The City of New York
Executive Budget
Fiscal Year 2026

Eric Adams, Mayor

Mayor's Office of Management and Budget
Jacques Jiha, Ph.D., Director

Message of the Mayor

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May 1, 2025

Message of the Mayor

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

To the Citizens of the City of New York
Members of the City Council
Members of the Financial Control Board

To my fellow New Yorkers:

Since day one of our administration, we have had one core mission — to make New York City the safest and most affordable place to raise a family. This drives every decision we make, including those made in the Fiscal Year 2026 Executive Budget.

As I have said many times, public safety and justice are the prerequisites to prosperity. Under our administration, New York continues to be the safest big city in America, and we're working to make it even safer every single day. We recently announced that the first quarter of this year saw the lowest number of shootings in recorded history. We reduced shootings 23 percent, murders by 34 percent, transit crime by 18 percent, and retail theft by 8 percent. These impressive numbers have contributed to five straight quarters of declining crime across the five boroughs. We have also taken steps to keep New Yorkers safe on roadways and sidewalks, which has pushed traffic fatalities down 5 percent since our first day in office, to their lowest level since 2020.

Our administration is working every day to also create a more affordable city for every New Yorker, and that means putting money back into the pockets of working-class New Yorkers. Our innovative "Axe the Tax for the Working Class" plan will return over $63 million to New Yorkers by eliminating the New York City Personal Income Tax for filers with dependents living at or below 150 percent of the federal poverty line, as well as lowering city personal income taxes for filers with dependents immediately above that threshold too. This plan will bring relief to working-class families as soon as tax year 2025 and help strengthen our efforts to make New York City the best place to raise a family.

Access to quality, affordable childcare is critical for many New Yorkers, especially the most vulnerable, and helps drive economic mobility. To make child care more affordable for working-class families, we have lowered the cost of subsidized child care for a family of four earning $55,000 from $55 a week in 2022 to less than $5 today, increased the number of children enrolled with a low-income voucher from fewer than 8,000 in 2022 to over 46,000 in 2024, and saved New Yorkers more than $1.9 billion through child care vouchers since the start of our administration.

On top of reducing the cost of vouchers — and for the first time in New York City history — we have guaranteed that every family who applied for a 3-K seat on time received an offer, with enrollment topping 150,000 children across the entire early childhood education system. And to ensure that all families have access to the early childhood education, we launched a $100 million 10-point plan to address systemic issues, boost enrollment, and connect families with more pre-K and 3-K seats. In this Executive Budget, we go even further by investing more than $190 million annually to protect extended-day care and the expansion of 3-K into every city school district and ensure that seats are available for children with special needs.

Housing must be affordable too, so to combat a generational housing crisis, we turned New York into a "City of Yes." Early in this administration, we unveiled three bold zoning initiatives to promote renewable energy, foster economic growth, and build more affordable housing. Last year, our administration passed the final two proposals, bringing long-overdue change to New York City's zoning code. Our "City of Yes for Housing Opportunity" — the most pro-housing zoning change in city history — will create up to 80,000 new homes and invest $5 billion in housing and infrastructure while "City of Yes for Economic Opportunity" is supporting small businesses and entrepreneurs.

Our plans are working! In April, the city broke the all-time jobs record for the 11th time since I took office, and unemployment remains down across all demographic groups throughout the city. Last year, nearly 65 million people visited New York — the second highest figure in city history. We expect to make a full recovery this year and even surpass pre-pandemic levels, making New York City the most visited big city in the nation.

But don't just take our word for how well New York City is doing, trust the experts who our saying our house is in good fiscal order. Four internationally recognized, independent, credit rating agencies cited our strong fiscal management; robust recovery; record-high private employment; and strong tourism numbers in support of repeatedly affirming our strong double-A level General Obligation bond ratings.

We achieved these milestones and made key investments despite substantial fiscal challenges, including the need to manage a humanitarian crisis, virtually alone, which has cost the city more than $7.5 billion to date. Since the first buses of asylum seekers arrived in the five boroughs in 2022, over 234,800 migrants have come through the city's intake center asking for care. Thanks to smart management strategies, intensive case management, and 30-and 60-day policies, we have helped more than 80 percent of migrants take the next steps on their journeys towards self-sufficiency and saved more than $6.4 billion in related costs over three fiscal years. But while arrivals have slowed, we are still caring for almost 40,000 migrants every day. While this remains a fiscal challenge, we will continue to manage the situation and make investments that meet the needs of everyday New Yorkers.

As New York City moves toward the future, our core values will continue to guide us.

We will continue to build a safer, more equitable, and more prosperous city for all New Yorkers as they live and raise a family in the greatest city in the world.

Your Mayor,

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ERIC ADAMS
Mayor of The City of New York

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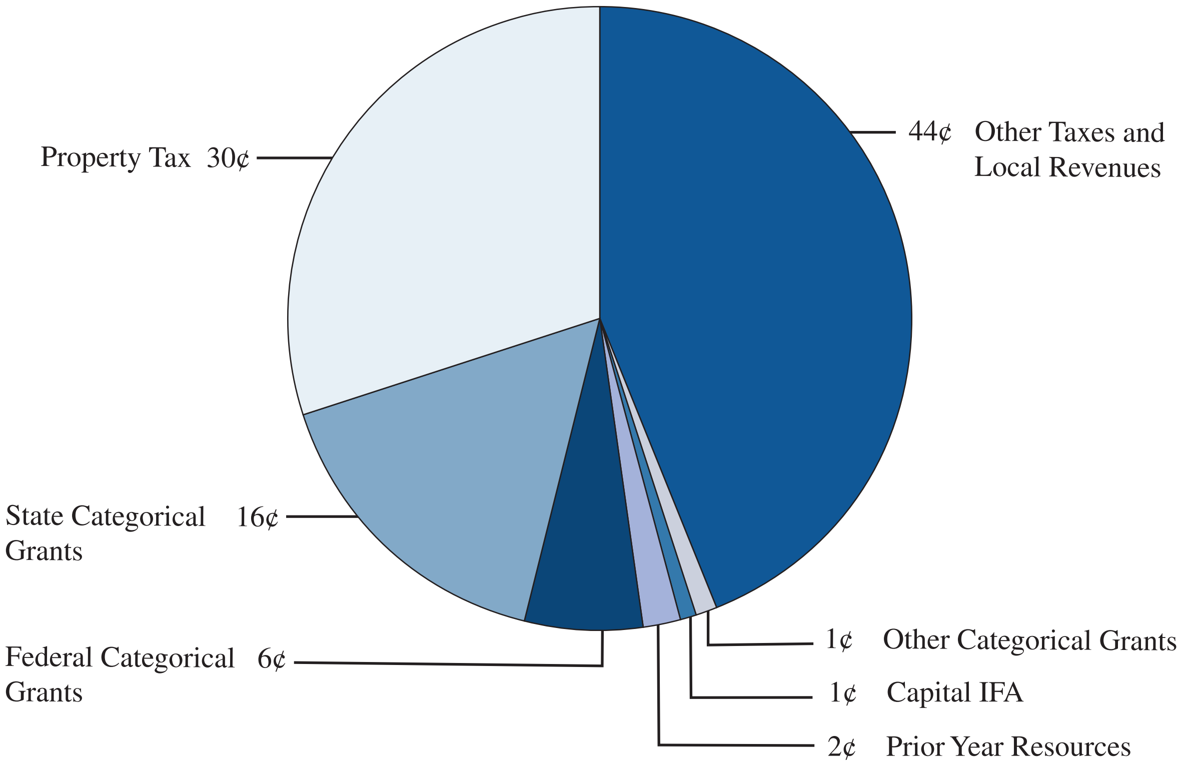
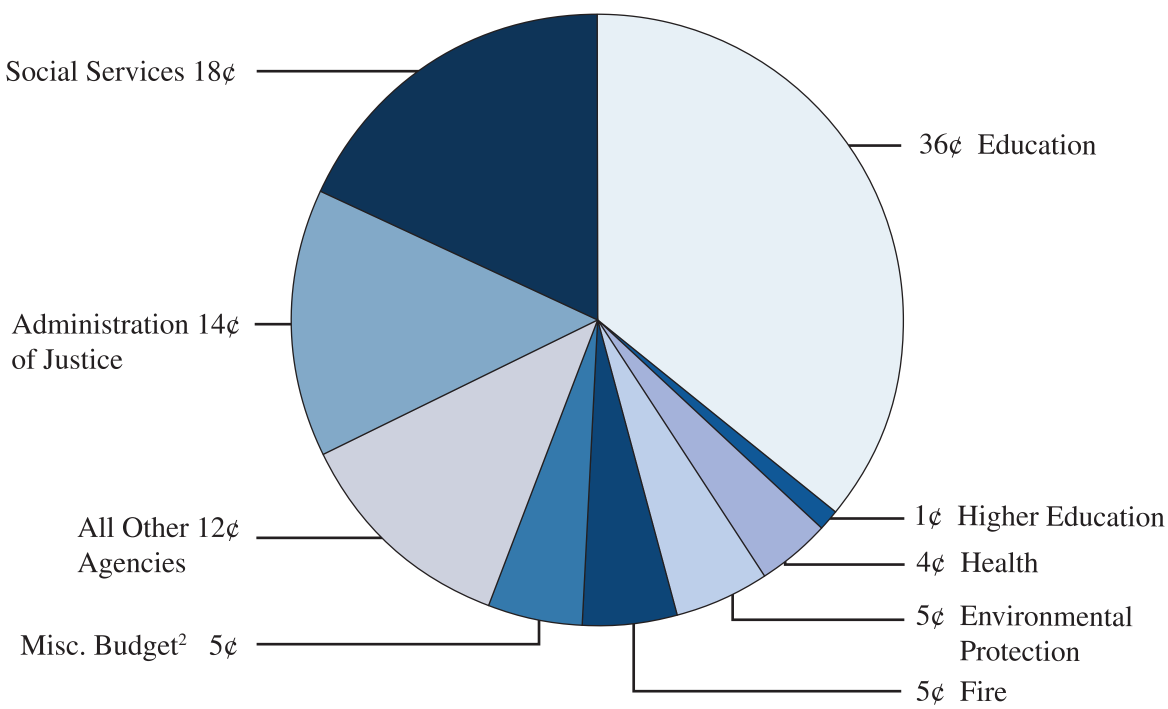
Budget and Financial Plan Summary

Where the 2026 Dollar Comes From



Where the 2026 Dollar Goes[1]



[1] Reflects the allocation of Fringe Benefits, Pensions and Debt Service to the agencies. Excludes the impact of prepayments.
[2] Includes Labor Reserve, General Reserve, Capital Stabilization Reserve, Judgments and Claims, MTA Subsidies and Other Contractual Services.

Source: NYC OMB

BUDGET AND FINANCIAL PLAN OVERVIEW

The Executive Plan sets forth revenues and expenses for Fiscal Years 2025 through 2029.

The Fiscal Year 2026 Executive Budget is $115.1 billion. This is the forty-sixth consecutive annual budget which is balanced in accordance with Generally Accepted Accounting Principles (GAAP).

Major highlights of the Executive Budget and Financial Plan are:

- Revenues and expenditures are balanced for Fiscal Years 2025 and 2026 and gaps of $4.6 billion, $5.8 billion, and $5.7 billion are projected for Fiscal Years 2027, 2028 and 2029, respectively.

- The Fiscal Year 2026 budget is balanced using a prepayment of $2.95 billion from Fiscal Year 2025.

- Forecast revenues have increased by $2.0 billion, $1.1 billion, $902 million, $1.2 billion, and $1.1 billion in Fiscal Years 2025 through 2029, respectively.

- Agency expense changes have increased by $2.3 billion, $1.9 billion, $1.3 billion, $1.3 billion, and $1.3 billion in Fiscal Years 2025 through 2029, respectively.

- Projected Personal Service and Other than Personal Service savings which reduced spending by $108 million in Fiscal Year 2025.

- Asylum Seekers expense savings which reduced spending by $298 million, $190 million, and $400 million in Fiscal Years 2025 through 2027, respectively.

- State budget impact changes which increased spending by $166 million each fiscal year beginning in Fiscal Year 2026.

- Pensions changes have decreased by $36 million and $104 million in Fiscal Years 2025 through 2026, respectively, and increased by $143 million, $66 million and $155 million in Fiscal Years 2027 through 2029, respectively.

- Debt Service savings totals $206 million and $60 million in Fiscal Years 2025 through 2026, respectively. Debt Services changes which increased spending by $30 million, $49 million, and $37 million in Fiscal Years 2027 through 2029, respectively.

- Re-estimate of prior years' expenses and receivables of $266 million in Fiscal Year 2025.

The following tables detail the changes since the January 2025 Financial Plan and the revenues and expenditures for the five-year financial plan.

Changes Since the January 2025 Financial Plan
City Funds ($ in Millions)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Gap to be Closed - January 2025 Financial Plan	**$ —**	**$ —**	**$(4,247)**	**$(5,381)**	**$(5,081)**
Revenue Changes:					
Tax Revenues	$1,682	$993	$856	$1,134	$1,051
Non-Tax Revenues	303	133	46	54	57
Unrestricted Aid	6	—	—	—	—
Disallowances	19	—	—	—	—
Total Revenue Changes	**$2,010**	**$1,126**	**$902**	**$1,188**	**$1,108**
Expense Changes:					
Agency Expense Changes	$2,318	$1,920	$1,346	$1,337	$1,335
Projected PS & OTPS Savings	(108)	—	—	—	—
Asylum Seekers Savings	(298)	(190)	(400)	—	—
State Budget Impact	—	166	166	166	166
Pensions	(36)	(104)	143	66	155
Debt Service	(206)	(60)	30	49	37
Re-estimate of Prior Years' Expenses and Receivables	(266)	—	—	—	—
Total Expense Changes	**$1,404**	**$1,732**	**$1,285**	**$1,618**	**$1,693**
Gap to be Closed Before Prepayments	**$606**	**$(606)**	**$(4,630)**	**$(5,811)**	**$(5,666)**
FY 2025 Prepayment	(606)	606	—	—	—
Gap to be Closed - May 2025 Financial Plan	**$ —**	**$ —**	**$(4,630)**	**$(5,811)**	**$(5,666)**

Fiscal Years 2025 and 2026 are balanced in accordance with Generally Accepted Accounting Principles (GAAP), except for the application of Statement No. 49 of the Government Accounting Standards Board (GASB 49) which prescribes the accounting treatment of pollution remediation costs, and without regard to changes in certain fund balances described in General Municipal Law 25.

($ in Millions)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues					
Taxes:					
General Property Tax	$34,434	$35,360	$36,585	$37,664	$38,778
Other Taxes	44,783	44,845	45,526	47,098	48,805
Tax Audit Revenue	825	809	779	779	779
Subtotal - Taxes	$80,042	$81,014	$82,890	$85,541	$88,362
Miscellaneous Revenues	8,759	8,110	7,942	7,976	8,012
Unrestricted Intergovernmental Aid	22	—	—	—	—
Less: Intra-City Revenues	(2,186)	(1,884)	(1,856)	(1,847)	(1,847)
Disallowances Against Categorical Grants	4	(15)	(15)	(15)	(15)
Subtotal - City Funds	$86,641	$87,225	$88,961	$91,655	$94,512
Other Categorical Grants	1,113	1,125	1,120	1,116	1,114
Inter-Fund Revenues	792	797	795	796	799
Federal Categorical Grants	10,517	7,443	7,230	7,278	7,338
State Categorical Grants	20,728	18,475	18,480	18,625	18,776
Total Revenues	$119,791	$115,065	$116,586	$119,470	$122,539
Expenditures					
Personal Service:					
Salaries and Wages	$33,240	$34,403	$35,322	$36,265	$37,060
Pensions	10,034	10,470	11,069	11,836	11,467
Fringe Benefits	13,958	14,784	15,344	15,954	16,595
Subtotal – Personal Service	$57,232	$59,657	$61,735	$64,055	$65,122
Other Than Personal Service:					
Medical Assistance	6,380	6,583	6,733	6,883	7,033
Public Assistance	2,648	1,650	2,000	2,463	2,905
All Other	49,460	41,818	41,571	41,734	42,123
Subtotal – Other Than Personal Service	$58,488	$50,051	$50,304	$51,080	$52,061
Debt Service [1,2]	7,654	8,741	9,583	10,543	11,419
FY 2024 Budget Stabilization [1]	(4,397)	—	—	—	—
FY 2025 Budget Stabilization [2]	2,950	(2,950)	—	—	—
Capital Stabilization Reserve	—	250	250	250	250
General Reserve	50	1,200	1,200	1,200	1,200
Less: Intra-City Expenses	(2,186)	(1,884)	(1,856)	(1,847)	(1,847)
Total Expenditures	$119,791	$115,065	$121,216	$125,281	$128,205
Gap To Be Closed	**$—**	**$—**	**$(4,630)**	**$(5,811)**	**$(5,666)**

[1] Fiscal Year 2024 Budget Stabilization total $4.397 billion, including GO of $1.954 billion and TFA-FTS of $2.443 billion.

[2] Fiscal Year 2025 Budget Stabilization total $2.950 billion, including GO of $606 million and TFA-FTS of $2.344 billion.

ECONOMIC OUTLOOK

Overview

The national economy exhibited remarkable strength in 2024 as it entered an uncertain 2025, marked by numerous challenges and potential headwinds. GDP grew by 2.8 percent – slightly slower than the 2.9 percent reported in 2023 – but still among the strongest of developed economies. If uninterrupted, this strong momentum could keep GDP growth near two percent in 2025. Employment growth remained resilient, with the latest data showing the economy added more than 200,000 jobs in March, above the 2024 monthly average. The unemployment rate also remained in the low four percent range throughout 2024, indicating a stable labor market. The job market is projected to continue expanding at a pace of one percent in 2025, though rising uncertainty could alter this projection. The positive economic data readings in 2024 boosted equity markets, with the S&P 500 index rising more than 23 percent and corporate profits jumping more than 10 percent. Strong financial markets boosted Wall Street profits in 2024 to $50 billion, one of the strongest years on record. The momentum going into 2025 is steady, with continued activity on Wall Street lifting first quarter earnings of the Big Five banks by 10 percent. However, both the S&P and corporate profits are projected to face headwinds in 2025, with growth expected to slow. Wall Street profits are projected to drop from $50 billion in 2024 to $34 billion in 2025 – still above average.

Elevated inflation remains a challenge for the Federal Reserve (Fed). Despite decelerating prices in 2024 – which allowed the Fed to lower the federal funds rate by 100 basis points in the second half of the year – inflation remained persistently above the Fed's two-percent target. Stickier-than-expected inflation readings in early 2025 have put the Fed on pause, waiting for clearer signs of slowing inflation before adjusting its monetary policy stance. Therefore, the Federal Reserve is expected to keep its federal funds rate unchanged in the near term and maintain a modestly restrictive monetary policy stance.

The administration's policies on trade, immigration, and spending cuts have heightened overall risks to the economy and added more uncertainty to the economic outlook. The threat of tariff-induced inflation is expected to keep price pressures elevated, complicating the Fed's decision making – particularly if the labor market also weakens. Many indicators now show higher inflation expectations, both in the short and long term. The administration's aggressive trade policies are also likely to slow GDP growth, weaken the labor market, and dampen equity markets. However, the extent of this impact is too early to quantify, as the administration's trade policy continues to shift. The probability of a recession is now higher than it was at the start of the year, as the economy continues to drift into uncertainty. Typically, investors flock to Treasury bonds in times of economic uncertainty. While demand for U.S. Treasurys remains strong, recent signs of weakening and a sagging dollar against global currencies suggest investors are reevaluating the U.S.'s status as a safe haven. The long end of the yield curve has shifted upward as demand for long duration Treasurys has declined – an unusual trend for a period of high market volatility. Despite current economic strength, the U.S. economy is expected to face growing uncertainty in 2025 as the new administration pushes for major changes in both domestic and international policy.

Like the national economy, New York City's economy was on solid footing heading into 2025. NYC's economy even outpaced the national economy in 2024, with job growth of over 2.3 percent. Employment gains last year were primarily concentrated in the healthcare and office-using sectors (professional & business services, information, and financial activities). If this trend continues without major headwinds, the City's employment levels are expected to increase by 1.4 percent in 2025, with gains in seven of the nine major private sectors. Average wage growth was also healthy in 2024. Compared to the same period in 2023, average private sector wages in the City were up 3.4 percent in the first three quarters of 2024. Strong employment and rising average wages buoyed private sector wage earnings to $362 billion in the first three quarters of 2024, a 5.8 percent increase from the same period in 2023. Average private sector wages are forecast to expand four percent this year, translating to a 5.8 percent increase in wage earnings growth in 2025.

This economic momentum, coupled with marginally lower interest rates, brought some home buyers and sellers back into the market, and home prices began to rebound in the second half of 2024. Transactions

* *All economic data are reported on a calendar year basis.*

remained low in 2024 but also began to grow again in the fourth quarter even as rates re-accelerated. The residential market is expected to continue to recover, although the prospect of higher interest rates may continue to hamper demand. In 2025, home sales are expected to increase by 3.8 percent, with prices rising 4.9 percent. From 2026 through 2029, transactions and prices will remain strong, with average annual gains of 3.7 percent and 3.1 percent, respectively.

Meanwhile, the City's office market, while far from equilibrium, has begun to improve. The vacancy rate peaked in early 2024 and has since declined two percentage points as leasing activity rebounded and inventory fell. With remote work stabilizing around 50 percent of all office workdays, tenants now have greater clarity on their future office demand, which has supported an increase in leasing activity. Commercial office market leasing reached six million square feet in the first quarter, the highest level since before the pandemic. With office-using employment projected to grow quickly over the coming years, vacancy rates are expected to continue to decline, albeit slowly, from the highs of 2024. The market is likely to remain well above pre-pandemic conditions for the remainder of the forecast period as remote work has permanently reduced the demand for office space.

Tourism has essentially recovered from the pandemic, with an estimated 64.3 million visitors arriving to the City in 2024. Hotel occupancy rates averaged 84.3 percent for the year, and room rates were up by 5.6 percent. Prior to the newly strained international relations, 2025 was expected to be a record year for tourism. However, there are initial indications that demand for travel to the City has diminished. Nonetheless, the baseline forecast still assumes that the hotel industry will continue to maintain vacancy rates above 80 percent for the year with the average daily room rate holding steady. However, escalating global tensions could change this projection.

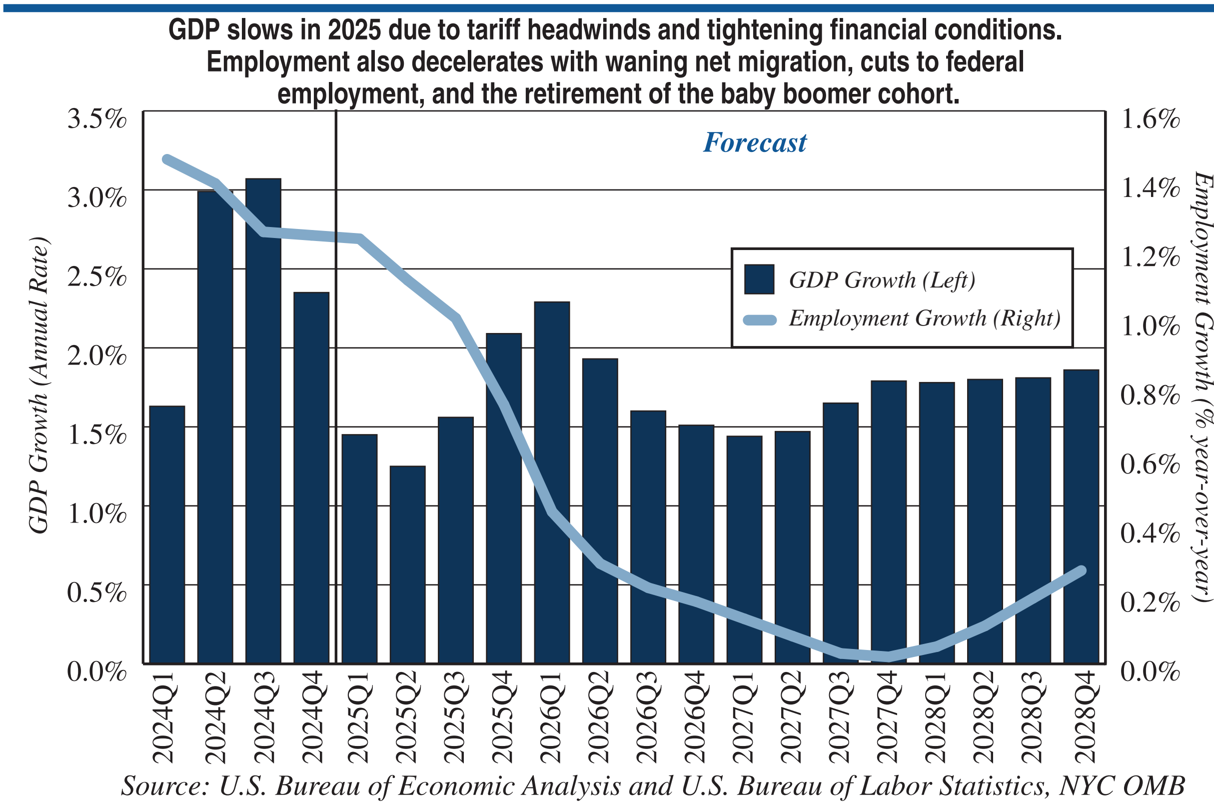
THE U.S. ECONOMY

By most measures, the national economy in 2024 was headed for a soft landing, with above average – but slowing – growth, stable employment gains, and moderating inflation and interest rates. Real GDP expanded by 2.8 percent and the national labor market, aided by strong immigration flows, added 2.1 million jobs (1.3 percent) in 2024, down from 2.2 percent in 2023. The deceleration of employment and the decline of inflation pressure from a peak rate of nine percent in mid-2022 to below three percent by mid-2024 gave the Federal Reserve (Fed) the green light to begin lowering short-term interest rates by September 2024, the first rate cuts since the pandemic. Investment spending was stable, with non-residential fixed investment boosted by the 2022 CHIPS and Science Act and residential fixed investment supported by a building boom in advance of tariff-induced price hikes.

Some of this momentum has continued into 2025 but growth is threatened by the haphazard policies embraced by the new Trump administration. The announcement of extensive import tariffs has resulted in retaliation from trade partners, boosted economic uncertainty, and amplified market volatility. Early signs of economic weakness are mainly reflected in soft indicators such as consumer sentiment. These survey-based measures have diverged from hard economic data, which has yet to show significant deceleration. There is evidence that some of the strength in the latter is due to households and businesses stockpiling goods and shifting spending decisions earlier to beat tariff-related price increases. As a result, it is likely that the hard data will start to soften with a lag. The forecast projects that the policy shifts cause real GDP growth to decelerate to 1.9 percent in 2025, down from 2.8 percent in 2024. On a quarterly basis, the economy slows to a 1.2 percent (annualized) pace in the second quarter, before rebounding to 2.1 percent in the fourth.

While the administration is proposing large-scale changes to federal tax and spending practices, immigration rules, energy regulation, and monetary policy, the administration's signature policy shift has been the extensive array of bilateral tariffs invoked to allegedly redress past inequities in trade relations. While it appeared that Trump wanted to use duties as a negotiating lever, on April 2, the administration released a long list of "reciprocal tariffs" ranging from 10 to 50 percent, determined by the size of the targeted country's goods surplus with the U.S. The ensuing equity market plunge and steep jump in interest rates led the administration to put the proposed levies on hold for 90 days and replaced them with a temporary baseline rate of 10 percent – except for Chinese imports, which

U.S. GDP AND EMPLOYMENT GROWTH



Source: U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics, NYC OMB received a punitive 145 percent tariff rate. The about-face on the Liberation Day tariffs resulted in further financial market bedlam, with the S&P 500 soaring 9.5 percent in one day.

The impact of the new tariffs and other policy shifts advocated by the administration are affecting soft economic indicators, which are subjective measures of economic sentiment and expectations obtained primarily from surveys. Their main advantage is that they are available on a timelier basis than hard economic data, which are subject to lags. For example, the University of Michigan released their April consumer sentiment index just three weeks after the tariff announcement. The overall index dropped 4.8 points, the fourth consecutive decline and the weakest reading since the all-time low set in July 2022 during the post-pandemic inflation spike and aggressive Fed rate hikes. The consumer expectations sub-index has dropped every month since the election and the April preliminary reading hit its lowest point since 1980. The reciprocal tariff threat drove the median inflation expectations over the next 12 months to 6.5 percent, the highest level since 1981. The NY Fed's Survey of Consumer Expectations is also reflecting tariff-induced price increases, with the median one-year ahead expectation rising from three percent in January to nearly 3.6 percent in March. The Conference Board's index of consumer confidence also dropped 7.2 points in March, the largest one-month decline since the pandemic.

On the business side, the National Federation of Independent Business (NFIB) index of small business optimism dropped 3.3 points in March, the largest single month decline since June 2022. The index has shed 7.7 points since December – the largest quarterly decline since the pandemic. Of note, the main headwind continues to be staffing issues, with 19 percent of respondents reporting that labor quality was their number one problem, ahead of taxes (18 percent) and inflation (16 percent). The ISM manufacturing and non-manufacturing purchasing manager indices (PMI) are derived from surveys of supply managers. For 26 months through December 2024, the manufacturing PMI was below 50, indicating contracting activity. It broke above 50 in January and February, but the March report slipped back into contraction with a reading of 49. The service PMI mostly indicated an expanding service sector in 2024 and early 2025 with readings above 50. However, the March value of 50.8 was a nine-month low, with the ISM citing a significant increase in respondents reporting higher costs due to tariffs.

One important caveat is that weakness in soft measures does not always translate to a slowdown. An example is the high inflation episode of 2022, when the Fed began tightening interest rates. Consumer sentiment plunged to record lows, and the Conference Board's Consumer Confidence Index dropped precipitously as monthly employment gains decelerated in response to tighter financial conditions. Yet consumption spending remained strong, partly supported by pandemic relief payments, and ultimately GDP growth averaged 2.5 percent for the year – above the economy's long run potential growth rate of roughly two percent.

The hard data has been mixed so far in 2025. Retail sales data was growing strongly in the second half of 2024, averaging about 1.6 percent per quarter, but decelerated to 0.3 percent in the first quarter of 2025. Much of the strength last year came from auto sales, which grew 5.5 percent in the fourth quarter as consumers rushed purchases to beat price increases from anticipated tariffs. While car sales dipped in January and February, they surged again in March (up 5.7 percent). This was the second highest value of auto purchases in over three decades of data, likely motivated by auto duties scheduled to start on April 2. Excluding autos, first-quarter sales still expanded by 0.6 percent, showing that consumers are far from retrenching. The personal consumption expenditure (PCE) data is lagged by a month but largely mirrored the retail sales data. PCE ended 2024 on a strong note, with December spending up 0.9 percent. It then dipped in January due to a sharp decline in auto sales but rebounded in February.

Looking ahead, there are a number of factors that could hamper consumption growth. As of April, there is now a 25 percent tariff levied on autos imported outside of the U.S.-Mexico-Canada Agreement (USMCA), so the boost from car sales will dissipate. Likewise, the correction in equity markets in response to the new trade policies erased several trillion dollars of wealth. While imprecise, research on the wealth effect estimates that for every dollar lost from household wealth, consumer spending declines by around three cents per year.[1] If equity market prices remain depressed, this estimate implies that the negative wealth effect could potentially shave about one percent from total consumption spending.

Household balance sheets, while currently manageable, are showing some strains that could potentially encumber spending. The household debt service ratio rose modestly in 2024, from 11.2 percent in the first quarter to 11.3 percent in the fourth quarter

1 Chodorow-Reich, Gabriel, Plamen T. Nenov, and Alp Simsek. 2021. "Stock Market Wealth and the Real Economy: A Local Labor Market Approach." American Economic Review 111 (5): 1613–57.

– slightly below the 2019 average of 11.6 percent. This stability is largely due to long-lived mortgage debt, which accounts for 70 percent of all household borrowing and is largely fixed at favorable rates. However, as the Fed raised interest rates beginning in 2022, credit card delinquencies began to rise, reaching nearly nine percent by the end of 2024, levels last seen during the global financial crisis. Delinquencies in auto loans are likewise starting to increase, with 8.1 percent of total loan value delinquent 30 or more days, the highest level since 2010. The forecast projects that interest rates will remain at current levels until the end of 2025 before declining, which should ease the debt burden. At the same time, if the job market continues to expand and generate real wage gains, current levels of household debt should remain manageable.

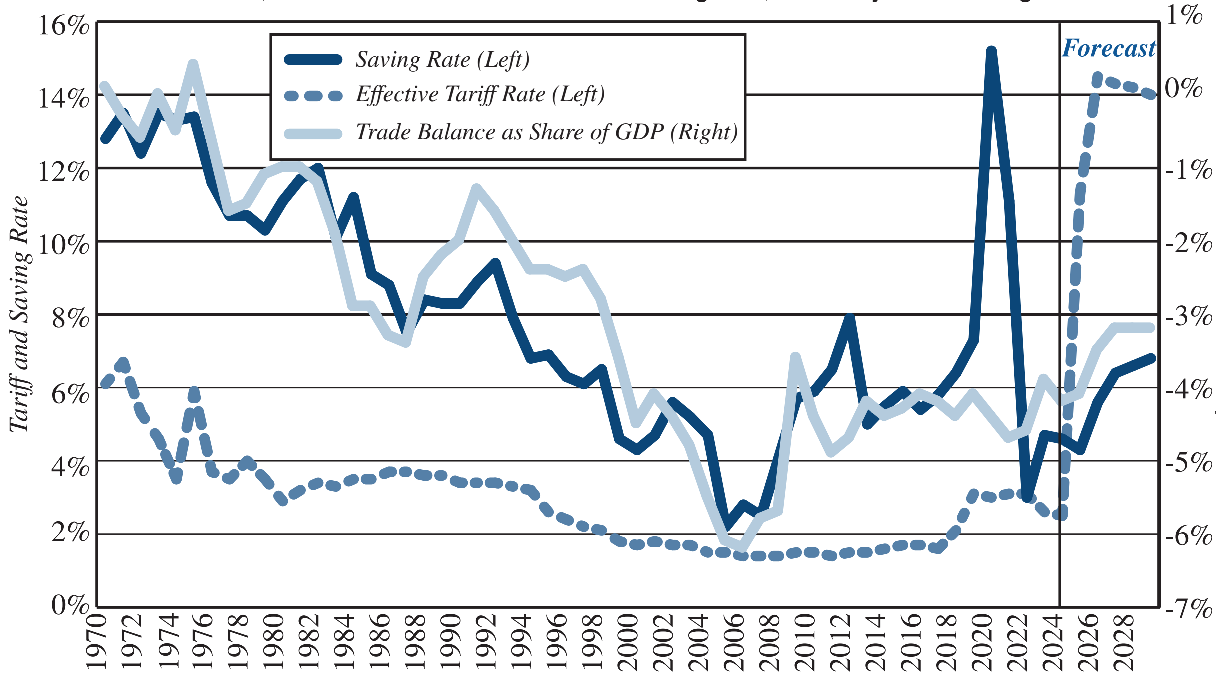
Job growth was stable through the first three quarters of 2024, averaging 154,000 jobs per month. The pace rose to over 200,000 per month in the fourth quarter as the Fed cut rates, but the gains settled back to 152,000 in the first quarter of 2025. Total nonfarm payrolls have now expanded for 19 consecutive quarters since the third quarter of 2020, making the current interval the fifth longest expansion in the post-WWII period. The record spell for job growth is 38 quarters, which occurred twice: during the tech boom of the late 1990s and during the expansion between the housing crash in 2008 and Covid-19. Total nonfarm payrolls are projected to decelerate in 2025, growing by 1.2 million jobs (0.7 percent, Q4-to-Q4), down from 1.9 million (1.2 percent) in 2024, due to slowing economic activity, federal employment reductions, diminished net migration, and slower labor force growth as baby boomers retire. The demographic pressures are projected to keep job growth below a million per year through the end of the forecast horizon.

Other labor measures are also stable, revealing an employment situation that has rebalanced in response to the Fed's interest rate policy. The unemployment rate has been moving sideways for the last 12 months, with the March reading at 4.2 percent, above the 2019 average of 3.7 percent, a 50-year low. At the labor market's tightest point (March 2022), there were two job openings for every unemployed worker. Over the subsequent two years, this value declined to a low of one opening per job seeker by the middle of 2024. Since then, it has remained centered around 1.1 through February, marginally below the 2019 average of 1.2. At the same time, the hiring rate – the number of monthly hires as a share of total employment – dropped from 4.4 percent in March 2022 to 3.5 percent at the start of 2024 and has remained in a narrow band between 3.2 and 3.4 since then.

Investment spending slowed in the fourth quarter of 2024, but there was evidence that the threat of impending tariffs shuffled spending patterns. Even though the Fed cut the short-term fed funds target by a full percentage point (ppt) in the fourth quarter, longer-duration yields unexpectedly rose. The 10-year Treasury yield increased from 3.7 percent in mid-September to 4.6 percent by the end of the year. As a result, nonresidential fixed investment contracted by three percent, the first decline in over three years. Contrary to expectations, residential fixed investment rebounded in the fourth quarter, increasing by 5.5 percent. One possible explanation for this unusual behavior is that builders accelerated their activities prior to the escalation of tariffs on imported lumber, steel, aluminum, and other building inputs. The National Association of Home Builders (NAHB) reported that the new duties are expected to raise average construction costs by nearly $11,000 per home. The Census data on housing starts lends support to this story. After contracting through the first three quarters of 2024, housing starts jumped nearly 4.5 percent in the fourth quarter, only to flatten in the first quarter of 2025. Another consequence of the surge in construction is that the inventory of new homes for sale in the first quarter is up over eight percent relative to the first quarter 2024, the highest level since 2007. The prospects of even higher duties later this year, elevated mortgage rates, and increasing uncertainty will continue to constrain residential fixed investment over the next year.

US TRADE BALANCE, EFFECTIVE TARIFF RATE, AND SAVING RATE

With new import duties the effective tariff rate jumps to over 14 percent, the highest since the 1930s. However, the US trade balance still remains negative, driven by a low saving rate.



Source: U.S. Bureau of Economic Analysis, S&P Global, NYC OMB

One of the Trump administration's expressed goals for the expansive new tariffs is to remedy unfair trade practices that create long-run trade deficits. While it is true that the U.S. has not run a trade surplus in half a century, the textbook mechanism for a trade deficit is domestic consumption outpacing domestic production, which necessitates imports of goods and services to balance supply and demand. Thus, if a balanced current account is the goal, increasing private and public savings – which would concurrently reduce national consumption – would narrow the trade deficit. Another route would be to reduce investment, which is also a demand component. Changes in the overall level of trade duties are not effective in ameliorating the shortfall. For example, during the global financial crisis, the U.S. trade deficit narrowed sharply from negative 6.1 percent of GDP in 2006 to negative 3.5 percent by 2009. The driver was a doubling of the personal saving rate, which jumped from 2.8 to 5.7 percent over the same period. At the same time, the effective tariff rate – the duties collected as a share of imports – was low and remained unchanged at roughly 1.4 percent.

The forecast projects that the effective tariff rate will jump to almost 15 percent in 2026, a level that does not include the reciprocal tariffs announced on April 2. Even without these added duties, the effective rate would be the highest imposed on importers since the 1930s. Including the additional levies would push the rate to an all-time high of 23 percent. However, the administration has delayed its implementation by 90 days, and given the frequent readjustment of policy positions, particularly in response to financial market jitters, the ultimate configuration of import duties will likely be dramatically different from what was announced at the beginning of April.

The mercurial and inconsistent nature of the administration's initiatives is making decision making difficult for other policymakers like the Fed, where reliable forward guidance is a crucial tool in aligning public expectations in support of its dual mandate of price stability and maximum employment. Fed officials expressed concerns at the last Federal Open Market Committee (FOMC) meeting in March 2025 that the Fed could face difficult tradeoffs in the coming months if inflation persists while the labor market and economic growth weaken – a phenomenon known as stagflation. Stagflation is a dilemma because tighter monetary policy to suppress inflation exacerbates the economic weakening. This ultimately compels the Fed to prioritize one of the mandates at the expense of the other. However, Fed Chair Jerome Powell, noted on two separate occasions that the tariff-induced inflation would be transitory, implying that the Fed might not have to make any aggressive moves. Nevertheless, he also acknowledged the growing uncertainty surrounding President Trump's trade policy, which continues to place the economy in uncharted territory. As in the past, Powell stated that the Fed will wait for greater clarity before adjusting its monetary policy stance. Hence, monetary policy will remain modestly restrictive, with the benchmark interest rate remaining unchanged since the end of the last round of cuts in late 2024.

The divergence between soft and hard data is also a challenge for the Fed. One soft resource that guides the Fed is its Beige Book – a summary of current economic conditions across the 12 Federal Reserve Districts based on interviews with business managers and other decision makers. The February report noted that most Fed Districts expect higher prices due to tariffs, with some firms quickly responding by raising prices preemptively. While the Fed tends to prioritize hard economic data, the contrast between stable real indicators and both weakening sentiment and growing inflation expectations complicates the outlook, making it more difficult for the Fed to adjust its policy stance.

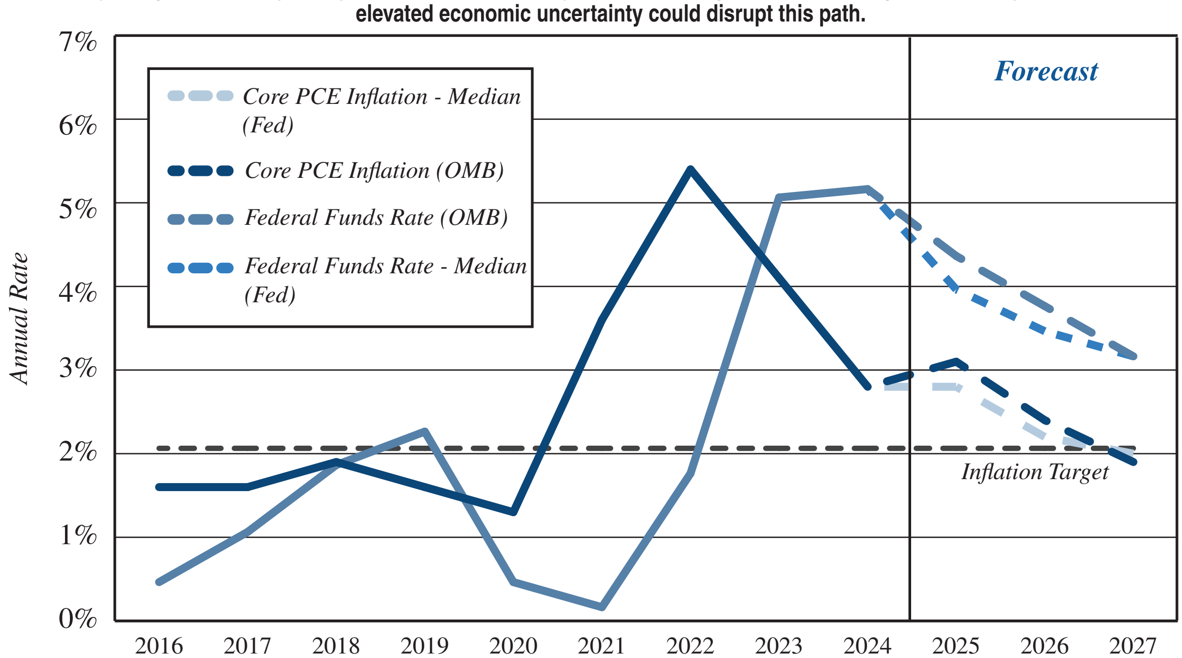
Inflation measures, one of the Fed's key tracking indicators, remained persistently above the Fed's target. The Core Consumer Price Index (CPI), which is a more timely but less comprehensive measure of inflation than the Fed's preferred Personal Consumption Expenditure price index (PCE), showed that inflation decelerated to 2.8 percent year-over-year (YoY) in March 2025, down from over three percent in 2024. This suggests a possible cooling trend in prices prior to the president's tariff announcements. However, on a year-over-year basis, the core PCE index (excluding volatile food and energy costs) rose to 2.8 percent in February, up from 2.7 percent in January, and has remained above the Fed's two percent target for more than four years. The Fed's median projection for the core PCE inflation rate, as released in its March 2025 Summary of Economic Projections (SEP), shows inflation growing at a pace of 2.8 percent in 2025 – the same as in 2024 – before reaching the Fed's two percent target in 2027. The current forecast projects core PCE inflation to grow at a slightly stronger pace of 3.1 percent in 2025, but it is still expected to reach the Fed's preferred level by 2027, consistent with the SEP projection.

Uncertain inflationary trends, along with potential external shocks from trade policy, have led the Fed to adopt a wait-and-see approach. Following the November election, the Fed has become more cautious about cutting rates, as the new administration's series of tariff announcements has significantly elevated the risk of higher inflation. The Fed has paused on rate moves since December 2024, after lowering it by a total of 100 basis points over the final three meetings in 2024, bringing the target range to 4.25-4.50 percent as of late April 2025. The effective federal funds rate (EFFR) stood at 4.33 percent, unchanged since December. Based on Fed funds futures prices, the Chicago Mercantile Exchange (CME) projected a 39 percent chance – the modal outcome – that the Fed will lower the federal funds rate to a target range of 3.25 – 3.50 percent by the end of 2025, the equivalent of four quarter-point cuts.

However, many FOMC members believe that higher inflation expectations, driven by tariff-induced price increases, may require the Fed to keep interest rates higher for longer than projected in order to suppress potential price growth and anchor inflation expectations. St. Louis Fed President Alberto Musalem echoed this sentiment in his remarks at the 41st annual National Association for Business Economics (NABE) Economic Policy Conference in March 2025. He stated that it is appropriate for the Fed to maintain a modestly restrictive monetary policy stance until there is significant evidence that inflation is converging toward the Fed's target. As a result, the current forecast expects the Fed to maintain the federal funds rate at its current level until December 2025 – a slightly higher path than suggested in the Fed's SEP projection – before resuming 25-basis-point cuts at every other meeting in 2026. However, given the unprecedented level of uncertainty, many Fed officials have reiterated their commitment to accommodative monetary policy changes if the labor market shows significant and sudden weakness. In a downturn scenario, the Fed could respond by bringing the federal funds rate down to three or even two percent.

FEDERAL FUNDS RATE AND INFLATION

The Federal Reserve has kept the federal funds rate unchanged since the end of 2024, waiting for clear signs of declining inflation before adjusting its monetary policy stance. Inflation is projected to converge to the Fed's target in the out-years, but tariffs and elevated economic uncertainty could disrupt this path.



Source: Federal Reserve, U.S. Bureau of Economic Analysis, NYC OMB

Despite the Fed's circumspect stance, most Fed officials remain in favor of a drawdown of the Fed's balance sheet, continuing their support for quantitative tightening (QT). However, the consensus now supports a slower and more cautious pace. At the most recent FOMC meeting in March, the Fed announced it would lower the cap on the value of Treasury securities it would allow to run off – from the previous $25 billion per month to $5 billion – starting in April 2025, while maintaining the $35 billion cap on the mortgage-backed securities (MBS) drawdown. However, the change in the pace of the Fed's runoff faced some opposition within its ranks, including from Fed Governor Christopher Waller, who supported keeping the pace of the rundown unchanged and argued against using the Fed's securities holdings as a policy tool to calm market volatility. Overall, total assets on the Fed's balance sheet dropped by more than $2.2 trillion as of early April 2025, to $6.7 trillion from a peak of $8.9 trillion in April 2022 – the balance sheet is now at its lowest level since 2020. The pace of QT has been a topic of debate among Fed officials, with most officials favoring the withdrawal of liquidity from the financial system to normalize the Fed's balance sheet and provide leeway to respond to an unexpected downturn. During the Silicon Valley Bank (SVB) regional bank run in 2023, the Fed demonstrated that it can quickly expand its balance sheet during a downturn to keep interest rates and other prices stable, while providing liquidity to the banking sector.

Fortunately, the Fed has not had to intervene in the most recent episode of market turmoil caused by the heightened uncertainty associated with the Trump administration. While equity and bond markets wavered, the banking system appeared to be unperturbed. In hindsight, the Trump administration enjoyed a one month honeymoon as equity markets advanced in February and Treasury yields were stable. But by early March, the administration imposed promised levies on China, Mexico, and Canada, three of the United States' largest trading partners. The S&P 500 began to lose ground from its February 19th peak, shedding roughly nine percent over the next two weeks as China and Canada announced retaliatory tariffs. Volatility measures, like the CBOE's volatility index (VIX), also began to climb from an average of 17 in February to 24 in the first two weeks of March. Bond markets reacted in a predictable fashion when faced with market turbulence. Treasury yields began to fall as investors sought a haven to ride out the rough patch, with 10-year Treasury yields dropping 26 basis points (bps) over the three-week period.

By the last week of March, the VIX had retraced its gains and returned to values around 17, despite heated trade rhetoric. However, this relative calm was shattered when Trump unveiled a new round of duties featuring a 10 percent universal levy on all trade partners, accompanied by a bilaterial "reciprocal" tariff, the level of which was determined by the size of the targeted country's trade surplus with the U.S. The additional tariff rates ranged from 10 to 50 percent.

The frantic market reaction to the "Liberation Day" trade policies resulted in a sudden shift in investor behavior. The S&P 500 dropped about 12 percent over the subsequent week, while the VIX soared to levels last seen in the pandemic. At the same time, Treasury yields initially began to decline as expected, but suddenly reversed and began to rise, gaining nearly 50 bps in one week. This was the fastest weekly gain since November 2001, when the 10-year yield rose 57 bps over five trading days. Accompanying this jump was an uncharacteristic decline in the value of the dollar – which should have appreciated if investors had shifted into safer dollar-denominated assets. Taken as a whole, the movements suggested that investors were selling U.S. assets and moving resources to other countries, presumably because they now perceived a higher political and economic risk with dollar-denominated investments.

The unusual bond and exchange rate gyrations and the steep losses in equity prices forced the administration to reconsider its plans, with President Trump announcing a 90-day pause in the reciprocal tariffs for every partner except China on April 9th. This triggered a 9.5 percent one-day jump in the S&P as investors crowded back into equities. Markets have settled considerably since then, reassured by the temporary suspension, the exemption of certain electronics from the new duties, and statements about reducing the punitive tariffs on China. At the end of the last full trading week of April, the S&P had recovered about half of the drop from its February peak, the VIX was converging back to its long-run average of 20, and the 10-year Treasury yield had fallen by 16 bps from the peak of 4.5 percent. The forecast projects that the 10-year yield will average around current levels before beginning to trend lower by the end of 2025.

Given the high level of uncertainty and overall weakness in equity markets this year, one would expect that retail investors would become more cautious, favoring bonds over equities. The investment patterns into mutual funds and exchange traded funds (ETF) in the first quarter reflects this sentiment. Savers redeemed $2.9 billion from domestic and international-based equity funds in the first quarter, a reversal from the first quarter last year when investors added nearly $58 billion to equity funds. At the same time, flows into more sedate bond-based funds totaled $114 billion in the first quarter, down from $147 billion over the same period of 2024. However, preliminary data for the first three weeks of April shows that investors are still willing to assume risk and appear to be "buying the dip." In particular, the week when equity markets were whipsawed by the administration's reciprocal tariff announcement, equity-based funds received inflows of $22.5 billion. Over the first three weeks of April, net purchases of equity funds were $10.1 billion, while bond funds suffered an outflow of $51 billion.

For Wall Street, the recent volatility has been a mixed bag. The relative calm in 2024 enabled the NYSE member firms to generate $50 billion in profits, up 90 percent from 2023 and the fourth highest earnings in data going back to 1980. The tightening financial conditions and correction in equity prices in the first quarter began to crimp traditional investment banking activity, with mergers and acquisitions (M&A) deals contracting slightly from year-ago levels. However, initial public offerings appeared to be unaffected, with total underwriting value increasing 15 percent from the first quarter a year ago. While the NYSE data for the first quarter is not yet available, evidence from quarterly earnings reports from the country's largest banks show remarkable resilience. Earnings for the investment banking units of the Big Five banks grew 10 percent YoY, with the overall consolidated firm earnings up 11.4 percent.[2] However, the gains were tempered by rising provisions against credit losses as the banks build reserves against future headwinds. Most of the banks reported increases in trading profits and net interest earnings, with the former tending to increase as customers seek to hedge portfolios against volatility, while the latter is helped by a steeper yield curve. Wall Street is expected to slow, given the strong profits in 2024. Without major disruption, Wall Street profits are projected to drop from $50 billion in 2024 to $34 billion in 2025 – still above average. Profits are projected to return to a more typical level of around $20 to $25 billion in the out-years, assuming financial markets remain stable.

2 JPMorgan Chase, Bank of America, Citigroup, Goldman Sachs, and Morgan Stanley

THE NEW YORK CITY ECONOMY

Like the national economy, New York's economy remains resilient, but heightened macroeconomic uncertainty poses challenges and adds significant risks to the City's economic outlook. New York City's payrolls expanded over the past year, and wage growth continues to be robust. Commercial real estate activity was strong in the first few months of 2025; however, activity was mainly concentrated in Midtown Class A properties and the vacancy rate remains elevated. Residential real estate was relatively weak in 2024 but is expected to rebound in 2025 as interest rates fall. Despite some signs of weakness, the overall tourism picture remains healthy. A number of indicators have slowed for the first time since Covid-19 – such as air passenger data – while others, like Broadway, remain resilient. Despite strong economic momentum going into 2025, some recent policy changes at the national level – notably immigration and trade policies, as well as federal spending cuts pushed forward by the new administration – could have a significant impact on the local economy and add to the uncertain outlook.

The New York City labor market entered 2025 on solid footing. On a year-over-year (YoY) basis, employment in the city grew by 1.5 percent in March, a faster pace than in the US as a whole (1.2 percent growth).[1] Private sector payrolls in the city expanded by 60,800 jobs YoY, and of the nine major sectors, six recorded job gains. Wage growth across industries continues to be healthy, with average private wages up 3.4 percent in the first three quarters of 2024, compared to the same period in 2023.

New York City Job Growth Forecast

		Forecast	
	2024	2025	2026
NYC Employment (Thousands)	**Level**	**Level Change**	**Level Change**
Total	**4,787**	**77**	**58**
Private	**4,188**	**75**	**56**
Financial Activities	508	7	6
Securities	201	3	3
Professional & Business Services	800	11	11
Information	225	6	6
Education	256	3	3
Health & Social Services	997	28	-1
Leisure & Hospitality	445	12	23
Wholesale & Retail Trade	430	5	2
Transportation & Utilities	151	4	3
Construction	143	0	2
Manufacturing	55	-1	-1
Other Services	179	0	1
Government	**599**	**1**	**2**

Source: NYC OMB
Note: Totals may not add up due to rounding.

1 Year-over-year employment growth uses non-seasonally adjusted data, while month-to-month changes are calculated using seasonally adjusted numbers.

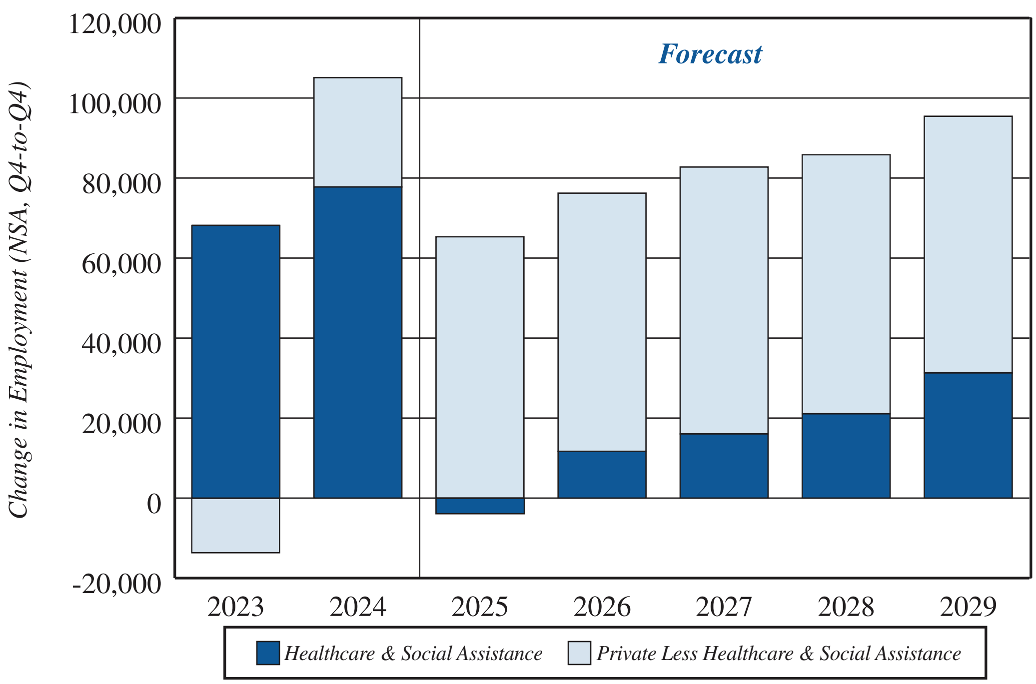
According to the Household Survey, in full-year 2024, New York City's unemployment rate was 5.3 percent, up slightly from five percent in 2023. The city's labor force participation rate in 2024 was 61.7 percent, a 0.4 percentage point increase from 2023 and its highest annual average in data going back to 1976. New York City logged an increase in both labor force and population in 2024. According to the Census Bureau's mid-year population estimates, New York City's population rose by 87,000 from July 2023 to July 2024, reaching 8.5 million. The estimate also revised the July 2023 population upwards by 133,000, reflecting more complete data on international migration and city shelter populations, indicating the city experienced two consecutive years of population growth.[2] Net international migration has been an important driver of population growth in New York City, accounting for a gain of 144,098 people in 2024, and a total of 361,585 since 2020. Additionally, foreign-born workers make up a significant part of New York's labor force. The current baseline forecast does not assume a decline in the number of foreign-born individuals in New York, however, it remains a risk to both population growth and employment, given the drastic changes in immigration policy at the national level.

After expanding by 2.5 percent in 2024, private employment is expected to increase at a slower pace of 1.4 percent in 2025, mainly due to a slowdown in healthcare employment.[3] In 2024, around three out of four private sector jobs added in the city were in the healthcare & social assistance sector. This dominance is not expected to continue in 2025. The Consumer Directed Personal Assistance Program (CDPAP), which allows individuals to pay friends and family for home care services through Medicaid, is being restructured by New York State. The hundreds of fiscal intermediaries, which administer benefits and wages to CDPAP workers, are being replaced with a single statewide fiscal intermediary. While the rollout of this reform has been pushed beyond the original April 1st deadline, it is still projected to be completed by the end of the second quarter of 2025.

In 2024, 58,700 of the 77,800 healthcare jobs added were attributed to subsectors that include home care aids (home health care services and individual & family services). Thus, this increase in oversight to CDPAP is expected to weigh on overall healthcare employment growth. In fact, in March, the healthcare and social assistance sector lost jobs on a month-over-month basis for the first time in almost two years.

HEALTHCARE & SOCIAL ASSISTANCE EMPLOYMENT GROWTH

The healthcare & social assistance sector had an outsized contribution to private employment growth in 2023 and 2024. However, the sector's share of total employment gains is forecasted to decline in the out-years.



Source: NYS Department of Labor, NYC OMB

2 "New York City's Population Estimates and Trends (2025 March Release)." NYC Department of City Planning. Accessed April 21, 2025. (nyc.gov)

3 Annual employment growth is reported on a Q4-to-Q4 basis, unless stated otherwise

After increasing by 8.2 percent in 2024, the healthcare sector is expected to decline by 0.5 percent in 2025, before growing at a modest rate, between one and three percent, in the out-years.

March's annual data benchmark revision by the New York State Department of Labor, which adjusts the monthly survey-based Current Employment Statistics (CES) data to reflect the higher-quality Quarterly Census of Employment and Wages (QCEW) source, raised New York City's estimated employment growth. The benchmark revised the annual-average employment level in 2023 and 2024 up by 13,800 and 41,500, respectively. The office-using sectors (information, professional & business services, and financial activities) were especially improved by the benchmark. While initial CES data indicated these sectors contracted in 2024, post-benchmark data revealed they actually experienced growth.

The benchmark revision elevated the professional & business services sector's 2024 annual average by 7,600 jobs. Employment in March 2025 – the latest available data – was 4,500 jobs above March 2024 levels, with each major subsector recording a gain. The administrative services subsector added 3,100 positions over the past 12 months, despite a 500 job decline in the employment services component. Employment services, which is primarily composed of temporary workers, has not added jobs on an annual basis since March 2024 as firms remain cautious and hold back on hiring temporary workers. The professional, scientific & technical services subsector added 900 jobs YoY in March, while the management of companies & enterprises subsector added 500 jobs. Professional & business services employment is forecast to register modest growth under heightened uncertainty and increase by 0.9 percent in 2025.

Information employment expanded by 1,100 positions over the past 12 months. Employment was improved by the benchmark revision, with the annual average level in 2024 revised upwards by 13,100 jobs (6.2 percent). The motion picture & sound recording subsector accounted for much of the benchmark adjustment, with an upward revision of 10,800 jobs in 2024. The subsector, which shed over 12,000 jobs from April to November 2023 during the actors' and writers' strikes, has since recovered much of these losses and is just 1,300 jobs below April 2023 levels. Additionally, data from the QCEW reveals that tech-related subsectors, namely data processing and software publishers, also recorded employment growth in 2024. After increasing by 4.5 percent in 2024, information employment is forecast to rise 3.5 percent in 2025, before expanding around a two percent pace in the out-years.

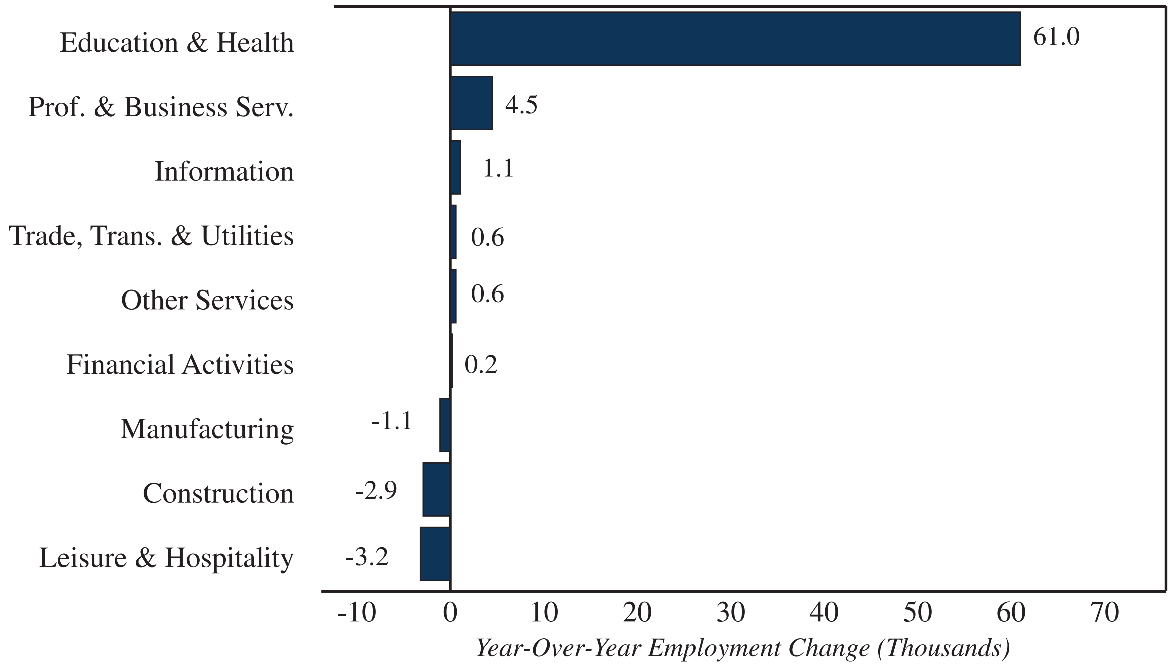
The financial activities sector, boosted by 6,300 jobs in 2024 by the benchmark revision, grew by 200 jobs YoY in March. The finance & insurance subsector improved by 200 jobs YoY. Within finance & insurance, employment in the securities sector has been fairly volatile over the past year and is down by 1,900 jobs on an annual basis. Many banks recorded record profits in the first quarter of 2025, and the banking component was able to add a robust 2,200 jobs over the year. Finance & insurance employment is projected to increase by 1.1 percent in 2025, with its securities component up by 1.6 percent. Employment in the real estate subsector in March 2025 was unchanged from a year earlier. However, employment will likely improve over the year as housing market activity picks up, growing 2.7 percent in 2025.

In March, trade, transportation and utilities employment expanded by 600 jobs YoY. Of the components, the transportation, warehousing, and utilities subsector was the strongest, adding 8,500 jobs YoY. While it is possible that this strength is from heightened demand due to concerns over future tariffs, the evidence is mixed. According to data from the Port Authority of New York and New Jersey, international cargo at regional airports through February was up just 1.1 percent from year-ago levels, while the volume of port cargo is up 9.2 percent YoY. The Fed's February Beige Book notes that importers may be waiting for uncertainty to wane before altering their shipping plans.[4] Retail and wholesale trade employment in March was down by 7,900 jobs YoY. Employment across retail categories is down on an annual basis, as retailers struggle to compete with online sellers. Overall trade, transportation & utilities employment is forecast to grow 2.4 percent YoY in 2025 and then expand at a pace below one percent in the out-years.

4 "Beige Book - February 2025." Board of Governors of the Federal Reserve System, March 5, 2025

NYC EMPLOYMENT CHANGES - MARCH 2025

NYC added 61,000 private sector positions from March 2024 to March 2025, nearly all of which were created in the education and health sector.



Source: New York State Department of Labor, NYC OMB

New York City's goods producing sectors, construction and manufacturing, are both down on an annual basis. Manufacturing employment, after a brief boost during the pandemic recovery, has been down on an annual basis each month since early 2023. According to the Empire State Manufacturing Survey conducted by the Federal Reserve Bank of New York, manufacturing firm expectations have declined significantly since the beginning of the year, and in April, turned pessimistic about the future for the first time since 2022.[5] Due to negative sentiment coupled with the general long-term decline in manufacturing in New York City, manufacturing employment is projected to fall by 0.6 percent in 2025, and continue to decline for the rest of the forecast horizon.

In March, construction employment was down by 2,900 jobs on an annual basis. Since the end of the pandemic, the industry has been restrained by high interest rates and rising costs. After surging in 2022 due to the expiration of the 421-a tax program, construction permits in the city, a proxy for construction planning, have fallen over the subsequent two years.[6] As of March 2025, sector employment is just 88 percent of what it was in February 2020. The construction sector is projected to normalize in 2025, as financial conditions continue to loosen. Additionally, the February Beige Book reports that construction industry contacts are optimistic about activity in the coming months.[7] OMB forecasts construction employment to grow 1.8 percent in 2025, eventually growing at a rate above three percent in 2028 and 2029.

In 2024, employment in the leisure & hospitality sector expanded by 3,800 jobs (a 0.9 percent increase). NYC Tourism + Convention's 2024 Tourism Outlook report, which was published in December, estimates that 64.3 million people visited the city in 2024 and a record 67.6 million are expected to visit in 2025.[8] Likewise, job growth in leisure & hospitality is anticipated to pick up, expanding by 4.6 percent in 2025. Nevertheless, due to growing international tourism risks, the forecast was reduced from the previous Financial Plan projection of 5.5 percent growth.

5 "Empire State Manufacturing Survey." Federal Reserve Bank of New York, April 15, 2025

6 Office of the New York State Comptroller. New York City Industry Sector Dashboards. Construction Sector. Accessed April 21, 2025, https://www.osc.ny.gov/osdc/reports/nyc-sectors/construction

7 Ibid.

8 "NYC Travel & Tourism Outlook - 2024." New York City Tourism + Conventions, December 2024

The most recent data is showing signs of deceleration. In March, leisure & hospitality employment was down by 3,200 jobs YoY, the first annual decline since March 2021. Both the arts, entertainment & recreation subsector and the accommodation & food services subsector are down on an annual basis, by 3,000 and 200 jobs, respectively. Growing aversion to travel in the U.S. appears to be restraining tourism plans. According to TSA data, New York City area airports suffered a year-over-year decline in passenger throughput in February and March. Additionally, the Fed Beige book suggests that high hotel prices are causing visitors to spend less on entertainment and restaurants.[9] Thus, while the leisure & hospitality sector entered 2025 with strong momentum, it is projected to face growing challenges in the near term.

QCEW data reveal that private sector wage earnings in the first three quarters of 2024 were 5.8 percent above earnings in 2023 over the same period. Of the sectors, the information sector recorded the greatest increase in wage earnings (up 9.7 percent). The information sector is becoming an increasingly important income source in the city, comprising 9.5 percent of total city private wage earnings in 2024, up from 8.3 percent in 2019. Even so, the finance sector remains the dominant source of wage earnings in the city (28.7 percent of wage earnings in 2024), with the securities component alone comprising 20 percent of total private sector earnings. Private sector wage earnings are estimated to have increased by 6.7 percent in full-year 2024, with an eight percent increase in finance wage earnings and a 6.2 percent increase in nonfinance wage earnings. Private wage earnings growth will continue in 2025, gaining 5.8 percent.

Buoyed by optimism in office-using employment sectors, Manhattan's office market is on pace for its strongest year since Covid-19 sent a shock through the economy. In the first quarter, office leasing totaled 7.3 million square feet (msf) across all office classes, the most since 2019. Still, headwinds persist as hybrid work and economic uncertainty keep the vacancy rate elevated, and the recovery remains highly bifurcated by building quality and location—of the 7.3 msf leased so far this year, 70 percent has occurred in Class A buildings in Midtown.

Office construction slowed considerably in 2024 and is expected to remain low throughout the forecast horizon. Meanwhile, the pipeline of office-to-residential conversions gained momentum in 2024, reducing future office supply, which, in turn, should lower the vacancy rate and drive up asking rents. On the demand side, despite recent headlines of multiple large employers calling their workers back to the office full time, the overall prevalence of remote work appears to have stabilized at a little under half of all workdays for office workers. According to Kastle's Back to Work Barometer, office visits during the week ending April 16th were at 52 percent of their pre-pandemic baseline, only just above the 51 percent level set last year during the week ending April 17th, 2024.

As remote work trends have stabilized, both office landlords and tenants have gained greater clarity on future office demand. This has enabled tenants to find space that suits their needs and helped landlords determine whether renovating or converting their building is worthwhile. Most of the new leasing has focused on the high-end, with deals totaling six msf of Class A office space in the first quarter of the year, the most since 2014. Leasing in Class A Midtown buildings rose to its highest first quarter level on record, with about 5.1 msf of space leased so far this year. Meanwhile, 0.9 msf of Class A space has been leased in Downtown to start the year, still below pre-pandemic levels. Across all property classes, leasing totaled 7.3 msf YTD, on par with pre-pandemic levels. Excluding Class A buildings in Midtown, new leasing is still 37 percent below its pre-pandemic average, highlighting the continued flight-to-quality among many office tenants.

As leasing activity has grown, the Class A vacancy rate has fallen from its peak of 23.0 percent set in April 2024 to 20.9 percent in the most recent data. The Class A vacancy rate in Midtown and Downtown are each down from their peaks set early last year. Midtown's vacancy rate declined 2.0 ppt to 20.7 percent, while Downtown's vacancy rate fell 2.2 ppt to 21.8 percent. Although the vacancy rate is falling in both submarkets, they are dropping for different reasons. In Midtown, more space is being leased and renewed, leading to positive net absorption and a declining vacancy rate. Meanwhile, in the Downtown submarket, a combination of positive net absorption and falling inventory has driven the decline in the vacancy rate. Since April 2024, when both the Midtown and Downtown vacancy rates peaked, occupied space in Midtown has risen by four msf, accounting for approximately 1.7 ppt of the overall 2.0 ppt decline in Midtown's vacancy rate. Meanwhile, occupied space in Downtown has increased by 0.7 msf since April 2024 while the total office inventory has fallen by the same amount, each contributing almost equally to the decline in the vacancy rate. In the

9 Ibid.

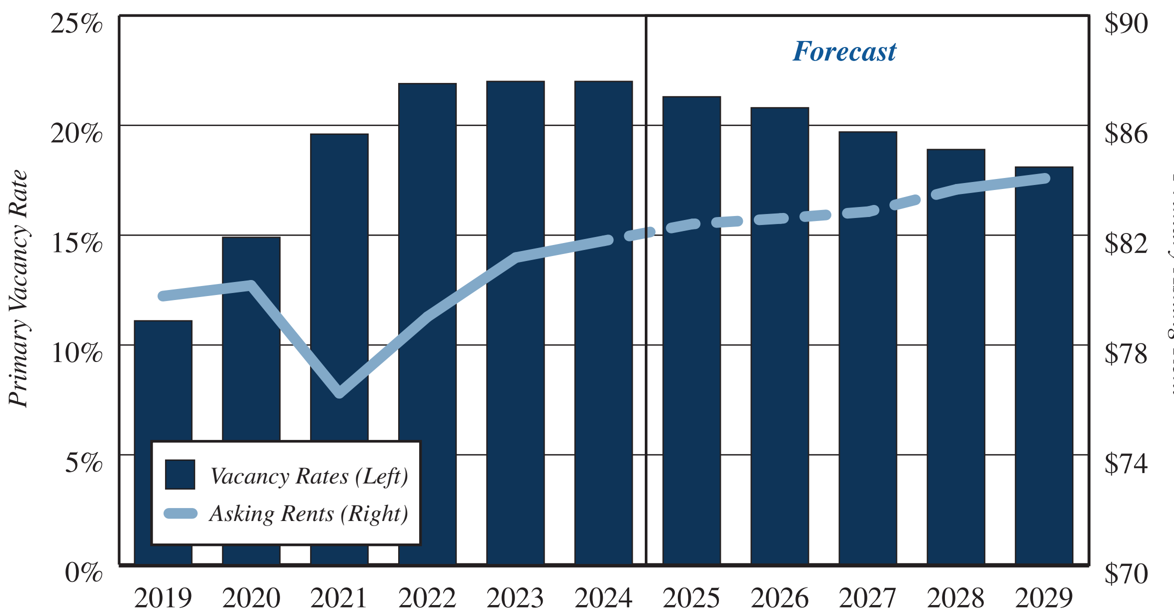
secondary and tertiary markets, the vacancy rate has continued to rise, reaching 26.6 percent in March, the highest rate on record.

With the Class A vacancy rate down considerably in the first quarter, the near-term projections have fallen compared to the January Financial Plan. Midtown's vacancy rate is expected to end 2025 at 21.2 percent before continuing to fall, reaching 17.9 percent by 2029. The projection for Downtown's vacancy rate in 2025 was unchanged from the Financial Plan at 21.8 percent, but it falls slightly faster in the out-years, reaching 18.6 percent by 2029. The overall Class A vacancy rate ends 2025 at 21.3 percent and falls to 18.1 percent by 2029, while the secondary rate falls to 22.6 percent by 2029.

While the primary Downtown market, along with the secondary and tertiary markets, have experienced negative net absorption every year since the pandemic's onset, occupied space in Midtown's primary market has grown consistently over the last three years. Clearly, the Midtown Class A market is an outlier, with positive absorption being driven by the many new office buildings built in the area over the last few years. Since the beginning of 2020, the inventory of Class A office space in Midtown has risen by 21.7 msf. As the office market remains highly bifurcated between the highest quality buildings and all the rest, the demand for Midtown office space has risen alongside the buildings. Meanwhile, with no new construction since 2021 and many outdated or obsolete office buildings, total Downtown office space has fallen by 3.5 msf since 2020. This has led to less leasing activity as tenants have been drawn to new buildings in Midtown. Going forward, development of new office space is expected to slow across Manhattan, and inventory will even decline in some years, as few new buildings are built, and space is removed for conversion. Still, nearly all the new construction expected in the coming years will occur in Midtown.

COMMERCIAL VACANCY RATES AND ASKING RENTS

After peaking in early 2024, the vacancy rate has come down sharply over the last few quarters as leasing activity has strengthened and overall inventory has declined. Asking rents continued to grow in 2024 and are expected to rise further over the forecast horizon.



Source: Cushman and Wakefield, NYC OMB

New construction and the market's preference for high-end office space allowed Midtown Class A asking rents to recover from pandemic losses by the end of 2022, and rents are now 3.2 percent above February 2020 levels. Downtown Class A asking rents, meanwhile, are still 11.4 percent below their pre-pandemic levels. As a result, across all markets asking rents are down by two percent from February 2020. While the uneven post-pandemic recoveries are partly due to the greater demand in Midtown, the difference is also biased by the way asking rents are calculated. Due to the glut of new inventory in Midtown over the last few years, there is a large quantity of new, high-quality space available for lease. Since asking rents are the weighted average of available space, this has skewed Midtown asking rents higher. At the same time, with few new office buildings in Downtown, the opposite distortion has taken place, where most available office space exists in older and lower quality buildings, biasing the asking rents lower.

Given the dynamics discussed above, and the fact that new office construction is expected to remain low through the forecast horizon, asking rents are projected to grow at a below average pace. In Midtown, asking rents will grow 0.5 percent annually through 2029, on average. Downtown asking rents are expected to fall another 0.5 percent in 2025, before beginning to rebound in 2026. Nevertheless, Downtown asking rents are not expected to reach pre-pandemic levels by 2029.

Although the strength in Midtown is not necessarily indicative of a full office market recovery, it is still a positive sign for the office market. While the over 20 msf of new space in Midtown has skewed asking rents higher, and perhaps generated demand from tenants seeking premium space, most of the space leased so far this year represents real, underlying demand. Since the number of days workers spend in the office seems to have stabilized around 50 percent, employers seem more confident about their future office requirements and are more inclined to sign longer-term leases with larger footprints. This is reflected in sublease availability, which has fallen from a peak of 18.8 msf in April 2024 to 14.8 msf in March 2025, and in the average lease size during the first quarter, which was nearly double that of a year ago.[10]

Unlike the office market, the residential real estate market has not yet begun to recover from its recent downturn. With high interest rates still weighing on the economy, home sales remained subdued in 2024, while prices edged higher after declining in 2023. Despite this slowdown in prices over the last couple of years, affordability remains the primary concern for buyers. In the fourth quarter, the typical monthly mortgage payment for a NYC home was up more than 50 percent compared to the fourth quarter of 2021, just prior to the Fed's first rate hike in March 2022. High interest rates have also made many homeowners reluctant to sell their homes, as that would involve swapping their current low-rate mortgage for one with a much higher cost. This appears to have resulted in homeowners raising their asking price to offset the effect of higher mortgage payments. Meanwhile, buyers have sought discounts to offset their own higher mortgage payments, resulting in large gaps between what buyers will pay and sellers will accept.

Although still high by historical standards, a recent 48 basis point (bps) decline in the 30-year mortgage rate coincided with an acceleration in the Mortgage Bankers Association's (MBA) Purchase Index. Historically, MBA's Purchase index has been negatively correlated with the 30-year mortgage rate, indicating that the drop in rates likely prompted more home loan applications. Locally, data from StreetEasy have also shown an uptick in both sales volume and sales inventory to start the year. Nevertheless, transactions were still more than 10 percent below the pre-pandemic average in the first two months of the year. Furthermore, recent policy actions and their global response led the 30-year mortgage rate to rise by 29 bps in a two-week span. If the 30-year mortgage rate, which tends to follow movements in the 10-year yield, continues to rise or even stagnates at current levels, it would pose a downside risk to the housing market, which would need lower interest rates to stimulate a full recovery.

After rising to a 14-year high in 2021 only to fall 32 percent over the following two years, total home sales in NYC were essentially flat in 2024 at approximately 42,000. Single-family homes have suffered the steepest decline, remaining more than 20 percent below their quarterly pre-pandemic averages for nine consecutive quarters. In 2024, there were around 18,100 single-family homes sold, up two percent year-over-year (YoY), but still 25 percent below the pre-pandemic average. After single-family homes, co-ops have seen the second sharpest decline in transactions over the last two years, with quarterly transactions down at least 11 percent from their pre-pandemic average for the last eight quarters. The total number of co-ops sold last year was just under 12,700, 2.4 percent below 2023 and 17 percent below the pre-pandemic average. Finally, condos, which experienced the greatest boost to transactions in 2021 and 2022, have suffered the least

10 "Manhattan Office Marketbeat Q1 2025." Cushman & Wakefield, April 2025

from high interest rates. Compared to pre-pandemic levels, condo sales bottomed out at 18 percent below in the fourth quarter of 2023 and have since risen to only six percent below in the most recent data. In full-year 2024, there were 11,200 condo sales, up two percent from 2023 but down eight percent from the pre-pandemic average.

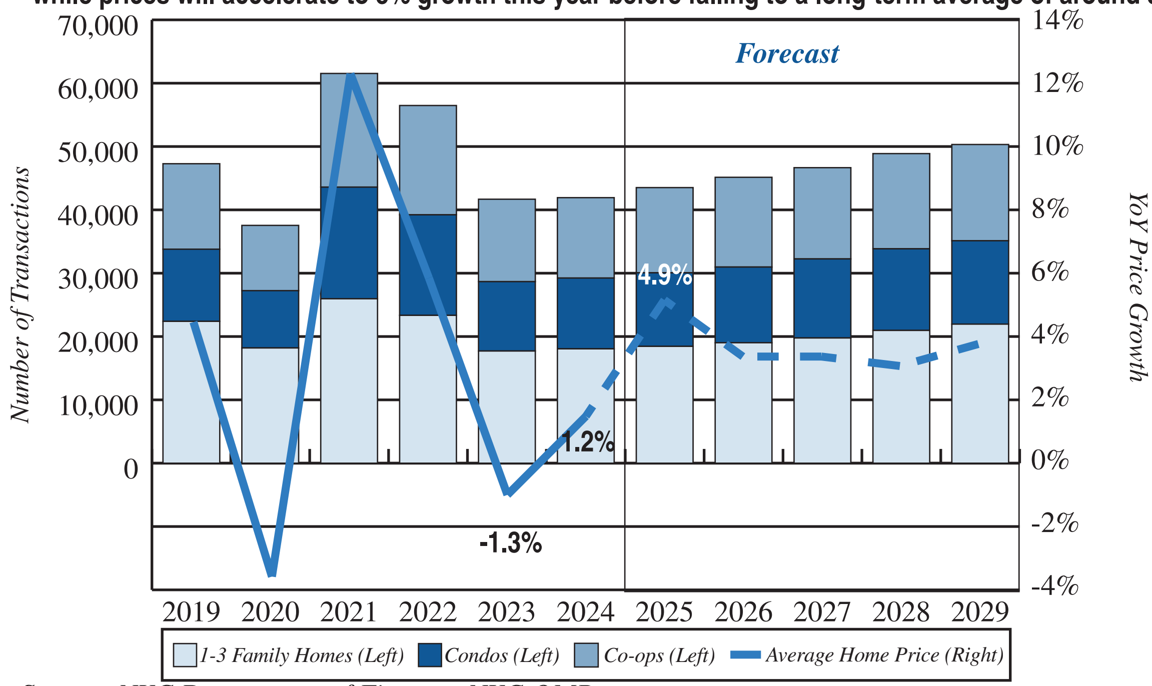
After edging higher last year, transactions are expected to begin to rebound in earnest this year. Approximately 43,500 total home sales are expected in 2025, up by 3.8 percent YoY. Transactions will continue to grow in 2026 and 2027, by 3.7 percent and 3.4 percent, respectively, before accelerating to 4.8 percent in 2028 and surpassing 50,000 transactions in 2029. Single-family home sales are expected to lead growth, averaging four percent annually from 2025 through 2029, followed by co-ops (3.7 percent annual average growth), and condos (3.3 percent annual average growth).

Like sales volume, higher interest rates caused average prices to begin to fall at the end of 2022 and the weakness continued through the second quarter of 2024. However, in the latter half of 2024 prices rose by an average of 3.4 percent YoY. This price rebound was led by single-family homes, which saw prices increase in every quarter last year, resulting in nearly five percent annual growth in full-year 2024. Co-op prices, which have been rising for the last six quarters, gained two percent last year. Meanwhile, condo prices slipped nearly four percent in 2024, with YoY declines in each of the first three quarters. However, the net decline is moderated by the fact that condo prices rose in 2023, while single-family and co-op prices fell.

Looking ahead, home prices are expected to continue growing this year, adding five percent, before dropping to around three percent in the subsequent three years. Single-family home prices will grow the most in 2025, adding six percent, before moderating to around three percent growth in the out-years. Condo prices are projected to rebound almost five percent this year and will then grow between three and four percent over the following four years. Meanwhile, co-op prices, which have experienced more modest swings since 2020, are expected to grow by three percent this year and next, before falling below two percent in 2027 and 2028.

SALES VOLUME BY HOUSING TYPE AND AVERAGE PRICE GROWTH

Approximately 42,000 homes were sold in NYC last year, well below pre-pandemic levels. However, prices began to rebound after they fell in 2023. Looking ahead, home sales will rise steadily through 2029, while prices will accelerate to 5% growth this year before falling to a long-term average of around 3%.



Source: NYC Department of Finance, NYC OMB

Unlike the sales market, the rental market experienced its first relatively normal year since the pandemic began. According to StreetEasy's rent index, which tracks repeat rentals in NYC, rent growth slowed to 3.4 percent in 2024. While still elevated compared to pre-pandemic levels, this marks a significant normalization from the sharp rent increases of 20 percent in 2022 and six percent in 2023, and from the outright declines seen in 2020 and 2021. This rebalancing has come as demand has declined from its peak in 2022 and 2023. However, inventory remains far below typical levels and has declined over each of the last six months, contributing to the recent re-acceleration in rents. After hovering in the narrow range of 3.3 percent YoY to 3.5 percent YoY from March through October 2024, rents rose 3.6 percent YoY in November, and have accelerated every month since, reaching 4.4 percent YoY growth in March. Nevertheless, the acceleration is expected to subside later this year, leading to annual average growth of 3.1 percent, before slowing to around two percent over the following four years.

Residential building permits rose 32.5 percent in 2024, partly rebounding from a 77 percent decline in 2023, the year after the 421a exemption expired. In the first quarter of 2025, however, permits totaled just over 3,000, a two percent decline from the same period in 2024. So far this year, Brooklyn has accounted for 44 percent of all permitted units, followed by the Bronx at 28 percent, and Queens at 22 percent. Manhattan has experienced a sharp decline in permits so far this year. In full-year 2025, permits are expected to grow 19 percent to 17,100, and will then continue to rise, reaching 22,500 by 2029.

Like other sectors of the local economy, the City's tourism industry showed healthy momentum going into 2025, but growing antipathy toward travel in the U.S. could lead to weaker growth. According to New York City Tourism + Conventions (formerly NYC & Company), the total number of visitors in 2024 is estimated to be 64.3 million – just around two million shy of the record 66.6 million visitors reported in 2019, before the pandemic. The latest available projection by the agency indicates that the volume of visitors will surpass the pre-pandemic peak by 2025, reaching 67.6 million. However, this is likely to be revised if ongoing uncertainty continues to rise, as trade disputes and the new administration's international policies continue to deter international visitors from making trips to the City, potentially weakening tourism demand. Notably, a number of monthly indicators have shown weaker-than-expected growth in the City's tourism sector during the first few months of 2025, adding to the uncertain outlook.

