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**MAYOR ADAMS RELEASES PRELIMINARY BUDGET FOR FISCAL YEAR 2024**

*FY24 Preliminary Budget Includes Investments in Affordable Housing, Street Cleanliness, and Public Safety*

*Budget Underscores Mayor's Commitment to Strong Fiscal Management to Ensure Robust and Equitable Recovery*

**NEW YORK** – New York City Mayor Eric Adams today released New York City's balanced \$102.7 billion [Preliminary Budget for Fiscal Year 2024 \(FY24\)](#). The budget reflects the mayor's ongoing commitment to promoting an equitable recovery by making investments in affordable housing, keeping city streets clean, ensuring the safety of communities, and promoting a greener, healthier city. The Preliminary Budget also doubles down on Mayor Adams' commitment to fiscal responsibility by spending limited city resources wisely amid the ongoing economic and fiscal challenges facing the city, state, and nation, and maintaining the city's budget reserves at a record level of \$8.3 billion.

“As our city continues its recovery, our administration continues to make investments in our core priorities — including public safety, affordable housing, and clean streets — while exercising strong fiscal management,” said **Mayor Adams**. “By asking agencies to self-fund new needs with preexisting resources, the Fiscal Year 2024 Preliminary Budget continues our strong track record of making prudent use of taxpayer dollars while continuing to ‘Get Stuff Done’ for New Yorkers.”

The Preliminary Budget was crafted in response to slowing economic growth, which impacts revenue, and fiscal uncertainties.

The city's revenue forecast was updated to reflect an additional \$1.7 billion in FY23 and \$738 million in FY24. The windfall increase in FY23 is driven by continued momentum from the record Wall Street activity in 2021, though the city expects that continued slowing growth in the economy will lead to slowing growth in tax revenue over the financial plan.

At the same time, the city faces budget pressure related to the costs of meeting its legal obligation to shelter approximately 40,000 asylum seekers that have moved through the intake

system since last spring, which is currently estimated to cost at least \$1 billion in FY23 alone, the need to fund billions of dollars in upcoming labor contract settlements over the financial plan, growing annual health care expenses, and waning federal stimulus funds that sunset in Fiscal Year 2025.

In response to the perfect storm of slowing revenue growth and rising costs, Mayor Adams continued the strong fiscal management he has practiced over the course of his administration by remaining focused on savings, maintaining high levels of reserves, and controlling spending.

Total savings achieved by the administration over the November Financial Plan Update and the Preliminary Budget is more than \$3 billion over Fiscal Years 2023 and 2024. Nearly all the savings in the Preliminary Budget were driven by the administration's 50 percent Vacancy Reduction Initiative citywide, which reduced vacancies by more than 4,300 across the financial plan and contributed savings of \$181 million in FY23 and \$350 million in FY24. About 23,000 vacancies remain open citywide, leaving agencies ample room to hire for critical positions.

The Preliminary Budget maintains a record level \$8.3 billion in reserves. This includes \$1.6 billion in the General Reserve, \$250 million in the Capital Stabilization Reserve, \$4.5 billion in the Retiree Health Benefits Trust fund, and \$1.9 billion in the Rainy-Day Fund. Agency new needs in Fiscal Year 2023 (FY23) and FY24 are funded with savings or existing agency resources. By exercising fiscal discipline, the administration was able to ensure FY23 remained balanced. A combination of savings and FY23 revenue was applied to balance FY24. Gaps are now \$3.2 billion in FY25, \$5.0 billion in FY26, and \$6.5 billion in FY27.

## **INVESTING IN AFFORDABLE HOUSING**

In his first year in office, Mayor Adams has made affordable housing a key priority of his administration. In June of last year, he unveiled [“Housing Our Neighbors: A Blueprint for Housing and Homelessness”](#), a comprehensive plan to tackle the city's housing crisis. The budget invests an additional \$20 million in FY24 to advance the goals of the plan, including funding to assist low-income prospective homeowners with down payments and expand enforcement against tenant harassment.

The administration is also committed to expediting the creation of affordable housing to address the severe housing shortage throughout the city. In December, Mayor Adams announced [“Get Stuff Built.”](#) which aims to build 500,000 new homes over the next decade. To meet these goals, the administration is allocating an additional \$2.8 million in new funding in FY24 to streamline the building and land use process across several city agencies. This is anticipated to cut months off the current process for certain affordable housing projects and accelerate the production of new homes.

## **ADVANCING EDUCATIONAL EQUITY AND EXCELLENCE**

Ensuring all students in our city are given the opportunity to succeed has been at the forefront of Mayor Adams' vision for a more equitable New York. In his first year in office, Mayor Adams introduced universal dyslexia screenings in all New York City public schools, expanded job

opportunities for youth over the summer to serve up to 100,000 young people, provided enriching summer academic opportunities for more K-8 students through the Summer Rising program, increased the city's commitment to the Fair Futures program to help youth aging out of the foster care system, and deepened financial support for foster students in any New York City college or university through the 'College Choice' program.

Last year, to protect schools that had lost enrollment from the impacts of funding reductions, Mayor Adams provided additional support to help provide a glidepath for schools adjusting to lower enrollment, with \$160 million allocated for FY23, and \$80 million for FY24. This temporary support was on top of the administration's commitment to keeping every school at 100 percent of Fair Student Funding. Mayor Adams today announced that the administration added an additional \$80 million to that funding pool for FY24. This keeps the total at \$160 million for another academic year. Additionally, Mayor Adams previously announced, in the November Financial Plan Update for FY23, that schools would be held harmless for mid-year enrollment changes.

## **PROMOTING A SAFER, CLEANER, AND GREENER CITY FOR ALL**

Mayor Adams has made clear that an equitable recovery depends on making the city safer, cleaner, and more sustainable. The Preliminary Budget includes investments to build on the progress the administration made in its first year, targeting resources to the communities that need them most. All new expense investments in the Preliminary Budget are paid for with savings or self-funded by agencies. FY24 investments include:

- DOB will develop, adopt, standardize, and implement a citywide building code (\$2.6 million);
- Expansion of the Neighborhood Rat Reduction Initiative into Harlem (\$1.8 million); and
- Hiring of chief decarbonization officers across multiple agencies to elevate and streamline greenhouse gas emission reductions in agency operations. (\$1.62 million).

FY24 capital investments include:

- Accelerating projects to meet carbon reduction targets set forward in Local Law 97 (\$259 million);
- Funding high-priority street reconstruction projects related to Vision Zero, the Streets Plan, and more (\$228 million);
- Transforming the Willets Point community and creating jobs as part of a public-private partnership that builds 2,500 affordable homes and creates a soccer stadium, 40,000 square feet of public open space, and a hotel (\$153 million);
- Reconstructing and upgrading the Riverside Park Soldiers' and Sailors' Monument and plaza (\$62.3 million);
- Installing new locks and security measures in New York City Department of Education school facilities to make them safer for students and staff (\$47.5 million);
- Doubling signal installation to 200 annually and making related upgrades (\$77 million); and

- Making repairs and upgrades to marine infrastructure in Staten Island and Manhattan, including piers and barges (\$46 million).

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