



CITY OF BOSTON

MAYOR MICHELLE WU

April 8, 2024

TO THE BOSTON CITY COUNCIL

Dear Councilors:

I transmit here with my Fiscal Year 2025 (FY25) Recommended Budget for the City of Boston. This recommended \$4.6 billion FY25 operating budget and \$4.7 billion FY25-FY29 capital plan work to build on our steady progress to make Boston a home for everyone—where our communities' needs are met and dreams can grow. Over the last two budget cycles, our administration has laid a foundation to focus on what families need to thrive, and we've invested in the resources and infrastructure for affordability, resiliency, and equity throughout our neighborhoods. This year, we double down on delivering excellent City services by improving existing processes and expanding access to reach more families, more effectively. We also focus on systems to maintain and sustain City programming and infrastructure through coordination and planning for the future.

In total, the recommended FY25 annual operating budget proposes a year-over-year increase of \$344 million or eight percent over FY24. This year, the City experienced solid revenue growth driven by property tax collections, excise, and interest earned on investments. As we continue to gain greater understanding of the long-term economic impacts of the pandemic and prepare for shifts in the value of commercial real estate through the scheduled revaluation cycle this calendar year, we are also seeking legislative tools to guard against immediate rate shock to residents and take protective action so that future tax bills for all property owners—commercial and residential—are similar to those in recent years.

To plan responsibly through shifting economic patterns and resulting impacts, this budget prioritizes sustainable investments that set us up for continued stability—from supporting our City workforce through innovative collective bargaining agreements, to safeguarding needed resources in public education, and honoring long-term commitments to meet pension requirements and debt obligations to ensure continued long-term stability in City finances reflected in our AAA bond rating. Drivers of budgetary growth in the proposed annual operating budget include:

- The revenue-neutral transfer of planning, workforce, and development review functions from the Boston Planning and Development Agency to City departments following the

Council's approval of an Ordinance creating a new Planning Department for the first time in seven decades;

- Equitable employee wage growth implemented through a responsible collective bargaining process that provided higher percentage wage increases to City workers earning less than \$60,000 per year;
- The necessary resources to provide high-quality public education in the most inclusive possible environment for all students;
- Maintaining the planned schedule to fully fund pension requirements and debt obligations that support the five-year capital plan and protect our AAA bond rating;
- Targeted investments to support youth and schools, housing for all, health and well-being, and other core areas of government responsibility;

New investments made in this proposed budget have been based on informed analysis in support of long-term goals, a process of regularly reviewing operations, and ensuring the continued delivery of core City services by our workforce.

Increasing Affordability

For the first time in 70 years, Boston now has a City Planning Department with the same accountability and coordination as every other Department, and focused on shaping Boston's growth for affordability, resiliency, and equity. As part of our efforts to ensure every Boston resident can continue to call the City home, this proposed budget builds on \$40 million in existing annual operating dollars dedicated to various housing programs such as affordable housing vouchers, rental assistance, and homeownership mortgage support, and homelessness prevention programming. Additionally, the budget adds \$2 million to seed a new Housing Acquisition Opportunity Fund and provides an additional \$1 million in funding for rental assistance and decarbonization efforts.

Public Health and Safety

Our efforts on intertwining public health and public safety to build community trust have expanded much-needed services to residents through coordinating resources and led to the City's lowest levels of violent crime on record. Building on our work to connect residents of the former encampments near Massachusetts Avenue and Melnea Cass Boulevard with housing and treatment and create citywide mobile outreach teams, this budget adds \$1 million to support the City's approach to managing substance use and homelessness through low-threshold housing. To continue delivering the highest standards of community policing anywhere in the country, this budget funds the implementation of historic collective bargaining agreements with our police unions, including funding to deploy technology to modernize the detail system and allow for civilian personnel to participate in those opportunities for the first time. After celebrating the graduation of the first EMS cadet class in two decades last month, this budget adds \$1.3 million in funding to support 12 new Emergency Medical Technicians, increasing the number of EMTs to over 400 strong to improve call response times for medical emergencies across the City. This budget also includes an investment in maternal and infant health to combat health disparities and expand home visiting services for all Black birthing families in Boston. And to improve safety on our streets, the budget includes over \$155 million in funding for roadway resurfacing and sidewalk reconstruction to promote mobility and safety.