The return of international visitors supported the City's tourism industry in 2024. Monthly air passenger data from the Port Authority of New York and New Jersey showed a robust recovery in passenger arrivals at major airports in the New York metropolitan area in 2024. The total number of air passengers surpassed 145.9 million in 2024, an increase of 1.5 percent from 2023 and above the 140.4 million reported in 2019. Despite a slowdown in domestic air travel, with domestic passenger volume dropping 0.6 percent in 2024, the number of international air passengers remained strong, growing 5.4 percent over the year to 52.3 million – almost two million more than the 2019 level. However, the latest air passenger data showed some concerning signs, with total year-over-year passenger volume dropping 3.6 percent in February 2025 – the largest decline since 2021, when Covid-19 restrictions significantly limited international travel.

The recent weakness in air passengers could hinder growth in the hotel industry, one of the sectors that greatly benefited from the strong international demand last year. According to data from CoStar, the full-year average hotel room rate in 2024 was $314 – up from $297 for 2023, marking the fourth consecutive year of growth. The current baseline projection expects this strong momentum to fade slightly but remain positive, consistent with a number of major national hotel forecasts, including STR and Tourism Economics, which show slower but still positive growth for 2025. On an annual average basis, hotel room rates are forecast to reach $325 for the full year 2025 and $334 for the full year 2026. Hotel occupancy also performed strongly in 2024, averaging 84.3 percent – higher than the 81.7 percent reported for 2023. On an annual basis, occupancy rates are projected to average 86.5 percent for the full year 2025 before reaching 87.1 percent in 2026. However, growing uncertainty and the recent slowdown in travel activity could significantly lower this projection.

Despite growing challenges, local tourism data has remained resilient. According to data compiled by The Broadway League, season-to-date theater attendance – from late May 2024 to the third week of April 2025 – surpassed 12.9 million, over a million more than during the same period last year. Season-to-date gross revenue also exceeded $1.6 billion, surpassing last year's $1.4 billion. The recent trend suggests that some subsectors of the tourism industry remain robust despite the worsening international picture.

Despite various headwinds facing the broader economy, the economic outlook for New York City remains stable. Going forward, both employment and wages are expected to continue growing, although CDPAP reforms are expected to cause healthcare growth to slow this year and next. Labor market strength, especially in the office-using sectors, is expected to contribute to greater office leasing activity in coming years which should help reduce the vacancy rate. Furthermore, with few new office buildings currently being built and more offices being converted, office inventory will not rise much over the forecast horizon, which should also assist the office market to normalize. Residential real estate was relatively weak in 2024, but it is expected to recover ground in 2025, as lower interest rates and pent-up demand gradually bring buyers and sellers back into the market. The tourism industry continued to show strength at the end of 2024 and into 2025. However, like the rest of the local economy, it will face headwinds going forward due to the new administration's antagonistic stance on trade and international relations.

Risks to the Forecast

The U.S. economy continues to face significant near-term uncertainty amid vacillating tariff threats, geopolitical tensions, and mercurial domestic and international policies under the new administration. Past forecast risks were largely limited to global geopolitical tensions, particularly the conflicts in Ukraine and the Middle East, economic slowdowns in Europe and China, and potential monetary policy mistakes. However, these risks have expanded since November 2024. Wholesale policy changes under the new administration – specifically in domestic and trade policies related to immigration, federal spending cuts, policy disputes with the Federal Reserve, and trade wars – have introduced an unprecedented level of uncertainty that could ultimately alter the baseline projection.

At the forefront is the risk from the new administration's aggressive and uneven trade policy. Although the baseline forecast includes tariffs, it does not assume levels as high or as unpredictable as those currently being proposed by the Trump administration. The on-again, off-again trade policy has also created heightened volatility in financial markets. The International Monetary Fund (IMF) recently downgraded its global growth forecast to reflect the trade war risks, highlighting the damage that an all-out trade war could do to the global economy. In such a scenario, consumer spending and investment could drop, increasing the probability of a recession. Nonetheless, as of March, most forecasters do not have a recession in their baseline projections, while assessments of recession probabilities have risen. As of March, the Blue Chip consensus places the probability of a recession occurring within the next 12 months at 47 percent, up from 31 percent in January 2025.

Another significant risk to the forecast is the administration's policies on immigration and federal spending. While it is difficult to quantify the effects of these policies at the moment, both policies are expected to have a negative impact on national employment. Immigrants make up a sizable portion of the U.S. labor force, especially in major cities, and work in many key sectors, such as construction and health care. Restrictive immigration policies could deter immigrants from entering the labor market. Meanwhile, federal spending cuts are more likely to directly impact employment in the federal government and nonprofit sectors. They may also have longer-lasting effects on the economy by reducing funding for research and other initiatives that could stimulate economic growth.

The Fed also continues to face major risks that add to the growing uncertainty. Most officials now believe the Fed could face difficult trade-offs in the coming months if the labor market suddenly weakens while inflation persists – a stagflationary economy. This could place the Fed in a policy dilemma, increasing the possibility of a Fed misstep. One possible scenario is that the Fed could respond to stagflation by first raising the federal funds rate to keep inflation expectations anchored, before resuming easing later as the downturn persists. The Fed's potential response in this scenario is consistent with the policy stance of most Fed officials, including Fed Governor Christopher Waller – who has argued that inflation expectations should be addressed first in the case of such a predicament.

While the Fed is facing an uncertain economic outlook, the President continues to float the idea of influencing rate decisions and challenging Chair Powell and the FOMC's policy stance – putting the Fed, an independent agency, at risk of being captured. A politically influenced central bank could undermine the Fed's ability to carry out its dual mandate of maximum employment and stable prices, hindering economic growth.

Despite a resilient economic projection, the current New York City baseline forecast could also suffer a severe downturn if the current administration continues with its restrictive immigration policies and federal spending cuts. These policies have both direct and indirect impacts on the City's economy. Although local economic data showed resiliency going into 2025, national economic policy tends to affect the local economy with a lag. With national and local data still showing momentum, it is too soon to estimate the impact of the new administration's policies on the local economy.

While not part of the current baseline forecast, OMB has considered a recessionary scenario.[11] In this mild downturn scenario, New York City is expected to lose as many as 63,000 private sector jobs in 2025 – a 1.5 percent decline. Growth is projected to be slower across all major sectors compared to the baseline forecast, with possible job losses in several key sectors. The steepest losses are expected in the healthcare & social assistance, leisure & hospitality, and the other services sectors. Positive job growth is expected to return in 2026, with employment expanding between two and three percent over the remainder of the forecast horizon. Private wage-earning growth in 2025, under the downside scenario, is projected to be approximately 1.8 percentage points below the baseline (4.0 percent vs. 5.8 percent). Wage growth is expected to decelerate further in 2026, rising only 0.9 percent, before reaccelerating in 2027 alongside a rebound in employment.

New York City's office market is likely to face major headwinds in the downturn scenario. A decline in employment in 2025 would lead to negative absorption and drive the vacancy rate up to 22 percent in 2026. However, a recovery in the labor market in the second half of 2026 and the first half of 2027 would result in occupied space rising faster than in the baseline. By 2029, the vacancy rate is projected to fall to 18 percent – in line with the baseline forecast. Under this scenario, asking rents are expected to decline by 0.4 percent in 2025 and 0.9 percent in 2026 before returning to positive growth in 2027. By 2029, asking rents are projected to reach $83 – a full dollar below the baseline forecast.

Faced with stagflation the Fed is expected to raise rates in the second quarter of 2025 in response to tariff-driven inflation to keep inflation expectations anchored – only to reverse course and cut rates sharply in the third quarter as the economy begins to contract. Despite lower interest rates compared to the baseline in the second half of 2025 and throughout 2026, the housing market is expected to suffer over that period. Home prices are projected to edge up by 0.4 percent in 2025, only to decline by one percent in 2026, while transaction volumes fall by 3.5 percent in 2025 and 1.5 percent in 2026. Co-op and single-family home prices are expected to decline in 2025, while condo prices continue to increase. However, in 2026, condo prices are expected to fall by two percent, while co-op and single-family prices increase by less than one percent each. In the out-years of the forecast under this scenario, the 30-year mortgage rate is projected to average about 25 basis points above the baseline, keeping the average home price and the total number of transactions in 2029 around $108,000 and 4,800 transactions below the baseline, respectively. Finally, in this scenario, rents are expected to weaken in the short term, rising by just two percent in 2025 and 1.2 percent in 2026, before returning to growth of around two percent in the out-years.

The new administration's trade policies, tariffs, and animosity towards major trading partners could impair the U.S. tourism industry with an outsized impact on New York City, a major tourism hub. In a downturn scenario, hotel occupancy rates could fall back to the low 80 percent range as demand declines. Such a drop in hotel demand would affect room rates, slowing growth and keeping average daily rates below $320 for both 2025 and 2026.

11 This scenario is based on the Moody's Analytics March 2025 downside alternative (S2) featuring a mild recession during the last three quarters of 2025.

Forecasts of Selected Economic Indicators for the United States and New York City
Calendar Year 2024 - 2029

	2024	2025	2026	2027	2028	2029	1979-2023*
NATIONAL ECONOMY							
Real GDP							
Billions of 2017 Dollars	23,304	23,753	24,203	24,580	25,012	25,425	
Percent Change	2.8	1.9	1.9	1.6	1.8	1.7	2.6%
Non-Agricultural Employment							
Millions of Jobs	158.0	159.6	160.0	160.1	160.4	161.1	
Level Change	2.1	1.6	0.5	0.1	0.3	0.7	
Percent Change	1.3	1.0	0.3	0.1	0.2	0.4	1.3%
Consumer Price Index							
All Urban (1982-84=100)	313.7	323.8	332.2	338.9	345.7	352.5	
Percent Change	3.0	3.2	2.6	2.0	2.0	2.0	3.3%
Wage Rate							
Dollars Per Year	78,438	81,167	84,671	88,361	92,102	95,421	
Percent Change	4.3	3.5	4.3	4.4	4.2	3.6	3.9%
Personal Income							
Billions of Dollars	24,665	25,832	27,171	28,523	29,872	31,189	
Percent Change	5.4	4.7	5.2	5.0	4.7	4.4	5.7%
Before-Tax Corporate Profits							
Billions of Dollars	4,066	4,140	4,206	4,222	4,243	4,288	
Percent Change	10.1	1.8	1.6	0.4	0.5	1.0	5.9%
Unemployment Rate							
Percent	4.0	4.3	4.6	4.7	4.7	4.5	6.1% avg
10-Year Treasury Note							
Percent	4.2	4.4	4.1	3.9	3.9	3.9	5.8% avg
Federal Funds Rate							
Percent	5.1	4.3	3.7	3.1	3.1	3.1	4.6% avg
NEW YORK CITY ECONOMY							
Real Gross City Product**							
Billions of 2017 Dollars	1,122	1,161	1,194	1,233	1,271	1,313	
Percent Change	4.1	3.5	2.8	3.3	3.1	3.3	2.8%
Non-Agricultural Employment***							
Thousands of Jobs	4,787	4,864	4,922	5,009	5,096	5,189	
Level Change	103.3	76.6	57.9	87.4	86.9	93.2	
Percent Change	2.2	1.6	1.2	1.8	1.7	1.8	0.8%
Consumer Price Index							
All Urban (1982-84=100)	334.2	347.3	356.9	364.7	372.0	379.8	
Percent Change	3.8	3.9	2.8	2.2	2.0	2.1	3.4%
Wage Rate							
Dollars Per Year	119,055	123,671	125,879	128,792	132,114	135,349	
Percent Change	4.2	3.9	1.8	2.3	2.6	2.4	4.6%
Personal Income							
Billions of Dollars	786.8	818.8	854.7	895.8	937.2	978.4	
Percent Change	5.7	4.1	4.4	4.8	4.6	4.4	5.5%
NEW YORK CITY REAL ESTATE MARKET							
Manhattan Primary Office Market							
Asking Rental Rate****							
Dollars per Square Feet	81.8	82.4	82.6	82.9	83.7	84.1	
Percent Change	0.8	0.7	0.2	0.3	1.0	0.5	2.1%
Vacancy Rate****							
Percent	22.0	21.3	20.8	19.7	18.9	18.1	11.4% avg

* *Compound annual growth rates for 1979-2023. Compound growth rate for Real Gross City Product covers the period 1990-2023.*

** *Starting in 2021, forecasts of gross city product reflect estimates of local area GDP (for NYC) published by the U.S. Bureau of Economic Analysis. Estimates of NYC gross city product published prior to 2021 represent OMB's estimates of NYC economic activity.*

*** *Annual averages derived from non-seasonally adjusted quarterly forecasts.*

**** *Office market statistics are based on 1985-2024 data published by Cushman & Wakefield.*

STATE AND FEDERAL AGENDA

STATE

The State Fiscal Year 2025-26 Budget has not been finalized. The Governor's proposed Executive Budget was released on January 21, 2025, and included many of the city's top priorities, though it contained a few proposals that would have a negative fiscal impact to New York City.

The Mayor's Executive Budget recognizes $166 million in City Fiscal Year 26+ in mandates and cost shifts to the city that are anticipated in the final enacted state budget. This includes an extension of MTA Paratransit Obligations ($165 million) and After 4pm Transportation ($1.4 million).

One of the Mayor's highest priorities – a proposal to bring significant tax relief to working-class families by modifying the New York City Personal Income Tax obligations for many working-class New Yorkers with dependents – was included in the Governor's proposal. Sixty-three million dollars were included in the City's Fiscal Year 2026 Preliminary Plan to offset the impact of this proposal.

The Governor's Executive Budget included other top policy priorities such as discovery reform, involuntary commitment, alternate delivery expansion, micromobility regulations, weigh-in-motion (WIM) authorization, the Relocation and Employment Assistance Program (REAP), and the Industrial and Commercial Abatement Program (ICAP).

In education, the Governor's Budget included $707 million in School Aid over the course of Fiscal Year 2026 plan. The Budget also included a few proposed changes in Education that, if adopted, would have a negative impact on the City's financial plan. This includes the implementation of "Bell-to-Bell" Ban of cellular devices in schools ($25 million).

In transportation, the Governor's Budget included a $3 billion increase in the City's Transitional Finance Authority (TFA) bonding capacity. This increase will fully support the city's capital contribution towards the Metropolitan Transit Authority (MTA).

Notably, the Governor's Executive Budget did not include $1 billion in funding that was earmarked to cover 29% of the City's total need for the ongoing Migrant Crisis. The Mayor's Executive Budget makes cost adjustments to offset the potential elimination of this funding.

The outstanding risks associated with Childcare Vouchers, cellphone ban in schools, Indigent Care Pool (ICP) Payments, Personal Mobility Taxes and several pension proposals are not reflected in the Mayor's Executive Budget.

FEDERAL

Extraordinary actions taken by the current presidential administration, in education, public health, immigration, and in the economy more broadly– especially new and unpredictable tariff policy - could impact the city's ability to sustain essential services, support its most vulnerable residents and invest in its future.

In April 2025, the U.S. Department of Education issued a notice regarding the use of unlawful DEI programs by educational agencies, including the potential consequences for operating such programs, and a request that the agencies certify compliance with the law as it is described in the notice. On April 24, a federal court issued a nationwide preliminary injunction that prohibits the U.S. Department of Education from requiring that funding recipients certify that they will not operate any unlawful DEI programs. This decision will almost certainly be appealed. If the certification requirement is reinstated by an appellate court, the notice implicates up to $2 billion in federal funding to New York State. These funds are vital to Title I programs, special education, and services for students in shelters and with disabilities. Without this federal funding, the New York City Public Schools will face substantial challenges in providing the services necessary to meet the educational needs of students in these populations. Schools in the city could face staffing reductions, increased class sizes, and cuts to after-school and support programs. Additionally, schools may lose funding for bilingual education and culturally responsive curriculum development, undermining efforts to close achievement gaps and support diverse student populations.

In public health, the federal government is seeking to rescind over $100 million by terminating grants to the Department of Mental Health and Hygiene (DOHMH) for infectious disease prevention and surveillance. In addition, over $360 million in cuts to New York State are impacting health, mental health, and substance use programs across the state. This includes $300 million to the State Department of Health programming, $40 million to the State Office of Addiction Services and Supports, as well as $27 million to the Office of Mental Health's mental illness programming. These setbacks could impact the city and exacerbate existing disparities in care and further stress the city's public hospital system, which is often the frontline provider for individuals with serious mental illness or co-occurring substance use disorders.

New and unpredictable tariff policy and increasingly destabilized financial markets are complicating the city's ability to access affordable capital. While the city recently issued $1.57 billion in general obligation bonds for infrastructure and debt refinancing, federal proposals to eliminate the tax exemption for municipal bond interest would increase borrowing costs. This poses a significant threat to the city's capital plan and limits investment in core services and infrastructure.

In immigration, since July 2022, the city has spent an estimated $7.5 billion to support migrants in city shelter, in accordance with city and State mandates. More than 234,800 migrants have entered the city shelter system since spring 2022. The Office of Management and Budget (OMB) projects continued expenditures of $1.45 billion in FY 2026 and budgeted $1.20 billion in FY 2027. Since February, the federal government has taken various actions regarding a grant program for migrant shelter and services that place at risk $188.4 million in total grant awards to the city. This action is being challenged in the courts, but the risk of loss remains. Without restored federal support, the city may be unable to meet basic humanitarian obligations or maintain current levels of housing, food, and case management for asylum seekers.

In transportation, U.S. Department of Transportation Secretary Sean Duffy has taken significant actions that threaten to withhold or rescind substantial federal funding from New York State, New York City, and the Metropolitan Transportation Authority (MTA), primarily in response to the implementation of the congestion pricing program. Secretary Duffy has warned that if the State does not halt the program, the federal government may withhold environmental approvals and funding for Manhattan transportation projects, potentially starting enforcement actions by May 28, 2025. The demanded halt to the congestion pricing program would jeopardize several critical infrastructure projects. Notably, the MTA's $15 billion capital improvement plan, which relies heavily on revenue from congestion pricing, faces significant risks. Projects at stake include the Second Avenue Subway extension into East Harlem, which had already experienced delays due to funding uncertainties, and accessibility upgrades at stations like Nostrand Avenue in Brooklyn, where elevator installations were postponed following the initial pause of the congestion pricing plan. This issue is still open and could increase the city's costs. If the federal government withholds highway funds, this could jeopardize many road construction projects undertaken under the supervision of the New York City Department of Transportation. These federal actions not only threaten the progress of essential transit and/or road projects but also place additional financial strain on the city's infrastructure plans, potentially undermining efforts to improve transportation, transit equity and environmental sustainability.

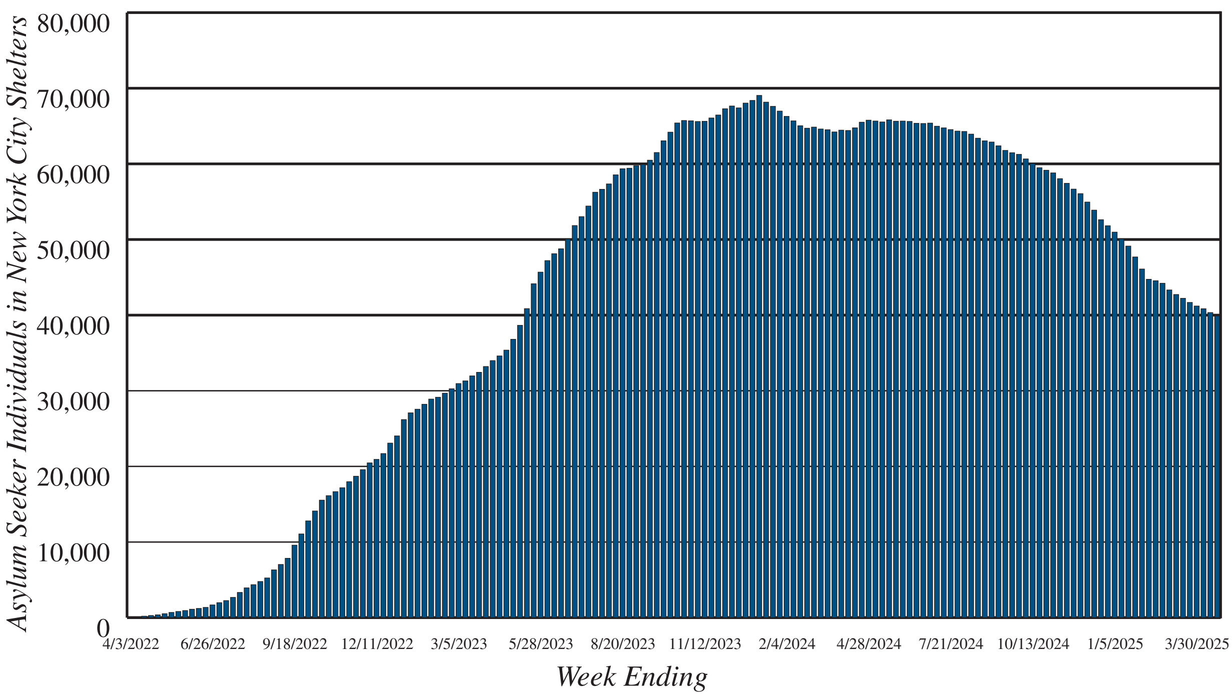
Earlier this year, the Federal Emergency Management Agency (FEMA) announced that it's terminating the Building Resilient Infrastructure and Communities (BRIC) program. This action impacts over $300 million in funding for critical projects across the State.

Several of these actions are being challenged in the judicial system, but the scale and complexity of these challenges demand coordination between New York City, federal, and state partners to ensure the city has the tools and resources necessary to effectively navigate rapid changes at the federal level.

ASYLUM SEEKERS

Since spring 2022, New York City has experienced a large increase in asylum seeker migrants, with over 234,000 individuals seeking help from the city. Many asylum seekers are characterized by economic and health challenges and require deep support from the city to provide food, shelter, and clothing, as well as access to legal and educational resources. At the end of April 2025, approximately 40,000 asylum seekers remained in the city's care nightly.

ASYLUM SEEKERS IN NEW YORK CITY SHELTER FACILITIES



Source: NYC DSS, NYC H+H, NYC OMB

New York City has made significant investments to care for asylum seekers. The city's initial response utilized the Department of Homeless Services (DHS) shelter system to house asylum seekers. In October 2022, with significantly increasing numbers of new arrivals, the city declared a state of emergency and created Humanitarian Emergency Response and Relief Centers (HERRCs) to help meet the growing need. Through the course of the emergency response, the asylum seeker shelter system has further expanded to include sites managed by agencies including the Department of Housing Preservation and Development (HPD) and New York City Emergency Management (NYCEM). Across all systems, the city has opened 259 emergency shelters to house asylum seeker migrants.

The asylum seeker emergency has had a substantial fiscal impact on the city. Between July 2022 and March 2025, the city has spent an estimated $7.5 billion to support the population. Earlier in the emergency, costs grew significantly over time as the number of asylum seekers in care increased. Quarterly asylum seeker costs increased from $63.2 million in FY23Q1 to $928.6 million in FY24Q3, with the population in care peaking at approximately 69,000 individuals in January 2024. Throughout fiscal year 2025, the number of asylum seekers in care has steadily declined, and costs have also declined as a result. Quarterly asylum seeker costs decreased from $862.4 million in FY25Q1 to $646.0 million in FY25Q3.

During the emergency, the city has undertaken a series of policy changes to manage growth in the asylum seeker population. In July 2023, the city announced a policy to give adult asylum seeker entrants 60 days' notice to find alternative housing arrangements following intake, pairing the policy with intensive casework services to connect individuals with housing resources. In September 2023, the policy was revised to a 30-day notice period. In October 2023, the city announced an expansion of the policy to include 60-day notices for families with children in non-DHS facilities. In March 2024, the city entered into a State Supreme Court approved stipulation revising the city's existing obligations to provide housing to asylum seekers while the State of Emergency remains in effect, unless otherwise ordered by the court. The stipulation gives the city more flexibility in its provision of shelter services to single adult asylum seekers. In May 2024, the city revised the policy to strictly limit adult stays to a 30-day period, granting extension requests to adult migrants that meet exemption criteria.

In addition to the city's actions, the federal government has taken steps to regulate border crossings. On June 5, 2024, the Biden Administration signed Presidential Proclamation 10773, limiting entry of noncitizens into the United States across the southern border. The policy change has generated a reduction in border encounters and asylum seeker inflow into the New York City shelter system.

In conjunction, the city and federal actions have contributed to a slowdown and subsequent decline in the number of asylum seekers in care. After increasing in fiscal year 2023 and fiscal year 2024, the census has steadily declined in fiscal year 2025.

Average Weekly Change in Asylum Seekers in Care

- FY23: +930 per week.
- FY24: +266 per week.
- FY25 to date: -609 per week.

At current trends in the asylum seeker population, the city expects the costs of caring for the asylum seeker population to be $3.19 billion in fiscal year 2025 and $1.45 billion in fiscal year 2026. The total costs are associated with $1.3 billion in savings, relative to previously budgeted costs, over two fiscal years. Savings are derived from the reduced number of asylum seekers in care, relative to previous projections, and the expected continuation of census decline.

TAX REVENUE[1]

Tax Revenue Summary

The NYC economy thrived in calendar year 2024. As a result, total tax revenue is expected to jump nearly eight percent in 2025 to $80.0 billion. This is almost $1.7 billion above the January 2025 Financial Plan estimate for 2025.

It is anticipated that a slowing economy will limit NYC's revenue growth to 1.2 percent in 2026, to $81.0 billion. This is approximately $1 billion above the January 2025 Financial Plan forecast for 2026. Revenue growth will average just under three percent in 2027 through 2029.

The tax revenue forecast is predicated on the national economy expanding 1.9 percent in calendar year 2025, which was the consensus economic outlook in March prior to the federal government's paradigm shift in trade policy. The uncertainty around the trade policy has so far riled international relations, upended international trade and tourism, and has thrown financial markets into correction territory. The continued uncertainty created by the new trade policy has already lowered the consensus economic outlook for calendar year 2025 as forecasters increase their probability of a recession.

There is little risk to the 2025 revenue outlook, as momentum from the robust activity in calendar year 2024 flows through the remainder of the fiscal year. The risk to the tax revenue forecast herein is likely to impact 2026 and out.

Forecast Summary for 2025

Tax revenue growth is broad based in 2025 with property taxes expected to rise 4.8 percent and non-property taxes jumping 11 percent.

Property tax growth was largely related to the continued rebound in property markets since the sharp drop in 2022 caused by the pandemic. Market value has recovered in all four classes with the Class 1 (1-3 family homes) and Class 2 (multifamily residential) outpacing Class 4 (commercial) properties. Property taxes are also boosted by higher payments as delinquent property owners pay off their prior year arrears to avoid enforcement activity.

Most of the growth in 2025 can be attributed to the non-property taxes, specifically the personal and business income taxes as well as rebounding real property transfer taxes. Personal income tax revenue is expected to leap 16.3 percent in 2025 as strong labor markets and robust financial market gains boosted wage and non-wage income. Business profitability, especially in the financial sector, boosted both corporate and unincorporated revenues, which will see 6.2 percent and 19.5 percent increases, respectively.

Steady gains in the real estate market, both residential and commercial, are expected to lift real property transaction taxes 19.9 percent in 2025.

Consumption tax growth has been more muted. Sales tax is expected to grow a modest 3.8 percent, lagging the surge in income. This is likely due to a shift in consumption patterns as consumers spent less on taxable durable goods, which they purchased during the pandemic, and instead spent more on non-taxable services.

The tourism industry boasted one of its strongest years on record in 2024, which is expected to lift hotel tax revenue 6.9 percent to $755 million in 2025, the highest on record.

Forecast Summary for 2026

The path of economic growth in calendar year 2026 is uncertain. The baseline forecast assumes tax revenue growth decelerates to only 1.2 percent in 2026, as both property and non-property taxes weaken. 2026 revenue has been increased nearly $1 billion compared to the January 2025 Financial Plan.

Market value growth of nearly six percent in Class 1 (1-3 family homes) and around seven percent in Class 2 (multifamily residential) real estate is partially offset by continued weakness in Class 4 (commercial) growth. As a result, it is estimated that property tax revenue grows a moderate 2.7 percent in 2026. This estimate is subject to change with the release of the final property tax roll at the end of May.

Non-property taxes remain essentially flat in 2026 as income taxes remain elevated, but down from their 2025 peaks. Personal income taxes fall back 3.0 percent as slower labor markets and a decline in bonuses limit wage income growth and non-wage income declines.

[1] All years referenced in the Tax section are City fiscal years unless otherwise noted.

Business income taxes remain flat at their 2025 record levels. Financial market stress introduced in April 2025 triggered a volatile investment environment which directly threatens the economically sensitive personal and business income tax revenues.

Sales tax revenue growth remains stable at 3.9 percent in 2026. While tourism had been anticipated to reach record levels in calendar year 2025, it is likely that the recent stress to international relations, caused by unpredictable trade policy, threatens visitation. Even in the early weeks of the new trade policy, it is evident that international travel has softened. While this forecast still assumes growth in the hotel tax revenue, the forecast was reduced slightly to reflect the initial disruption. Further deterioration in international relations, due to an expanding trade war, will likely pose a risk to both consumers facing higher inflation as well as the overall pace of international tourism.

The real property transaction taxes are poised to continue to expand in 2026, although at a considerably slower rate than in 2025. Real estate markets are expected to continue to benefit, as additional inventory comes online in the residential market, and the commercial office market gradually improves. Real estate markets were originally anticipated to benefit from lower interest rates. At this juncture, it appears that the reduction in short term interest rates initiated by the Federal Reserve last year is on pause as they measure the impact of new trade policies on price stability and economic growth. Uncertainty has weakened demand for the longer-term bonds, rising yields, which in return has lifted mortgage rates. Higher borrowing costs pose an additional risk to this forecast.

The baseline forecast assumes that the strong economy will lift 2025 revenue with slower growth anticipated in 2026, before averaging trend growth of about 3 percent in 2027 through 2029. The baseline forecast however, does not incorporate the considerable risk that began with the initial onset and then repeal of tariffs on Mexico and Canada; nor the shift in trade policy announced on April 2, 2025 including the introduction of “reciprocal tariffs”, which were subsequently delayed; nor the rapid escalation in tariffs to China, which have not yet been rescinded. The uncertainty created by this on-again off-again tariff policy has roiled financial markets, as investors search for clarity. It is anticipated that if the policy is not brought to clarity quickly, that both consumption and investment will deteriorate further, which poses a substantial broad-based risk to the City’s vast economy and therefore its tax base.

2025 and 2026 Tax Revenue Forecast
($ in Millions)

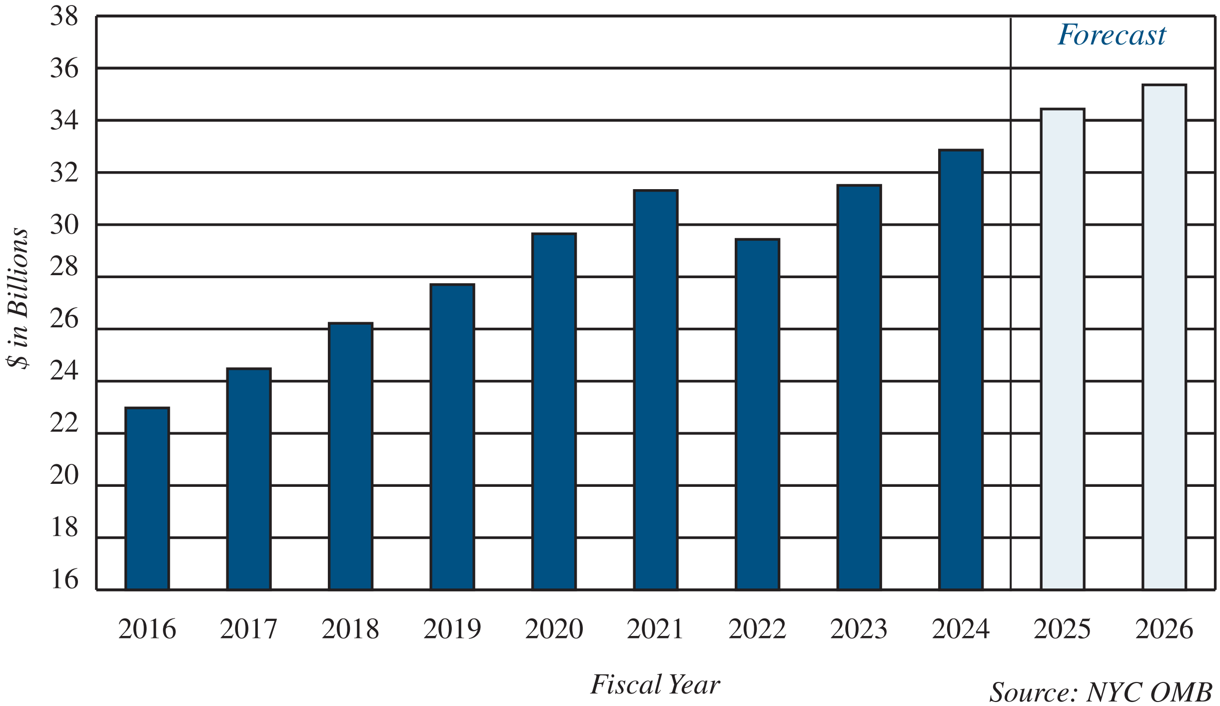
Tax	2025	2026	Increase/(Decrease) From 2025 to 2026 Amount	Percent Change
Real Property	$34,434	$35,360	$926	2.7%
Personal Income[1]	18,229	17,684	(545)	(3.0%)
Business Corporation[2]	7,311	7,466	155	2.1%
Unincorporated Business	3,333	3,270	(63)	(1.9%)
Sales and Use	10,288	10,690	402	3.9%
Real Property Transfer	1,300	1,334	34	2.6%
Mortgage Recording	770	812	42	5.5%
Commercial Rent	931	951	20	2.1%
Utility	445	457	12	2.7%
Hotel	755	783	28	3.7%
Cigarette	13	12	(1)	(4.0%)
Cannabis	19	27	8	42.1%
All Other	1,283	1,254	(29)	(2.3%)
Subtotal	**$79,111**	**$80,100**	**$990**	**1.3%**
STAR Aid	107	105	(2)	(1.9%)
Tax Audit Revenue	825	809	(16)	(1.9%)
Total †	**$80,042**	**$81,014**	**$972**	**1.2%**

1. Personal Income includes Pass-Through Entity Tax (PTET)
2. Business Corporation Tax Includes both General Corporation and Banking Corporation tax revenues.

† Totals may not add due to rounding.

REAL PROPERTY TAX

REAL PROPERTY TAX 2016 - 2026



Distribution of Property Parcels by Class

	Parcels*	Percentage Share
Class 1	698,463	63.18%
Class 2	305,738	27.66%
Class 3	354	0.03%
Class 4	100,954	9.13%
Citywide	1,105,509	100.00%

* FY 2025 final roll

Real property tax (RPT) revenue is projected to account for 43.6 percent of total tax revenue in 2026, or $35.360 billion.

2025 Forecast

RPT revenue is forecast at $34.434 billion in 2025, growth of 4.8 percent over the prior year. This estimate is an increase of $211 million over the January 2025 Financial Plan. The increase reflects lower than expected reserves as well as higher estimated collections from prior years' levy following the reauthorization of the lien sale.

2026 Forecast

In 2026, RPT revenue is forecast at $35.360 billion, growth of 2.7 percent over the current year, and $521 million over the January 2025 Financial Plan. The levy projection is based on the Department of Finance's (DOF) tentative roll published on January 16th, 2025. The tentative roll values are then adjusted to reflect processes taking place between the tentative and final roll publication, yielding the projected final roll estimates. The increase in revenue in 2026 is driven primarily by an upward revision to the tentative roll, which was released after the previous plan was already published. Most of this change came from Class 4 commercial property.

Based on the final roll estimates, year-over-year taxable billable assessed value (TBAV) growth rates for Class 1 (1-3 family residential), Class 2 (multifamily residential), Class 3 (utilities), and

Class 4 (commercial) were 4.5 percent, 4.2 percent, 7.0 percent, and 1.7 percent, respectively. Citywide, TBAV is expected to grow by 3.4 percent in 2026. This is about one percentage point higher than what was anticipated in the January 2025 Financial Plan. This growth in 2026 TBAV leads to a significant increase in levy and accounts for the majority of the change in RPT revenues compared to previous plan.

While estimated TBAV did increase in all tax classes compared to the January 2025 Financial Plan, Class 4 experienced the most significant change, increasing from 0.2 percent to 1.7 percent growth. There were increases across a range of Class 4 property types, but stronger Class A and trophy office valuations contributed most significantly to this increase in growth. It should also be noted that while this is an increase plan-over-plan, annual growth of 1.7 percent for Class 4 properties is still considered subdued compared to pre-pandemic growth rates. This anemic growth in Class 4 can be partly attributed to declining values in the Class B office space which are still facing significant market challenges.

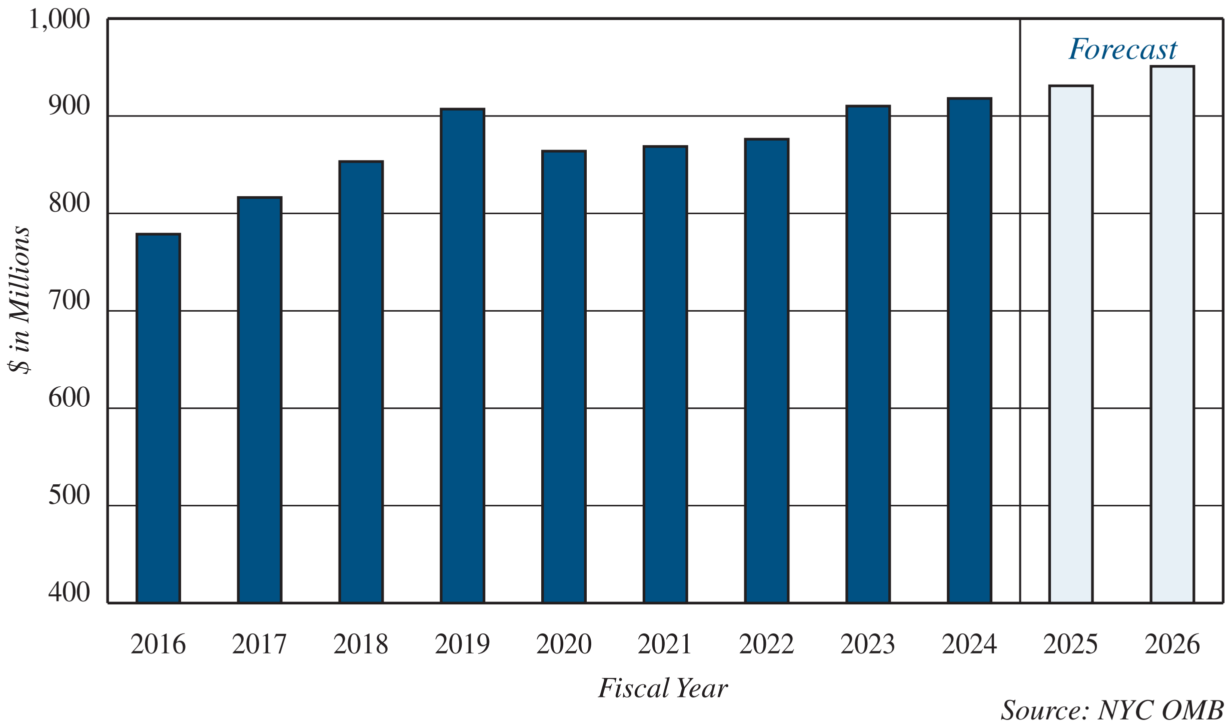
In addition to levy changes in 2026, the forecast also includes a decrease in the property tax reserve components. As the reserve consists mainly of as-of-right tax programs that are reduced from the levy, a lower reserve leads to an increase in RPT revenue. An increase in the estimate of prior year collections accounts for the remaining increase in 2026 RPT revenue.

Out-year Forecast

From 2027 through 2029, RPT revenue is expected to grow an average of 3.1 percent per year and is a significant upward revision from the January 2025 Financial Plan. This is due to a combination of plan-over-plan levy increases from 2026 flowing through the out-years, as well as a slight upward revision to the market value growth assumptions for Class 2 properties.

COMMERCIAL RENT TAX

COMMERCIAL RENT TAX 2016 - 2026



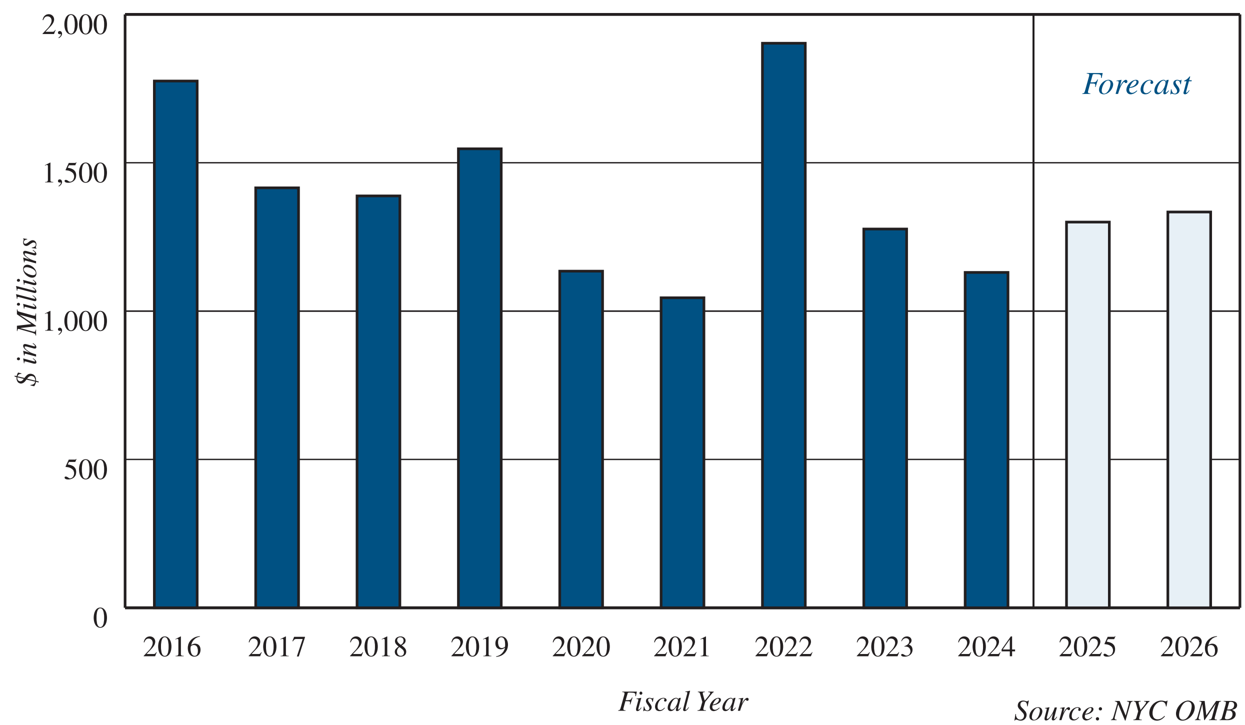
The commercial rent tax (CRT) is projected to account for 1.2 percent of total tax revenue in 2026, or $951 million.

2025 Forecast: CRT revenue is forecast at $931 million in 2025, a modest 1.4 percent increase over the prior year. No change from the January 2025 Financial Plan as year-to-date collections do not indicate risk in prior plan assumptions. Office leasing activity for the core sectors—finance, information, and professional services, remain resilient. The impact of elevated office vacancy on CRT revenue is muted, as the long duration of commercial leases limits annual lease turnover. Additionally, revenue stability is reinforced by a concentration of liability among high-value taxpayers in finance, information, and professional services—sectors that continue to drive demand for prime Manhattan office space.

2026 Forecast: CRT revenue in 2026 is forecast at $951 million, growth of 2.1 percent over 2025, holding firm against the uncertainties of the still-shifting landscape. Beyond that, growth is expected to taper to a modest 1.4 percent annual average through 2029, indicating that the office market's economic repositioning will be gradual.

REAL PROPERTY TRANSFER TAX

REAL PROPERTY TRANSFER TAX 2016 - 2026



The real property transfer tax (RPTT) is projected to account for 1.6 percent of total tax revenue in 2026, or $1.334 billion.

2025 Forecast: Real property transfer tax revenue is forecast at $1.300 billion, an increase of 15.0 percent over the prior year, and $70 million above the January 2025 Financial Plan estimate.

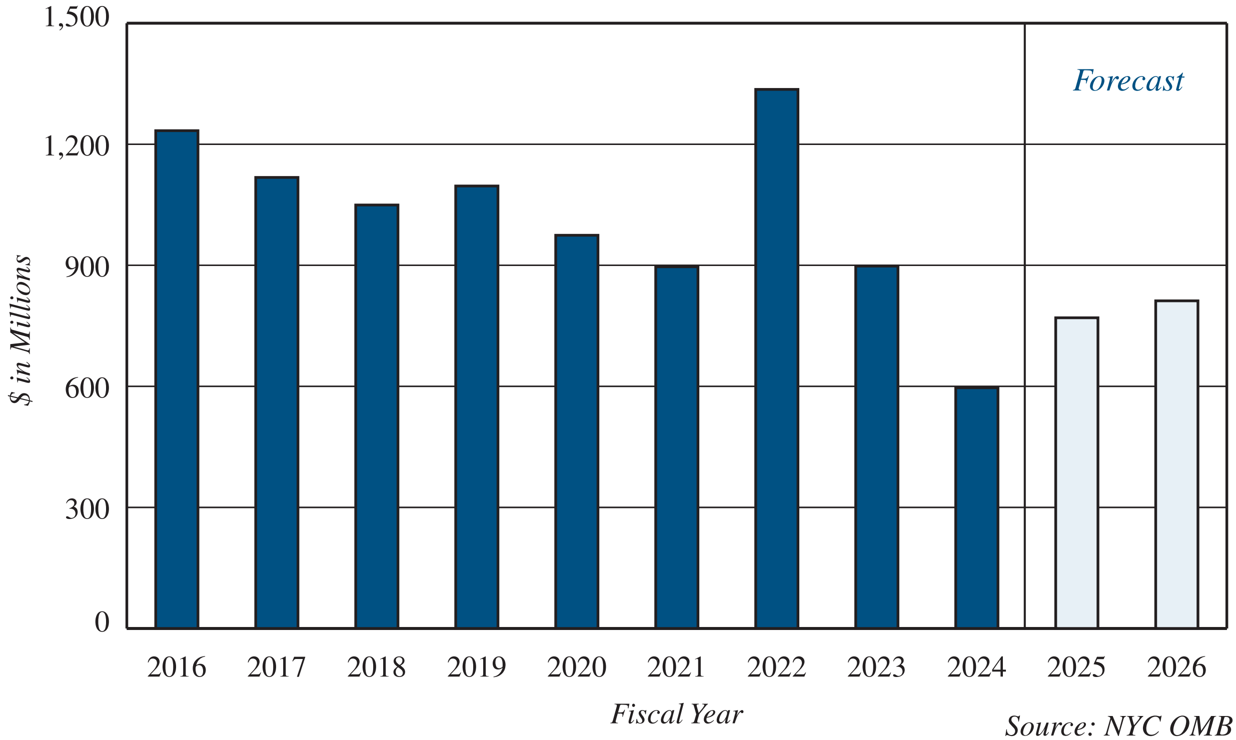
Revenue from residential transactions is forecast to increase 10.4 percent in 2025. The current forecast reflects a slight increase in home prices caused by a lack of supply in the housing market. The forecast also reflects a minor increase in year-to-date transaction volume through March as interest rates are slightly lower from last year's heights. However, the lower inventory levels limit recovery as homeowners who bought or refinanced with low interest rates are still reluctant to sell their homes and buy another with a higher interest rate mortgage.

Revenue from commercial transactions is forecast to rise 22.5 percent in 2025, indicating a rebound from last year's lows. Improvements in the office market, as well as Class B commercial offices targeted for conversion, serve as a possible explanation for the increase in commercial activity. Despite this strong growth, overall commercial revenue remains well below pre-COVID levels.

2026 Forecast: Real property transfer tax revenue is forecast at $1.334 billion in 2026, a 2.6 percent growth over the current year, and $45 million above the January 2025 Financial Plan estimate. This increase in 2026 is driven mostly by an increase in residential sales from an anticipated decline in mortgage interest rates. Residential revenue is forecast to grow in 2026 at a rate of 4.4 percent, reflecting a relatively minor growth from 2025. Commercial Revenue is forecast to be essentially flat from 2026 through 2029. Total RPTT growth is expected to average 4.4 percent from 2027 through 2029. Higher inflation due to the shift in tariff policy, could potentially leave interest rates higher for longer, resulting in higher mortgage rates and lower transaction activity.

MORTGAGE RECORDING TAX

MORTGAGE RECORDING TAX 2016 - 2026



The mortgage recording tax (MRT) is projected to account for 1.0 percent of total tax revenue in 2026, or $812 million.

2025 Forecast: Mortgage recording tax revenue is forecast at $770 million for 2025, an increase of 29.1 percent over the prior year and $58 million above January 2025 Financial Plan.

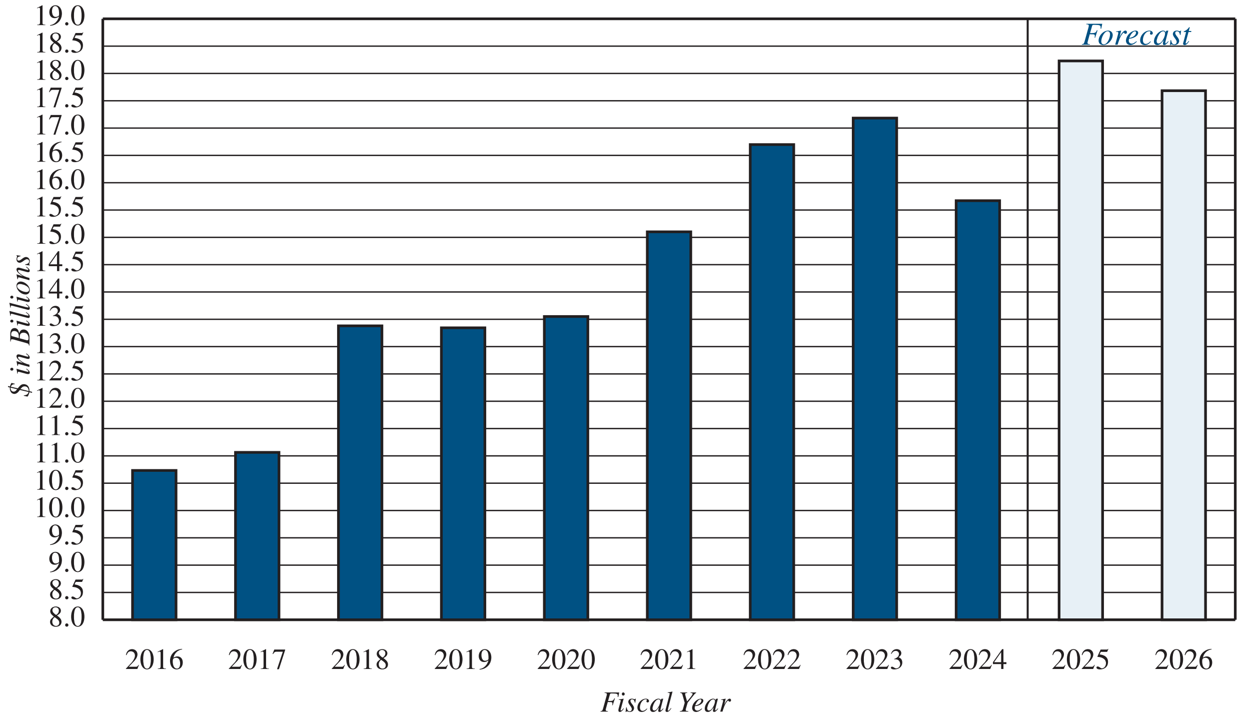
This increase mirrors the changes seen in the residential and commercial RPTT forecast. Revenue from residential mortgages is forecast to increase 27.9 percent in 2025. While interest rates haven't decreased significantly, the minor improvement has led to a slight increase in refinancing as well as new mortgages for purchases. Revenue from commercial mortgages is forecast to increase 30.3 percent in 2025. Similar to commercial RPTT, there is a rebound in commercial MRT revenue from last year, but we have yet to return to pre-COVID amounts.

2026 Forecast: Mortgage recording tax revenue is forecast at $812 million, an increase of 5.5 percent over the current year, a $31 million increase over January 2025 Financial Plan.

Revenue from residential mortgage recordings is forecast to grow 14.9 percent in 2026. Residential MRT is forecast to average 10.1 percent growth from 2027 through 2029. Commercial MRT revenue is forecast to decrease 4.2 percent in 2026 and is forecast to be essentially flat from 2027 through 2029.

PERSONAL INCOME TAX

PERSONAL INCOME TAX AND PASS-THROUGH ENTITY TAX 2016 - 2026



Note: Revenues include PTET from 2023 onwards *Source: NYC OMB*

In 2026, revenues for the personal income tax (PIT) and the pass-through entity tax (PTET) combined are forecast to account for 21.8 percent of total tax revenues, or $17.684 billion.

2025 Forecast:

The personal income tax and the pass-through entity tax are forecast to be $18.229 billion in 2025 with a year-over-year growth of 16.3 percent and an increase of $821 million over the prior plan.

The 2025 forecast is driven by strong withholding and non-withholding collections.[1] PIT and PTET revenues are forecast to increase as both labor and financial markets performed exceptionally well during calendar year 2024. This underlying strength pushed up wage and non-wage components of income, increasing taxpayer liability.

Withholding has been revised upwards by $451 million over the prior plan. Year-to-date through March, withholding collections are up 11.7 percent, with total collections forecast to grow 10.2 percent. Withholding strength in 2025 is driven by a remarkable bonus season. Bonus withholding collections, which are associated with the volatile securities sector, surged 37.6 percent to $1.869 billion, the highest on record. Base withholding, which is more stable and tracks broader labor market activity, remained resilient, growing 6.6 percent.

Non-withholding components, including PTET, have been revised upwards by $370 million over the prior plan. Year-to-date through March, non-withholding jumped 51.5 percent, rebounding from prior year lows. Following pandemic peaks, capital gains saw two consecutive years of substantial declines in tax years 2022 and 2023. Capital gains realizations in 2024 are forecast to increase sharply by 45.0 percent totaling $55.7 billion. As equity and broader financial markets performed well in calendar year 2024, capital gains realizations recovered to more typical levels injecting strength into collections.

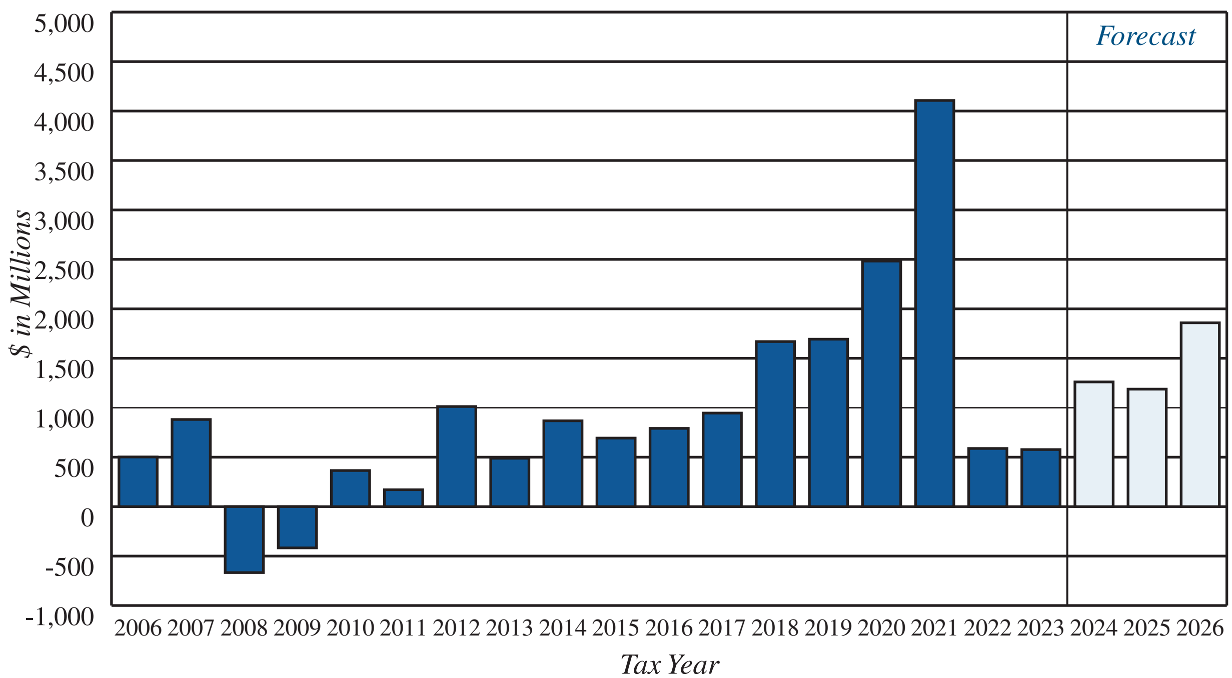
Non-withholding components, which are tied to non-wage income, are expected to continue growing aggressively. April non-withholding collections, which

1 Non-withholding payments encompass PIT estimated, finals, offsets, refunds, assessments, and charges and all PTET payments.

capture major deadline payments in PIT settlement, are forecast to grow over 40 percent, reflecting a strong liability year 2024. Overall, non-withholding growth is forecast to rebound to $4.904 billion in 2025, up 36.9 percent. PIT settlement components are expected to remain below historical trends while PTET is utilized. Since PTET took effect, taxpayers have used PIT refunds to recoup overpayment on installment payments. Refunds continued to remain at historically high levels since 2023 with these trends forecast to continue in 2025. Refunds are forecast to total $2.148 billion in 2025, up 5.4 percent.

Overall, 2025 represents an upswing in collections as both withholding and non-withholding revenues rise due to growth in wage and non-wage incomes.

SETTLEMENT PAYMENTS



Note: Adjusted for the City/State final return reconciliation.
Settlement Payments are comprised of extensions, finals, offsets, and refunds *Source: NYC OMB*

2026 Forecast:

In 2026, PIT and PTET revenue is forecast to total $17.684 billion, a 3.0 percent decline over the current year and unchanged from the January 2025 Financial Plan. Projected weakness in wage and non-wage income sources are expected to drag down revenues in 2026.

Withholding collections are forecast to remain flat in 2026 at $13.397 billion. Wall Street profits are forecast to decline in calendar year 2025, impacting the bonus pool in 2026. In 2026, bonus withholding is projected to total $1.490 billion, a 20.3 percent plunge after peaking in 2025, although bonus payments remain at an historically elevated level. Base withholding is expected to grow just 3.2 percent in 2026 as average wage growth slows to 1.4 percent and total employment grows only 1.1 percent. Across the out-years, withholding is expected to average 4.8 percent growth as wages and bonuses stabilize. Federal policies that impact NYC employment and wages create risks and uncertainties to this baseline projection.

In 2026, non-withholding revenues, including PTET, are forecast to decline by 12.6 percent totaling $4.287 billion. Following a rebound in tax year 2024, capital gains income is forecast to drop 9.8 percent in tax year 2025 to $50.3 billion.

In tax year 2022, the NYC PTET went into effect allowing some taxpayers to circumvent the federal state and local tax (SALT) deduction cap, currently set at $10,000. Under current federal law, the SALT cap is set to expire at the end of calendar year 2025. Until the federal government enacts new legislation, this forecast reflects the current law expiration. Therefore, the forecast anticipates PTET will begin ebbing in 2026 as taxpayers stop making PTET installment payments after December of calendar year 2025. Even though PTET is revenue neutral across tax years, the forecast anticipates uneven revenue impacts in 2026 and 2027. If the SALT cap at the federal level is extended or modified, PTET use may continue to provide relief to taxpayers and ultimately alter the timing of payments across fiscal years within the forecast period.

Beginning in 2026, refunds will increase by an additional $63 million, as the proposed tax credit relief measure known as “Axe the Tax” is expected to be passed into law in the 2025-26 NYS Enacted Budget. This program is for filers with dependents making less than 150 percent of the federal poverty line, eliminating NYC PIT liability fully or partially for eligible tax filers.

High levels of economic and policy uncertainty at the federal level coupled with financial market volatility complicate the outlook for 2026 and beyond. Overall, total PIT and PTET revenues are forecast to average 4.2 percent growth from 2027 through 2029.

Personal Income Tax and Pass-through Entity Tax Forecast
($ in Millions)

	2024	2025f	2026f	2027f	2028f	2029f
Personal Income Tax	14,014	15,922	16,428	18,394	19,179	19,983
Pass-Through Entity Tax	1,657	2,307	1,256	-114	0	0
Total Revenue	15,671	18,229	17,684	18,280	19,179	19,983

f = Forecast.

Personal Income Tax Collections By Component
($ in Millions)

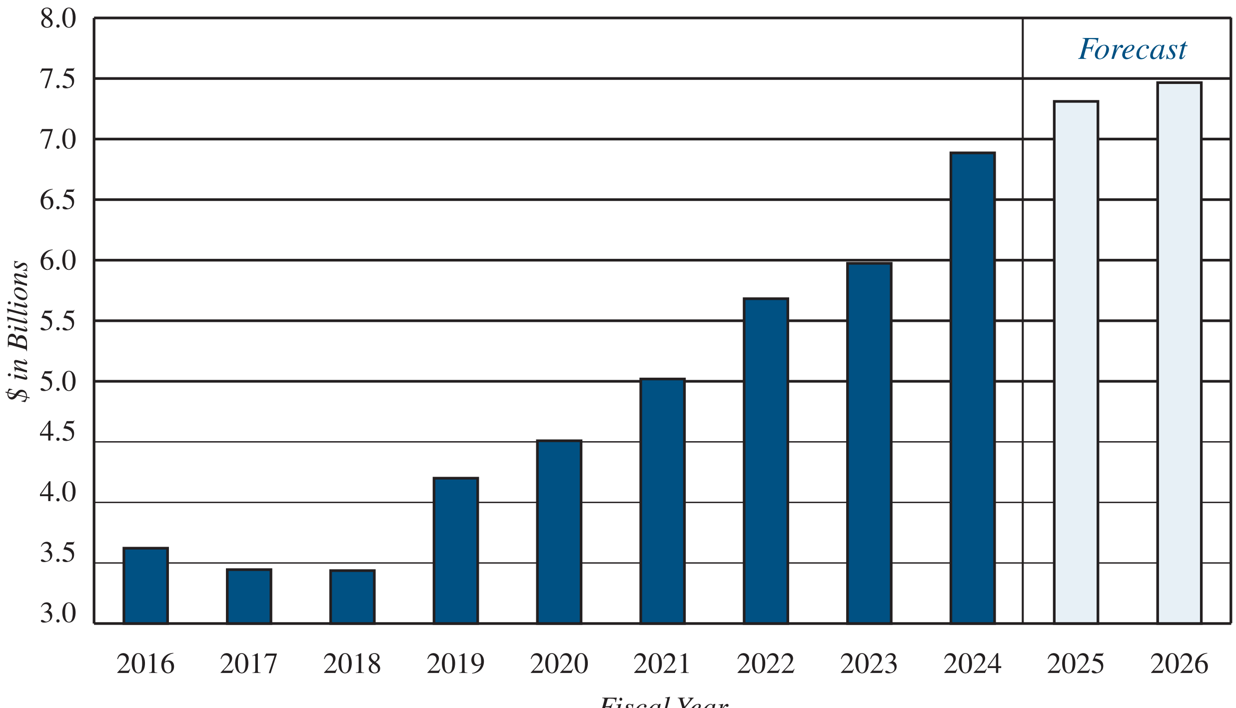
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[f]	2026[f]
Withholding	$7,753	$8,169	$9,360	$9,641	$9,972	$9,834	$10,925	$11,464	$12,090	$13,325	$13,397
Estimated Payments[1]	3,021	2,633	3,717	3,129	3,059	4,208	4,692	2,219	2,106	2,530	2,750
Final Returns	439	408	410	541	556	750	839	666	550	711	775
Other[2]	896	1,038	1,146	1,332	1,236	1,523	1,528	2,401	1,307	1,504	1,626
Gross Collections	$12,109	$12,248	$14,633	$14,643	$14,823	$16,315	$17,983	$16,750	$16,053	$18,070	$18,548
Refunds	(1,376)	(1,183)	(1,253)	(1,299)	(1,272)	(1,214)	(1,285)	(1,955)	(2,039)	(2,148)	(2,120)
Net Collections	$10,733	$11,064	$13,380	$13,344	$13,551	$15,101	$16,698	$14,796	$14,014	$15,922	$16,428
PTET								2,387	1,657	2,307	1,256
Total	$10,733	$11,064	$13,380	$13,344	$13,551	$15,101	$16,698	$17,183	$15,671	$18,229	$17,684

1 Includes extension payments.
2 Offsets, charges, assessments less City audits.
f = Forecast.

Totals may not add due to rounding.

BUSINESS CORPORATION TAX

BUSINESS CORPORATION TAX 2016 - 2026



Source: NYC OMB

The business corporation tax is forecast to account for 9.2 percent of the total tax revenue in 2026, or $7.466 billion.

2025 Forecast:

Business corporation tax revenues are forecast to grow 6.2 percent to $7.311 billion in 2025, an increase of $72 million over the January 2025 Financial Plan.

Following 15.3 percent growth in 2024, the current year forecast anticipates a deceleration mainly driven by cooling collections in the finance industry. Overall collections in level terms are still the highest on record. Year-to-date through March, net business corporation tax collections are up 7.6 percent over the prior year. In 2025, the forecast projects a 9.0 percent upswing in finance and a 5.5 percent growth in non-finance. Year-to-date through February, collections from the finance industry saw 7.5 percent growth while non-finance sectors were muted, up 2.7 percent.

Collections from the finance sector decelerated in 2025 following double-digit growth in the prior year. NYSE profits soared 90 percent in calendar year 2024, propelling 2024 collections to new heights. In contrast, collections in 2025 have been more subdued with deadline payments easing up. NYSE profits are projected to substantially contract in calendar years 2025 and 2026 returning to more typical levels, thereby suppressing collections from the finance sector.

Similarly, over the past two years, the non-finance industries have been slowing. Since peaking in calendar year 2022, inflation has moderated over the past two years, eroding profit margins in sectors like trade and services. Moreover, since the pandemic, collections from the real estate industry have slumped. Year-to-date through February, collections from services, the most concentrated industry in non-finance, grew 7.3 percent in 2025 signaling a deceleration after rebounding in 2024. Trade and the other sectors created a drag, declining 5.5 and 23.4 percent, respectively.

2026 Forecast:

Corporate tax collections are forecast to grow 2.1 percent in 2026 totaling $7.466 billion, $199 million above the January 2025 Financial Plan.

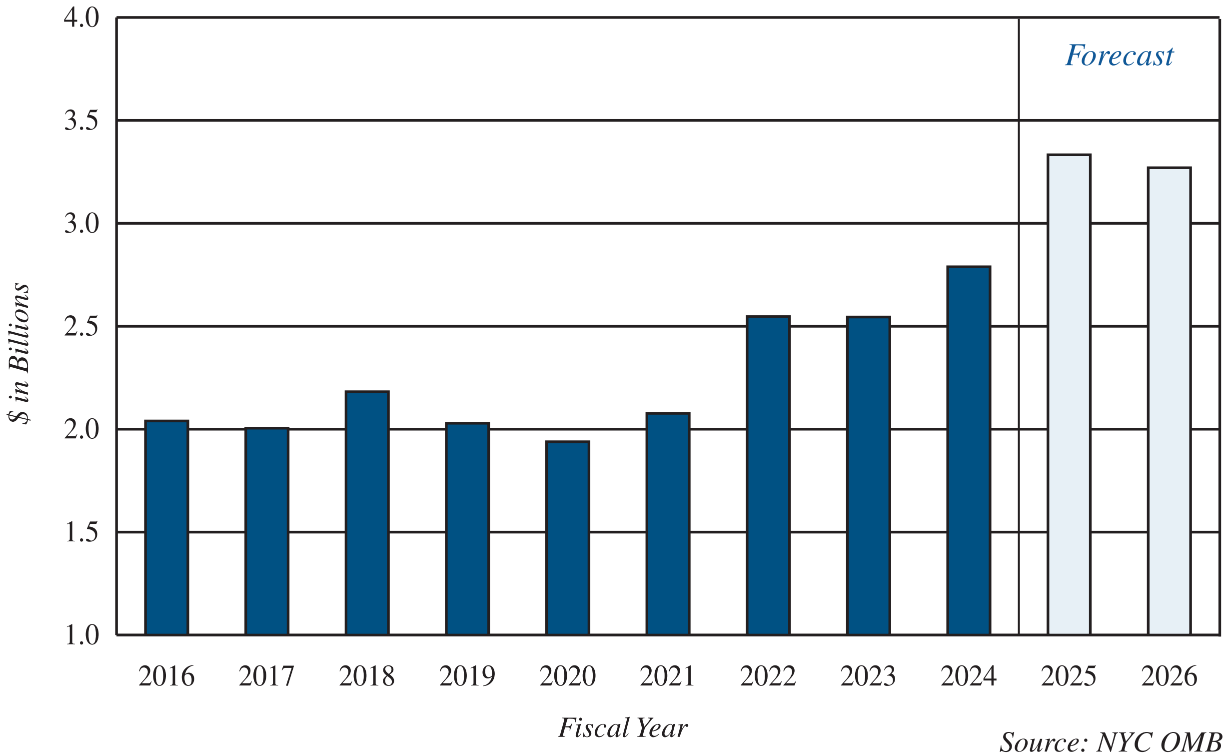
In 2026, collections from the finance industry are forecast to decline 1.1 percent while non-finance sectors continue on a growth trajectory. Collections from the finance industry are projected to sustain three consecutive years of decline starting in 2026, as Wall Street profits return to more typical levels.

Collections from non-finance industries are forecast to decelerate from pandemic highs in 2026 and 2027, growing 6.7 and 1.3 percent, respectively. Pre-tax corporate profits are forecast to decline 1.2 percent in calendar year 2025 and remain subdued in the out-years. This baseline forecast carries negative risks as recent federal policies have created uncertainties that may hamper businesses' decision making.

Corporate tax collections are forecast to decline 7.0 percent in 2027, and then grow slightly in 2028 and 2029, increasing 1.5 percent on average in the out-years.

UNINCORPORATED BUSINESS TAX

UNINCORPORATED BUSINESS TAX 2016 - 2026



Source: NYC OMB

Unincorporated Business Tax (UBT) is projected to account for 4.0 percent of the total tax revenue in 2026, or $3.270 billion.

2025 Forecast:

UBT revenues are expected to reach $3.333 billion, an increase of 19.5 percent over the prior year, or $309 million above the January 2025 Financial Plan.

UBT year-to-date net collections through March delivered 23.7 percent growth over the same period last year. This growth is attributable to exceptional performance in both finance and non-finance sectors. Within the non-finance sector, the services subsector, particularly legal services, contributed the most.

The remainder of the year is projected to grow 11.4 percent, supported by the expectation of strong final payments for the 2024 tax year. Additionally, declaration payments for 2025 tax obligations will remain solid, as firms typically maintain higher tax payments based on prior years' records to avoid underpayment penalty under the safe-harbor rule.[1]

2026 Forecast:

UBT revenue is projected to reach $3.270 billion, down 1.9 percent and $130 million above the January 2025 Financial Plan.

The robust growth experienced by the finance sector over the preceding two years is anticipated to subside in 2026. The finance sector is projected to undergo a double-digit contraction in 2026. This decline is driven by a moderate drop in asset values, negatively impacting the performance of finance firms and hedge funds.

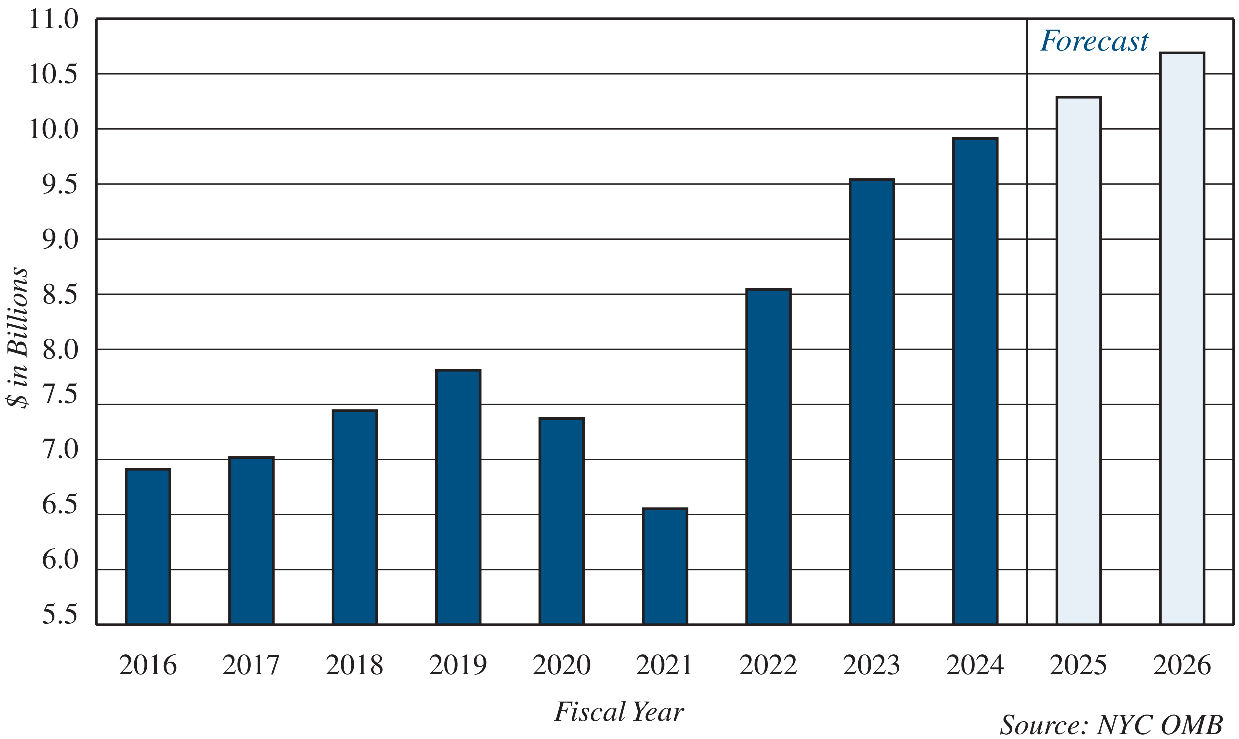
1 The safe harbor rules for NYC UBT state that in order to avoid an underpayment penalty a taxpayer must, before the filing deadline, pay either 90 percent of the tax they owe for the current year or 110 percent of the tax shown on the return of the previous year (100 percent if AGI on previous year's return is below $150,000).

Non-finance sectors, in contrast, are projected to grow by 5.2 percent in 2026, a marked deceleration following double-digit gains in 2025. From 2027 to 2029, non-finance sectors are forecast to average a 3.1 percent growth rate.

From 2027 through 2029, UBT revenue is forecast to have an annualized average growth of 1.9 percent, noticeably weaker than the long-term annual average growth of 3.4 percent.

SALES AND USE TAX

SALES TAX 2016 - 2026



Source: NYC OMB

The sales and use tax is projected to account for 13.2 percent of the total tax revenue in 2026, or $10.690 billion.

2025 Forecast: Sales tax revenue is forecast at $10.288 billion, a 3.8 percent increase over the prior year. Year-to-date through March, sales tax collections increased 3.3 percent over the same period in the previous year, representing below average growth. National economic data tell a similar story of slowing consumption in recent months. Consumer confidence and consumer sentiment have both been on the decline, with consumer expectations at its lowest point since 2013. U.S. retail sales have been tepid.

New York City taxable sales also point to deceleration with growth of just 2.2 percent in the first half of the fiscal year. With consumer prices rising approximately 4.0 percent over the same period, it appears that much of the nominal growth is attributable to price increases rather than increased activity, particularly in sectors such as accommodation and food services. Retail sales, the biggest sector, has declined due in large part to reduced spending on automobiles.

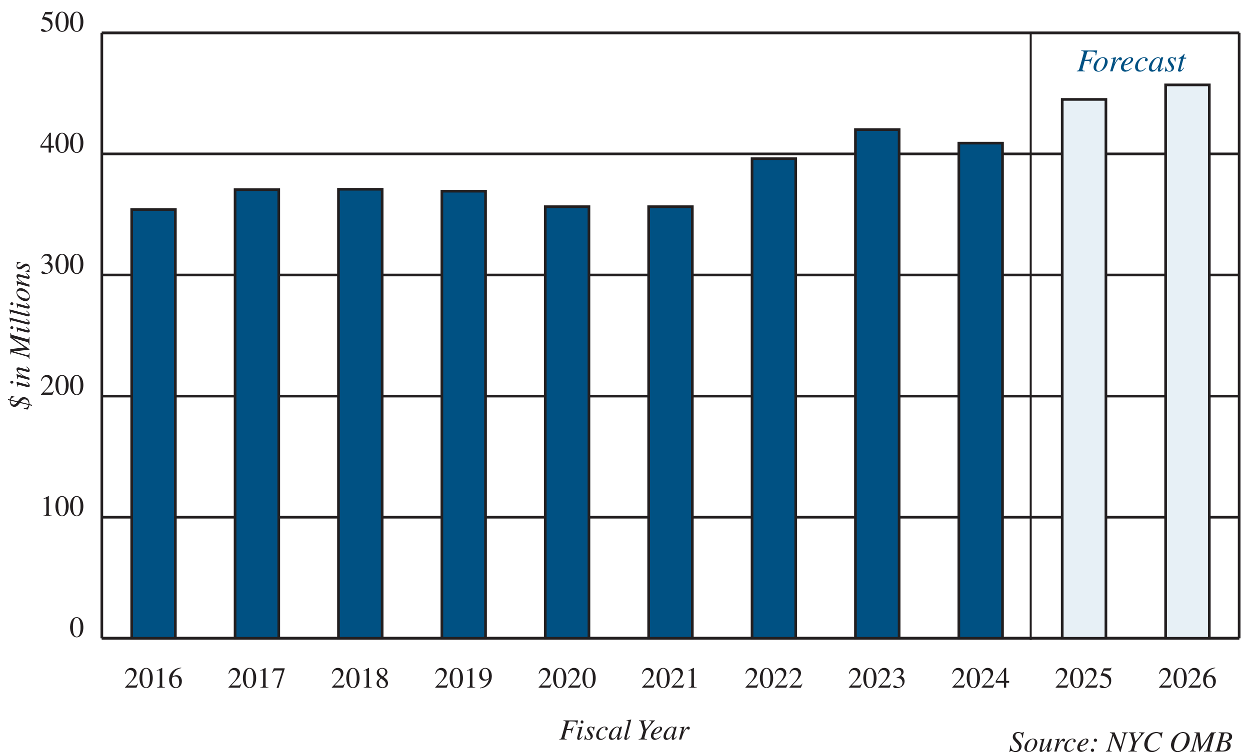
The second half of 2025 projects a slight uptick in collections, partially attributable to consumers stockpiling goods in anticipation of potential tariff increases.

2026 Forecast: Sales tax revenue is forecast at $10.690 billion, reflecting a 3.9 percent increase over the current year—a downward revision from the prior forecast. Downward revisions to the wage earnings forecast for 2026 are the largest factor in the plan-over-plan change. Additionally, a slowdown in tourism, as described in the hotel tax section, contributed to the decrease.

Sales tax revenue growth is now forecast to average 3.7 percent annually from 2027 through 2029 reflecting a slowing labor market, moderate wage gains, and uncertainty on tourism and consumer activity.

UTILITY TAX

UTILITY TAX 2016 - 2026



The utility tax is projected to account for 0.6 percent of the total tax revenue in 2026, or $457 million.

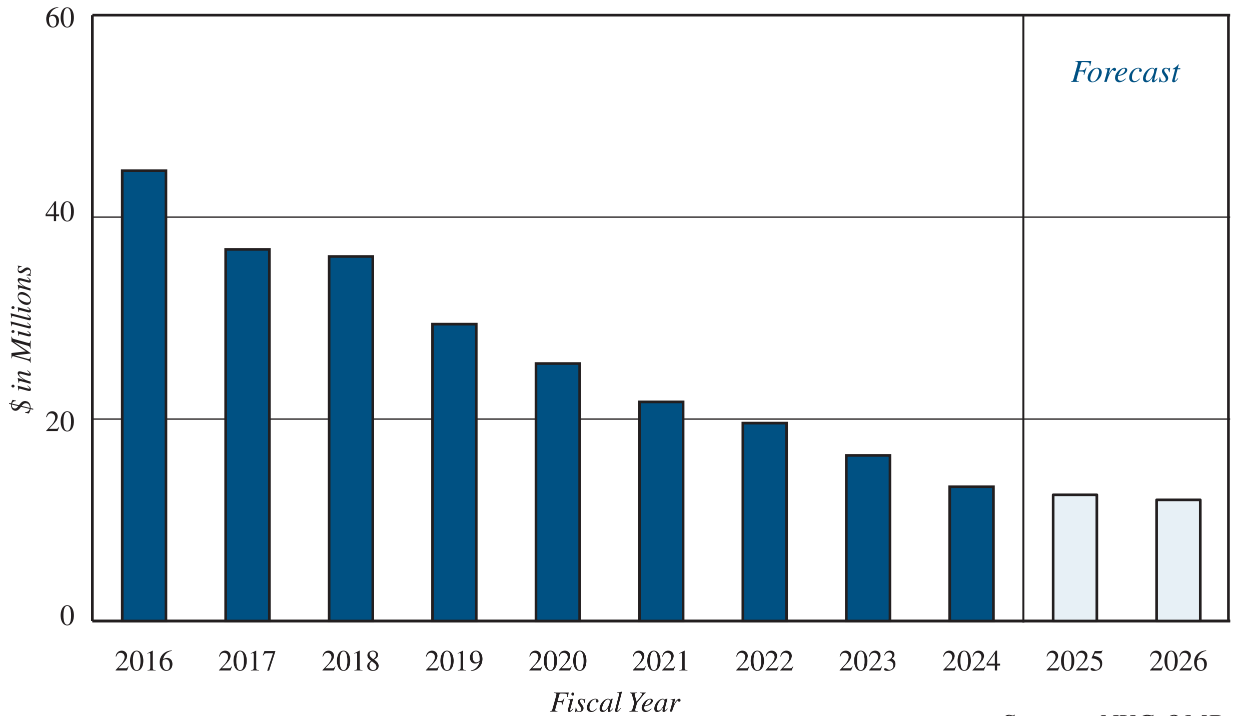
2025 Forecast: Utility tax revenue is forecast at $445 million in 2025, an 8.8 percent increase over the prior year, and down $4 million from the January 2025 Financial Plan. Year-to-date collections through March have grown 14.2 percent over the prior year due to a relatively cold winter and double-digit growth in local natural gas and electricity prices. Collections through the remainder of the fiscal year are forecast to decrease modestly from the same previous-year period.

2026 Forecast: Utility tax revenue is forecast at $457 million, growth of 2.7 percent over 2025, and down $12 million from the January 2025 Financial Plan. Growth from 2025 is driven primarily by a steep increase in the price of natural gas.

Utility tax is forecast to increase by an average of 5.5 percent per year from 2027 to 2029, this period encompasses serious volatility in the price of natural gas through 2028.

CIGARETTE TAX

CIGARETTE TAX 2016 - 2026



Source: NYC OMB

The cigarette tax is forecast to account for 0.01 percent of total tax revenue in 2026, or $12 million.

2025 Forecast: Once a reliable source of revenue, the City's cigarette tax now functions more as a public health barometer than a fiscal tool. The 2025 revenue is projected at $13 million, down 5.7 percent from the prior year.

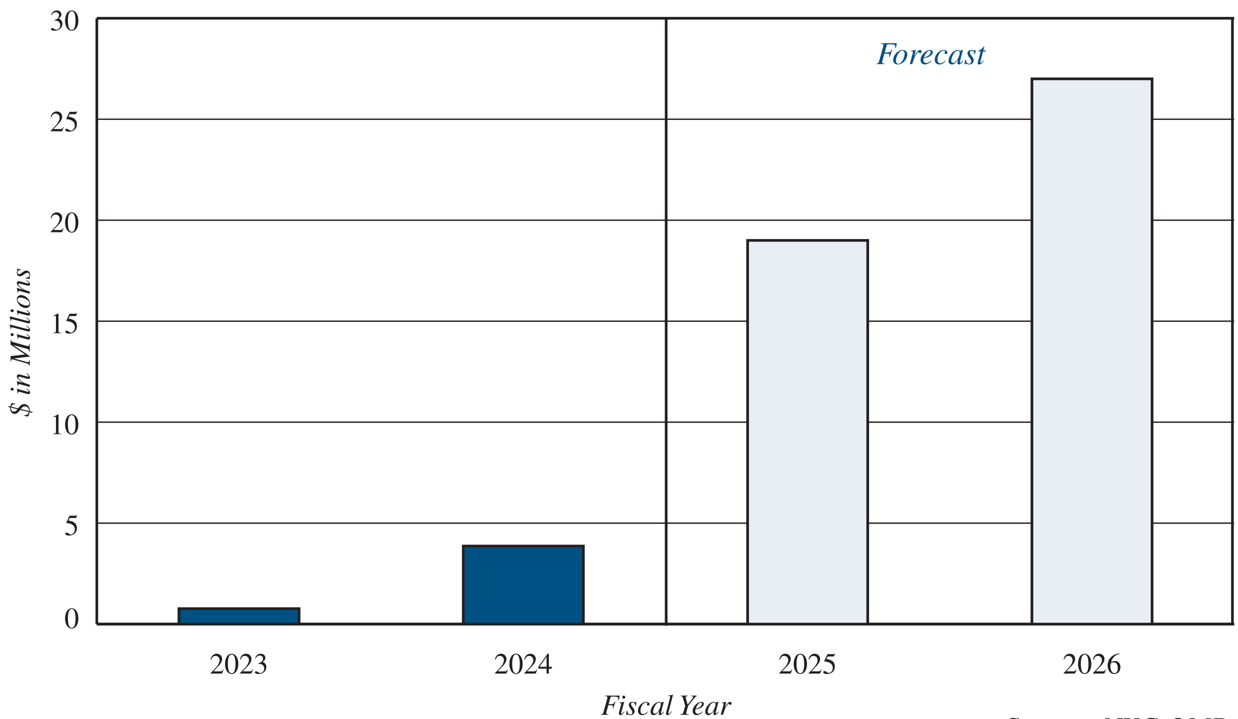
The decline reflects long-standing policy choices. In 2002, New York City increased its local cigarette tax to $1.50 per pack, signaling a shift toward using tax policy as part of a broader strategy to reduce smoking. Since then, continued rate hikes at the State level—most recently to $5.35 per pack in 2024—have brought the combined state-local tax to $6.85 per pack, placing New York City among the most expensive places in the nation to smoke.

