	833,173	-	-	-	-	23,530,814
251,253 Transportation Department	27,318,833	10,286,321	1,770,558	374,956	1,328,126	-	-	-	-	41,078,794
Non-Mayoral Departments										
112 City Council	6,225,000	407,100	39,500	39,300	88,000	-	-	-	-	6,798,900
161 City Clerk	1,378,984	96,409	20,608	3,331	-	-	-	-	-	1,499,332
193 Finance Commission	300,331	4,350	525	250	2,125	-	-	-	-	307,581
Other										
158 Risk Retention Reserve	-	-	-	-	-	2,500,000	-	-	-	2,500,000
159 Housing Trust Fund	-	-	-	-	-	618,000	-	-	-	618,000
999 Reserves for Collective Bargaining	79,000,000	-	-	-	-	-	-	-	-	79,000,000
TOTAL	973,471,382	217,710,158	28,726,659	258,841,710	20,969,482	163,977,670	600,000	2,626,268	-	1,666,923,329

**CITY OF BOSTON
IN CITY COUNCIL**

FURTHER ORDERED:

II. That to meet so much of the expenses of maintaining, improving and embellishing in the fiscal period commencing July 1, 2022 and ending June 30, 2023, cemeteries owned by the City of Boston, or in its charge, as is not met by the income of deposits for perpetual care on hand December 31, 2021, the respective sum of money specified in the subjoined schedule be, and the same hereby is, appropriated out of the fund set up under Chapter 13 of the Acts of 1961 the same to be expended under the direction of the Commissioner of Parks and Recreation:

400100

Cemetery Division
Parks and Recreation Department
\$950,000

**I HEREBY CERTIFY
THE FORGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.**

BY  _____

**ADAM CEDERBAUM
CORPORATION COUNSEL**