Youth and Families

Our proposed budget investments help bolster Boston as the best place in the country to raise a family. As an administration we have expanded universal pre-K seats, decreased chronic absenteeism by seven percent, grown our electric school bus fleet to nearly 90 electric buses, and launched multiple new early college and career pathways across our high schools. This budget includes an additional \$20 million to support high quality teaching and learning through school-based investments in inclusive education, including additional support for students with special needs and English learners, and \$1.3 billion from our Capital Budget for world-class Boston Public School facilities. We're also making investments in our childrens' lives outside of the classroom, by prioritizing our community centers and other opportunities for extracurricular enrichment. In the last year, we reopened the Curley Community Center and the Faneuil Branch Library and we have provided over 1,000 free youth swim lessons through our Swim Safe program. To ensure facilities across all our neighborhoods are the state of the art centers our residents deserve, we are proposing \$54.5 million in pool repairs and renovations at BCYF and BPS facilities. We are also moving forward with new constructions of the \$31 million Fields Corner Library and \$65 million Grove Hall Community Center, the first of its kind facility for this area of Dorchester. To maintain and extend the life of these important community assets, this budget includes investing in facility maintenance staff at the Property Management Department for various facility repairs at BCYF community centers and other buildings across Boston, funding for refinishing of gym floors, as well as upgrades and preventative maintenance to prevent future emergency closures and ensure our community centers can continue to serve as resources and places of gathering for residents of all ages. To ensure City investments are supporting multiple generations of Boston's families, we are adding \$500,000 in funding for community connection services for our older adults. And for residents of all ages we are proposing increased funding for block party grants, with continued improvements in the streamlined application making it easier for residents to build community in our neighborhoods.

Climate and Green Space

A key part of Boston's Green New Deal is ensuring that our work supports the climate, livability and justice of our neighborhoods for our residents. This proposed budget invests in preparing our coastline for the impacts of climate change by adding \$200,000 to support emergency preparedness for climate resilience and to update the climate action plan, while also allocating \$75 million in capital funding to leverage state and federal resources in planning and construction of a resilient coastline. We are also prioritizing our green spaces, an important part of making Boston the greenest, most-family friendly city in the U.S. This includes investing \$735,000 in additional staff and equipment to manage and maintain Franklin Park, including a new park administrator that will oversee park operations and help restore Franklin Park to its place as a crown jewel within our parks system. We are also continuing to enhance parks citywide, including investing \$14 million in the Capital Plan into the renovation and reconstruction of Clifford Playground. To increase the livability of our neighborhoods, we are investing in cooling our streets, reducing stormwater flooding, and supporting the final implementation of Boston's wetlands ordinance. We are doing this by adding \$200,000 for tree pruning to the \$3.1 million Urban Forestry budget to care for over 35,000 street trees. To complement this work, we are also incorporating green infrastructure features into our street construction projects to improve stormwater management and heat island impacts with \$1.6

million allocated for retrofits. This work will support enhancing climate resilience across Boston to prepare for climate change while supporting the lives of our residents.

Delivering Exceptional City Services

This proposed budget increases accessibility and improves our processes to ensure the City will continue to provide exceptional constituent services across our neighborhoods. We are ensuring City communications are accessible to all residents by investing in additional translation and interpretation services and multilingual City Hall constituent engagement. A \$3 million investment will help streamline City approvals and improve the licensing and permitting process by recruiting and hiring more workers and adding lab inspection and permit technicians for buildings. We are also modernizing traditional City services by funding a trash containerization pilot plan to promote cleanliness in Boston neighborhoods. We're continuing to get City Hall out of City Hall and into our neighborhoods. The City is replacing the aging City Hall to Go truck, which brings crucial City services out into the neighborhoods where our families live. We are making it easier for our neighbors to stay connected through community by adding permit technicians for special events and block parties. Last year, we filled more than 7,000 potholes, repainted 100,000 feet of crosswalks, and extended hours at 21 libraries. An \$850,000 investment will continue to improve basic City services, including roadway pavement markings, traffic and parking signage, graffiti removal, and self service equipment at branch libraries.

Promoting equity and economic opportunity

Advancing equity and ensuring all of Boston's communities are connected to economic opportunity is critical to making Boston the best city for families today and for generations to come. As Boston continues to grow, it is essential that more residents are connected to critical pathways through skills and job training and City services, so we are investing \$6.8 million into the Office of Workforce Development to fund a variety of programs such as Boston Saves, the Center for Working Families, Youth Options, and PowerCorps Boston. We are also increasing the Equity & Inclusion Cabinet budget by \$1 million—building on our administration's commitment to transform city policies and programs so every resident can access City services and thrive, across every neighborhood. This investment will advance our reparations work, support healthy pregnancies, provide additional translation and interpretation services to residents accessing city services, support individuals who need gender affirming identity documents and launch an equity study to learn how we can continue to support our Black men and boys. The future of Boston centers around connecting our young people to every opportunity. Our administration's Youth Jobs Guarantee will strengthen our nation-leading youth jobs program with more employers and opportunities than ever for our young people, ensuring they are positioned to grow and lead in our communities now and for years to come.

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 proposed FY25 annual operating budget and the FY25-FY29 capital plan.

Sincerely,



Michelle Wu
Mayor of Boston