The resulting drop in consumption marks a policy success, yet it also signals a narrowing tax base. At current price levels, many remaining smokers either absorb the cost or turn to untaxed sources or cheaper alternatives.

2026 Forecast: The trend is expected to continue, with revenue projected to fall another 4.0 percent in 2026, to $12 million.

ADULT USE CANNABIS TAX

ADULT-USE CANNABIS TAX 2023 - 2026



Source: NYC OMB

The cannabis tax is forecast to account for 0.03 percent of total tax revenue in 2026, or $27 million.

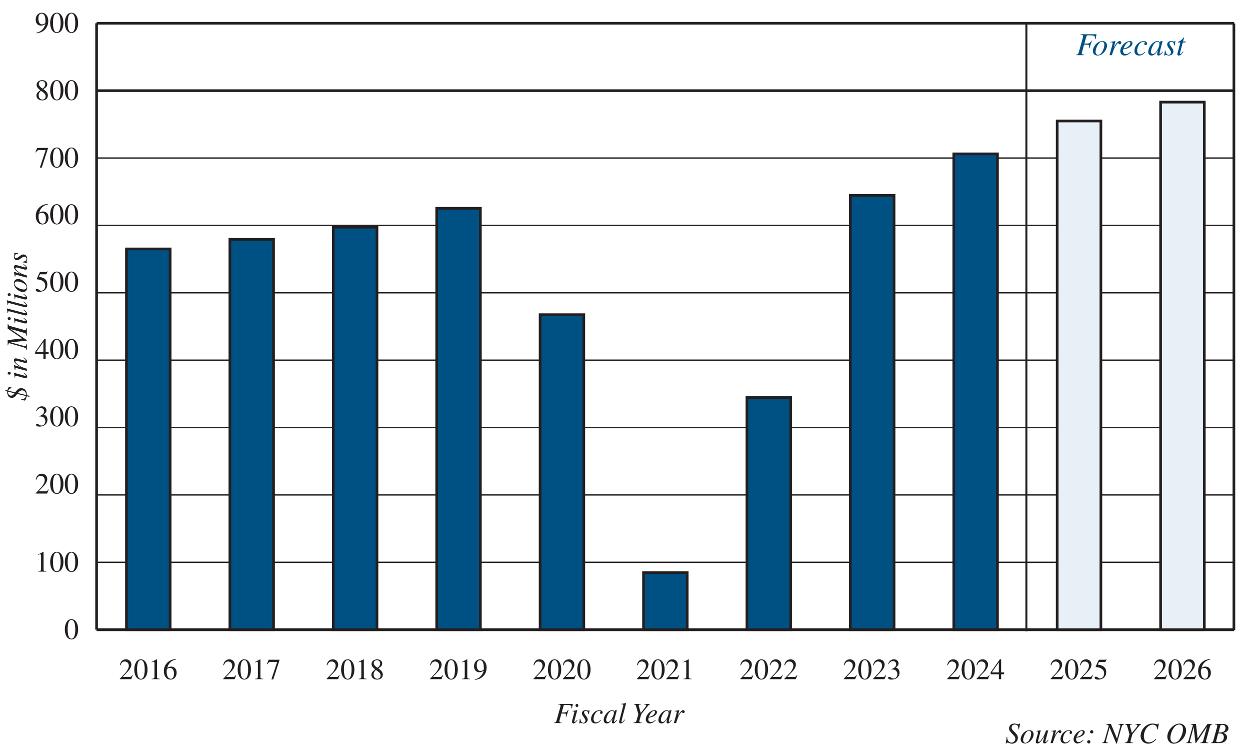
2025 Forecast: Cannabis tax revenue is forecast at $19 million in 2025. Through March, year-to-date collections are $8.2 million. Collections have grown rapidly alongside an increase in dispensaries. As of March, the number of open, licensed dispensaries in the City has more than doubled since the start of 2025 from 59 to 124. Similarly, quarterly tax collections more than tripled from $1.4 million for the first quarter to $4.5 million for the third quarter. In addition to the proliferation of licensed stores throughout the City, growth can be attributed to the efforts made by State and city law enforcement to curb illicit sales of cannabis. Since going into effect in May of last year, Operation Padlock to Protect has resulted in the sealing of over 1,370 illegal shops.

2026 Forecast: Cannabis tax revenue is forecast at $27 million in 2026, a growth of 42.1 percent over the current year, as dispensaries continue to open at the faster pace experienced through the current year, bolstering strong quarterly growth.

Cannabis tax is forecast to increase by an average of 11.1 percent per year from 2027 to 2029, reaching $37 million per year as the market matures.

HOTEL TAX

HOTEL TAX 2016 - 2026



The hotel room occupancy tax is projected to account for 1.0 percent of the total tax revenue in 2026, or $783 million.

2025 Forecast: Hotel tax revenue is forecast at $755 million, a 6.9 percent increase over the prior year, down $6 million from the January 2025 Financial Plan. Collections year-to-date through March (reflecting June through February activity) increased 11.7 percent over the prior year, driven by an approximate six percent increase in room rates and two percent increase in occupancy. Collections through the remainder of the year are forecast to decrease 6.3 percent from the same prior year period, as tourism is expected to drop in response to economic uncertainty and tariffs.

Domestic business and leisure travel have already receded from early 2024 levels amid recession fears. In addition, reciprocal tariffs and travel boycotts, especially from Canada, one of the largest sources of international visitors to the City in 2024, have reversed consistent growth in room rate and occupancy by decreasing international demand. The threat of tariffs and increased border security may have lasting effects even if official policy changes, lowering hotel tax growth.

2026 Forecast: Hotel tax revenue is forecast at $783 million, a 3.7 percent increase over the current year and $7 million below the prior plan. The growth over 2025 is driven by an increase in room rates, with room demand growing but at a much slower pace as potential domestic and international visitors prepare to pull back their travel spending.

The hotel occupancy tax is forecasted to modestly improve in the out-years, averaging 3.4 percent revenue growth from 2027 through 2029.

OTHER TAXES

All other taxes are projected to account for 1.5 percent of the total tax revenue in 2026, or $1.254 billion.

2025–2026 Other Taxes Forecast
Excluding Tax Audit Revenue
($000s)

Tax	2025	2026	Increase/(Decrease) From 2025 to 2026 Amount	Percent Change
Auto Related Taxes				
Auto Use	$30,000	$30,000	—	0.0%
Commercial Motor Vehicle	67,071	67,071	—	0.0%
Taxi Medallion Transfer	800	800	—	0.0%
Excise Taxes				
Beer and Liquor	25,000	25,000	—	0.0%
Liquor License Surcharge	6,000	6,000	—	0.0%
Horse Race Admissions	50	50	—	0.0%
Medical Marijuana Excise Tax	600	600	—	0.0%
Off-Track Betting Surtax	760	760	—	0.0%
Miscellaneous				
Other Refunds	(52,000)	(52,000)	—	0.0%
Payment in Lieu of Taxes (PILOTs)	855,000	826,000	(29,000)	(3.4%)
Section 1127 (Waiver)	240,000	240,000	—	0.0%
Penalty and Interest Real Estate (Current Year)	38,000	38,000	—	0.0%
Penalty and Interest Real Estate (Prior Year)	80,000	80,000	—	0.0%
Penalty and Interest - Other Refunds	(8,000)	(8,000)	—	0.0%
Total	**$1,283,281**	**$1,254,281**	**(29,000)**	**(2.3%)**

AUTO RELATED TAXES

Auto Use Tax: This tax is imposed by the City on privately-owned vehicles at an annual rate of $15 per vehicle. The tax is administered by the State Department of Motor Vehicles, with an administrative charge levied on the City for this service. The Auto Use tax is expected to generate $30 million in 2025 and 2026.

Commercial Motor Vehicle Tax: This tax is levied on vehicles used for the transportation of passengers (medallion taxi cabs, omnibuses, and other for-hire passenger vehicles) and all other commercial trucks and vehicles. The tax is administered by the State Department of Motor Vehicles and is charged at different rates depending on the purpose for which the vehicles are used. The annual rate for commercial vehicles weighing less than 10,000 pounds is $40, with rates increasing progressively for heavier vehicles. Trucks weighing 15,000 pounds pay the highest rate of $300 per year. Medallion taxicabs and owners of other types of commercial vehicles pay annually in June at a rate of $400. This tax is forecast to generate $67.1 million in 2025 and 2026.

Taxi Medallion Transfer Tax: This tax is imposed at a rate of 0.5 percent of the price paid for the transfer of taxicab licenses (medallions). The rate was reduced from 5.0 percent to 0.5 percent in 2017. The tax is administered by the NYC Taxi and Limousine Commission. This tax is forecast to generate $800,000 in 2025 and 2026.

EXCISE TAXES

Beer and Liquor Excise Tax: This tax is imposed on beer and liquor sales by licensed distributors and non-commercial importers within New York City. The current tax rate is 12 cents per gallon of beer and 26.4 cents per liter of liquor with alcohol content greater than 24 percent. The City does not impose a tax on wine. This tax is administered by New York State and is forecast to generate $25 million in 2025 and 2026.

Horse Race Admission Tax: This is a 3.0 percent tax imposed on the price of all paid admissions to horse races on grounds or enclosures located wholly or partially within New York City. This tax is forecast to generate $50,000 in 2025 and 2026.

Liquor License Surcharge: This surcharge is imposed on distributors and non-commercial importers of beer and liquor at the rate of 25 percent of license fees payable under the New York State Alcoholic Beverage Control Law. In 2025 and 2026, this tax is forecast to generate $6 million.

Medical Marijuana Excise Tax: New York City has been receiving payments from the New York State medical marijuana trust fund since July 2016. These payments represent 50 percent of the New York State medical marijuana excise tax revenue collected in New York City. This tax is forecast to generate $600,000 in 2025 and 2026.

Off-Track Betting Surtax: This tax is levied on bets placed at New York City Off-Track Betting offices and on bets placed statewide on races held within New York City. This tax is forecast to generate $760,000 in 2025 and 2026.

MISCELLANEOUS

Other Refunds: These are refunds primarily paid out on the commercial rent tax, business taxes, and Section 1127 (waiver) and are forecast at $52 million in 2025 and 2026.

Payments in Lieu of Taxes (PILOTs): PILOTs are contractual agreements between public agencies and private property owners. There are five primary sponsor agencies that serve as intermediaries between the City and the PILOT facility owners: (1) New York City Economic Development Corporation; (2) Industrial Development Agency; (3) Battery Park City Authority; (4) Hudson Yards Infrastructure Corporation (HYIC) and (5) Port Authority of New York and New Jersey. PILOT revenue is forecast to generate $855 million in 2025 and $826 million in 2026.

Section 1127 (Waiver): Under Section 1127 of the New York City Charter, the City may collect payments from non-resident employees of the City or any of its agencies in an amount equal to what their personal income tax liability would be if they were City residents. Revenue for this tax is forecast to generate $240 million in 2025 and 2026.

Prior Year and Current Year Penalty and Interest - Real Estate: Taxpayers who do not pay their real property tax on time are liable for interest charges on outstanding balances. Penalties and interest received against current year delinquencies are forecast at $38 million in 2025 and 2026, while interest collections from prior year delinquencies are expected to be $80 million in 2025 and 2026.

Penalty and Interest – Other Refunds: The City currently pays out interest on refunds claimed for overpayment against business income taxes and on audits of business corporation and unincorporated business taxes already collected by the Department of Finance or overturned in Federal or State rulings. These refunds are forecast at $8 million in both 2025 and 2026.

TAX ENFORCEMENT REVENUE

As part of the City's continuous tax enforcement efforts, the Department of Finance targets delinquent taxpayers through agency audit activities, the select use of collection agencies, and computer matches. Audit revenue is forecast at $825 million in 2025, an increase of $52 million over the January 2025 Financial Plan. Audit revenue is forecast at $809 million in 2026.

MISCELLANEOUS RECEIPTS

Forecast of Miscellaneous Receipts

The non-tax revenue portion of City Funds is referred to as miscellaneous revenues. The 2026 Executive Budget includes eleven classes of miscellaneous revenues which are discussed below.

Miscellaneous revenues are estimated at $6,226 million in 2026, a decrease of $347 million from 2025, exclusive of private grants and intra-city revenues. The revenue classes listed above are regrouped and described in the following four areas: Cost-based Charges (Licenses, Permits, and Charges for Services); Water and Sewer Revenues; Fines and Forfeitures; and Other Income (Interest Income, Franchises, Rental Income, and Miscellaneous).

Miscellaneous Revenues
($ in Millions)

	2025 Forecast	2026 Executive Budget	Forecast to Executive Budget Increase (Decrease)
Licenses	$73	$68	(5)
Permits	311	310	(1)
Franchises and Privileges	340	350	10
Interest Income	566	350	(216)
Tuition and Charges for Services	1,033	1,038	5
Water and Sewer Revenues	2,214	2,322	108
Rental Income	278	260	(18)
Fines and Forfeitures	1,391	1,236	(155)
Miscellaneous	367	292	(75)
Total Miscellaneous Revenues	$6,573	$6,226	(347)

Cost-based Charges

Cost-based Charges are revenues collected as a result of the City providing a service (copies of official records, or inspections and reviews) and may be related to the government's policy or regulatory functions (pistol permits, restaurant permits, building plan examination fees). In the absence of State legislative authorization for the City to impose a specific fee, the City may, where otherwise allowed by law, impose a user fee to recover the cost of providing services.

Licenses

The City issues approximately 567,000 licenses. About 56,000 are non-recurring, 109,000 are renewed annually, 172,000 biennially, and 230,000 triennially. The major sources of license revenue are taxi and limousine licenses, pistol licenses, private carter licenses, marriage licenses, and various business licenses under the jurisdiction of the Department of Consumer and Worker Protection.

The 2026 forecast for license revenue is $68 million, $5 million less than 2025. This decrease is attributable to large non-recurring street events in 2025 and the cyclical nature of renewals of certain licenses.

Permits

Permits are issued to 1,242,000 individuals or entities for the use of facilities, premises or equipment. Approximately 246,000 permits are renewable on an annual, biennial or triennial basis. Seasonal or single occurrence permits, such as tennis and building permits, account for 996,000 additional permits, all of which are issued and regulated by twelve City agencies.

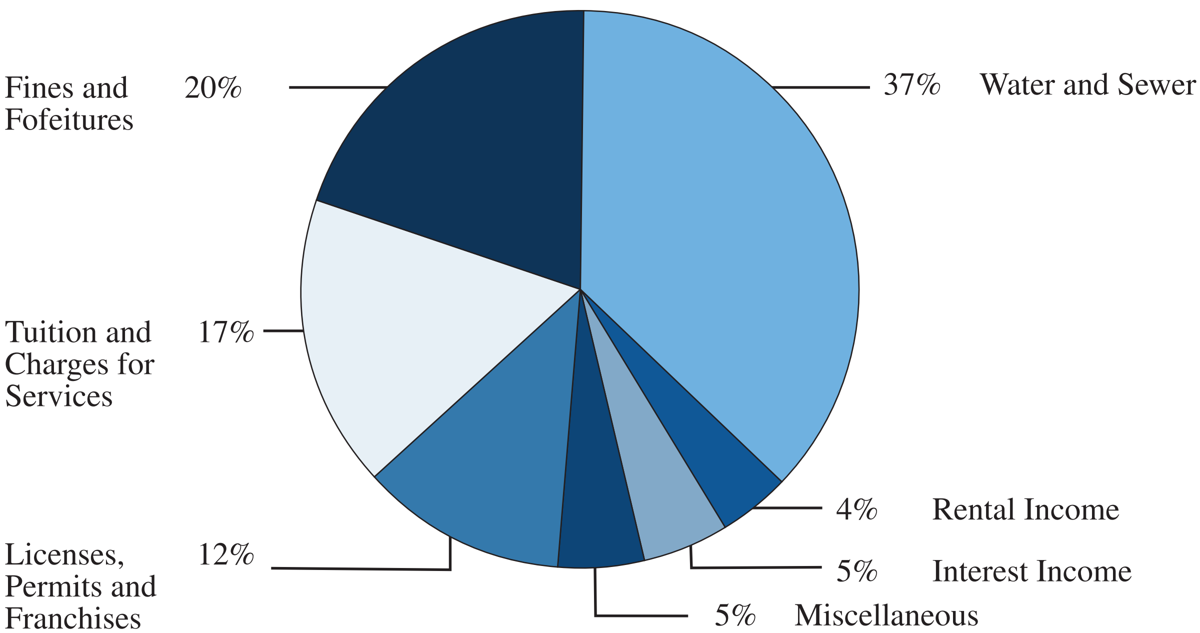
The major sources of revenue are permits for building construction and alterations, street openings, restaurants, hazardous materials, and air pollution control. The 2026 forecast for permit revenue is $310 million, $1 million less than 2025. The decrease is due to one-time receipts from permits issued for several large projects by the Landmark Preservation Commission.

Tuition and Charges for Services

The City collects tuition from students enrolled at community colleges. In addition, the City collects money from charges to the public and other governmental agencies for services rendered. There are over 100 different service fees in this category, including fees for parking, towing, copies of certificates, processing applications, searches, and performing fire and building inspections. The 2026 forecast for tuition and charges for services is $1,038 million, $5 million more than 2025. Tuition revenue was adjusted downward to reflect reduced student enrollment and a surge in Affordable NY Housing Program filings in 2025.

COMPONENTS OF MISCELLANEOUS REVENUES

As a Percentage of 2026



Source: NYC OMB

Water and Sewer Revenues

Water and Sewer charges are collected by the New York City Water Board. From these charges the Board reimburses the City for the operation and maintenance (O&M) of the water delivery and wastewater disposal systems. The O&M reimbursement is equal to the amount spent by the City to supply water and treat and dispose of wastewater on behalf of the Board. The City is reimbursed only for its expenditures. The rental payment from the Water Board is intended to pay for the use of the City's water supply, distribution, collection and treatment plant, and is capped at the greater of debt service payments for outstanding water and sewer-related general obligation debt or 15 percent of Water Authority debt service. The City will receive $2,019 million for O&M services rendered in the delivery of water and the collection, treatment, and disposal of wastewater and $303 million for the rental of the water supply and sewer system plant, in accordance with the lease agreement between the Water Board and the City.

Fines and Forfeitures

The City collects fine revenue through courts and administrative tribunals for violations issued under the New York City Administrative Code, New York State Vehicle and Traffic Law, and other laws. Forfeiture revenue is obtained from the surrender and conversion of bail and cash bonds, and contractors' performance bonds. The 2026 forecast for forfeitures is $1.2 million. The revenue expected from fines in 2025 and 2026 is listed below:

Fine Revenue

Type ($ in 000's)	2025 Forecast	2026 Executive Budget
Parking Violations	$620,400	$602,719
Speed Camera Violations	271,500	237,132
Environmental Control Board Violations	141,815	121,582
Department of Buildings Penalties	114,500	79,500
Bus Lane Violations	51,400	37,650
Red Light Camera Violations	38,000	22,350
Department of Health Violations	25,866	22,000
Taxi and Limousine Commission Violations	10,100	14,800
Department of Finance Late Penalties	29,500	13,500
Department of Consumer and Worker Protection	10,550	10,550
State Court Fines	3,200	4,000
Other Sources	73,015	69,419
Total	$1,389,846	$1,235,202

The Parking Violation division of the Department of Finance is forecasted to collect $901.2 million in parking, red light, bus lane, weigh in motion, and speed camera fines in 2026, $81.4 million less than in 2025.

The Parking Violation division processes and adjudicates enforcement camera violations. The red light camera program is designed to promote safe, responsible driving by photographing and fining registrants of vehicles "running" red lights. The Department of Transportation currently has 211 red light cameras operating at 150 intersections. Red light camera violations will generate $22.4 million in 2026. In addition, the Department operates a fixed bus lane camera enforcement program along 38 MTA regular and Select Bus Service routes. The Department also partners with New York City Transit to operate bus-mounted cameras on 34 Select Bus Service routes. The revenue from these mobile cameras is remitted to New York City Transit. The Department will generate approximately $37.7 million from fixed bus lane cameras in 2026. Legislation passed in 2019 authorizes the Department to use speed camera enforcement in 750 school zones. Currently, 2,175 fixed and 40 mobile cameras are operational within the authorized zones. Speed cameras must be placed within a quarter mile radius of a school and can operate 24 hours a day, 7 days a week, year-round. Collections are expected to be $237.1 million in 2026. Legislation passed in 2021 authorizes the Department to launch a pilot program using weigh in motion technology to capture overweight trucks on the Brooklyn Queens Expressway. The violations are expected to generate $1.3 million in 2026.

The Office of Administrative Trials and Hearings is comprised of several administrative tribunals: Health, the Taxi and Limousine Commission, and the Environmental Control Board. The Environmental Control Board adjudicates violations issued by over a dozen City agencies for infractions of the City's Administrative Code related to street cleanliness, waste disposal, street peddling, fire prevention, air, water and noise pollution, building safety and construction, and other quality of life issues. Revenue from these violations is expected to generate $146.8 million in 2026.

The Department of Consumer and Worker Protection enforces the City's consumer protection, licensing, tobacco, municipal workplace, and Truth-in-Pricing laws. In 2026, the Department will generate $10.6 million in fine revenue. The Department of Consumer and Worker Protection will continue its enforcement strategy which includes an expanded emphasis on education and outreach.

The Department of Finance assesses penalties for failure to timely file Real Property Income and Expense statements and Real Property Transfer documents. The Department's enforcement efforts are expected to improve compliance due to increased penalties for non-filers who have not filed for three consecutive years.

Revenue is also collected from certain fines adjudicated through the State-operated Criminal and Supreme Court system. In addition, the City collects fines for administrative code violations and building code violations.

Other Income

Other income includes interest earned on the City's cash balances, concession and franchise payments, rental income, and income from other areas in which productivity may have a positive effect on the amount of revenue collected. Each of the sources included in this area has its own unique basis for management and improvement, some of which are directly affected by the City's policy toward such varied items as housing, economic development, and transportation issues.

Interest Income

The City earns interest income by investing funds from four sources: overnight cash balances, debt service accounts, sales tax, and cash bail balances. Overnight cash balances are invested and historically earn interest at approximately the federal funds rate. Property tax receipts are held by the State Comptroller to satisfy City debt service payments, and earnings are forwarded to the City monthly based on bond payment schedules. The determinants of this revenue source are the value of cash balances, tax receipts, available investment instruments, and the interest rate.

The 2026 forecast for interest earnings is $350 million, a decrease of $216 million from 2025. The decrease is attributable to a lower projected federal funds rate for 2026 and conservative assumptions for anticipated cash available for investment.

Franchises and Privileges

This revenue consists of franchise fees for the public use of City property and privilege and concession fees for the private use of City property. These uses include conduits that run under City streets, concessions in public parks and buildings, and payments from utility companies for transformers on City property.

The 2026 forecast for franchise revenue is $350 million, $10 million more than in 2025. The increase is attributable to changes in Department of Transportation franchise payments and Department of Parks and Recreation concessions fees.

Rental Income

Rental income is derived from both long and short-term agreements for the occupancy of City-owned properties, including condemnation sites and *in rem* buildings. Roughly 2,300 properties are rented from the City. Approximately 500 are *in rem* or condemnation sites, 200 are covered by long term agreements, and nearly 1,600 are schools that are rented on a per event basis after school hours.

The 2026 forecast for rental income is $260 million, $18 million less than in 2025. The decrease is due to an additional lease payment from the Port Authority of New York and New Jersey based on airport earnings for 2024.

Miscellaneous

Miscellaneous revenue is composed of a variety of revenues not otherwise classified in the City's Chart of Accounts. The primary items are the sale of City assets, cash recoveries from litigation and audits, E-911 telephone surcharges, revenue from Police Department Property Clerk auctions, refunds of prior year expenditures, the sale of the City Record and other publications, and subpoena fees. This source of revenue has, at times, contributed significantly to the miscellaneous receipts.

The 2026 forecast for miscellaneous revenue is $292 million, $75 million less than in 2025. The decrease is related to refunds for prior expenditures, accrued income from fiduciary accounts and projected unpledged tobacco settlement revenue in 2026.

Private Grants

The Executive Budget includes $1,125 million in private grants in 2026, $12 million more than 2025. Additional private grant funding will be modified into the budget throughout the year, as additional funding sources are identified, and grants are defined.

Interfund Revenues

Interfund Revenues (IFA) are reimbursements from the Capital Fund to the General Fund for authorized first-line architectural, engineering, and design costs incurred by the City's own engineering and support staff. These costs also include employee expenses incurred in connection with eligible capital projects for the development of computer software, networks and systems. All IFA costs are assigned to particular capital projects and are valid capital charges under generally accepted accounting principles. In 2026, expected reimbursements will be $797 million.

COMMUNITY BOARDS

New York City's 59 community boards provide a formal structure for local citizen involvement in the budget process as well as other areas of City decision making. The Charter mandates that the community boards play an advisory role in three areas: changes in zoning and land use, monitoring the delivery of City services in the community district and participating in the development of the City's capital and expense budgets.

Each community board receives an annual budget to support a district manager, additional staff, and other operating expenses. This excludes the cost of office rent and heat, light and power, which are in a separate unit of appropriation.

Each Borough President appoints board members for staggered two-year terms. City Council members in proportion to each member's share of the district's population select nominees from which half the appointments are made. All fifty members of the community board either live or work in the district.

Each year agencies that deliver local services consult with community boards about budget issues and the needs of the districts, prior to preparing their departmental estimates. Each board then develops and prioritizes a maximum of 40 capital and 25 expense budget requests. For 2026 community boards submitted 1,969 capital requests and 1,840 expense requests to city agencies. Community board expense budget requests concentrate on local services and personnel increases.

District specific budget information is available in the following geographic budget reports, which accompany the release of the 2026 budget.

Register of Community Board Budget Requests for the Executive Budget, Fiscal Year 2026 – lists the funding status for all community board proposals in priority order within community district.

Geographic Report for the Executive Expense Budget for Fiscal Year 2026 – details the expense budgets of fourteen agencies that deliver local services by borough and service district. Includes FY 2026 Executive Budget information as well as FY 2025 current modified budget and budgeted headcount data.

Executive Capital Budget for Fiscal Year 2026 – details the Mayor's Capital Budget by project within agency. Budget data is presented by community district and by agency within borough.

Geographic Fiscal Year 2026 Executive Budget Commitment Plan – presents information on capital appropriations and commitments by community board, including implementation schedules for the current year and four plan years for all active projects by budget line.

CONTRACT BUDGET

The Contract Budget is presented as part of the 2026 Executive Budget submission. The Contract Budget includes all projected expenditures for contracts that are personal service, technical or consulting in nature, as defined in Section 104 of the City Charter. Purchase orders and open market orders, as well as small purchases that do not require registration by the Comptroller's Office, are included in the Contract Budget. Contracts for the purchase of supplies, materials and equipment are not included.

The 2026 Executive Contract Budget contains an estimated 17,542 contracts totaling approximately $23.23 billion. Of that number, over 79 percent of the total contract budget dollars will be entered into by the Department of Social Services, the Administration for Children's Services, the Department of Homeless Services, the Department of Health and Mental Hygiene and the Department of Education. The Administration for Children's Services has $1.77 billion in contracts, approximately 62 percent of which represents contracts allocated for Children's Charitable Institutions ($509 million) and Day Care ($580 million). Of the $11.41 billion in Department of Education contracts, approximately 48 percent of the contracts are allocated for Transportation of Pupils ($2.03 billion) and Charter Schools ($3.39 billion).

Each agency's Contract Budget is delineated by object code within the agency's other than personal service units of appropriation. The Executive Budget Supporting Schedules further break down the Contract Budget by budget code within unit of appropriation. All object codes in the 600 object code series are included in the Contract Budget. In addition, the Executive Budget Supporting Schedules reference the 2025 Modified Budget condition for these contract object codes.

Agencies in preparing their contract budgets were requested to categorize their contracts into 52 specific contract objects. The distribution of these contracts is summarized as follows

	Est # of Contracts	Dollars (Millions)	% Total Dollars
Social Service Related and Health Services............ · Home Care, Child Welfare, Employment Services, Public Assistance, Day Care, Family Services, Homeless Programs, AIDS, Senior Citizen Programs, Health, Mental Hygiene & Prison Health, etc.	4,307	$7,888	34.0%
Youth and Student Related Services........................ · (including Transportation of Pupils and Payments to Contract Schools)	3,115	8,367	36.0%
Other Services.. · Custodial, Security Services, Secretarial, Cultural Related, Employee Related, Economic Development, Transportation, Municipal Waste Exporting, etc.	3,247	2,138	9.2%
Professional Services/Consultant............................. · Accounting, Auditing, Actuarial, Education, Investment Analysis, Legal Engineering & Architectural, System Development & Management Analysis, etc.	3,531	2,715	11.7%
Maintenance & Operation of Infrastructure .... · Lighting, Street Repair, Buildings, Parks, Water Supply, Sewage and Waste Disposal, etc.	1,657	1,606	6.9%
Maintenance of Equipment...................................... · Data Processing, Office Equipment, Telecommunications & Motorized Equipment, etc.	1,685	514	2.2%
TOTAL	**17,542**	**$23,228**	**100.0%**

CITYWIDE SUSTAINABILITY AND RESILIENCY

In the last 15 years, New York City has experienced the most damaging storm in its history, periods of lethal high temperatures, severe flooding from rainfall, and harmful air quality caused by smoke plumes from Canadian wildfires. The world's scientists are clear: if deliberate and urgent actions are not taken worldwide, similar events will only become more intense, frequent, and impactful.

Climate solutions can be complex and costly, requiring transformative changes to the ways infrastructure is built, buildings and vehicles are powered, and businesses and governments operate and provide services. To enable strategic and informed decisions on climate investments and alignment of city resources with climate goals, New York City's Office of Management and Budget (OMB) is integrating climate action into the city's budgetary process through Climate Budgeting. Climate Budgeting is an ongoing process to assess progress towards sustainability and resiliency goals, work with partner agencies to address identified gaps, evaluate and prioritize proposed actions and investments for impact and cost, implement new actions, report on progress, and continue to reassess needs – all in a cycle aligned with the city's budget process.

OMB has released the Fiscal Year 2026 Executive Budget Climate Budgeting Publication to complement the Message of the Mayor and other budget publications. For details on the City's spending on climate initiatives, please refer to the Climate Budgeting Publication.

FINANCING PROGRAM

The City financing program projects $84.8 billion of long-term borrowing for the period from 2025 through 2029 to support the current City capital program. The portion of the capital program not financed by the New York City Municipal Water Finance Authority (NYW or the Authority) will be split between General Obligation (GO) bonds of the City and Future Tax Secured (FTS) bonds of the New York City Transitional Finance Authority (TFA).

The City and TFA expect to issue $36.7 billion and $35.7 billion, respectively, during the plan period. The City issuance supports 43 percent of the total, and TFA FTS issuance supports another 42 percent of the total. NYW expects to issue approximately $12.5 billion which represents 15 percent of the total.

Financing Program
($ in Millions)

	2025	2026	2027	2028	2029	Total
NYC GO Bonds	$7,650	$7,200	$7,000	$7,316	$7,500	$36,666
TFA FTS Bonds	7,850	6,000	7,000	7,316	7,500	35,666
NYW Bonds[1]	2,229	2,000	2,577	2,692	2,967	12,465
Total	**$17,729**	**$15,200**	**$16,577**	**$17,324**	**$17,967**	**$84,797**

1 Includes commercial paper and revenue bonds issued for the water and sewer system's capital program. Figures do not include bonds that defease commercial paper or refunding bonds. Does not include bonds to fund reserves or cost of issuance.

Overview of the Financing Program

The tables titled "Debt Outstanding," "Annual Debt Service Costs," and "Debt Burden" show statistical information for the period from 2025 through 2029, based on debt currently outstanding and expectations for future issuances.

Debt Outstanding
($ in Millions at Year End)

	2025	2026	2027	2028	2029
NYC GO Bonds	$46,721	$51,515	$56,192	$61,014	$65,894
TFA FTS Bonds	55,600	59,820	64,617	69,592	74,628
Conduit Debt[1]	793	725	655	586	511
Total	**$103,114**	**$112,060**	**$121,464**	**$131,192**	**$141,033**
NYW Bonds	$34,372	$35,912	$38,093	$40,187	$42,488
TSASC Bonds	$879	$854	$827	$800	$773

Annual Debt Service Costs
($ in Millions, Before Prepayments)

	2025	2026	2027	2028	2029
NYC GO Bonds	$4,331	$4,640	$4,945	$5,424	$5,865
TFA FTS Bonds	3,232	3,990	4,530	5,016	5,442
Conduit Debt[1]	91	111	108	103	112
Total	**$7,654**	**$8,741**	**$9,583**	**$10,543**	**$11,419**
NYW Bonds[2]	$1,957	$2,069	$2,134	$2,469	$2,681
TSASC Bonds	$76	$69	$69	$68	$67

Debt Burden

	2025	2026	2027	2028	2029
Total Debt Service[3] as % of:					
a. Total Revenue	6.4%	7.6%	8.2%	8.8%	9.3%
b. Total Taxes	9.6%	10.8%	11.6%	12.3%	12.9%
c. Total NYC Personal Income	1.0%	1.0%	1.1%	1.2%	1.2%
Total Debt Outstanding[3] as % of:					
a. Total NYC Personal Income	12.8%	13.4%	13.9%	14.3%	14.7%

1 Conduit debt consists of bonds issued by the Dormitory Authority of the State of New York, New York City Educational Construction Fund, and New York City Industrial Development Agency for which the City is obligated to make payments for debt service, subject to appropriation.

2 Includes First Resolution debt service and Second Resolution debt service net of subsidy payments from the NYS Environmental Facilities Corporation.

3 Total Debt Service and Debt Outstanding include NYC GO, conduit debt and TFA FTS bonds.

Currently the debt service for City GO, TFA FTS, and City appropriation debt, or conduit debt, excluding the effect of pre-payments, is 6.4 percent of the City's total budgeted revenues in 2025. That ratio is projected to rise to 9.3 percent in 2029. As a percentage of tax revenues, the debt service ratio is 9.6 percent in 2025 and is projected to increase to 12.9 percent in 2029.

The primary issuers financing the City capital program have maintained credit ratings in the AA category or better by Moody's, S&P, and Fitch, and in the case of the City, Kroll, as indicated in the table titled "Ratings". These entities have maintained reliable market access, including during the economic uncertainty caused by the onset of COVID-19, to finance capital spending and undertake refinancing transactions. All of the outlooks are stable.

Ratings

Issuer	Moody's	S&P	Fitch	Kroll
NYC GO	Aa2	AA	AA	AA+
TFA FTS-Subordinate[1]	Aa1	AAA	AAA	
NYW First Resolution	Aa1	AAA	AA+	
NYW Second Resolution	Aa1	AA+	AA+	

1 TFA may also issue FTS-Senior bonds, although none are currently outstanding. The most recent ratings assigned to the Senior credit were triple-A from each of Moody's, S&P, and Fitch.

New York City General Obligation Bonds

Since July 1, 2024, the City has issued $7.7 billion in GO bonds for capital purposes and approximately $2.0 billion in GO refunding bonds. The dates and principal amounts are shown in the table titled "NYC GO Issuance".

NYC GO Issuance
($ in Millions)

Series	(N)ew $/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	Total Par Amount
2025 AB	R	8/15/24	$1,106	$0	$1,106
2025 C	N	9/10/24	1,800	300	2,100
2025 D-1 (Social Bonds)	N	10/16/24	0	820	820
2025 D-2	N	10/16/24	0	680	680
2025 E	N	3/20/25	500	0	500
2025 F	R	3/20/25	911	0	911
2025 G	N	4/29/25	1,800	0	1,800
2025 H	N	4/29/25	0	1,750	1,750
Total			**$6,117**	**$3,550**	**$9,667**

In October 2024, the City issued its third series of Social Bonds, structured as $820 million of taxable GO bonds. The proceeds of the Social Bonds sale financed affordable housing programs administered by the City's Department of Housing Preservation and Development.

The City's GO refunding transactions completed in fiscal 2025 generated approximately $150 million of debt service savings during the financial plan period.

Additionally, the City took steps to manage outstanding floating rate debt by reoffering approximately $139 million of floating rate bonds in a fixed rate mode.

The City plans to issue GO bonds for capital purposes of approximately $7.7 billion, $7.2 billion, $7.0 billion, $7.3 billion, and $7.5 billion in 2025 through 2029, respectively.

New York City Transitional Finance Authority

The TFA is a public authority of New York State created by the New York City Transitional Finance Authority Act in 1997. It was created to issue FTS bonds, secured primarily with the City's personal income tax, to fund a portion of the capital program of the City.

The TFA was originally authorized to issue up to $7.5 billion of FTS bonds and notes. This authorization has evolved over time to permit TFA to have additional FTS debt outstanding, with amounts over and above certain levels subject to the City's remaining debt incurring power under the State constitutional debt limit. The total amount of FTS debt authorized to be outstanding and not subject to the City's debt limit is currently $21.5 billion, which will increase to $27.5 billion beginning on July 1, 2025.

Since July 1, 2024, the TFA has issued $6.9 billion in FTS bonds for capital purposes and approximately $4.4 billion in refunding bonds. The dates and principal amounts are shown in the table titled "NYC TFA Issuance".

NYC TFA Issuance
($ in Millions)

Series	(N)ew $/ (R)efunding	Issue Date	Tax Exempt Amount	Taxable Amount	Total Par Amount
2025 AB	R	7/30/24	$2,250	$210	$2,460
2025 C	N	10/1/24	1,800	300	2,100
2025 D	N	10/30/24	1,500	0	1,500
2025 E	N	1/7/25	1,500	0	1,500
2025 FG	R	2/25/25	1,701	247	1,948
2025 H	N	4/1/25	1,800	0	1,800
Total			**$10,551**	**$757**	**$11,308**

The TFA refunding transactions completed to date in fiscal 2025 generated approximately $379 million of debt service savings during the financial plan period.

The TFA plans to issue FTS bonds for capital purposes of approximately $7.9 billion, $6.0 billion, $7.0 billion, $7.3 billion, and $7.5 billion in 2025 through 2029, respectively.

In April 2006, the State enacted legislation authorizing issuance by the TFA of an additional $9.4 billion of bonds (Building Aid Revenue Bonds, or BARBs) to be used to fund certain capital costs for the Department of Education. This legislation also provided for the assignment to TFA of State building aid that had previously been paid directly to the City. As of March 31, 2025, there were approximately $7.5 billion of BARBs outstanding. The BARBs are rated Aa2 by Moody's, AA by S&P, AA by Fitch, and have stable outlooks. The financial plan does not currently contemplate the issuance of BARBs for new money purposes.

New York City Related Issuers - Variable Rate Debt

The City and other issuers supporting the City capital program utilize floating rate debt in an effort to diversify their offerings and minimize interest costs. Variable rate demand bonds, which require an accompanying bank facility, comprise the majority of the City's and its related entities' variable rate portfolio. The City and TFA also have floating rate bonds which do not require a bank facility, where interest rates are set periodically according to a benchmark index, by auction, or by a remarketing agent. Currently, the City and its related entities, excluding NYW, have approximately $8.1 billion of floating rate exposure.

While floating rate debt can provide savings relative to fixed rate debt, the exposure is of note because certain events can cause costs to increase unexpectedly. Those events would include rising short-term interest rates, reductions in tax rates in the tax code (in the case of tax-exempt debt), and the deterioration of the City's credit or the credit of a liquidity provider. The City uses conservative assumptions in budgeting interest rates and associated expenses from floating rate instruments.

The table "NYC Floating-Rate Exposure" summarizes the City's and its related issuers' floating rate exposure, excluding NYW. Total floating rate exposure is 7.8 percent, which remains below the City's policy guideline of 20 percent. This is even more manageable after taking into account the 10-year average balance of $8.9 billion of short-term assets in the City's General Fund, which are an offset to these floating rate liabilities. Net of these floating rate assets, the floating rate exposure of the City, excluding NYW, is entirely mitigated. GO and TFA floating rate exposure represents 9.9 percent and 6.0 percent of GO and TFA FTS debt, respectively.

NYC Floating-Rate Exposure[1]
($ in Millions)

	GO	TFA	Conduit	Total
Floating Rate Bonds	$4,609	$3,362	$30	$8,001
Synthetic Fixed	8	0	45	53
Total Floating-Rate	**$4,617**	**$3,362**	**$75**	**$8,054**
Total Debt Outstanding	**$46,721**	**$55,600**	**$793**	**$103,114**

% of Floating-Rate / Total Debt Outstanding	*7.8%*
Total Floating-Rate Less $8.9 Billion Balance in General Fund (Floating-Rate Assets)	($842)
% of Net Floating Rate / Total Debt Outstanding	*-0.8%*

1 End of Fiscal Year 2025 Debt Outstanding as of the May 2025 Financial Plan excluding NYW.

In addition to floating rate debt instruments, the City has utilized synthetic fixed rate debt (issuance of floating rate debt which is then swapped to a fixed rate). In contrast to variable rate demand bonds and other floating rate instruments, synthetic fixed rate debt is relatively insensitive to changes in interest rates and changes in the City's credit, though it can provide exposure to the relationship between tax-exempt and taxable floating rates. To calculate the floating rate exposure associated with synthetic fixed rate debt in the foregoing analysis, it is conservatively assumed that there is no difference between tax-exempt bond rates and the taxable rates on which swap receipts are based.

The City has not entered into any new interest rate swaps in recent years. The City is a party to one remaining GO interest rate swap with an outstanding notional amount as of March 31, 2025 of $20.375 million, for which the mark-to-market value was negative $206 thousand. This is the theoretical amount that the City would pay if the swap was terminated under market conditions as of March 31, 2025. This swap matures on August 1, 2026. Additionally, the City is required to make payments under two interest rate swap agreements that relate to conduit indebtedness; as of March 31, 2025, the total notional amount was $125.5 million and the combined mark-to-market value was negative $7 million. These swaps mature on May 15, 2039. The TFA has no outstanding swaps.

The variable rate receipts on outstanding interest rate swap agreements were originally based on the London Interbank Offered Rate (LIBOR), a benchmark index that has been phased out. Additionally, certain floating rate debt instruments included alternative rates based on LIBOR. To address the market's transition away from LIBOR, these swap and debt instruments were modified to incorporate the Secured Overnight Financing Rate (SOFR) as a replacement index.

New York City Municipal Water Finance Authority

The New York City Municipal Water Finance Authority (NYW) was created in 1984 to finance capital improvements to the City's water and sewer system. Since its first bond sale in November 1985, the Authority has sold $88.4 billion of bonds.

Of the aggregate bond par sold, as of May 1, 2025, $34.2 billion is outstanding, $39.3 billion, including $665 million of special resolution crossover bonds, was refinanced, $6.8 billion was defeased with Authority funds including economically defeased bonds, and $8.1 billion was retired with revenues as they matured. In addition to this long-term debt, NYW uses bond anticipation notes (BANs) issued to the New York State Environmental Facilities Corporation (EFC) and has used a commercial paper program as a source of flexible short-term financing. As of May 1, 2025, NYW had $242.3 million in outstanding BAN draws and available undrawn capacity of $644.9 million pursuant to agreements with EFC to fund certain projects. NYW is authorized to draw up to $600 million of commercial paper notes, including up to $400 million of Extendable Municipal Commercial Paper. Currently, the Authority has no commercial paper outstanding.

NYW's outstanding debt also includes floating rate bonds, which have been a reliable source of cost-effective financing. As of May 1, 2025, NYW had $4.3 billion of floating rate bonds representing approximately 13 percent of its outstanding debt. NYW's floating rate exposure consists primarily of tax-exempt floating rate debt supported by liquidity facilities. NYW also has floating rate bonds which do not require a bank facility, where interest rates are set periodically according to a benchmark index, or by a remarketing agent.

NYW participates in the State Revolving Fund (SRF) program administered by the EFC. The SRF provides a source of long-term below-market interest rate borrowing, subsidized by federal capitalization grants, state matching funds, and other funds held by EFC. The Authority's BAN draws are expected to be refinanced with fixed rate second resolution bonds issued to EFC.

Summarized in the table titled "NYW Issuance" is the issuance that has closed to date in 2025. The proceeds of the bonds were applied to pay the cost of improvements to the system, refund or purchase certain of the Authority's outstanding debt, and pay the costs of issuance.

NYW Issuance
($ in Millions)

Series	(N)ew Money /(R)ef.	Issue Date	Par Amount	True Interest Cost (TIC)	Longest Maturity
2025 AA	N/R	10/2/24	$887	4.40%	2054
2025 BB	N	3/6/25	$950	4.55%	2055
2025 CC	R	4/10/25	$560	4.00%	2046
			$2,397		

On April 22, 2025, NYW priced approximately $650 million of Fiscal 2025 Series DD fixed rate bonds, the proceeds of which will be used to refund certain outstanding bonds. This transaction is scheduled to close on May 13, 2025.

During the period from 2025 to 2029, NYW expects to issue an average of approximately $2.5 billion of new money bonds per year. Of this amount, NYW plans to issue to EFC about $300 million of bonds annually, taking advantage of the interest rate subsidy available for qualifying projects, and minimizing the overall costs of its financing program. NYW expects to issue approximately 90 percent of its new debt per year as fixed rate debt with the remainder issued as floating rate debt, subject to market conditions.

TSASC, Inc.

TSASC, Inc., a local development corporation, was created in October 1999 to fund a portion of the City's capital program. TSASC's currently outstanding bonds are secured by a pledge of 37.4% of tobacco settlement revenues (TSRs) eligible to be received by TSASC pursuant to a nationwide Master Settlement Agreement. Pursuant to a Security Agreement entered into by TSASC in December 2024, TSASC agreed to use unpledged TSRs received by TSASC to pay any projected shortfall on TSASC debt service payments through June 2028. The Security Agreement may be terminated by TSASC upon ninety days' notice.

The financial plan does not currently contemplate the issuance of additional TSASC bonds for new money purposes.

Hudson Yards Infrastructure Corporation

Hudson Yards Infrastructure Corporation (HYIC), a not-for-profit local development corporation, was established to provide financing for infrastructure improvements to facilitate economic development on Manhattan's far west side. Improvements include the extension of the No. 7 subway line west and south, construction of a park, as well as the acquisition of development rights over the MTA rail yards.

In December 2006, HYIC issued its first series of bonds in the principal amount of $2 billion. HYIC completed its second issuance of $1 billion of bonds in October 2011. Debt service on the HYIC bonds is being repaid from revenues generated by this new development, notably payments-in-lieu-of-property taxes (PILOT) on the commercial development, tax equivalency payments on residential developments, and various developer payments. To the extent these revenues are not sufficient to cover interest payments, the City has agreed to make interest support payments (ISP) to HYIC subject to appropriation. ISPs have not been required since 2015.

After the initial bond issues funding the capital improvements, HYIC has undertaken two refinancing transactions. In May 2017, HYIC issued approximately $2.1 billion of refunding bonds which refinanced all of its initial $2 billion bond issue and a portion of its second bond issue under a new legal structure. This refinancing allowed HYIC to remit approximately $110 million of accumulated revenues for the City's benefit in 2017. Moreover, the refunding enabled HYIC to transfer periodically to the City excess revenues over and above amounts needed for HYIC debt service.

In October 2021, HYIC issued approximately $450 million in refunding bonds which refinanced the remainder of its second bond issue. This refinancing generated over $50 million of savings during the period fiscal years 2022-2025 and additional annual savings thereafter. After the transaction, all of HYIC's bonds are under the legal structure established in the 2017 refunding transaction mentioned above. HYIC's bonds are rated Aa2 by Moody's, AA by S&P, AA- by Fitch, and have stable outlooks.

The No. 7 Subway extension was constructed by the MTA and began service in September 2015. The secondary entrance to this station located at W. 35th Street and Hudson Boulevard East opened in September 2018. Phase I of the Hudson Park and Boulevard opened to the public in August 2015 and is managed by the Hudson Yards Hell's Kitchen Alliance Business Improvement District. A second phase for the park ("Phase II") will expand the park north to 39th Street. Phase II is being financed through a term loan agreement which permits HYIC to draw up to $380 million for project costs. As of April 3, 2025, HYIC has drawn approximately $108 million on the term loan to fund costs of Phase II.

CAPITAL BUDGET

The Executive Capital Budget and Four-Year Plan, 2026-2029

The 2026 Executive Capital Budget includes new appropriations of $22.0 billion, of which $20.5 billion are to be funded from city sources. These appropriations, together with available balances from prior years, authorize total commitments of $27.1 billion for 2026, of which $24.7 billion will be city-funded. City funds include proceeds from the New York City Municipal Water Finance Authority and the New York City Transitional Finance Authority as well as city general obligation bonds.

Four-Year Plan Highlights

The 2026-2029 Capital Plan totals $87.7 billion for the construction and rehabilitation of the city's infrastructure. This will provide funding targeted to maintaining the drinking water system, building and improving schools, building new borough-based jail facilities, improving transportation, and providing affordable housing.

The city will invest $5.3 billion to upgrade the operational integrity and resiliency of its wastewater resource recovery facilities, as well as $2.8 billion to address water quality problems from combined sewer overflow (CSO) discharges into the city's waterways, partly through a combination of grey and green infrastructure. In addition, the city will invest $1.9 billion for the repair and construction of water supply tunnels and associated infrastructure, including the Brooklyn/Queens section of City Tunnel No. 3, a tunnel between Kensico Reservoir and the Catskill/Delaware Ultraviolet Disinfection Facility, and Hillview Reservoir. The Capital Plan will provide $15.6 billion for new school construction and expansion, as well as the rehabilitation, enhancements, and improvements to existing school buildings. The Capital Plan will also provide $10.3 billion for the design and construction of new borough-based jail facilities. The city will provide $2.3 billion to reconstruct and rehabilitate bridges to ensure a state of good repair, including the Shore Road Bridge over the Hutchinson River and East 174th Street over the Sheridan Expressway. The city will also provide $1.2 billion to repave 1,100 vehicle lane miles and 50 bike lane miles of roadway per year. The city will provide $8.1 billion for the preservation and new construction of affordable housing for low to moderate income households, and those with special needs. Additionally, the city will also provide $1.2 billion to support NYCHA's Section 8 conversion programs.

FY 2025-2029 Commitment Plan
($ in Millions)

	2025		2026		2027		2028		2029	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Environmental Protection										
Equipment	$95	$95	$347	$347	$126	$126	$115	$115	$70	$70
Sewers	242	278	701	707	509	509	597	620	717	717
Water Mains, Sources & Treatment	326	425	861	956	672	672	798	831	1,040	1,076
Water Pollution Control	640	645	1,682	1,936	2,036	2,036	1,728	1,728	2,496	2,496
Water Supply	1,973	1,973	203	203	384	384	577	577	726	726
Subtotal	**$3,276**	**$3,415**	**$3,794**	**$4,148**	**$3,727**	**$3,727**	**$3,815**	**$3,872**	**$5,049**	**$5,085**
Transportation										
Mass Transit	$330	$374	$40	$40	$40	$40	$40	$40	$40	$40
Bridges	329	376	1,184	1,364	556	592	1,248	1,338	999	1,238
Highways	955	1,229	958	1,091	1,031	1,109	1,223	1,292	1,177	1,243
Subtotal	**$1,615**	**$1,979**	**$2,182**	**$2,494**	**$1,627**	**$1,741**	**$2,511**	**$2,670**	**$2,215**	**$2,521**
Education										
Education	$4,425	$4,546	$4,226	$4,226	$4,000	$4,000	$4,000	$4,000	$3,400	$3,400
Higher Education	183	187	292	292	216	216	255	255	152	152
Subtotal	**$4,608**	**$4,733**	**$4,518**	**$4,518**	**$4,216**	**$4,216**	**$4,255**	**$4,255**	**$3,552**	**$3,552**
Housing & Economic Development										
Economic Development	$684	$859	$792	$949	$684	$905	$614	$714	$698	$813
Housing	3,511	3,551	3,213	3,253	2,231	2,271	1,943	1,983	1,958	1,998
Subtotal	**$4,194**	**$4,410**	**$4,005**	**$4,201**	**$2,915**	**$3,176**	**$2,556**	**$2,696**	**$2,656**	**$2,812**
Administration of Justice										
Corrections	$2,647	$2,680	$2,755	$2,755	$2,147	$2,147	$3,855	$3,855	$1,966	$1,966
Courts	131	132	350	354	95	95	113	129	235	235
Police	242	264	303	311	142	142	112	112	69	69
Subtotal	**$3,019**	**$3,076**	**$3,408**	**$3,420**	**$2,384**	**$2,384**	**$4,080**	**$4,097**	**$2,271**	**$2,271**
City Operations and Facilities										
Cultural Institutions	$250	$301	$289	$293	$140	$140	$285	$285	$160	$160
Fire	189	210	261	288	132	132	161	161	179	179
Health & Hospitals	660	711	885	1,538	622	622	295	295	207	210
Parks	635	706	785	1,382	755	755	898	898	787	787
Public Buildings	262	262	237	241	246	246	181	181	415	415
Sanitation	333	333	268	285	269	269	280	280	440	440
Resiliency, Technology & Equipment	1,344	1,469	1,910	1,924	1,103	1,103	890	890	795	795
Other	1,554	1,670	2,120	2,323	973	1,100	628	667	542	563
Subtotal	**$5,226**	**$5,662**	**$6,756**	**$8,274**	**$4,238**	**$4,366**	**$3,618**	**$3,656**	**$3,525**	**$3,548**
Total Commitments	**$21,938**	**$23,275**	**$24,663**	**$27,056**	**$19,107**	**$19,611**	**$20,836**	**$21,246**	**$19,268**	**$19,789**
Reserve for Unattained Commitments	**($3,359)**	**($3,359)**	**($5,121)**	**($5,121)**	**($1,176)**	**($1,176)**	**($1,016)**	**($1,016)**	**$193**	**$193**
Commitment Plan	**$18,579**	**$19,916**	**$19,542**	**$21,935**	**$17,931**	**$18,435**	**$19,820**	**$20,230**	**$19,461**	**$19,982**
Total Expenditures	**$15,233**	**$16,167**	**$16,032**	**$17,341**	**$16,912**	**$18,087**	**$17,660**	**$18,748**	**$18,319**	**$19,339**

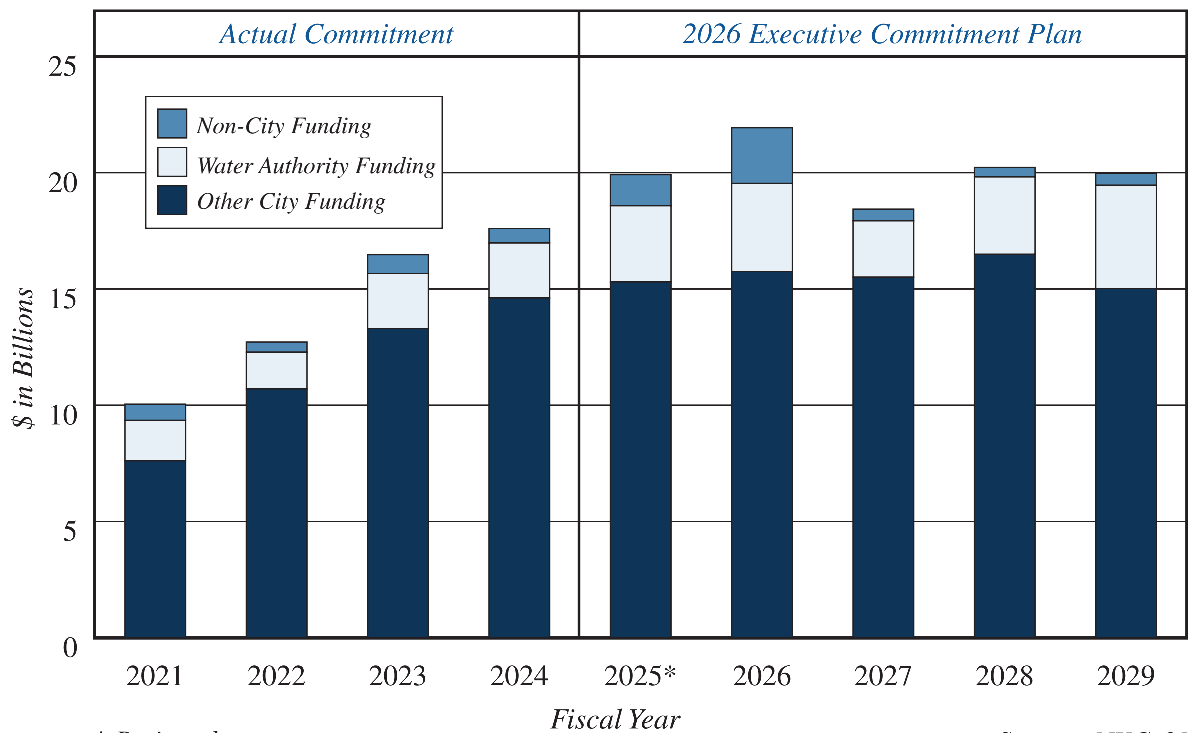
Note: Individual items may not add up due to rounding.

Non-City Funding Sources

Non-city capital funding sources include $2.4 billion in the 2026 plan and $3.8 billion over the 2026-2029 four-year plan period. The majority of non-city funding supports Transportation, Hospitals, Parks, Economic Development, and Environmental Protection.

Transportation programs are projected to receive non-city funding of $1.1 billion over the 2026-2029 period, with $752.2 million from the federal government, $353.6 million from the state, and private funds of $32.2 million. Hospitals programs are projected to receive $650.5 million in federal funding over the 2026-2029 period. Parks programs are projected to receive $596.5 million over the 2026-2029 period, with $457.2 million from the federal government, $99.8 million from the state, and $39.5 million from private funds. Economic Development programs anticipate receiving $593.7 million over the 2026-2029 period, with $459.9 million from the federal government and $133.7 million from state funds. Environmental Protection programs anticipate receiving $446.9 million over the 2026-2029 period, with $275.2 million from the federal government, $135.0 million from the state, and $36.7 million from private funds.

FY 2021 - 2029 CAPITAL COMMITMENTS BY FUNDING SOURCE



* Projected

Source: NYC OMB

The Capital Program since 2021

The table below illustrates the changes in the size of the city's capital program over the 2021-2024 period.

FY 2021-2024 COMMITMENTS
($ in Millions)

	2021		2022		2023		2024	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Environmental Protection								
Equipment	$35	$35	$30	$30	$130	$130	$10	$10
Sewers	216	233	533	543	464	480	224	234
Water Mains, Sources and Treatment	328	329	197	197	309	326	343	350
Water Pollution Control	706	706	758	777	1,426	1,429	1,352	1,473
Water Supply	455	455	62	62	38	38	434	434
Subtotal	**$1,740**	**$1,758**	**$1,580**	**$1,610**	**$2,367**	**$2,402**	**$2,363**	**$2,501**
Transportation								
Mass Transit	$575	$576	$760	$772	$1,189	$1,199	$1,458	$1,458
Bridges	63	70	197	220	440	608	171	185
Highways	368	452	506	541	609	728	665	775
Subtotal	**$1,006**	**$1,098**	**$1,463**	**$1,534**	**$2,238**	**$2,534**	**$2,293**	**$2,418**
Education								
Education	$2,641	$2,702	$4,139	$3,989	$4,519	$4,532	$3,972	$3,991
Higher Education	4	4	44	44	100	100	33	33
Subtotal	**$2,645**	**$2,705**	**$4,183**	**$4,032**	**$4,619**	**$4,632**	**$4,005**	**$4,024**
Housing & Economic Development								
Economic Development	$360	$391	$470	$489	$417	$434	$447	$529
Housing	995	1,034	886	916	1,351	1,411	2,289	2,400
Subtotal	**$1,354**	**$1,424**	**$1,356**	**$1,405**	**$1,767**	**$1,845**	**$2,736**	**$2,930**
Administration of Justice								
Correction	$61	$62	$499	$499	$775	$775	$983	$983
Courts	3	3	240	241	27	27	97	100
Police	192	192	158	162	89	90	135	145
Subtotal	**$256**	**$257**	**$897**	**$903**	**$891**	**$892**	**$1,215**	**$1,228**
City Operations & Facilities								
Cultural Institutions	$51	$126	$56	$56	$53	$54	$268	$268
Fire	106	115	116	119	244	261	172	175
Health & Hospitals	294	429	629	792	711	756	470	501
Parks	447	483	461	538	482	554	602	622
Public Buildings	234	234	48	48	158	159	101	101
Sanitation	243	243	169	171	404	406	281	283
Resiliency, Technology & Equipment	648	824	778	916	1,044	1,238	1,125	1,173
Other	326	349	546	595	684	741	1,347	1,373
Subtotal	**$2,349**	**$2,803**	**$2,804**	**$3,235**	**$3,780**	**$4,170**	**$4,366**	**$4,496**
Total Commitments	**$9,350**	**$10,047**	**$12,282**	**$12,718**	**$15,663**	**$16,475**	**$16,978**	**$17,597**
Total Expenditures	**$8,579**	**$9,431**	**$9,440**	**$10,530**	**$10,512**	**$12,150**	**$13,951**	**$14,524**

Note: Individual items may not add up due to rounding.

Comprehensive Planning Process

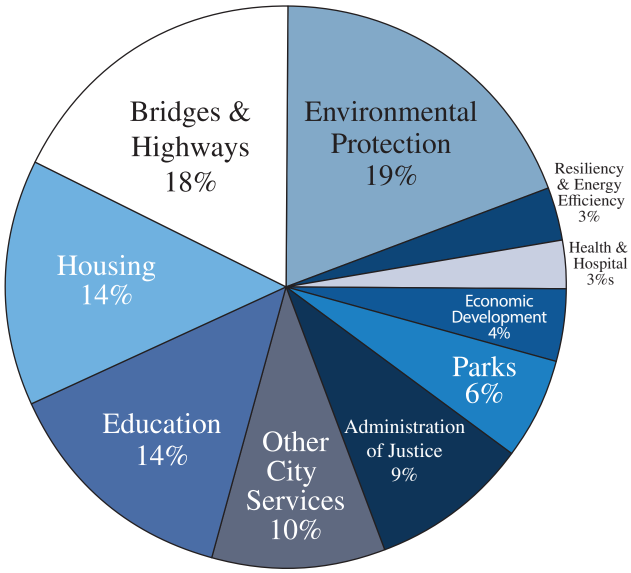
Developing a long-term capital investment strategy to improve, expand and sustain the city's physical plant requires comprehensive planning. The Ten-Year Capital Strategy, updated by OMB and the Department of City Planning every two years through consultation with city agencies, establishes overall programmatic goals. The Four-Year Plan, revised annually, is consistent with the basic priorities established in the Ten-Year Capital Strategy. As annual budgets are prepared, goals are adjusted to reflect newly-identified needs and changes in mandated programs within the context of the city's Ten-Year Capital Strategy and Four-Year Plan.

Ten-Year Capital Strategy 2026-2035
($ in Thousands)

	City Funds	Non-City Funds	Total Funds
Environmental Protection			
• Sewers	$8,896,990	$29,369	$8,926,359
• Water Mains, Sources and Treatment	6,787,862	164,261	6,952,123
• Water Pollution Control	13,700,014	253,310	13,953,324
• Water Supply	2,231,157	0	2,231,157
• DEP Equipment	1,189,528	0	1,189,528
Subtotal Environmental Protection	**$32,805,551**	**$446,940**	**$33,252,491**
Education			
• Education	$23,793,232	$0	$23,793,232
• CUNY	1,363,581	129	1,363,710
Subtotal Education	**$25,156,813**	**$129**	**$25,156,942**
Transportation			
• Mass Transit	$400,000	$0	$400,000
• Highways & Transit Operations	14,275,569	753,129	15,028,698
• Bridges	16,368,966	636,182	17,005,148
Subtotal Transportation	**$31,044,535**	**$1,389,311**	**$32,433,846**
Housing & Economic Development			
• Housing	$20,666,029	$400,000	$21,066,029
• Housing Authority	3,629,386	0	3,629,386
• Economic Development	5,911,145	660,788	6,571,933
Subtotal Housing & Economic Development	**$30,206,560**	**$1,060,788**	**$31,267,348**
Administration of Justice			
• Correction	$11,996,055	$0	$11,996,055
• Police	1,281,641	8,082	1,289,723
• Courts	2,754,301	20,345	2,774,646
Subtotal Administration of Justice	**$16,031,997**	**$28,427**	**$16,060,424**
Health & Social Services			
• Health	$592,189	$14,467	$606,656
• Hospitals	3,307,478	650,542	3,958,020
• Homeless Services	742,104	825	742,929
• Human Resources	311,744	122,224	433,968
• Children's Services	416,400	46,859	463,259
• Aging	73,657	0	73,657
Subtotal Health & Social Services	**$5,443,572**	**$834,917**	**$6,278,489**
Other City Services			
• Sanitation	$3,205,700	$16,868	$3,222,568
• Public Buildings	2,369,707	3,490	2,373,197
• Fire	1,792,691	27,184	1,819,875
• Parks & Recreation	9,765,987	617,344	10,383,331
• Cultural Institutions & Libraries	3,094,695	8,113	3,102,808
• Resiliency, Technology & Equipment	8,039,189	14,407	8,053,596
Subtotal Other City Services	**$28,267,969**	**$687,406**	**$28,955,375**
Total	**$168,956,997**	**$4,447,918**	**$173,404,915**

TEN-YEAR CAPITAL STRATEGY FOR 2026 - 2035

($ in Millions - All Funds)



Program	*2026 to 2035*
Environmental Protection	$33,252
Bridges & Highways	32,034
Housing	24,695
Education	23,793
Administration of Justice	16,060
Parks	10,383
Economic Development	6,572
Health & Hospitals	4,565
Resiliency & Energy Efficiency	4,440
Other City Services	17,609
Total	**$173,405**

Source: NYC OMB

2026 Ten–Year Capital Strategy Highlights

Technology

- Information and Communication Systems: departmental initiatives for citywide projects ($63.7 million); Broadband Initiative ($55.7 million); and 911/Emergency Communications Transformation Program (ECTP) facilities, software, and equipment to update and integrate the city's computer aided dispatch capabilities ($40.0 million).

Environmental Protection and Sanitation

- Sewers: replacement of failing components ($3.8 billion); Southeast Queens sewer work ($1.8 billion); emergency replacement of malfunctioning or collapsed sewers ($888.3 million); and site acquisition and construction for the Staten Island Bluebelt program ($787.8 million). The total Sewers program for 2026-2035 is $8.9 billion.

- Water Mains, Sources and Treatment: in-city water main construction and ancillary work ($3.8 billion), including various state of good repair projects, citywide ($2.6 billion), water main rehabilitation in partnership with DOT street reconstruction and Vision Zero projects ($302.8 million), and emergency reconstruction of failing infrastructure ($180.3 million); and improvements and repairs to infrastructure associated with water supply systems ($3.1 billion), including the rehabilitation of the Ashokan Reservoir, Olive Bridge Dam, and Dividing Weir Bridge ($1.1 billion) and projects related to the Filtration Avoidance Determination ($120.7 million). The total Water Mains, Sources and Treatment program for 2026-2035 is $7.0 billion.

- Wastewater Treatment: essential projects at wastewater resource recovery facilities and related infrastructure to sustain uninterrupted wastewater treatment operation ($8.3 billion); measures to address water quality problems attributed to combined sewer overflow (CSO) discharges into the city's surrounding waterways during wet weather conditions ($4.6 billion); and construct, install, and maintain various Green Infrastructure projects for stormwater capture, such as bioswales, tree pits, constructed wetlands, and green roofs ($886.1

million). The total Wastewater Treatment program for 2026-2035 is $14.0 billion.

- Water Supply: construction of a tunnel connecting the Kensico Reservoir to the Catskill/Delaware Ultraviolet Light Facility ($631.1 million); construction of the remaining shafts of the Brooklyn/Queens leg of City Tunnel No. 3 ($434.5 million); and modification of chambers at the Hillview Reservoir ($243.8 million). The total Water Supply program for 2026-2035 is $2.2 billion.

- Equipment: water conservation programs ($378.0 million), including the installation of water meters ($338.9 million); reconstruction of agency facilities ($187.4 million); management information systems ($146.8 million); and relocation of private utilities in coordination with sewer and water main work ($93.3 million). The total Equipment program for 2026-2035 is $1.2 billion

- Sanitation: replacement of vehicles ($2.0 billion); construction of a new garage for the Bronx Community Districts 9, 10, and 11 ($487.0 million) and a new garage for Queens Community District 1 ($283.1 million); component rehabilitation and construction of other garages and facilities ($319.5 million); information technology and telecommunications equipment ($57.7 million); and construction and renovation of solid waste management infrastructure ($48.4 million).

Transportation

- Bridges: bridge protective coating projects ($1.6 billion); reconstruction and rehabilitation of the East River bridges, including the Queensboro Bridge ($613.3 million); rehabilitation of bridges, including the Shore Road Bridge over the Hutchinson River ($531.8 million) and the Trans-Manhattan Expressway ($441.5 million). The total Bridge program for 2026-2035 is $17.0 billion.

- Highways: street reconstruction ($5.4 billion); street and arterial resurfacing of approximately 11,000 vehicle lane miles and 500 bike lane miles ($3.2 billion); installation and rehabilitation of pedestrian ramps ($2.6 billion); and replacement of sidewalks ($572.6 million). The total Highways program for 2026-2035 is $12.5 billion.

- Traffic: signal installation ($1.1 billion); installation of streetlights, signals and lane markings associated with the Highway and Bridge Programs ($223.4 million); and upgrade and replacement of lampposts, luminaires, and associated infrastructure ($23.2 million). The total Traffic program for 2026- 2035 is $1.5 billion.

- Ferries: ferry terminal and maintenance facility improvements ($492.0 million); and ferry boats ($177.1 million). The total Ferries program for 2026-2035 is $669.1 million.

- Transit: contributions to the MTA's capital program, including subway track repairs and other transit infrastructure rehabilitation. The Transit program for 2026-2035 is $400.0 million.

Education, Health and Social Services

- Education: rehabilitate, replace, and upgrade building components ($7.3 billion); construct new schools ($5.5 billion); cover emergency projects, research and development, and prior plan completion costs ($3.6 billion); expand facilities through leases, building additions, and site acquisitions ($3.3 billion); capital improvements that enhance educational programs ($2.7 billion); address the need for security systems, emergency lighting, and code compliance ($1.0 billion); and administrative support ($296.8 million). The total Education program for 2026-2035 is $23.8 billion.

- Higher Education: miscellaneous reconstruction ($821.4 million); new construction ($475.7 million); and data processing and other equipment ($66.6 million). The total Higher Education program for 2026-2035 is $1.4 billion.

- Health & Mental Hygiene: various public health facility renovations and rehabilitation ($261.9 million); technology infrastructure improvements ($108.8 million); equipment and vehicle purchases ($91.2 million); a new Public Health Laboratory ($54.5 million); technology and laboratory equipment upgrades for the Office of the Chief Medical Examiner ($48.9 million); and animal care centers and other animal welfare investments ($2.4 million).

- NYC Health + Hospitals (H+H): routine reconstruction ($3.1 billion); Correctional Health Services Outposted Therapeutic Housing Units ($495.6 million); ambulance purchases ($388.4 million); system-wide equipment purchases ($246.6

million); and information system upgrades ($184.3 million).

- Aging: telecommunication upgrades and new equipment purchases for senior centers ($6.4 million).

- Administration for Children's Services: renovations and upgrades of Juvenile Detention Facilities ($323.1 million); telecommunications and data infrastructure upgrades and improvements ($68.1 million); and renovations and upgrades of facilities ($60.7 million).

- Homeless Services: renovations and upgrades of adult shelters ($476.6 million); renovations and upgrades of family shelters ($187.5 million); and computer network upgrades and equipment purchases ($78.8 million).

- Human Resources: data infrastructure upgrades and improvements ($214.8 million); construction and initial outfitting for citywide facilities ($174.4 million); telecommunications ($37.4 million); and automotive equipment ($7.3 million).

Housing and Development

- Housing: provision of low-interest loans to finance the preservation or creation of affordable housing in privately-owned buildings through new construction ($8.1 billion), preservation ($5.9 billion), special needs housing ($4.6 billion), and disposition programs ($826.5 million); provision of low-interest loans to support NYCHA's Section 8 conversion programs, through which NYCHA will also leverage other private and public financing sources to address its significant outstanding capital needs ($1.2 billion); and funding for technology, infrastructure, demolition, and other ancillary investments ($419.2 million).

- Housing Authority: provision of capital funding to help NYCHA meet its obligations under the 2019 Executed Agreement with HUD and the city around public health concerns, including lead, mold, waste, heating, and elevator outages ($2.5 billion); general construction at NYCHA buildings, citywide ($877.0 million); and replace and rehabilitate roofs at NYCHA building, citywide ($288.0 million).

- Economic Development: modernization of the Hunts Point Food Distribution Markets ($868.5 million); infrastructure development and improvement at the Brooklyn Navy Yard ($587.7 million); development of the Manhattan Greenway, a continuous 32.5-mile route around Manhattan ($497.3 million); rehabilitation and development of light industrial and manufacturing spaces as well as measures to address infrastructure and resiliency needs at Bush Terminal and Brooklyn Army Terminal in Sunset Park, Brooklyn ($386.2 million); rehabilitation of existing structures, public access improvements, and infrastructure upgrades at Governors Island, including necessary infrastructure to support the development of the Climate Exchange ($346.1 million); construction of subgrade infrastructure as part of phase II of the Willets Point redevelopment ($212.8 million); and maintenance and improvements of assets associated with the NYC Ferry system ($92.2 million).

Administration of Justice and Public Safety

- Correction: new jail facilities ($11.4 billion); improvements to building systems, infrastructure and support space ($330.1 million); and lifecycle replacement of equipment ($247.2 million).

- Courts: infrastructure and operational improvements ($2.2 billion); exterior renovations ($234.7 million); fire/life safety work ($217.9 million); elevators upgrade ($61.7 million); and HVAC improvements ($50.3 million).

- Police: construction, rehabilitation, and relocation of facilities, citywide ($579.2 million); lifecycle replacement of vehicles ($360.5 million); replacement and upgrade of critical network infrastructure equipment and data management systems ($200.6 million); replacement and upgrade of portable radios, radio equipment, infrastructure, and systems ($114.9 million); and replacement and upgrade of general equipment, citywide ($34.5 million).

- Fire: construction and rehabilitation of firehouses, EMS stations, and support facilities ($940.3 million); mandated and support vehicle replacements and necessary fire-fighting tools and equipment ($673.1 million); replacement and upgrade of radios and other communications equipment ($104.9 million); replacement and upgrade of information technology equipment and systems ($101.5 million).

Recreation and Culturals

- Parks: planting of new street trees and park trees, reforestation and restoration of natural areas, green infrastructure, and reconstruction of sidewalks damaged by trees, citywide ($890.9 million); reconstruction of recreation centers, citywide ($838.8 million); implementation of Parks' Equity Initiatives, including the Anchor Parks, Community Park Initiative, Parks Without Borders, and Walk to a Park programs ($820.1 million); reconstruction of waterfront infrastructure, including improvements to the Coney Island Boardwalk ($682.1 million); rehabilitation of Parks-owned pedestrian bridges, including the Passerelle Bridge in Queens ($425.0 million); various reconstruction projects within Flushing Meadows Corona Park in Queens ($213.5 million); various improvement projects at the three city-owned zoos in Central Park, Prospect Park, and Queens ($130.9 million); and reconstruction of the Red Hook Ballfields and Recreation Area in Brooklyn ($126.6 million).

- Public Libraries: various improvements and upgrades of the Queens Village branch ($29.2 million); renovation of the Richmond Hill branch ($18.4 million); exterior and interior upgrades at the George Bruce branch ($8.0 million) and Hamilton Fish exterior rehabilitation in Manhattan ($1.6 million); HVAC and ADA compliance improvements of the Van Nest branch ($2.7 million) and HVAC replacement at the Baychester branch in the Bronx ($1.6 million); various improvements at Mapleton library ($4.1 million); life and safety upgrades of the Williamsburg library ($4.0 million); resiliency improvements of the Cambria Height branch ($2.8 million); rehabilitation of the envelope and façade at Gravesend library ($2.5 million); and new ADA elevators at the West New Brighton branch in Staten Island ($1.0 million).

- Department of Cultural Affairs: comprehensive renovation of the music and arts center at Afro Latin Jazz Alliance ($18.5 million); renovation of the welcome and education center at Green-Wood Cemetery ($13.0 million); boiler replacement at Dance Theater of Harlem ($10.5 million); construction of a green library at the New York Botanical Garden ($10.0 million); renovation of a facility at Chocolate Factory ($8.1 million); phase II of the exterior rehabilitation of the Poppenhusen Institute ($4.1 million); renovation of the music hall at Snug Harbor Cultural Center ($3.4 million); construction of a sustainable gardening center at the Brooklyn Botanic Garden ($3.1 million); interior restoration of the Jacques Marchais Museum of Tibetan Art ($3.1 million); and phase II renovation of the center at BronxNet ($3.0 million).

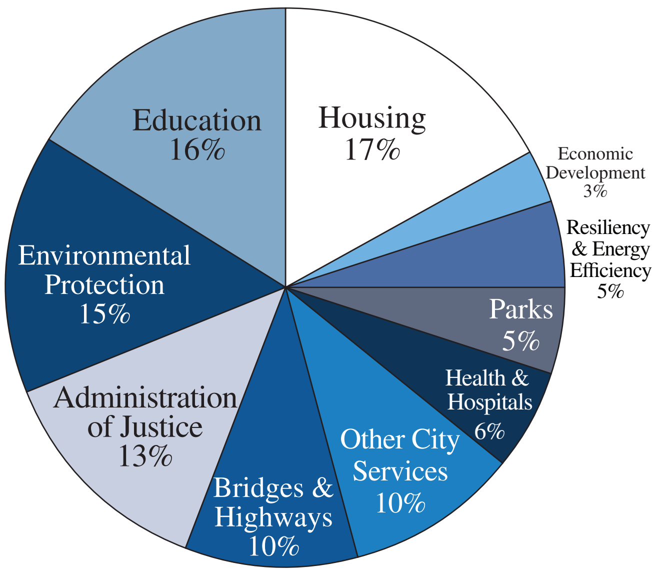
Department of Citywide Administrative Services

- Public Buildings: reconstruction and rehabilitation of public buildings and city-owned facilities ($1.1 billion), including projects at the Manhattan Municipal Building ($164.0 million), 253 Broadway ($65.0 million), 280 Broadway ($49.0 million), and 100 Gold Street ($36.0 million) in Manhattan, 1932 Arthur Avenue ($54.4 million) and 2556 Bainbridge Avenue ($30.2 million) in the Bronx, Queens Borough Hall ($19.7 million) in Queens, and 10 Richmond Terrace ($6.7 million) in Staten Island; legal mandates ($444.3 million), including fire/life safety upgrades to ensure Local Law 5 compliance ($296.0 million), upgrades to bathrooms and other facilities to ensure ADA compliance ($42.1 million), façade upgrades to ensure Local Law 11 compliance ($28.7 million), and fuel tank replacement and remediation ($7.0 million); miscellaneous construction in other facilities ($357.2 million), including installation of charging infrastructure for electric vehicles ($118.8 million); renovation of other city-owned facilities ($180.7 million), including the reconstruction of 70 Mulberry Street ($149.1 million); renovation of leased space ($144.8 million); equipment and interagency services ($48.9 million); acquisition of real property ($31.6 million); Board of Elections modernization ($10.4 million); and rehabilitation of court buildings ($2.4 million).

- Energy Efficiency, Sustainability and Resiliency: energy efficiency measures and building retrofits ($3.3 billion), including solar panels at citywide facilities ($385.0 million), and funding for the Accelerated Conservation and Efficiency (ACE) Program ($256.6 million); citywide resiliency and waterfront rehabilitation ($1.1 billion), including the East Side Coastal Resiliency project ($366.6 million), rehabilitation of the substructure of Harlem River Park between 125th Street and 135th Street ($88.5 million), and the Brooklyn Bridge – Montgomery Coastal Resiliency project ($46.0 million).

2026 AUTHORIZED CAPITAL COMMITMENTS, BY PROGRAM

($ in Millions - All Funds)



Program	*2026 Plan*
Housing	$4,532
Education	4,226
Environmental Protection	4,148
Administration of Justice	3,420
Bridges and Highways	2,686
Health & Hospitals	1,538
Parks	1,382
Resiliency & Energy Efficiency	1,262
Economic Development	949
Other City Services	2,913
Total	**$27,056**

Source: NYC OMB

2026 Agency Highlights

Technology

- Information and Communication Systems: citywide Cyber Security Program ($38.6 million); Emergency Communications Transformation Program (ECTP) facilities, software, and equipment to update and integrate the city's computer aided dispatch capabilities ($20.0 million); and MyCity Initiative ($8.4 million).

Environmental Protection and Sanitation

- Sewers: Southeast Queens Infrastructure build out ($201.5 million); replacement of failing components ($132.6 million); emergency replacement of failing sewer segments ($119.3 million); and resiliency measures, citywide ($117.4 million). The total Sewers program for 2026 is $706.9 million.

- Water Mains, Sources and Treatment: improvements and repairs to infrastructure associated with water supply systems ($489.5 million), including projects related to the Filtration Avoidance Determination ($48.9 million); and in-city water main construction and ancillary work ($466.7 million), including various state of good repair projects, citywide ($220.5 million) and water main rehabilitation in partnership with DOT street reconstruction and Vision Zero projects ($154.3 million). The total Water Mains, Sources, and Treatment program for 2026 is $956.3 million.

- Wastewater Treatment: essential projects at wastewater resource recovery facilities and related infrastructure to sustain uninterrupted wastewater treatment operation ($1.3 billion); construct, install, and maintain various Green Infrastructure projects for stormwater capture, such as bioswales, tree pits, constructed wetlands, and green roofs ($279.4 million); and measures to address water quality problems attributed to combined sewer overflow discharges into the city's surrounding waterways during wet weather conditions ($262.1 million). The total Wastewater Treatment program for 2026 is $1.9 billion.

- Water Supply: construction of a tunnel connecting the Kensico Reservoir to the Catskill/Delaware Ultraviolet Light Facility ($75.0 million); and design work for the Hillview Reservoir Cover ($50.0 million). The total Water Supply program for 2026 is $202.6 million.

- Equipment: water conservation programs ($146.5 million); facility state of good repair work ($130.6 million); fleet purchases ($29.3 million); network and security upgrades ($16.7 million); and air monitoring and environmental compliance contracts ($2.0 million). The total Equipment program for 2026 is $346.7 million.

- Sanitation: replacement of vehicles and equipment ($188.2 million); component rehabilitation and construction of garages, citywide ($72.2 million); construction and renovation of solid waste management infrastructure ($16.0 million); and information technology and telecommunications projects ($9.0 million).

Transportation

- Bridges: rehabilitation of bridges, including West Tremont Avenue over Metro North Railroad in the Bronx ($71.3 million); and the Manhattan Greenway UN Esplanade ($30.0 million). The total Bridge program for 2026 is $1.4 billion.

- Highways: street reconstruction ($442.1 million), including reconstruction of Queens Boulevard, phase I ($110.2 million) and Design-Build raised crosswalks ($57.7 million); primary and arterial street resurfacing of approximately 1,100 vehicle lane miles and 50 miles of bike lanes ($285.8 million); and reconstruction of sidewalks and pedestrian ramps ($249.4 million). The total Highways program for 2026 is $1.1 billion.

- Traffic: signal installation ($113.1 million), including citywide traffic signal safety ($40.0 million); installation of pavement markings ($15.0 million); and upgrade and replacement of lampposts, luminaires, and associated infrastructure ($11.5 million). The total Traffic program for 2026 is $159.7 million.

- Ferries: ferry terminal and maintenance facility improvements ($55.1 million); and ferry boats ($4.8 million). The total Ferries program for 2026 is $59.9 million.

- Transit: contributions to the MTA's capital program, including subway track repairs and other transit infrastructure rehabilitation. The Transit program for 2026 is $40.0 million.

Education, Health and Social Services

- Education: rehabilitate, replace, and upgrade building components ($1.3 billion); construct new schools ($1.1 billion); cover emergency projects, research and development, and prior plan completion costs ($774.5 million); capital improvements that enhance educational programs ($651.6 million); expand facilities through leases, building additions, and site acquisitions ($239.7 million); address the need for security systems, emergency lighting, and code compliance ($143.7 million); and administrative support ($80.0 million). The total Education program for 2026 is $4.2 billion.

- Higher Education: miscellaneous reconstruction ($166.9 million); new school construction ($95.5 million); and data processing and other equipment ($29.3 million). The total Higher Education program for 2026 is $291.7 million.

- Health & Mental Hygiene: a new Public Health Laboratory ($54.5 million); facility rehabilitation and renovations ($48.4 million); equipment purchases ($35.8); technology and laboratory equipment upgrades for the Office of the Chief Medical Examiner ($16.5 million); technology infrastructure improvements ($13.1 million); and animal care centers and other animal welfare investments ($1.1 million).

- NYC Health + Hospitals (H+H): Correctional Health Services Outposted Therapeutic Housing Units ($232.2 million); EMS ambulance purchases ($58.7 million); revenue cycle management system upgrades ($6.9 million); and electronic medical records system upgrades ($2.2 million).

- Aging: telecommunication upgrades and new equipment purchases for senior centers ($6.4 million).

- Administration for Children's Services: renovations and upgrades of Juvenile Detention Facilities ($105.2 million); telecommunications and data infrastructure upgrades and improvements ($53.3 million); and renovations and upgrades of facilities ($8.6 million).

- Homeless Services: renovations and upgrades of adult shelters ($118.2 million); renovations and upgrades of family shelters ($19.7 million); and computer network upgrades and equipment purchases ($10.4 million).

- Human Resources: construction and initial outfitting for citywide facilities ($70.7 million); data infrastructure upgrades and improvements ($69.3 million); telecommunications ($12.6 million); and automotive equipment ($1.9 million).

Housing and Development

- Housing: provision of low-interest loans to finance the preservation or creation of approximately 25,000 units in privately-owned buildings through new construction ($1.1 billion), special needs housing ($591.5 million), preservation ($519.9 million), and disposition programs ($126.4 million); provision of low-interest loans to support NYCHA's Section 8 conversion programs, through which NYCHA will also leverage other private and public financing sources to address its significant outstanding capital needs ($839.1 million); and funding for technology, infrastructure, demolition and other ancillary investments ($52.5 million).

- Housing Authority: provision of capital funding to help NYCHA meet its obligations under the 2019 Executed Agreement with HUD and the city around public health concerns, including lead, mold, waste, heating, and elevator outages ($571.0 million); general construction at NYCHA buildings, citywide ($420.0 million); and replace and rehabilitate roofs at NYCHA building, citywide ($288.0 million).

- Economic Development: development and improvement of infrastructure, including those to support the New York Climate Exchange, at Governors Island ($160.4 million), and at the Brooklyn Navy Yard ($94.6 million); construction of subgrade infrastructure and streets at Willets Point as part of phase II development ($89.8 million); development of the Brooklyn Army Terminal and Bush Terminal in Sunset Park, Brooklyn ($76.0 million); development of the Stapleton and Tompkinsville waterfront and esplanade, including the new Dockbuilders pier ($35.4 million); and construction of the NYC Ferry Homeport II at the Brooklyn Cruise Terminal ($16.0 million)

Administration of Justice and Public Safety

- Correction: new jail facilities ($2.6 billion); lifecycle replacement of equipment ($107.8 million); and improvements to building systems, infrastructure and support space ($41.3 million).

- Courts: infrastructure and operational improvements of court facilities ($214.2 million); exterior renovations ($102.4 million); elevators upgrade ($31.7 million); HVAC improvements (3.3 million); fire/life safety work ($1.7 million); and electrical upgrades ($0.1 million).

- Police: construction, rehabilitation, and relocation of facilities, citywide ($175.2 million); lifecycle replacement of vehicles ($62.9 million); replacement and upgrade of portable radios, radio equipment, infrastructure, and systems ($42.3 million); replacement and upgrade of critical network infrastructure equipment and data management systems ($25.5 million); and replacement and upgrade of general equipment, citywide ($5.4 million).

- Fire: construction and rehabilitation of firehouses, EMS stations, and support facilities ($165.0 million); mandated and support vehicle replacements and necessary fire-fighting tools and equipment ($74.8 million); replacement and upgrade of radios and other communications equipment ($37.9 million); replacement and upgrade of information technology equipment and systems ($10.2 million).

Recreation and Culturals

- Parks: reconstruction of citywide waterfront infrastructure ($292.8 million), including the Lemon Creek Marina in Staten Island ($10.2 million) and Ralph Demarco Park shoreline in Queens ($9.5 million); reconstruction of buildings, recreational facilities and pools ($263.3 million), including Hamilton Fish Recreation Center in Manhattan ($41.1 million) and citywide restroom construction projects ($26.0 million); construction of the Queensway Park project in Queens ($137.7 million); rehabilitation of Parks-owned pedestrian bridges ($135.6 million), including construction of the East 14th Street Greenway/Bike Path in Manhattan ($30.8 million) and the Riverside Park Amtrak Overbuild in Manhattan ($24.1 million); planting of new street trees and park trees, reforestation and restoration of natural areas, and reconstruction of sidewalks damaged by trees, citywide ($123.9 million); improvements to Mount Prospect Park in Brooklyn ($10.1 million); and reconstruction of the Van Cortlandt Pool in the Bronx ($10.0 million).

- Public Libraries: expansion of the Douglaston branch ($18.3 million); HVAC system upgrade of the Andrew Heiskell branch ($12.7 million); installation of new heating and cooling systems at Bushwick library ($3.1 million); infrastructure and accessibility upgrades of the Wakefield branch ($2.4 million); elevator replacement at the Allerton branch ($2.2 million); construction of a new elevator at the Flushing branch ($2.2 million); and renovation of the 2nd floor at Midwood library ($2.1 million).

- Cultural Affairs: renovation of the historic theater at Brooklyn Music School ($6.1 million); reconstruction of the façade at 122 Community Center ($5.0 million); construction of a new exhibition space at the Museum of Moving Image ($5.0 million); upgrade of the lighting system at St. George theater ($1.0 million); and purchase of a new production system at BronxNet ($0.4 million).

Department of Citywide Administrative Services

- Public Buildings: reconstruction and rehabilitation of public buildings and city-owned facilities ($107.0 million), including projects at the Manhattan Municipal Building ($75.0 million), 253 Broadway ($9.0 million), and 100 Gold Street ($0.5 million) in Manhattan, and Queens Borough Hall ($2.3 million) in Queens; renovation of other city-owned facilities ($64.0 million), including the reconstruction of 70 Mulberry Street ($63.0 million); miscellaneous construction in other facilities ($34.0 million), including installation of charging infrastructure for electric vehicles ($12.0 million); legal mandates ($24.2 million), including fire/life safety upgrades to ensure Local Law 5 compliance ($13.0 million), façade upgrades to ensure Local Law 11 compliance ($3.1 million), upgrades to bathrooms and other facilities to ensure ADA compliance ($0.7 million), and fuel tank replacement and remediation ($0.1 million); equipment and interagency services ($8.6 million); acquisition of real property ($2.8 million); and rehabilitation of court buildings ($0.4 million).

- Energy Efficiency, Sustainability and Resiliency: energy efficiency measures and building retrofits ($700.0 million), including funding for the Accelerated Conservation and Efficiency (ACE) Program ($59.0 million), and solar panels at citywide facilities ($7.0 million); citywide resiliency and waterfront rehabilitation ($562.0 million), including the East Side Coastal Resiliency project ($294.6 million), rehabilitation of the substructure of Harlem River Park between 125th Street and 135th Street ($48.5 million), and the Brooklyn Bridge – Montgomery Coastal Resiliency project ($9.5 million).

Borough Presidents' Allocations

The Charter requires an amount equal to five percent of the proposed new capital appropriations for the ensuing four years to be allocated to the Borough Presidents. This allocation is to be distributed to each borough based upon a formula that equally weighs population and land area. The tables below indicate the amounts added by the Borough Presidents for each programmatic area.

FY 2026-2029 Borough Presidents' Allocations*
(City Funded Appropriations $ in Thousands)

	2026	2027	2028	2029
Bronx Program				
Cultural Affairs	$1,900	—	—	—
Economic Development	1,000	—	—	—
Education	33,883	—	—	—
Health	250	—	—	—
Higher Education	1,400	—	—	—
Hospitals	2,180	—	—	—
Housing	6,000	—	—	—
Houshing Authority	1,237	—	—	—
Human Resources	1,000	—	—	—
New York Public Library	850	—	—	—
Police	1,200	—	—	—
Public Buildings	2,125	—	—	—
Sanitation	500	—	—	—
GRAND TOTAL: BRONX	$53,525	$0	$0	$0
Brooklyn Program				
Cultural Affairs	$1,500	—	—	—
Economic Development	790	—	—	—
Education	11,874	—	—	—
Fire	983	—	—	—
Higher Education	100	—	—	—
Hospitals	12,027	—	—	—
Housing	10,659	—	—	—
Housing Authority	500	—	—	—
Human Resources	336	—	—	—
Brooklyn Public Library	2,000	—	—	—
Parks	3,000	—	—	—
Police	300	—	—	—
GRAND TOTAL: BROOKLYN	$44,069	$0	$0	$0

* Appropriations include reallocation of prior amounts recommended by the borough presidents.

**Note: Individual items may not add to totals due to rounding

FY 2026-2029 Borough Presidents' Allocations*
(City Funded Appropriations $ in Thousands)

	2026	2027	2028	2029
Manhattan Program				
Cultural Affairs	7,621	—	—	—
Education	5,749	—	—	—
Health	120	—	—	—
Higher Education	1,288	—	—	—
Hospitals	325	—	—	—
Housing	3,723	—	—	—
Housing Authority	300	—	—	—
Human Resources	540	—	—	—
New York Public Library	500	—	—	—
Parks	4,550	—	—	—
Public Buildings	457	—	—	—
GRAND TOTAL: MANHATTAN	$25,173	$0	$0	$0
Queens Program				
Cultural Affairs	$7,019	—	—	—
Economic Development	2,872	—	—	—
Education	6,135	—	—	—
Health	5,000	—	—	—
Higher Education	6,500	—	—	—
Housing	1,500	—	—	—
Parks	26,000	6,400	—	—
Public Buildings	80	—	—	—
GRAND TOTAL: QUEENS	$55,106	$6,400	$0	$0
Staten Island Program				
Education	$16,281	—	—	—
Hospitals	350	—	—	—
GRAND TOTAL: STATEN ISLAND	$16,631	$0	$0	$0

* Appropriations include reallocation of prior amounts recommended by the borough presidents.
**Note: Individual items may not add to totals due to rounding

Management Initiatives

Management initiatives continue to be developed and implemented to enhance the administration and advancement of the capital program. These include:

- continued improvements to capital program management.
- updating the charter-mandated capital asset condition assessment.
- application of value engineering to reduce capital and operating costs.

Capital Program Management

The Department of Design and Construction (DDC) was created in October 1995 by Local Law 77, which authorized it to assume responsibility for construction projects performed by the Departments of Transportation, Environmental Protection and General Services. DDC delivers the city's construction projects in an expeditious, cost-effective manner, while maintaining the highest degree of architectural, engineering and construction quality. The Department performs design and construction functions related to streets and highways; sewers; water mains; correctional and court facilities; cultural buildings; libraries; and other public buildings, facilities, and structures.

The consolidation of design and construction into a single agency allows for the elimination of duplicative program units within agencies; the standardization of construction procedures and practices; the implementation of reforms of current practices relating to procurement for construction projects; and the expansion of the use of construction-related technology, including Computer-Aided Drafting and Design (CADD); and a project management information system. The Department also enables the city to coordinate a wide variety of construction projects with utilities, community representatives, and private industry, thus minimizing the disruption to individual neighborhoods caused by water-main projects, sewer construction, and road work, as well as reducing the costs associated with such projects. The Department of Design and Construction serves more than 22 client agencies.

Capital Project Scope Development and Cost Estimation

Some capital projects contain significant risks and uncertainties that can lead to cost escalation. Construction or site complexity, unclear or evolving programmatic requirements, regulatory or legal issues, and conflicting stakeholder objectives are some of the factors which can result in projects exceeding their budgets. In an effort to control cost overruns, capital projects undergo a more intensive scope development and cost estimation prior to being included in the capital plan.

Capital Asset Inventory and Maintenance Program

The New York City Charter requires an annual assessment of the city's major assets including buildings, piers, bulkheads, marinas, bridges, streets and highways, and the preparation of maintenance schedules for these assets. This assessment report (AIMS), based on field surveys by technical professionals, details state of good repair needs and is used by agencies for capital planning purposes. A separate volume, published as a reconciliation, reports on the amounts recommended in the annual condition surveys with amounts funded in budget. To incorporate current technology and standards into the Maintenance Program, the city conducts ongoing reviews of the methodologies used in surveying and estimating the cost of maintaining its fixed assets in a state of good repair.

Value Engineering

Value Engineering (VE) is a systematic analytical methodology directed toward analyzing the functions of projects for the purpose of achieving the best value at the lowest life cycle project cost. From its inception in 1982 OMB's VE program has utilized innovations in value management methodology to evaluate an ever-expanding group of projects, widening the scope and depth of project reviews to include Value Analysis (VA) reviews of the city's operational processes and functions to assist agencies in streamlining their procedures to effect increased efficiency and improvements.

Value Engineering is a collaborative effort between all concerned city agencies with budgetary and operational jurisdiction over a project, and outside consultants with expertise on critical project components. The city has utilized VE effectively to review complex and costly capital projects to ensure they meet functional requirements and are cost effective and timely. These Value Management reviews enable agency decision makers to reach informed conclusions about a project's scope, cost and schedule. In addition to defining potential cost reductions, the VE process frequently generates project improvements and anticipates project risks early in the design process, and solves functional problems by raising relevant issues which adversely compromise the project's development, cost and schedule. OMB's Value Management Program continues to be successful, both as an operational and capital management tool. The benefits of VE and the overall returns on the reviewed projects have proven to be effective in terms of both significant capital and life cycle cost reductions while protecting each project's required functionality and mission. VA enables improvements to operational processes and more efficient service delivery. Studies scheduled for upcoming VE reviews include environmental projects, dams, roadways, bridges, treatment plants, and operational reviews.

Analysis of Agency Budgets

The following table reflects the allocation of fringe benefits, pensions, and debt service costs against the City to each agency to derive the total cost of agency operations.

Full Agency Costs for FY 2026

($ in Millions)

	Personal Service Costs				Other Than Personal Service Costs						
Agency	Salaries & Wages	Fringe Benefits	Pensions	PS Subtotal	Agency OTPS	PA, MA & Other Mandates	Debt Service	OTPS Subtotal	Gross Total All Funds (Includes Intra - City)	Net Total All Funds (Excludes Intra - City)	City Funds Total
Uniformed Forces											
Police	$5,593	$3,271	$2,788	$11,652	$487	$ —	$240	$727	$12,379	$12,099	$12,001
Fire	2,326	1,202	1,742	5,270	261	—	258	519	5,789	5,789	5,288
Correction	993	977	516	2,486	195	—	166	361	2,847	2,847	2,832
Sanitation	1,170	658	334	2,162	758	—	325	1,083	3,245	3,236	3,213
Subtotal	**$10,082**	**$6,108**	**$5,380**	**$21,570**	**$1,701**	**$ —**	**$989**	**$2,690**	**$24,260**	**$23,971**	**$23,334**
Health and Welfare											
Admin. For Children's Services	$594	$261	$95	$950	$2,316	$ —	$—	$2,316	$3,266	$3,260	$1,212
Social Services	978	476	167	1,621	2,528	8,233	89	10,850	12,471	12,466	9,951
Homeless Services	165	75	27	267	3,281	—	—	3,281	3,548	3,541	2,699
Health and Mental Hygiene	644	250	96	990	1,668	—	69	1,737	2,727	2,720	1,706
Health + Hospitals	—	62	—	62	1,702	—	358	2,060	2,122	2,035	1,909
Subtotal	**$2,381**	**$1,124**	**$385**	**$3,890**	**$11,495**	**$8,233**	**$516**	**$20,244**	**$24,134**	**$24,022**	**$17,477**
Education											
Education	$15,260	$5,217	$3,696	$24,173	$14,155	$1,160	$2,698	$18,013	$42,186	$42,178	$24,941
City University	786	276	104	1,166	426	—	75	501	1,667	1,626	1,331
Subtotal	**$16,046**	**$5,493**	**$3,800**	**$25,339**	**$14,581**	**$1,160**	**$2,773**	**$18,514**	**$43,853**	**$43,804**	**$26,272**
Other Agencies	3,976	1,651	652	6,279	9,847	—	4,061	13,908	20,187	18,961	16,290
Elected Officials	888	297	141	1,326	201	—	—	201	1,527	1,518	1,431
Miscellaneous	1,030	111	112	1,253	—	4,283 (1)	291	4,574	5,827	5,628	5,292
Debt Service (Unallocated)	—	—	—	—	—	—	111	111	111	111	79
Total - All Funds (2)	**$34,403**	**$14,784**	**$10,470**	**$59,657**	**$37,825**	**$13,676**	**$8,741**	**$60,242**	**$119,899**	**$118,015**	
Total - City Funds (2)	**$24,120**	**$11,983**	**$10,325**	**$46,428**	**$23,809**	**$11,305**	**$8,633**	**$43,747**			**$90,175**
Less: Prepayments	$ —	$ —	$ —	$—	$ —	$ —	$2,950	$2,950	$2,950	$2,950	$2,950
Total After Prepayments	$34,403	$14,784	$10,470	$59,657	$37,825	$13,676	$5,791	$57,292	$116,949	$115,065	$87,225

(1) Includes Labor Reserve, General Reserve, Capital Stabilization Reserve, Judgments and Claims, MTA Subsidies and Other Contractual Services.
(2) Excludes the impact of prepayments.

DEPARTMENT OF EDUCATION

The New York City Department of Education provides primary and secondary education for about one million school-age children. Through a network of elementary, junior high, intermediate, and high schools as well as full-day pre-kindergarten programs and special education schools, the Department provides basic instructional services, offering students special education, instruction for English language learners and career and technical training. Support services include free and subsidized transportation, free meals, and the operation and maintenance of approximately 1,800 schools.

Financial Review

The Department of Education's 2026 operating budget is $34.4 billion, an increase of $0.2 billion from the 2025 forecast of $34.2 billion. In addition, education-related pension, debt service, and other fringe costs of $7.8 billion are budgeted in separate agencies. These additional costs include an increase of $744 million. City funds including pensions, debt service and other fringe support $24.9 billion of the Department of Education's expense budget in 2026, an increase of $1.4 billion, or six percent. State funds support $15 billion, an increase of $92 million. The balance of the education budget is supported by $2.1 billion in federal aid, a decrease of $445 million from the 2025 forecast, $8 million in intra-city funds and $159 million in other categorical funds. Including those funds budgeted centrally, total funds budgeted on behalf of the Department of Education increase from $41.2 billion in the 2025 forecast to $42.2 billion in the 2026 Executive Budget.

Total Department of Education Expenses
2019-2026
($ in Millions)

	2019	2020	2021	2022	2023	2024	Forecast 2025	Executive Budget 2026	Change 2025 to 2026	Change 2019 to 2026
Department Of Education Operating Budget										
City	$13,592	$14,065	$14,709	$13,674	$14,484	$14,980	$17,604	$18,277	$673	$4,685
Other Categorical	$320	$294	$278	$278	$319	$408	$200	$159	($41)	($161)
State	$11,217	$11,514	$10,667	$12,041	$12,451	$13,071	$13,733	$13,822	$89	$2,606
Federal	$1,888	$2,141	$2,828	$5,484	$4,166	$4,773	$2,538	$2,093	($445)	$205
Intra-City	$51	$51	$63	$80	$85	$136	$89	$8	($81)	($43)
Total Operating Expenditures	**$27,067**	**$28,067**	**$28,545**	**$31,558**	**$31,505**	**$33,368**	**$34,165**	**$34,359**	**$194**	**$7,292**
Other City Funds Supporting Education										
Pensions	$3,693	$3,575	$3,070	$3,278	$3,050	$3,134	$3,440	$3,696	$255	$3
State Aid for Pensions	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Federal Aid for Pensions	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Fringe	$160	$172	$196	$220	$231	$225	$256	$273	$17	$113
G.O. Bond Debt Service	$1,117	$1,112	$1,043	$993	$1,217	$1,363	$1,277	$1,462	$185	$345
State Aid for Debt Service	($3)	($3)	($3)	($3)	($3)	($3)	($3)	($3)	$0	$0
TFA Debt Service	$1,532	$1,620	$1,666	$1,620	$1,939	$2,005	$2,110	$2,396	$286	$864
State Aid for TFA Debt Service	($744)	($797)	($801)	($838)	($973)	($1,037)	($1,157)	($1,160)	($3)	($416)
Total Additional City Funds	**$5,755**	**$5,679**	**$5,171**	**$5,270**	**$5,462**	**$5,688**	**$5,923**	**$6,664**	**$742**	**$909**
TOTAL CITY FUNDS FOR EDUCATION	**$19,347**	**$19,744**	**$19,881**	**$18,944**	**$19,947**	**$20,668**	**$23,527**	**$24,941**	**$1,414**	**$5,594**
TOTAL STATE FUNDS FOR EDUCATION	**$11,964**	**$12,314**	**$11,470**	**$12,882**	**$13,427**	**$14,111**	**$14,893**	**$14,985**	**$92**	**$3,021**

The amounts shown for 2019 through 2024 represent actual expenditures including pensions and debt service funds budgeted in other agencies.
Numbers may not add due to rounding.

Expense Budget Highlights

The 2026 Executive Budget reflects the Administration's continued commitment to protect core educational programs and staff, baselining funds across a variety of program areas to provide stability to our schools as well as investing new money to hire thousands of teachers and reduce class sizes.

Class Size Mandate

The City has been in compliance with the Class Size Mandate for the last two years. In the Executive Budget, the Administration makes an initial investment of $150 million in 2026 and $200 million in the outyears to hire the thousands of teachers needed to continue to meet the Class Size Mandate. Additionally, $23 million is provided for central staffing and programming that will support the recruitment and hiring of these teachers.

Early Childhood Education

The Administration remains committed to a thriving early childhood education system, investing again in funds for increased outreach as well as the following funding that was baselined to provide support to families across the city:

- Support the Citywide 3-K program ($112 million).
- Special education Pre-K classrooms within district schools to reduce wait lists ($55 million).
- Extended hours to provide working parents with needed childcare ($25 million).

School Nurses

The Executive Budget baselines $194 million to support nurses in schools and maintains the Administration's commitment to a nurse in every school building.

Formerly Stimulus Funded Programs

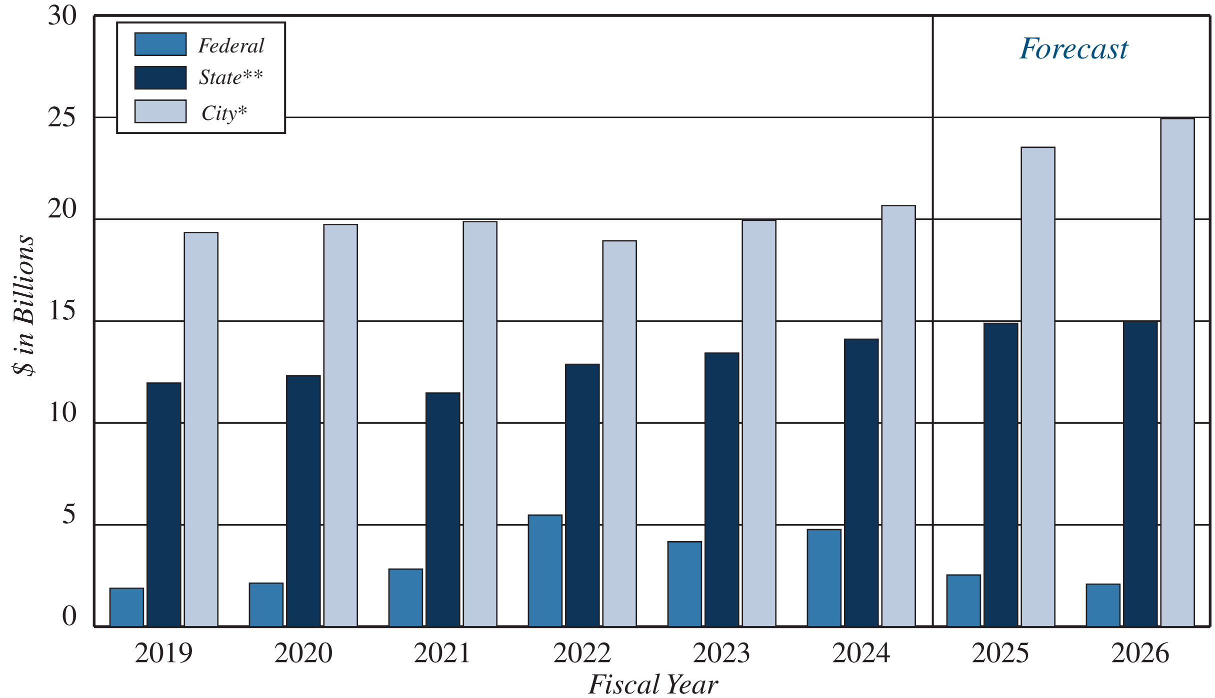
The Department now has baselined funding for many services that were previously funded with expiring federal stimulus and then with one time city funding in 2025. Some highlights of these programs include Arts Education in Schools ($41 million) and Project Pivot, which works with community-based organizations that specialize in violence interruption techniques ($15 million).

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$14,199,033	$14,266,165	$15,052,507	$15,259,899	$993,734	$207,392
Fringe Benefits	4,535,634	4,623,774	4,922,201	4,943,752	319,978	21,551
OTPS	14,632,981	15,272,906	13,523,988	14,155,327	(1,117,579)	631,339
Total	**$33,367,648**	**$34,162,845**	**$33,498,696**	**$34,358,978**	**$196,133**	**$860,282**
Funding						
City	$14,979,626	$17,601,891	$17,703,309	$18,276,590	$674,699	$573,281
Other Categorical Grants	408,223	200,109	159,397	159,397	(40,712)	—
IFA	—	—	—	—	—	—
State	13,071,471	13,733,359	13,535,307	13,822,308	88,949	287,001
Federal CD	3,077	2,963	2,963	2,963	—	—
Federal Other	4,769,575	2,535,349	2,090,016	2,090,016	(445,333)	—
Intra-City Other	135,676	89,174	7,704	7,704	(81,470)	—
Total	**$33,367,648**	**$34,162,845**	**$33,498,696**	**$34,358,978**	**$196,133**	**$860,282**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$225,458	$255,648	$275,656	$272,780	$17,132	($2,876)
Pensions	3,133,876	3,440,311	3,687,549	3,695,737	255,426	8,188
Other Than Personal Service (OTPS)						
Debt Service (incl. BARBs)	3,367,987	3,386,640	3,750,099	3,858,222	471,582	108,123
Total Additional Costs	**$6,727,321**	**$7,082,599**	**$7,713,304**	**$7,826,739**	**$744,140**	**$113,435**
Funding						
City	5,688,236	5,922,720	6,550,831	6,664,267	741,547	113,436
Non-City	1,039,085	1,159,879	1,162,473	1,162,472	2,593	(1)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$14,199,033	$14,266,165	$15,052,507	$15,259,899	$993,734	$207,392
Fringe Benefits	4,761,092	4,879,422	5,197,857	5,216,532	337,110	18,675
Pensions	3,133,876	3,440,311	3,687,549	3,695,737	255,426	8,188
Total PS	**$22,094,001**	**$22,585,898**	**$23,937,913**	**$24,172,168**	**$1,586,270**	**$234,255**
OTPS	$14,632,981	$15,272,906	$13,523,988	$14,155,327	($1,117,579)	$631,339
Debt Service (incl. BARBs)	3,367,987	3,386,640	3,750,099	3,858,222	471,582	108,123
Total OTPS	**$18,000,968**	**$18,659,546**	**$17,274,087**	**$18,013,549**	**($645,997)**	**$739,462**
Total Agency Costs	**$40,094,969**	**$41,245,444**	**$41,212,000**	**$42,185,717**	**$940,273**	**$973,717**
Less Intra-City	135,676	89,174	7,704	7,704	(81,470)	—
Net Agency Cost	**$39,959,293**	**$41,156,270**	**$41,204,296**	**$42,178,013**	**$1,021,743**	**$973,717**
Funding						
City	20,667,862	23,524,611	24,254,140	24,940,857	1,416,246	686,717
Non-City	19,291,431	17,631,659	16,950,156	17,237,156	(394,503)	287,000
Personnel (includes FTEs at fiscal year-end)						
City	107,253	114,298	114,283	114,305	7	22
Non-City	36,410	38,521	36,155	36,205	(2,316)	50
Total	**143,663**	**152,819**	**150,438**	**150,510**	**(2,309)**	**72**

FUNDING SOURCES 2019 - 2026



* City funds include TFA and GO debt service, pensions and other fringe.
** State funds include debt service and pensions.

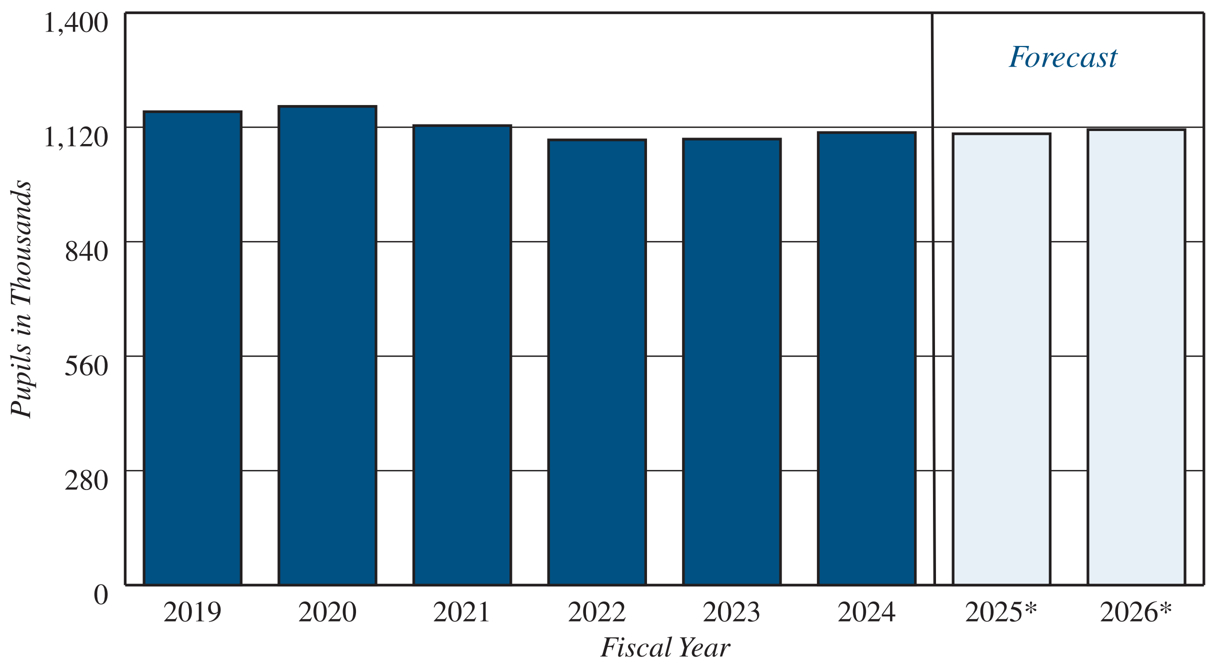
Source: NYC OMB

New York City Public School Enrollment
School Year 2022-2026

	2022 Actual	2023 Actual	2024 Actual	2025 Projections	2026 Projections
DOE Facilities Enrollment					
General Education*..............................	662,835	649,380	651,220	645,111	638,572
Special Education**	155,124	154,353	157,464	159,054	166,231
Full Day Pre-K***................................	27,032	27,665	27,409	26,327	28,516
Full Day 3-K****	8,862	10,643	10,726	11,477	11,158
Subtotal	853,853	842,041	846,819	841,969	844,477
Non-DOE Facilities Enrollment					
Charter Schools	134,564	135,755	139,786	143,286	146,604
Contract Schools	5,845	5,540	5,048	4,773	4,773
Full Day Pre-K at NYCEECs***	28,366	29,891	31,264	29,385	32,527
Half Day Pre-K at NYCEECs***	1,096	789	310	597	322
Full Day 3-K at NYCEECs****	25,297	32,008	32,956	33,409	34,287
EarlyLearn*****..................................	4,118	6,092	10,349	10,866	10,508
Special Ed Pre-K..................................	36,327	38,858	40,117	40,120	40,120
Subtotal	235,613	248,933	259,830	262,436	269,141
TOTAL	**1,089,466**	**1,090,974**	**1,106,649**	**1,104,405**	**1,113,618**

* General Education enrollment includes students served in Integrated Co-Teaching (ICT) settings as well as those in traditional classrooms.
** Special Education enrollment includes Community School District and High School Special Education students in self-contained classrooms, Citywide, Home and Hospital Instruction, and Special Education students served in ICT settings.
*** Students who turn four years old during the calendar year of admission.
**** Students who turn three years old during the calendar year of admission.
***** EarlyLearn enrollment includes children aged 0-2. 3- and 4-year olds in EarlyLearn settings are counted in Pre-K and 3-K lines.

NYC PUBLIC SCHOOL ENROLLMENT 2019 - 2026



Includes Charter Schools, Special Education Pre-K, Universal Pre-K, 3-K, Special Education Contract Schools, and Integrated Co-Teaching. Excludes Long Term Absences.
** Projected as of 2026 Executive Budget*
Source: NYC OMB

The Student Population

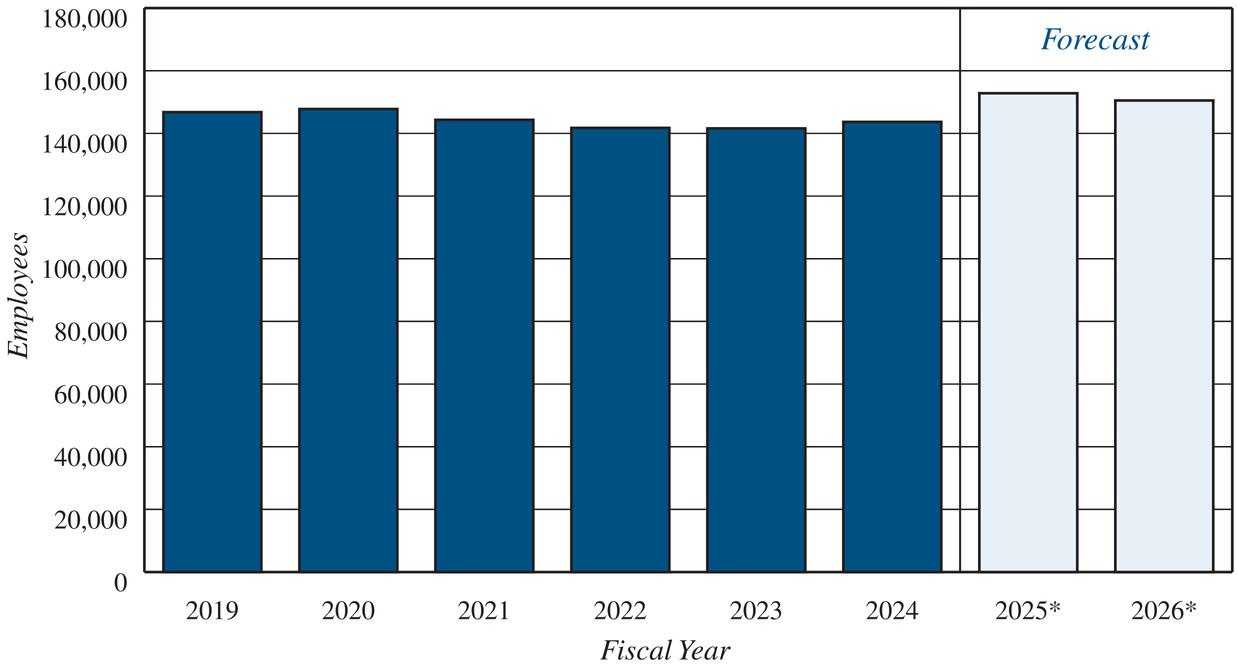
Total enrollment supported by the Department's budget, including pre-kindergarten, charter school, and special education contract school students, is projected to increase by 9,213 from 1,104,405 in 2025 to 1,113,618 in 2026. Of this total, the City projects that general education public school enrollment for kindergarten through grade 12 will be 758,578. Of these students, 638,572 are expected to attend schools operated by the Department of Education and 120,006 are expected to attend charter schools.

In 2026, the City projects that 197,602 school-age students will be enrolled in special education programs (a 21 percent share of total K-12 enrollment). This projected enrollment level is 7,084 students higher than the 2025 special education population of 190,517. Of these students, 84 percent are expected to attend the Department of Education facilities, 14 percent are expected to attend charter schools, and two percent are expected to attend specialized private facilities ("contract schools") paid for through the Department's budget.

The City projects that 106,810 three- and four-year-olds will be served in Pre-K for All and 3-K for All programs. Of these, 37 percent will attend DOE facilities and 63 percent will attend New York City Early Education Centers (NYCEECs).

Staffing Levels

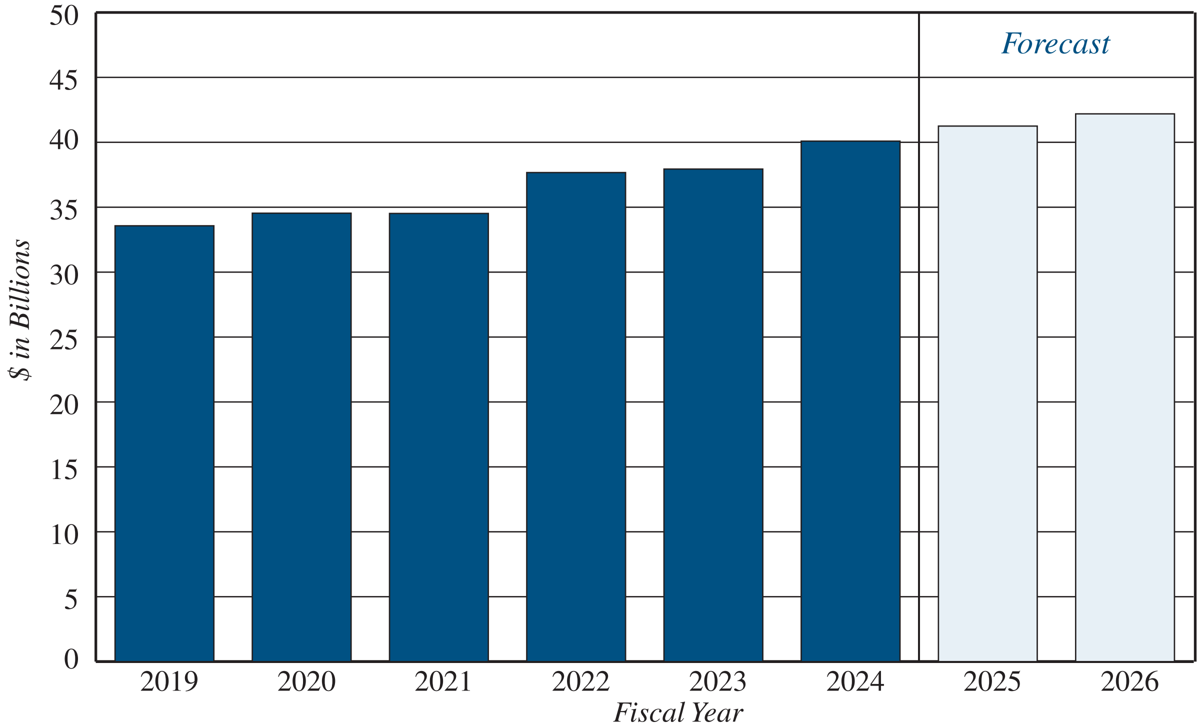
FULL TIME AND FULL TIME EQUIVALENT DEPARTMENT OF EDUCATION EMPLOYEES 2019 - 2026



* *Projected as of 2026 Executive Budget* *Source: NYC OMB*

In 2026, the City's financial plan supports a staffing level of 150,510. Of this count, 135,786 are full-time and 14,724 are Full Time Equivalents (FTEs). Pedagogical employees (which include teachers, superintendents, principals, assistant principals, guidance counselors, school secretaries, educational paraprofessionals, and other school support staff) make up 123,401 of the full-time employees and 857 of the FTEs. Civilian employees represent 12,385 of the full-time employees and 13,867 of the FTEs.

TOTAL DEPARTMENT OF EDUCATION EXPENDITURES 2019 - 2026*



** Total DOE expenditures include pensions, other fringe, TFA and GO debt service.* *Source: NYC OMB*

Capital Review

The City's Four-Year Education Capital Plan for 2026-2029 anticipates spending $15.63 billion on creating new seats, school improvements, and enhancement projects and includes the last four years of the Department of Education's and the School Construction Authority's 2025-2029 Five-Year Capital Plan. The School Construction Authority (SCA) is responsible for managing, planning, and budgeting, as well as building new schools and supporting capital investments to existing school buildings on behalf of the Department of Education.

The table below shows planned capital commitments by program area over the 2026-2029 period.

Capital Commitments
($ in 000's)

	2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
System Expansion: New Schools	$1,050,890	$1,050,890	$1,304,840	$1,304,840	$1,067,790	$1,067,790	$499,860	$499,860
System Expansion: Other	$239,660	$239,660	$454,430	$454,430	$836,610	$836,610	$711,130	$711,130
Rehabilitation of School Components	$1,285,990	$1,285,990	$1,064,050	$1,064,050	$988,020	$988,020	$1,131,070	$1,131,070
Educational Enhancements	$651,620	$651,620	$496,000	$496,000	$526,000	$526,000	$527,990	$527,990
Emergency, Unspecified and Miscellaneous	$774,502	$774,502	$566,130	$566,130	$467,030	$467,030	$415,780	$415,780
Safety and Security	$143,660	$143,660	$74,550	$74,550	$74,550	$74,550	$74,170	$74,170
Ancillary Facilities (Administration)	$80,000	$80,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000
Total	**$4,226,322**	**$4,226,322**	**$4,000,000**	**$4,000,000**	**$4,000,000**	**$4,000,000**	**$3,400,000**	**$3,400,000**

The Department of Education's and the School Construction Authority's 2025-2029 Five-Year Capital Plan as of February 2025 totals $20.5 billion and will provide:

- Capacity $6.98 billion. This includes $6.13 billion for new capacity projects which will help the City meet class size reduction goals per state law. Seats include: 33,417 seats for elementary, middle, and high schools in an estimated 59 buildings. The capacity category also includes $250 million for the removal of Temporary Classroom Units (TCUs) and playground redevelopment, $400 million for the facility replacement program, and $200 million for early education.

- Healthy Schools $2.28 billion. This includes $1.40 billion to support electrification of existing school buildings as part of Mayor Adams' Leading the Charge initiative to reduce the carbon footprint of City schools, $350 million for heating plant upgrades, $354 million for physical education projects, and $180 million for health and nutrition projects.

- Capital Investment $7.54 billion. This includes $3.44 billion for the capital improvement program, allowing for exterior and interior building upgrades and other necessary capital repairs to school buildings, and $1.22 billion for targeted investments at specific schools. This also includes $2.88 billion for school enhancement projects, such as $1.2 billion to invest in DOE IT capital projects, $800 million to create more accessible options for students with mobility impairments and other physical disabilities, $150 million to provide safety and security within schools to ensure a safe learning environment, as well as funding to support bathroom upgrades, science labs, and the Career and Technical Education (CTE) program.

- Mandated Programs $3.72 billion. This provides funding to meet requirements of local law, City agency mandates, and other required elements such as remediation, boiler conversions, building code compliance, insurance, and emergencies.

ADMINISTRATION OF JUSTICE

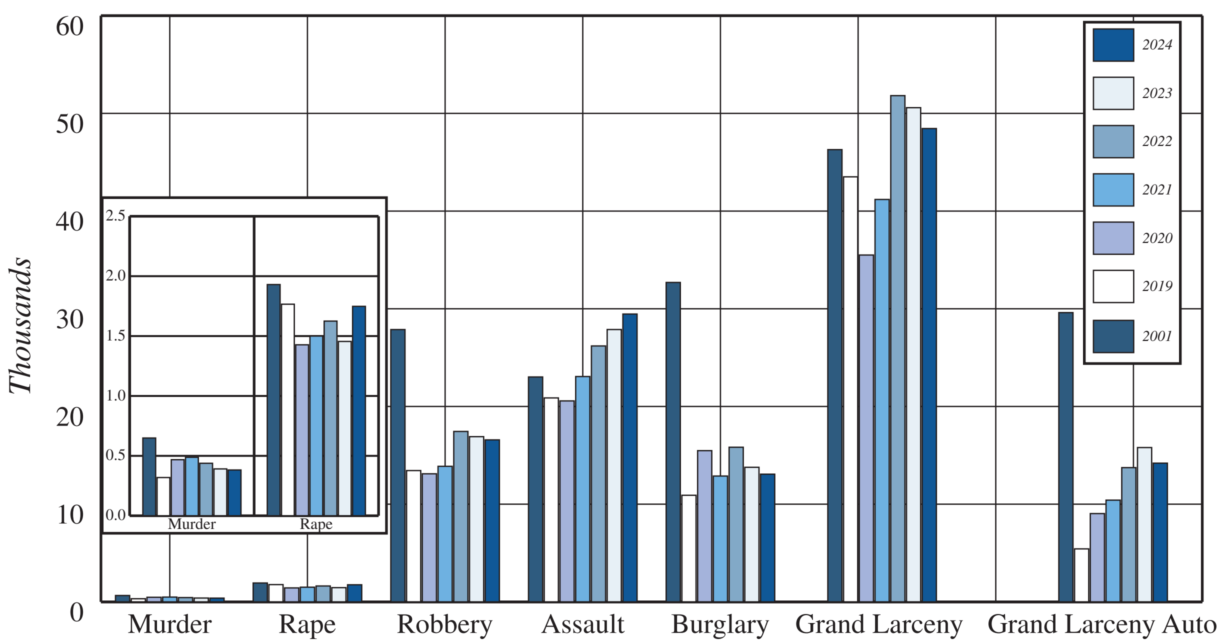
Overview

In calendar year 2024, the New York City Police Department (NYPD) continued to prioritize and adapt police operations to respond to the City's most vulnerable communities and address the public safety concerns of everyday New Yorkers. The Department remained operational at all levels and responded to 911 and 311 calls for service, addressed criminal activity, investigated crime, countered threats of terrorism, managed traffic control, and ensured public safety citywide. The Department is committed to ensuring public safety through a multifaceted precision approach to lower the incidence of crime, promote trust and respect, and solve problems collaboratively with members of the community.

The NYPD's index crime data for calendar year 2024 shows that overall major felony crime decreased 2.3 percent (123,890 vs. 126,786) compared to calendar year 2023. Murder decreased by 2.3 percent (382 vs. 391), robbery decreased by 2.0 percent (16,580 vs. 16,910), burglary decreased by 5.1 percent (13,070 vs. 13,773), grand larceny decreased by 4.2 percent (48,450 vs. 50,586), and grand larceny auto decreased by 10.1 percent (14,199 vs. 15,795). Rape increased by 20.1 percent (1,748 vs. 1,455), and assault increased by 5.7 percent (29,461 vs. 27,876).

NEW YORK CITY COMPSTAT

*Calendar Years 2001 - 2024**



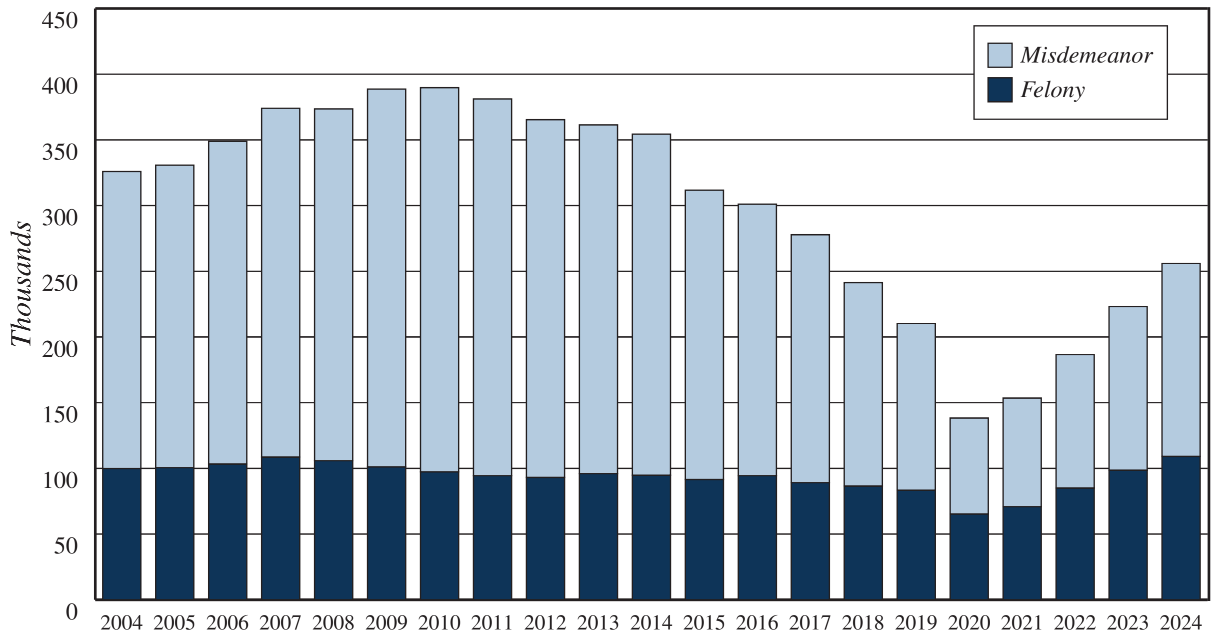
** NYPD is utilizing its CompStat statistics.*

Source: NYPD

Arrests totaled 258,142 in calendar year 2024, increasing by 33,723 from calendar year 2023. The overall arrest level increased by 15.0 percent from calendar year 2023. Major felony arrests increased by 10.7 percent, misdemeanor arrests increased by 17.9 percent, and violation arrests increased by 70.2 percent. The distribution of arrests resulted in 42.3 percent felonies, 56.9 percent misdemeanors, and 0.9 percent violations.

NEW YORK CITY FELONY & MISDEMEANOR ARRESTS

Calendar Years 2004 - 2024



Source: NYPD

POLICE DEPARTMENT

In calendar year 2024, the Department continued its efforts to combat the previous years' crime through precision deployment strategies, backed by rigorous data analysis and technological enhancement. This includes a focus on precision policing in hyper-local crime zones, a surge in officer deployment across high-priority subway stations and trains and continued multi-agency partnerships with other city agencies to provide a holistic response to public safety concerns. This precision policing model led to an overall reduction in five of the seven major index crime categories, with more than 2,896 fewer incidents reported than 2023. The Department's strategy led to 7.2 percent fewer shooting incidents and 4.1 percent fewer shooting victims when compared to 2023. The Department's strategy led to a reduction across all major theft categories: in 2024, there were 330 fewer robbery victims, 703 fewer burglary victims, 2,136 fewer victims of Grand Larceny and 1,596 fewer victims of Grand Larceny Auto. Officers carrying out complex, street-level investigations removed 6,166 illegal firearms removed from City streets.

DEPARTMENT OF CORRECTION

The Department of Correction is committed to operating a jail system that is safe and humane for everyone who lives and works in its facilities and serves the public interest. Department staff at all levels are expected to act with integrity and professionalism at all times, and to create a culture of service to persons experiencing incarceration. Everyone benefits when people in custody are given the tools they need to have less adverse contact with the justice system in the future. While the Department does not determine who comes into custody or how long an individual stays in a jail facility, it works hard to ensure that individuals in custody are provided with resources that support a safer environment in the jails, and a path to successful reentry once released to the community. The Department has been on the vanguard of reform in a number of areas, including the elimination of solitary confinement and restrictive housing reform, and housing incarcerated persons according to their gender identity.

OTHER CRIMINAL JUSTICE PROGRAMS

The Mayor's Office of Criminal Justice (MOCJ) works with partners across the justice system including mayoral agencies, courts, prosecutors, defendants, non-profits, foundations, and all New Yorkers to design, deploy, and evaluate citywide strategies. These strategies aim to increase safety, reduce unnecessary arrests and incarceration, and improve the system's fairness. Examples of MOCJ's work include:

- Increasing Criminal Justice System Effectiveness: MOCJ studies all aspects of the Criminal Justice System, including the interaction between the police and the public, operation of the courts, pre-trial release and detention, sentencing, probation, incarceration and alternatives to incarceration to better understand and evaluate the effectiveness of various approaches taken to deal with crime and justice involved persons. Through this work, MOCJ identifies and addresses deficiencies in the system and promotes effective measures to decrease crime and recidivism, while minimizing the use of incarceration when possible. MOCJ coordinates efforts by the courts, the NYPD, the five District Attorneys and the Special Narcotics Prosecutor, criminal defense attorneys, the Department of Correction, and service providers to continue addressing crime challenges across the city while ensuring justice for all.

- Reentry Services: The Diversion and Transition unit manages extensive wraparound reentry services throughout New York City—the Community Justice Reentry Network (CJRN)—which provides individuals returning to the city from state prisons, city jail, or other justice involvement with access to reentry services and resources to support their adjustment back into the community and reduce their likelihood of recidivism. CJRN services include discharge planning prior to release from jail or prison, transportation from jail and prison to nonprofit service providers in New York City, and a range of supportive services in the community such as paid transitional employment and connections to permanent employment, job training, financial literacy, career certifications, mental health and substance use treatment, individual and group counseling, benefits assistance, mentoring, family reunification, and housing assistance. CJRN serves approximately 4,600 individuals each year.

- Transitional Housing: MOCJ continues its commitment to public safety and community stability through the Emergency and Transitional Housing (ETH) Program. In partnership with local justice service providers, MOCJ supports 827 beds across New York City dedicated to adults who are justice-involved, experiencing homelessness, and at high risk of further contact with the justice system. This program is a vital part of the city's broader efforts to reduce incarceration, prevent recidivism, and connect individuals to stable housing and support services. ETH serves people aged 18 and older who are exiting incarceration or facing housing instability, helping them successfully reintegrate in the community and avoid reliance on the city's shelter system. Residents admitted into ETH are enrolled for up to 12-18 months, depending on individual needs and circumstances. During their stay, residents receive tailored support aimed at promoting long-term stability and reducing the likelihood of re-engagement with the criminal justice system. MOCJ continues to review the operation of this initiative to determine necessary adjustments and site locations that most effectively serve communities across the city.

- Alternative to Incarceration (ATI) Services: The Diversion and Transition unit manages ATI programs that are mandated by judges in court and provide participants with holistic, supportive services in their communities instead of a jail or prison sentence. ATI programs reduce the court's reliance on incarceration, lower the jail population, increase public safety, and allow people to remain in their communities while increasing stability and well-being and reducing recidivism. In addition to supervision, ATI programs provide mental health and substance use treatment, counseling, job readiness and employment, education assistance, benefits enrollment, case management and much more. MOCJ funds a wide array of ATI programs administered by non-profit services providers throughout the city that serve individuals with misdemeanor, non-violent felony, and violent felony cases, some of which specialize in serving particular populations including young people, women, and individuals with serious mental illness. Since the beginning of MOCJ's ATI contracts in 2021, 84 percent of participants who enrolled in an ATI program were not rearrested for any new crime while participating in the program.

- Pretrial Services: The Diversion and Transition unit is primarily responsible for the city's nationally recognized Supervised Release program and innovating in the criminal justice pretrial space to best serve New Yorkers in community who are pending trial. This year, the city continued an intensive case management pilot program designed to better serve those in community with the highest likelihood of re-offense and noncompliance with the program in Manhattan and Queens. Pretrial Services continues to evaluate Supervised Release and explore expansion of pretrial options for judges and those pending trial.

- The Office of Special Enforcement (OSE): A multi-agency task force charged with addressing illegal short-term rentals, the OSE continues to protect the City's housing stock from individuals and companies that violate the law and put New Yorkers at risk. In 2025, OSE continued its mandate to implement the Short-term Rental Registration Law. OSE maintained the compliance of industry-leading booking platforms and short-term rental hosts, bringing additional platforms into compliance, processing registration applications promptly, and continuing to identify and respond to incidents of non-compliance. OSE's litigation practice initiated and maintained legal actions against illegal short-term rental operators, obtained judgments and settlements worth approximately $3.6M.

- Office for the Prevention of Hate Crimes (OPHC): The Office for the Prevention of Hate Crimes takes a holistic approach to preventing and responding to hate crimes, developing and coordinating community-driven strategies, and fostering healing for individuals and their communities. Through the Partners Against the Hate (P.A.T.H.) FORWARD Initiative, the city provides $3 million in funding to over 50 community-based organizations representing the city's diversity to help combat hate and bias-motivated incidents. OPHC also coordinates city efforts through an Interagency Committee, which includes over 20 city agencies including the City Commission on Human Rights, NYPD, Mayor's Community Affairs Unit, Department of Education, Mayor's Office to End Domestic and Gender-Based Violence, Mayor's Office of Immigrant Affairs, and more. Together, these networks ensure a comprehensive and cohesive approach to preventing and responding to hate crimes.

- Indigent Legal Services: MOCJ's Indigent Defense Program contracts with legal service organizations to provide trial-level and appellate legal representation to criminal defendants and certain Family Court respondents or other adult parties who cannot afford to pay for their own lawyers. The program also works with the city's Assigned Counsel Plan, which supports indigent legal representation through attorneys who are compensated under Article 18-B of the New York State County Law and are assigned if a conflict prevents a city-contracted legal service organization from taking the case.

POLICE DEPARTMENT

The mission of the New York City Police Department is to enhance the quality of life in New York City by working in partnership with the community to enforce the law, preserve peace, protect the people, reduce fear, and maintain order.

Financial Review

The New York City Police Department's 2026 Executive Budget provides for an operating budget of $6.1 billion, a decrease of $644.6 million from the $6.8 billion forecast for 2025. This decrease is primarily attributed to annual state, federal, and private grant funding not yet recognized for 2026. Capital commitments of $311.3 million are also provided in 2026.

Revenue Forecast

The Police Department collects revenue from fees charged for pistol licenses, rifle permits, fingerprint fees, tow fees, and unclaimed cash and property that is abandoned or confiscated as a consequence of the commission of a crime. The city also receives E-911 surcharges imposed on all New York City cellular telephones, landline telephones and voice over internet protocol service (VoIP). In addition, the Department is recouping traffic control costs from non-charitable athletic parades. In 2026, the revenue estimate for the Police Department is $96.2 million.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- In 2026, the Department will have a uniformed budgeted headcount of approximately 35,001.

- The Department expects to receive up to $30.9 million for the protection of foreign missions under the Federal Fiscal Year 2025 Appropriation Act.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$5,957,951	$5,920,564	$5,592,007	$5,592,884	($327,680)	$877
Fringe Benefits	54,375	71,135	61,908	61,908	(9,227)	—
OTPS	614,981	794,826	495,989	487,157	(307,669)	(8,832)
Total	**$6,627,307**	**$6,786,525**	**$6,149,904**	**$6,141,949**	**($644,576)**	**($7,955)**
Funding						
City	$6,129,582	$6,223,950	$5,847,789	$5,837,151	($386,799)	($10,638)
Other Categorical Grants	31,873	24,933	—	—	(24,933)	—
IFA	—	—	—	—	—	—
State	15,373	35,148	732	732	(34,416)	—
Federal CD	—	—	—	—	—	—
Federal Other	175,454	250,068	21,386	23,650	(226,418)	2,264
Intra-City Other	275,025	252,426	279,997	280,416	27,990	419
Total	**$6,627,307**	**$6,786,525**	**$6,149,904**	**$6,141,949**	**($644,576)**	**($7,955)**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$2,906,833	$3,056,582	$3,213,526	$3,209,243	$152,661	($4,283)
Pensions	2,602,242	2,732,993	2,843,045	2,787,928	54,935	(55,117)
Other Than Personal Service (OTPS)						
Debt Service	197,794	198,204	228,144	239,804	41,600	11,660
Total Additional Costs	**$5,706,869**	**$5,987,779**	**$6,284,715**	**$6,236,975**	**$249,196**	**($47,740)**
Funding						
City	5,674,966	5,913,016	6,211,434	6,164,098	251,082	(47,336)
Non-City	31,903	74,763	73,281	72,877	(1,886)	(404)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$5,957,951	$5,920,564	$5,592,007	$5,592,884	($327,680)	$877
Fringe Benefits	2,961,208	3,127,717	3,275,434	3,271,151	143,434	(4,283)
Pensions	2,602,242	2,732,993	2,843,045	2,787,928	54,935	(55,117)
Total PS	**$11,521,401**	**$11,781,274**	**$11,710,486**	**$11,651,963**	**($129,311)**	**($58,523)**
OTPS	$614,981	$794,826	$495,989	$487,157	($307,669)	($8,832)
Debt Service	197,794	198,204	228,144	239,804	41,600	11,660
Total OTPS	**$812,775**	**$993,030**	**$724,133**	**$726,961**	**($266,069)**	**$2,828**
Total Agency Costs	**$12,334,176**	**$12,774,304**	**$12,434,619**	**$12,378,924**	**($395,380)**	**($55,695)**
Less Intra-City	275,025	252,426	279,997	280,416	27,990	419
Net Agency Cost	**$12,059,151**	**$12,521,878**	**$12,154,622**	**$12,098,508**	**($423,370)**	**($56,114)**
Funding						
City	11,804,548	12,136,966	12,059,223	12,001,249	(135,717)	(57,974)
Non-City	254,603	384,912	95,399	97,259	(287,653)	1,860
Personnel (includes FTEs at fiscal year-end)						
City	48,212	50,746	50,530	50,577	(169)	47
Non-City	188	248	8	8	(240)	—
Total	**48,400**	**50,994**	**50,538**	**50,585**	**(409)**	**47**

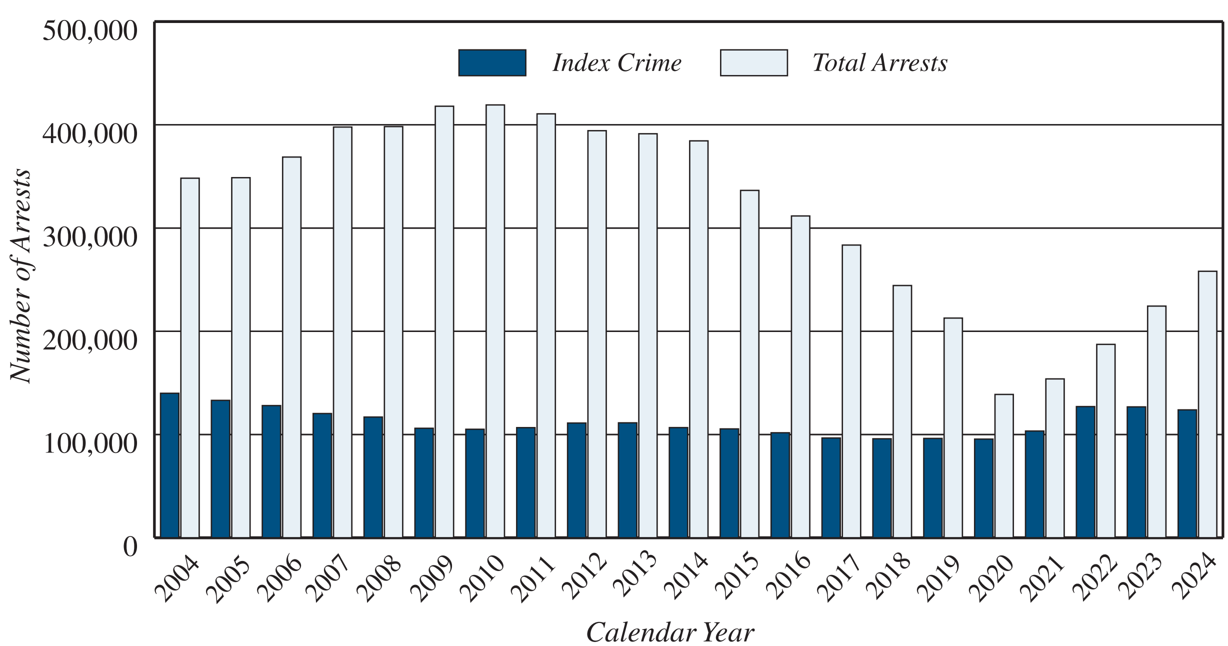
Programmatic Review and Service Impact

In calendar year 2024, the Department continued its efforts to combat the previous years' crime through precision deployment strategies, backed by rigorous data analysis and technological enhancement. This includes a focus on precision policing in hyper-local crime zones, a surge in officer deployment across high-priority subway stations and trains and continued multi-agency partnerships with other city agencies to provide a holistic response to public safety concerns. This precision policing model led to an overall reduction in five of the seven major index crime categories, with more than 2,896 fewer incidents reported than 2023. The Department's strategy led to 7.2 percent fewer shooting incidents and 4.1 percent fewer shooting victims when compared to 2023. The Department's strategy led to a reduction across all major theft categories: in 2024, there were 330 fewer robbery victims, 703 fewer burglary victims, 2,136 fewer victims of Grand Larceny and 1,596 fewer victims of Grand Larceny Auto. Officers carrying out complex, street-level investigations removed 6,166 illegal firearms removed from City streets.

The NYPD's index crime data for calendar year 2024 shows that overall major felony crime decreased 2.3 percent (123,890 vs. 126,786) compared to calendar year 2023. Murder decreased by 2.3 percent (382 vs. 391), robbery decreased by 2.0 percent (16,580 vs. 16,910), burglary decreased by 5.1 percent (13,070 vs. 13,773), grand larceny decreased by 4.2 percent (48,450 vs. 50,586), and grand larceny auto decreased by 10.1 percent (14,199 vs. 15,795). Rape increased by 20.1 percent (1,748 vs. 1,455), and assault increased by 5.7 percent (29,461 vs. 27,876).

Arrests totaled 258,142 in calendar year 2024, increasing by 33,723 from calendar year 2023. The overall arrest level increased by 15.0 percent from calendar year 2023. Major felony arrests increased by 10.7 percent, misdemeanor arrests increased by 17.9 percent, and violation arrests increased by 70.2 percent. The distribution of arrests resulted in 42.3 percent felonies, 56.9 percent misdemeanors, and 0.9 percent violations.

ARRESTS VERSUS CRIME



Source: NYPD

The Department's sophisticated analytical capabilities and tools have allowed for the development of hyper-local geographical violence "Zones" – specific street segments, portions of neighborhoods, and specific blocks – that are identified based on analyses of crime spikes. These zones allow for flexible, efficient, and effective deployments citywide, allowing the Department to adapt to shifting conditions through the use of mobile field forces.

Every day, millions of people rely on New York City subways, and the Department has increased its commitment to ensuring the safety of riders. In the third quarter of 2024, the Department increased deployment to transit, adding more than 200 transit officers to daily, dedicated subway patrols in the highest-crime stations in the system. Within subways, officers are posted away from entrances and mezzanines, and on to the trains and platforms, where 78% of transit crime occurs. The Department works with State and Local partners – including PATH, SCOUT, and partners at the MTA, DHS, and Health & Hospitals – to help address the City's dual mental health and homelessness crises that officers encounter in the subway system. This co-response initiative is part of the Department's ongoing effort to connect people with shelter and care, and interagency teams have made thousands of contacts since the program began.

Accomplishing the Department's mission depends on the interpersonal relationships officers create and foster with members of the public. The Department encourages officers to build rapport with the diverse communities they serve. In compliance with Local Law 43 of 2024, officers documented thousands of daily interactions with the public, the overwhelming majority of which were non-enforcement related. This transparency accompanies the Department's pledge to police fair and impartially.

Beginning in spring 2024, NYPD Detectives began taking reports of sexual assault at the City's five borough-based Family Justice Centers. Survivors can access social and legal services at these centers with the support of trusted advocates and providers. For years, these crimes have been widely underreported, and more survivors coming forward is critical to the Department's efforts to find and arrest perpetrators.

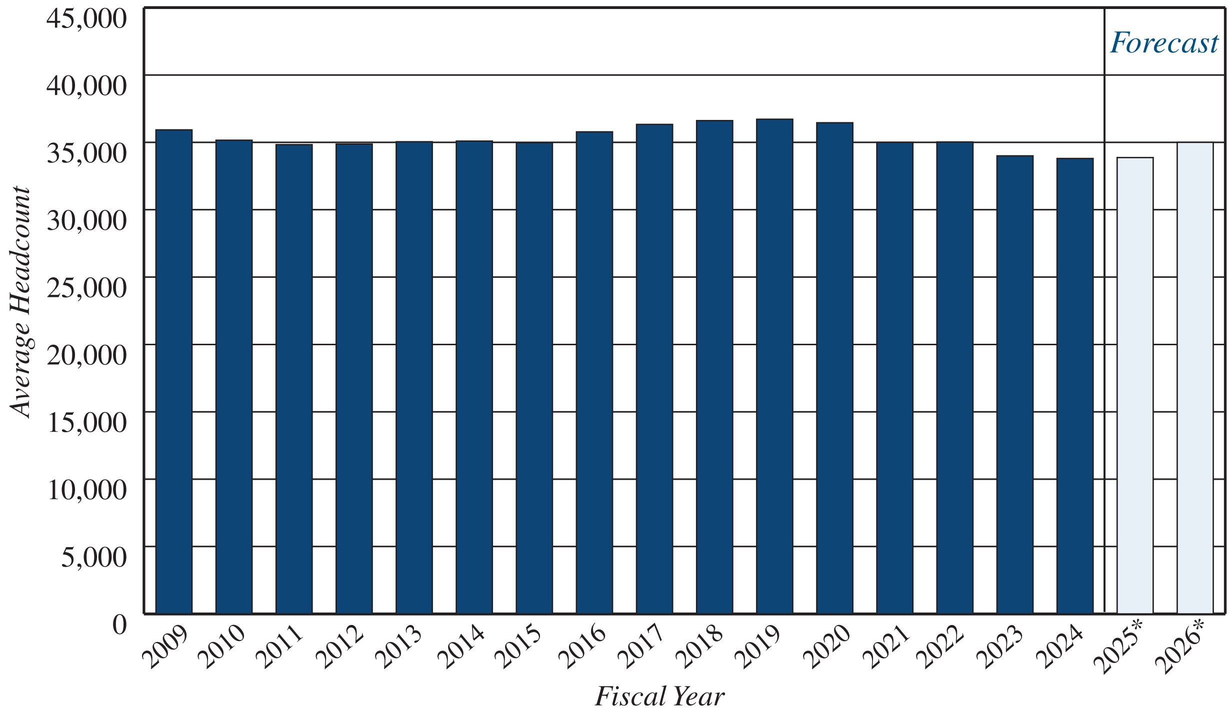
The success of personnel in the field is aided by the Department's commitment to embracing technology responsibly. The use of body-worn cameras not only aids the investigation and prosecution of criminal complaints, but also the timely investigation of civilian complaints against officers. Other technological pursuits include the use of encrypted radio frequency channels to prevent dangerous criminals from outmaneuvering police. The expansion of vehicle dashboard cameras provides additional transparency to police interactions with the public. A secondary benefit of these technologies is the increased oversight which can identify training needs and mitigate unnecessary risk.

The NYPD's enforcement of traffic laws and education to the public regarding traffic safety plays a vital role in public safety. The Department collaborates with the City's Department of Transportation to reduce traffic fatalities and improve the safety of pedestrians, bicyclists, and motorists. In calendar year 2024, officers issued 90,500 summonses for speeding, 51,188 summonses for using a handheld electronic device while operating a motor vehicle, and 34,590 summonses for failing to yield the right of way to a pedestrian or bicyclist.

Uniformed Headcount

The Department continues its efforts in recruiting and hiring a diverse pool of candidates to serve as police officers. Of the 1,045 recruits hired for the January 2025 class, 77.2 percent identified as minorities. Two hundred seventy-nine recruits were born in foreign countries and 477 speak a second language. The October 2024 recruit class consisted of 650 recruits, 75.2 percent of whom identified as minorities. One hundred sixty-nine were born in foreign countries and 307 speak a second language. The July 2024 recruit class consisted of 665 recruits, 77.0 percent of whom identified as minorities. One hundred fifty-five were born in foreign countries, and 321 speak a second language.

TOTAL CITY, TRANSIT AND HOUSING POLICE FORCE HEADCOUNT



** 2025 data is from NYPD and 2026 data is budgeted headcount.* *Source: NYC OMB & NYPD*

Capital Review

The Ten-Year Capital Strategy totals $1.3 billion for the construction, rehabilitation, relocation, and security of facilities citywide; replacement and upgrade of computer and communication equipment; and the replacement of transportation equipment which includes $635.1 million in the 2026-2029 Four-Year Plan. The table below shows capital plan commitments by program area over the 2024-2029 period.

The table below shows capital plan commitments by program area over the 2024-2029 period.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Police Facilities	$48,949	$59,056	$96,522	$96,522	$167,130	$175,212	$135,489	$135,489	$111,534	$111,534	$36,965	$36,965
Computer Equipment	12,488	12,488	16,401	16,401	25,548	25,548	3,510	3,510	0	0	9,873	9,873
Communications	60,511	60,511	6,832	6,832	42,272	42,272	2,399	2,399	175	175	0	0
Equipment	2,679	2,679	97,505	118,869	5,363	5,363	690	690	687	687	4,064	4,064
Vehicles	10,698	10,410	24,421	24,909	62,912	62,912	0	0	102	102	18,321	18,321
Total	**$135,325**	**$145,144**	**$241,681**	**$263,533**	**$303,225**	**$311,307**	**$142,088**	**$142,088**	**$112,498**	**$112,498**	**$69,223**	**$69,223**

Ten Year Capital Strategy (FY2026-FY2035)

- Reconstruction and rehabilitation of various City-owned facilities ($579.2 million), including projects at the Rodman's Neck Firearms Training Facility ($201.0 million), American with Disabilities Act (ADA) compliance renovations at various NYPD precincts ($57.1 million), and lifecycle replacement of precinct generators citywide ($29.7 million).

- Lifecycle replacement of various communication and computer equipment ($315.5 million), including upgrades to Fiber Network Infrastructure ($68.1 million), replacement of the radio system ($28.1 million), portable patrol radios ($27.1 million), and the Data Center refresh ($4.5 million).

- Lifecycle replacement of transportation equipment ($360.5 million), including the replacement of 12 Passenger Vans ($59.8 million), the replacement of 4 light twin engine helicopters ($47.9 million), and the replacement of radio emergency patrol trucks ($28.7 million).

- Replacement and rehabilitation of various miscellaneous equipment ($34.5 million), including the replacement of diesel marine engines ($8.9 million).

The 2026-2029 Plan Provides $635.1 million including:

Police Facilities (total commitment, $459.2 million)

- Construction of the Rodman's Neck Firearms Training Facility ($201 million).

- American with Disabilities Act (ADA) compliance renovations at various NYPD precincts, Citywide ($57.1 million).

- Facility maintenance and reconstruction Departmentwide ($201.1 million).

Communications and Computer Equipment (total commitment, $83.8 million)

- Replacement of portable radios ($12.1 million).

- Fiber network infrastructure upgrade ($9.9 million).

- Replacement and upgrade of various Department technologies and equipment ($61.8 million).

Vehicles (total commitment, $81.3 million)

- Lifecycle replacement of twin-engine helicopters ($47.9 million).

- Lifecycle replacement of 12-passenger vans ($10.2 million).

- Lifecycle replacement of all other vehicles ($23.2 million).

Miscellaneous Equipment (total commitment, $10.8 million)

- Purchase and upgrade of miscellaneous equipment such as facility security camera upgrades and diesel marine engines ($10.8 million).

DEPARTMENT OF CORRECTION

The Department of Correction provides a safe and secure environment to detainees 18 years of age and older who are awaiting trial or sentencing, and misdemeanants or felons sentenced to one year or less. It also detains state prisoners with court appearances in New York City, newly sentenced people who have been convicted of felonies but are awaiting transportation to state correctional facilities, and alleged parole violators awaiting revocation hearings. Over the course of their incarceration, the Department provides these individuals with programming opportunities and discharge planning services.

Financial Review

The Department of Correction's 2026 Executive Budget provides for operating expenses of $1.21 billion, an increase of $149.3 million from the amount forecast in 2025. This increase is primarily attributed to programming, security, and uniform staff recruitment enhancements, as well as personal services funding included in the 2026 forecast. Capital commitments of $2.8 billion are also planned in 2026.

Revenue Forecast

The Department of Correction collects revenue, which goes into the general fund, from jail commissary operations and vending machines. In 2026, the Department expects to collect approximately $11.8 million from all revenue sources.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- The Department received baseline funding of $14.1 million for programming for people in custody.
- The Department received baseline funding of $2.6 million for staffing at the Bellevue Outposted Therapeutic Housing Unit.
- The Department received baseline funding of $6.1 million for food and supplies for people in custody.
- The Department received baseline funding of $2.5 million for cell door security improvements.
- The Department received baseline funding of $5.0 million for uniform staff recruitment initiatives.
- The Department received baseline funding of $1.0 million for the Lightning Law Discovery Sharing Platform.
- The Department received one time funding of $1.4 million for the Cisco Virtual Visitation Platform.

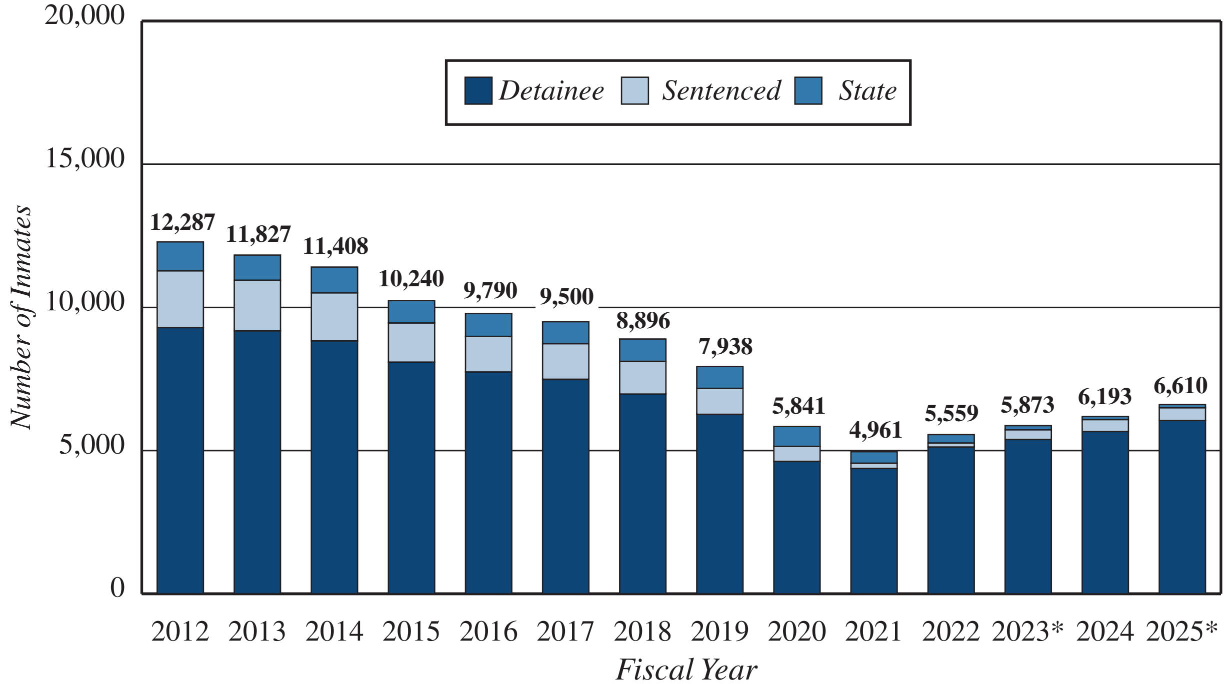
Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

			($ in 000's)		Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$1,073,881	$1,138,178	$992,804	$992,607	($145,571)	($197)
Fringe Benefits	18,288	24,823	24,825	24,825	2	—
OTPS	185,405	174,703	195,688	195,017	20,314	(671)
Total	**$1,277,574**	**$1,337,704**	**$1,213,317**	**$1,212,449**	**($125,255)**	**($868)**
Funding						
City	$1,260,475	$1,333,921	$1,211,187	$1,209,732	($124,189)	($1,455)
Other Categorical Grants	15,534	633	—	—	(633)	—
IFA	—	—	—	—	—	—
State	1,013	1,139	1,049	1,049	(90)	—
Federal CD	—	—	—	—	—	—
Federal Other	279	1,673	969	1,556	(117)	587
Intra-City Other	273	338	112	112	(226)	—
Total	**$1,277,574**	**$1,337,704**	**$1,213,317**	**$1,212,449**	**($125,255)**	**($868)**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$853,313	$890,395	$964,147	$952,643	$62,248	($11,504)
Pensions	480,661	502,745	521,578	515,780	13,035	(5,798)
Other Than Personal Service (OTPS)						
Debt Service	125,165	146,706	168,867	166,309	19,603	(2,558)
Total Additional Costs	**$1,459,139**	**$1,539,846**	**$1,654,592**	**$1,634,732**	**$94,886**	**($19,860)**
Funding						
City	1,455,671	1,526,847	1,641,925	1,622,438	95,591	(19,487)
Non-City	3,468	12,999	12,667	12,294	(705)	(373)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$1,073,881	$1,138,178	$992,804	$992,607	($145,571)	($197)
Fringe Benefits	871,601	915,218	988,972	977,468	62,250	(11,504)
Pensions	480,661	502,745	521,578	515,780	13,035	(5,798)
Total PS	**$2,426,143**	**$2,556,141**	**$2,503,354**	**$2,485,855**	**($70,286)**	**($17,499)**
OTPS	$185,405	$174,703	$195,688	$195,017	$20,314	($671)
Debt Service	125,165	146,706	168,867	166,309	19,603	(2,558)
Total OTPS	**$310,570**	**$321,409**	**$364,555**	**$361,326**	**$39,917**	**($3,229)**
Total Agency Costs	**$2,736,713**	**$2,877,550**	**$2,867,909**	**$2,847,181**	**($30,369)**	**($20,728)**
Less Intra-City	273	338	112	112	(226)	—
Net Agency Cost	**$2,736,440**	**$2,877,212**	**$2,867,797**	**$2,847,069**	**($30,143)**	**($20,728)**
Funding						
City	2,716,146	2,860,768	2,853,112	2,832,170	(28,598)	(20,942)
Non-City	20,294	16,444	14,685	14,899	(1,545)	214
Personnel (includes FTEs at fiscal year-end)						
City	7,490	8,884	8,884	8,886	2	2
Non-City	1	10	1	6	(4)	5
Total	**7,491**	**8,894**	**8,885**	**8,892**	**(2)**	**7**

Programmatic Review

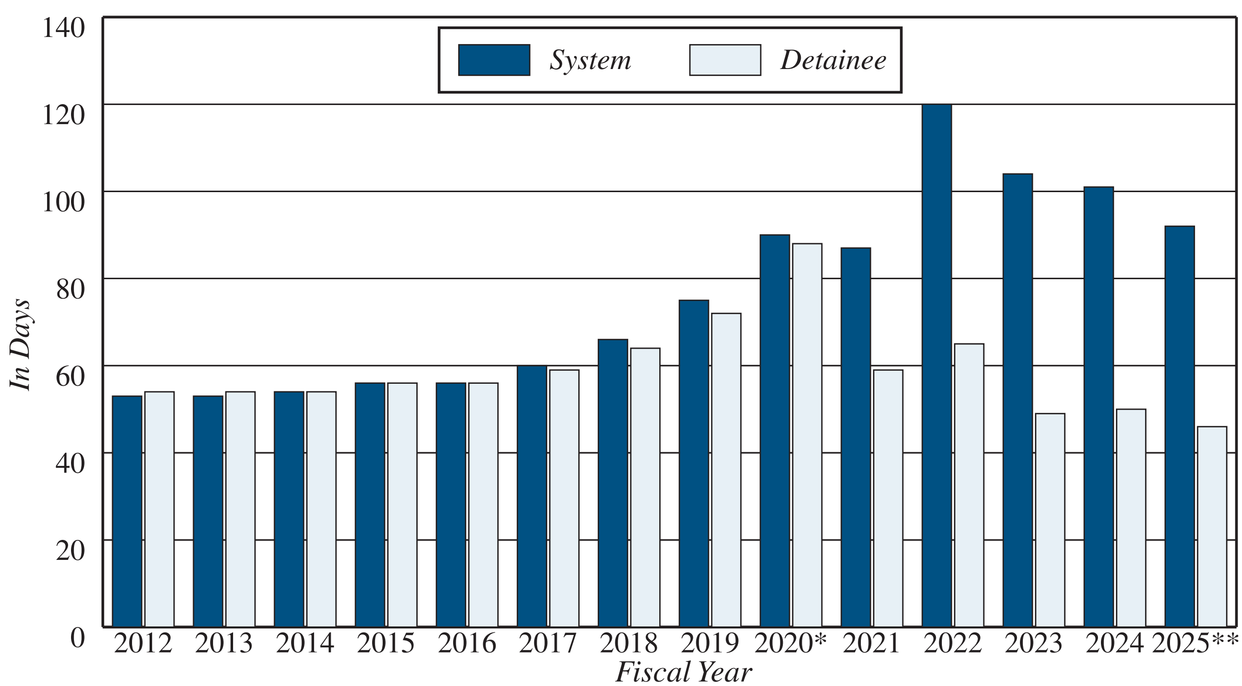
AVERAGE DAILY INMATE POPULATION



*YTD through March 31, 2025

Source: NYC Department of Correction

AVERAGE LENGTH OF STAY (By Fiscal Year)



* Beginning with April 2020's data, the Department changed the way it computed the System and Detainee LOS figures. Detainees now only reflect those that come in and leave as detainees. System LOS, which had been based upon that month's admissions and total ADP, is now based on actual discharges during the month.

** YTD through March 31, 2025

Source: NYC Department of Correction

The average daily population through the first nine months of 2025 was 6,610, which is 6.7 percent higher than the same period in 2024. System admissions are up 7 percent and overall system length of stay for the first nine months decreased from 101 to 92 days.

Capital Review

The Ten-Year Capital Strategy totals $12.0 billion for the design and construction of new jail facilities, for support space, including a new training academy, for building systems and infrastructure, and for the lifecycle replacement of equipment.

The table below shows capital plan commitments by program area over the 2026-2029 period.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
New Jail Facilities	$972,782	$972,782	$2,538,356	$2,538,356	$2,606,340	$2,606,340	$2,081,108	$2,081,108	$3,679,849	$3,679,849	$1,943,389	$1,943,389
Capacity Replacement	$47	$47	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Support Space	$0	$0	$0	$247	$28,771	$28,771	$45,000	$45,000	$152,245	$152,245	$0	$0
Building Systems and Infrastructure	-$4,974	-$4,974	$54,333	$87,427	$12,526	$12,526	$0	$0	$0	$0	$1,329	$1,329
Equipment	$14,661	$14,661	$54,044	$54,044	$107,839	$107,839	$21,155	$21,155	$23,099	$23,099	$21,702	$21,702
Total	$982,516	$982,516	$2,646,733	$2,680,074	$2,755,476	$2,755,476	$2,147,263	$2,147,263	$3,855,193	$3,855,193	$1,966,420	$1,966,420

Highlights of the 2026-2029 Four Year Capital Commitment Plan

New Jail Facilities (total commitment, $10.3 billion)

The Department's plan includes $10.3 billion for the design and construction of new jail facilities.

Building Systems, Infrastructure and Support Space (total commitment, $239.9 million)

The Department will undertake $239.9 million in improvements to building systems, infrastructure and support space during the Four-Year Plan. Projects include:

- Design and construction of a new training academy ($225.0 million).

Information Technology, Equipment, and Vehicles (total commitment, $173.8 million)

The Four-Year Plan provides $173.8 million for vehicles, computers, security equipment and communication systems. Priorities include:

- Various information technology, and security upgrades ($131.2 million).

- Vehicle replacement ($41.5 million).

Highlights of the 2026-2035 Ten Year Capital Commitment Plan

New Jail Facilities (total commitment, $11.4 billion)

The Department's plan includes $11.4 billion for the design and construction of new jail facilities.

Building Systems, Infrastructure and Support Space (total commitment, $330.1 million)

The Department will undertake $330.1 million in improvements to building systems, infrastructure and support space during the Ten-Year Plan. Projects include:

- Design and construction of a new training academy ($225.0 million).

Information Technology, Equipment, and Vehicles (total commitment, $247.2 million)

The Ten-Year Plan provides $247.2 million for vehicles, computers, security equipment and communication systems. Priorities include:

- Various information technology, and security upgrades ($177.9 million).

- Vehicle replacement ($68.2 million).

DEPARTMENTS OF SOCIAL AND HOMELESS SERVICES
DEPARTMENT OF SOCIAL SERVICES/ HUMAN RESOURCES ADMINISTRATION

The Department of Social Services / Human Resources Administration ("DSS" or "HRA") provides a range of services and programs to fight poverty, inequality and homelessness and to increase the economic well-being of families and individuals throughout New York City.

DSS is an integrated management structure that encompasses the Human Resources Administration (HRA) and the Department of Homeless Services (DHS) reporting to a single Commissioner for Social Services. Administrative support services have been streamlined in a shared services model, including finance, human resources, contracting and information technology under the Department of Social Services (DSS), while HRA provides a spectrum of client facing benefits and service programs to assist approximately three million New Yorkers every year.

The Human Resources Administration administers federal and New York State benefit programs including Cash Assistance (CA), Emergency Assistance, Supplemental Nutrition Assistance (SNAP), Medical Assistance, and the Low-Income Home Energy Assistance Program (LIHEAP) to support New Yorkers in need. The Agency also provides child support services and assists individuals returning to or entering the workforce by providing a variety of employment-related services, including access to education and job training, childcare and assistance with job search and placement. In addition, HRA provides services and support to prevent and alleviate homelessness, including one-time emergency rent arrears grants, ongoing rental assistance and supportive housing models, as well as community-based homelessness prevention services and legal services to prevent displacement and eviction, and to address immigration-related issues. Programs for survivors of domestic violence, people with HIV or AIDS, the frail and elderly, and individuals with disabilities provide a safety net for those permanently or temporarily unable to work. HRA also administers Fair Fares, a program that provides discounted public transit benefits for low-income New Yorkers and IDNYC, a municipal identification card that covers over 1.69 million New Yorkers. Additionally, HRA provides financial assistance to low-income residents to meet funeral expenses for deceased family members.

Financial Review

The Department's 2026 Executive Budget provides for operating expenses of $11.7 billion, of which $9.4 billion are City funds. A capital budget in 2026 of $154.5 million is also provided, of which $103.7 million are City funds.

Expense Budget Highlights

Program Enhancements

- An additional $650.9 million in total funds and $618.6 million in City funds are added in 2025 to support the Department's rental assistance programs, developed and expanded in coordination with DHS.
- An additional $998 million in total funds and $597 million in City funds are added in 2025 for increased costs of Cash Assistance due to caseload increases.
- An additional $36.1 million in 2026 for Community Food Connection, an emergency food source for New Yorkers in need.
- Funding of $8.5 million in City funds in 2026 and baselined for Project CRIB, an initiative to connect pregnant people applying for shelter with rental assistance.
- Funding of $7.6 million in City funds in 2025 and baselined for the Anti-Harassment Tenant Protection program to engage tenants experiencing landlord harassment.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$901,247	$948,305	$956,312	$977,699	$29,394	$21,387
Fringe Benefits	492	913	913	913	—	—
Medical Assistance	6,375,511	6,379,753	6,582,753	6,582,753	203,000	—
Public Assistance	2,386,123	2,648,228	1,650,222	1,650,222	(998,006)	—
Other OTPS	2,785,408	3,439,463	2,278,446	2,528,132	(911,331)	249,686
Total	**$12,448,781**	**$13,416,662**	**$11,468,646**	**$11,739,719**	**($1,676,943)**	**$271,073**
Funding						
City	$9,357,471	$10,477,336	$9,167,530	$9,394,972	($1,082,364)	$227,442
Other Categorical Grants	206	—	—	—	—	—
IFA	—	—	—	—	—	—
State	1,055,977	1,067,542	769,232	794,194	(273,348)	24,962
Federal CD	—	3,246	3,246	3,246	—	—
Federal Other	2,028,043	1,862,845	1,524,376	1,542,718	(320,127)	18,342
Intra-City Other	7,084	5,693	4,262	4,589	(1,104)	327
Total	**$12,448,781**	**$13,416,662**	**$11,468,646**	**$11,739,719**	**($1,676,943)**	**$271,073**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$427,864	$448,968	$472,690	$475,222	$26,254	$2,532
Pensions	155,148	168,214	174,509	166,711	(1,503)	(7,798)
Other Than Personal Service (OTPS)						
Debt Service	87,514	81,518	93,832	88,705	7,187	(5,127)
Total Additional Costs	**$670,526**	**$698,700**	**$741,031**	**$730,638**	**$31,938**	**($10,393)**
Funding						
City	521,703	519,623	566,324	556,198	36,575	(10,126)
Non-City	148,823	179,077	174,707	174,440	(4,637)	(267)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$901,247	$948,305	$956,312	$977,699	$29,394	$21,387
Fringe Benefits	428,356	449,881	473,603	476,135	26,254	2,532
Pensions	155,148	168,214	174,509	166,711	(1,503)	(7,798)
Total PS	**$1,484,751**	**$1,566,400**	**$1,604,424**	**$1,620,545**	**$54,145**	**$16,121**
Medical Assistance	$6,375,511	$6,379,753	$6,582,753	$6,582,753	$203,000	$—
Public Assistance	2,386,123	2,648,228	1,650,222	1,650,222	(998,006)	—
Other OTPS	2,785,408	3,439,463	2,278,446	2,528,132	(911,331)	249,686
Debt Service	87,514	81,518	93,832	88,705	7,187	(5,127)
Total OTPS	**$11,634,556**	**$12,548,962**	**$10,605,253**	**$10,849,812**	**($1,699,150)**	**$244,559**
Total Agency Costs	**$13,119,307**	**$14,115,362**	**$12,209,677**	**$12,470,357**	**($1,645,005)**	**$260,680**
Less Intra-City	7,084	5,693	4,262	4,589	(1,104)	327
Net Agency Cost	**$13,112,223**	**$14,109,669**	**$12,205,415**	**$12,465,768**	**($1,643,901)**	**$260,353**
Funding						
City	9,879,174	10,996,959	9,733,854	9,951,170	(1,045,789)	217,316
Non-City	3,233,049	3,112,710	2,471,561	2,514,598	(598,112)	43,037
Personnel (includes FTEs at fiscal year-end)						
City	9,288	9,536	9,442	9,705	169	263
Non-City	1,756	2,647	2,609	2,609	(38)	—
Total	**11,044**	**12,183**	**12,051**	**12,314**	**131**	**263**

Programmatic Review and Service Impact

Family Independence Administration (FIA)

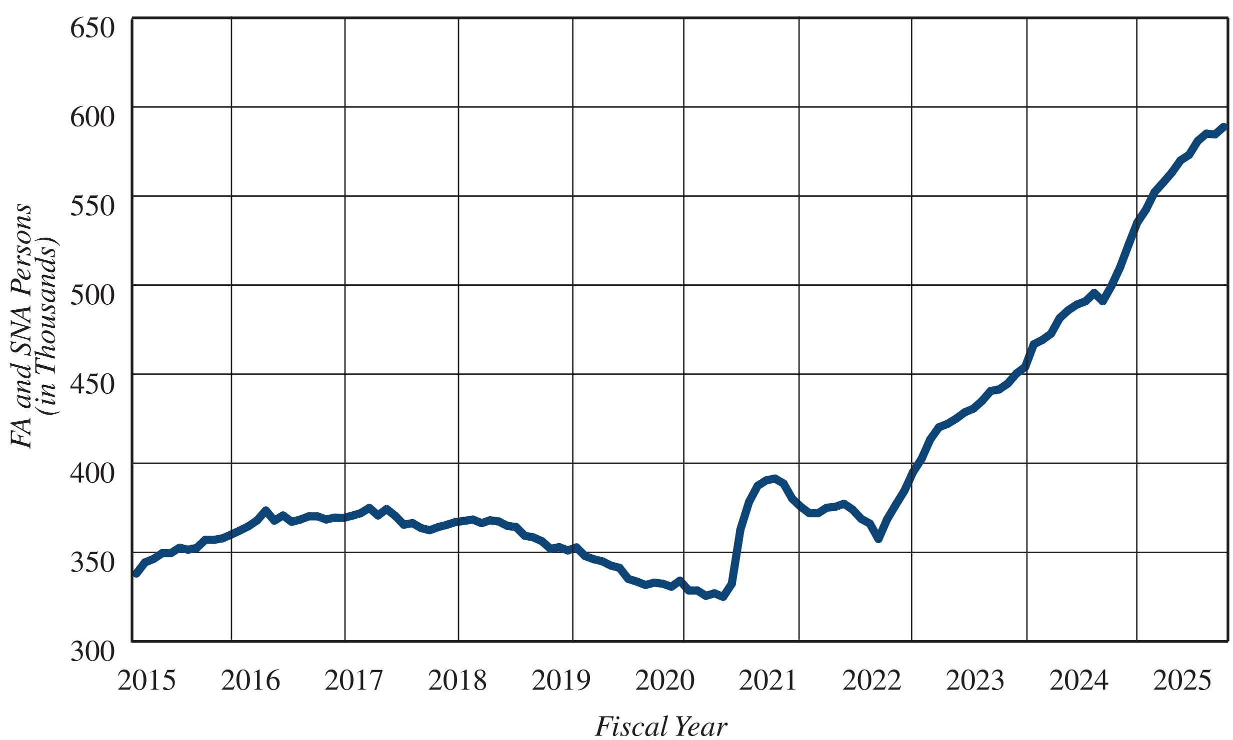
The Family Independence Administration (FIA) administers Cash Assistance (CA) and the Supplemental Nutrition Assistance Program (SNAP). FIA refers CA applicants and recipients to HRA Career Services to assist in obtaining employment and access to education and training. FIA provides support services including enrollment in childcare and carfare for working families; and makes one-time grants for emergencies, including rent and utility arrears, broker fees, storage fees, furniture allowances, and moving expenses.

Cash Assistance (CA)

The Department projects expenditures of $1.65 billion on Cash Assistance (CA) benefits in 2026, of which $875 million will be City funds.

In 2025 the CA caseload continued to increase over the course of the year with 588,813 individuals in receipt of CA benefits in January 2025.

CASH ASSISTANCE CASELOAD 2015 - 2025



Source: HRA Monthly Fact Sheets

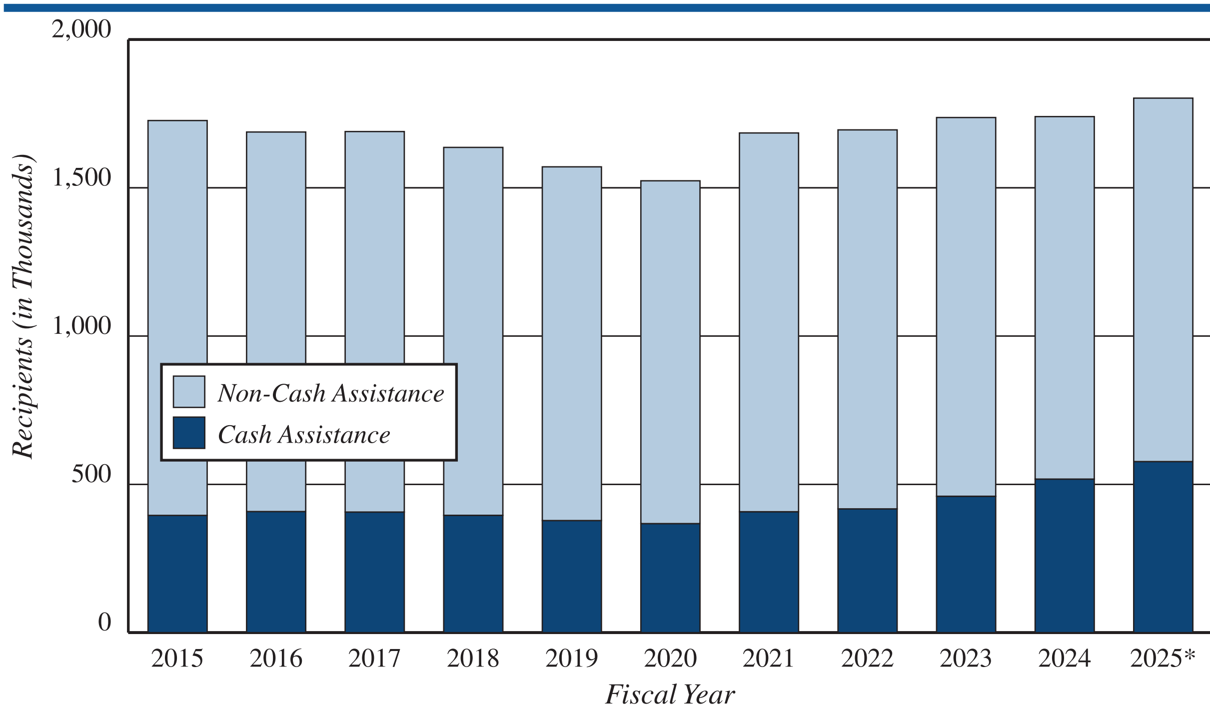
The Family Assistance (FA) program, which is funded with federal Temporary Assistance for Needy Families (TANF) funds and a fifteen percent contribution by the City, assisted approximately 157,000 adults and children in January 2025. Projected FA expenditures in 2026 are $506 million, of which $75.9 million are City funds.

The Safety Net Assistance (SNA) program, which is supported with City (71 percent) and State (29 percent) funds, serves families who have reached the five-year time limit for federal Temporary Assistance for Needy Families (TANF) funded benefits or who do not otherwise meet federal eligibility rules; single adults; and childless couples. In January 2025, approximately 305,000 individuals received SNA, of whom approximately 126,000 were adults and children who had reached the TANF time limit. In 2026, the Department projects spending $1.14 billion on Safety Net Assistance, of which $799.1 million are City funds.

Supplemental Nutrition Assistance Program (SNAP)

The Supplemental Nutrition Assistance Program (SNAP) is a federally funded benefit intended to supplement food costs for low-income families and individuals. The Department administers the SNAP program on behalf of New York State. The City is responsible for 50 percent of the administrative cost of the program, with the federal government paying the other half. In calendar year 2024, approximately $5.0 billion in SNAP benefits were provided to an average of 1.8 million individuals per month, including more than 554,000 children.

AVERAGE NUMBER OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) RECIPIENTS 2015 - 2025



** Year to date through February 2025*

Source: HRA Monthly Fact Sheets & OTDA Monthly Caseload Statistics – SNAP Table

Client Benefits Re-Engineering

To ensure that all eligible New Yorkers can access Cash Assistance, SNAP, and other DSS benefits the Department's on-line portal, ACCESSHRA (AHRA) and an on-demand call system allow individuals to apply and recertify for CA and SNAP in an efficient and accessible way without requiring them to go into an office. As of March 2025, over 91% of SNAP and CA applications were submitted online, a trend that had accelerated during the COVID pandemic.

The Department continues to update its business processes and has implemented advanced technology solutions through the Re-engineering initiative, allowing HRA to manage staff workload more efficiently while improving the client experience. AHRA includes on-line access to the Low-Income Home Energy Assistance Program (LIHEAP), rental assistance, Medicaid, and Fair Fares as well as CA and SNAP. AHRA includes a companion Provider Portal that allows community-based partners to assist clients with applications and case issues.

Career Services

HRA offers a wide array of employment programs and services to help families and individuals improve their economic prospects. Services include basic education, training, job search, placement, and retention services, and targeted services for those with barriers to employment. The Department's employment contracts include CareerCompass, which focuses on assessing and matching clients aged 25 and over with employment, sector-based training, adult literacy or other programming to lead to long-term employment; CareerAdvance, which focuses on providing expert sector-based training and employment in target industries; and YouthPathways, which provides assessment, training, education and job placement services to clients ages 18–24, with a particular focus on the needs and potential of young people. In 2026 HRA will roll out new career services contracts that streamline services. In 2025, HRA began to phase in required assessment and participation in employment services.

Homelessness Prevention, Legal Services and Rehousing Services

The Homeless Prevention Administration (HPA) administers and coordinates homelessness prevention, housing placement and rental assistance initiatives for HRA and DHS. HPA works to prevent the entry of families and individuals into shelter though the provision of diversion and prevention services across the City. In addition, HPA conducts targeted outreach to families and individuals identified by the Housing Court as potentially needing legal assistance.

HPA manages the Homebase homelessness prevention services contracts, which offer community-based aftercare and other services in addition to homeless prevention services. Enhanced prevention efforts and a "prevention first" model are intended to help families and individuals avoid the trauma of homelessness.

HPA also manages HRA's rental assistance programs, designed to prevent shelter entry and to re-house families and individuals residing in DHS shelters and HRA domestic violence facilities. HRA's rental assistance programs include the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) and the State and City funded FHEPS A and FHEPS B programs. In addition, HRA operates specialized Affordable Housing Service contracts and provides access to - and funding for - supportive housing. Through these programs, HRA helps families with children and adults without children, including working people, survivors of domestic violence and seniors, avoid entry into or move out of shelter. From July 2014 through January 2025, more than 277,000 people in over 115,000 households averted entry into or have exited shelter through one of these programs or through Section 8, American Rescue Plan Emergency Housing Vouchers and NYCHA public housing. HPA also assists HRA domestic violence shelter providers and DHS and its network of shelter providers to facilitate moves from shelter to permanent housing, including making client eligibility determinations, matching clients with appropriate housing and interfacing with landlords and management companies that provide apartments to households eligible for rental assistance.

With the implementation of the City's Universal Access law by the Department's Office of Civil Justice (OCJ), eligible tenants facing eviction in New York City Housing Court and NYCHA termination of tenancy proceedings have access to free legal counsel. Legal services have proven effective at reducing unlawful evictions and preventing displacement. Overall, HRA's legal services anti-eviction and prevention programs have resulted in more than 795,000 New Yorkers receiving free legal supports. OCJ issued new contracts beginning in Fiscal Year 2025 that expand the provider network in the Bronx and Queens to meet identified needs.

This prevention first strategy streamlines and focuses already successful initiatives recognizing the many benefits of keeping New Yorkers stably housed and in their communities. These proven models represent a comprehensive set of tools aimed at achieving better outcomes for those who are most at risk of eviction and homelessness in New York City.

Office of Child Support Services (OCSS)

The Office of Child Support Services (OCSS) puts children first by helping both parents provide for the economic and social well-being of their children. OCSS provides a range of services including locating noncustodial parents, establishing paternity, establishing and modifying child support and medical orders, and collecting and distributing child support payments. Custodial parents receiving Cash Assistance are required to comply with OCSS pursuant to Federal and New York State statutes. All other custodial parents may apply for OCSS services on a voluntary basis. In Fiscal Year 2024, there were approximately 191,000 cases with active support orders and support collections totaled $672.7 million.

Medical Assistance Program (MAP)

The Medicaid public health insurance program provides access to a wide range of services including primary care, hospital inpatient, emergency room, physician, pharmacy, clinic, nursing home, personal care, mental health services, dental, rehabilitation, transportation, and vision care. Over 1.6 million New York City residents received Medicaid through HRA as of February 2025, with the Medical Assistance Program (MAP) responsible for more than 686,000 Medicaid-Only (non-CA) enrollees. Another approximately 2.4 million New Yorkers were enrolled in Medicaid through the New York State Health Exchange. With the development of the Exchange under the Affordable Care Act (ACA), most non-CA and non-SSI Medicaid eligible New Yorkers apply through the Exchange, resulting in a decline in the HRA-administered Medicaid caseload of approximately 63 percent since December 2013. HRA also provides Certified Application Counselor (CAC) services in HRA locations to assist individuals with applications for Medicaid facilitated through the State Exchange.

Home Care Services Program (HCSP)

The Department's Home Care Services Program (HCSP) assists individuals who are frail, elderly and/or have disabilities to remain safely in their homes with non-institutional alternatives to nursing home care. In 2024, HCSP delivered personal care services to an average of 6,400 personal care cases and provided Medicaid financial eligibility review to approximately 292,000 participants in the State's Managed Long Term Care Program (MLTC), a program that also transitioned to NYS as part of the ACA changes.

HCSP reviews and authorizes service plans for participants in the Long-Term Home Health Care Program (LTHHCP), as well as for children in the Care-at-Home Waiver Program. HCSP personal care services are also provided to participants in special federal waiver programs, including Traumatic Brain Injury, Home and Community-Based Services, and the Nursing Home Transition and Diversion waivers; and to Office of Mental Retardation and Developmental Delays (OMRDD) participants.

Customized Assistance Services (CAS)

Customized Assistance Services (CAS) provides clinically oriented services in the areas of health, mental health, substance use treatment and rehabilitation for clients served by the Department's programs. CAS programs provide comprehensive and individualized services to help individuals with medical or mental health conditions achieve their maximum degree of self-reliance.

The Wellness, Comprehensive Assessment, Rehabilitation and Employment (WeCARE) program works with Cash Assistance recipients who have medical or mental health conditions that pose barriers to employment, providing integrated services that include assessment, diagnosis, comprehensive service and wellness planning, linkages to treatment, case management, disability benefits assistance, and vocational rehabilitation, training and education, and job placement.

CAS provides assessments, referrals and monitoring of treatment provided to CA clients by outside substance use providers and oversees clients enrolled in residential and non-residential treatment. CAS oversees the Office of Reasonable Accommodations (ORA), which reviews and makes determinations on Reasonable Accommodation Requests (RAR) submitted by clients with disabilities; and the Disability Service Program, which files federal disability benefit applications, pursues administrative appeals on denied claims, and performs eligibility determinations for Medicaid Aged, Blind and Disabled clients.

Health Services Office (HSO)

The DSS Health Services Office (HSO) is comprised of the Office of the Medical Director (OMD), Visiting Psychiatric Services (VPS), and the Office of Citywide Health Insurance Access (OCHIA). Through these divisions, HSO provides oversight of medical and behavioral health, food and nutrition, health insurance access, and public health interventions and methods to address the health-related needs of DHS and HRA clients.

OMD oversees the state-certified Opioid Overdose Prevention Program, coordinates care and services for DHS clients with complex medical and behavioral health conditions, works to prevent and control communicable diseases, and implements food standards in shelter.

VPS provides community based-psychiatric evaluation and crisis intervention services to clients of HRA and other agencies. VPS completes a comprehensive mental health evaluation of the referred individual and determines next steps to stabilize the situation in the least restrictive manner.

HIV/AIDS Services Administration (HASA)

The HIV/AIDS Services Administration (HASA) provides comprehensive services to individuals and families with HIV and AIDS. HASA clients receive case management, assessments and referrals, housing, and homemaking services. As of February 2025, HASA served 34,000 individuals in 33,000 households. Over 21,000 HASA households receive ongoing rental assistance to facilitate and maintain housing stability, typically in private market apartments. HASA also provides emergency housing placements in supportive transitional facilities and single room occupancy (SRO) units for clients experiencing homelessness. Non-emergency supportive housing is provided in congregate facilities and scattered site apartments. These programs are operated by community-based organizations that provide case management and support services. In February 2025, HASA supported over 2,100 units in its emergency housing portfolio and over 4,600 units in its non-emergency supportive housing program.

Adult Protective Services (APS)

The Department's Adult Protective Services (APS) program assists adults with mental and/or physical disabilities who are unable to care for or protect themselves from abuse, neglect, or exploitation, and who have no one willing and able to responsibly assist them. Services include referrals for psychiatric and medical examinations, assistance in obtaining and recertifying for benefits and entitlements, eviction prevention and financial management. APS also petitions the State Supreme Court for community guardians to manage financial and domestic issues for clients who lack capacity to manage their own affairs.

In Fiscal Year 2024, APS received 29,000 referrals and assessed an average of 5,700 individuals each month. APS maintained an average monthly protective services caseload of 5,600 and an average monthly Community Guardian caseload of 2,300.

Office of Domestic Violence (ODV)

The Office of Domestic Violence Services (ODV) provides emergency shelter and social services to survivors of domestic violence. ODV administers State-licensed emergency domestic violence shelters, as well as transitional Tier II shelters. Emergency shelters have a total capacity of 2,290 beds for survivors of domestic violence and their children. ODV's Tier II shelters include 628 family units for clients who require additional services before transitioning back to the community.

Approximately 1,300 households are served by the domestic violence shelters every day. Shelters provide safe environments and a range of additional domestic violence support services including counseling, advocacy, and referrals. In addition, nine community-based non-residential programs provide information, counseling, advocacy, legal services, and referrals to other supportive services to help domestic violence survivors navigate the challenges of living in their own communities.

Low Income Home Energy Assistance Program (LIHEAP) and Other Utility Assistance Programs

The Low-Income Home Energy Assistance Program (LIHEAP) is a federally funded program that assists low-income homeowners and renters to pay for heating and cooling costs and heating equipment repair bills. LIHEAP serves approximately 900,000 households annually during the heating season, which runs from October to March of each year. Most benefits are provided to CA, SNAP, and SSI recipients who receive automatic payments. LIHEAP also provides emergency benefits for assistance with gas and other heat-related utility bills and shut-offs, helps obtain service extensions, and pays for emergency oil deliveries, furnace repairs and replacements, and cooling equipment and installation to other income-eligible households through an application process.

Additional programs include Heat-Line, which offers LIHEAP applications and other public benefits to the homebound population; the Utility Assistance Program, which offers similar benefits to those identified as eligible through utility companies, and the Department of Environmental Conservation's Safety Net program which assists low-income homeowners with their water bills.

Community Food Connection (CFC)

The Community Food Connection (CFC) program (formerly the Emergency Food Assistance Program) provides food, funding, and technical assistance to more than 700 food pantries and community kitchens throughout New York City. In Fiscal Year 2024, CFC distributed 43.1 million pounds of fresh and shelf stable food to these programs. CFC also provides SNAP materials, education, trainings, pre-screenings and application assistance to the public, other government agencies and community-based organizations throughout the five boroughs of New York City.

Fair Fares

The Fair Fares program, implemented in 2019 provides half-fare transit benefits to New York City residents at or below 145% of the federal poverty level who are not eligible for other transit subsidies or benefits. Fair Fares enrollment was approximately 368,000 in January 2025.

IDNYC

Implemented in Fiscal Year 2015, IDNYC is the largest municipal identification program in the U.S., providing identifications cards to New York City residents ages 10 and up. As of February 2025, IDNYC has enrolled 2.4 million unique card holders and 404,000 New Yorkers have renewed their cards to-date after reaching the 5-year renewal date.

Capital Review

The Department's Four-Year Plan for 2026-2029 totals $320 million, of which $218.6 million are City funds. Of this $167 million is included for technology to streamline Department operations, including key investments related to the Access HRA Provider Portal, the Current NYC portal, and to Agency IT infrastructure upgrades. Additionally, HRA is making capital investments of $149.0 million for facilities maintenance, equipment and improvements, and $4.0 million is provided for vehicles.

Capital Commitments

($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Buildings	$86,356	$101,876	$56,354	$59,620	$54,789	$70,712	$20,688	$31,639	$14,387	$21,695	$23,369	$24,979
Data Processing	$9,058	$14,200	$13,816	$21,135	$40,626	$69,285	$32,850	$47,022	$17,692	$31,062	$4,005	$5,401
Telecommunications	$682	$1,207	$13,675	$25,208	$6,834	$12,655	$749	$1,528	$-	$-	$-	$-
Automotive	$479	$479	$1,069	$1,171	$1,487	$1,862	$246	$503	$351	$716	$556	$921
Total	$96,574	$117,762	$84,914	$107,134	$103,736	$154,514	$54,533	$80,692	$32,430	$53,473	$27,930	$31,301

Highlights of the Four-Year Capital Strategy

- Investments to upgrade the Access HRA Provider Portal to facilitate the ability of community-based partner organizations to assist clients with navigating DSS benefits ($5.3 million).

- Agency IT infrastructure upgrades to furnish users with updated PC and printer hardware, as well as refreshes to data center hardware ($32.6 million).

DEPARTMENTS OF SOCIAL AND HOMELESS SERVICES
DEPARTMENT OF HOMELESS SERVICES

The Department of Homeless Services (DHS) operates the nation's largest and most comprehensive municipal shelter system for homeless adults and families through a network of directly operated facilities and programs, as well as non-profit partnerships. DHS' mission is to prevent homelessness whenever possible, provide safe and service-rich temporary emergency shelter when needed, assist individuals and families transition to permanent housing, and provide outreach, drop-in and transitional housing and permanent housing placement for individuals experiencing unsheltered homelessness.

DHS addresses homelessness through a borough-based approach to shelter siting and emphasizes a trauma-informed service model. DHS, along with HRA, focuses on homelessness prevention; improving shelter conditions, services and security; addressing street homelessness; and rehousing.

In the last quarter of Fiscal Year 2022, an unprecedented influx of people from Central and South America began arriving in New York City from the southern United States border. New arrivals continued throughout 2024, and many came to New York City with no resources or contacts and were forced to seek emergency shelter. In April 2022, the DHS shelter census was approximately 45,000 persons, but as of March 2025, that number surged to close to 85,000 persons, and new arrivals have been the overwhelming driver of the census spike. Since April of 2022, 72% of the growth in total individuals in the DHS census was due to new arrivals; without this wave of immigration, the census would have been approximately 56,000 as of the last quarter of Fiscal Year 2025.

In February 2022, the City released the Subway Safety Plan, addressing public safety concerns and supporting people experiencing homelessness and serious mental illness, with a focus on New York City's unsheltered homeless and the subways. The plan provides enhanced investments in outreach teams; new safe haven, drop-in center and stabilization bed development; clinical services; as well as cross-agency collaboration, including City and New York State agencies and the Metropolitan Transportation Authority. As part of the plan, DHS invested in additional low-barrier Safe Haven and Stabilization beds for unsheltered individuals. As of April 2025, almost 4,000 beds are on-line with another 900 planned to be brought online. Recent bed openings led to DHS and its contracted outreach teams to make over 11,500 placements in Fiscal Year 2024 and an additional over 4,200 placements from July through October of Fiscal Year 2025.

In 2026, the Department will continue to work with HRA and other City partners to help households experiencing homelessness transition into permanent housing. From 2015 through January 2025, over 277,000 people in more than 115,000 households have exited DHS and HRA shelter or avoided entering shelter through rental assistance programs funded by the City and with federally funded HOME TBRA, the State Family Housing Eviction Prevention Supplement (FHEPS), Section 8 (including Emergency Housing Vouchers (EHV) funded through the American Rescue Plan) and NYCHA placements.

Financial Review

The Department's 2026 Executive Budget provides for operating expenses of $3.4 billion, of which $2.6 billion are City funds. A capital budget of $147.4 million is also provided in 2026.

Expense Budget Highlights

Program Enhancements

- An additional $654 million in City funds in 2025 will support costs for family and adult shelter as a result of census increases and the costs of incremental shelter development.

- Additional funding of $71.6 million in City funds in 2025, increasing to $121.7 million in 2029 to bring the total capacity of Safe Haven and stabilization beds to 4,900 and support outreach to individuals experiencing street homelessness.

- Funding of $50.1 million in City funds in 2025 and the baseline to support prevailing wage for security staff within homeless shelters.

Program Efficiencies

- As of April 2025, the citywide cost of caring for asylum seekers is expected to decline to $1.45 billion in 2026. This projection is associated with $1.21 billion in savings in 2026, relative to citywide asylum seeker costs projected and budgeted in the January 2025 plan. Savings are derived from the reduced number of asylum seekers in care, relative to previous projections, and the expected continuation of census decline. As the result of these trends, DHS expenditures related to caring for asylum seekers are anticipated to decline to $995 million in 2026, or $239 million less than projected and budgeted in the January 2025 plan.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$166,925	$178,902	$173,429	$165,344	($13,558)	($8,085)
Fringe Benefits	1,191	832	832	832	—	—
OTPS	3,724,053	4,226,791	3,403,877	3,281,027	(945,764)	(122,850)
Total	**$3,892,169**	**$4,406,525**	**$3,578,138**	**$3,447,203**	**($959,322)**	**($130,935)**
Funding						
City	$2,370,836	$2,449,191	$1,719,929	$2,602,550	$153,359	$882,621
Other Categorical Grants	3,036	3,000	—	—	(3,000)	—
IFA	—	—	—	—	—	—
State	1,047,826	1,284,810	1,171,521	177,764	(1,107,046)	(993,757)
Federal CD	405	553	553	553	—	—
Federal Other	465,218	661,274	679,039	659,240	(2,034)	(19,799)
Intra-City Other	4,848	7,697	7,096	7,096	(601)	—
Total	**$3,892,169**	**$4,406,525**	**$3,578,138**	**$3,447,203**	**($959,322)**	**($130,935)**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$65,137	$70,597	$73,344	$74,065	$3,468	$721
Pensions	25,042	27,109	28,610	27,156	47	(1,454)
Other Than Personal Service (OTPS)						
Debt Service	—	—	—	—	—	—
Total Additional Costs	**$90,179**	**$97,706**	**$101,954**	**$101,221**	**$3,515**	**($733)**
Funding						
City	88,059	92,444	96,693	95,968	3,524	(725)
Non-City	2,120	5,262	5,261	5,253	(9)	(8)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$166,925	$178,902	$173,429	$165,344	($13,558)	($8,085)
Fringe Benefits	66,328	71,429	74,176	74,897	3,468	721
Pensions	25,042	27,109	28,610	27,156	47	(1,454)
Total PS	**$258,295**	**$277,440**	**$276,215**	**$267,397**	**($10,043)**	**($8,818)**
OTPS	$3,724,053	$4,226,791	$3,403,877	$3,281,027	($945,764)	($122,850)
Debt Service	—	—	—	—	—	—
Total OTPS	**$3,724,053**	**$4,226,791**	**$3,403,877**	**$3,281,027**	**($945,764)**	**($122,850)**
Total Agency Costs	**$3,982,348**	**$4,504,231**	**$3,680,092**	**$3,548,424**	**($955,807)**	**($131,668)**
Less Intra-City	4,848	7,697	7,096	7,096	(601)	—
Net Agency Cost	**$3,977,500**	**$4,496,534**	**$3,672,996**	**$3,541,328**	**($955,206)**	**($131,668)**
Funding						
City	2,458,895	2,541,635	1,816,622	2,698,518	156,883	881,896
Non-City	1,518,605	1,954,899	1,856,374	842,810	(1,112,089)	(1,013,564)
Personnel (includes FTEs at fiscal year-end)						
City	1,769	1,942	1,893	1,825	(117)	(68)
Non-City	42	55	—	1	(54)	1
Total	**1,811**	**1,997**	**1,893**	**1,826**	**(171)**	**(67)**

Programmatic Review and Service Impact

Shelter Operations: Adult Services

The Department provides a variety of directly operated and contracted services for adults experiencing homelessness, including general and specialized transitional shelter, housing assistance and placement into subsidized and supportive housing. DHS, along with not-for-profit providers, operates assessment programs, general shelters, and specialized shelters for single adults. Specialized shelters include, but are not limited to, those addressing mental health, substance use and employment needs. The DHS Division of Shelter Operations also provides shelter to adult couples and families without minor children in contracted shelters.

DHS and its contracted providers offer and make referrals to a spectrum of services that may include educational and job training programs as well as clinical and mental health services. The Agency also partners with HRA to connect adults in shelter to employment opportunities, including public and private market subsidized employment programs, to help them transition to permanent housing.

DHS single adults and adult families are able to exit or avoid shelter through one of the many available rental assistance or subsidized housing programs; in addition, they have access to supportive housing and Affordable Housing Service program models, which provide permanent housing combined with on-site and community-based services for clients with varying levels of special needs. In Fiscal Year 2025 (through January), DHS placed 1,053 households with 1,399 individuals into supportive housing programs, including into NYC "15/15" units.

Shelter Operations: Family Services

The Department serves families with children experiencing homelessness through a network of shelters that provide social services, access to childcare and other supports, and rehousing services, designed to maximize family stability and to help them move to permanency in the community.

Eligible families are also required to apply for Cash Assistance (CA) through HRA and, as part of this process, receive access to a full range of employment and educational programs to help prepare for and obtain employment. CA eligibility also provides access to many rental assistance programs that allow families to move into permanent housing. Through its network of providers, DHS also helps families access SNAP benefits, child support, tax credits and work supports, including childcare and Universal Pre-Kindergarten programs.

In 2026, DHS, partnering with other City agencies including the New York City Public Schools, the Administration for Children's Services (ACS) and the Department of Health and Mental Hygiene (DOHMH), will continue and expand its focus on child well-being. The Department monitors school attendance, promotes infant safe sleeping, and collaborates with ACS to coordinate services to families with child welfare involvement and with DOHMH on programs for maternal and infant heath.

As the influx of new arrivals has significantly abated, DHS is refocusing its efforts now and in 2026 by working with partner agencies to consolidate the emergency system that was opened in early Fiscal Year 2023.

Street Solutions

The Department is committed to providing robust programming and increasing permanency options for individuals on the street, subways and other public spaces. DHS provides an array of services to meet this goal, including street outreach programs, medical services, safe havens, drop-in centers and stabilization beds.

DHS provides 24/7 outreach efforts on New York City streets, subways and terminal destinations. DHS's low-threshold safe havens and stabilization beds are a part of a specialized system that uniquely addresses the needs of clients experiencing unsheltered homelessness and helps them transition from the streets to a more permanent setting. As of April 2025, DHS had operating capacity of nearly 4,000 stabilization and safe haven beds, more than twice the capacity that was available just five years ago. Funding was provided to increase the total bed capacity to 4,900. In 2024, fewer than 5% of individuals experiencing homelessness in New York City were unsheltered – one of the lowest rate among large jurisdictions, as shown in data from the annual Point-in-Time Count mandated by the U.S. Department of Housing and Urban Development. DHS continues to develop new strategies and enhance its targeted resources to reduce the number of unsheltered people in New York City.

Capital Review

The Department's Four-Year Plan for 2026–2029 totals $333.8 million. The plan provides $91.9 million for homeless family facilities, $223.9 million for single adult facilities, and $18.0 million for technology projects and equipment purchases. The table below reflects actual capital commitments for Fiscal Year 2024 and planned capital commitments over the Fiscal Year 2025-2028 period by program area.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Homeless Family Facilities...	$6,421	$6,421	$11,918	$11,918	$19,720	$19,720	$29,703	$29,703	$37,600	$37,600	$4,854	$4,854
Single Adult Facilities...........	23,248	$23,248	45,977	$48,227	117,329	$118,154	55,552	$55,552	39,901	$39,901	10,320	$10,320
Information Technology and Equipment....................	3,718	$3,718	4,905	$4,905	10,399	$10,399	5,607	$5,607	1,987	$1,987	—	$—
Total	$33,387	$33,387	$62,800	$65,050	$147,448	$148,273	$90,862	$90,862	$79,488	$79,488	$15,174	$15,174

Highlights of the Four-Year Capital Strategy

- Ongoing roof and façade replacement and reconstruction of $110 million.
- Continued funding for exterior and interior building upgrades at Bellevue Men's Shelter of $27 million.
- Funding of $17.1 million for technology projects including development of integrated applications for shelter compliance, case management, Street Solutions programs, and data reporting. These enhancements respond to critical program, policy, and legal goals.

ADMINISTRATION FOR CHILDREN'S SERVICES

The Administration for Children's Services (ACS) provides a broad range of programs that protect and promote the safety and well-being of New York City's children and families by providing child welfare, juvenile justice, child care and family well-being services. ACS is working to strengthen our role in achieving equity, justice, and safety for NYC families—specifically, focusing on keeping children safe while reducing unnecessary child welfare involvement, supporting community investments in families, and providing quality care to children and youth that sets them up for a lifetime of success. While it is ultimately families that keep children safe and well, ACS plays an integral role in helping to ensure that children are safe and that their families and communities have the resources and supports they need to care for their children.

Financial Review

The Department's 2026 Executive Budget provides for operating expenses of $2.9 billion, $1.0 billion of which are city funds. Capital commitments of $347.6 million are provided from 2026 through 2029, of which $307.3 million are city funds.

Expense Budget Highlights

ACS's 2026 Executive Budget responds to the challenges faced by New York's most vulnerable youth and families and lays important foundations for the future, including:

Child Care: Funds the State Market Rate increase for Child Care. In the November plan, $64.5 million was baselined starting with 2025. Additional funds are added in the Executive plan of $5 million in 2025 and $39.5 million in 2026.

Promise NYC: Adds $25 million in 2026 to continue community-based child care support through Promise NYC.

Foster Care: Resulting from the Statewide settlement increasing the Foster Parent Stipends and Adoption Subsidies, ACS is now required to reimburse at 100 percent. In addition, the Maximum State Aid Rates (MSAR) were also increased. Funding of $138.8 million added in the 2026 preliminary budget reflects the additional cost of the new rates in 2025.

Youth Safety and Success: In the 2026 Preliminary Budget, funds were added to expand Fair Futures, College Choice, Career Choice, JustUs, and Assertive Community Engagement and Success: $7.2 million in 2025, $22.3 million in 2026, $43.7 million in 2027, $44.8 million in 2028, and $44.9 million in 2029 and in future years.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$588,535	$584,431	$593,914	$593,872	$9,441	($42)
Fringe Benefits	697	360	1	1	(359)	—
OTPS	2,765,820	3,132,348	2,232,581	2,316,040	(816,308)	83,459
Total	**$3,355,052**	**$3,717,139**	**$2,826,496**	**$2,909,913**	**($807,226)**	**$83,417**
Funding						
City	$990,295	$1,198,840	$931,891	$1,004,591	($194,249)	$72,700
Other Categorical Grants	20	—	—	—	—	—
IFA	—	—	—	—	—	—
State	1,082,301	890,571	782,300	791,720	(98,851)	9,420
Federal CD	—	—	—	—	—	—
Federal Other	1,277,641	1,620,754	1,105,995	1,107,292	(513,462)	1,297
Intra-City Other	4,795	6,974	6,310	6,310	(664)	—
Total	**$3,355,052**	**$3,717,139**	**$2,826,496**	**$2,909,913**	**($807,226)**	**$83,417**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$237,193	$245,638	$258,416	$261,442	$15,804	$3,026
Pensions	90,615	98,825	100,275	95,179	(3,646)	(5,096)
Other Than Personal Service (OTPS)						
Debt Service	—	—	—	—	—	—
Total Additional Costs	**$327,808**	**$344,463**	**$358,691**	**$356,621**	**$12,158**	**($2,070)**
Funding						
City	176,356	194,609	209,643	207,844	13,235	(1,799)
Non-City	151,452	149,854	149,048	148,777	(1,077)	(271)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$588,535	$584,431	$593,914	$593,872	$9,441	($42)
Fringe Benefits	237,890	245,998	258,417	261,443	15,445	3,026
Pensions	90,615	98,825	100,275	95,179	(3,646)	(5,096)
Total PS	**$917,040**	**$929,254**	**$952,606**	**$950,494**	**$21,240**	**($2,112)**
OTPS	$2,765,820	$3,132,348	$2,232,581	$2,316,040	($816,308)	$83,459
Debt Service	—	—	—	—	—	—
Total OTPS	**$2,765,820**	**$3,132,348**	**$2,232,581**	**$2,316,040**	**($816,308)**	**$83,459**
Total Agency Costs	**$3,682,860**	**$4,061,602**	**$3,185,187**	**$3,266,534**	**($795,068)**	**$81,347**
Less Intra-City	4,795	6,974	6,310	6,310	(664)	—
Net Agency Cost	**$3,678,065**	**$4,054,628**	**$3,178,877**	**$3,260,224**	**($794,404)**	**$81,347**
Funding						
City	1,166,651	1,393,449	1,141,534	1,212,435	(181,014)	70,901
Non-City	2,511,414	2,661,179	2,037,343	2,047,789	(613,390)	10,446
Personnel (includes FTEs at fiscal year-end)						
City	6,426	6,890	6,892	6,890	—	(2)
Non-City	57	167	166	166	(1)	—
Total	**6,483**	**7,057**	**7,058**	**7,056**	**(1)**	**(2)**

Programmatic Review and Service Impact

Division of Child Protection (DCP)

ACS/DCP responded to 59,913 reports of abuse and neglect transmitted to ACS from the State Central Register during 2024. These resulted in 40,189 investigations and 11,277 CARES cases. (Some investigations result from multiple reports, which are consolidated.)

ACS DCP is required to respond to allegations of child abuse and neglect reports transmitted by the New York Statewide Central Register to ACS. DCP responds to reports of alleged abuse or neglect via two different approaches: Most frequently, DCP responds with an investigation conducted by Child Protective Specialists (CPS) in DCP's protective/diagnostic units; in lower-risk cases, DCP can pursue a non-investigative differential response, known as Collaborative Assessment, Response, Engagement and Support (CARES). Children in cases assigned to the CARES track receive a safety assessment similar to that in an investigation, but these cases do not require an investigation determination regarding the neglect allegations that generated the report. As a result, these cases leave no adverse determination on a parent's record, which might later impact employment and other opportunities. ACS has substantially increased the number and percentage of cases assigned to CARES in recent years. Last year, about 22 percent of cases did not require an investigative response.

The DCP Family Services Unit (FSU) monitors children and families in court-ordered supervision cases until a judge determines that a child may remain safely in their home without the intervention of ACS or needs placement in foster care. ACS has substantially reduced the number of cases where ACS is supervising with the number of families receiving court ordered supervision down more than 50 percent from January 2021 to January 2025.

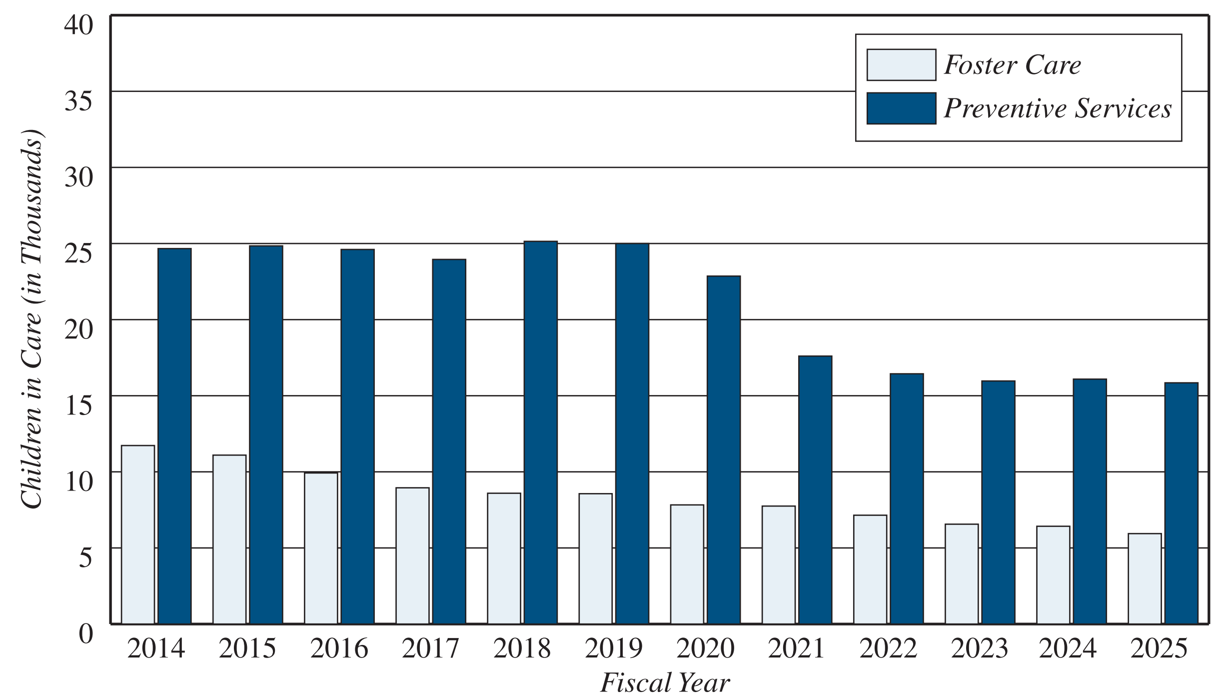
While ACS is required to respond to all child protective reports referred by the state, just 23 percent are indicated for child abuse or maltreatment. Given this, and the impact investigations have on families, ACS has been working with sister agencies to retrain mandated reporters on how to access supports for families without making reports to the child abuse hotline, when a child is not at imminent risk of maltreatment. As a result, we have for instance seen an 11 percent reduction in reports from schools from 2023 to 2024, and an 8 percent reduction in reports from medical and mental health personnel. At the same time, we have provided mandated reporters with alternative approaches to identifying supports for families in need, including our own prevention support hotline.

To enhance the retention of Child Protective Specialists, who are instrumental in carrying out DCP's mission, ACS developed simulated classrooms to enhance the training experience, provided stronger training supports to all CPS, and launched the CPS Peer Mentor Program in 2020. This CPS Peer Mentor initiative enhances staff sustainability and promotes resilience by offering support and coaching to newer CPS, as well as rewarding senior CPS who demonstrate characteristics of emerging leaders. ACS continues to support the professional development of staff through graduate and undergraduate scholarships, as well as a broad array of career-long learning opportunities available through the ACS Workforce Institute, a collaboration with the City University of New York.

Preventive Services for Children and Families

ACS provides Child Welfare Prevention Services with the aim to support families in their communities, promote family stability and well-being, reduce the need for placement of children into foster care, and expedite reunification after placement, thereby reducing the length of time that children spend in foster care. These services are provided in the home to children and families while children remain at home, mostly voluntary and very few court-ordered. The services are offered through contracted community-based organizations, free, accessible to families, available in multiple languages, and available in every borough. Prevention services seek to support the physical, psychological, and emotional needs of children and caregivers, working closely with families to achieve goals for keeping children safe by providing counseling, case management, concrete supports, therapy, and/or mental health services in a way that embraces the rich cultural diversity of New York City families. These services address underlying factors that may lead to child neglect and maltreatment, such as economic scarcity, trauma, mental health challenges, domestic violence, and substance misuse. The prevention services continuum includes a range of interventions (also known as "models"), many of which are research-informed or evidence-based, that serve families in the child welfare and juvenile justice systems. In 2024, 15,214 families with 32,763 children participated in ACS prevention services, including 6,983 new families.

CHILDREN IN FOSTER CARE AND PREVENTIVE SERVICES 2014 - 2025



Source: NYC OMB

Providers are required to help families connect to other services in their communities and are encouraged to engage families in achieving their service goals within 12 months in order to increase the availability of programs to all families in need. In CY 2021, with 7,817 new families were enrolled in ACS prevention services.

ACS launched a redesigned prevention services system on July 1st, 2020. Hallmarks of this new system include more therapeutic services for high-need families; universal access to all program models regardless of where the family lives; and a stronger emphasis on parent feedback, both in development of the models that we offer and in the day-to-day service delivery on individual cases. Services are free and available citywide—in every community, in all 5 boroughs.

Foster Care

Placements in family foster care, residential settings, or specialized care facilities are provided on a temporary basis until children and youth leave foster care. ACS's efforts to increase placement with relatives and family friends include a strong focus on exploring a child's entire support network and engaging potential resources. Living with kin not only reduces trauma but also creates the possibility of guardianship with kin for children who cannot return to their parent.

The majority of children who enter foster care are reunified with their families. When children cannot be safely reunified, the New York City Administration for Children's Services (ACS) works to achieve permanency through adoption or kinship guardianship. The overall foster care census has continued declining, from 6,757 in January 2023 to 6,432 in January 2025, and 45 percent are living with kin. The number of foster children in residential settings has also continued to decline, from 628 in January 2023 to 547 in January 2025.

ACS developed a revised 5-year plan that started on July 1, 2023, identifying four Core Collective Priorities designed to serve and guide New York City foster care practice moving forward. The collective priorities are as follows:

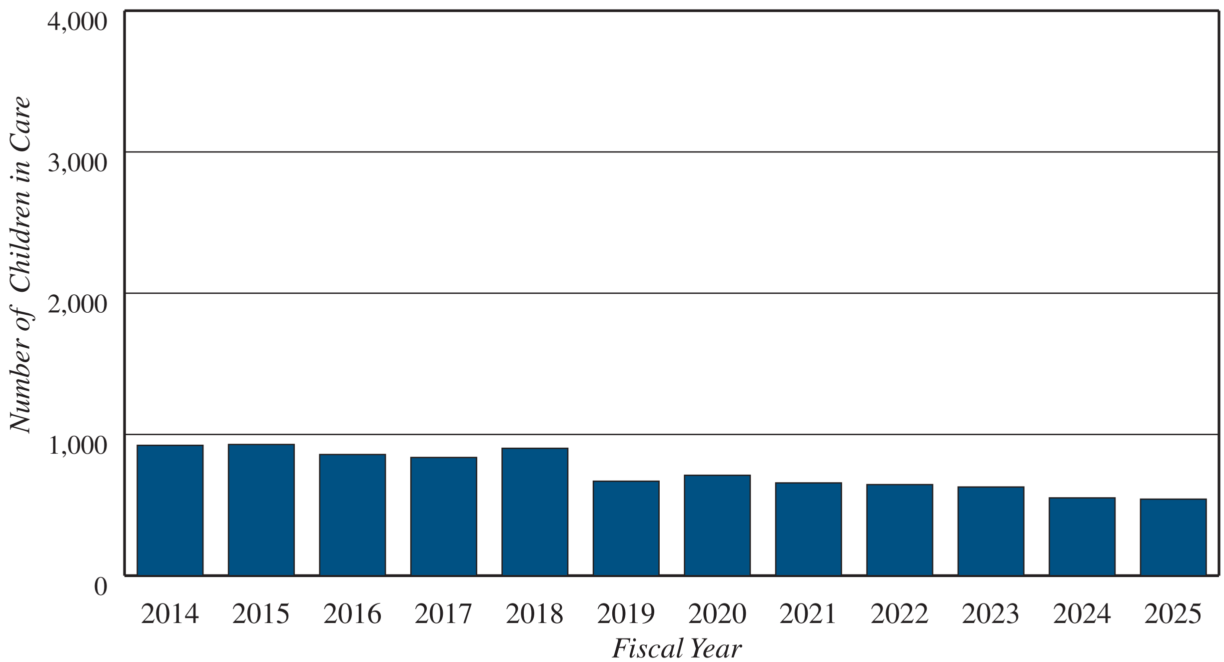
1) Meet the present need with sufficient capacity.

2) Focus on family.

3) Create safety and stability.

4) Ensure child and youth success and improved well-being.

RESIDENTIAL CASELOADS 2014 - 2025



Note: Starting in 2012, the residential caseload no longer includes adjudicated juvenile delinquents in congregate settings operated by private not-for-profit agencies. *Source: NYC OMB*

The Core Collective Priorities were informed by the lessons learned from the previous five-year plan and information gathered from a large-scale case review. Through these case reviews, ACS identified strategies to overcome barriers to permanency and strengthen case planning.

ACS continues to implement a range of strategies with the foster care providers to:

- Blend regular and therapeutic foster care programs into one model support children's needs and increase stability.
- Incorporate parent voice by adding Parent Advocates to the case management team.
- Increase therapeutic and evidence-based services for youth in care and their families.
- Add additional workforce enhancements to support and retain staff.
- Increase youth and family voice; improve race equity outcomes; improve LGBTQAI+ services and outcomes for youth identifying as LGBTQAI+.
- Create a payment structure that provides great flexibility to cover fixed costs necessary to maintain adequate staffing, infrastructure support, and other services to deliver stable services.

Permanency Efforts – Reunification, Adoption Services and KinGAP

Permanency (Reunification, Adoption and KinGAP) is at the forefront of all efforts to support families. The ultimate goal is for children to thrive in a safe and permanent home.

Reunification

ACS has worked to improve permanency outcomes for children and youth in foster care by streamlining the administrative processes and providing enhanced technical assistance to agencies to reduce time to reunification and expedite adoption and kinship guardianship. Foster care services are designed to meet the needs of children, youth, and parents leading to timely and safe reunification. Lifting parent and youth voice, along with comprehensive service planning, inform the overall case planning process. All family foster care programs are implementing the Parents Empowering Parents program which involves parent advocates with lived child welfare experience with case planning teams to support parents on the path to reunification with their children. Additionally foster care programs emphasize the importance of Family Time, opportunities for parents and their children to visit frequently, to support reunification efforts. In FY24, 2,539 children achieved permanency, with 1,657 families reunified.

Adoption and KinGAP

When reunification is not possible, Adoption provides a stable and permanent home for children. Most children who are eligible for adoption (i.e., children who are legally freed for adoption and have a permanency goal of adoption) are already placed with the family who will be their adoptive family. The Kinship Guardianship Assistance Program (KinGAP) is designed for a foster child to achieve permanency with a relative who had been the child's foster parent for at least six months and provides the kin with a subsidy to care for the child after exiting foster care.

ACS continues to partner with the Family Court to move forward adoption and KinGAP cases. Adoptions have remained steady, with 503 in 2022, 571 in 2023, and 535 in 2024. The number of children exiting foster care to KinGAP was 356 in 2024.

Children who are adopted or exit foster care through guardianship receive financial supports through regular subsidies and, in most cases, medical coverage for the child. The level of ongoing financial support is similar to the maintenance payments received while the child was in foster care. As of April 2024, 9,724 adopted children were receiving an adoption subsidy, and 2,959 children who exited foster care through kinship guardianship were receiving a KinGAP subsidy.

Fair Futures

Fair Futures is a professional coaching program serving over 5,069 young people across NYC's foster care and juvenile justice programs. The program has been supporting youth ages 11 to 26 years old with tutoring and 1:1 coaching services as well as providing social and emotional support to build life skills, set academic and career goals, facilitate connections to programs/services that support goal attainment, and plan for successful transitions from foster care. To date over 500 Fair Futures staff have been onboarded.

College Choice

ACS implements a robust college bound and college support program for youth in foster care pursuing a two- or four-year degree. Building on previous college programming, College Choice gives youth the ability to choose what college they want to go to, where they want to live and what types of academic support they would like to receive. College Choice provides tuition support for up to $15,000, a direct cash stipend, support with college housing costs, and youth can access academic and college advising through a partnership with the New York Foundling. In FY24, there were 400 students enrolled in College Choice, up from 378 students in FY23 and 200 in FY22.

Division of Youth and Family Justice

The Division of Youth and Family Justice (DYFJ) provides Specialized Secure Detention (SSD), Secure Detention (SD), and Non-Secure Detention (NSD) services for alleged juvenile delinquents, juvenile offenders, and adolescent offenders whose cases are pending in Family or Criminal Court. ACS operates two secure detention facilities and oversees a network of seven non-secure detention group homes across the City through contracts with private non-profit social service organizations. While in detention, residents receive support services, including education, medical care, mental health support, programming, recreation, and case management.

In the city's Close to Home initiative, launched in 2012, DYFJ assumed custody of adjudicated youth in Family Court found to need out-of-home placement. DYFJ provides care through a system of non-profit providers located within and just outside of New York City. Providers offer an array of general and specialized juvenile justice residential care programs, including intensive clinical services, education programs, and aftercare re-entry services.

Currently, the City's Close to Home program serves 174 youths, 126 in non-secure placement (NSP) and 48 in limited secure placement (LSP). Youth in these settings will also have access to Fair Futures coaches as they prepare for re-entry into the community. Juvenile

Offenders and Adolescent Offenders, those convicted of the most serious crimes, remain in state-operated secure facilities.

With the implementation of New York state's Raise the Age legislation in October 2018, 16- and 17-year-old youth are no longer detained on Riker's Island, and if ordered by a court, are now held in ACS facilities where they receive education, age-appropriate therapeutic and recreational services, programming, and medical and mental health care. DYFJ has increased its investment in court-involved young people with the continued expansion of fair futures and Workforce Development services in secure detention.

In addition to detention and placement services, DYFJ operates a full continuum of community-based diversion and alternative services to prevent youth from entering the juvenile justice system or deeper end system involvement. These services include our Family Assessment Program (FAP), which provides support and/or voluntary preventive services to any NYC family who is struggling with youth that are exhibiting challenging behaviors. FAP also serves families seeking to file PINS petitions in family court and serves approximately 3,500 families a year through community-based referrals, contracted evidence-based models, and other proven practices, including mentorship and respite services. Our Juvenile Justice initiative (JJI) provides an alternative to Close to Home placement. JJI allows youth to remain in the community while under the supervision of the NYC Department of Probation and engaged in evidence-based services from ACS. JJI's evidence-based continuum includes Functional Family Therapy and Multisystemic Therapy, with specialization in Substance Abuse, Psychiatric, Emerging Adults, and Problematic Sexualized Behaviors. DYFJ is also responsible for the Family Court Alternative to Detention (ATD) programs, with contract slots expanding from 80 to 100 slots each in Brooklyn, Queens, and the Bronx in July 2025. Additionally, DYFJ has assumed responsibility for the Assertive Community Engagement & Success (ACES) program from MOCJ and expects to expand services from 140 slots to over 500 slots by July 2026.

Division of Child and Family Well-Being

The Division of Child and Family Well-Being (CFWB) works to provide families and children the critical supports they need to thrive and have self-determination. The Division focuses on leveraging concrete resources, stakeholder relationships, and community and family strengths to drive toward greater equity and social justice, reduce disparities and disproportionality—including in the child welfare system—and create conditions that foster well-being for children, families, and communities. CFWB helps families afford child care, funds community-based models that promote parent and child well-being, and promotes child safety through education, training, and resource distribution.

Child Care

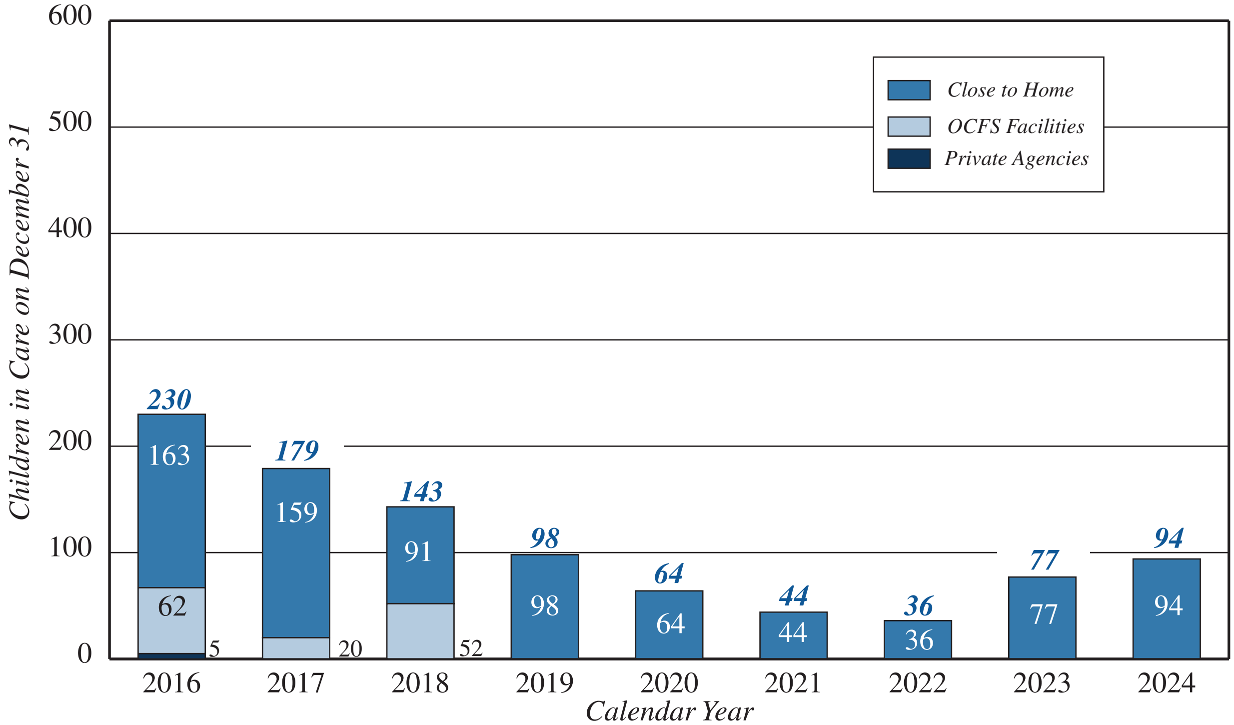
ACS administers child care assistance to approximately 74,000 children through child care vouchers supported by the New York State Child Care Block Grant, other state and federal funds, as well as city tax levy funds. This includes families with child welfare involvement and eligible families that meet income criteria.

Vouchers may be used to enroll in care in both formal and informal settings. Formal child care settings include child care centers, licensed by the Department of Health and Mental Hygiene (DOHMH) and group family day care homes, registered by New York State Office of Children and Family Services. Informal settings include care provided in the child's own home or the homes of family, friends or neighbors. We are committed to working with the State government to maintain the important gains we have achieved in expanding child care assistance in New York City for those most in need.

Community-Based Programs

ACS contracts directly with community-based organizations (CBOs) to manage two community-driven models, Community Partnerships (CPs) and Family Enrichment Centers (FECs). Since 2007, ACS has funded 11 CPs that serve as community coalitions through which service providers, community leaders, and residents share resources and information, address community needs, and design and promote strategies to support families and children. FECs are warm, inviting spaces open to all community members and led by caring staff and parent advisory councils. The spaces are meant to promote protective factors – like social connection, access to concrete needs, and parental resilience -- that foster strong family and community environments, contributing to healthy child and youth development. ACS is in the process of expanding to 30 FECs. ACS currently contracts with 29 nonprofit organizations for Family Enrichment Centers throughout NYC, 15

JUVENILES IN RESIDENTIAL PLACEMENT 2016 - 2024



* The Close to Home initiative transferred youth in non-secure placement from State (OCFS) to City custody beginning in 2012.

Source: NYS OCFS Annual Youth in Care Report

of which are open to families and community. The remaining 14 that, which will open their doors over the next year, are in varying phases of start-up, working to: hire and train staff, engage community members to design and renovate their sites, conduct outreach, and provide in-person and virtual offerings. The 30th and final FEC contract will begin in the coming months.

Child Safety and Injury Prevention

CFWB promotes child safety and injury prevention by providing parents and caregivers the resources and information they need to keep their children safe. The Division connects with New York City families and child-serving professionals to make them aware of the leading causes of unintentional childhood injuries and the best ways to keep children safe. This Office supports ongoing child safety strategies, including public campaigns related to infant safe sleep practices, safe storage of prescription medications and cannabis edibles, and safety around water, whether at bath time or the swimming pool.

Capital Review

The Four-Year Capital Plan totals $347.6 million, of which $307.3 million are City funds. The Capital Plan includes $259.8 million for DYFJ programs, $21.2 million for the buildings and renovations, $55.3 million for equipment and information systems, $5.7 million for City Council child welfare projects, and $5.6 million for Borough President child welfare projects.

Capital Commitments

($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Child Welfare	$29,424	$30,692	$108,995	$124,172	$98,580	$101,380	$100,635	$108,312	$33,210	$33,210	$30,870	$30,870
Buildings	$—	$—	$10,840	$14,561	$1,481	$2,751	$—	$—	$—	$—	$—	$—
MIS and Equipment	$3,367	$5,881	$19,865	$42,626	$40,090	$67,765	$1,216	$1,701	$262	$551	$1,003	$1,003
Total	$32,792	$36,573	$139,700	$181,359	$140,151	$171,896	$101,851	$110,013	$33,472	$33,761	$31,873	$31,873

Highlights of the Four-Year Capital Plan

- $55.3 million will support telecommunications and data infrastructure upgrades and improvements.
- $21.2 million will support building renovations.
- $259.8 million will support the Department's juvenile justice operations, including the addition of an annex to the Horizon complex, and renovations of the Department's two secure detention facilities – Crossroads and Horizon.

DEPARTMENT OF YOUTH AND COMMUNITY DEVELOPMENT

The New York City Department of Youth and Community Development (DYCD) contracts with hundreds of nonprofit community-based organizations to operate a continuum of services, including support programs for families and youth in neighborhoods throughout the five boroughs. DYCD's mission is to invest in a network of community-based organizations and programs to alleviate the effects of poverty, and to provide opportunities for New Yorkers and communities to flourish. The agency's vision is a New York City in which everyone flourishes, and outcomes are not determined by race, gender, gender identity, sexual orientation, income, neighborhood, immigration status, or disability.

DYCD programming includes Beacon and Cornerstone Community Centers, the Comprehensive Afterschool System of New York City (COMPASS), School's Out New York City (SONYC), Fatherhood, Immigration programs, Literacy Services, Neighborhood Development Areas (NDAs), the Office of Neighborhood Safety (ONS), Runaway and Homeless Youth (RHY), Saturday Night Lights (SNL), the Summer Youth Employment Program (SYEP) and other youth and young adult workforce development programs, and Summer Rising (in partnership with the New York City Public Schools). As the designated Community Action Agency for New York City, DYCD is the local grantee for federal Community Services Block Grant (CSBG) funding, which supports a variety of programs that promote self-sufficiency and healthy communities.

Financial Review

The Department's 2026 Executive Budget provides for operating expenses of $1.3 billion, of which $1.1 billion are City funds.

Expense Budget Highlights

DYCD's 2026 Executive Budget acknowledges the current fiscal challenges facing the city, as well maintaining the crucial foundations for the city's youth, communities, and families. This includes:

- Launching "After-School for All" that will bring universal after-school to New York City, beginning with over 20,000 more K-5 students by the fall of 2027, for a total of 184,000 students served. To achieve the Adams administration's vision for universal after-school, the city will conduct a needs assessment in 2027 to gather input on future expansion. Funding starts at $21 million in fiscal year 2026 growing to $331 million in fiscal year 2028 and out.

- $6 million in funding to add 100 Runaway and Homeless Youth beds to serve homeless young adults, bringing the total number of beds to 913.

- $5 million in funding to double the size of the Fatherhood Initiative to reach 3,000 fathers. The program helps fathers reconnect and build stronger relationships with their children through counseling, conflict resolution training, mediation, and mentoring.

- $10 million in funding to support adult literacy services in 2026.

- $4 million to support the meal rate increase of CACFP-funded meals in Cornerstone programs at NYCHA sites across the city.

- $11 million in funding to provide free metrocards for all Summer Youth Participants in 2025 and 2026.

- $2.5 million in funding to support the 137 existing Saturday Night Lights sites across the city.

- $19 million in 2026 and the baseline to support youth workforce programming previously supported by American Rescue Plan (ARPA) stimulus dollars.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

			($ in 000's)		Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$54,153	$54,867	$60,832	$60,481	$5,614	($351)
Fringe Benefits	—	—	—	—	—	—
OTPS	1,237,546	1,355,156	1,165,037	1,243,212	(111,944)	78,175
Total	**$1,291,699**	**$1,410,023**	**$1,225,869**	**$1,303,693**	**($106,330)**	**$77,824**
Funding						
City	$1,042,372	$1,277,403	$1,104,228	$1,182,057	($95,346)	$77,829
Other Categorical Grants	126	30	55	55	25	—
IFA	—	—	—	—	—	—
State	17,818	18,044	14,535	14,660	(3,384)	125
Federal CD	7,547	7,537	7,165	7,165	(372)	—
Federal Other	82,869	102,693	97,874	97,744	(4,949)	(130)
Intra-City Other	140,967	4,316	2,012	2,012	(2,304)	—
Total	**$1,291,699**	**$1,410,023**	**$1,225,869**	**$1,303,693**	**($106,330)**	**$77,824**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$18,554	$20,856	$21,890	$22,710	$1,854	$820
Pensions	7,148	7,799	9,216	8,747	948	(469)
Other Than Personal Service (OTPS)						
Debt Service	—	—	—	—	—	—
Total Additional Costs	**$25,702**	**$28,655**	**$31,106**	**$31,457**	**$2,802**	**$351**
Funding						
City	25,574	28,018	30,434	30,785	2,767	351
Non-City	128	637	672	672	35	—
Full Agency Costs (including Central Accounts)						
Salary and Wages	$54,153	$54,867	$60,832	$60,481	$5,614	($351)
Fringe Benefits	18,554	20,856	21,890	22,710	1,854	820
Pensions	7,148	7,799	9,216	8,747	948	(469)
Total PS	**$79,855**	**$83,522**	**$91,938**	**$91,938**	**$8,416**	**$—**
OTPS	$1,237,546	$1,355,156	$1,165,037	$1,243,212	($111,944)	$78,175
Debt Service	—	—	—	—	—	—
Total OTPS	**$1,237,546**	**$1,355,156**	**$1,165,037**	**$1,243,212**	**($111,944)**	**$78,175**
Total Agency Costs	**$1,317,401**	**$1,438,678**	**$1,256,975**	**$1,335,150**	**($103,528)**	**$78,175**
Less Intra-City	140,967	4,316	2,012	2,012	(2,304)	—
Net Agency Cost	**$1,176,434**	**$1,434,362**	**$1,254,963**	**$1,333,138**	**($101,224)**	**$78,175**
Funding						
City	1,067,946	1,305,421	1,134,662	1,212,842	(92,579)	78,180
Non-City	108,488	128,941	120,301	120,296	(8,645)	(5)
Personnel (includes FTEs at fiscal year-end)						
City	530	545	582	582	37	—
Non-City	42	95	86	86	(9)	—
Total	**572**	**640**	**668**	**668**	**28**	**—**

Programmatic Review and Service Impact

Beacon Community Centers

Pioneered in 1991 under Mayor David Dinkins, these collaborative, school-based community centers have been replicated nationally, including as a model for Cornerstone Community Centers and Community Schools. Beacon programs are designed based on the needs of their communities, and tailor activities to serve young people and adults in the areas of academic enhancement, life skills, career awareness, civic engagement and community building, recreation, health and fitness, and culture. Research has demonstrated that Beacons have a positive impact on academic achievement and social development, reducing risky adolescent behaviors, empowering community residents, and providing a forum for local problem solving.

Cornerstone Community Centers

Cornerstone Community Centers (Cornerstones) provide engaging activities year-round for adults and young people at New York City Housing Authority (NYCHA) developments in the five boroughs. Cornerstone programming is shaped by input from young people, NYCHA residents, Resident Association leaders, elected officials, and school principals. During the summer, Cornerstones provide daily services until 11 p.m., to allow community residents evening access to a safe place for recreation and learning when school is out. Cornerstone youth programs are designed to help participants acquire the skills they need to graduate from high school, succeed in their chosen careers, and give back to the community. Cornerstone adult programs enhance skills and promote social interaction, community engagement, and physical activity. DYCD operates Cornerstone programs in 99 NYCHA developments, with partial services in additional sites. Another location at the Gowanus Houses is operating at a local school.

Comprehensive Afterschool System of New York City (COMPASS)/Schools's Out New York City (SONYC)

The Comprehensive Afterschool System of New York City (COMPASS) and School's Out New York City (SONYC) middle school programs offer a mix of academic, recreational, and cultural activities for young people after school, during school closing days, and in the summer. Nearly 900 programs serve young people from elementary through high school and are primarily located in public and non-public schools, community centers, public housing, and parks recreational facilities. Through DYCD-funded community-based organizations, COMPASS offers high quality afterschool programs that offer a balance of enrichment activities, including creative arts, physical fitness, academic support, and cultural activities to support and strengthen the overall development of youth. COMPASS programs keep youth safe, foster competencies, and allow young people to explore interests and creativity while building confidence and leadership skills. For the first time ever, the city is beginning a comprehensive effort to strengthen and scale afterschool programs with the goal of achieving universal access for all students and families across the five boroughs. The plan begins with an immediate $21 million investment allocated in Fiscal Year (FY) 2026 that will bring 5,000 additional K-5 seats online for the upcoming fall. That funding will grow to $136 million annually, as DYCD adds 10,000 more seats in the fall of 2026 and 5,000 in the fall of 2027, for a total of 20,000 new seats over the next three school years. The funding for these new seats will be baselined and become a permanent part of the city's afterschool offering. In addition, the plan will strengthen the current system by issuing the first Request for Proposal to providers in over a decade, which will enhance and improve programs, raise provider rates to stabilize the non-profits and their workforce who serve New York City's children. This effort will be supported by $195 million investment in 2027, bringing the total funding plan to nearly $331 million.

Fatherhood Programs

By promoting positive involvement of fathers in the lives of their children, DYCD's seven CSBG-funded Fatherhood programs strengthen family relationships, and encourage fathers to fulfill their financial responsibilities. Fatherhood services include individual, family and group counseling, father-to-father mentoring, parent and child rearing classes, visitation arrangements, and mediation and conflict resolution training. Support activities include independent living skills training, college preparation classes, and adult basic education and English instruction for speakers of other languages. DYCD also encourages program providers to form linkages with other organizations to address the comprehensive needs of fathers, including job training and placement, health care, and housing. In 2025, the Department allocated $3.1 million to provide services to approximately 1,400 participants. In 2025, DYCD released a Request for Proposals (RFP) for new contracts. The program added funding to now be able to serve 3,000 fathers, with a total budget of $5.9 million in 2026.

Literacy Services

Adult Literacy programs are designed to assist adults and older youth to become literate, and to obtain the knowledge and skills necessary for further education, employment, and self-sufficiency. Adult Basic Education (ABE) programs provide instruction in reading, writing, and mathematics to native English speakers. High School Equivalency (HSE) test preparation classes are designed to help students prepare for HSE tests in reading, writing, social studies, science, and math. English for Speakers of Other Languages (ESOL) programs provide English language courses to immigrants to increase their communication skills. In 2025, DYCD's funding for adult literacy services is $30 million, and it is projected that 14,385 individuals will be served.

Programs also provided expanded support services to engage students in continued learning while operating remotely, to keep them connected to a caring community, and provide access to essential information and services. DYCD awarded new contracts under a Request for Proposals (RFP) for 2025. The new model includes hybrid classes and mental health services to address issues such as depression, anxiety, trauma, and substance abuse. This is consistent with Mayor Adams' focus on mental health supports, especially as the city continues its recovery from COVID-19 and addresses the impact the pandemic had on the well-being of New Yorkers.

Neighborhood Development Area (NDA) Programs

DYCD administers the federal Community Services Block Grant (CSBG) program to fund anti-poverty initiatives in 41 designated low-income Neighborhood Development Areas (NDAs) across the five boroughs of New York City. NDA programs are designed to allow individual neighborhoods to fund the social services they determine best meet their particular needs. DYCD's mission in administering the Community Action Program is to assist low-income individuals and families to attain the skills, knowledge, motivation, and opportunities they need to become self-sufficient. In 2025, the Department received $17 million in funding for these programs, which provides immigrant services, family support services, youth development, senior support, and housing assistance to 12,632 participants.

Office of Neighborhood Safety (ONS)

In Fiscal 2024, DYCD began overseeing the Office of Neighborhood Safety (ONS), which manages the city's community violence intervention work. ONS is comprised of the Crisis Management System (CMS), the Mayor's Action Plan for Neighborhood Safety (MAP), and Atlas. CMS is a partnership of organizations—including a network of residents, credible messengers, and community leaders—that mediate community conflicts, connect young people aged 16 to 24 most at risk of gun violence to mentorship and risk reduction plans, and mobilize the community to promote peace and shift norms around the use of violence.

DYCD's other programming, particularly workforce all serve to connect communities and serve as upstream tools to combat gun violence and overall crime.

Runaway and Homeless Youth (RHY)

DYCD funds programs to protect runaway and homeless youth and, whenever possible, reunite them with their families. For youth in need of shelter and care, Crisis Shelters offer safe and welcoming environments on a short-term basis, while Transitional Independent Living (TIL) facilities combine longer-term shelter with the necessary support designed to place formerly homeless youth on the path to independence. Charged with giving vulnerable young people the resources they need to stabilize their lives; services also include Street Outreach and eight Drop-In Centers, five which operate 24/7. In Fiscal 2026, DYCD will fund an additional 100 beds bringing a total of 913 beds in Runaway and Homeless Youth residential programs that are online for youth ages 16 to age 24.

Saturday Night Lights (SNL)

Saturday Night Lights (SNL) serves young people at 137 sites citywide. SNL programs offer safe and engaging evening sports programs, including basketball, soccer, volleyball, dance, and martial arts.

Summer Rising

The Summer Rising program, in partnership with NYC Public Schools, serves 110,000 elementary and middle school youth. The program connects them with fun, hands-on enrichment experiences to strengthen skills, develop interests, and cultivate curiosity. Examples of programming include drama, yoga, community service, visual art, sports, and cooperative games.

Youth Workforce Development

The Summer Youth Employment Program (SYEP) provides New York City youth between the ages of 14 to 24 with summer work experiences and career exploration opportunities. Older participants work in a variety of entry-level jobs at community-based organizations, government agencies, and private sector businesses, and are paid for up to 25 hours per week for up to six weeks at the current state minimum wage of $16 per hour. Younger participants receive a stipend to complete project-based learning experiences. In 2025, 100,000 youth participated in SYEP at over 17,000 worksites across the city. In 2026, the city is committed to serving the same number of young people.

Work, Learn and Grow (WLG), a school-year extension of SYEP, is now serving over 7,000 youth, its largest class to date with more than one-third of enrolled youth residing in or attending school in the six priority police precincts identified in the Mayor's Blueprint for Community Safety.

In addition to SYEP and WLG, DYCD operates several other workforce development programs for youth between the ages of 14 to 24, including the Anti-Gun Violence program, the Office of Economic Opportunity (OEO) and Young Men's Initiative (YMI)-funded Advance & Earn program, and the Workforce Innovation and Opportunity Act (WIOA)-funded Train & Earn and Learn & Earn programs. Recently, the Administration rolled out the Community Resources for Employment and Development (CRED) program which extends DYCD's portfolio of workforce programs up to age 40, and this new program provides tailored support services, occupational training and paid work opportunities to underserved New Yorkers.

To administer the Advance & Earn program in 2025, DYCD received $9.4 million from OEO, $3.4 million from YMI, $6 million for AE Expansion, and $970,000 from an intercity agreement with the Administration for Children's Services (ACS), totaling approximately $19.7 million. Without ACS and Expansion funding, DYCD received approximately $12.8 million from OEO and YMI alone. Advance & Earn connects youth between the ages of 16-24 with comprehensive High School Equivalency (HSE) test preparation, employer-recognized training, credentials and certifications, and paid internships. The program will serve over 1,300 participants this year including ACS.

In 2025, DYCD committed a total of $37.7M of funding to support the WIOA Learn & Earn and the Train & Earn programs. Approximately $35.4M of that funding is supported by the federal Workforce Innovation and Opportunity Act (WIOA). These programs received a new Request for Proposals (RFP) starting in 2025.

The Learn & Earn program is designed to help high school juniors and seniors graduate from high school and prepare for employment and post-secondary education or training. Learn & Earn program sites are located primarily in high schools to maximize participant success in school and leverage school resources. Learn & Earn program goals are supported through a combination of academic activities, such as tutoring, college visits, SAT preparation, career exploration activities including paid summer work experiences through the Summer Internship Program (SIP), work readiness training, and mentoring. The program also supports participants with guidance and counseling, stipends, and leadership development activities. Participants receive up to two years of services and a year of follow-up services, depending on their grade at enrollment.

Train & Earn serves eligible youth aged 16-24 years old who are not working or in school and who need assistance in upgrading their occupational and educational skills. Train & Earn programs are operated by community-based organizations throughout the five boroughs. Programs offer a combination of occupational skills training in high growth sectors and paid internships, along with academic support, comprehensive supportive services, and placement in employment or postsecondary education or training. A year of follow-up services is also provided.

NYC AGING

The NYC Aging (or "the Department") administers a wide range of programs that enhance the independence and quality of life for the City's older adult population. The Department's services include older adult centers, home delivered meals, case management services, homecare services, transportation services, caregiver services, employment counseling and placement for older New Yorkers and an array of other aging services programming. NYC Aging serves as an advocate for the City's older adult population through legislative activity and public policy initiatives.

Financial Review

The Department's 2026 Executive Budget provides for operating expenses of $554.4 million, of which $432.0 million are City funds. In addition, the Department's capital budget for 2026 through 2029 totals $61.9 million, all of which are City funds.

Expense Budget Highlights

The Department's 2026 Executive Budget acknowledges the current fiscal challenges facing the city, as well maintaining the crucial foundations for the city's older adult population. This includes:

- $2.0 million to support the Case Management program in 2026.

- $81.5 million in 2026 and $75 million in the baseline to address the senior services revenue cliff. This will support Senior Services programs such as Older Adult Centers and Home Delivered Meals.

- $23 million in 2026 and $37.7 million in the baseline to restore previous Program to Eliminate the Gap reductions in the Older Adult Center portfolio.

- $19.7 million of additional funding in 2025 and 2026 for indirect cost rate base adjustment.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$30,824	$33,266	$32,851	$33,475	$209	$624
Fringe Benefits	—	—	—	—	—	—
OTPS	478,526	537,629	393,323	520,968	(16,661)	127,645
Total	**$509,350**	**$570,895**	**$426,174**	**$554,443**	**($16,452)**	**$128,269**
Funding						
City	$369,633	$433,278	$305,063	$431,958	($1,320)	$126,895
Other Categorical Grants	61	764	335	495	(269)	160
IFA	—	—	—	—	—	—
State	56,577	44,897	44,357	44,357	(540)	—
Federal CD	362	2,187	362	362	(1,825)	—
Federal Other	80,032	87,873	75,542	76,756	(11,117)	1,214
Intra-City Other	2,685	1,896	515	515	(1,381)	—
Total	**$509,350**	**$570,895**	**$426,174**	**$554,443**	**($16,452)**	**$128,269**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$12,175	$13,384	$13,868	$14,086	$702	$218
Pensions	4,769	4,774	5,246	4,979	205	(267)
Other Than Personal Service (OTPS)						
Debt Service	—	—	—	—	—	—
Total Additional Costs	**$16,944**	**$18,158**	**$19,114**	**$19,065**	**$907**	**($49)**
Funding						
City	16,461	17,675	18,365	18,319	644	(46)
Non-City	483	483	749	746	263	(3)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$30,824	$33,266	$32,851	$33,475	$209	$624
Fringe Benefits	12,175	13,384	13,868	14,086	702	218
Pensions	4,769	4,774	5,246	4,979	205	(267)
Total PS	**$47,768**	**$51,424**	**$51,965**	**$52,540**	**$1,116**	**$575**
OTPS	$478,526	$537,629	$393,323	$520,968	($16,661)	$127,645
Debt Service	—	—	—	—	—	—
Total OTPS	**$478,526**	**$537,629**	**$393,323**	**$520,968**	**($16,661)**	**$127,645**
Total Agency Costs	**$526,294**	**$589,053**	**$445,288**	**$573,508**	**($15,545)**	**$128,220**
Less Intra-City	2,685	1,896	515	515	(1,381)	—
Net Agency Cost	**$523,609**	**$587,157**	**$444,773**	**$572,993**	**($14,164)**	**$128,220**
Funding						
City	386,094	450,953	323,428	450,277	(676)	126,849
Non-City	137,515	136,204	121,345	122,716	(13,488)	1,371
Personnel (includes FTEs at fiscal year-end)						
City	228	226	225	243	17	18
Non-City	98	128	126	127	(1)	1
Total	**326**	**354**	**351**	**370**	**16**	**19**

Programmatic Review and Service Impact

Older Adult Centers

The core of NYC Aging is the citywide network of 315 Older Adult Centers, contracted at $262.9 million in 2026, which every day offer older New Yorkers meals, socialization, recreation, benefits counseling, application assistance, and participation in a wide array of activities designed to improve their health and quality of life.

Case Management

Case management services connect homebound older adult to resources and benefits so that they may continue to live independently and safely in their homes. Following a case management assessment, eligible older adults may receive home delivered meals, homecare, and other benefits or services. Older adults are referred to case management providers from older adult centers, meal providers, hospitals and other community-based social service and health care agencies. In 2026, a contracted budget of $53.3 million will support case management services. Most of the case management clients benefit from home-delivered meals services five days a week each year.

Home Delivered Meals

NYC Aging has 17 contracts for home delivered meals, which offer older adults the option of frozen, fresh-chilled, or hot meal deliveries. In 2026, a contracted budget of $73.1 million will support 4.8 million home delivered meals. Home-delivered meals (HDM) program is a vital component in NYC Aging's network of services. Not only do HDMs provide sustenance to homebound older adults across the five boroughs, the interaction with the delivery person—which for many of our clients may be the only direct human interaction for the day—support our ongoing effort to combat social isolation which was exacerbated during the pandemic. This program continues to follow the strict guidance set by the State and is open to those who meet those criteria.

Naturally Occurring Retirement Communities

Naturally Occurring Retirement Communities ("NORCs") are on-site collaborations among housing entities, social service providers, and healthcare networks to provide supportive services for older residents to help them remain independent and safe in their own homes. Currently, $17.0 million is contracted to support 36 NORC programs for over 20,000 residents in the Bronx, Brooklyn, Manhattan, and Queens. NORC services include case assistance, transportation, health promotion, education and recreation, and nursing services.

Transportation Services

NYC Aging 's independent transportation program aims to serve older adults who are unable to travel or access public transportation from becoming socially isolated and/or declining physically by assisting them in getting to and from places they need to go in their communities. Moreover, NYC Aging's transportation services program offers group transportation to enhance community engagement for seniors by offering recreational, social, and educational trips. Each year, NYC Aging has contracted $5.8 million to support its transportation program which provides over 250,000 one-way trips citywide.

Caregiver Services

NYC Aging's caregiver support program offers support groups, counseling, trainings, outreach, and information services to unpaid caregivers. The caregiver program also offers options for respite care through homecare or participation in social adult day care. In addition, the program provides supplemental services which offer limited financial assistance with the purchase of needed assistive devices and other caregiver related expenses. These services help, to ease the burden of families and other unpaid caregivers. In 2026, $9.2 million has been contracted for the caregiver program.

Capital Review

The Department's Four -Year Capital Plan for 2026–2029 totals $61.9 million. The Four-year Capital Strategy includes funding to complete renovations and upgrades for the various senior centers around the city. Funds are provided to ensure the agency's fire and safety infrastructure meet standards, and to ensure that necessary improvements for HVAC, masonry, roofing, electrical, and plumbing are completed. Lastly, funds are allocated to the Agencies Client Data Reporting System VIVÉ. The VIVÉ System Project positions NYC Aging to deliver more coordinated, compliant, and client-centered services.

Capital Commitments

($ in 000's)

	2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Capital Commitments	$29,858	$29,858	$16,504	$16,504	$8,993	$8,993	$6,596	$6,596
Total	$29,858	$29,858	$16,504	$16,504	$8,993	$8,993	$6,596	$6,596

Four-Year Capital Strategy Highlights

- The Department's Four-Year Capital Strategy totals $61.9 million for 2026-2029 and includes rehabilitation of older adult centers, with a focus on structural and accessibility issues ($62.4 million); computer and network upgrade and equipment purchases ($11.2 million).

DEPARTMENT OF HEALTH AND MENTAL HYGIENE

The mission of the New York City Department of Health and Mental Hygiene (the Department, or DOHMH) is to protect and promote the health of all New Yorkers. The Department is committed to maintaining core public health and mental health services and continues to introduce new programs and technologies to improve the health status of all New Yorkers and to reduce health inequities between New York City neighborhoods, as we are all healthier when we live in a City that is healthy.

The Department will continue to target its public health activities towards those communities that bear a disproportionate share of physical and mental illness and premature death, relying on evidence-based and evidence-informed programs and interventions. The Department will pursue active engagement with communities, their organizations, institutions, and members, to continue to tackle the leading causes of death and disability.

The Office of Chief Medical Examiner ("OCME") is responsible for investigating deaths resulting from criminal violence, accident, or suicide; that occur suddenly and when in apparent good health; when unattended by a physician; in a correctional facility or in custody of any criminal justice entity; or occurring in any suspicious or unusual manner or threat to public health. OCME provides additional forensic services through its laboratories, including DNA testing, to support investigations. OCME also manages all functions of the City mortuary, including the retrieval and processing of unclaimed deceased bodies, and facilitates final disposition. Finally, OCME maintains a specialized mass fatality management team ready to support the City in responding to mass fatalities and other disasters.

Financial Review

Operating expenses of $2.3 billion, a decrease of $0.5 billion below the amount forecasted in 2025. Capital commitments of $186.4 million are also provided, an increase of $16.2 million above the 2025 Plan amount.

Revenue Forecast

The Department generates revenue from licenses, permits, inspection and service fees. In 2026, the Department will generate $31.6 million in revenue from these sources.

Expense Budget Highlights

Budgetary Priorities

- Funding to support school nurses.
- Investing in mobile treatment teams that provide care, treatment, and support to individuals with severe mental illness to ensure that New Yorkers have a continuum of care.
- Funding for the "Groceries to Go" program that helps eligible food insecure New Yorkers purchase groceries for delivery or pick up.
- Funding to support tuberculosis case management.
- Funding to support existing Trauma Recovery Centers, which provide case management, therapy, and crisis intervention services to underserved victims of violent crime.
- Funding for sanitary inspection and grading for mobile food vending units across New York City.
- Funding to support clubhouses, an evidence-based model for psychiatric rehabilitation that provides peer support and access to services for people experiencing severe mental illness.
- Funding to establish rapid STI testing in two additional New York City Department of Health and Mental Hygiene clinics.
- Funding for Mental Health Continuum, a joint effort between the New York City Department of Health and Mental Hygiene, New York City Public Schools, and New York City Health and Hospitals to provide targeted mental health supports for students at high-needs schools.
- Funding for a pilot syringe redemption program which would provide incentives for the return of needles, syringes, and sharps at designated locations.
- Funding to establish a new ethics and integrity unit at the New York City Office of Chief Medical Examiner to conduct investigations and ensure the integrity of agency operations.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

($ in 000's)	2024 Actual	2025 Forecast	2026 Preliminary Budget	2026 Executive Budget	Increase/(Decrease) 2025 Forecast	Increase/(Decrease) 2026 Preliminary Budget
Expenditures						
Salary and Wages	$590,382	$643,778	$629,252	$643,984	$206	$14,732
Fringe Benefits	1,631	3,251	851	854	(2,397)	3
OTPS	1,752,277	2,204,400	1,503,291	1,668,270	(536,130)	164,979
Total	**$2,344,290**	**$2,851,429**	**$2,133,394**	**$2,313,108**	**($538,321)**	**$179,714**
Funding						
City	$1,086,109	$1,401,342	$1,142,906	$1,333,168	($68,174)	$190,262
Other Categorical Grants	74,683	28,441	29,305	29,305	864	—
IFA	—	—	—	—	—	—
State	555,361	779,392	670,725	636,347	(143,045)	(34,378)
Federal CD	—	—	—	—	—	—
Federal Other	606,225	624,145	283,370	306,993	(317,152)	23,623
Intra-City Other	21,912	18,109	7,088	7,295	(10,814)	207
Total	**$2,344,290**	**$2,851,429**	**$2,133,394**	**$2,313,108**	**($538,321)**	**$179,714**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$217,534	$237,962	$245,794	$249,200	$11,238	$3,406
Pensions	87,521	97,370	100,748	95,628	(1,742)	(5,120)
Other Than Personal Service (OTPS)						
Debt Service	51,813	59,313	68,273	68,603	9,290	330
Total Additional Costs	**$356,868**	**$394,645**	**$414,815**	**$413,431**	**$18,786**	**($1,384)**
Funding						
City	331,672	353,200	373,782	372,442	19,242	(1,340)
Non-City	25,196	41,445	41,033	40,989	(456)	(44)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$590,382	$643,778	$629,252	$643,984	$206	$14,732
Fringe Benefits	219,165	241,213	246,645	250,054	8,841	3,409
Pensions	87,521	97,370	100,748	95,628	(1,742)	(5,120)
Total PS	**$897,068**	**$982,361**	**$976,645**	**$989,666**	**$7,305**	**$13,021**
OTPS	$1,752,277	$2,204,400	$1,503,291	$1,668,270	($536,130)	$164,979
Debt Service	51,813	59,313	68,273	68,603	9,290	330
Total OTPS	**$1,804,090**	**$2,263,713**	**$1,571,564**	**$1,736,873**	**($526,840)**	**$165,309**
Total Agency Costs	**$2,701,158**	**$3,246,074**	**$2,548,209**	**$2,726,539**	**($519,535)**	**$178,330**
Less Intra-City	21,912	18,109	7,088	7,295	(10,814)	207
Net Agency Cost	**$2,679,246**	**$3,227,965**	**$2,541,121**	**$2,719,244**	**($508,721)**	**$178,123**
Funding						
City	1,417,781	1,754,542	1,516,688	1,705,610	(48,932)	188,922
Non-City	1,261,465	1,473,423	1,024,433	1,013,634	(459,789)	(10,799)
Personnel (includes FTEs at fiscal year-end)						
City	4,758	5,359	5,414	5,595	236	181
Non-City	1,495	1,780	1,596	1,627	(153)	31
Total	**6,253**	**7,139**	**7,010**	**7,222**	**83**	**212**

Programmatic Review and Service Impact

The NYC Health Department has a 220-year long history of serving all New Yorkers. The Health Department was established in 1805 during the yellow fever outbreak. In 1850, when the Department was still in its infancy, tuberculosis was the leading cause of death in New York City—and the average age of death was twenty.

By 1904, the Health Department began providing tuberculosis treatment at our public health clinics. Today, we are the main clinical provider for TB in New York City: we treat nearly half of all TB patients in the city and 75 percent of multi-drug-resistant cases.

TB is of course just one example. The New York City Health Department has been at the forefront of:

- The HIV/AIDS crisis of the 1980s and 90s;
- The COVID pandemic response, including our historic vaccination campaign, which saved the lives of an estimated 48,000 New Yorkers;
- And the facilitation of access to safe and legal abortions for people nationwide who lost their constitutional right to end a pregnancy in 2022.

For 220 years, this agency has been a leader in public health—a field that has changed the course of human history. Yet, public health can be a difficult story to tell because our greatest successes are crises averted.

By consistently investing in the health of this city, we have given generations of New Yorkers decades of more life. Over the last 120 years, life expectancy in New York City has increased from the early forties to the early eighties.

At the Health Department, all of our work ladders up to one principal goal: To equitably raise New Yorkers' life expectancy to its highest-ever level of 83 years by 2030. Our HealthyNYC campaign was launched as an overarching framework for how New York City should approach health.

Our 2024 data shows that COVID deaths have dropped by 96 percent since 2020—and hospitalizations are down 76 percent. Our COVID recovery trajectory is proof that we can make meaningful, equitable, and rapid change a whole-of-government approach and when we appropriately invest in public health.

Reducing maternal mortality is among our top strategic priorities and a HealthlyNYC goal. This past year the Health Department published our latest five-year analysis of maternal mortality in New York City. While maternal deaths did not increase, that data found that Black women and Black people who give birth are six times more likely to die of a pregnancy-related cause than their white counterparts. On the programmatic side, more than 20,000 families have been served by our New Family Home Visiting Program since it launched in 2021. The program has nurses, doulas, and community health workers visit parents who are pregnant or have young children. Additionally, nearly 7,500 clients were served by the Nurse Family Partnership and Newborn Home Visiting programs were screened for depression and/or anxiety during the first 6-8 weeks following birth.

Another element of the Health Department is its focus on chronic diseases, which continue to be the leading cause of death in New York City.

In FY 25, the Health Department released a citywide report that details our existing and proposed new work on chronic disease prevention. The chronic disease plan was a collaboration across 22 city agencies and offices. We're partnering with several of those agencies—including NYC Public Schools, Health + Hospitals, and NYC Parks—to launch and expand upon programs that recognize that fundamental needs like income, affordable housing, and access to outdoor space directly impact our health.

On the programmatic side, the Health Department held 129 trainings for more than 5,000 community health workers as part of our Public Health Corps last year with the focus to chronic disease prevention. Community Health Workers have also supported over 35,000 in-person community events and reached over 2 million residents in the ZIP codes with the highest need.

Reducing overdose deaths is a major Healthy NYC goal. This year, the Health Department distributed more than 300,000 naloxone kits and more than 54,000 fentanyl test strips to prevent overdose deaths.

Infectious disease prevention is the core work of Health Department and is part of its invisible shield to protect New Yorkers. For example, we monitor more than 100 diseases on a daily basis and distribute more that 2.7 million doses of pediatric vaccines to nearly 1,400 different healthcare providers every year.

Every piece of our work at the Health Department requires sustained funding to be successful. In public health, we often see a 'boom and bust' cycle of funding, where money swells during emergencies and dries up in the aftermath.

We are no longer in the COVID funding boom. Our pandemic response was bolstered with temporary federal funding. Yet, public health risks continue. COVID-19 is no longer our most urgent concern, but:

- Chronic disease,
- Avian flu,
- And vaccine-preventable diseases are threats today.

New York City is heading into what promises to be a very challenging period for public health—it is absolutely imperative that the New York City Health Department continues to build on our legacy of leadership in the field. No matter what lies ahead, we are committed to protecting and promoting the health of every New Yorker, without exception.

Mental Hygiene

The Division of Mental Hygiene aims to (1) decrease morbidity and premature mortality, (2) use preventive measures to promote mental wellness and wellbeing, and (3) promote community participation, among all New Yorkers, including those experiencing or affected by: mental health conditions; intellectual and developmental disabilities; substance use; and/or intersections with the criminal legal system. The Division prioritizes promoting the understanding that environmental and social factors perpetuate health inequities and increasing access to quality healthcare across the lifespan of all New Yorkers. This past year, Mental Hygiene:

- Released the "Status of Mental Health of New Yorkers" report in Spring 2024.
- Released "Special Report on Social Media and Mental Health" in Spring 2024
- Distributed more than 300,000 naloxone kits and more than 54,000 fentanyl test strips to prevent overdose.
- Provided mental health care to more than 20,000 NYC teens, across all five boroughs, primarily in TRIE neighborhoods through Teenspace, which provides free mental health support to any teenager ages 13 to 17 living in NYC.
- Expanded clubhouse program, doubling the city's investment for people experiencing severe mental illness to $30 million. The Health Department celebrated the opening of the city's new clubhouses at Venture House Brooklyn's transitional space in January 2025. This is among the first new locations contracted under the $30 Million in additional investments.
- Maintained Intensive Mobile Treatment (IMT) capacity up to 972 individuals at one time. IMT provides long term mental health and substance use treatment and support services to adults with complex needs cycling in and out of institutional care, such as hospital, shelter, and jail.
- Made 21,000 referrals through the Health Department's Single Point of Access (SPOA) program to rehabilitative programs like clubhouse, assisted competitive employment, and peer advocacy as a complement or alternative to mobile treatment or care coordination services.
- Added 430 new units of Supportive Housing that are available to New Yorkers with or at risk of developing SMI and/or substance use disorder, bringing our overall supportive housing portfolio to approximately 12,000 units open and available.
- Continued our partnership with H+H to implement a hospital-based suicide prevention program in Spring 2024, beginning in Queens. The Caring Transitions Program supports youth following a suicide attempt or serious suicide related behavior (and their caregivers), providing follow-up care, transition support and connections to ongoing treatment and community supports.

Center for Healthy Equity & Community Wellness

The Center for Health Equity and Community Wellness (CHECW) seeks to eliminate racial and other inequities resulting in premature mortality. CHECW addresses inequity across community and health systems in partnership with community, faith-based, and health care organizations. CHECW's work focuses on social determinants of health, including environmental and commercial determinants, and addresses both upstream and downstream factors to improve the health and well-being of New Yorkers. In FY25, CHECW:

- Held 129 trainings for more than 5,000 community health workers as part of our Public Health Corps last year to focus to chronic disease prevention.

- Equipped more than 5,000 community health workers to meet the unique health needs of their neighbors as part of our community engagement strategy, supporting more than 35,000 community events and reached over 2 million TRIE residents.

- Released "Addressing Unacceptable Inequities: A Chronic Disease Strategy for New York City" in January of 2025 — a multiagency strategy that addresses the root causes of chronic diseases such as heart disease, diabetes, and screenable cancers and outlines interventions that support longer, healthier lives for New Yorkers. Chronic diseases are a leading cause of death in NYC, taking an especially high toll on Black New Yorkers and New Yorkers in communities experiencing disinvestment.

- Released its inaugural Health Care Accountability Report in March 2025 per local law 78.

- Released "The Health of Immigrants in New York City," a new report that highlights the significant contributions of immigrant New Yorkers to the city's health and prosperity, while emphasizing the critical need to address unique health challenges that immigrants face.

- Expanded the Coalition to End Racism in Clinical Algorithms agenda to include ending the use of race-based algorithms in hypertension. Published an open-access toolkit to support the removal of harmful race-based clinical algorithms in April of 2025 in collaboration with DiMe and The SCAN Foundation, and to build awareness around the availability of this important, action-oriented resource.

Disease Control

The mission of the Disease Control Division is to safeguard the health of New Yorkers through the identification, surveillance, treatment, control, and prevention of 90+ infectious diseases. It is one of the largest Divisions at the Health Department with more than 1,500 staff and includes seven bureaus: Bureau of Communicable Diseases; Bureau of Hepatitis, HIV, and Sexually Transmitted Infections; Bureau of Tuberculosis Control; Bureau of Immunization; Bureau of Public Health Clinics; Public Health Laboratory; and Bureau of Division Management and Systems Coordination. This year, Disease Control:

Expanded Sexual Health Clinic services

- The Health Department Sexual Health Clinic staff attended to 83,596 patient visits (on-site or telemedicine) for 47,251 unique patients.

- Began $10.5 million dollar renovation of the Corona Clinic in July 2025.

- Implemented a Community Health Model with Voces Latinas at the Corona clinic to increase awareness of and access to HIV and STI prevention and treatment among Latino MSM in Queens. Voces Latinas has one embedded patient navigator in the Corona Sexual Health Clinic and one promotora (Spanish speaking community health worker) referring clients to the SHC, contributing to an increase in volume in that clinic over the past 2 years.

- Rolled-out of doxycycline post-exposure prophylaxis (Doxy PEP) for bacterial STIs to high-risk patients, beginning at the Corona clinic (November 2023) and is now also available in our Central Harlem, Morrisania, and Fort Green clinics.

- Will run a paid media campaign to promote the health care services of the sexual health clinics planned for June 2025.

Promoted vaccines

- Distributed 2,786,230 doses of pediatric vaccines to 1,391 healthcare providers across NYC as part of the Vaccines for Children program, which helps ensure all children in NYC have access to vaccines

- Launched I Vax, We Vax Flu & COVID paid media vaccination campaign.

- Conducted a two-week vaccination campaign at four Health Department sites and set up one vaccine pop-up event in partnership with a community-based organization, which vaccinated almost 3,000 community members for Flu and/or COVID-19.

- Coordinated the Federal Vaccines For Adults/Bridge Access through August 2024 to ensure access to no-cost vaccine for the uninsured and underinsured. While the program ended, the Health Department continues to coordinate low to no cost options through our FQHC partners.

Supported Asylum Seeker health

- Coordinated on-site TB testing, referrals to healthcare partners for evaluation and treatment, and expanded access to TB clinical services for asylum seeker populations; conducted contact investigation activities to address increase in cases and complexity of investigations; and offer monthly Saturday hours at the Fort Greene TB clinic.

Environmental Health

The Division of Environmental Health (EH) prevents and controls illness and injury related to environmental and occupational health risks through outreach and education, surveillance, and enforcement. EH permits and inspects facilities including restaurants, mobile food carts and trucks, childcare programs, beaches and pools; monitors air and drinking water quality; addresses the impact of our changing climate on health; investigates and prevents elevated blood lead levels; oversees the city's animal shelter system; controls mosquitoes and rats; and promotes housing quality, among other environmental health activities.

Inspected more than 30,000 food service locations—including restaurants, school cafeterias, and food trucks for food safety across the city to prevent food-borne illness and disease outbreaks.

Conducts health and safety inspections of childcare facilities, provides training to support quality care for the more than 400,000 children in childcare in NYC, and assures that childcare workers have background clearance.

Helped nearly 80,000 New Yorkers who called Environment Health's Poison Center.

Tests mosquitoes and ticks for West Nile Virus and emerging diseases in NYC - these mosquito-related illnesses will likely increase as our climate warms.

Environmental Health continued it Harlem Rat Mitigation Zone that was launched in 2024 which focuses on both private and public properties throughout Harlem, in our efforts to reduce the rat population in Harlem. The program includes:

- Two dedicated exterminators and three city pest control aides to work on public and private property rat remediation efforts.
- Staff to inspect and monitor conditions at schools, NYCHA properties and parks in Harlem. These staff also guide on site staff in rat remediation efforts.
- Offers Rat Academies to over a thousand people each year to help them learn how to prevent rats on their properties and urban gardens.

Launching a rat contraception pilot project in Spring 2025.

Office of Emergency Preparedness and Response

The Department's Office of Emergency Preparedness and Response (OEPR) aims to advance the Health Department and NYC's ability to prevent, prepare for, respond to, and recover from the health impact of emergencies by partnering with City agencies, the health care sector, and the community. The Department envisions a healthy, resilient city in which all New Yorkers are able to achieve and maintain optimal and equitable health outcomes before, during, and after emergencies. In 2024, the Health Department:

- Launched a Response Ready initiative in February of 2025 which outlines how to integrate and advance readiness in priority domains across the agency, from health equity to public health communications, to a more resilient workforce.
- Established emergency contract agency-wide for a range of needed services that can be quickly activated to prepare the agency to quickly respond and maintain continuity of operations during future emergencies.

Center for Population Health Data Science

The Center for Population Health Data Science (CPHDS), launched in November 2023, aims to catalyze critical data modernization work and enable the agency to make progress toward linking public health, healthcare, and social service for timely and effective public action. It works towards making these data more accessible, timely, equitable, meaningfully usable, and protected – and actively used to protect and promote the health and wellbeing of New Yorkers.

CPHDS aims to build on our expertise in epidemiology and strengthen agency wide data capabilities by empowering and training our workforce in modern data engineering, data science, and data product management skills, promoting intra- and inter-agency data sharing, and implementing modern technology to yield trusted and integrated data and insights. The goal is to deliver a real-time and comprehensive view of city needs is needed to promote and protect the health of all New Yorkers. CPHDS also:

Issues more than 1 million copies of birth and death certificates annually.

Completes about 68,000 amendments to certificates, such as adding the name of a parent, or changes related to adoptions and court orders annually.

Assists more than 150,000 walk in customers annually.

Issues thousands of certificates related to government requests annually, such as those submitted by Administration for Children's Services, the Human Resources Administration, and District Attorney subpoenas.

Connects with approximately 209,700 New Yorkers through surveys

- World Trade Center Health Registry: 71,000
- Community Health Survey: 90,000
- Middle School YRBS: 3,500
- High School YRBS: 11,000
- NYC health panel: 34,200

Family and Child Health

The Division of Family and Child Health works to improve the health of children, women and families in New York City throughout the life cycle, with an emphasis on reducing health disparities and advancing equity. The Division's diverse and expansive portfolio of work includes providing home visits to new parents, caring for acute and chronic conditions in school children, and engaging communities around promoting sexual and reproductive justice, including abortion access. Four bureaus comprise the Division: Bureau of Maternal, Infant and Reproductive Health; Bureau of Early Intervention; Office of School Health; and the Bureau of Administration.

- Provided more than 30,000 children and their caregivers with developmental services (including occupational therapy, speech therapy, and physical therapy) through our early intervention program.
- Served more than 20,000 families by our New Family Home Visiting Program since it launched in 2021. The program has nurses, doulas, and community health workers visit parents who are pregnant or have young children.
- Connected more than 8500 patients to abortion care in New York City through the NYC Abortion HUB between its launch in November 2022 through January 2025. Of the 25 percent of callers/texters from out of state, 75 percent of patients were from Texas, Georgia, and Florida.
- Maternal Mortality Review Committee and the NYC Health Department published Pregnancy Associated Mortality 2016-2020 in September of 2024 which provided information on 241 pregnancy-associated and pregnancy-related deaths that occurred in NYC between 2016-2020

Office of Chief Medical Examiner

The role of the Office of Chief Medical Examiner ("OCME") is to protect public health and to serve impartial justice through forensic science and medicine. OCME's independent investigations of deaths and analysis of evidence provide answers in support of families and communities during times of profound need.

OCME is responsible for investigating deaths resulting from criminal violence, accident, or suicide; that occur suddenly and when in apparent good health; when unattended by a physician; in a correctional facility or in custody of any criminal justice entity; or occurring in any suspicious or unusual manner or threat to public health. These types of cases are referred to as being under "Medical Examiner jurisdiction."

This work is accomplished through the efforts of forensic pathologists at two OCME forensic pathology centers and supported by the agency's five state of the art forensic laboratories. OCME also reviews all applications for permits to cremate the body of a person who dies in New York City.

OCME created the Drug Intelligence & Intervention Group ("DIIG"), a first-of-its kind model for expanded comprehensive death investigations that is coupled with navigation to care and services for family and social networks surrounding fatalities relating to the opioid crisis. Through this initiative, when someone dies from an overdose, OCME's investigation and response now includes skilled social workers and public health professionals to engage with that person's family and friends who may also be at risk, and to provide support and a "warm handoff" to potentially lifesaving interventions to a wide range of services, including grief and bereavement support, mental health and substance use counseling, health care, and housing support.

OCME provides additional forensic services, including DNA testing to support criminal justice investigations. OCME houses the nation's largest public forensic DNA laboratory, responsible for performing DNA analysis on nearly every category of crime occurring in the City, including homicide, rape, property crime, and weapons and gun cases, as well as missing persons investigations.

OCME created the first in the nation, DNA Gun Crimes Unit (GCU) with scientists and equipment dedicated exclusively to DNA testing of gun crimes evidence. The GCU maintains a turnaround time of under 30-days for processing samples, which is the fastest of any major jurisdiction in the country.

OCME is the custodian of all unclaimed or unidentified World Trade Center (WTC) remains and continues to identify make additional identifications of victims of the World Trade Center attacks as new advances in science and technology permit.

Finally, OCME maintains a specialized emergency mass fatality management team ready to support the City in responding to mass fatalities and other disasters, as demonstrated by the agency's successful citywide response to the COVID-19 pandemic, the largest mass fatality incident in the modern history of New York City.

Following OCME's role as mass fatality response lead for the city during the pandemic, the agency has continued to experience a sustained increase in our caseload across all operational areas post pandemic. OCME has adjusted operations to accommodate.

Capital Review

The 2026-2035 Ten-Year Capital Strategy totals $607 million which includes $376 million in the 2026-2029 Four-Year Plan. The plan includes allocations for renovating facilities, new construction, information technology improvements, and the purchase of equipment. The focus of the Department's Four-Year Capital Strategy is to identify, prioritize and support immediate needs for code compliance and other renovations at the City's public health facilities and technology investments that are essential in providing critical public health services.

The table below reflects actual capital commitments for FY 2024 and planned capital commitments over the FY 2025-2029 period by program area.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Administration	$1,012	$1,012	$3,023	$3,023	$17,018	$17,018	$ —	$ —	$ —	$ —	$ —	$ —
Animal Care	$2,324	$2,324	$16,863	$16,863	$1,116	$1,116	$283	$283	$1,000	$1,000	$ —	$ —
Renovations	$34,317	$34,317	$23,679	$23,755	$48,373	$48,373	$46,148	$46,148	$48,524	$48,524	$5,572	$5,572
Equipment	$9,735	$9,732	$24,551	$24,563	$34,706	$35,806	$8,465	$8,465	$3,366	$3,366	$39,839	$40,719
Information Technology	$1,297	$1,417	$24,059	$26,846	$11,436	$13,079	$4,874	$5,477	$102	$115	$10,847	$12,188
Laboratories	$57,524	$57,524	$35,000	$41,250	$54,460	$54,460	$ —	$ —	$ —	$ —	$ —	$ —
OCME	$9,016	$9,016	$33,823	$33,823	$16,503	$16,503	$7,889	$7,889	$3,237	$3,237	$6,586	$6,586
Total	$115,225	$115,342	$160,998	$170,123	$183,612	$186,355	$67,659	$68,262	$56,229	$56,242	$62,844	$65,065

Highlights of the 2026-2035 Ten-Year Plan Capital Strategy:

The 2026-2035 Ten-Year Capital Strategy allocates $607 million for renovating facilities, new construction, information technology improvements, and the purchase of equipment. It includes $376 million in the 2026-2029 Four-Year Plan for:

- Renovation of various public health facilities ($148.6 million).

- A new Public Health Laboratory ($54.5 million).

- Information technology improvements, which include upgrades to the Department's network and security and systems, and the purchase of critical technologies needed to maintain and improve services ($30.9 million).

- Upgrades to the animal care centers in Brooklyn and Manhattan, and other animal welfare investments ($2.4 million).

- Purchase of equipment and vehicles, and upgrades of IT infrastructure within the Office of Chief Medical Examiner ($34.2 million).

FIRE DEPARTMENT

The Fire Department is responsible for protecting the lives and property of the citizens of New York City while responding to fire, medical and other emergencies, and investigating building hazards. The Fire Department extinguishes fires, promotes fire prevention awareness, investigates suspicious fires, provides ambulance and emergency medical services, and conducts building safety inspections. The Department currently has 357 fire units that provide fire, rescue, and emergency medical services. The agency also promotes fire prevention through public outreach and enforcement of New York City's Fire Code. The Department's Fire Marshals investigate fires and apprehend arsonists. The Bureau of Emergency Medical Services (EMS), assisted by the Certified First Responder (CFR) trained personnel responding from engine companies, provides pre-hospital emergency medical care and ambulance transport, where required.

Financial Review

The Fire Department's 2026 Executive Budget provides for operating expenses of $2.6 billion, a decrease of $279 million from the amount forecasted for 2025. This variance is driven largely by Federal grant funding that has not been reflected in 2026 and a lower allocation in 2026 for uniformed operations.

Capital commitments of $288 million are also provided in 2026. This represents an increase of $78 million from the amount forecasted for 2025. The 2026 forecast is higher primarily due to higher planned commitments for facilities construction.

Revenue Forecast

The Fire Department issues permits and collects fees for the inspection of fire suppression and electrical systems, places of public assembly, laboratories, high-rise buildings, review of fire protection plans, and the storage and use of combustible materials. In addition, the Department realizes revenues from fees charged to private fire alarm companies and to out-of-state fire insurers that issue policies in New York City. In 2026, the revenue estimate for the Fire Department is $108 million.

The Department also collects revenue from Emergency Medical Services (EMS) ambulance transports. In 2026, total EMS revenue is projected at $400 million.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- Continue to provide fire extinguishment and rescue services, investigate suspicious fires, promote fire prevention, and conduct building safety inspections.
- Continue to provide on-site emergency medical care and ambulance transport services Citywide.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$2,381,682	$2,472,355	$2,319,304	$2,325,550	($146,805)	$6,246
Fringe Benefits	19,706	30,126	32,852	32,906	2,780	54
OTPS	318,449	395,480	288,581	261,291	(134,189)	(27,290)
Total	**$2,719,837**	**$2,897,961**	**$2,640,737**	**$2,619,747**	**($278,214)**	**($20,990)**
Funding						
City	$2,393,140	$2,531,100	$2,179,861	$2,158,624	($372,476)	($21,237)
Other Categorical Grants	250,308	256,652	400,488	400,488	143,836	—
IFA	591	567	567	567	—	—
State	2,218	4,038	1,835	1,835	(2,203)	—
Federal CD	—	—	—	—	—	—
Federal Other	70,874	104,614	57,980	58,227	(46,387)	247
Intra-City Other	2,706	990	6	6	(984)	—
Total	**$2,719,837**	**$2,897,961**	**$2,640,737**	**$2,619,747**	**($278,214)**	**($20,990)**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$1,053,605	$1,116,455	$1,162,035	$1,169,382	$52,927	$7,347
Pensions	1,579,878	1,682,940	1,735,339	1,741,754	58,814	6,415
Other Than Personal Service (OTPS)						
Debt Service	181,855	188,902	217,438	258,302	69,400	40,864
Total Additional Costs	**$2,815,338**	**$2,988,297**	**$3,114,812**	**$3,169,438**	**$181,141**	**$54,626**
Funding						
City	2,774,581	2,938,737	3,075,155	3,129,759	191,022	54,604
Non-City	40,757	49,560	39,657	39,679	(9,881)	22
Full Agency Costs (including Central Accounts)						
Salary and Wages	$2,381,682	$2,472,355	$2,319,304	$2,325,550	($146,805)	$6,246
Fringe Benefits	1,073,311	1,146,581	1,194,887	1,202,288	55,707	7,401
Pensions	1,579,878	1,682,940	1,735,339	1,741,754	58,814	6,415
Total PS	**$5,034,871**	**$5,301,876**	**$5,249,530**	**$5,269,592**	**($32,284)**	**$20,062**
OTPS	$318,449	$395,480	$288,581	$261,291	($134,189)	($27,290)
Debt Service	181,855	188,902	217,438	258,302	69,400	40,864
Total OTPS	**$500,304**	**$584,382**	**$506,019**	**$519,593**	**($64,789)**	**$13,574**
Total Agency Costs	**$5,535,175**	**$5,886,258**	**$5,755,549**	**$5,789,185**	**($97,073)**	**$33,636**
Less Intra-City	2,706	990	6	6	(984)	—
Net Agency Cost	**$5,532,469**	**$5,885,268**	**$5,755,543**	**$5,789,179**	**($96,089)**	**$33,636**
Funding						
City	5,167,721	5,469,837	5,255,016	5,288,383	(181,454)	33,367
Non-City	364,748	415,431	500,527	500,796	85,365	269
Personnel (includes FTEs at fiscal year-end)						
City	17,040	17,208	17,192	17,581	373	389
Non-City	149	121	122	120	(1)	(2)
Total	**17,189**	**17,329**	**17,314**	**17,701**	**372**	**387**

Programmatic Review and Service Impact

In 2026 the Department expects fire companies to respond over 1.1 million times to fires that will be potentially life threatening medical and other non-fire emergencies. The Department's Citywide response time to structural fires is projected to be about four minutes and 35 seconds in 2026. The Department anticipates that it will respond to over 1.6 million medical incidents in 2026.

Fire Extinguishment

The Fire Department currently provides fire and rescue operations via 357 units consisting of 197 engine companies, 143 ladder companies, eight squads, five rescue units, three marine companies, and one hazardous materials unit.

Emergency Medical Services

The Department is budgeted for 851 daily ambulance tours. Engine company personnel have received CFR training, and re-certification continues for those whose initial certification will expire.

Fire Prevention

The Bureau of Fire Prevention is responsible for enforcing the City's Fire Code through the inspection of public and private properties.

Fire Investigation

The Bureau of Fire Investigation is responsible for investigating and determining the cause and origin of all suspicious fires, and for the apprehension of arsonists.

Emergency Communication

The City continues work on planned upgrades and enhancements to its 9-1-1 Emergency System. This entails a new Fire and EMS computer aided dispatch (CAD) system in a second, fully redundant Public Safety Answering Center (PSAC2) in the Bronx.

Capital Review

The 2026-2035 Ten-Year Capital Strategy totals $1.8 billion, which includes $760 million in the 2026-2029 Four-Year Plan. This funding will be used for the purchase of fire-fighting apparatus, support vehicles, fire suppression and emergency medical equipment, the renovation and modernization of firehouses and other facilities, and the upgrade and replacement of computer and communications systems. The table below reflects capital commitments by program area over the 2026-2029 period.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Communications	$554	$2,880	$2,233	$22,888	$13,495	$37,900	$500	$500	$2,333	$2,333	$10,702	$10,702
Electronic Data Processing	15,324	15,324	22,172	22,172	10,232	10,232	6,242	6,242	6,965	6,965	8,662	8,662
Reconstruction/Modernization of Facilities	60,079	60,103	59,751	60,644	162,229	165,008	100,092	100,092	122,739	122,739	117,636	117,636
Vehicles and Equipment	95,724	96,474	104,430	104,437	74,846	74,846	24,808	24,808	28,790	28,790	42,320	42,320
Total	$171,681	$174,781	$188,586	$210,141	$260,802	$287,986	$131,642	$131,642	$160,827	$160,827	$179,320	$179,320

Highlights of the 2026-2035 Ten-Year Capital Strategy and 2026-2029 Four-Year Plan

- The construction and rehabilitation of firehouses, EMS stations, and support facilities, including renovation of building components such as boilers, electrical systems, kitchens, roofs, bathrooms, waterproofing, apparatus doors, floors, and windows ($940 million) inclusive of $505 million in the 2026-2029 Four-Year Plan.

- The replacement of front-line fire-fighting apparatus according to mandated replacement cycles as well as support vehicles and equipment ($673 million) inclusive of $171 million in the 2026-2029 Four-Year Plan.

- The replacement of radios and other communications equipment ($105 million) inclusive of $51 million in the 2026-2029 Four-Year Plan.

- The replacement and upgrade of information technology equipment and systems ($101 million) inclusive of $32 million in the 2026-2029 Four-Year Plan.

The 2026 Plan for the Department totals $288 million, and highlights include:

- The construction and rehabilitation of firehouses, EMS stations, and support facilities, including renovation of building components such as boilers, electrical systems, kitchens, roofs, bathrooms, waterproofing, apparatus doors, floors, and windows ($165 million).

- The replacement of front-line fire-fighting apparatus according to mandated replacement cycles as well as support vehicles and equipment ($75 million).

- The replacement of radios and other communications equipment ($38 million).

- The replacement and upgrade of information technology equipment and systems ($10 million).

DEPARTMENT OF SANITATION

As one of the oldest and largest public solid waste organizations in the United States, the Department of Sanitation maintains sanitary conditions and enforces sanitary compliance through street cleaning and the collection, management, recycling, and disposal of municipal solid waste in the City's 59 Community Districts.

Financial Review

The Department of Sanitation's 2026 Executive Budget provides for operating expenses of $1.97 billion, a decrease of $57 million from the 2025 forecast, largely due to a lower allocation for waste export and administration.

Capital commitments of $285 million are also provided in 2026, a decrease of $48 million from the 2025 Plan amount, primarily due to lower planned commitments for new garages and facilities rehabilitation projects and equipment.

Revenue Forecast

The Department of Sanitation generates revenue from contracts for the removal of abandoned vehicles from City streets and property, from the sale of recycled paper and metal to private processors, Commercial Waste Zone administrative fees, and from an assortment of miscellaneous fees and minor sales. The Department's 2026 revenue estimate is $20.2 million from these sources.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- Continue to provide curbside and containerized refuse and recycling collection service to residential properties and eligible institutions.
- Continue maintaining the cleanliness of the City by sweeping approximately 6,300 miles of streets and collecting waste from 25,000 litter baskets located at street corners Citywide.
- Respond to winter weather emergencies and keep the City's streets clear of snow and ice.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

			($ in 000's)		Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$1,145,779	$1,186,483	$1,131,397	$1,170,189	($16,294)	$38,792
Fringe Benefits	$43,977	$45,340	$44,134	$44,648	($692)	$514
OTPS	$788,045	$797,000	$756,527	$757,676	($39,324)	$1,149
Total	**$1,977,801**	**$2,028,823**	**$1,932,058**	**$1,972,513**	**($56,310)**	**$40,455**
Funding						
City	$1,560,069	$1,810,250	$1,916,201	$1,956,656	$146,406	$40,455
Other Categorical Grants	5,848	1,381	750	750	(631)	—
IFA	5,767	6,117	6,215	6,215	98	—
State	504	—	—	—	—	—
Federal CD	—	—	—	—	—	—
Federal Other	401,219	200,489	—	—	(200,489)	—
Intra-City Other	4,394	10,586	8,892	8,892	(1,694)	—
Total	**$1,977,801**	**$2,028,823**	**$1,932,058**	**$1,972,513**	**($56,310)**	**$40,455**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$553,280	$586,354	$611,885	$612,855	$26,501	$970
Pensions	279,438	317,020	331,084	333,520	16,500	2,436
Other Than Personal Service (OTPS)						
Debt Service	270,612	265,540	305,653	324,702	59,162	19,049
Total Additional Costs	**$1,103,330**	**$1,168,914**	**$1,248,622**	**$1,271,077**	**$102,163**	**$22,455**
Funding						
City	1,098,092	1,152,251	1,233,887	1,256,681	104,430	22,794
Non-City	5,238	16,663	14,735	14,396	(2,267)	(339)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$1,145,779	$1,186,483	$1,131,397	$1,170,189	($16,294)	$38,792
Fringe Benefits	597,257	631,694	656,019	657,503	25,809	1,484
Pensions	279,438	317,020	331,084	333,520	16,500	2,436
Total PS	**$2,022,474**	**$2,135,197**	**$2,118,500**	**$2,161,212**	**$26,015**	**$42,712**
OTPS	$788,045	$797,000	$756,527	$757,676	($39,324)	$1,149
Debt Service	270,612	265,540	305,653	324,702	59,162	19,049
Total OTPS	**$1,058,657**	**$1,062,540**	**$1,062,180**	**$1,082,378**	**$19,838**	**$20,198**
Total Agency Costs	**$3,081,131**	**$3,197,737**	**$3,180,680**	**$3,243,590**	**$45,853**	**$62,910**
Less Intra-City	4,394	10,586	8,892	8,892	(1,694)	—
Net Agency Cost	**$3,076,737**	**$3,187,151**	**$3,171,788**	**$3,234,698**	**$47,547**	**$62,910**
Funding						
City	2,658,161	2,962,501	3,150,088	3,213,337	250,836	63,249
Non-City	418,576	224,650	21,700	21,361	(203,289)	(339)
Personnel (includes FTEs at fiscal year-end)						
City	9,975	9,794	9,706	9,843	49	137
Non-City	47	58	58	58	—	—
Total	**10,022**	**9,852**	**9,764**	**9,901**	**49**	**137**

Programmatic Review and Service Impact

The Department's two principal operational divisions are the Bureau of Cleaning and Collection (BCC) and the Bureau of Solid Waste Management (SWM). The Bureau of Motor Equipment (BME) and the Bureau of Building Management (BBM) provide support operations.

Recycling and Sustainability

The Department continues its efforts to reduce the quantity of solid waste that must be disposed. The Department currently operates a dual-stream recycling program that requires residents to separate metal, glass, and plastic (MGP) from paper and place it in bins, bags, or bundles.

In 2025, the paper recycling program is anticipated to generate an average of $12.94 of revenue per ton from various vendors, or $3.7 million.

In 2025, the Department completed expansion of the organics collection program. The organics collection program diverts waste from landfills by establishing a separate waste stream for food scraps, yard waste, and other compostable materials.

Bureau of Cleaning and Collection

The Bureau of Cleaning and Collection (BCC) is primarily responsible for collecting household refuse and recyclables, cleaning City streets, and enforcing recycling regulations and portions of the City's health and administrative codes. During the winter, BCC is also responsible for the removal of snow from City streets. Currently, BCC provides refuse collection services two to three times a week depending on the population density of the community.

Bureau of Solid Waste Management

The Bureau of Solid Waste Management (SWM) is responsible for the receipt, transfer, transportation, and final disposal of refuse through operating waste transfer stations and through its waste export contracts. Refuse is transported out of New York City primarily by barge and rail. SWM is also responsible for the Fresh Kills landfill closure and post-closure care activities.

Bureau of Motor Equipment

The Bureau of Motor Equipment (BME) provides services related to the acquisition, repair, and maintenance of the Department's equipment including collection trucks, street sweepers, salt spreaders, snow melters, front-end loaders, and other vehicles and equipment. BME operates an extensive network of repair and maintenance facilities. This Bureau researches and develops equipment specifications to improve productivity, vehicle design, and to take advantage of the newest technologies including alternative fuel vehicles and emissions-reducing exhaust after-treatments.

Sanitation Facilities

The Bureau of Building Management (BBM) provides facility management services. BBM provides maintenance and emergency repair work for the Department's facilities.

The Bureau of Facilities Planning and Engineering oversees Sanitation's capital construction and reconstruction projects. The Department is funded to construct a replacement for the aging Bronx 9, 10, and 11 garage complex. The Department also has funding to construct a new garage for Queens 1 on a site located within that district. Construction is underway on a project to relocate the undersized Staten Island 1 garage from a densely populated residential neighborhood to land near the former Fresh Kills landfill; the Department will also make improvements to the Staten Island 3 Garage and combine Districts 1 and 3 into a single garage complex. In addition, construction is underway on a project to construct a new Brooklyn 3 Garage.

Capital Review

The Department's 2026-2035 Capital Plan totals $3.2 billion. The Plan provides the Department with funding to construct, rehabilitate, purchase, and develop the necessary infrastructure and assets to support refuse collection, recycling, cleaning, waste disposal, and support operations. The Department's Capital Plan consists of four components — equipment purchases; solid waste management infrastructure; garage and facility rehabilitation, site acquisition, and construction; and information technology and telecommunications.

To support the Department's collection and cleaning operations, garages and facilities will be constructed and rehabilitated. The Department continues to replenish its fleet, including collection trucks, mechanical brooms, and salt spreaders in order to support operations.

The 2026-2035 Capital Plan totals $3.2 billion, which includes $1.3 billion in the 2026-2029 Four Year Plan. The table below shows capital commitments by program area over the 2026-2029 period.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Solid Waste Management	$15,096	$15,096	$11,470	$11,470	$15,954	$15,954	$11,363	$11,363	$2,846	$2,846	$1,796	$1,796
Garages and Facilities	61,398	63,600	87,986	88,815	55,995	72,152	67,231	67,231	92,085	92,085	173,676	173,676
Equipment	194,139	194,139	224,415	223,920	187,490	188,201	186,264	186,264	180,706	180,706	256,093	256,093
Information Technology and Telecommunications	10,016	10,016	8,887	8,887	8,983	8,983	3,942	3,942	4,491	4,491	8,086	8,086
Total	$280,649	$282,851	$332,758	$333,092	$268,422	$285,290	$268,800	$268,800	$280,128	$280,128	$439,651	$439,651

Highlights of the 2026-2035 Ten-Year Capital Plan

- Construction of a new garage for Bronx Community Districts 9, 10 and 11 ($487 million), $146 million of which is included in the Four Year Plan.
- Construction of a new garage for Queens Community District 1 ($283 million), $42 million of which is included in the Four Year Plan.
- Construction and reconstruction of other garages and facilities ($320 million), $217 million of which is included in the Four Year Plan.
- Solid waste management infrastructure ($48 million), $32 million of which is included in the Four Year Plan.
- Replacement of vehicles and other equipment ($2 billion), $811 million of which is included in the Four Year Plan.
- Information technology and telecommunications ($58 million), $26 million of which is included in the Four Year Plan.

The 2026 Capital Plan provides $285 million in 2026 including:

- Construction and reconstruction of various DSNY facilities, Citywide ($72 million).
- Solid waste management infrastructure ($16 million).
- Replacement of vehicles and other equipment ($188 million).
- Information technology and telecommunications ($9 million).

DEPARTMENT OF PARKS AND RECREATION

The Department of Parks and Recreation (DPR) is the steward of more than 30,000 acres of land, including nearly 5,000 individual properties, ranging from the Coney Island Boardwalk and Central Park to community gardens and greenstreets. The Department maintains and operates approximately 900 athletic fields, 1,000 playgrounds, 1,800 basketball courts, 700 tennis courts, and 550 community gardens. It also maintains and operates 65 public pools, 51 recreational facilities, 16 nature centers, 14 miles of beaches, 160 miles of waterfront parkland, and 14 golf courses. NYC Parks is also responsible for nearly 850 monuments, 23 historic house museums and the care and maintenance of nearly 700,000 street trees and an additional 4.9 million park trees.

Financial Review

The Department of Parks and Recreation's 2026 Executive Budget provides for operating expenses of $667.3 million, an increase of $5.0 million above the forecasted amount in 2025. The increase is due to funding for expansion of swim safety programming, second shift cleaning staff at high-trafficked parks, tree bed rat mitigation crews and staffing for the new Shirley Chisolm Recreation Center. Capital commitments of $785.1 million are also provided, an increase of $150 million above the 2025 Plan amount.

Revenue Forecast

The Department of Parks and Recreation issues recreational permits, collects revenue from marina rentals, and receives revenue generated by concessions operated on Parks property. The Department will collect $67.3 million from these sources in 2026.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- Maintaining the City's parks, playgrounds, infrastructure, and safety equipment, while ensuring acceptable ratings for the cleanliness and overall condition of parks.

- Sustaining parks through workforce transformation programs. Parks maintenance is also provided in partnership with the City's Human Resources Administration for the Parks Opportunity Program. This program provides a workforce to assist in the maintenance and operation of park facilities and helps to train and employ public assistance recipients.

- Operating and employing lifeguards at pools and beaches during the summer months.

- Maintaining street trees, park flora and fauna including tree pruning, dead tree removal, reforestation, foresters, contract inspection, and administration to support a variety of forestry initiatives, including increasing the City's tree inventory.

- Designing and supervising park construction. The 2026 budget includes the continuation of full-time positions in the Capital Projects Division for the design and construction of hundreds of parks projects, including parks, playgrounds, recreational and athletic fields, and tree planting.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$493,087	$486,171	$488,082	$494,947	$8,776	$6,865
Fringe Benefits	3,023	9,866	3,608	4,812	(5,054)	1,204
OTPS	142,895	166,251	148,721	167,493	1,242	18,772
Total	**$639,005**	**$662,288**	**$640,411**	**$667,252**	**$4,964**	**$26,841**
Funding						
City	$527,590	$575,077	$570,164	$595,708	$20,631	$25,544
Other Categorical Grants	22,917	20,133	8,693	9,990	(10,143)	1,297
IFA	54,877	57,067	58,593	58,593	1,526	—
State	763	2,678	596	596	(2,082)	—
Federal CD	1,956	1,934	1,865	1,865	(69)	—
Federal Other	37	2,791	219	219	(2,572)	—
Intra-City Other	30,865	2,608	281	281	(2,327)	—
Total	**$639,005**	**$662,288**	**$640,411**	**$667,252**	**$4,964**	**$26,841**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$184,089	$196,028	$202,184	$208,202	$12,174	$6,018
Pensions	74,330	80,571	84,427	80,137	(434)	(4,290)
Other Than Personal Service (OTPS)						
Debt Service	498,390	573,543	660,182	528,171	(45,372)	(132,011)
Total Additional Costs	**$756,809**	**$850,142**	**$946,793**	**$816,510**	**($33,632)**	**($130,283)**
Funding						
City	741,971	825,650	925,718	797,725	(27,925)	(127,993)
Non-City	14,838	24,492	21,075	18,785	(5,707)	(2,290)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$493,087	$486,171	$488,082	$494,947	$8,776	$6,865
Fringe Benefits	187,112	205,894	205,792	213,014	7,120	7,222
Pensions	74,330	80,571	84,427	80,137	(434)	(4,290)
Total PS	**$754,529**	**$772,636**	**$778,301**	**$788,098**	**$15,462**	**$9,797**
OTPS	$142,895	$166,251	$148,721	$167,493	$1,242	$18,772
Debt Service	498,390	573,543	660,182	528,171	(45,372)	(132,011)
Total OTPS	**$641,285**	**$739,794**	**$808,903**	**$695,664**	**($44,130)**	**($113,239)**
Total Agency Costs	**$1,395,814**	**$1,512,430**	**$1,587,204**	**$1,483,762**	**($28,668)**	**($103,442)**
Less Intra-City	30,865	2,608	281	281	(2,327)	—
Net Agency Cost	**$1,364,949**	**$1,509,822**	**$1,586,923**	**$1,483,481**	**($26,341)**	**($103,442)**
Funding						
City	1,269,561	1,400,727	1,495,882	1,393,433	(7,294)	(102,449)
Non-City	95,388	109,095	91,041	90,048	(19,047)	(993)
Personnel (includes FTEs at fiscal year-end)						
City	6,986	7,124	7,127	7,165	41	38
Non-City	524	659	630	630	(29)	—
Total	**7,510**	**7,783**	**7,757**	**7,795**	**12**	**38**

Programmatic Review and Service Impact

The Department of Parks and Recreation provides clean, safe, attractive, and functional parks and public spaces for all New Yorkers to use and enjoy, with a range of recreational facilities and opportunities for all ages and abilities.

Caring for Parks

NYC Parks plans, builds, and cares for thriving parks and public spaces Citywide. Through the Parks Inspection Program (PIP), the Parks Department conducts 6,000 detailed park inspections throughout the year, as a way to consistently observe conditions encountered by the public. The results of these inspections are shared with senior management on a regular basis, guiding decisions regarding resource allocation, with the goal of improving the efficiency and effectiveness of daily operations. As measured by PIP, park and playground conditions were rated at 89 percent acceptable for overall condition and 94 percent acceptable for cleanliness in fiscal year 2024.

Throughout the city's history, when New Yorkers have needed to exercise, find space to enjoy themselves with family and friends, or enjoy quiet time and solitude, they have always turned to City parks, and this reliance has only grown in recent years. In 2024, NYC Parks launched the Vital Parks for All plan, a $3.2 billion plan to upgrade park facilities with a particular focus on historically underserved areas. The Vital Parks Explorer tool accompanied this launch for the public to be able to search for recreation resources accessible within districts across the city.

NYC Parks planted thousands of new trees across the city, including in heat-vulnerable neighborhoods. To help New Yorkers better understand the state of the City's urban tree canopy, NYC Parks launched the NYC Tree Map, a first-of-its-kind dynamic map that showcases nearly one million of the City's trees, including unique identification numbers, species information, and maintenance status. New Yorkers can report tree conditions in parks and on streets directly to NYC Parks staff, increasing the efficiency of tree care efforts. NYC Parks is also planning to begin their Neighborhood Tree Planting program, with the goal of planting trees in City-owned public right-of-way by neighborhood on a 9-year cycle. The transition will take place between calendar years 2025 and 2026.

NYC Parks managed over 600 capital park improvement projects and renovated, rebuilt or expanded eleven GreenThumb community gardens throughout the city.

To ensure that the city continues to be accessible to all New Yorkers, the city is investing in its greenways. NYC Parks received funding for six projects to improve existing greenway routes in Flushing, Queens, and Bay Ridge, Brooklyn. NYC Parks continues to reconstruct portions of the East River Esplanade between East 60th Street and East 125th Street, recently opening the Andrew Haswell Green Park Phase 2B and East Midtown Greenway in late 2023. These greenway reconstruction projects will enhance quality of life, waterfront access and pedestrian and cyclist safety.

Engaging the Community

NYC Parks works closely with residents, community partners and volunteers across the City to improve the park experience. Thanks to the efforts of the Parks Department divisions that focus on community engagement, including Partnerships for Parks and GreenThumb, which together work with over 1,000 community groups and other organizations, Parks is engaging New Yorkers in planning for the future of the park system, fostering broader community engagement in the design process, employing creative placemaking to develop dynamic community spaces and developing local stewardship of our city's parks and public spaces.

Capital Review

The 2026-2035 Ten-Year Capital Strategy totals $10.4 billion which includes $3.8 billion in the 2026-2029 Four-Year Plan. The table below reflects actual capital commitments for FY 2024 and planned capital commitments over the FY 2025-2029 period by program area.

Capital Commitments
($000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Waterfront Infrastructure	$35,650	$36,683	$25,867	$26,490	$198,646	$292,836	$110,288	$110,288	$36,798	$36,798	$6,015	$6,015
Land Acquisition, Tree Planting and Green Infrastructure	$93,284	$99,688	$54,429	$68,175	$92,115	$123,917	$11,618	$11,618	$17,384	$17,384	$2,452	$2,452
Buildings, Recreational Facilities and Pools	$195,202	$198,693	$108,351	$118,659	$158,337	$263,338	$176,034	$176,034	$44,732	$44,732	$246,022	$246,022
Neighborhood Parks, Playgrounds and Ballfields	$137,774	$141,466	$280,736	$292,768	$110,846	$274,427	$194,423	$194,423	$663,750	$663,750	$126,355	$126,355
Vehicles and Equipment	$5,138	$5,138	$24,442	$24,442	$10,080	$10,130	$146	$146	$3,216	$3,216	$26,301	$26,301
Large, Major and Regional Park Reconstruction	$134,611	$139,756	$136,814	$170,570	$77,162	$279,041	$22,785	$22,785	$50,901	$50,901	$29,135	$29,135
Zoos	$174	$174	$0	$0	$2,333	$2,333	$0	$0	$3,919	$3,919	$1,785	$1,785
Park Pedestrian Bridges	$596	$596	$4,760	$4,760	$135,595	$135,595	$239,430	$239,430	$76,836	$76,836	$348,935	$348,935
Total	$602,429	$622,194	$635,399	$705,864	$785,114	$1,381,617	$754,724	$754,724	$897,536	$897,536	$787,000	$787,000

Highlights of the 2026-2035 Ten-Year Capital Strategy and Four-Year Plan

The 2026-2035 Ten-Year Capital Strategy totals \$10.4 billion of which the 2026-2029 Plan includes \$3.8 billion to reconstruct existing facilities and Parks assets, develop new parkland and playgrounds, and perform tree plantings and natural area restoration. More specifically, this includes:

- Planting of new street trees and park trees, the reforestation and restoration of natural areas and improvements to DPR's green infrastructure including the construction of new greenways (\$890.9 million, including \$155.4 million in the Four-Year Plan).

- Reconstruction of neighborhood parks, playgrounds and ballfields (\$3.4 billion, including \$1.3 billion in the Four-Year Plan).

- Reconstruction and maintenance of recreation centers, public restroom buildings and other Parks-owned buildings, and pools, Citywide, including the reconstruction of the Tony Dapolito Recreation Center in Manhattan and the construction of two new recreation centers at Soundview Park and Tremont Park in the Bronx (\$2.7 billion, including \$730.1 million in the Four-Year Plan).

- Reconstruction of citywide waterfront infrastructure including Orchard Beach Pavilion in the Bronx (\$682.1 million, including \$445.9 million in the Four-Year Plan).

- Reconstruction of DPR-owned pedestrian bridges including the reconstruction of pedestrian bridges over the Bronx-Queens Expressway (I-278) in Brooklyn (\$1.5 billion, including \$800.8 million in the Four-Year Plan).

DEPARTMENT OF ENVIRONMENTAL PROTECTION

The primary mission of the Department of Environmental Protection (DEP) is to deliver drinking water; manage stormwater; treat wastewater; regulate air, noise, and asbestos pollution; and protect the environmental health, welfare, and natural resources of New York City and its residents. This includes managing the New York City water and sewer system. The New York City water system consists of 19 collecting reservoirs and three controlled lakes located within the 2,000 square miles of the Croton, Catskill, and Delaware watersheds, along with 7,000 miles of aqueducts, tunnels, and water mains that deliver more than 1.0 billion gallons of water per day, and seven upstate water pollution control plants. The New York City sewer system comprises a comprehensive network of 7,500 miles of sewers, 14 in-City Wastewater Resource Recovery Facilities (WRRFs), and 96 pump stations to convey and treat approximately 1.3 billion gallons per day of captured sewage to standards established by State and Federal law before releasing the effluent into receiving waters.

Financial Review

The Department of Environmental Protection's 2026 Executive Budget provides for operating expenses of $1.7 billion. It also provides 2026-2035 capital commitments of $32.8 billion to be financed by Water Finance Authority funds and $446.9 million in non-City funds.

Revenue Forecast

The Department collects revenue from permits, property rentals, and other fees. The Department also regulates air and noise quality, performs inspections, issues licenses and permits, and reviews technical plans related to asbestos control, air quality and noise abatement laws, and the storage of hazardous substances. The revenue estimate for 2026 is $20.6 million.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- DEP supplies approximately 1.0 billion gallons of drinking water per day to eight and a half million City residents and one million upstate residents and maintains the City's water main and sewer infrastructure. Approximately 2,307 personnel and $729.3 million are dedicated to this function. In addition, there are 298 police and security force personnel ($42.5 million), including 221 environmental police officers, who protect the upstate watershed and respond to hazardous materials emergencies.

- The Department treats an average of 1.3 billion gallons of wastewater per day at the City's 14 WRRFs. Approximately 1,769 personnel and $607.7 million are dedicated to this function.

- The Department continues to use various chemicals to ensure high quality drinking water for City and upstate residents and to protect the quality of waterbodies surrounding the City ($160.5 million).

- The Department continues to fund contracts for biosolids removal, transport, and disposal ($63.0 million).

- The Department continues to meet the terms under the Surface Water Treatment Rule for a Filtration Avoidance Determination (FAD) in the Catskill and Delaware Watersheds ($74.0 million). The City's FAD includes programs which focus on agriculture and forestry, land management, flood hazard mitigation, and stormwater, stream, and wastewater management. The NYS Department of Health and the U.S. Environmental Protection Agency renewed the FAD in 2017 and it will be in effect for 10 years.

- The Department enforces the City's air and noise codes in addition to asbestos regulations with 194 personnel and $20.5 million dedicated to this function.

- The Department will continue implementation of the City's Green Infrastructure Plan with 213 personnel and $38.4 million dedicated to the purchase, installation, and maintenance of green infrastructure components. This includes funding for the installation of green infrastructure assets on non-City owned properties such as medical facilities, churches, and schools.

- The Department will ensure that the City is in compliance with the requirements set forth in the Municipal Separate Storm Sewer System (MS4) permit, which mandates the City to enforce inspection programs that address stormwater runoff from construction and development sites and from industrial or commercial facilities ($8.1 million).

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$669,600	$702,029	$712,651	$713,076	$11,047	$425
Fringe Benefits	3,209	4,097	3,297	3,297	(800)	—
OTPS	949,844	1,035,653	924,655	1,024,476	(11,177)	99,821
Total	**$1,622,653**	**$1,741,779**	**$1,640,603**	**$1,740,849**	**($930)**	**$100,246**
Funding						
City	$1,522,146	$1,623,778	$1,577,007	$1,677,248	$53,470	$100,241
Other Categorical Grants	12,762	9,497	—	—	(9,497)	—
IFA	78,231	60,772	62,310	62,310	1,538	—
State	201	4,060	—	—	(4,060)	—
Federal CD	63	400	300	300	(100)	—
Federal Other	618	39,475	361	361	(39,114)	—
Intra-City Other	8,632	3,797	625	630	(3,167)	5
Total	**$1,622,653**	**$1,741,779**	**$1,640,603**	**$1,740,849**	**($930)**	**$100,246**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$276,569	$287,142	$304,850	$305,443	$18,301	$593
Pensions	93,696	105,157	114,498	108,679	3,522	(5,819)
Other Than Personal Service (OTPS)						
Debt Service	33,656	44,038	50,690	33,000	(11,038)	(17,690)
Total Additional Costs	**$403,921**	**$436,337**	**$470,038**	**$447,122**	**$10,785**	**($22,916)**
Funding						
City	397,387	423,139	456,848	434,276	11,137	(22,572)
Non-City	6,534	13,198	13,190	12,846	(352)	(344)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$669,600	$702,029	$712,651	$713,076	$11,047	$425
Fringe Benefits	279,778	291,239	308,147	308,740	17,501	593
Pensions	93,696	105,157	114,498	108,679	3,522	(5,819)
Total PS	**$1,043,074**	**$1,098,425**	**$1,135,296**	**$1,130,495**	**$32,070**	**($4,801)**
OTPS	$949,844	$1,035,653	$924,655	$1,024,476	($11,177)	$99,821
Debt Service	33,656	44,038	50,690	33,000	(11,038)	(17,690)
Total OTPS	**$983,500**	**$1,079,691**	**$975,345**	**$1,057,476**	**($22,215)**	**$82,131**
Total Agency Costs	**$2,026,574**	**$2,178,116**	**$2,110,641**	**$2,187,971**	**$9,855**	**$77,330**
Less Intra-City	8,632	3,797	625	630	(3,167)	5
Net Agency Cost	**$2,017,942**	**$2,174,319**	**$2,110,016**	**$2,187,341**	**$13,022**	**$77,325**
Funding						
City	1,919,533	2,046,917	2,033,855	2,111,524	64,607	77,669
Non-City	98,409	127,402	76,161	75,817	(51,585)	(344)
Personnel (includes FTEs at fiscal year-end)						
City	266	308	300	300	(8)	—
Non-City	5,493	6,232	6,214	6,214	(18)	—
Total	**5,759**	**6,540**	**6,514**	**6,514**	**(26)**	**—**

Programmatic Review and Service Impact

Water Supply Strategies

The Department will continue the implementation of programs related to the Filtration Avoidance Determination (FAD) for the City's Catskill and Delaware water supplies. In 2017, the New York State Department of Health, in consultation with the U.S. Environmental Protection Agency, issued an administrative determination providing the City with a waiver from filtering the Catskill and Delaware water supplies through 2027, superseding the previously issued 2007 FAD. As part of the FAD, and in compliance with revised regulations, DEP continues successful water quality management programs and its upstate land acquisition program to protect the water entering the City's reservoirs.

The Department will also continue the Water for the Future Program to address leaks in the Rondout-West Branch Tunnel (RWBT), a 45-mile portion of the Delaware Aqueduct that conveys about 50 percent of the City's daily water supply. A major component of this program is the construction of a 2.5-mile bypass tunnel around the areas of significant leakage. During the connection of this bypass tunnel to the Delaware Aqueduct, the RWBT will need to be temporarily shut down. In order to compensate for this shutdown, the Department will continue to pursue several water supply conservation and augmentation projects.

The Department will also begin construction of a tunnel connecting the Kensico Reservoir to the Catskill/Delaware Ultraviolet Light Disinfection Facility (CDUV). Historically, for purposes of water quality and redundancy, both the Delaware and Catskill Aqueducts conveyed water from the Kensico Reservoir. However, because the Catskill Aqueduct is not sufficiently pressurized to move water through the CDUV, only the Delaware Aqueduct can deliver water from the Kensico Reservoir to the facility. The new tunnel will replace the section of the Catskill Aqueduct between the Kensico Reservoir and the CDUV and restore needed redundancy.

The Department will continue the construction of the remaining two shafts for the Brooklyn/Queens section of City Tunnel No. 3. Completion of these shafts will enable full operation of the Brooklyn/Queens section, allowing for the full inspection of City Tunnels No. 1 and 2 and providing critical water delivery redundancy in Brooklyn, Queens, and Staten Island. As of December 2017, the Brooklyn/Queens leg of City Tunnel No. 3 was cleaned, pressurized, and filled with water, making it activation-ready in the event of emergencies until the remainder of the tunnel shafts are completed.

Additionally, the Department will conduct rehabilitation work at the Ashokan Reservoir in the Catskill System of the City's watershed. Projects include reconstruction of the Olive Bridge Dam and reservoir dikes, as well as replacement of the Dividing Weir Bridge and overall site restoration. This rehabilitation work will bring several key infrastructure pieces up to State and Federal safety standards and continue the Department's efforts to strengthen infrastructure in preparation for severe storms.

Lastly, the Department will complete comprehensive facility upgrades at the Hillview Reservoir. Constructed between 1909 and 1915, Hillview Reservoir acts as a terminal reservoir, providing balancing storage, pressure regulation, and secondary disinfection for up to 100 percent of the City's drinking water supply. Improvements include new chemical addition facilities, flow control equipment, and electrical infrastructure.

Wastewater Treatment Initiatives

Water quality in the harbor and surrounding waters has seen steady improvements due to ongoing investments. Coliform bacterial counts, which are indicators of water pollution from sewage, continue to remain at the lower levels observed over the last few years. Improvements have also been realized in the measure of dissolved oxygen as concentration levels in most harbor areas remain higher than long term historical levels. These advancements are attributed to the following DEP initiatives: continued reconstruction and upgrades at in-City WRRFs, implementation of advanced treatment technologies for nitrogen removal, the abatement of illegal discharges, improved sewer maintenance, and increased capture of wet weather flows.

To build upon these improvements, DEP continues to implement the NYC Green Infrastructure Plan. This mandated program supplements existing Combined Sewer Overflow (CSO) controls with a mix of "green infrastructure" (natural and permeable surfaces) and the optimization of "grey infrastructure" (construction and modification of tanks and tunnels) that will more cost-effectively reduce CSOs in waterways, while also improving air quality. Upon meeting the requirement under the consent order, this program will manage one inch of precipitation on impervious surfaces in combined sewer areas.

In addition to the above, DEP is implementing several CSO Long-Term Control Plans which will further improve water quality in City waterbodies. This will encompass several strategies including disinfection of CSOs before being released into receiving waterbodies.

Water Distribution and Wastewater Collection System

The Department operates, maintains, and protects the City's vast water and sewer network by ensuring residents have an adequate supply of potable water, maintaining sewers for a properly functioning wastewater system, and providing emergency services during water main breaks, leaks, sewer backups, and more.

As of August 2015, the City is mandated to comply with the Municipal Separate Storm Sewer System (MS4) permit issued by the New York State Department of Environmental Conservation to manage stormwater runoff in a way that prevents flooding and improves water quality. The permit requires the City to develop a Citywide Stormwater Management Plan that outlines measures to meet the permit obligations.

The Department is amending the City's drainage plan to show the locations, course, size, and elevation of the existing and proposed sewers for each drainage district. This will allow the Department to provide an adequate water and sewer system as new developments take place throughout the City.

In 2015, the Department began constructing a comprehensive storm sewer system in the neighborhoods represented by Community Boards 12 and 13 in Southeast Queens to mitigate chronic flooding experienced by the communities. Recognizing that the build-out of the full sewer system in Southeast Queens remains a long-term project, the Department has developed a number of strategies to provide short-term flooding relief while construction is underway, including public education on grease management, installation of green infrastructure, development of Bluebelt wetlands that naturally filter storm water runoff, and more.

Customer Services Programs

As required by the New York State Department of Environmental Conservation and the New York City Water Board, the Department is progressing towards its goal of universally metering all properties. The major objectives of universal metering include water conservation, improved water supply system management, and rate equity. DEP services approximately 840,000 water and sewer customer accounts, of which about 29,000 are billed on a flat-rate system. Currently, more than 834,000 accounts are metered, while fewer than 2,900 remain unmetered.

DEP also offers several Customer Affordability Programs. The three main Affordability Programs are: a Home Water Assistance Program, which provides a bill credit to smaller property owners subject to an income threshold, a Multi-Family Water Assistance Program, which provides a per apartment unit bill credit to larger multi-family properties that enter into a rental affordability agreement, and a Leak Forgiveness Program, which partially credits back excess water charges attributable to a leak that is repaired. Last year, more than 62,500 property owners received the Home Water Assistance Program (HWAP) credit, and around 48,000 apartment units received the Multi-Family Water Assistance Program (MWAP) credit. Approximately 3,000 properties receive a leak forgiveness credit each year.

In addition to the above, DEP introduced a Water and Sewer Service Line Protection Program in 2013, offered by American Water Resources (AWR). The purpose of this voluntary program is to protect homeowners from the unexpected high costs of water and sewer service line repairs. In exchange for a relatively small monthly program fee, AWR provides DEP customers with unlimited coverage for water and/or sewer service line leaks and breaks due to normal wear and tear. As of March 2025, over 279,000 customers have enrolled in the program and entered into service contracts with AWR. AWR was selected by the Water Board to offer the program, following a competitive Request for Proposal (RFP) process.

DEP bills and collects approximately $4.3 billion in revenue annually. The launch of a new billing system in September 2021 ensures continued stability and allows DEP to capitalize on new features and greater efficiency than its legacy system.

Environmental Compliance

The Bureau of Environmental Compliance reviews and inspects asbestos abatement projects; investigates air quality and noise complaints; monitors emissions and environmental impacts from alternative fuel vehicles; and issues permits for boilers, other combustion equipment, and other potential sources of air pollution.

The Bureau is also responsible for enforcing the City's noise code. Along with establishing rules, guidelines, and standards for governing noise in the City, the Bureau promulgates construction rules that require a site-specific noise mitigation plan for each construction site, offering alternatives for contractors to continue construction while reducing the noise impact on the surrounding environment.

Energy Policy

The Department works in conjunction with the Department of Citywide Administrative Services and the Mayor's Office on coordinating the City's strategic goals on energy policy. Given that DEP is one of the City's largest energy users, this policy role is closely linked with a number of objectives in the Department's strategic plan. This role is in addition to nearly $277.9 million in capital projects with energy reduction components where DEP expects to invest in clean distributed generation, energy efficiency, and hydroelectric generation.

Bureau of Police and Security

The Bureau of Police and Security is responsible for protecting the New York City water supply and the associated critical infrastructure from terrorism, pollution, and crime. Since February 1, 2010, the Bureau has been responsible for responding to hazardous material emergencies within the City by evaluating the characteristics of the materials involved and making technical decisions concerning containment, abatement, and disposal. The DEP Police Department patrols the upstate water supply, with 221 officers dedicated to this function.

Capital Review

Overview

The 2026-2035 Ten-Year Capital Strategy totals $33.3 billion which includes $16.8 billion in the 2026-2029 Four-Year Plan. The table below reflects actual capital commitments for 2024 and planned capital commitments over the 2025-2029 period by program area.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Water Pollution	$1,352,479	$1,472,748	$639,636	$644,637	$1,682,387	$1,935,697	$2,035,793	$2,035,793	$1,728,286	$1,728,286	$2,495,755	$2,495,755
Water Mains	342,529	350,202	326,106	425,082	861,206	956,267	671,546	671,546	798,279	831,479	1,040,332	1,076,332
Sewers	223,874	233,978	242,407	277,515	701,162	706,940	509,389	509,389	596,892	620,483	717,202	717,202
Water Supply	434,045	434,045	1,972,871	1,972,871	202,586	202,586	384,390	384,390	576,548	576,548	725,991	725,991
Equipment	10,251	10,251	94,870	94,960	346,678	346,678	126,001	126,001	115,075	115,075	69,762	69,762
Total	$2,363,178	$2,501,224	$3,275,890	$3,415,065	$3,794,019	$4,148,168	$3,727,119	$3,727,119	$3,815,080	$3,871,871	$5,049,042	$5,085,042

The major elements of the Ten-Year Capital Strategy include:

- Extension and reconstruction of storm, sanitary, and combined sewers ($8.9 billion, of which $2.6 billion is planned for 2026-2029).

- Investments to maintain the operational integrity of existing wastewater resource recovery facilities ($8.3 billion, of which $5.3 billion is planned for 2026-2029). The total includes the hardening of wastewater infrastructure based on findings of the New York City Wastewater Resiliency Plan assessment and Federal grant funding for Sandy-related recovery work ($622.4 million, of which $307.4 million is planned for 2026-2029).

- Replacement and extension of trunk and distribution water mains and ancillary work ($3.8 billion, of which $1.6 billion is planned for 2026-2029).

- Disinfection and mitigation of Combined Sewer Overflow (CSO) to achieve waterbody-specific water quality standards ($4.4 billion, of which $2.0 billion is planned for 2026-2029). This includes the construction of a storage tunnel to reduce the volume of CSO entering Newtown Creek ($3.3 billion, of which $1.0 billion is planned for 2026-2029), the construction of two CSO holding tanks to improve water quality in the Gowanus Canal ($553.4 million, of which $478.4 million is planned for 2026-2029), and the construction of the Hutchinson River Disinfection facility for CSO mitigation in the Bronx River ($210.0 million, all of which is planned for 2026-2029).

- Construction of a comprehensive sewer system in Southeast Queens, including strategically selected projects to deliver near-term and long-term flooding relief ($2.0 billion, of which $513.9 million is planned for 2026-2029).

- Construction of a tunnel connecting the Kensico Reservoir to the Catskill/Delaware Ultraviolet Light Disinfection Facility, necessary to provide redundancy in the water supply system ($631.1 million, all of which is planned for 2026-2029).

- Reducing CSOs through the use of green infrastructure ($1.3 billion, of which $927.0 million is planned for 2026-2029), such as right-of-way bioswales and stormwater greenstreets, porous pavement, constructed wetlands, onsite stormwater management practices, green roofs, and innovative cloudburst solutions.

- Rehabilitation of Ashokan Reservoir structures, including reconstruction of the Olive Bridge Dam, reservoir dikes, Dividing Weir Bridge, and overall site restoration ($1.1 billion, of which $574.0 million is planned for 2026-2029).

- Construction related to the activation of the Brooklyn/Queens section of City Tunnel No. 3 ($434.5 million, of which $401.5 million is planned for 2026-2029). This work includes the excavation of the remaining two shafts necessary for full operation of the tunnel.

- Continuation of land acquisition for and construction of the award-winning Bluebelt program ($817.3 million, of which $223.2 million is planned for 2026-2029).

- Reconstruction of Hillview Reservoir, including new chemical addition facilities, flow control improvements, and electrical upgrades ($243.8 million, all of which is planned for 2026-2029).

- Reconstruction of upstate and in-City dams, excluding the Olive Bridge Dam already noted, to ensure the long-term reliability of the City's reservoir infrastructure ($540.6 million, of which $475.6 million is planned for 2026-2029).

- Ongoing stabilization and upgrade of in-City Wastewater Resource Recovery Facilities (WRRFs) and systems to ensure compliance with State and Federal mandates for: operating permit requirements ($15.1 million, of which $15.0 million is planned for 2026-2029); mandated studies and facility upgrades to reduce nitrogen levels in treated wastewater ($83.4 million, all of which is planned for 2026-2029); and enhancement of the existing chlorination system at various WRRFs in order to meet stricter chlorine discharge limits ($55.8 million, all of which is planned for 2026-2029).

- Continuation of various filtration avoidance measures and land acquisition in the upstate watershed in support of the 10-year 2017 Filtration Avoidance Determination ($120.7 million, of which $90.2 million is planned for 2026-2029).

- Complete rehabilitation and optimization of the Catskill Aqueduct ($417.8 million, of which $68.8 million is planned for 2026-2029). This total includes the inspection and repair of deep-rock pressure tunnels that maintain tunnel pressure for water distribution ($101.4 million, of which $24.7 million is planned for 2026-2029).

- Emergency rehabilitation and replacement of sewers and water mains in the event of line breaks ($1.1 billion, of which $226.9 million is planned for 2026-2029).

DEPARTMENT OF TRANSPORTATION

The Department of Transportation (DOT) maintains and reconstructs City bridges, plans and funds street reconstruction, oversees ferry operations, manages the traffic signals and street lighting networks, maintains and collects revenue from parking meters, manages the automated camera enforcement programs, operates parking facilities, and coordinates transportation planning within the five boroughs. It is DOT's goal to create a transportation network that is reliable, safe, sustainable, and accessible, meeting the needs of all New Yorkers and supporting the City's growing economy.

Financial Review

The Department of Transportation's 2026 Executive Budget provides for operating expenses of $1.5 billion. Capital commitments of $2.6 billion are planned for 2026. The 2026-2029 Capital Commitment Plan provides for $9.8 billion in capital funds, including $1.1 billion in Federal, State, and private funding.

Revenue Forecast

The Department of Transportation collects revenue from parking meters and parking garages, franchises, concessions, outdoor dining fees, electrical transformers, street opening, and pedestrian sidewalk permits, among others. In 2026, the Department will collect $479.2 million in revenue.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- Funding of $639.3 million for the traffic and transportation planning and management programs, including $82.6 million for energy costs associated with all streetlights and traffic signals and any other electrical devices affixed to them throughout the City, and $234.1 million for the maintenance of approximately 13,870 signalized intersections, 2,800 automated enforcement cameras, and about 350,000 streetlights Citywide.
- Funding of $273.1 million for the in-house costs associated with resurfacing 1,100 vehicle lane miles of streets and 50 miles of bike lanes per year, as well as the repair of street defects (potholes).
- Funding of $125.1 million for the operation of the Staten Island Ferry and regulation of private ferry services.
- Funding of $60.2 million for preventive maintenance, cleaning, and spot and splash zone painting of City bridges including Federal funding for the maintenance of the East River Bridges.
- Funding of $26.3 million for the in-house bridge flag/corrective repair program.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

			($ in 000's)		Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$648,420	$664,736	$658,650	$654,553	($10,183)	($4,097)
Fringe Benefits	8,784	6,025	4,980	4,921	(1,104)	(59)
OTPS	813,872	867,279	801,979	840,712	(26,567)	38,733
Total	**$1,471,076**	**$1,538,040**	**$1,465,609**	**$1,500,186**	**($37,854)**	**$34,577**
Funding						
City	$871,792	$885,206	$909,203	$938,725	$53,519	$29,522
Other Categorical Grants	31,464	6,823	1,842	1,842	(4,981)	—
IFA	301,928	344,396	324,292	331,554	(12,842)	7,262
State	139,780	162,199	142,922	146,399	(15,800)	3,477
Federal CD	—	13	—	100	87	100
Federal Other	120,433	135,255	84,442	78,658	(56,597)	(5,784)
Intra-City Other	5,679	4,148	2,908	2,908	(1,240)	—
Total	**$1,471,076**	**$1,538,040**	**$1,465,609**	**$1,500,186**	**($37,854)**	**$34,577**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$272,808	$287,355	$301,253	$304,735	$17,380	$3,482
Pensions	88,526	98,450	111,842	106,159	7,709	(5,683)
Other Than Personal Service (OTPS)						
Debt Service	934,349	971,460	1,118,209	1,034,297	62,837	(83,912)
Total Additional Costs	**$1,295,683**	**$1,357,265**	**$1,531,304**	**$1,445,191**	**$87,926**	**($86,113)**
Funding						
City	1,197,166	1,243,135	1,436,622	1,353,223	110,088	(83,399)
Non-City	98,517	114,130	94,682	91,968	(22,162)	(2,714)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$648,420	$664,736	$658,650	$654,553	($10,183)	($4,097)
Fringe Benefits	281,592	293,380	306,233	309,656	16,276	3,423
Pensions	88,526	98,450	111,842	106,159	7,709	(5,683)
Total PS	**$1,018,538**	**$1,056,566**	**$1,076,725**	**$1,070,368**	**$13,802**	**($6,357)**
OTPS	$813,872	$867,279	$801,979	$840,712	($26,567)	$38,733
Debt Service	934,349	971,460	1,118,209	1,034,297	62,837	(83,912)
Total OTPS	**$1,748,221**	**$1,838,739**	**$1,920,188**	**$1,875,009**	**$36,270**	**($45,179)**
Total Agency Costs	**$2,766,759**	**$2,895,305**	**$2,996,913**	**$2,945,377**	**$50,072**	**($51,536)**
Less Intra-City	5,679	4,148	2,908	2,908	(1,240)	—
Net Agency Cost	**$2,761,080**	**$2,891,157**	**$2,994,005**	**$2,942,469**	**$51,312**	**($51,536)**
Funding						
City	2,068,958	2,128,341	2,345,825	2,291,948	163,607	(53,877)
Non-City	692,122	762,816	648,180	650,521	(112,295)	2,341
Personnel (includes FTEs at fiscal year-end)						
City	2,643	2,798	2,813	2,827	29	14
Non-City	3,248	3,344	3,346	3,340	(4)	(6)
Total	**5,891**	**6,142**	**6,159**	**6,167**	**25**	**8**

Programmatic Review and Service Impact

Bridges

The Division of Bridges is responsible for the reconstruction and operation of over 800 City-owned bridges and tunnels. In 2026, the Division of Bridges provides for 728 positions and has an operating budget of $124.2 million.

The Bridge program in the 2026 Executive Budget continues the City's commitment to preserve and maintain its infrastructure. The Bridge "Flag" and Corrective Repair program corrects mostly structural ("red" and "yellow" flags, in descending order of priority) and safety deficiencies on bridges by using both in-house forces and contracted services. Furthermore, the Bridge Preventive Maintenance program includes the oiling, sweeping, cleaning, deck sealing, washing, electrical maintenance and spot and salt splash zone painting of the City's bridges.

Roadway Repair and Maintenance

The Roadway Repair and Maintenance Division is responsible for maintaining approximately 19,324 lane miles of streets and 1,175 lane miles of which are arterial highways within the five boroughs. The Permits Management and Construction Control programs are responsible for regulating the excavation and various other uses of City streets and sidewalks. In 2026, Roadway Repair and Maintenance has a budget totaling $273.1 million.

Sidewalk and Inspection Management

The Sidewalk Program's goal is to make the City's over 12,000 miles of sidewalk safe for pedestrians and help prevent injuries caused by defective sidewalk and curb. As per section 19-152 of the Administrative Code, property owners are required to maintain and construct the sidewalk adjacent to their property. In addition to repairs performed through private contractors, the City's Prior Notice Capital contracts also repair an average of over 1 million square feet of sidewalk repair every year.

The Pedestrian Ramp Program is responsible for the City's approximately 185,000 corners. Pedestrian (curb) ramps are an integral component of the sidewalk network and are a critical component in providing for safe and accessible means of travel throughout New York City. Pedestrian ramps provide access on and off our streets and sidewalks and are an essential tool for all pedestrians, especially aging New Yorkers and individuals with disabilities. The Pedestrian Ramp Program is dedicated to upgrading and installing new pedestrian ramps, including those at mid-block crossings and medians. All pedestrian ramps must comply with the current Americans with Disabilities Act (ADA) Standards for Accessible Design.

Traffic Operations and Transportation Planning and Management

The Division of Traffic Operations maintains approximately 13,870 signalized intersections, 350,000 streetlights, 2,800 automated enforcement cameras, 91,585 metered parking spaces, and operates 37 municipal parking facilities consisting of 30 parking lots and 7 parking garages. The Division of Transportation Planning and Management installs and maintains almost one million traffic signs and over 350 million linear feet of pavement markings. The 2026 Executive Budget for the Division of Traffic Operations and Division of Transportation Planning and Management provides for 1,661 positions and $639.3 million.

The Division of Traffic Operations manages programs that support the Department's Vision Zero and public safety goals. Responsibilities include the installation of Accessible Pedestrian Signals (APS) to deliver traffic signal information to pedestrians with visual impairments, installation of Leading Pedestrian Intervals (LPI) at signalized intersections, installation of new traffic control signals at uncontrolled intersections, traffic signal re-timings, management of the automated traffic enforcement camera program, and management of the new mobile payment app "ParkNYC" for municipal parking services.

The Division of Transportation Planning and Management plans and implements Street Improvement Projects (SIPs) that further the City's goals of providing safe, sustainable, and attractive transportation options to New Yorkers in a reliable and high-quality transportation network. Projects implemented under the Safe Streets for Seniors, Safe Routes to Schools, Safe Routes to Transit, and Bus Stops Under the Elevated programs, as well as redesigns of Vision Zero Priority Corridors and Priority Intersections, improve safety for all street users.

The Department oversees several pedestrian and micromobility focused programs, including Open Streets, NYC Plazas, Shared Streets, and street furniture, including the WalkNYC Wayfinding signs, City Benches, and Bike Parking. The programs provide valuable open space for community gathering, greening, and activity programming, maps for local navigation, and benches and bike racks to encourage walking, biking, and transit trips. Each are addressing critical equity needs in neighborhoods lacking the adequate public space and infrastructure investments that make walking and biking a convenient and comfortable option. Since the launch of the Open Streets program, several corridors have been redesigned as Shared Streets and Bike Boulevards, including Broadway, Berry Street, and 34th Avenue. Other agency efforts to improve the public realm include the Pedestrian Mobility Plan and the Curb Management Action Plan. Both provide data-driven tools to ensure sidewalks and curb lanes are designed and programmed to prioritize the access, movement, and safety of people and goods.

Transit Operations (Ferries)

The Department operates and maintains the Staten Island Ferry boats and terminals and regulates private ferry operations. The 2026 Executive Budget for Ferries provides for 674 positions and an operating budget of $125.1 million.

The Staten Island Ferry carried approximately 16.2 million passengers in 2024 and achieved an on-time performance rating of 93.4 percent. Privately operated commuter ferries, including those contracted by the Economic Development Corporation, carried 13.2 million passengers.

Capital Review

The Department of Transportation's 2026-2029 Capital Commitment Plan totals $9.8 billion for the reconstruction of transportation infrastructure, of which approximately 88 percent is City-funded. The table below shows commitments by program area between 2025 and 2029.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Highways and Streets	$665,222	$775,192	955,490	1,229,110	958,053	1,090,608	1,031,001	1,108,901	1,222,784	1,292,011	1,176,786	1,243,270
Highway Bridges	98,498	112,905	279,516	325,735	301,726	481,248	526,047	562,367	1,248,454	1,337,989	998,686	1,237,868
Waterway Bridges	72,021	72,021	49,828	49,828	882,365	882,365	30,000	30,000	—	—	—	—
Traffic	73,036	73,959	104,659	151,461	82,674	159,702	51,038	65,880	18,923	30,162	34,270	38,756
Vehicles/Equipment	40,495	40,495	30,741	30,741	11,695	11,695	12,273	12,273	1,901	1,901	—	—
Ferries	53,484	53,691	31,372	34,245	17,340	59,899	34,753	112,833	19,581	25,204	37,140	50,560
Total	$1,002,755	$1,128,262	$1,451,606	$1,821,120	$2,253,853	$2,685,517	$1,685,112	$1,892,254	$2,511,643	$2,687,267	$2,246,882	$2,570,454

The Highlights of the 2026-2029 Capital Plan include:

- Complete rehabilitative work of bridge structures scheduled for life extension ($1.2 billion), including the Trans-Manhattan Expressway ($140.0 million) and the FDR Northbound from East 42nd to East 49th Street ($87.1 million).
- Complete reconstruction or rehabilitation of bridge structures currently rated "fair" or "good" ($2.3 billion), including the Shore Road Bridge over the Hutchinson River ($351.8 million) and East 174th Street over Sheridan Expressway ($141.6 million).
- Street ($2.3 billion), including 4th Avenue Safety Improvements, Phase B ($143.6 million) and Queens Boulevard, Phase 1 ($112.3 million) and 111th Street Malls ($96.7 million).
- Street and arterial resurfacing of approximately 1,100 vehicle lane miles and 50 bike lane miles per year ($1.2 billion).
- Installation and reconstruction of pedestrian ramps to comply with accessibility requirements ($819.1 million) and replacement of sidewalks ($226.4 million).
- Installation of traffic signals ($177.9 million), including accessible pedestrian signals ($42.4 million).
- Ferry terminal and facility improvements ($204.8 million).
- Reconstruction and upgrade of parking meters, garages, and lots ($16.9 million).

HOUSING PRESERVATION AND DEVELOPMENT

Established in 1978, the New York City Department of Housing Preservation and Development (HPD) promotes quality and affordability in the city's housing, and diversity and strength in its many neighborhoods. HPD does this by maintaining building and resident safety and health, creating opportunities for New Yorkers through housing affordability, and engaging New Yorkers to build and sustain neighborhood strength and diversity.

HPD is responsible for preserving affordable housing and protecting tenants; developing new affordable housing; enforcing the Housing Maintenance Code and Multiple Dwelling Law; administering federal and city rental subsidies; managing the city's prior investments in affordable housing; conducting research on the city's housing stock; and engaging communities in planning more equitable, diverse, and livable neighborhoods. HPD's work is guided by the goals of Housing Our Neighbors: A Blueprint for Housing and Homelessness. The plan outlines key initiatives to achieve the city's goal of providing access to affordable, safe, healthy, and high-quality housing for all New Yorkers.

Financial Review

HPD's 2026 Executive Budget provides for operating expenses of $1.6 billion, of which approximately $645 million is city funds. The budgeted headcount of 2,832 full-time positions is funded at $248 million while other than personal services are projected at $1.3 billion. Over $872 million, or 56 percent of the agency's expense budget, is supported by federal and state funding programs. HPD's operating budget described above includes $378 million in funding for the New York City Housing Authority (NYCHA), of which $322 million is city funds. In addition, HPD has planned capital commitments of $3.3 billion in 2026.

Revenue Forecast

HPD collects fees for processing tax abatement and exemption applications, multiple dwelling registrations, document searches, and administrative fees. HPD also collects revenue from residential and commercial tenants occupying *in rem* buildings, and from the sale of *in rem* buildings to the private sector. The agency will generate $39.5 million in 2026.

Expense Budget Highlights

Providing Core Services

In 2026, the agency will continue to provide core services that include the enforcement of the Housing Maintenance Code, administration of rental subsidies, preservation and development of quality affordable housing, and management of affordable housing assets.

- Through its Code Enforcement team, the agency will continue to respond promptly to housing maintenance complaints, assess conditions, and develop appropriate strategies to correct violations citywide.

- HPD will use various enforcement tools to ensure compliance with legal and regulatory obligations including bringing enforcement proceedings against non-compliant owners and removing hazardous conditions in private distressed buildings. The agency will continue to work with responsible owners and community partners to prevent distress and ensure neighborhood stability. These efforts are supported by the federal Community Development Block Grant (CDBG) funds.

- HPD will administer the nation's fifth largest federal Section 8 program and allocate federal Housing Choice Vouchers and other federal and city funded rental assistance vouchers to eligible New Yorkers, including administration of the NYC 15/15 Rental Assistance program. In 2025, the agency supported over 44,000 households. Another $661 million in subsidy payments are planned for 2026, in line with 2025 planned spending.

- HPD will engage in planning and project development activities and leverage private investments to preserve existing housing stock and create new affordable housing units.

- HPD will continue to monitor the financial health and ongoing affordability of approximately 6,500 rental and co-op buildings containing over 185,000 units in its asset management portfolio, as well as 45,000 units of Mitchell-Lama housing across 93 developments, in which the city has previously invested.

- HPD will act as a fiscal conduit for NYCHA. Operating support for NYCHA provided by the city is housed within HPD's operating budget and HPD assists NYCHA in accessing these funds. Additional detail regarding the programmatic uses of these funds is included in the NYCHA section of this message.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$219,379	$233,526	$247,192	$247,823	$14,297	$631
Fringe Benefits	106	4	28	4	—	(24)
OTPS	1,652,356	1,902,114	1,441,968	1,308,894	(593,220)	(133,074)
Total	**$1,871,841**	**$2,135,644**	**$1,689,188**	**$1,556,721**	**($578,923)**	**($132,467)**
Funding						
City	$862,775	$796,658	$783,414	$645,334	($151,324)	($138,080)
Other Categorical Grants	11,362	11,639	7,115	8,204	(3,435)	1,089
IFA	22,522	24,570	27,206	28,672	4,102	1,466
State	191	4,070	1,075	1,075	(2,995)	—
Federal CD	238,608	310,440	195,022	195,265	(115,175)	243
Federal Other	733,874	985,485	673,154	675,969	(309,516)	2,815
Intra-City Other	2,509	2,782	2,202	2,202	(580)	—
Total	**$1,871,841**	**$2,135,644**	**$1,689,188**	**$1,556,721**	**($578,923)**	**($132,467)**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$90,780	$100,982	$105,364	$106,534	$5,552	$1,170
Pensions	28,811	32,706	37,352	35,454	2,748	(1,898)
Other Than Personal Service (OTPS)						
Debt Service	733,295	992,224	1,142,110	1,203,589	211,365	61,479
Total Additional Costs	**$852,886**	**$1,125,912**	**$1,284,826**	**$1,345,577**	**$219,665**	**$60,751**
Funding						
City	789,826	1,038,946	1,203,213	1,263,482	224,536	60,269
Non-City	63,060	86,966	81,613	82,095	(4,871)	482
Full Agency Costs (including Central Accounts)						
Salary and Wages	$219,379	$233,526	$247,192	$247,823	$14,297	$631
Fringe Benefits	90,886	100,986	105,392	106,538	5,552	1,146
Pensions	28,811	32,706	37,352	35,454	2,748	(1,898)
Total PS	**$339,076**	**$367,218**	**$389,936**	**$389,815**	**$22,597**	**($121)**
OTPS	$1,652,356	$1,902,114	$1,441,968	$1,308,894	($593,220)	($133,074)
Debt Service	733,295	992,224	1,142,110	1,203,589	211,365	61,479
Total OTPS	**$2,385,651**	**$2,894,338**	**$2,584,078**	**$2,512,483**	**($381,855)**	**($71,595)**
Total Agency Costs	**$2,724,727**	**$3,261,556**	**$2,974,014**	**$2,902,298**	**($359,258)**	**($71,716)**
Less Intra-City	2,509	2,782	2,202	2,202	(580)	—
Net Agency Cost	**$2,722,218**	**$3,258,774**	**$2,971,812**	**$2,900,096**	**($358,678)**	**($71,716)**
Funding						
City	1,652,601	1,835,604	1,986,627	1,908,816	73,212	(77,811)
Non-City	1,069,617	1,423,170	985,185	991,280	(431,890)	6,095
Personnel (includes FTEs at fiscal year-end)						
City	742	940	987	987	47	—
Non-City	1,691	1,842	1,847	1,868	26	21
Total	**2,433**	**2,782**	**2,834**	**2,855**	**73**	**21**

Programmatic Review and Service Impact

HPD administers the above-described core services through the following offices: Asset and Property Management; Development; Enforcement and Neighborhood Services; Housing Access and Stability; Neighborhood Strategies; and Policy and Strategy. The Offices of the Commissioner, First Deputy Commissioner, Compliance and Risk Management, External Affairs, Finance & Administration, HPD Tech, and Legal Affairs, respectively, also provide planning, leadership, technical, and support services to accomplish the agency's goals.

Asset and Property Management

HPD's Office of Asset and Property Management works to ensure that properties remain financially and physically stable over the long-term. Its programs proactively identify at-risk buildings and help to stabilize mismanaged assets. The Office supervises the city's Asset Management and Mitchell-Lama portfolios, and manages city-owned residential and commercial properties, as well as Urban Renewal sites, until they can be returned to responsible private ownership.

Development

HPD's Office of Development leads the implementation of the Mayor's affordable housing goals in close collaboration with other city and state agencies, and with the New York City Housing Development Corporation (HDC). The Office builds a pipeline of affordable housing development on both public and private sites, and administers a variety of new construction, preservation, and homeownership programs.

Additionally, the Office manages eight real property tax benefit programs, as well as the inclusionary housing pipeline and associated transactions. The inclusionary housing program is intended to promote economic integration as areas undergo substantial new development. The Office also allocates as-of-right and competitive federal Low-Income Housing Tax Credits pursuant to the Internal Revenue Code and the city's Qualified Allocation Plan.

Enforcement and Neighborhood Services

HPD's Office of Enforcement and Neighborhood Services protects housing by enforcing the city's Housing Maintenance Code and the New York State Multiple Dwelling Law. The Office responds to public complaints and plans appropriate, individualized actions to address hazardous conditions in privately-owned buildings—conditions may include the presence of lead paint; structural deficiencies; mold, pests, or allergens; fire safety issues, such as self-closing doors; and the lack of heat, hot water, or electricity. Through the Proactive Preservation Initiative and the agency's Alternative Enforcement Program, 7A Administrator Program, Anti-Harassment Unit, and Underlying Conditions Program, the Office monitors deteriorating and severely distressed properties and reaches out to owners with tools to educate, assist, and enforce accountability. In addition, the Office operates the agency's Emergency Housing Services Program, to provide emergency shelter and housing relocation services to tenants displaced as a result of fires or vacate orders issued by the Department of Buildings or the Fire Department. When warranted, the agency will undertake repairs through the Emergency Repair Program at an owner's expense. The Office also works closely with the Department of Buildings, the Department of Health and Mental Hygiene, and the Fire Department on enforcement issues including tenant harassment. HPD will bring cases to Housing Court to seek the correction of hazardous conditions, and the imposition of civil penalties.

Housing Access and Stability

HPD's Office of Housing Access and Stability ensures fair, efficient, and transparent access to affordable housing. The Office provides subsidies, placement services, and tools that connect New Yorkers to affordable housing, ensure vulnerable households in subsidized housing have the support they need to remain safely housed, and stabilize the financial health of buildings. The Office's Division of Tenant and Owner Resources administers rental assistance programs including Section 8 Housing Choice Vouchers, Moderate Rehabilitation / SRO Programs, Continuum of Care, Emergency Housing Vouchers, and the NYC 15/15 Rental Assistance Program. The Office also oversees all marketing and leasing-related functions, including affordable housing lotteries and homeless placement services. Housing Access and Stability is committed to expanding housing choices and affirmatively furthering fair housing.

Neighborhood Strategies

HPD's Office of Neighborhood Strategies focuses on planning and community partnerships to help the agency adopt a more comprehensive approach to development within the city's neighborhoods. The Division of Planning and Predevelopment identifies future sites, coordinates neighborhood zoning efforts, and collaborates with other city agencies to develop public properties. The Division of Neighborhood Development and Stabilization leads the agency's commitment to strategic preservation and development through engagement with tenants, landlords, community leaders, and neighborhood stakeholders on issues involving the creation of vibrant neighborhoods anchored by affordable housing.

Policy and Strategy

HPD's Office of Policy and Strategy leverages its expertise to guide and support HPD and its many Offices in their efforts to deepen their impact, optimize their efficiency, and become more data-driven, compliance-attentive, climate-adaptive, and mission-focused. To do so, the Office collaborates with staff and senior leadership from across the agency, as well as with representatives from other agencies. The Office carries out its work through delivery of rigorous data, policy, and financial/credit analysis; technical and statistical research, including the triennial Housing and Vacancy Survey; compliance awareness and adherence; and techniques in program visioning and design to all of HPD's areas of practice.

Capital Review

The 2026-2035 Ten-Year Capital Strategy totals $21.07 billion, including $20.67 billion in city funding and $400 million in federal funds. The agency will use its city capital resources to leverage state and federal funds as well as private financing (which does not flow through the city's capital budget) as part of the agency's goal to create and preserve quality affordable housing. The table below reflects actual capital commitments for 2024 and planned capital commitments by program area over the 2025-2029 period.

Capital Commitments
($ in 000's)

	FY24 Actuals		FY25 Plan		FY26 Plan		FY27 Plan		FY28 Plan		FY29 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
New Construction	$822,769	$822,756	$906,320	$906,320	$1,123,185	$1,123,185	$702,039	$702,039	$782,788	$782,788	$817,630	$817,630
Other Housing Support	$58,619	$58,619	$88,458	$88,458	$52,516	$52,516	$91,494	$91,494	$80,060	$80,060	$39,396	$39,396
Disposition	$66,262	$66,262	$164,735	$164,735	$126,375	$126,375	$83,309	$83,309	$86,561	$86,561	$90,478	$90,478
Preservation	$439,262	$439,262	$1,314,632	$1,314,632	$519,860	$519,860	$574,650	$574,650	$592,762	$592,762	$638,664	$638,664
Special Needs	$466,410	$578,019	$282,512	$322,512	$551,473	$591,473	$428,873	$468,873	$400,405	$440,405	$372,101	$412,101
NYCHA Preservation Programs	$435,569	$435,569	$754,246	$754,246	$839,144	$839,144	$350,514	$350,514	$ —	$ —	$ —	$ —
Total	**$2,288,891**	**$2,400,487**	**$3,510,903**	**$3,550,903**	**$3,212,553**	**$3,252,553**	**$2,230,879**	**$2,270,879**	**$1,942,576**	**$1,982,576**	**$1,958,269**	**$1,998,269**

Highlights of the Ten Year Capital Strategy and Four-Year Plan

Under 2026-2029 Four-Year Plan, HPD will generate affordable housing units via preservation, new construction, senior and supportive housing, and the disposition of *in rem* housing stock. Under the Four-Year Plan:

- Funding of $2.3 billion will support activities to preserve existing affordable housing stock while creating long-term affordability by providing moderate to substantial rehabilitation.
- Funding of $3.4 billion will support construction of new units serving various income levels throughout the five boroughs. Initiatives include large-scale developments, as well as funding for various rental and homeownership programs.
- Funding of $1.9 billion (inclusive of $160 million of federal HOME funds) will support senior and supportive housing initiatives funded through various Special Needs Housing loan programs.
- Funding of $387 million will rehabilitate city-owned housing units and return them to responsible private ownership.
- Funding of $263 million will be used in support of other ancillary housing investments. This primarily encompasses costs associated with development in urban renewal areas, technology projects that will enhance agency operations, and other infrastructure projects that support the development of housing.

In addition, units are expected to be generated without capital subsidies through various initiatives with agency partners. These units will primarily be created or preserved using bond financing, inclusionary zoning, and tax abatement or exemptions.

The HPD capital budget also supports the conversion of NYCHA developments through the Permanent Affordability Commitment Together (PACT) Program, which is NYCHA's implementation of the Department of Housing and Urban Development (HUD)'s Rental Assistance Demonstration program, as well as the New York City Housing Preservation Trust (Trust) program.

- Funding of $754 million in 2025 and an additional $1.2 billion in the 2026-2029 Four-Year Plan will continue to support the city's goal to convert approximately 62,000 units from traditional Section 9 public housing to Section 8 rental assistance vouchers through the PACT program. Funding will also support conversions through the Trust program.

Additional detail on the NYCHA PACT and Trust programs is included in the NYCHA section of this message.

DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES

The Department of Citywide Administrative Services (DCAS) provides a variety of shared services to support the operations of New York City government. These services include recruiting, hiring, and training employees; providing facilities management for 55 public buildings; acquiring, selling, and leasing City property; coordinating the purchase and distribution of supplies and equipment for City agencies; and implementing conservation and safety programs throughout the city's facilities and vehicle fleet. Through these services, DCAS ensures that all City agencies have the critical resources needed to provide the best possible services to the public. The following lines of service are among those that provide this support: Human Capital, Facilities Management, Real Estate Services, Energy Management, Fleet Management, and the Office of Citywide Procurement.

Financial Review

The 2026 Executive Budget for the Department of Citywide Administrative Services provides $1.8 billion, a decrease of $249.9 million below the amount forecasted for 2025. The $6.8 billion DCAS Ten-Year Capital Plan includes $1.1 billion for the renovation, reconstruction, and outfitting of public buildings, $3.3 billion for energy efficiency initiatives, $12.4 million for real property, and $1.2 billion for citywide resiliency and waterfront rehabilitation.

Revenue Forecast

The Department of Citywide Administrative Services manages the City's real estate holdings and receives revenue in the form of rents. It also holds auctions for vehicles from the City's Fleet as well as other City property and collects civil service exam fees. In 2026, DCAS anticipates collecting $63.9 million in revenue.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- The 2026 Executive Budget provides total funds of $1.7 billion for the Department, of which $1.0 billion is for goods and services that agencies purchase from DCAS through intra-city agreements, including the following: utilities ($892.5 million), leases ($116.2 million), storehouse supplies ($15.7 million), maintenance and repair of facilities and vehicles ($6.9 million), personnel training ($0.8 million), and other services ($4.3 million).

- The 2026 Executive Budget provides a total of $322.5 million for DCAS Facilities Management, including $49.1 million in State funding for lease and maintenance services of court facilities. Of the total $322.5 million budgeted for Facilities Management, the City has budgeted $154.9 million for leases and $119.5 million for building maintenance. Facilities Management provides maintenance and construction services for 55 public buildings, including 29 court facilities.

- The 2026 Executive Budget provides a total of $20.4 million for Real Estate Services. Real Estate Services purchases, sells, and leases real property; and locates space for City agencies.

- The 2026 Executive Budget provides a total of $26.2 million for DCAS Police and contractual security coverage at DCAS-managed buildings.

Restructuring and Streamlining

- Since 2014, DCAS has invested more than $900 million in over 5,000 energy efficiency projects and 14,000 energy conservation measures across 2,900 unique city government facilities. DEM's portfolio of city government operations comprise more than 70 percent of City government building square footage, approximately 68 percent of GHG emissions, and 77 percent of energy usage from city government stationary assets in FY2022. To date, DCAS has also installed over 24 megawatts of solar photovoltaic (PV) systems on City assets and is planning to install another approximately 75 megawatts of capacity by 2030. The investments have decreased energy use by about 4.3 million MMBtus, or about as much energy as used by 300,000 city residences, avoided almost $128 million in annual energy costs, and reduced emissions by over 372,000 metric tons of carbon dioxide equivalent, the equivalent of removing over 80,000 cars from the road. In total, city government has reduced greenhouse gas emissions by 25 percent, compared to 17 percent for all sectors combined within the city, and is on pace to achieve both the 2030 mandate of Local Law 97 and the City's long-term emissions reduction goals.

- DCAS is leading the implementation of the NYC Clean Fleet Initiative to reduce transportation GHG emissions by 50 percent by 2025 and to comply with Local Law 140 of 2023 to transition the City fleet to electric by 2035 for light and medium duty vehicles and 2038 for heavy duty vehicles. DCAS manages the largest electric fleet in New York State, with over 5,000 electric vehicles, and has ordered over 600 new electric replacement vehicles for delivery in CY24. To support the growing EV fleet, the DCAS also manages the state's largest charging infrastructure network with over 2,000 electric vehicle charging ports so far, including 110 solar-powered electric vehicle carports, with another 50 units being brought online and 291 fast charging stations with another 100 being installed in the next year. Fast chargers can charge electric vehicles in a fraction of the time it takes a traditional charger, and DCAS is partnering with the NYC Department of Parks and Recreation to make fast and solar chargers open to the public to increase access to charging infrastructure. Currently 22 chargers are open to the public.

- DCAS also plays a key role in creating opportunities for all New Yorkers. During Fiscal Year 2024, DCAS hosted or participated in nearly 200 events to spread awareness about working for the City of New York, reaching over 12,000 participants. DCAS also administered 153 civil service exams to over 79,000 job seekers. Through these exams, DCAS opened pathways to great careers and helped City agencies identify qualified candidates for hiring needs. This year, DCAS created and administered the first NYC Bridge Exam. This is a civil service exam that covers 10 different civil service titles. By only paying one fee and taking one exam, New Yorkers will be eligible for jobs under 10 different civil service titles. In FY22, DCAS launched the first ever NYC Bridge Exam. The NYC Bridge Exam is a crucial enhancement to DCAS' traditional offering of one exam for one title, ensuring greater accessibility to civil service titles than ever before. The individual lists that were part of the FY22 NYC Bridge exam were established as of July 2023. In June 2023, DCAS opened the second NYC Bridge Exam application period, which was administered in the fall of 2023 to 6,888 candidates, more than triple the number of candidates in the inaugural FY22 NYC Bridge Exam. The eligible lists resulting from the FY23 NYC Bridge Exam are expected to be established in the summer of 2024. The NYC Bridge exam will be offered annually going forward.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

			($ in 000's)		Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$220,841	$230,998	$236,995	$237,090	$6,092	$95
Fringe Benefits	4,032	3,955	2,255	2,255	(1,700)	—
OTPS	1,598,620	1,787,123	1,693,617	1,532,860	(254,263)	(160,757)
Total	**$1,823,493**	**$2,022,076**	**$1,932,867**	**$1,772,205**	**($249,871)**	**($160,662)**
Funding						
City	$499,396	$628,827	$748,655	$522,819	($106,008)	($225,836)
Other Categorical Grants	105,244	118,583	108,827	115,136	(3,447)	6,309
IFA	1,718	1,608	1,655	1,655	47	—
State	297,849	241,804	74,938	75,646	(166,158)	708
Federal CD	—	—	—	—	—	—
Federal Other	686	5,233	223	223	(5,010)	—
Intra-City Other	918,600	1,026,021	998,569	1,056,726	30,705	58,157
Total	**$1,823,493**	**$2,022,076**	**$1,932,867**	**$1,772,205**	**($249,871)**	**($160,662)**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$80,734	$88,288	$93,229	$94,261	$5,973	$1,032
Pensions	32,992	35,494	38,269	36,324	830	(1,945)
Other Than Personal Service (OTPS)						
Debt Service	637,743	674,677	773,576	792,257	117,580	18,681
Total Additional Costs	**$751,469**	**$798,459**	**$905,074**	**$922,842**	**$124,383**	**$17,768**
Funding						
City	737,327	777,002	887,333	906,122	129,120	18,789
Non-City	14,142	21,457	17,741	16,720	(4,737)	(1,021)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$220,841	$230,998	$236,995	$237,090	$6,092	$95
Fringe Benefits	84,766	92,243	95,484	96,516	4,273	1,032
Pensions	32,992	35,494	38,269	36,324	830	(1,945)
Total PS	**$338,599**	**$358,735**	**$370,748**	**$369,930**	**$11,195**	**($818)**
OTPS	$1,598,620	$1,787,123	$1,693,617	$1,532,860	($254,263)	($160,757)
Debt Service	637,743	674,677	773,576	792,257	117,580	18,681
Total OTPS	**$2,236,363**	**$2,461,800**	**$2,467,193**	**$2,325,117**	**($136,683)**	**($142,076)**
Total Agency Costs	**$2,574,962**	**$2,820,535**	**$2,837,941**	**$2,695,047**	**($125,488)**	**($142,894)**
Less Intra-City	918,600	1,026,021	998,569	1,056,726	30,705	58,157
Net Agency Cost	**$1,656,362**	**$1,794,514**	**$1,839,372**	**$1,638,321**	**($156,193)**	**($201,051)**
Funding						
City	1,236,723	1,405,829	1,635,988	1,428,941	23,112	(207,047)
Non-City	419,639	388,685	203,384	209,380	(179,305)	5,996
Personnel (includes FTEs at fiscal year-end)						
City	1,524	1,921	1,908	1,914	(7)	6
Non-City	587	685	683	683	(2)	—
Total	**2,111**	**2,606**	**2,591**	**2,597**	**(9)**	**6**

Programmatic Review and Service Impact

DCAS provides support services through the seven lines of service described below:

Human Capital

Human Capital is responsible for Citywide civil service administration, including the classification of positions and salaries, developing, validating, administering, and rating examinations; creating civil service lists, and certifying those lists to agencies to fill vacancies; and reduce the number of provisional employees. Human Capital also evaluates and administers Citywide personnel policies and programs and conducts professional development and employee training programs. It also oversees the expansion and maintenance of the New York City Automated Personnel System (NYCAPS), the centralized automated personnel system for managers and employees to access and manage personnel and benefits information, including Employee Self-Service.

Facilities Management

Facilities Management actively manages and operates 55 City-owned court and office buildings totaling 22 million square feet throughout the city, which includes City Hall, the Manhattan and Brooklyn municipal buildings, and each of the five Borough Halls.

Real Estate Services

DCAS Real Estate Services (RES) is the real estate arm of the City of New York, with responsibility for the acquisition (lease or purchase) and disposition of the City's owned real estate. RES assists agencies with finding suitable and cost-effective space for their operations, in both City-owned and leased space. RES negotiates and administers leases of private space occupied by City agencies, undertakes acquisitions of property needed for City use, and performs and coordinates architectural and other services associated with renovations and agency relocations. In addition, RES administers 400 short- and long-term agreements that permit the private use of City-owned property.

Energy Management

DCAS Energy Management (DEM) provides centralized energy management for the City's fixed asset portfolio. It is responsible for purchasing the energy necessary to operate the City's schools and community colleges, cultural institutions, libraries, offices, police precincts, fire houses, wastewater resource recovery facilities, and other essential sites. DEM continues to reduce the emissions impact of the city's energy supply through the deployment of solar PV systems on City infrastructure and a large-scale purchase of large-scale renewable energy, among other measures. To ensure the City makes a just transition to a clean energy economy, DEM will continue to invest in reducing energy use in government buildings and enhancing social infrastructure in disadvantaged communities to help improve local energy reliability, resiliency, air quality, and public health.

Office of Citywide Procurement

The Office of Citywide Procurement (OCP) is responsible for purchasing, inspecting, and distributing supplies and equipment at the lowest cost possible. They also assist in disposing of surplus heavy equipment and goods. On average, DCAS purchases about $1.5 billion worth of goods and services for the City through approximately 900 citywide requirement contracts and one-time purchases. DCAS uses the City's purchasing power to get the best prices for goods and services by combining demand and consolidating contracts. They aim to increase the participation of minority and women-owned businesses by breaking down large contracts when suitable and using the best value procurement method when possible.

Fleet Management

The DCAS Division of Fleet Management is responsible for managing the City of New York's over 28,500 fleet vehicles. NYC maintains fleet units at 37 dedicated fleet repair facilities and additional satellite locations and has more than 400 in-house fueling locations and over 2,000 EV charging ports. Fleet Management oversees the vehicle maintenance contracts while managing the City's fuel, vehicle collisions, defensive driver training, real-time vehicle tracking, and alternative energy programs. DCAS directs efforts to improve fleet management citywide in areas of safety, sustainability, transparency, emergency preparedness, resource management, and shared services.

Office of Citywide Equity and Inclusion

DCAS' Citywide Equity and Inclusion (CEI) fosters the City of New York's global leadership in equitable, diverse, and inclusive employment practices and sets the standards for City agencies to implement the City's EEO policy, procedures, laws, and City mandates designed to prevent workplace discrimination and harassment under the City's (25) legally protected categories, and to promote inclusivity, engagement, and retention. CEI designs initiatives to operationalize legislation; ensures the City is compliant with reporting mandates; develops and updates the City's EEO and DEI training portfolio, including sexual harassment prevention, to promote awareness of rights, responsibilities, and resources for the City workforce and professional development for EEO professionals; and conducts confidential third party EEO investigations. CEI also promotes the City as an employer of choice by conducting extensive outreach to build recruitment pipelines while educating the public, including diverse and underserved populations, and employees about the civil service exam process and career opportunities, by advising agencies on strategies for recruitment and augmenting capacity, and by assisting with the implementation of citywide recruitment initiatives.

Capital Review

The Department is responsible for capital improvements to all DCAS-managed and client agency buildings including office space, warehouses, and courts; oversight and improvements to City-leased properties; the lease, acquisition and rehabilitation of City-owned non-residential waterfront and non-waterfront properties; energy efficiency initiatives; and waterfront rehabilitation. The capital program includes compliance work for public safety and legal mandates, renovation, rehabilitation, construction, design, and outfitting of various sites, including the purchase of furniture. The Department also purchases vehicles and various communications and technological equipment.

The 2026-2035 Ten-Year Capital Strategy totals $6.8 billion, which includes $4.3 billion in the 2026-2029 Four-Year Plan. The table below reflects capital commitments by program area over the FY 2024-2029 period.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Rehabilitation of City-Owned Space	$28,623	$28,623	$85,831	$85,831	$108,070	$108,070	$100,147	$100,147	$59,776	$59,776	$118,032	$118,032
Renovation of Other City-Owned Facilities	8,005	8,005	14,226	14,226	64,037	64,037	62,273	62,273	28,679	28,679	25,940	25,940
Rehabilitation of Court Buildings	—	—	—	—	—	—	685	685	1,330	1,330	1	1
Legal Mandates and Correction of Unsafe Conditions	48,501	48,501	56,040	56,040	23,294	23,294	43,373	43,373	24,320	24,320	55,782	55,782
Renovation of Leased Space	984	984	3,773	3,773	—	—	10,444	10,444	7,467	7,467	14,120	14,120
Equipment and Interagency Services	14,027	14,027	55,938	28,272	8,562	8,562	6,528	6,528	3,389	3,389	20,461	20,461
Communications Equipment	—	—	—	—	—	—	—	—	—	—	—	—
Board of Elections	—	—	—	—	—	—	—	—	—	—	—	—
Miscellaneous Construction	10,532	10,532	45,393	45,393	32,952	33,952	22,831	22,831	56,397	56,397	180,571	180,571
Acquisition of Real Property	1,172	1,172	1,172	1,172	360	2,850	—	—	600	600	—	—
Energy Efficiency and Sustainability	294,718	294,718	518,645	518,645	700,207	700,207	627,728	627,728	537,281	537,281	475,413	475,413
Resiliency and Protective Measures	332,530	336,012	303,416	493,195	547,898	561,872	238,142	238,575	96,682	96,682	23,196	164,658
Rehabilitation of Waterfront & Non-Waterfront Properties	2,180	2,180	2,865	2,865	159	159	1,327	1,327	752	752	1,197	1,197
Total	$741,273	$744,755	$1,087,299	$1,249,412	$1,485,539	$1,503,003	$1,113,478	$1,113,911	$816,673	$816,673	$914,713	$1,056,175

Highlights of the 2026-2035 Ten-Year Capital Plan

- Reconstruction and rehabilitation of public buildings and City-owned facilities ($1.1 billion), including projects at the Manhattan Municipal Building ($163.8 million), 253 Broadway ($65.0 million), 280 Broadway ($48.7 million), 100 Gold Street ($35.9 million), 1932 Arthur Avenue ($54.4 million) and 2556 Bainbridge Avenue ($30.2 million) in the Bronx, Queens Borough Hall ($19.7 million), and 10 Richmond Terrace in Staten Island ($6.7 million).

- Legal mandates ($444.3 million), including fire/life safety upgrades to ensure Local Law 5 compliance ($296.1 million), façade upgrades to ensure Local Law 11 compliance ($28.7 million), fuel tank replacement and remediation ($7 million), and upgrades to bathrooms and other facilities to ensure ADA compliance ($42.1 million).

- Renovation of other City-owned facilities ($180.7 million), including the reconstruction of 70 Mulberry Street ($149.1 million).

- Miscellaneous construction in other facilities ($357.2 million), including installation of charging infrastructure for electric vehicles ($118.8 million).

- Renovation of leased space ($144.8 million).

- Equipment and interagency services ($48.9 million)

- Acquisition of real property ($31.6 million).

- Board of Elections modernization ($10.4 million).

- Rehabilitation of court buildings ($2.4 million).

- Rehabilitation of waterfront and non-waterfront properties ($12.4 million).

- Citywide agency resiliency and waterfront rehabilitation ($1.1 billion), including the East Side Coastal Resiliency project ($366.6 million), the Brooklyn Bridge – Montgomery Coastal Resiliency project ($46 million), and rehabilitation of the substructure of Harlem River Park between 125th Street and 135th Street ($88.5 million).

- Energy efficiency measures and building retrofits ($3.3 billion), including funding for the Accelerated Conservation and Efficiency (ACE) Program ($256.6 million), Solar panels at citywide facilities ($385 million), and other energy efficiency upgrades for various projects ($2.9 billion).

Highlights of the 2026-2029 Four-Year Capital Plan

- Reconstruction and rehabilitation of public buildings and City-owned facilities ($382.4 million), including projects at the Manhattan Municipal Building ($120.9 million), 280 Broadway in Manhattan ($48.8 million) 253 Broadway in Manhattan ($37.1 million), and Queens Borough Hall ($15.2 million).

- Legal mandates ($148.8 million), including fire/life safety upgrades to ensure Local Law 5 compliance ($101 million, façade upgrades to ensure Local Law 11 compliance ($3.9 million), and upgrades to bathrooms and other facilities to ensure ADA compliance ($12.1 million).

- Miscellaneous construction in other facilities ($293.7 million), including installation of charging infrastructure for electric vehicles ($68.8 million).

- Renovation of other City-owned facilities ($180.7 million), including the reconstruction of 70 Mulberry Street ($149.1 million).

- Renovation of leased space ($31.3 million)

- Energy efficiency measures and building retrofits ($2.3 billion), including funding for the Accelerated Conservation and Efficiency (ACE) Program ($217.2 million), solar panels at Citywide facilities ($86.4 million), and other building retrofits ($2 billion).

- Equipment and interagency services ($38.9 million)

- Acquisition of real property ($3 million).

- Rehabilitation of waterfront and non-waterfront properties ($3.4 million).

- Citywide agency resiliency and waterfront rehabilitation ($920 million) including East Side Coastal Resiliency ($358.8 million), and Brooklyn Bridge to Montgomery Coastal Resiliency ($9.5 million).

OFFICE OF TECHNOLOGY AND INNOVATION

In January 2022, Mayor Adams signed Executive Order 3, which consolidated the city's various technology offices into a single entity, the Office of Technology and Innovation (OTI), under the Chief Technology Officer (CTO). The legacy offices now reporting to OTI and led by the CTO include: the NYC Department of information Technology and Telecommunications (DoITT), the Mayor's Office of the Chief Technology Officer (MOCTO), the Mayor's Office of Information Privacy (MOIP), the Mayor's Office of Data Analytics (MODA), NYC Cyber Command (NYC3), and the 311 Citizen Service Center.

OTI makes up the technology core of New York City government, partnering with over 100 city agencies and entities to deliver the technology they need to serve and empower New Yorkers. OTI's IT infrastructure and technology solutions help keep the five boroughs safe, strong, and connected by providing citywide coordination and technical expertise in the development and use of data, voice, and video technologies to improve government services and operations to benefit the city and its residents. To ensure the city continues to be a leader in technology and innovation, OTI develops and manages large city IT projects and contracts, provides infrastructure support for data processing and communications services to numerous agencies, and administers the city's cable television and mobile and information services telecommunications franchises.

Financial Review

OTI's 2026 Executive Budget provides for an operating budget of $839.9 million, a decrease of $111.4 million over the amount forecasted for 2025. This change is largely attributable to funding added for one year in the 2025 forecast, intra-city agreements for telecommunications that have not yet been renewed, and other categorical funding that has not yet been recognized.

Revenue Forecast

The Office collects revenue from cable television, information services and mobile telecommunications franchises, advertising on wireless internet kiosks, and international programming fees for the use of NYC TV, the city's cable television network. OTI will generate $141.4 million in revenue for 2026.

Expense Budget Highlights

Budgetary Priorities: Providing Core IT Services

- The Office's 2026 Executive Budget includes $131.9 million for services that OTI purchases on behalf of client agencies, including telecommunications, data, and consultant services.

- The Office's 2026 Executive Budget provides $101.3 million for Infrastructure Management Division. This division is, in part, responsible for the data center operations and fiber optic network that provide data processing and networking services to over 120 city agencies and entities, 24 hours a day, seven days a week.

- The Office's 2026 Executive Budget provides $106.9 million for the New York City Cyber Command, overseeing the protection of all city systems against cyber threads, including systems that deliver vital services to New Yorkers.

- The Office's 2026 Executive Budget provides $125.2 million for the Public Safety and Emergency Management Division, which manages critical life safety technology such as the 9-1-1 Emergency System and associated Public Safety Answering Centers.

- The Office's 2026 Executive Budget provides $66.5 million for the 311 Citizen Service Center, providing the public with continuous access to non-emergency city services through one phone number.

- The Office's 2026 Executive Budget provides $23.5 million for the administration of the Mayor's Office of Media and Entertainment's four divisions: NYC Media, the Film Office, the Press Credentials Office, and Creative Sector Programs.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$169,958	$176,491	$176,927	$180,207	$3,716	$3,280
Fringe Benefits	—	—	—	—	—	—
OTPS	802,663	774,816	566,269	659,677	(115,139)	93,408
Total	**$972,621**	**$951,307**	**$743,196**	**$839,884**	**($111,423)**	**$96,688**
Funding						
City	$751,684	$731,489	$605,959	$694,225	($37,264)	$88,266
Other Categorical Grants	7,558	15,308	2,650	2,650	(12,658)	—
IFA	1,511	2,290	—	2,319	29	2,319
State	6,386	18,228	1,368	6,840	(11,388)	5,472
Federal CD	1,450	4,236	1,935	1,935	(2,301)	—
Federal Other	3,265	1,470	—	—	(1,470)	—
Intra-City Other	200,767	178,286	131,284	131,915	(46,371)	631
Total	**$972,621**	**$951,307**	**$743,196**	**$839,884**	**($111,423)**	**$96,688**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$56,466	$60,606	$63,167	$64,087	$3,481	$920
Pensions	26,166	27,619	28,923	27,453	(166)	(1,470)
Other Than Personal Service (OTPS)						
Debt Service	—	—	—	—	—	—
Total Additional Costs	**$82,632**	**$88,225**	**$92,090**	**$91,540**	**$3,315**	**($550)**
Funding						
City	81,071	85,052	89,251	88,676	3,624	(575)
Non-City	1,561	3,173	2,839	2,864	(309)	25
Full Agency Costs (including Central Accounts)						
Salary and Wages	$169,958	$176,491	$176,927	$180,207	$3,716	$3,280
Fringe Benefits	56,466	60,606	63,167	64,087	3,481	920
Pensions	26,166	27,619	28,923	27,453	(166)	(1,470)
Total PS	**$252,590**	**$264,716**	**$269,017**	**$271,747**	**$7,031**	**$2,730**
OTPS	$802,663	$774,816	$566,269	$659,677	($115,139)	$93,408
Debt Service	—	—	—	—	—	—
Total OTPS	**$802,663**	**$774,816**	**$566,269**	**$659,677**	**($115,139)**	**$93,408**
Total Agency Costs	**$1,055,253**	**$1,039,532**	**$835,286**	**$931,424**	**($108,108)**	**$96,138**
Less Intra-City	200,767	178,286	131,284	131,915	(46,371)	631
Net Agency Cost	**$854,486**	**$861,246**	**$704,002**	**$799,509**	**($61,737)**	**$95,507**
Funding						
City	832,755	816,541	695,210	782,901	(33,640)	87,691
Non-City	21,731	44,705	8,792	16,608	(28,097)	7,816
Personnel (includes FTEs at fiscal year-end)						
City	1,480	1,553	1,553	1,553	—	—
Non-City	46	21	4	21	—	17
Total	**1,526**	**1,574**	**1,557**	**1,574**	**—**	**17**

Programmatic Review and Service Impact

OTI is committed to spearheading continuous growth in the city's technology and providing world class IT services so that the City of New York continues to be a leader in technology and innovation. The Office's initiatives reflect OTI's mission of providing resilient, scalable, and leading IT services, infrastructure, and telecommunications to city agency partners, improving government operations and services for the benefit of NYC residents, businesses, and visitors.

OTI also supports the Adams Administration's goal to create a more diverse, equitable, and inclusive city for all. To achieve these goals, OTI works to establish citywide standards and policies for large scale technology programs. Recent efforts to broaden and diversify OTI's pool of vendors to include more Minority- and Women-Owned Business Enterprises (M/WBE) and small businesses are aligned with the Administration's strategic objective of reforming city procurement by expanding the number of opportunities for M/WBE contracting, as well as dramatically increasing the proportion of city spending for M/WBE vendors. Starting in January 2024, OTI established four new citywide IT Goods Purchasing Contracts with New York City-certified M/WBE vendors.

In recognition of the essential nature of broadband, OTI is working with its city partners to facilitate access to affordable, reliable, high-speed broadband, OTI continues to support the ongoing deployment of LinkNYC, a free, high-speed, citywide Wi-Fi network. LinkNYC kiosks have replaced the aging network of public pay telephones across all five boroughs.

OTI's Citywide Data Center allows the city to leverage IT expertise, personnel, and enterprise architecture management to avoid duplicative efforts across city agencies and improve efficiency and effectiveness. OTI also manages CityNet, the city's institutional fiber network; NYC.gov, the city's official website; the citywide Radio Network (Channel 16); the 800 MHz Radio Network; and the citywide Geographic Information Systems Unit. OTI also provides administrative and IT support to various other tech initiatives to help streamline agency operations and deliver services that make life better for New Yorkers.

OTI also helps facilitate citywide coordination and collaboration on technology issues, serves as a catalyst for and advises agencies on innovation, and interacts with the wider New York City technology ecosystem to fulfill Mayor Adams' vision of making NYC the most innovative, tech-friendly, and equitable big city in the world.

Sustainable Broadband Adoption

In support of the city's goal to expand access to free and low-cost quality broadband, OTI launched Big Apple Connect in September 2022. Big Apple Connect's first phase provided residents of 135 NYCHA sites with access to free broadband and basic cable TV. Subsequent expansions have made the program available to 330,000 New Yorkers across more than 220 sites. In addition, OTI's franchisee has continued installation of LinkNYC, growing the network to over 2,100, as of April 2024 with a commitment to complete no less than 4,000 kiosks and giving priority to 13 equity community districts across the boroughs. Link5G, the newest phase of LinkNYC, arrived in July 2022 with priority given to underserved areas across the five boroughs. OTI also administers the funding for NYC Connected Communities, which provides $3.8 million per year to a range of city partners to increase public broadband access, computer literacy, and job readiness training in communities of need.

MyCity

In March 2023, OTI launched the MyCity portal, a one-stop shop for city services and benefits, to make it easier for New Yorkers to interact with and access the support of numerous city agencies. MyCity's first phase featured a simplified childcare application, which allowed working families to check eligibility, apply for, and track services and benefits, as well as securely save their information and documentation for future applications as they apply for childcare. MyCity has helped more than 40,000 families gain eligibility to childcare assistance.

MyCity subsequently expanded in October 2023 to include a redesigned Business site that featured the first citywide AI chatbot. Still in its beta phase, the MyCity Chatbot has connected thousands of business owners and aspiring entrepreneurs to timely content to help them start, operate, and grow businesses in New York City. MyCity also contains the redesigned Jobs NYC online talent portal, which connects job seekers to career opportunities, free employment services, and occupational-skills trainings for opportunities in both the public and private sectors.

NYC.gov

NYC.gov, the official website of the City of New York, is the city's digital face to the world. Home to more than 250 NYC.gov websites, representing city agencies, entities, organizations, and initiatives, NYC.gov receives more than 70 million unique visitors who view nearly 325 million pages of content each year. Additionally, NYC.gov serves as a launching point to access city government on other digital platforms such as mobile applications, social media, and targeted alerts. From the homepage, users can find important alerts, watch mayoral announcements live, make a 311 service request, get customized information about their neighborhood, and discover new programs and events.

Cyber Command

In accordance with Mayor Adams's Executive Order 10, Cyber Command is charged with setting the city's information security and policy standards, leading citywide cyber defense, investigation and incident response, and proactively disseminating threat intelligence. Cyber Command continues to use the latest technologies and leveraging public-private partnerships to protect, detect, respond, and recover from cyber threats.

Cyber Command is also taking a leading role in protecting the digital lives of all New Yorkers. In February 2022, Mayor Adams, Governor Hochul and other cities across New York State partnered to headquarter a Joint Security Operations Center (JSOC) in OTI's downtown Brooklyn office to bolster the city and the state's ability to combat cybersecurity threats and attacks. The JSOC centralizes cybersecurity expertise and streamlines threat intelligence and responses in the event of a significant cyberattack by housing Cyber Command with federal and state law enforcement entities, and with representatives from other local and county governments in the same location. In April 2023, OTI graduated the city's inaugural Cyber Academy class - a specialized training program designed to bolster the city's cybersecurity workforce and enhance agency cyber capabilities to defend against threats to essential services and critical infrastructure. To date, 75 city employees from 61 city entities have graduated from the program.

Cyber Command manages NYC Secure, a free mobile security application it launched in 2018, aimed at protecting New Yorkers online. Using a steadily evolving suite of solutions, NYC Secure helps New Yorkers defend against malicious cyber activity on their mobile devices, across public Wi-Fi networks, and beyond.

Information Privacy

The NYC Office of Information Privacy, led by the NYC Chief Privacy Officer, works to protect the privacy of New Yorkers' identifying information, while maximizing opportunities for data sharing across city agencies, as permitted by law. The Chief Privacy Officer aims to increase access to and strengthen coordination of services for individuals and families, and to encourage innovative projects that advance equity and opportunity for all New Yorkers. In collaboration with city agencies, the Chief Privacy Officer works to improve the way the city uses data to inform fair, equitable policies and best practices.

Public Safety Answering Centers (PSACs) Communications

The city continues work on planned upgrades and enhancements to its 9-1-1 Emergency System. Most of the capital funding for 9-1-1 technology initiatives is contained within OTI's budget. This includes both the technology refresh of end-of-life systems across the city's two Public Safety Answering Centers (PSACs) as well as transitioning to a Next Generation 9-1-1 system, which will allow for the seamless transfer of digital information from the public to the city's 9-1-1 systems. In June 2020, the interim Text to 9-1-1 solution was implemented to provide people who are unable to connect via existing voice services with greater access to the 9-1-1 system. The NG 9-1-1 Program completed a major milestone in October of 2024 when the GIS Location Database was successfully cutover. In December of 2024 through March 2025 the program successfully cutover 80% of the OSP (Other Service Provider) 9-1-1 call traffic and are currently in the 30-day FSAT (Final System Acceptance Test) phase. The team will finish the remaining OSP cutovers through June 2025 and commence NG Call Handling migrations through calendar year 2025.

Data Analytics

The Office of Data Analytics applies strategic analytical thinking to data to help city agencies deliver services more equitably and effectively, and to increase operational transparency. OTI's Data Analytics and Open Data teams will continue collaborating with agencies to implement data-driven solutions for service delivery and resident engagement, working to implement the city's Open Data Law and engage constituents, and facilitating data sharing among city agencies.

Geographic Information Systems

OTI's Geographic Information Systems (GIS) Unit plays a vital role in providing comprehensive geospatial solutions for various agencies. By developing and hosting interactive maps, geo-referenced data, and associated tools and services, OTI supports enterprise-wide geospatial applications. One of its flagship offerings is NYCityMap, which includes a detailed physical base map and planimetrics of New York City sourced from aerial photography. Through the utilization of NYCityMap and similar cutting-edge technologies, OTI collaborates with city agencies to launch numerous interactive websites and applications catering to diverse audiences and addressing a wide range of needs.

NYC311 Customer Service Center

311 is the nation's largest and most comprehensive government information and services center. It is available 24 hours a day, 7 days a week. New Yorkers can connect with 311 via online, mobile app, text, phone, or on social media. 311 continues to expand accessibility of government services to non-English speakers, with telephone translation services available in over 175 languages and with 311 Online available in more than 100 languages. Since its launch, 311 has received more than 570 million contacts and has been a clearinghouse for all things related to New York City government, providing information on more than 2,000 topics, routing details of public inquiries to the appropriate city agencies and providing customers with service request numbers to track the progress of their inquiry.

Mayor’s Office of Media and Entertainment

The New York City Mayor's Office of Media and Entertainment (MOME) streamlines government communications by making more information accessible, leveraging technology to aid in the transparency of government, and by supporting relevant industries in New York City. NYC Media, the official broadcast network and media production group of the City of New York, operates the city's five cable television channels, three broadcast television channels, and one FM radio station. MOME's Film Office supports New York City's film and television production industry and issues permits for the use of city property alongside their Press Credentials Office, which issues press credentials. The Creative Sector Programs Division oversees the agency's workforce and industry development programs.

Streamlining Agency Operations

OTI will continue to leverage the city's data centers, fiber optic network, and other resources to reduce costs for city agencies in need of internet access, data center hosting and management, e-mail, security and firewall solutions, disaster recovery sites, wireless solutions, and remote access. The OTI Capital Plan for 2025-2029 includes $443.9 million for infrastructure improvements associated with these citywide initiatives.

ECONOMIC DEVELOPMENT

Fostering economic development in New York City requires a multi-faceted approach, coordinated between multiple agencies. The two main entities responsible for economic development in the City are the Department of Small Business Services (SBS) and the New York City Economic Development Corporation (NYCEDC). SBS makes it easier for businesses in New York City to form, do business and grow by providing direct assistance to business owners, fostering neighborhood development, seeking to reduce regulatory burdens, and linking employers to a skilled and qualified workforce. NYCEDC's mission is to encourage inclusive economic growth throughout the five boroughs of New York City by facilitating investments that create jobs and strengthen neighborhoods.

The Department of Small Business Services (SBS)

SBS helps unlock economic potential and create economic security for all New Yorkers by connecting people to jobs, creating stronger businesses, and building thriving neighborhoods across the five boroughs. SBS operates the City's NYC Business Solutions Centers, Industrial Business Solutions Providers and Workforce1 Career Centers; provides grants and services to support the growth of local community and economic development organizations throughout the City; oversees the largest network of Business Improvements Districts (BIDs) in the country; and administers the Minority and Women-owned Business Enterprise (M/WBE) Program. In addition, SBS's budget supports the Office of Nightlife (ONL), the Mayor's Office of Talent and Workforce Development (MOTWD), the Mayor's Office of Minority and Women-owned Business Enterprises (MOMWBE), and the Mayor's Office of Environmental Remediation (MOER).

SBS also contracts with NYCEDC, NYC Tourism + Conventions, the Trust for Governors Island (TGI) and the Brooklyn Navy Yard Development Corporation (BNYDC), to bolster economic development in the five boroughs.

New York City Economic Development Corporation (NYCEDC)

NYCEDC is a not-for-profit organization under contract with SBS. It manages City-owned properties; invests in major infrastructure upgrades and capital projects; conducts area-wide planning and real estate development; and works to support the City's major business sectors. NYCEDC addresses challenges faced by industries through analysis of current economic trends, development of strategies and solutions, and implementation of programs that help businesses thrive and grow. Through the New York City Industrial Development Agency (NYCIDA) and Build New York City Resource Corporation (Build NYC), NYCEDC helps eligible businesses meet financing needs for property acquisition, new equipment, renovation and working capital through low-cost tax-exempt bonds and exemptions and abatements of selected City and State taxes.

Brooklyn Navy Yard Development Corporation (BNYDC) and Trust for Governors Island (TGI)

SBS also contracts with the BNYDC and the TGI for the purposes of economic development and rehabilitating City-owned assets. Since 1981, BNYDC has operated the Brooklyn Navy Yard on behalf of the City and has diversified the types of businesses that operate at the Navy Yard. Currently, over 550 businesses employ over 13,000 people at the Navy Yard's 300-acre campus, generating $2.5 billion per year in economic impact for the City.

In 2011, the City of New York assumed responsibility for the development and operation of Governors Island, located in Upper New York Harbor. Since assuming control of the Island, the City has made major investments at the Island to increase public access and to prepare it for future development. With these investments, TGI has fortified the Island against natural disasters, rehabilitated the Island's electrical and maritime infrastructure, created new parkland, stabilized historic buildings, and attracted private development. Capitalizing on these investments, the Island is poised to serve as the anchor to NYC's efforts to mitigate climate change by housing The New York Climate Exchange.

Financial Review

The 2026 Executive Budget provides $227.1 million for operating expenses at SBS, comprised of $183.1 million of City funding and $44 million of non-City sources. The SBS operating budget includes allocations for NYCEDC, the Mayor's Office of Environmental Remediation (MOER), NYC Tourism + Conventions, TGI, the Mayor's Office of Talent and Workforce Development (MOTWD), the Mayor's Office of Minority and Women-owned Business Enterprises (MOMWBE), and the Office of Nightlife (ONL).

Capital commitments of $3.4 billion are forecast in the 2026-2029 Capital Plan. Of this amount, $2.8 billion reflects City capital commitments. The remaining $0.6 billion reflects Federal and State commitments.

Expense Budget Highlights

SBS

Workforce Development Division (WDD)

- In partnership with the Mayor's Office of Talent & Workforce Development (MOTWD), the Workforce Development Division helps New Yorkers build careers by training local residents to acquire skills in growing fields, connecting jobseekers to employers with open positions, and developing job search skills through resume and interviewing workshops. The 2026 Executive Budget provides $58.4 million in City and Federal funds to this division in 2026.

Division of Business Services (DBS)

- The Business Services Division helps businesses to start, operate, and grow by connecting entrepreneurs to resources. SBS' services include business courses, legal services, assistance interpreting government rules and regulations, and helping entrepreneurs apply for funding to launch or grow a business. The 2026 Executive Budget provides $30.6 million in City and Federal funds to this division in 2026.

Neighborhood Development Division (NDD)

- The Neighborhood Development Division supports community-based organizations throughout New York City to strengthen commercial corridors and build vibrant neighborhoods. SBS does this by overseeing 76 Business Improvement Districts (BIDs); offering training, tools, and one-on-one assistance to local community-based organizations; administering grant programs to strengthen and revitalize commercial districts; and working with community partners to identify local commercial district needs and plan targeted solutions. The 2026 Executive Budget provides $13.9 million in City and Federal funds to this division in 2026.

Division of Economic and Financial Opportunity (DEFO)

- In partnership with the Mayor's Office of Minority and Women-owned Business Enterprises (MOMWBE), the Division of Economic and Financial Opportunity (DEFO) certifies minority- and women-owned businesses (M/WBEs) and helps them compete for government contracts by providing technical assistance. The office serves as a One-Stop resource for M/WBEs interested in doing business with the City and its agencies. The 2026 Executive Budget provides $12.8 million in City and Federal funds to this division in 2026.

NYCEDC

- NYCEDC derives revenues primarily from the management of City-owned property, financing fees, and land sale proceeds. Through a contract with SBS, the Executive Plan will provide NYCEDC $52.0 million in City, Federal, and State funds in 2026. Proceeds will continue to support EDC's efforts to activate economic potential, support burgeoning industries and effectively manage City assets.

NYC Tourism + Conventions (NYCT+C)

- Through a contract with SBS, NYC Tourism + Conventions (formerly NYC & Company) will receive $21.6 million in City funding in 2026 for its work to promote the City as the country's premier tourist destination. The agency rebranded as New York City Tourism + Conventions to create a more visitor-focused brand strategy and approach to promoting the City. NYCT+C serves as the City's official marketing organization and provides partnership services to events and local businesses across the five boroughs.

Trust for Governors Island (TGI)

- Through a contract with SBS, the 2026 Executive budget will provide TGI $15.8 million in City funding towards the management and operation of the Island in 2026, as well as capital funds for further investment in infrastructure, improvement of the ferry landings, and restoration of landmark buildings.

Brooklyn Navy Yard Development Corporation (BNYDC)

- BNYDC receives no direct operating funds from the City, deriving revenues primarily from the management of City properties. Through a contract with SBS, BNYDC will receive capital funds for investments in infrastructure. BNYDC retains and attracts manufacturing business in NYC by providing space and a stable environment for the Yard's tenants to grow.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

			($ in 000's)		Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$31,255	$38,049	$36,964	$38,376	$327	$1,412
Fringe Benefits	—	—	—	—	—	—
OTPS	253,113	301,743	145,162	188,714	(113,029)	43,552
Total	**$284,368**	**$339,792**	**$182,126**	**$227,090**	**($112,702)**	**$44,964**
Funding						
City	$197,380	$217,102	$136,850	$181,486	($35,616)	$44,636
Other Categorical Grants	20,306	—	—	—	—	—
IFA	—	—	—	—	—	—
State	—	1,688	—	—	(1,688)	—
Federal CD	3,018	6,238	2,911	2,986	(3,252)	75
Federal Other	56,762	102,103	40,728	40,981	(61,122)	253
Intra-City Other	6,902	12,661	1,637	1,637	(11,024)	—
Total	**$284,368**	**$339,792**	**$182,126**	**$227,090**	**($112,702)**	**$44,964**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$10,988	$12,598	$13,167	$13,403	$805	$236
Pensions	3,940	4,346	5,319	5,049	703	(270)
Other Than Personal Service (OTPS)						
Debt Service	89,432	150,174	171,674	127,556	(22,618)	(44,118)
Total Additional Costs	**$104,360**	**$167,118**	**$190,160**	**$146,008**	**($21,110)**	**($44,152)**
Funding						
City	100,412	159,194	183,090	139,751	(19,443)	(43,339)
Non-City	3,948	7,924	7,070	6,257	(1,667)	(813)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$31,255	$38,049	$36,964	$38,376	$327	$1,412
Fringe Benefits	10,988	12,598	13,167	13,403	805	236
Pensions	3,940	4,346	5,319	5,049	703	(270)
Total PS	**$46,183**	**$54,993**	**$55,450**	**$56,828**	**$1,835**	**$1,378**
OTPS	$253,113	$301,743	$145,162	$188,714	($113,029)	$43,552
Debt Service	89,432	150,174	171,674	127,556	(22,618)	(44,118)
Total OTPS	**$342,545**	**$451,917**	**$316,836**	**$316,270**	**($135,647)**	**($566)**
Total Agency Costs	**$388,728**	**$506,910**	**$372,286**	**$373,098**	**($133,812)**	**$812**
Less Intra-City	6,902	12,661	1,637	1,637	(11,024)	—
Net Agency Cost	**$381,826**	**$494,249**	**$370,649**	**$371,461**	**($122,788)**	**$812**
Funding						
City	297,792	376,296	319,940	321,237	(55,059)	1,297
Non-City	84,034	117,953	50,709	50,224	(67,729)	(485)
Personnel (includes FTEs at fiscal year-end)						
City	228	281	280	293	12	13
Non-City	92	114	111	111	(3)	—
Total	**320**	**395**	**391**	**404**	**9**	**13**

Capital Review

The primary goal of the Ten-Year Capital Strategy is to encourage development that creates and retains jobs in New York City, bolster the City's tax base, and maintain City-owned facilities in a state of good repair. The 2026-2035 Ten-Year Capital Strategy totals $6.6 billion in capital funding, including $5.9 billion in City capital commitments, as well as $0.5 billion in Federal and $0.1 billion in State funds.

The following chart reflects actual commitments through Fiscal Year 2025 and planned commitments for the Fiscal Years 2026-2029 period by major function.

Capital Commitments
($ in 000's)

	2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Neighborhood Revitalization	$206,899	$209,271	$209,534	$217,110	$109,069	$132,018	$94,844	$99,844	$219,433	$229,433
Waterfront Development	$124,099	$149,333	$110,218	$158,948	$178,834	$183,766	$144,558	$144,558	$139,575	$139,575
Industrial Development	$138,791	$252,829	$154,444	$158,113	$179,543	$181,079	$118,494	$118,494	$109,395	$109,395
Commercial Development	$27,975	$27,710	$73,172	$73,172	$45,575	$45,575	$167,033	$167,033	$52,803	$56,573
Miscellaneous	$151,774	$183,919	$171,691	$171,691	$90,931	$90,935	$23,298	$23,298	$74,705	$74,705
Community Development	$9,139	$9,062	$11,872	$11,872	$27,362	$27,362	$10,000	$10,000	$30,474	$30,474
Market Development	$19,108	$20,773	$32,317	$128,817	$27,898	$220,148	$31,386	$126,386	$47,986	$149,736
Cultural Development	$5,769	$5,769	$28,809	$28,809	$24,429	$24,429	$24,250	$24,250	$23,495	$23,495
Total	**$683,554**	**$858,666**	**$792,057**	**$948,532**	**$683,641**	**$905,312**	**$613,863**	**$713,863**	**$697,866**	**$813,386**

Highlights of the Ten-Year Capital Strategy and 2026-2029 Four-Year Capital Plan:

The 2026-2035 Ten-Year Capital Strategy allocates $868.5 million to modernize the Hunts Point Food Distribution Markets, of which $692.5 million is budgeted in the 2026-2029 Four-Year Capital Plan. This includes $340.0 million in Federal Grant funding, $130.0 million in State Grant funding and $135.9 million in City capital funding to redevelop the Hunts Point Produce Market.

A total of $212.8 million is budgeted in the Ten-Year Capital Strategy for Phase II of the ongoing development of Willets Point, including upgrades to sewers, watermains, and new streets; $177.8 million is allocated to the 2026-2029 Four-Year Capital Plan.

A total of $211.7 million is allocated in the Ten-Year Capital Strategy for Bush Terminal, including ongoing development of Buildings A and C ($99.4 million) and other amenities for tenants ($16.2 million).

A total of $174.4 million is budgeted in the Ten-Year Capital Strategy for development of and improvements to the Brooklyn Army Terminal. Funding includes tenant space activation and critical infrastructure and resiliency projects in Buildings A and B ($159.3 million).

A total of $161.9 million is allocated in the in the Ten-Year Capital Strategy for the Brooklyn Marine Terminal, including $109.2 million in City local match funding to be applied to an awarded $163.9 million Federal MEGA grant to rehabilitate and rebuild piers and improve traffic circulation at the Terminal.

A total of $497.3 million in the Ten-Year Capital Strategy, of which $146.8 million is in the 2026-2029 Four-Year Capital Plan for the development of the Manhattan Greenway, a continuous 32.5-mile route around Manhattan intended to transform the waterfront into a green attraction for recreational and commuting use.

A total of $92.2 million in the Ten-Year Capital Strategy, of which $75.3 million is in the 2026-2029 Four-Year Capital Plan for infrastructure work related to the NYC Ferry Service, including the ongoing construction of the second Ferry homeport ($36.4 million).

A total of $587.7 million is allocated in the 2026-2035 Ten-Year Capital Strategy, of which $270.3 million is in the 2026-2029 Four-Year Capital Plan, for the rehabilitation of existing structures, public access improvements, and infrastructure upgrades to support future redevelopment at Brooklyn Navy Yard.

A total of $346.1 million is allocated in the Ten-Year Capital Strategy, of which $313.1 million is in the 2026-2029 Four-Year Capital Plan, for the rehabilitation of existing structures, public access improvements, and infrastructure upgrades to support public open space and future redevelopment at Governors Island. This includes $123.0 million for infrastructure improvements to support the development and construction of the New York Climate Exchange.

LIBRARIES

The City of New York funds three independently operated public library systems, each administered by a separate board of trustees. The Brooklyn Public Library (BPL) oversees the operation of 61 branches, a Central Library and the Center for Brooklyn History. The New York Public Library (NYPL) is made up of 88 neighborhood branches throughout the Bronx (35 branches), Manhattan (40 branches), and Staten Island (13 branches), and four research centers located in Manhattan. NYPL's four research centers are the Stephen A. Schwarzman Building, the New York Public Library for the Performing Arts, the Schomburg Center for Research in Black Culture, and the Thomas Yoseloff Business Center. The Queens Public Library (QPL) consists of 62 branches including a Central Library, seven adult learning centers, a technology lab, a community learning center at the Ravenswood public housing complex, a universal pre-kindergarten, a teen library and four teen centers.

Financial Review

The Libraries' 2026 Executive Budget provides for operating expenses of $496.8 million, a decrease of $2.2 million below the amount forecasted in 2025. Capital commitments of $308.0 million are also provided, an increase of $46.5 million above the 2025 Plan amount.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- In 2026, the operating subsidy for the Brooklyn Public Library will be $138.0 million.
- In 2026, the operating subsidy for the New York Public Library will be $181.2 million.
- In 2026, the operating subsidy for the New York Public Library's research libraries will be $35.7 million.
- In 2026, the operating subsidy for the Queens Public Library will be $142.0 million.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

($ in 000's)

	2024 Actual	2025 Forecast	2026 Preliminary Budget	2026 Executive Budget	Increase/(Decrease) 2025 Forecast	Increase/(Decrease) 2026 Preliminary Budget
Expenditures						
Salary and Wages	$—	$—	$—	$—	$—	$—
Fringe Benefits	—	—	—	—	—	—
OTPS	461,575	498,931	480,334	496,760	(2,171)	16,426
Total	**$461,575**	**$498,931**	**$480,334**	**$496,760**	**($2,171)**	**$16,426**
Funding						
City	$457,508	$489,852	$480,301	$496,727	$6,875	$16,426
Other Categorical Grants	728	437	—	—	(437)	—
IFA	—	—	—	—	—	—
State	—	1	—	—	(1)	—
Federal CD	—	—	—	—	—	—
Federal Other	—	7	—	—	(7)	—
Intra-City Other	3,339	8,634	33	33	(8,601)	—
Total	**$461,575**	**$498,931**	**$480,334**	**$496,760**	**($2,171)**	**$16,426**
Additional Costs Centrally Funded						
Other Than Personal Service (OTPS)						
Fringe Benefits	$2,508	$2,835	$3,114	$3,022	$187	($92)
Pensions	28,942	36,283	35,682	35,682	(601)	—
Debt Service	76,341	77,185	88,845	99,520	22,335	10,675
Total Additional Costs	**$107,791**	**$116,303**	**$127,641**	**$138,224**	**$21,921**	**$10,583**
Funding						
City	106,571	114,637	126,408	137,009	22,372	10,601
Non-City	1,220	1,666	1,233	1,215	(451)	(18)
Full Agency Costs (including Central Accounts)						
Fringe Benefits	$2,508	$2,835	$3,114	$3,022	$187	($92)
OTPS	461,575	498,931	480,334	496,760	(2,171)	16,426
Pensions	28,942	36,283	35,682	35,682	(601)	—
Debt Service	76,341	77,185	88,845	99,520	22,335	10,675
Total OTPS	**$569,366**	**$615,234**	**$607,975**	**$634,984**	**$19,750**	**$27,009**
Total Agency Costs	**$569,366**	**$615,234**	**$607,975**	**$634,984**	**$19,750**	**$27,009**
Less Intra-City	3,339	8,634	33	33	(8,601)	—
Net Agency Cost	**$566,027**	**$606,600**	**$607,942**	**$634,951**	**$28,351**	**$27,009**
Funding						
City	564,079	604,489	606,709	633,736	29,247	27,027
Non-City	1,948	2,111	1,233	1,215	(896)	(18)
Personnel (includes FTEs at fiscal year-end)						
City	—	—	—	—	—	—
Non-City	—	—	—	—	—	—
Total	—	—	—	—	—	—

* *The 2026 Executive Budget provides an estimated 4,314 full-time and full-time equivalent positions, which are funded with City subsidies.*

Programmatic Review and Service Impact

The three library systems will continue to provide services throughout the five boroughs at existing branches and at recently opened or rehabilitated libraries:

- NYPL opened a fully-renovated 20,000 square-foot Inwood Library as an essential component to an affordable housing development in June 2024.

- As of February 2025, NYPL has completed full renovations of five, 100-plus-year-old historic Carnegie branches in high-needs areas: Melrose and Hunts Point in the Bronx, Fort Washington and 125th Street in Manhattan, and Port Richmond in Staten Island.

- QPL added 700 square feet to the Mitchell Linden Computer Center, expanding it to about 8,400 square feet.

- QPL continued prioritizing upgrading locations with external Wi-Fi extenders, now available at 60 locations.

- BPL plans to complete the renovation of the Red Hook branch by summer 2025.

- BPL completed an infrastructure upgrade and is self-managing an extensive interior overhaul of the Ryder Branch. The branch is expected to reopen in late 2025.

The three library systems continue to provide a variety of community programming throughout the five boroughs:

- Brooklyn Public Library continued to play an integral role in the lives of Brooklynites in 2024. BPL had nearly 6 million visitors and hosted over 73,000 programs with an attendance of 817,000 individuals. Circulation remains robust with over 9,600,000 materials and e-books circulating last year. Finally, BPL issued a record 238,926 new library cards. BPL in partnership with the Fifth Avenue Committee opened the new Sunset Park Library and Apartments. The historic project, the first of its kind in New York City, establishes a new development model under which the creation of 100 percent affordable housing is paired with new and expanded public library facilities. BPL also continues to press forward with its strategy to address significant deferred maintenance needs by partnering with the City to undertake self-managed capital grant projects with the redesign of the Canarsie, New Lots, Walt Whitman and Pacific branches continuing throughout 2026.

- The New York Public Library (NYPL) has been an essential presence in the Bronx, Manhattan, and Staten Island for over 125 years. Key performance indicators from the Mayor's Management Report such as circulation, program attendance, and library card registration have steadily risen since FY21. Recently renovated branches have seen these indicators rise as well. Since the Inwood Library reopened last June, it has registered 24,200 new patrons for library cards. Its average monthly visits have gone from 14,300 in 2019, its last year of full operation before closing for renovations, to 18,300 since it reopened. Since its grand opening in March 2022, Charleston branch on Staten Island has signed 7,255 New Yorkers up for new library cards. In FY24 the branch had 18,000 program attendees; this number has already reached 10,000 in the first half of FY25.

Through programs like story time, family literacy workshops, and Pre-K for all partnerships, New York City's libraries have established themselves as the leading providers of early literacy programs and services in the city. The NYPL After School program offers drop-in homework help, tutoring, career exploration services, and enrichment activities to students Monday through Thursday at over 50 locations. The Library's Teens 360º initiative aims to give youth places to socialize, receive support from adults, and gain exposure to new experiences they need to find their voice. An important aspect of this initiative is Teen Centers, which provide safe and stable access to free technology, spaces to gather and socialize, and academic support. Thanks to support received from the City as well as private funders, NYPL has opened over 20 Teen Centers in underserved neighborhoods.

NYPL's adult offerings vary across a range of professional development, skills-based, and hobby-focused services. This includes financial literacy resources, tax preparation assistance, one-on-one career services, and technology classes (TechConnect) that help patrons develop professional competencies, such as coding and website development, among others. In addition to in-person programming and services, the three systems offer virtual classes and online resources, which allow the Library to reach individuals who are unable to visit their local branch. The City's public libraries also provide vital resources for immigrants and undocumented New Yorkers such as English for Speakers of Other Languages (ESOL) and civics classes. Other offerings provide space for patrons to explore new hobbies or become more advanced in current ones. This includes writing groups, book clubs, knitting classes, movie nights and a range of activities for children such as STEAM activities, arts and crafts, scientific experiments, or 3D printing. Between the three library systems, programs such as digital literacy classes, book discussions, story times, financial literacy, computer classes, "Know Your Rights" forums, health and wellness programs, and music and arts events, are offered in over 20 languages, depending on the service and location. Programs may be offered in Arabic, American Sign Language, Bengali, Cantonese, English, French, Haitian Creole, Hebrew, Italian, Japanese, Korean, Mandarin, Nepali, Portuguese, Russian, Spanish, Tagalog, Urdu, and Yiddish.

- The demand for Queens Public Library's (QPL) in-person and digital services continued its post-pandemic rise in FY 2024, reflected by growth in the Library's key metrics. QPL saw more than 6.3 million visits to its locations, up 11.6 percent from FY 2023. Its circulation of books and other materials in digital and print formats rose 13 percent to 8.7 million, and the number of program sessions grew 5 percent to more than 56,000, attracting close to 970,000 attendees, an increase of 13 percent.

The Library's Wi-Fi usage skyrocketed more than 200 percent from the previous year, with 1.76 million sessions, reflecting the great need across the borough and the completion of our effort to install Wi-Fi extenders at each of our locations. In addition, new library card registrations rose 11.8 percent to nearly 103,800, QPL app installs shot up 10.5 percent to 31,000, and QPL website visits jumped 7.7 percent to 3.5 million.

Following the Mayor's substantial investment in teens in FY 2023, our teen program attendance soared by 176 percent. The renovations of the teen centers at Central, Cambria Heights, and Flushing and a new center at the Long Island City branch provide safe spaces for students to complete homework, build tech literacy, engage in college and career readiness programming, participate in civic and leadership initiatives, explore their creativity, and connect with peers and trusted adults. The Cambria Heights Teen Center launched our first-ever prom attire giveaway, "Prom x QPL," following the collection of 500 donated gowns, suits, and accessories at 12 QPL locations. These teen centers were modeled on our Far Rockaway Teen Library, which celebrated its "Sweet Sixteen" while highlighting artistic, musical, and other talents of local teens.

The Library amplified its efforts to fight censorship and book bans with the launch of a series of programs and events under the banner of "All Books Are Welcome Here." It also teamed up with Brooklyn Public Library, The New York Public Library, and Mayor Adams for a citywide digital Day of Action urging New Yorkers to stand up for the freedom to read.

With respect to improvements to tech and physical infrastructure, QPL introduced the Symphony Integrated Library System (ILS), replacing Virtua, its previous ILS software, after 16 years. The web-based software enhanced acquisitions management, circulation, cataloging, interlibrary loans, and borrowing activities, among other benefits.

QPL reopened the Steinway branch following an extensive renovation, expanded the Mitchell-Linden branch to accommodate a new computer center and reading area, and improved or opened gardens and outdoor spaces at six branches. It also unveiled a new Community Learning Center at the Ravenswood Houses in Astoria, focusing on workforce development, digital literacy, and re-entry services, to serve the needs of people who live and work in Long Island City and Astoria.

Capital Review

The 2026-2035 Ten-Year Capital Strategy totals $1.4 billion, which includes $876.0 million in the 2026-2029 Four-Year Plan. The table below reflects actual capital commitments for FY 2024 and planned capital commitments over the 2025-2029 period by program area.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Brooklyn Public Library	$40,864	$40,864	$98,024	$98,329	$156,848	$157,298	$34,483	$34,483	$46,778	$46,778	$88,004	$88,004
New York Public Library	$67,827	$67,827	$65,031	$65,031	$63,937	$63,937	$45,217	$45,217	$92,720	$92,720	$18,358	$18,358
NYPL Research Libraries	$5,146	$5,146	$7,664	$7,664	$9,526	$9,526	$698	$698	$300	$300	$140	$140
Queens Borough Public Library	$36,110	$36,110	$90,480	$90,480	$77,257	$77,257	$62,334	$62,334	$112,992	$112,992	$65,924	$65,924
Total	$149,950	$149,947	$261,199	$261,504	$307,568	$308,018	$142,732	$142,732	$252,790	$252,790	$172,426	$172,426

Highlights of the Four-Year Plan include:

Brooklyn Public Library (BPL):

The 2026-2035 Ten-Year Capital Strategy allocates $428.5 million for various renovations and improvements at BPL branches, including:

- Infrastructure upgrades at the Spring Creek Library ($11.6 million).
- Various infrastructure and accessibility improvements at Macon Branch Library ($10.8 million).
- HVAC replacement at the Cortelyou Library ($9.0 million).
- Phase two comprehensive renovation of the Central Branch Library ($47.1 million, in addition to $30.3 million in 2025).
- Complete overhaul and initial outfitting of the Brownsville Library ($26.4 million).

New York Public Library (NYPL), which includes projects in the Bronx, Manhattan, and Staten Island:

The 2026-2035 Ten-Year Capital Strategy allocates $418.3 million for various renovations and improvements at NYPL branches and research libraries, including:

- Third floor renovation of the Washington Heights Library in Manhattan ($2.5 million).
- Exterior rehabilitation at Hamilton Grange Library in Manhattan ($5.3 million, in addition to $0.5 million in 2025).
- Critical building systems upgrades at the Belmont Library in the Bronx ($1.5 million).
- HVAC replacement at New Dorp Library in Staten Island ($1.2 million, in addition to $0.1 million in 2025)
- Energy efficiency upgrades at the Schomburg Center for Research in Black Culture in Manhattan ($2.0 million, in addition to $0.1 million in 2025).

Queens Public Library (QPL):

The 2026-2035 Ten-Year Capital Strategy allocates $553.9 million for various renovations and improvements for QPL branches, including:

- The renovation and initial outfitting of the Baisley Park Branch Library ($9.8 million, in addition to $6.6 million in 2025).
- Exterior rehabilitation of the Ridgewood Branch Library ($5.2 million, in addition to $0.2 million in 2025).
- Renovations of the Astoria Branch Library ($15.5 million, in addition to $0.2 million in 2025).
- Comprehensive renovation of the Woodhaven Branch Library ($23.1 million).
- HVAC replacement at the North Hills Branch Library ($3.9 million).

THE DEPARTMENT OF CULTURAL AFFAIRS

The Department of Cultural Affairs (DCLA) is responsible for supporting and strengthening the City's vibrant cultural life through funding, technical assistance, and advocacy for more than 1,200 nonprofit cultural organizations across New York City, including museums, dance companies, theaters, performing arts organizations, botanical gardens, zoos, and a wide array of other cultural organizations.

The City supports operations at the 34 City-owned cultural institutions known as the Cultural Institutions Group (CIG). This group includes diverse organizations such as the Bronx Zoo, Queens Botanical Garden, Snug Harbor Cultural Center, Studio Museum Harlem, and Weeksville Heritage Center. In 2025, the City will welcome up to five additional organizations into the CIG.

DCLA provides support for capital improvements at more than 200 cultural organizations throughout the five boroughs. Funding is provided for infrastructure, renovation, expansion, equipment, and public art projects. In 2025, DCLA also provided program grants and support services for more than 1,000 cultural organizations citywide, including groups such as En Garde Arts, Gina Gibney Dance, Harlem Film House, Atlantic Theater, Exploring the Arts, Emit Theatre, Art Lab, Parachute Literary Arts, Bayside Historical Society, Brooklyn Queens Conservatory of Music, Bronx Documentary Center, Dancing Crane, and the Bronx Opera Company.

Financial Review

The Department of Cultural Affairs' 2026 Executive Budget provides for operating expenses of $215.1 million, a decrease of $40.1 million below the amount forecasted in 2025. Capital commitments of $292.5 million are also provided, a decrease of $8.6 million below the 2025 Plan amount.

Expense Budget Highlights

Budgetary Priorities: Providing Core Services

- The City's CIG institutions will receive operating support of $152.2 million, including $51.1 million in energy subsidies and $3 million reserved for up to five new member organizations.

- In the 2026 Executive Budget, various cultural organizations citywide will receive program grants totaling $53.2 million.

- The 2025 Executive Budget contains $9.7 million in operating funds for the Department of Cultural Affairs' staff, rent, supplies, and equipment.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$6,019	$6,473	$6,463	$6,463	($10)	$—
Fringe Benefits	—	—	—	—	—	—
OTPS	216,574	248,761	157,910	208,639	(40,122)	50,729
Total	**$222,593**	**$255,234**	**$164,373**	**$215,102**	**($40,132)**	**$50,729**
Funding						
City	$219,805	$253,937	$163,984	$214,713	($39,224)	$50,729
Other Categorical Grants	1,761	174	—	—	(174)	—
IFA	347	329	339	339	10	—
State	—	77	—	—	(77)	—
Federal CD	—	—	—	—	—	—
Federal Other	429	672	—	—	(672)	—
Intra-City Other	251	45	50	50	5	—
Total	**$222,593**	**$255,234**	**$164,373**	**$215,102**	**($40,132)**	**$50,729**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$2,216	$2,399	$2,531	$2,543	$144	$12
Pensions	11,687	12,246	12,741	12,689	443	(52)
Other Than Personal Service (OTPS)						
Debt Service	297,365	259,038	298,168	242,775	(16,263)	(55,393)
Total Additional Costs	**$311,268**	**$273,683**	**$313,440**	**$258,007**	**($15,676)**	**($55,433)**
Funding						
City	306,518	268,032	309,244	254,983	(13,049)	(54,261)
Non-City	4,750	5,651	4,196	3,024	(2,627)	(1,172)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$6,019	$6,473	$6,463	$6,463	($10)	$—
Fringe Benefits	2,216	2,399	2,531	2,543	144	12
Pensions	11,687	12,246	12,741	12,689	443	(52)
Total PS	**$19,922**	**$21,118**	**$21,735**	**$21,695**	**$577**	**($40)**
OTPS	$216,574	$248,761	$157,910	$208,639	($40,122)	$50,729
Debt Service	297,365	259,038	298,168	242,775	(16,263)	(55,393)
Total OTPS	**$513,939**	**$507,799**	**$456,078**	**$451,414**	**($56,385)**	**($4,664)**
Total Agency Costs	**$533,861**	**$528,917**	**$477,813**	**$473,109**	**($55,808)**	**($4,704)**
Less Intra-City	251	45	50	50	5	—
Net Agency Cost	**$533,610**	**$528,872**	**$477,763**	**$473,059**	**($55,813)**	**($4,704)**
Funding						
City	526,323	521,969	473,228	469,696	(52,273)	(3,532)
Non-City	7,287	6,903	4,535	3,363	(3,540)	(1,172)
Personnel (includes FTEs at fiscal year-end)						
City	61	72	72	69	(3)	(3)
Non-City	4	5	3	3	(2)	—
Total	**65**	**77**	**75**	**72**	**(5)**	**(3)**

* *The 2026 Executive Budget provides an estimated 1,360 full-time and full-time equivalent positions, which are funded with City subsidies.*

Programmatic Review and Service Impact

- As New York's cultural sector continues to strengthen the city's communities and drive its economy forward, DCLA continues to provide substantial levels of support for arts and cultural groups across the city.

  1. In 2025, Department of Cultural Affairs (DCLA) awarded $59.3 million to 1,078 cultural organizations across New York City, distributed through its annual Cultural Development Fund (CDF) grant making program. This round of CDF grants represents a record-setting investment in NYC's cultural community, and a recognition of the incredible value that arts and cultural activity brings to New York's diverse neighborhoods. Building on an ongoing effort to foster greater equity and fairness in the CDF process, 602 organizations received a renewal grant as part of a multi-year commitment. Previously, only larger organizations were eligible for multi-year grants, which guarantees a base level of support for groups in a renewal cycle and offers them greater stability. In all, the vast majority (73 percent) of eligible applicant groups received a CDF award, maintaining DCLA's commitment to supporting as many organizations across the five boroughs as possible.

  2. DCLA's partnership with the 34 members of the Cultural Institution's Group, which represents an array of cultural organizations – zoos, museums, science and heritage centers, botanical gardens, theaters and performing arts organizations – throughout the five boroughs of New York City has remained consistent. The CIGs continue to advance mission related work and fulfill their mandate to public service. As tourism and visitor ship continues its climb to pre-pandemic levels, the CIGs are helping to drive the City's recovery, providing the performances, exhibitions, and cultural programming that make New York such a vibrant and inviting place to live, work, and play.

  3. DCLA continues to support individual artists through the re-grant program with five local arts councils. In 2025, this includes nearly $3.4 million, distributed to artists, collectives, and other small organizations across the five boroughs – a 15% increase over the year before and a major investment in the artists who live and work in the city.

- In 2025, DCLA will celebrate the 10th Anniversary of its Public Artist in Residence (PAIR) Program. PAIR is a municipal residency program that embeds artists within city government to address civic challenges through creative solutions, leveraging artists' ability to collaborate, build community bonds, and foster dialogue. The current cohort of artists in residence includes Gabriel Barcia-Colombo at the Human Resources Administration – Fair Fares Program (HRA-FF), Singha Hon at the Mayor's Office of Equity & Racial Justice (MOERJ), Caitlyn McCain at the Commission on Human Rights (CCHR), and Immanuel Oni at the Administration for Children's Services (ACS).

- In 2025, DCLA's Percent for Art program, which commissions permanent public art in city facilities like schools, libraries, recreation centers, and parks, expects to complete eighteen new commissions. These include Jeffrey Gibson at the 40th Precinct in the Bronx, Creta McLain at the Port Richmond Library on Staten Island, vanessa german at the Shirley Chisholm Rec Center in Brooklyn, Pablo Helguera at the Far Rockaway Library in Queens, and Diana Schmertz at the 125th Street Carnegie Library in Manhattan.

- In 2025, DCLA will select artists for two additional monuments as part of the She Built NYC initiative, which honors women across all five boroughs. The project already includes a monument to Shirley Chisholm in Brooklyn's Prospect Park. The new commissions will honor jazz legend Billie Holiday at the Jamaica Performing Arts Center in Queens and Dr. Helen Rodriguez Trias, the first Latinx director of the American Public Health Association, at Lincoln Hospital in the Bronx. Monuments honoring Katherine Walker (Staten Island) and Elizabeth Jennings Graham (Manhattan) will follow soon after.

- Materials for the Arts (MFTA) collects millions of pounds of reusable materials from donors in and around NYC, diverting it from the landfill and providing them, free of charge, to thousands of arts organizations, nonprofits, social justice and social service organizations, NYC public schools, and City agencies. Thus far in Fiscal Year 2025, Materials for the Arts has received 3.7 million pounds of donations valued at $13.3 million. In 2024, there was a significant influx of donations from film and television after the writers' and actors' guild strike ended, with a rush to complete filming and wrap productions. So, while 2025 figures currently reflect a decline from 2024, MFTA is on track to reach a similar value and weight by the end of 2025.

Capital Review

The 2026-2035 Ten-Year Capital Strategy for the Department of Cultural Affairs totals $1.7 billion, which includes $877.3 million in the 2026-2029 Four-Year Plan, for 212 cultural organizations across the five boroughs. The table below reflects actual capital commitments for FY 2024 and planned commitments over the FY 2025-2029 period by program area.

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Department of Cultural Affairs	$268,189	$268,464	$249,547	$301,116	$289,173	$292,502	$139,831	$139,831	$285,198	$285,198	$159,789	$159,789
Total	**$268,189**	**$268,464**	**$249,547**	**$301,116**	**$289,173**	**$292,502**	**$139,831**	**$139,831**	**$285,198**	**$285,198**	**$159,789**	**$159,789**

Highlights of the Ten-Year Capital Strategy and Four-Year Plan:

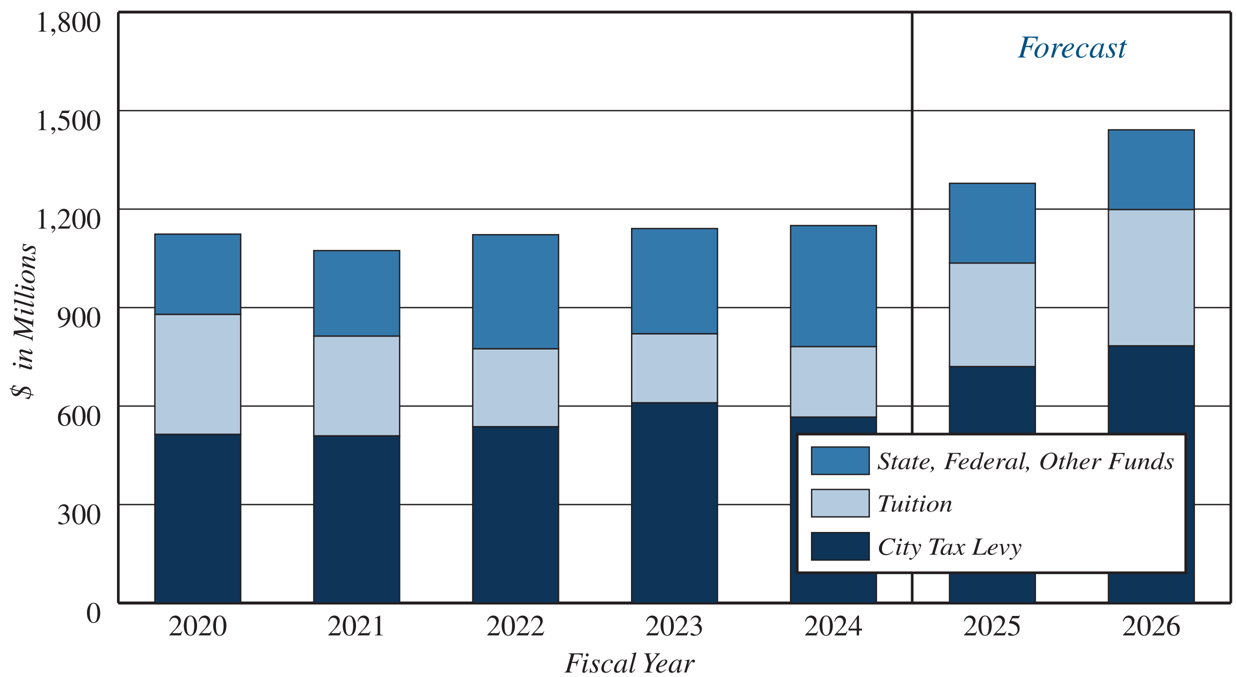
- Construction of a new building for the Children's Museum of Manhattan ($45.6 million).
- Restoration of the historic façade at Carnegie Hall ($27.0 million).
- Renovation of the American gallery and African Art gallery at the Brooklyn Museum ($61.7 million).
- Comprehensive renovation of the second- floor and lower-level of the Jewish Children's Museum ($18.6 million).
- Upgrades and improvements to the roof of the North Wing at New York Hall of Science ($9.9 million).
- Exterior renovation of the courtyard and roof at MoMa P.S.1 ($19.0 million).
- Buildout of a new World of Primates exhibit at the Bronx Zoo ($29.5 million).
- Reconstruction and fit-out of the Universal Hip Hop Museum ($21.5 million).
- Phase II installation of a geothermal system in Building B at the Staten Island Museum ($13.6 Million).
- Rehabilitation of the roof and exterior façade at the St. George Theatre ($7.9 Million, in addition to $1.0 million in 2025).

CITY UNIVERSITY OF NEW YORK

The City University of New York (CUNY) includes eleven senior colleges, seven community colleges, the School of Professional Studies, the Graduate Center, the Graduate School of Journalism, the Macaulay Honors College, the CUNY School of Law, the CUNY Graduate School of Public Health and Health Policy and the CUNY School of Labor and Urban Studies. CUNY also sponsors the Hunter College Campus Schools. The CUNY colleges, some of which date back to the nineteenth century, were federated in 1961. The University is governed by a 17-member Board of Trustees. Ten members are appointed by the Governor, five are appointed by the Mayor with the advice and consent of the New York State Senate, and two (the chairpersons of the Faculty and Student Senates) serve as ex-officio members.

CUNY is the largest municipal university system in the United States. More than 80 percent of the University's graduates stay in New York, contributing to all aspects of the City's economic, civic, and cultural life and diversifying the City's workforce in every sector. The University's historic mission continues to this day: provide a public first-rate education to all students, regardless of means or background. In 2025, CUNY serves more than 237,000 degree-seeking students with approximately 161,000 in the senior colleges and 76,000 in the community colleges as well as 224,000 continuing education students.

COMMUNITY COLLEGE EXPENDITURES BY SOURCE 2020 - 2026



** Funding which supports senior college and Hunter Campus Schools activities is not included here. Other Categorical and intra-city revenues are also excluded. City tax levy includes pension contributions which are budgeted in the Pension Agency and Collective Bargaining, Medicare Part B and Stabilization Fund contributions which are budgeted in the Miscellaneous Agency. Tuition includes Tuition and Fees. State and Federal dollars are combined and include Community Development funds.*

Source: NYC OMB

Financial Review

The City University of New York's 2026 Executive Budget totals $1,482.9 million, a net increase of $47.7 million from the 2025 forecast of $1,435.2 million. The senior college lump sum appropriation of $35 million remains unchanged from 2025. Additionally, $108.9 million in pension and other fringe costs attributable to higher education are budgeted in separate agencies, bringing CUNY's total 2026 budget to $1,591.8 million.

Revenue Forecast

Total non-City revenues for two-year colleges stays flat from 2025 to 2026 at $293.8M.

Expense Budget Highlights

The Executive Budget continues support for CUNY's mission to provide a vehicle of upward mobility for all New Yorkers, ensuring a quality, accessible education, regardless of background or means. Assisted by revenues generated through enrollment, State aid for the community colleges, and continuous efforts to promote efficiency, CUNY will continue to engage in programs with a particular focus on workforce preparedness in high-demand career fields and increased support for students.

The Executive Budget includes full baselined Program to Eliminate the Gap (PEG) restorations for PEGs taken since the 2023 Preliminary Budget to support CUNY's operations. These baselined PEG restorations exemplify the Administration's continued commitment to affordable, high quality higher education. These funds will ensure that CUNY has adequate funding to provide the appropriate service levels for programmatic initiatives and has appropriate personnel levels to support growing enrollment. Additional baselined funding is included in the Executive Budget to support increased labor costs associated with collective bargaining contract agreements, most notably PSC (Professional Staff Congress) and DC37 along with other union members who work at CUNY.

Additionally, student support initiatives like Accelerate Complete Engage (ACE) and the Accelerated Study in Associate Programs (ASAP) will continue to provide students with Metrocards, textbooks, tuition support for summer courses, and academic advisement and tutoring. These student-centered practices help to reduce the systemic barriers and personal responsibilities that preclude many senior and community college students from timely degree completion, making college more affordable and accessible for New Yorkers all across the City. Finally, one-time additions to the Executive Budget include additional operational support and continued support for Brooklyn Recovery Corps at Medgar Evers College, which provides internships with non-profits and small businesses in Central Brooklyn designed to spur economic recovery and growth.

Summary of Agency Financial Data

The following table compares 2026 Executive Budget with the 2026 Preliminary Budget, the 2025 forecast and actual expenditures for 2024, including fringe benefits, pensions, and debt service.

	($ in 000's)				Increase/(Decrease)	
			2026		2025	2026
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	Forecast	Preliminary Budget
Expenditures						
Salary and Wages	$664,089	$703,175	$688,934	$785,928	$82,753	$96,994
Fringe Benefits	189,218	231,005	226,863	270,748	39,743	43,885
OTPS	428,565	501,022	367,577	426,224	(74,798)	58,647
Total	**$1,281,872**	**$1,435,202**	**$1,283,374**	**$1,482,900**	**$47,698**	**$199,526**
Funding						
City	$742,175	$995,120	$960,692	$1,147,693	$152,573	$187,001
Other Categorical Grants	16,284	14,077	14,077	14,077	—	—
IFA	—	—	—	—	—	—
State	259,458	279,753	279,753	279,753	—	—
Federal CD	—	—	—	—	—	—
Federal Other	111,522	—	—	—	—	—
Intra-City Other	152,433	146,252	28,852	41,377	(104,875)	12,525
Total	**$1,281,872**	**$1,435,202**	**$1,283,374**	**$1,482,900**	**$47,698**	**$199,526**
Additional Costs Centrally Funded						
Personal Services (PS)						
Fringe Benefits	$3,932	$4,597	$4,837	$4,888	$291	$51
Pensions	93,003	93,603	104,774	104,040	10,437	(734)
Other Than Personal Service (OTPS)						
Debt Service	70,985	67,878	74,906	75,484	7,606	578
Total Additional Costs	**$167,920**	**$166,078**	**$184,517**	**$184,412**	**$18,334**	**($105)**
Funding						
City	167,003	164,760	183,542	183,547	18,787	5
Non-City	917	1,318	975	865	(453)	(110)
Full Agency Costs (including Central Accounts)						
Salary and Wages	$664,089	$703,175	$688,934	$785,928	$82,753	$96,994
Fringe Benefits	193,150	235,602	231,700	275,636	40,034	43,936
Pensions	93,003	93,603	104,774	104,040	10,437	(734)
Total PS	**$950,242**	**$1,032,380**	**$1,025,408**	**$1,165,604**	**$133,224**	**$140,196**
OTPS	$428,565	$501,022	$367,577	$426,224	($74,798)	$58,647
Debt Service	70,985	67,878	74,906	75,484	7,606	578
Total OTPS	**$499,550**	**$568,900**	**$442,483**	**$501,708**	**($67,192)**	**$59,225**
Total Agency Costs	**$1,449,792**	**$1,601,280**	**$1,467,891**	**$1,667,312**	**$66,032**	**$199,421**
Less Intra-City	152,433	146,252	28,852	41,377	(104,875)	12,525
Net Agency Cost	**$1,297,359**	**$1,455,028**	**$1,439,039**	**$1,625,935**	**$170,907**	**$186,896**
Funding						
City	909,178	1,159,880	1,144,234	1,331,240	171,360	187,006
Non-City	388,181	295,148	294,805	294,695	(453)	(110)
Personnel (includes FTEs at fiscal year-end)						
City	7,618	9,379	9,375	9,375	(4)	—
Non-City	—	—	—	—	—	—
Total	**7,618**	**9,379**	**9,375**	**9,375**	**(4)**	**—**

Capital Review

The City University of New York's 2026-2035 Ten-Year Capital Strategy totals $1.4 billion which includes $915.1 million in the 2026-2029 Four-Year Plan. Approximately 32 percent of CUNY's 2026-2029 capital funds are reflected in 2026, totaling $291.7 million. The table below reflects actual capital commitments for 2024 and planned capital commitments over the 2025-2029 period by program area.

Capital Commitments
($ in 000's)

	2024 Actuals		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
New School Construction	$ —	$ —	$28,000	$28,000	$95,468	$95,468	$101,858	$101,858	$125,856	$125,856	$130,000	$130,000
Renovation/Rehabilitation of Roofs, Classrooms, etc	30,145	30,145	141,774	145,913	166,904	166,904	96,662	96,662	110,663	110,663	21,168	21,168
Purchase & Installation of EDP and Other Equipment	2,660	2,660	13,192	13,192	29,298	29,298	17,358	17,358	18,619	18,619	1,238	1,238
Total	$32,805	$32,805	$182,966	$187,105	$291,670	$291,670	$215,878	$215,878	$255,138	$255,138	$152,406	$152,406

Community college critical maintenance and new capital construction projects approved by the City are eligible for an equal amount of State matching funds. The State provides its 50 percent share for such projects through annual State budget capital appropriations. The State's funds, provided through the independent sale of New York State Dormitory Authority (DASNY) bonds, are not represented in the City's capital plan.

The City University of New York's 2026-2035 Ten-Year Capital Strategy allocates $821.3 million for reconstruction projects. This includes $395.4 million in the 2026-2029 Four-Year Plan. Projects include:

- Bronx Community College - $31.4 million. Funds support improvements to the school's mechanical HVAC systems and controls to significantly enhance the air quality and energy efficiency at several buildings on campus.

- LaGuardia Community College - $24.3 million. Funds support the infrastructure upgrades needed at the Center 3 building to accommodate the buildout of three vacant floors for additional classrooms, labs, and offices.

- LaGuardia Community College- $14.5 million. Funds support the replacement of the HVAC System in the M Building of LaGuardia Community College, addressing outdated infrastructure to improve energy efficiency, system reliability, and indoor air quality.

- Kingsborough Community College - $8.9 million. Funds support the construction of a new campus-wide hot and chilled water loop system. The existing 1970s system is failing due to age and saltwater damage, causing leaks, energy loss, and rising HVAC costs.

- Medgar Evers College - $6.8 million. The project involves the rehabilitation of the Bedford Building Auditorium, including upgrades to architectural finishes, HVAC, lighting, sound, AV/IT, and fire alarm systems, with a focus on increasing seating capacity and optimizing functionality.

- Lehman College's Gillet and Carmen Lecture Halls - $6.7 million. Funds support the renovation and update of the Gillet Hall Auditorium and five lecture halls in Carmen Hall, upgrading them with multimedia capabilities, new seating, and ADA-compliant features. The project will enhance both spaces for distance learning and modern classroom needs.

- City College - $6.1 million. As part of a $50 million dollar renovation of Aaron Davis Hall the core building mechanical, electrical and plumbing systems, which are now over 40 years old are being replaced with new energy efficient systems that will provide the necessary reliability to allow Aaron Davis Hall to be fully utilized by not only City College, but also the broader community that City College serves.

- York College - $4 million. York's Track and Field is undergoing a multiphase rehabilitation of the facilities with a focus on both above ground facilities in direct contact with the users and the subsurface utilities that allow the track to operate efficiently. The upgraded track and field will eliminate the flooding issues that have hampered its use in the past and provide new monetization opportunities to allow York to expand on its academic offerings.

- Lehman College's Fine Arts Media Lab- $3 million. The project will build an expansion to the Fine Arts building to support the New Media Program. The spaces will include new classrooms, labs, and collaboration areas for digital content creation, with renovations to existing rooms for media teaching, project work, and faculty offices.

- LaGuardia Community College - $2.5 million. The project will replace the existing inoperable cooling tower and one of the two chillers, both of which are beyond their useful lives. This second chiller is critical for redundancy and necessary to maintain building occupancy during cooling seasons. The project will ensure reliable and efficient cooling, improve system performance, and support the building's operational needs year-round.

CUNY's Ten-Year Capital Strategy allocates $475.7 million for new school construction, including $453.2 million in the 2026-2029 Four-Year Plan. Projects include:

- Hunter College Brookdale campus - $434 million. Funds two million square feet of modern academic, healthcare, and life sciences space. The project will support the continued growth of the life sciences and healthcare industries in New York City by constructing new facilities and cultivating the city's talent pipeline in these industries.

CUNY's Ten-Year Capital Strategy allocates $66.6 million for data processing and equipment, including $66.5 million in the 2026-2029 Four-Year Plan. Projects include:

- Kingsborough Community College - $2.5 million. Funds support the replacement for the failing campus-wide fire hydrant system. The new system will ensure continuous fire protection during installation.

- School of Journalism Classroom Educational Technology Redesign- $2 million. This project will integrate the AV in all educational and campus presentation spaces by providing a quality technology experience that enables effective teaching and learning and regularly supports remote interaction when needed. It will provide the quality and access needed for various uses in the classrooms and newsrooms such as lectures and presentations, workshops, and conferences, including video conferencing and interaction among students, faculty, staff, and others, both on and off-campus.

- College of Staten Island - $1.9 million. This project will upgrade the existing fiber distribution plant across multiple locations, install new ducts and cabling, and replace switches, servers, and storage arrays on campus.

PENSIONS AND OTHER FRINGE BENEFITS

Pension Overview

The Executive Budget for 2026 includes $10,355 million in expenditures for City pension contributions, an increase of $424 million from the amount carried in 2025. The City's pension contributions for 2026 and beyond are based on the actuarial assumptions and methods set forth by the Chief Actuary in 2021, and reflect wage increases consistent with the City's most recent collective bargaining pattern, as well as adjustments in planned staffing levels, and the contribution impact of investment gains that occurred in 2024.

These projections also reflect a resetting of the actuarial value of assets equal to the market value of assets in 2019, referred to as the Market Restart. Investment gains or losses that have occurred since 2019 are phased-in over subsequent five-year period periods at 20 percent per year. These projections also incorporate updated post-retirement mortality tables per the Society of Actuaries (MP-2020).

In the table below: (1) $10,355 million in expenditures are for contributions to the City's five major retirement systems (City Actuarial Systems) that cover City employees and retirees; (2) $114 million in expenditures are for contributions to retirement systems not maintained by the City (Non-City Systems). This includes contributions to the State pension plan that cover employees of City libraries, contributions to the Cultural Institutions Retirement System that cover non-City employees of day care centers and certain cultural institutions, and contributions to the Teachers' Insurance and Annuity Association (TIAA) that cover certain CUNY employees and contributions to the City's Voluntary Defined Contribution program; and (3) less than a million in expenditures (Non-Actuarial) are primarily for supplemental benefits for certain retired uniformed members.

Pension Expenditures and Funding Sources
($ in 000's)

			2026		Increase/(Decrease)	
	2024 Actual	2025 Forecast	Preliminary Budget	Executive Budget	2025 Forecast	Preliminary Budget
Expenditures						
Personal Service						
City Actuarial Systems	$9,237,162	$9,931,752	$10,459,549	$10,355,499	$423,747	$(104,050)
Non-City Systems	90,469	102,230	113,875	113,875	$11,644	$ —
Non-Actuarial	67	350	350	350	—	—
Total	**$9,327,699**	**$10,034,332**	**$10,573,773**	**$10,469,724**	**$435,392**	**$(104,050)**
Funding						
City	$9,183,420	$9,890,053	$10,429,494	$10,325,445	$435,392	$(104,050)
State	32,025	32,025	32,025	32,025	—	—
Federal	-	-	-	-	—	—
Intra-City Other	112,254	112,254	112,254	112,254	—	—
Total	**$9,327,699**	**$10,034,332**	**$10,573,773**	**$10,469,724**	**$435,392**	**$(104,050)**

The City's five actuarial retirement systems are the New York City Employees' Retirement System, the New York City Teachers' Retirement System, the New York City Police Pension Fund, the New York City Fire Pension Fund, and the Board of Education Retirement System. These systems cover approximately 730,000 employees, retirees and beneficiaries of the City, the Department of Education, the City University System, and certain independent agencies. Each system is governed by a board of trustees and functions in accordance with applicable state and local laws. Annual pension contributions are made as required by statute based on an actuarial valuation of liabilities and assets.

Other Fringe Benefits

The City provides a number of fringe benefits to its employees, retirees and eligible dependents. City contribution amounts and terms of coverage are governed by various contractual, legal and collective bargaining provisions. In general, the City's Miscellaneous Expense Budget contains the budget appropriations for the fringe benefit expenditures on behalf of employees and retirees of the mayoral agencies. Separate allocations are included in the Department of Education, the City University system, NYC Health & Hospitals, and the various other covered organizations, libraries and cultural institutions, for the fringe benefit expenditures on behalf of their active and retired employees.

The City's basic health insurance program provides comprehensive major medical and hospitalization benefits to its employees, retirees and eligible dependents. In addition, the City makes annual contributions to union-administered welfare funds, which typically provide supplemental health insurance benefits to their members. Annual City contributions to the various welfare funds, as well as other supplemental benefit funds, conform to collective bargaining and labor agreements.

The City also makes the required employer contributions on behalf of its employees who are covered under federal Social Security. As required by New York State Workers' Compensation Law, the City pays wage replacement and medical benefits to employees who sustain on-the-job injuries. Under New York State Labor Law, the City provides up to 26 weeks in unemployment benefits (capped at statutory maximums) to eligible employees who lose their jobs due to economic reasons. Additional weeks can be provided during periods of high unemployment in the State. The City, as required by the Administrative Code, also pays for the medical costs of uniformed employees of the Police, Fire and Sanitation Departments who sustain injuries in the line of duty.

Retiree Health Benefits Trust Fund

The Retiree Health Benefits Trust Fund (the "Trust") was created in 2006 and began operating in 2007. The Trust is used to receive City deposits and make the annual pay as you go ("PAYGO") payments required to meet current year health insurance and supplemental welfare benefits expenses for retirees. The Trust was initially funded with $2.5 billion in City contributions: $1 billion in 2006 and $1.5 billion in 2007. Over the years, the City has consistently made annual contributions to the Trust, ensuring that there are sufficient assets in the Trust to meet the annual PAYGO obligation. In some years, the City made additional discretionary contributions into the Trust, while in certain years of fiscal stress, the City made a reduced contribution.

In 2024, the Trust paid out approximately $3.3 billion in benefit payments, and had a year-end balance of $5.0 billion. Assets in the Trust are used to offset the City's Other Postemployment Benefits (OPEB) obligations. OPEB exclude pensions, and include retiree health insurance premium payments, contributions to retiree welfare funds, and Medicare Part B reimbursements. As of the end of 2024, the City's reported net OPEB obligation was $98.2 billion. The City is not required to fund OPEB obligations on an actuarial basis, other than to meet its current year PAYGO payment.

Fringe Benefits

($ in 000's)

	2025 Forecast	2026 Executive	Increase/ (Decrease)
Workers' Compensation	$519,696	$562,696	$43,000
Health Insurance Plans	5,916,373	6,233,955	317,582
Uniform Allowances	16,373	16,373	—
Social Security Contributions	1,599,344	1,698,500	99,157
Unemployment Insurance Benefits	26,854	27,854	1,000
Supplementary Employee Welfare Benefits	767,947	787,842	19,896
Workers' Compensation - Other	51,500	53,500	2,000
Total	**$8,898,086**	**$9,380,720**	**$482,634**
Funding			
City	$8,031,897	$8,534,402	$502,505
Other Categorical	198,196	198,169	(28)
State	228,285	215,837	(12,448)
Interfund Agreements	85,066	85,347	281
Intra-City	85,525	87,041	1,516
Federal	269,117	259,926	(9,191)
• CD	50,638	52,016	1,378
• Other	218,479	207,910	(10,569)
Total	**$8,898,086**	**$9,380,720**	**$482,634**

JUDGMENTS AND CLAIMS

The Executive Budget for 2026 includes an appropriation of $823 million for expenditures on Judgments and Claims. These expenditures represent the City's payments to settle tort and contract liability claims. Tort expenditures cover both personal injury and property damage claims, and typically represent about 95 percent of total Judgment and Claims expenditures. The projections incorporate a substantial amount of claims expenditures attributed to NYC Health + Hospitals (H + H) for which H + H will reimburse the City.

The Office of Management and Budget (OMB) employs various statistical methods and financial models to estimate claims expenses. In addition, OMB consults the Law Department to obtain cost estimates for cases that are expected to settle for $1 million or greater. These are mainly serious personal injury cases that have been in litigation or on appeal for a considerable period of time. These cases represent a significant portion of total tort expenditures, but their relatively small volumes do not lend themselves to statistical analysis. Historical claim data contained on the Comptroller's Omnibus Automated Image Storage and Information System (OAISIS) are analyzed to determine annual settlement volumes and average cost per claim. Total expenditures are the product of the volume and average claim cost projections.

Analysis of Agency Budgets:

Covered Organizations

NEW YORK CITY HEALTH + HOSPITALS

NYC Health + Hospitals (Health + Hospitals), the largest municipal health system in the country, includes 11 acute care hospital sites, one long-term acute care hospital, five skilled nursing facilities, and over 30 Gotham Health community health centers. The system provides comprehensive health care services including preventive and primary care, behavioral health care, trauma care, high-risk neonatal and obstetric care, and burn care.

Health + Hospitals' acute care hospitals serve as major teaching hospitals. In addition, the system includes MetroPlus (a managed care plan), an Accountable Care Organization, a Certified Home Health Agency, and Correctional Health Services. Health + Hospitals is the city's single largest provider of care to Medicaid patients, mental health patients, and the uninsured, serving 1.2 million New Yorkers.

Financial Review

Health + Hospitals closed the first half of 2025 with a positive net budget variance of $134 million due to continued increases in inpatient and outpatient volume and Medicaid rate increases. Through December, the system's direct patient care receipts were $570 million better than the same period in 2024. This continues to build on the system's positive momentum, where revenues have increased year-over-year for the past several years.

Health + Hospitals' strategic initiatives associated with revenue cycle improvements, managed care contracting improvements, and value-based payments also remain on track. Through December, it has generated $502 million against a target of $1.2 billion for the full year, which the system expects to achieve.

Recent System-wide Achievements

The system had several other key accomplishments over the past year, which included:

- Hiring over 3,000 new union nurses since March 2023, replacing temporary agency nurses.
- Connecting 375 patients to permanent housing through "Housing for Health" last year.
- Providing short-term housing and access to medical care to nearly 290 patients through our medical respite program.
- Breaking ground on a new Gotham clinic in Far Rockaway, Queens that will serve 20,000 patients.
- Expanding the Lifestyle Medicine program to a total of 7 sites systemwide that will serve 4,000 patients
- Expanding our services for survivors of domestic violence by bringing behavioral health services to the city's domestic violence shelter system, providing on-site services to adults and children.
- Continuing to earn Medicare shared savings for reducing cost and providing high quality care for patients through its Accountable Care Organization (ACO).
- Beginning to open 16 school-based mental health clinics in NYC Public Schools that will serve over 6,000 students across the Bronx and Central Brooklyn.
- Completing the construction of a new floodwall at Metropolitan Hospital to protect against the next Superstorm Sandy.
- Opening 20 new wellness rooms and expanded wellness activity opportunities to support staff during the workday.
- Totaling enrollment of over 685,000 for our MetroPlus Health plan.
- Celebrating the five-year anniversary of NYC Care with enrollment increasing to over 140,000 members.
- All 18 eligible H+H facilities earned the "LGBTQ+ Healthcare Equality Leader" designation by the Human Rights Campaign Foundation's Healthcare Equality Index.
- All 11 of our hospital sites were recognized by US News & World Report as a "Best Regional Hospital for Equitable Access".
- Four of our hospitals were ranked by US News & World Report as high-performing for uncomplicated pregnancies.

- NYC Health + Hospitals/ Seaview was again ranked the #1 Nursing Home in New York State by Newsweek.

- Correctional Health Services (CHS) opened the first reentry and transition center on Rikers Island, to provide assistance and support for individuals upon their release from jail. In partnership with Premier Wireless & T-Mobile, CHS has distributed more than 1,000 free smartphones to clinically vulnerable New Yorkers to help them remain engaged in health care and stay connected to their social support networks upon their return to their communities.

Guaranteed HealthCare Plan

In August 2019, NYC Care was launched in the Bronx to guarantee health care at a low to no-cost to New Yorkers who do not qualify for or cannot afford health insurance in all five boroughs. Since then, the program expanded to Brooklyn and Staten Island in January 2020 and Queens and Manhattan in September 2020. Through December 2024, over 140,000 individuals are enrolled.

Expanding Ambulatory Care Services

Health + Hospitals continues to invest in new and current facilities to expand options for care to New Yorkers. In the last year, the system has:

- Continued operations at the system's three COVID-19 Centers of Excellence.

- Increased to over 442,000 unique primary care patients and improved specialty care access with nearly 438,000 e-consults.

Promoting Culturally Competent Care

Health + Hospitals has developed specialized programs to support culturally and linguistically responsive services that support the diverse healthcare needs of the City's residents. The Equity and Access Council, established in March 2020, provides strategic direction for the development of programs and initiatives aimed at eliminating barriers, institutional and structural inequities, and improving the health and well-being of underrepresented and marginalized communities. In 2024, the system continued to build on its work for embedding equity into the system's strategic priorities serving as a core foundational element to the Health + Hospitals' vision, mission, and values. The work of the Equity and Access Council is focused on the following priority areas:

- Workforce Diversity – initiatives to attract, retain, and develop talent.

- Workplace Inclusion – strategies to promote inclusive practices.

- Equity of Care – strategies to eliminate inequities. For example, Health + Hospitals is improving care for Sickle Cell Disease (SCD) through expansion of services for adult patients with SCD and enhanced transitions from pediatrics to adult SCD care.

- Monitoring and Evaluation – metrics to inform program improvements and service delivery models, identify populations in need of immediate attention, and drive evidence-based intervention initiatives.

The Office of Diversity, Equity & Inclusion supports the provision of culturally competent care via work on:

- Language Support services – over the phone, video remote, and onsite interpretation, health literacy, and translation services, Interpreter Training.

- Education & Workshops – staff and community training and events including Provision of Culturally Competent Care, Identifying and Managing Unconscious Bias, Diversity & Inclusion in Healthcare settings.

- LGBTQ+ Services – support and coordination of PRIDE Advisory Health council, Pride Health clinics and initiatives, Community Outreach and education.

- Veterans Support – veteran support services, veteran pop-up sites to promote disability and other benefits to our Veteran employees, patients, and community members.

- Disability Services Support – promotion of accessible options for patients with Disabilities, Disability awareness, outreach and marketing, Let's Talk Disability, Blind and low patient Experience.

- Workforce Diversity – outreach, internship coordination, partnership management with educational institutions, participation in outreach events with diverse groups (i.e. LGBT+, Disability-oriented healthcare recruitment fairs)

Correctional Health Services

In Calendar Year 2024, NYC Health + Hospitals/Correctional Health Services (CHS) continued to provide high-quality health care services to approximately 29,000 people in Department of Correction custody. CHS also continues to advance innovative health initiatives and remains a key partner in the City's efforts to reform the criminal-legal system. One notable such initiative is CHS' pioneering Outposted Therapeutic Housing Unit (OTxHU) initiative, which will bridge the gap between the care provided in the jails and inpatient hospitalization. These secure, clinical units will house patients who have serious health conditions and would benefit from close, regular access to the specialty and subspecialty care available in three NYC Health + Hospitals community facilities – Bellevue, Woodhull, and North Central Bronx. Construction at the Bellevue location was substantially completed in January 2025. Construction completion at the two remaining sites at Woodhull and North Central Bronx is targeted for 2027. The $910 million investment will result in a pioneering model in the care of persons in custody.

Another notable initiative is CHS' Just Home housing initiative that will provide permanent, supportive housing for medically complex people experiencing homelessness after they leave jail by revitalizing an unused building on the NYC Health + Hospitals/Jacobi hospital campus. Unhoused individuals with complex medical needs experience significant challenges securing safe and stable accommodations, and individuals with justice involvement face particular barriers when trying to reestablish themselves in the community. The Just Home project will help address these challenges while advancing Health + Hospitals' mission to care for the most vulnerable New Yorkers. In January 2024, the NYC Health + Hospitals Board of Directors approved the ground lease and service contract to the non-profit The Fortune Society to serve as the developer and service provider of Just Home – to utilize the $1 million in annual Justice-Involved Supportive Housing (JISH) funding secured by CHS.

MetroPlus

MetroPlus Health was ranked among New York City's highest-rated health plans for not only their exceptional clinical services, but also their dedication to the local community, and commitment to the reduction of health disparities by addressing the social determinants of health. In the past year, MetroPlus saw a decline in membership due to the end of the Medicaid recertification pause but still had more than 685,000 members as of October 2024. MetroPlus continues to work with H+H and its patients with enrollment and recertification to ensure continued continuity of care.

Capital Review

Highlights include:

- The NYC Health + Hospitals/Correctional Health Services Outposted Therapeutic Housing Unit (OTxHU) initiative at Bellevue, Woodhull, and North Central Bronx hospitals represent the largest capital project directly managed by the system to date. Substantial construction completion of the first of these units was achieved at NYC Health + Hospitals/Bellevue in January 2025. The first phase of construction at Woodhull, which made room for the unit on the hospital's 9th and 10th floors, was completed in October 2023; construction entailed renovating other spaces for Woodhull's relocated inpatient pediatrics unit, outpatient substance use program, and other administrative and support areas. Phase two is underway to fortify the roof at Woodhull for the recreation component of the Outposted Program while design of the units themselves is nearing completion. At the third location, Phase one of construction to make room for the units at NYC Health + Hospitals/North Central Bronx and finalization of design of the units are also underway. CHS is working toward the goal of completion of the units at Woodhull and North Central Bronx in 2027, assuming timely completion of design and barring significant unforeseen field conditions. $910 million in capital funding is allocated for this critical, innovative project.
- Health + Hospitals is leading the way in its decarbonization efforts, focusing on energy efficiency, renewable energy, and electrification projects that aim to reduce greenhouse gas emissions and enhance climate resilience. These efforts are part of a broader commitment under Local Law 97, NYC's 80x50 initiative, the NYC Carbon Challenge, and the Department of Health and Human Services pledge to achieve Net Zero emissions by 2050. Currently, various decarbonization projects are nearing completion at Bellevue, Harlem, and McKinney Hospitals. Comprehensive LED Lighting upgrades kicked off at the start of the year at Coler and Queens Hospitals and plans for similar projects are underway at Jacobi, Kings

County, and Metropolitan Hospitals. Additionally, the installation of a Solar PV system is slated to begin later this year at Woodhull Hospital. Lastly, design development of decarbonization measures at Elmhurst Hospital, Bellevue, and Kings County is progressing. These projects include the installation of energy-saving LED lighting fixtures with smart controls, updating outdated building automation systems with advanced heating and cooling control systems, refurbishing air handling units, transitioning from steam to more efficient hot water heating systems, integrating heat pump chillers, and, where feasible, adding solar photovoltaic systems. The successful rollout of these projects is expected to significantly reduce operational emissions across Health + Hospitals facilities, directly aligning with the emission reduction targets set by Local Law 97. This strategic approach not only demonstrates Health + Hospitals' leadership in decarbonization and sustainability but also its proactive role in contributing to a more sustainable and resilient New York City.

- NYC Health + Hospitals/Gotham continues to advance its mission to address the community's primary care needs by constructing a new primary care clinic in Far Rockaway. In our 2022 Community Health Needs Assessment (CHNA), Queens residents identified their top poor health outcomes as diabetes, high blood pressure, mental health issues, and obesity. In addition, our CHNA measured 57 percent of Queens residents have one or more chronic conditions, with cancer and heart disease among the leading causes of premature deaths. This clinic will provide Queens residents with a modern community-based health center that offers primary care, women's health, dental, vision, and mental health services. The construction of this clinic will result in increased healthcare access and better health results for the Queens community. A Design-Build vendor has been selected and the project is currently underway with construction expected to be completed in 2026.

- As a part of its commitment to providing high quality, safe and respectful care to women throughout the childbearing cycle, Health + Hospitals will renovate and expand the Labor and Birthing Units at Woodhull, Kings County, South Brooklyn Health (SBH), and Elmhurst hospitals. The renovation and expansion will provide mothers and infants with comfortable, state-of-the-art birthing suites where their healthcare needs before, during, and after childbirth will be met. This will ensure a positive birthing experience and better patient outcomes. The projects at SBH and Woodhull will be delivered utilizing the Design-Build delivery method, and the projects at Kings County and Elmhurst will be delivered utilizing Design-Bid-Build. SBH and Woodhull have both selected design build vendors and have executed contracts with each vendor, and the projects are underway with SBH scheduled for completion is 2026 and Woodhull in 2027. Elmhurst has awarded a construction contract for their project and is in active construction that is scheduled to be completed in 2027. Kings County is in the design stage and is expected to start construction in December 2026.

NEW YORK CITY TRANSIT

New York City Transit (NYCT) operates the most extensive public transportation system in the nation, which served approximately 1.5 billion subway and bus passengers in calendar year 2024, 1.2 billion on the subway alone. NYCT has been a component of the Metropolitan Transportation Authority (MTA) since the Authority's inception in 1968. The MTA is a New York State public authority responsible for coordinating and implementing a mass transportation program for New York City and seven neighboring counties. The other components of the MTA primarily serving New York City are the Staten Island Rapid Transit Operating Authority (SIRTOA) and the MTA Bus Company (MTABC). The MTA also includes the Long Island Rail Road (LIRR) and the Metro-North Commuter Railroad (MNR).

NYCT's subway system currently operates 24 hours a day, seven days a week, on over 665 miles of mainline track, serving 472 stations throughout the Bronx, Brooklyn, Manhattan, and Queens. The NYCT bus system comprises a fleet of 4,504 buses on 192 local, 17 Select Bus Service, and 32 express routes servicing more than 2,200 route miles across all five boroughs.

SIRTOA operates a 29-track-mile rapid transit line serving 21 stations on Staten Island and providing a connection to the Staten Island Ferry. SIRTOA served approximately 2.3 million passengers in 2024.

MTABC operates an extensive public bus transportation system throughout New York City, primarily in the Bronx, Brooklyn, and Queens. MTABC served approximately 84.3 million passengers in 2024. MTABC is primarily funded through farebox revenues and City subsidies.

MTABC currently operates 1,354 buses, all owned by the City. Service on 45 local, three Select Bus, and 42 express routes is available 24 hours a day, seven days a week. Since beginning operations in 2005, MTABC has significantly improved service and the City expects MTABC to continue making improvements to all facets of its operations, ensuring that service levels are up to the MTA's standards.

Financial Review

The City's financial plan includes $566.5 million for NYCT in fiscal year 2026. As NYCT operates on a calendar year (CY) basis, the financial plan below is presented in that format. The NYCT financial plan is funded through a combination of fare revenue, tax revenue, and direct subsidies. The MTA's plan for CY 2025 includes the following key elements:

- CY 2025 fare revenue is projected to be $3.6 billion, a four percent increase from the CY 2024 total of $3.5 billion.

- Tax revenues dedicated for NYCT's use are projected to total $5.8 billion; $2.2 billion from the regional Metropolitan Mass Transportation Operating Assistance Account (MMTOA), $505.5 million from the Petroleum Business Tax, and $410.2 million from the Urban Tax. Other State taxes and fees provide $2.7 billion including $1.9 billion from the Payroll Mobility Tax, $191.5 million from license, vehicle registration, taxi, and vehicle rental fees, $171.0 million to replace forgone revenues from exempting school districts and small businesses from the Payroll Mobility Tax, and $336.4 million from the taxi and for-hire vehicle congestion surcharge.

- The MTA assumes a City contribution to NYCT's operating budget for CY 2025 of $704.2 million, including $158.7 million in operating assistance as part of the City match to State "18b" aid ($35.0 million of which is IFA), $50.5 million for student fare discounts, $477.5 million for the Paratransit program, $13.8 million for elderly and disabled fare discounts, and $3.7 million for expenses incurred by NYCT on behalf of the NYPD Transit Bureau.

In addition to the very large indirect contributions the City makes to various MTA revenue sources, the following chart summarizes the City's direct subsidies to NYCT for CY 2025:

City Subsidies to NYCT, CY 2025
($ in Millions)

• Elderly and Disabled Subsidy	$13.8
• School Fare Subsidy	$50.5
• Operating Assistance	$158.7
• Police Reimbursement	$3.7
• Paratransit	$477.5
TOTAL	$704.2

Based on the MTA's February 2025 Financial Plan, NYCT projects that it will close CY 2024 with a cash surplus of $318.2 million. NYCT has cash surpluses of $216.0 million in CY 2025 and $344.9 million in CY 2026, followed by deficits of $491.7 million in CY 2027 and $769.6 million in CY 2028. This deficit is expected to be offset by gap-closing actions potentially including tax, fee, and further fare increases.

New York City Transit Financial Plan
($ in Millions)

	Calendar Years [1]				
	2024	2025	2026	2027	2028
REVENUES					
Fare Revenue [2]	$3,505.4	$3,636.7	$3,747.7	$3,818.0	$3,871.8
Other Operating Revenue	$2,517.6	$189.2	$189.1	$180.9	$184.2
Transit Tax and Other Subsidies	$5,702.3	$5,830.2	$6,235.3	$5,796.2	$6,799.0
City Subsidies	$717.4	$703.7	$751.1	$783.7	$821.7
State Subsidies	$285.4	$183.4	$183.4	$183.4	$183.4
TBTA Surplus Transfer	$719.3	$641.3	$610.3	$587.2	$541.7
Capital and Other Reimbursements	$1,428.6	$1,407.9	$1,412.3	$1,368.3	$1,388.4
TOTAL REVENUES	$14,876.0	$12,592.4	$13,129.2	$12,717.7	$13,790.2
EXPENSES					
Salaries and Wages	$4,566.8	$4,633.8	$4,730.5	$4,812.8	$4,924.1
Fringe	$3,418.2	$3,738.1	$4,004.7	$4,277.7	$4,561.1
Reimbursable Overhead	($304.4)	($295.6)	($296.1)	($282.3)	($286.6)
OTPS	$1,921.5	$1,912.3	$1,946.9	$2,003.1	$2,025.2
Paratransit Service Contracts	$614.2	$615.3	$647.6	$681.2	$727.1
Capital Reimbursable Expenses	$1,428.5	$1,408.0	$1,412.4	$1,368.6	$1,388.6
Transit Police	$4.7	$3.7	$3.7	$3.7	$3.7
Debt Service	$1,365.7	$1,110.9	$1,324.3	$1,487.5	$1,585.6
Depreciation [3]	$2,177.0	$2,192.0	$2,209.0	$2,227.0	$2,245.0
GASB Adjustments [4]	$172.7	$177.7	$187.7	$192.7	$197.7
TOTAL EXPENSES	$15,364.9	$15,496.2	$16,170.7	$16,772.0	$17,371.5
OTHER ACTIONS					
Balance before Adjustments	($488.9)	($2,903.8)	($3,041.5)	($4,054.3)	($3,581.3)
Gap-Closing Actions [5]	$170.0	$176.2	$340.4	$381.8	$423.3
Cash Flow Adjustments [6]	$637.1	$2,625.4	$2,830.0	$2,835.8	$2,880.2
Net Cash from Prior Year	$0.0	$318.2	$216.0	$344.9	($491.7)
SURPLUS/(DEFICIT)	$318.2	$216.0	$344.9	($491.7)	($769.6)

[1] NYCT provided all financial plan figures in February 2025. These figures are estimated values. Since the MTA operates on a calendar year basis (January-December), the values do not directly carry to the City's fiscal year (July-June).

[2] Includes fare media liability.

[3] Since February 2004, NYCT has included depreciation in its financial plan.

[4] Includes GASB 68 (Pension Expense), GASB 75 (OPEB Expense), and GASB 87 (Lease Expense) adjustments.

[5] Includes below-the-line items provided by NYCT such as presumed fare and toll increases, operating efficiencies, and federal reimbursements.

[6] Includes operating, depreciation, environmental remediation, and OPEB cash flow adjustments.

In addition to its contribution to NYCT, the City expects in CY 2025 to contribute $120.0 million directly to the MTA to maintain LIRR and MNR stations in the five boroughs and for operating assistance for the commuter railroads as part of the local match of State "18b" aid. Based on MTA's forecast, the City will provide $75.6 million for liabilities related to SIRTOA and $382.6 million for liabilities related to the MTABC. The City will also contribute $13.8 million for E-ZPass courtesy tags used by City agencies.

Overall, the City annually provides the MTA with almost $1.3 billion in direct subsidies and $1.4 billion of in-kind contributions (for the NYPD Transit Bureau, debt service for MTA capital projects, Fair Fares, and homeless outreach).

Capital Review

The City's 2026-2035 Ten-Year Capital Strategy totals $400.0 million for NYCT, which includes $160.0 million in the 2026-2029 Four-Year Plan. The City is funding the MTA's capital programs to support MTA's most essential work: bringing the mass transit system to a state of good repair, maintaining a normal replacement cycle, and improving quality of services. City capital funds are used in conjunction with other sources (Federal, State, and Private) toward MTA's capital programs.

The City's Ten-Year Capital Strategy for NYCT, SIRTOA, and MTABC includes funds for NYCT track work, $350.0 million for 2026-2035 ($140.0 million for 2026-2029).

The table below outlines the City's capital commitments to NYCT, SIRTOA and MTABC for the 2024-2029 period:

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Infrastructure	$1,417,756	$1,417,756	$254,435	$254,435	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$—
Trackwork	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Revolving Fund	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
MTABC	—	—	35,465	79,839	—	—	—	—	—	—	—	—
Total	**$1,457,756**	**$1,457,756**	**$329,900**	**$374,274**	**$40,000**	**$40,000**	**$40,000**	**$40,000**	**$40,000**	**$40,000**	**$40,000**	**$40,000**

NEW YORK CITY HOUSING AUTHORITY

The New York City Housing Authority (NYCHA), created in 1935, strives to operate and maintain safe, decent, and affordable housing for low- and moderate- income families in New York City.

NYCHA owns and operates the nation's largest public housing program. With 243 developments (152,926 apartments in 1,882 residential buildings), NYCHA houses 298,206 tenants throughout the city in their conventional federal Section 9 Public Housing Program. In traditional public housing supported by the Section 9 funding stream, the public housing authority (PHA, in this case NYCHA) receives funding from HUD based on a regulatory formula that broadly scales with the number of units in the PHA's portfolio. This federal funding stream from HUD supports the PHA's direct operations, repairs, and management of their properties.

The Authority also operates a federal Leased Housing (Section 8) Program, with approximately 107,979 rented apartments housing 223,114 residents. In the Section 8 Program, which funds rental assistance vouchers, PHAs provide federal rental subsidy to individuals and families who live in apartments in the private rental market. There are 26,933 landlords that participate in the Section 8 Program. Additionally, NYCHA also serves another 92 developments (24,639 apartments housing 46,455 residents) that have converted to Project-Based Section 8 through NYCHA's Permanent Affordability Commitment Together (PACT) program, which utilizes the federal Rental Assistance Demonstration (RAD) program. A more complete description of the PACT program can be found at the end of this section.

In 2019, the City, NYCHA, the U.S. Attorney's Office for the Southern District of New York (SDNY) and the U.S. Department of Housing and Urban Development (HUD) signed an Agreement that committed NYCHA to specific deadlines for addressing deficiencies with respect to lead-based paint, mold, heating, elevators, pests, waste management, and inspections. As part of the Agreement, the City committed an additional $2.2 billion in City capital to NYCHA through 2028, and the City later committed another $1.4 billion in funds through 2035. The City is committed to providing an additional $200 million a year for the duration of the Agreement. The Agreement can only be terminated if HUD, after consultation with SDNY and the U.S. Environmental Protection Agency, determines that NYCHA has been in substantial compliance with its obligations outlined in the Agreement for at least the prior twelve months.

In 2021, the City and NYCHA finalized a spending plan – known as the City Capital Action Plan – for the first 10 years of funding provided through the Agreement (totaling $2.2 billion). NYCHA's Federal Monitor, installed as part of the Agreement, approved this plan in May 2021, after consulting with HUD and SDNY.

Financial Review

The City provides ongoing operating support to NYCHA out of the Department of Housing Preservation and Development (HPD)'s expense budget through a combination of city tax levy revenue and federal grants. In 2026, funding support to NYCHA flowing through the City's budget will total $378 million, $322 million of which is made up of city tax levy funding and another $56 million is made up of all other sources. The City's funding covers both broad support to the Authority, such as covering the cost of prior collective bargaining adjustments, and discrete initiatives, such as rehabbing vacant units upon turnover. NYCHA also receives substantial federal resources that do not flow through the City's budget and are not highlighted here.

Expense Budget Highlights

The expense highlights in this section cover City support to NYCHA through HPD's expense budget and foregone payments to the City.

- In 2026, the City allocated $299 million to cover the costs of collective bargaining adjustments for settled unions. This funding is equal to the sum of all previous collective bargaining adjustments added to the city budget for NYCHA through the 2010-2017, 2017-2021 and 2021-2025 rounds of bargaining.

- Through a partnership between HRA, DHS, and NYCHA, the City covers the cost of rehabbing vacant NYCHA units when a tenant moves out to expedite the preparation of that unit for new tenants. The City allocated $15 million in 2026 for this program. An additional $60 million in capital funding are available to support this initiative in 2026. NYCHA sets aside a number of units each year to house families referred by DHS who are experiencing homelessness to help reduce the shelter census population.

- Starting in 2014, the City eliminated and forwent NYCHA's payment to the New York City Police Department (NYPD) for police operations in and around NYCHA developments. Since 2015, the City similarly eliminated and forwent NYCHA's payment in-lieu of taxes obligation to the City. Both eliminations help support NYCHA's operating budget at a projected impact to the City of $105 million annually. This consists of $72 million for the elimination of NYCHA's payments to the NYPD for policing services at NYCHA developments and $33 million for the elimination of NYCHA's payment in lieu of taxes for NYCHA properties.

- In 2026, the City allocated $55 million of its federal Community Development Block Grant (CDBG) and CDBG Disaster Recovery allocation to NYCHA to address rehabilitation projects and other needs at various developments.

Capital Review

Capital in NYCHA's Budget

The City's 2026-2035 Ten-Year Capital Strategy totals $3.6 billion in city capital funding, including $2.1 billion in the 2026-2029 Four-Year Plan. NYCHA will use its city resources to target its most essential work of bringing its public housing stock to a state of good repair and making progress towards the requirements of the Executed Agreement. NYCHA will also leverage funding from their annual federal capital allocations from HUD as well as state appropriations for heating and elevator work to address the $78.3 billion need of their entire capital stock. The City's 2026-2035 Ten-Year Capital Strategy and 2026-2029 Four-Year Capital Commitment Plan for NYCHA includes the following key elements:

- Funding of $2.5 billion in the 2026-2035 Ten-Year Capital Strategy to directly help NYCHA meet their obligations under the 2019 Executed Agreement. This includes $1.2 billion in the 2026-2029 Four-Year Plan. NYCHA will use these funds to address physical conditions in developments that pertain to lead, mold, waste, heating, or elevators outages – the primary public health issue areas covered by the Agreement.

- Funding of $288 million in both the 2026-2035 Ten-Year Capital Strategy and the 2026-2029 Four-Year Plan to continue to replace or repair roofs on NYCHA buildings.

- Funding of $877 million in the 2026-2035 Ten-Year Capital Strategy and $607 million in the 2026-2029 Four-Year Plan for all other general construction projects at NYCHA, which include infrastructure improvements, system enhancements, repairs to residential units and common areas, and other construction projects.

The table below outlines the City's capital commitments to NYCHA for the 2025-2029 period and actual commitments in 2024:

Capital Commitments
($ in 000's)

	2024 Actual		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2029 Plan	
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Executed Agreement	$515,040	$515,040	$404,935	$404,935	$571,225	$571,225	$347,472	$347,472	$112,187	$112,187	$215,422	$215,422
Roofs	$250,180	$250,180	$53,202	$53,202	$288,374	$288,374	$ —	$ —	$ —	$ —	$ —	$ —
General Construction	$97,172	$96,975	$354,173	$354,144	$419,855	$419,855	$119,394	$119,394	$67,832	$67,832	$ —	$ —
Total	$862,392	$862,195	$812,310	$812,281	$1,279,454	$1,279,454	$466,866	$466,866	$180,019	$180,019	$215,422	$215,422

**The All Funds totals for 2024 and 2025 are lower than the City Funds totals due to de-registrations of Hurricane Sandy Disaster Relief funding for completed projects.*

Capital Outside NYCHA's Budget

In addition to the city capital support outlined above, the City also provides support to NYCHA through HPD's capital budget for the conversion of NYCHA developments through the PACT program, which utilizes HUD's Rental Assistance Demonstration (RAD) program, as well as the New York City Housing Preservation Trust (Trust) program, which similarly utilizes HUD's Section 8 conversion mechanisms.

Under the PACT program, NYCHA buildings convert from traditional Section 9-funded public housing to the Project-Based Section 8 program. Through these conversions, NYCHA partners with private and non-profit development teams to leverage the federally backed income stream from Project-Based Section 8 vouchers to secure and support financing to fund comprehensive repairs at certain NYCHA developments. NYCHA continues to own the land and the buildings themselves. Through these transactions, NYCHA enters into a long-term lease agreement with selected PACT partners, comprised of developers, property managers, general contractors, and social services providers. PACT partners are required to make comprehensive capital repairs and oversee the day-to-day maintenance and upkeep of the buildings and grounds. Partnerships with social service providers help improve on-site services and programming through input from residents.

Under the Trust program, NYCHA buildings convert from the traditional federal Section 9 Public Housing Program to the Section 8 Program. Through these conversions, NYCHA partners with the Trust, a New York State-created public benefit corporation, to leverage the federally backed income stream from Project-Based Section 8 vouchers to secure and support financing to fund comprehensive repairs at certain NYCHA developments. Through these transactions, NYCHA enters into a long-term lease agreement with the Trust, and NYCHA remains property manager for the developments.

- Funding of $754 million in 2025 and an additional $1.2 billion in the 2026-2029 Four-Year Plan is included in HPD's capital budget to support the City's goal to convert approximately 62,000 units from traditional Section 9 public housing to Section 8 rental assistance vouchers through the PACT program. Funding will also support conversions through the Trust program. To date, over 24,639 units across 92 developments have converted through PACT, with an additional 37,361 units projected to convert in the coming years. Additionally, 1,776 units across four developments are projected to convert through the Trust in the coming years. In addition to the City's support, NYCHA will leverage private and public funding sources to undertake comprehensive capital repairs at the PACT and Trust converting developments. The conversion of units under PACT and Trust will primarily be supported by Housing Development Corporation debt, federal and state historic tax credits, and PACT partner equity, among other sources.

Appendix

EXHIBIT 1
EXPENDITURE ASSUMPTIONS

Personal Services

The estimates for Personal Services over the five-year period of the plan are as follows:

($ in Millions)

	2025	2026	2027	2028	2029
Salaries and Wages	$32,782	$33,373	$34,025	$34,303	$34,484
Pensions	10,034	10,470	11,069	11,836	11,467
Other Fringe Benefits	13,958	14,784	15,344	15,954	16,595
Reserve for Collective Bargaining	458	1,030	1,297	1,962	2,576
Total	**$57,232**	**$59,657**	**$61,735**	**$64,055**	**$65,122**

Salaries and Wages

The projections for salaries and wages reflect personnel costs associated with current and projected headcount levels and also includes recognized needs and any wage adjustments from rounds of collective bargaining that have been implemented.

Pensions and Other Fringe Benefits

The pension expenses in the financial plan reflect actuarial estimates of the City's five major retirement systems. These estimates were prepared by the Office of the Actuary using funding assumptions and methods developed in 2021, including the use of an actuarial interest rate assumption of seven percent per annum and updated (MP-2020) mortality tables.

The Actuary's estimates reflect the projected pension costs for wage increases associated with the most recent round of collective bargaining. In addition, adjustments are made in the financial plan to account for headcount changes and the cost of pension benefit enhancements from recently enacted state legislation - the BERS UFT Transfer credit and NYPD Cadet Service credit for FIRE members. Other adjustments are made for the projected yearly change in administrative expenses of the retirement systems. The financial plan reflects the impact of all investment gains and losses through 2024, including the most recent investment return of 10 percent in 2024.

The financial plan also includes an annual reserve of $279 million, commencing in fiscal year 2027, to fund potential changes that could arise from audit recommendations.

Total pension expenses for the financial plan are shown below:

Total Pension Expenses
($ in Millions)

	2025	2026	2027	2028	2029
City Actuarial Systems	$9,932	$10,355	$10,949	$11,708	$11,338
Non-City Systems	102	114	120	127	128
Non-Actuarial*	—	—	—	—	—
Total**	**$10,034**	**$10,470**	**$11,069**	**$11,836**	**$11,467**

** Non-Actuarial expense are $350,000 rounded to zero.*
*** Numbers may not add due to rounding.*

Other fringe benefits include primarily Social Security, Unemployment Insurance, Workers' Compensation and Health Insurance. Expenditures on fringe benefits include adjustments for the expected changes in the City's planned headcount levels. The Social Security expense estimates reflect the tax rates and earnings caps as issued by the Social Security Administration. In Calendar 2025, the combined tax rate is 7.65%. The OASDI tax portion of 6.20% is applied to covered earnings capped at $176,100, while the Medicare tax portion of 1.45% is applied to all covered earnings. Unemployment Insurance expense estimates are consistent with the statutory weekly benefit levels and planned payroll levels. Workers' Compensation expense estimates are consistent with the compensation rate schedules mandated by state law, and the projected growth in medical costs. Health insurance expense estimates reflect current City enrollment and premium data available from the City's health insurance providers.

Reserve for Collective Bargaining

The reserve for collective bargaining contains undistributed funding for the cost of wage increases for applicable city workers. Approximately 98% of the City's unionized workforce has settled contracts based on the five-year pattern framework of 16.26% for civilians and 18.98% for uniformed employees. The reserve also contains the unallocated portion of Equity funding for a handful of groups and District Council 37's Additional Compensation Fund. Furthermore, the Labor Reserve reflects funding for prevailing wage risks for relevant skilled trades titles and contains funding sufficient for 1.25% annual wage increases for the entire workforce beyond the current round of bargaining.

Other Than Personal Services

The following items are included in this category:

($ in Millions)

	2025	2026	2027	2028	2029
Administrative OTPS	$39,783	$34,614	$34,363	$34,320	$34,558
Public Assistance	2,648	1,650	2,000	2,463	2,905
Medical Assistance	6,380	6,583	6,733	6,883	7,033
Health + Hospitals	3,419	1,702	1,677	1,722	1,722
Covered Agency Support & Other Subsidies	6,258	5,502	5,531	5,692	5,843
City Debt Service*	7,654	8,741	9,583	10,543	11,419
Prepayment Adjustments	(1,447)	(2,950)	—	—	—
Capital Stabilization Reserve	—	250	250	250	250
General Reserve	50	1,200	1,200	1,200	1,200
Total	**$64,745**	**$57,292**	**$61,337**	**$63,073**	**$64,930**

** Numbers adjusted for prepayments.*

Administrative OTPS

The estimates in this category include expenditures in the baseline. For 2027 through 2029, most expenditures have been increased to reflect the effect of inflation. Baseline costs for energy and lease requirements are shown in the appropriate operating agency.

Energy

The financial plan includes a Citywide appropriation to provide for the changing cost of energy for 2025 through 2029. Energy costs in each agency, with the exception of HPD, are held constant for 2026 through 2029. Price and usage changes for HPD's Emergency Repair Programs are budgeted in HPD's four-year plan.

Energy costs are expected to increase by $150 million from 2025 to 2029 primarily due to fluctuating commodity prices and increased delivery rates. Gasoline and fuel oil costs are expected to increase by $4 million from 2025 to 2029. Heat, light and power costs are expected to increase by $146 million between 2025 and 2029.

Energy Costs
($ in Millions)

	2025	2026	2027	2028	2029
Gasoline	$112	$109	$109	$111	$113
Fuel Oil	76	77	77	78	79
HPD-Emergency Repairs	3	3	3	3	3
Heat, Light and Power	963	1,038	1,151	1,139	1,109
Total	**$1,154**	**$1,227**	**$1,340**	**$1,331**	**$1,304**

Leases

In each agency, the cost of leases is budgeted at a constant level from 2026 through 2029. A citywide adjustment for 2027 through 2029 provides for the increasing cost of leases based on a three percent annual inflator as well as known future leases, where applicable.

In total, the four-year plan includes $1.774 billion for leases in 2026, $1.827 billion in 2027, $1.882 billion in 2028 and $1.939 billion in 2029. Of these amounts, the citywide adjustment is $53 million, $108 million, and $165 million respectively in 2027 through 2029.

Public Assistance

The financial plan supports the current Public Assistance caseload, which was 589,732 as of February 2025.

Medical Assistance

The financial plan for Medical Assistance funds Medicaid expenditures for 4 million New York City recipients. The City's share of total Medicaid expenditures was capped as a result of the 2005-2006 and 2012-2013 State Budgets. In 2026, the City anticipates a budget of $6.6 billion for Medical Assistance.

Health + Hospitals

The City's support for Health + Hospitals reflects funding for the provision of healthcare to persons incarcerated in NYC jails, the administration of the HERRC program, as well as other City services. Support also includes the most recent round of collective bargaining costs for applicable unions that have reached agreements with the City. The 2026 City support is budgeted at $1.7 billion.

Covered Agency Support and Other Subsidies

Included in this category are the contributions made by the City to the Transit Authority, Housing Authority, Libraries and various Cultural Institutions. Also included in this category are the estimated projections for the cost of Judgments and Claims.

General Reserve

The General Reserve is projected at $50 million for 2025 and $1.2 billion for 2026 through 2029 to provide for uncontrollable increases in expenditures as well as shortfalls in revenue. The General Reserve for 2026 through 2029 is above the required amount as per the City Charter to allow for any further uncertainties that may occur in the future.

Capital Stabilization Reserve

The financial plan includes a capital stabilization reserve of $250 million in fiscal years 2026 through 2029, for a total of $1 billion.

Debt Service

Debt Service projections cover payments of debt service on currently outstanding City, TFA, and Conduit debt as well as future issuances in accordance with the 2025 through 2029 financing program (See Financing Program). Actual debt service payments in these years will be affected by the timing of bond sales and by market conditions. Estimates of City and TFA debt service costs on debt to be issued are based on estimates of the periods of probable usefulness of the capital assets for which the debt will be issued.

A Budget Stabilization Account has been established for the prepayment of future years' debt service costs. Funding of $2.950 billion in 2025 has been provided for this purpose.

Below are the detailed estimates for debt service for 2025 through 2029 after prepayments:

($ in Millions)

	Long Term	Short Term	Lease Purchase	Budget Stabilization*	Total City and Lease	TFA	Prepayment Adjustment	Total City, Lease and TFA
2025	$2,377	$ —	$91	$2,950	$5,418	$789	$1,447	$7,654
2026	4,034	—	111	—	$4,145	1,646	2,950	$8,741
2027	4,945	—	108	—	$5,053	4,530	—	$9,583
2028	5,424	—	103	—	$5,527	5,016	—	$10,543
2029	5,865	—	112	—	$5,977	5,442	—	$11,419

** Amounts in the Budget Stabilization Account are used to prepay the succeeding year's debt service.*

EXHIBIT 2

FISCAL YEAR 2026 EXECUTIVE BUDGET AND PROJECTIONS, FISCAL YEAR 2027 THROUGH FISCAL YEAR 2029

($ in thousands)

Dept. No.	Agency	FY 2024 Actual Expenditures	Fiscal Year 2025 Executive Budget	Fiscal Year 2025 8 Month Actuals July - Feb.	Fiscal Year 2025 Forecast	FY 2026 Executive Budget	FY 2027 Estimate	FY 2028 Estimate	FY 2029 Estimate
002	Mayoralty	$184,117	$171,824	$104,876	$181,873	$192,994	$183,190	$183,202	$181,020
003	Board of Elections	257,342	145,635	168,069	285,560	146,875	146,875	146,875	146,875
004	Campaign Finance Board	21,329	103,421	118,594	154,414	109,481	13,482	13,482	13,482
008	Office of the Actuary	7,114	7,486	4,856	7,487	7,614	7,617	7,617	7,617
010	President,Borough of Manhattan	6,173	5,881	3,596	6,327	6,018	5,587	5,587	5,587
011	President,Borough of the Bronx	6,598	6,893	4,299	7,412	7,025	6,478	6,478	6,478
012	President,Borough of Brooklyn	7,164	7,655	4,508	8,268	7,736	6,866	6,866	6,866
013	President,Borough of Queens	6,495	6,520	4,054	7,142	6,684	5,838	5,838	5,838
014	President,Borough of S.I.	4,966	5,120	2,017	5,519	5,207	4,909	4,909	4,909
015	Office of the Comptroller	110,589	123,019	72,231	125,624	127,029	127,735	128,184	127,951
017	Dept. of Emergency Management	174,743	198,639	96,218	134,017	109,371	41,812	38,303	38,303
021	Office of Admin. Tax Appeals	5,884	5,944	3,568	5,945	6,092	6,102	6,102	6,102
025	Law Department	325,258	254,588	206,599	342,021	259,858	259,545	259,545	259,545
030	Department of City Planning	45,661	49,457	36,034	58,456	53,445	49,572	49,319	47,056
032	Department of Investigation	55,703	50,152	49,345	64,910	55,874	54,105	51,069	50,509
035	NY Public Library - Research	32,466	30,425	25,085	35,043	35,699	34,678	34,696	34,696
037	New York Public Library	167,718	155,234	135,102	182,441	181,164	175,650	175,726	175,726
038	Brooklyn Public Library	128,977	117,794	90,541	139,649	137,961	133,928	134,194	134,194
039	Queens Borough Public Library	132,414	121,557	93,121	141,798	141,936	137,748	137,822	137,822
040	Department of Education	33,367,648	32,219,523	21,588,863	34,162,845	34,358,978	35,105,410	35,843,335	36,243,617
042	City University	1,281,872	1,290,704	449,845	1,435,202	1,482,900	1,466,614	1,493,878	1,502,378
054	Civilian Complaint Review Bd.	25,911	25,691	16,888	28,112	29,168	29,189	29,189	29,189
056	Police Department	6,627,307	5,826,667	4,389,990	6,786,525	6,141,949	6,295,250	6,289,619	6,289,570
057	Fire Department	2,719,837	2,570,928	1,861,555	2,897,961	2,619,747	2,592,121	2,575,283	2,568,051
063	Dept. of Veterans' Services	5,139	5,753	2,774	6,596	6,914	5,889	5,889	5,889
068	Admin. for Children Services	3,355,052	2,728,474	2,578,236	3,717,139	2,909,913	2,860,795	2,856,089	2,856,190
069	Department of Social Services	12,448,781	11,687,116	8,331,770	13,416,662	11,739,719	11,971,788	12,583,585	13,143,064
071	Dept. of Homeless Services	3,892,169	3,939,946	3,467,337	4,406,525	3,447,203	3,691,691	2,995,141	2,994,090
072	Department of Correction	1,277,574	1,049,330	870,526	1,337,704	1,212,449	1,260,093	1,381,563	1,381,605
073	Board of Correction	3,021	3,380	1,990	3,877	3,999	3,999	3,999	3,999
095	Citywide Pension Contributions	9,327,699	10,379,182	6,615,513	10,034,332	10,469,724	11,069,401	11,835,755	11,466,807
098	Miscellaneous	13,826,806	14,514,023	5,699,748	13,764,099	14,653,984	15,495,479	16,854,839	18,201,977
099	Debt Service	6,761,553	4,300,960	1,933,468	6,206,676	5,791,033	9,583,474	10,543,365	11,419,110
101	Public Advocate	5,488	5,286	3,503	5,909	5,543	5,543	5,543	5,543
102	City Council	95,051	105,589	71,820	108,418	115,050	95,635	95,635	95,635
103	City Clerk	5,751	5,574	4,297	7,850	5,733	5,749	5,749	5,749
125	Department for the Aging	509,350	493,977	377,034	570,895	554,443	534,124	533,756	533,251
126	Department of Cultural Affairs	222,593	152,022	168,183	255,234	215,102	215,190	215,209	215,209
127	Financial Info. Serv. Agency	123,737	115,915	93,639	121,771	122,931	122,724	122,558	122,558
128	Office of Criminal Justice	15,582	726,080	747,572	983,875	844,897	837,684	834,879	834,879
131	Office of Payroll Admin.	16,944	15,438	11,346	18,015	17,574	17,593	17,567	17,567
132	Independent Budget Office	6,726	7,795	5,129	7,997	8,206	7,988	7,989	7,716
133	Equal Employment Practices Com.	1,106	1,285	754	1,570	1,606	1,608	1,608	1,608
134	Civil Service Commission	1,124	1,134	729	1,187	1,217	1,217	1,217	1,217
136	Landmarks Preservation Comm.	7,964	7,934	5,149	8,817	8,144	8,148	8,148	8,148
138	Districting Commission	17	—	—	—	—	—	—	—
156	Taxi & Limousine Commission	54,467	60,305	36,263	60,652	58,134	57,921	57,921	57,921

EXHIBIT 2

FISCAL YEAR 2026 EXECUTIVE BUDGET AND PROJECTIONS, FISCAL YEAR 2027 THROUGH FISCAL YEAR 2029

($ in thousands)

Dept. No.	Agency	FY 2024 Actual Expenditures	Fiscal Year 2025 Executive Budget	Fiscal Year 2025 8 Month Actuals July - Feb.	Fiscal Year 2025 Forecast	FY 2026 Executive Budget	FY 2027 Estimate	FY 2028 Estimate	FY 2029 Estimate
213	Office of Racial Equity	$1,087	$5,603	$1,375	$5,705	$8,967	$5,627	$5,627	$5,627
215	Commission on Racial Equity	314	1,639	671	2,338	4,828	4,628	2,828	2,828
226	Commission on Human Rights	11,494	14,114	8,072	14,618	14,945	14,257	14,257	14,257
260	Youth & Community Development	1,291,699	1,179,924	1,135,953	1,410,023	1,303,693	1,557,662	1,599,582	1,599,403
312	Conflicts of Interest Board	2,755	2,678	1,813	2,859	2,860	2,861	2,861	2,861
313	Office of Collective Barg.	2,610	2,753	1,848	2,753	2,825	2,825	2,825	2,825
499	Community Boards (All)	18,447	21,675	12,470	22,426	21,973	21,918	21,918	21,918
781	Department of Probation	106,501	110,595	87,510	127,500	115,423	115,533	115,955	115,955
801	Dept. Small Business Services	284,368	209,476	178,685	339,792	227,090	166,231	167,373	167,373
806	Housing Preservation & Dev.	1,871,841	1,841,642	1,440,078	2,135,644	1,556,721	1,427,016	1,445,960	1,469,468
810	Department of Buildings	190,336	210,771	119,017	199,801	226,643	208,170	205,391	205,277
816	Dept Health & Mental Hygiene	2,344,290	2,153,017	1,969,081	2,851,429	2,313,108	2,203,099	2,195,535	2,195,534
819	Health and Hospitals Corp.	3,131,094	3,045,574	1,842,494	3,418,594	1,702,488	1,676,676	1,721,527	1,722,158
820	Office Admin Trials & Hearings	67,261	69,185	46,632	75,444	80,878	79,053	79,087	79,087
826	Dept of Environmental Prot.	1,622,653	1,673,835	1,161,876	1,741,779	1,740,849	1,674,239	1,673,768	1,671,939
827	Department of Sanitation	1,977,801	1,887,218	1,477,977	2,028,823	1,972,513	2,038,012	2,056,949	2,061,864
829	Business Integrity Commission	8,821	8,522	6,194	8,815	8,725	8,727	8,727	8,727
836	Department of Finance	341,809	347,095	253,937	360,856	365,208	366,459	367,279	369,101
841	Department of Transportation	1,471,076	1,446,660	1,096,114	1,538,040	1,500,186	1,473,788	1,460,629	1,463,252
846	Dept of Parks and Recreation	639,005	582,882	419,686	662,288	667,252	652,022	652,047	652,047
850	Dept. of Design & Construction	171,932	179,012	110,745	178,954	164,029	163,431	163,431	163,431
856	Dept of Citywide Admin Srvces	1,823,493	2,086,120	1,722,200	2,022,076	1,772,205	1,663,739	1,661,309	1,661,348
858	D.O.I.T.T.	972,621	803,700	667,246	951,307	839,884	667,748	667,538	667,524
860	Dept of Records & Info Serv.	13,466	14,730	11,384	15,341	15,233	15,248	15,248	15,248
866	Dept. Cnsmr. & Wkr. Prot.	67,905	63,213	50,127	67,894	75,126	73,741	77,306	77,801
901	District Attorney - N.Y.	189,730	172,261	125,731	214,983	176,963	177,904	178,088	178,088
902	District Attorney - Bronx	123,194	120,924	87,480	144,581	124,185	124,436	124,495	124,495
903	District Attorney - Kings	163,024	148,021	102,155	175,707	151,758	152,091	152,255	152,255
904	District Attorney - Queens	113,338	103,576	81,839	128,461	106,281	106,540	106,655	106,655
905	District Attorney - Richmond	30,052	25,297	20,396	31,023	25,899	25,948	25,973	25,973
906	Off. of Prosec. & Spec. Narc.	31,186	31,054	17,390	31,941	31,695	31,715	31,723	31,723
941	Public Administrator - N.Y.	1,132	1,302	670	1,302	1,320	1,328	1,328	1,328
942	Public Administrator - Bronx	715	770	406	872	883	890	890	890
943	Public Administrator- Brooklyn	910	1,006	684	1,120	1,136	1,143	1,143	1,143
944	Public Administrator - Queens	633	686	419	686	695	702	702	702
945	Public Administrator - Richmond	658	641	413	671	649	656	656	656
	Prior Payable Adjustment	(1,220,532)	—	—	(816,000)	—	—	—	—
	General Reserve	—	1,200,000	—	50,000	1,200,000	1,200,000	1,200,000	1,200,000
	Citywide Savings Initiatives	—	—	—	(424,000)	—	—	—	—
	Energy Adjustment	—	—	—	—	—	112,690	104,082	77,866
	Lease Adjustment	—	—	—	—	—	53,230	108,058	164,530
	OTPS Inflation Adjustment	—	—	—	—	—	55,519	111,038	166,557
	LESS: INTRA-CITY EXPENDITURES	2,360,292	1,952,144	485,798	2,185,920	1,884,388	1,855,785	1,847,074	1,847,009
	NET TOTAL EXPENDITURES	$113,175,407	$111,622,282	$74,331,604	$119,790,877	$115,065,051	$121,215,751	$125,280,091	$128,205,818

EXHIBIT 3

ACTUAL REVENUE
($ in Millions)

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Taxes:				
Real Property	$31,464	$29,582	$31,645	$32,987
Personal Income	15,101	16,698	17,183	15,671
General Corporation	5,129	5,681	6,010	6,891
Banking Corporation	(110)	1	(36)	(4)
Unincorporated Business	2,077	2,547	2,545	2,789
Sales and Use	6,553	8,544	9,540	9,914
Commercial Rent	869	876	910	918
Real Property Transfer	1,045	1,903	1,277	1,130
Mortgage Recording	897	1,336	898	597
Utility	356	396	420	409
Cigarette	22	19	16	13
Cannabis Tax	-	-	1	4
Hotel	85	345	645	706
All Other	907	820	1,046	1,184
Tax Audit Revenue	1,139	849	1,337	968
Total Taxes	65,534	69,597	73,437	74,177
Miscellaneous Revenues:				
Licenses, Franchises, Etc.	625	651	763	716
Interest Income	15	16	508	696
Charges for Services	863	850	848	899
Water and Sewer Charges	1,687	1,575	1,710	1,953
Rental Income	233	249	266	283
Fines and Forfeitures	1,036	1,231	1,455	1,367
Miscellaneous	709	441	433	489
Intra-City Revenue	2,006	2,220	2,348	2,360
Total Miscellaneous	7,174	7,233	8,331	8,763
Unrestricted Intergovernmental Aid:				
Other Federal and State Aid	1	498	186	41
Total Unrestricted Intergovernmental Aid	1	498	186	41
Provision for Disallowance of Categorical Grants	(24)	(35)	(13)	(13)
Less Intra-City Revenue	(2,006)	(2,220)	(2,348)	(2,360)
Sub Total City Funds	70,679	75,073	79,593	80,608
Other Categorical Grants	1,177	885	1,054	1,203
Transfers from Capital Fund:				
Inter Fund Agreements	634	655	699	742
Total City Funds & Inter Fund & Other Categorical Revenues	72,490	76,613	81,346	82,553
Federal Grants and Contracts Categorical:				
Community Development	693	281	349	299
Social Services	3,232	2,426	3,080	3,529
Education	2,498	4,899	3,970	4,357
Other	6,197	7,595	2,740	3,212
Total Federal Grants and Contracts Categorical	12,620	15,201	10,139	11,397
State Grants and Contracts Categorical:				
Social Services	1,834	1,729	2,218	3,254
Education	10,633	11,943	12,353	12,930
Higher Education	231	238	245	259
Department of Health and Mental Hygiene	423	421	511	557
Other	1,476	1,516	1,743	2,231
Total State Grants and Contracts Categorical	14,597	15,847	17,070	19,231
Total Revenues	$99,707	$107,661	$108,555	$113,181

EXHIBIT 4
REVENUE ESTIMATES
($ in Millions)

	Fiscal Year 2025 8 Months Actuals	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Taxes:						
Real Property	$31,892	$34,434	$35,360	$36,585	$37,664	$38,778
Personal Income	11,130	18,229	17,684	18,280	19,179	19,983
General Corporation	3,102	7,311	7,466	6,946	6,963	7,155
Banking Corporation	3	—	—	—	—	—
Unincorporated Business	1,719	3,333	3,270	3,328	3,388	3,462
Sale and Use	6,685	10,288	10,690	11,041	11,484	11,911
Commercial Rent	463	931	951	966	979	992
Real Property Transfer	847	1,300	1,334	1,392	1,453	1,516
Mortgage Recording	516	770	812	861	914	961
Utility	263	445	457	526	499	531
Cigarette	7	13	12	12	12	12
Cannabis Tax	7	19	27	31	34	37
Hotel	410	755	783	811	838	866
All Other	466	1,282	1,254	1,229	1,254	1,280
Tax Audit Revenue	422	825	809	779	779	779
State Tax Relief Program - STAR	107	107	105	103	101	99
Total Taxes	58,039	80,042	81,014	82,890	85,541	88,362
Miscellaneous Revenue:						
Licenses, Franchises, Etc.	499	724	728	708	710	712
Interest Income	397	566	350	281	270	272
Charges for Services	569	1,033	1,038	1,038	1,039	1,038
Water and Sewer Charges	2,233	2,214	2,322	2,275	2,326	2,358
Rental Income	164	278	260	260	260	260
Fines and Forfeitures	940	1,391	1,236	1,235	1,226	1,228
Miscellaneous	209	367	292	289	298	297
Intra-City Revenue	486	2,186	1,884	1,856	1,847	1,847
Total Miscellaneous	5,497	8,759	8,110	7,942	7,976	8,012
Unrestricted Intergovernmental Aid:						
Other Federal & State Aid	10	22	—	—	—	—
Total Unrestricted Intergovernmental Aid	10	22	—	—	—	—
Reserve for Disallowance of Categorical Grants	—	4	(15)	(15)	(15)	(15)
Less: Intra-City Revenue	(486)	(2,186)	(1,884)	(1,856)	(1,847)	(1,847)
Sub Total City Funds	63,060	86,641	87,225	88,961	91,655	94,512
Other Categorical Grants	133	1,113	1,125	1,120	1,116	1,114
Inter Fund Agreements	174	792	797	795	796	799
Total City Funds & Inter Fund & Other Categorical Revenues	$63,367	$88,546	$89,147	$90,876	$93,567	$96,425

EXHIBIT 4
REVENUE ESTIMATES
($ in Millions)

	Fiscal Year 2025 8 Months Actuals	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Federal Grants and Contracts Categorical:						
Community Development	$129	$427	$300	$247	$242	$242
Social Services	1,556	4,309	3,556	3,546	3,656	3,752
Education	382	2,183	1,965	1,965	1,965	1,965
Other	1,469	3,598	1,622	1,472	1,415	1,379
Total Federal Grants and Contracts Categorical	3,536	10,517	7,443	7,230	7,278	7,338
State Grants and Contracts Categorical:						
Social Services	693	3,442	1,964	1,954	2,040	2,123
Education	3,474	13,725	13,814	13,815	13,814	13,814
Higher Education	133	280	280	280	280	280
Department of Health and Mental Hygiene	164	795	652	652	652	652
Other	270	2,486	1,765	1,779	1,839	1,907
Total State Grants and Contracts Categorical	4,734	20,728	18,475	18,480	18,625	18,776
TOTAL REVENUE	$71,637	$119,791	$115,065	$116,586	$119,470	$122,539

EXHIBIT 5
FULL-TIME and PART-TIME POSITIONS (FTEs)

	6/30/2026 Total	6/30/2026 City	6/30/2027 Total	6/30/2027 City	6/30/2028 Total	6/30/2028 City	6/30/2029 Total	6/30/2029 City
MAYORAL AGENCIES AND ELECTED OFFICIALS:								
Uniformed Forces:								
Police -Uniform	35,001	35,001	35,001	35,001	35,001	35,001	35,001	35,001
-Civilian	15,584	15,576	15,584	15,576	15,584	15,576	15,584	15,576
Fire -Uniform	11,294	11,284	11,294	11,284	11,294	11,284	11,294	11,284
-Civilian	6,407	6,297	6,407	6,297	6,407	6,297	6,375	6,297
Correction -Uniform	7,060	7,060	7,060	7,060	7,060	7,060	7,060	7,060
-Civilian	1,832	1,826	1,833	1,826	1,828	1,828	1,828	1,828
Sanitation -Uniform	7,957	7,957	7,957	7,957	7,957	7,957	7,957	7,957
-Civilian	1,944	1,886	1,944	1,886	1,944	1,886	1,944	1,886
Subtotal	*87,079*	*86,887*	*87,080*	*86,887*	*87,075*	*86,889*	*87,043*	*86,889*
Health and Welfare:								
Admin. for Children's Services	7,056	6,890	7,056	6,890	7,056	6,890	7,056	6,890
Social Services	12,314	9,705	12,164	9,555	12,164	9,555	12,164	9,555
Homeless Services	1,826	1,825	1,791	1,790	1,790	1,790	1,790	1,790
Health & Mental Hygiene	7,222	5,595	7,030	5,444	6,981	5,427	6,977	5,427
Subtotal	*28,418*	*24,015*	*28,041*	*23,679*	*27,991*	*23,662*	*27,987*	*23,662*
Other Agencies:								
Housing Preservation and Development	2,855	987	2,868	1,001	2,866	1,003	2,867	1,004
Environmental Protection	6,514	300	6,513	299	6,513	299	6,513	299
Finance	2,047	2,035	2,053	2,041	2,056	2,044	2,056	2,044
Transportation	6,167	2,827	6,162	2,830	6,163	2,832	6,162	2,832
Parks	7,795	7,165	7,794	7,165	7,794	7,165	7,794	7,165
Citywide Administrative Services	2,597	1,914	2,586	1,903	2,583	1,900	2,583	1,900
All Other	22,729	20,003	22,342	19,754	22,347	19,766	22,318	19,763
Subtotal	*50,704*	*35,231*	*50,318*	*34,993*	*50,322*	*35,009*	*50,293*	*35,007*
Education:								
Dept. of Education -Pedagogical	124,258	91,406	124,276	91,424	124,282	91,430	124,282	91,430
-Civilian	26,252	22,899	26,184	22,831	26,184	22,831	26,184	22,831
City University -Pedagogical	6,252	6,252	6,252	6,252	6,252	6,252	6,252	6,252
-Civilian	3,123	3,123	3,123	3,123	3,123	3,123	3,123	3,123
Subtotal	*159,885*	*123,680*	*159,835*	*123,630*	*159,841*	*123,636*	*159,841*	*123,636*
Total - Mayoral Agencies and Elected Officials	326,086	269,813	325,274	269,189	325,229	269,196	325,164	269,194
COVERED ORGANIZATIONS[1]:								
Health + Hospitals	44,554	44,554	44,554	44,554	44,554	44,554	44,554	44,554
Housing Authority	12,368	—	12,367	—	12,366	—	12,360	—
Libraries	4,314	4,314	4,314	4,314	4,314	4,314	4,314	4,314
Cultural Institutions[2]	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360
School Construction Authority	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059
New York City Employees Retirement System	561	561	561	561	561	561	561	561
Economic Development Corporation	625	625	625	625	625	625	625	625
Teachers Retirement System	403	403	403	403	403	403	403	403
Police Pension Fund	152	152	152	152	152	152	152	152
Fire Pension Fund	55	55	55	55	55	55	55	55
All Other[3]	355	351	356	352	357	353	358	354
Total - Covered Organizations	65,806	53,434	65,806	53,435	65,806	53,436	65,801	53,437
Grand Total	391,892	323,247	391,080	322,624	391,035	322,632	390,965	322,631

1. Includes non-city employees substantially paid by city subsidies.
2. Includes only those employees of the Cultural Institutions Group paid by city fund subsidies.
3. Includes Housing Development Corporation, Education Construction Fund, City University Construction Fund, Rent Guidelines Board and Water Finance Authority.

EXHIBIT 6
FY 2026 EXECUTIVE BUDGET
SAVINGS PROGRAM - 5 YEAR VALUE
(City $ in 000's)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Uniformed Forces:					
Police	$—	$—	$—	$—	$—
Fire	—	—	—	—	—
Correction	—	—	—	—	—
Sanitation	—	—	—	—	—
Health and Welfare:					
Admin. for Children's Services	19,731	1,112	—	—	—
Social Services	10,415	—	—	—	—
Homeless Services	719,219	1,398,500	800,000	—	—
Aging	—	—	—	—	—
Youth and Community Dev.	—	—	—	—	—
Health and Mental Hygiene	—	—	—	—	—
Health + Hospitals	635,014	50,000	—	—	—
Other Agencies:					
Housing Preservation and Dev.	277,834	50,798	—	—	—
Finance	—	—	—	—	—
Transportation	—	—	—	—	—
Parks and Recreation	—	—	—	—	—
Citywide Administrative Services	62,003	88,000	—	—	—
All Other Agencies	99,805	—	—	—	—
Education:					
Education	—	—	—	—	—
City University	—	—	—	—	—
Other:					
Citywide Savings Initiatives	424,000	—	—	—	—
Miscellaneous	—	—	—	—	—
Debt Service	426,945	105,232	(18,936)	(152,797)	(312,522)
Procurement Savings	—	55,519	55,519	55,519	55,519
Total	**$2,674,966**	**$1,749,161**	**$836,583**	**($97,278)**	**($257,003)**

Note: Includes initiatives from the May 1, 2025 Executive Budget, the January 16, 2025 Preliminary Budget and the November 20, 2024 Financial Plan.

EXHIBIT 6
FY 2026 EXECUTIVE BUDGET
SAVINGS PROGRAM - 5 YEAR VALUE
(City $ in 000's)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Other Agencies:					
Emergency Management	$79,820	$ —	$ —	$ —	$ —
Design and Construction	19,985	—	—	—	—
Subtotal	99,805	—	—	—	—
Total All Other Agencies	$99,805	$ —	$ —	$ —	$ —

EXHIBIT 6A
FY 2026 EXECUTIVE BUDGET
SAVINGS PROGRAM - BY EXPENSE AND REVENUE
(City $ in 000's)

	Expense	Revenue	Total
Uniformed Forces:			
Police	$ —	$ —	$ —
Fire	—	—	—
Correction	—	—	—
Sanitation	—	—	—
Health and Welfare:			
Admin. for Children's Services	1,112	—	1,112
Social Services	—	—	—
Homeless Services	1,398,500	—	1,398,500
Aging	—	—	—
Youth and Community Dev.	—	—	—
Health and Mental Hygiene	—	—	—
Health + Hospitals	50,000	—	50,000
Other Agencies:			
Housing Preservation and Dev.	50,798	—	50,798
Finance	—	—	—
Transportation	—	—	—
Parks and Recreation	—	—	—
Citywide Administrative Services	88,000	—	88,000
All Other Agencies	—	—	—
Education:			
Education	—	—	—
City University	—	—	—
Other:			
Citywide Savings Initiatives	—	—	—
Miscellaneous	—	—	—
Debt Service	105,232	—	105,232
Procurement Savings	55,519	—	55,519
Total	**$1,749,161**	**$ —**	**$1,749,161**

Note: Includes initiatives from the May 1, 2025 Executive Budget, the January 16, 2025 Preliminary Budget and the November 20, 2024 Financial Plan