



MURIEL BOWSER  
MAYOR

March 22, 2023

The Honorable Phil Mendelson, Chairman  
Council of the District of Columbia  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004

Dear Chairman Mendelson:

On behalf of the residents of Washington, DC, I am pleased to submit to the Council of the District of Columbia my Fiscal Year 2024 Proposed Budget and Financial Plan, *A Fair Shot*.<sup>1</sup>

The Fiscal Year 2024 Budget is being delivered at a critical juncture for our city. As most of our economy recovers from the pandemic, we are realizing, with more clarity and certainty, the ongoing and long-term impacts of telework on our commercial real estate sector and our downtown – the economic engine of DC. The latest forecasts from our Chief Financial Officer show a continued decline in this crucial area, leading to a significant drop in revenues over the next four years. At the same time, the historic influx of federal stimulus funding is ending and will, in large part, not be available after FY 2024. These are the sobering financial facts we are confronting. We cannot maintain the level of growth in new government spending that was spurred by temporary federal stimulus funds. We must also act with urgency to address the long-term health of our economy by bringing back our downtown.

This budget reflects many tough choices and it was formed with an eye towards how we get the best outcomes for our residents at this challenging time. Our FY 2024 investments are strategic, prudent, and focused on ensuring an equitable comeback for Washington, DC. We are fortunate that even in tight times, the District remains well-resourced and able to continue delivering world-class programs and services. The FY 2024 Fair Shot Budget focuses on making investments in these key areas:

- **Driving DC's comeback, downtown recovery, and long-term economic growth by maximizing investments to grow our population, our jobs, and our tax base.**

The FY 2024 Budget maintains our investments in business retention, expansion, and attraction, as well as expands incentives to convert more office buildings into residential units downtown. We are making significant investments to expand development through Fletcher Johnson (\$52 million) and Poplar Point (\$11 million), and the budget includes \$25 million in infrastructure improvements to bring a full-service grocery store to East Capitol Gateway.

- **Investing in our residents, families, and neighborhoods through programs that help residents grow their incomes.**

The FY 2024 Budget includes an \$8 million increase to support the Home Purchase Assistance Program, a \$13 million increase to help more residents grow their income and avoid benefit cliffs through Career MAP, \$6 million to support our commercial property acquisition fund, and \$1 million to expand Strong Families, Strong Futures and provide more residents with direct cash assistance.

- **Building a safer, stronger DC by reducing crime and increasing opportunities.**

The FY 2024 Budget includes \$3.4 million to help the Metropolitan Police Department (MPD) hire civilians to take the burden off sworn officers as well as expand diversity and wellbeing and support organizational change efforts. It also continues a \$5.4 million investment to provide recruitment and retention incentives to hire more MPD officers, along with \$1.2 million to stand up a new paramedic school to increase the pipeline of EMS first responders.

- **Addressing the spectrum of mental and behavioral health needs in the community through a whole-of-government approach to building a healthier DC.**

The FY 2024 Budget also recognizes the spectrum of mental and behavioral health needs in our community and includes \$2.5 million to establish a fund that will support the recruitment of hard-to-fill District government positions, including 911 call takers and social workers. The budget also includes \$9.5 million to open a second sobering center, \$24 million to increase the Medicaid reimbursement rates for behavioral health services, and \$1.7 million to stand up a new unit of case workers who will support residents living in scattered-site buildings.

- **Creating pathways to success for students by investing in childcare, out of school time programming, and in our extraordinary teacher workforce.**

The FY 2024 Budget includes \$5 million to expand free after-school opportunities, specifically for students with disabilities. It creates new pathways to teaching by establishing a \$1.6 million teacher apprenticeship program. It also increases eligibility for the childcare subsidy from 250% of the federal poverty line to 300%, which will allow more families to receive this critical service.

- **Getting back to basics by improving core government services and the customer experience.**

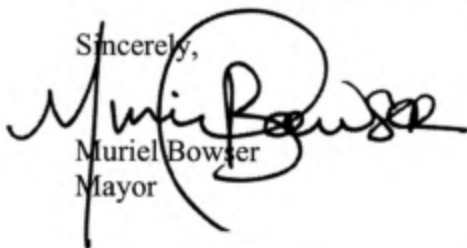
The FY 2024 Budget includes \$3.4 million to replace all supercan and recycling cans over the next eight years, \$4.5 million to modernize digital services (including overhauling the DC.gov website), and \$3.5 million for improving customer-facing IT services at the Department of Buildings and the Department of Licensing and Consumer Protection.

- **Building sustainability and resiliency into the budget by rightsizing our investments and eliminating low-return programs.**

The FY 2024 Budget eliminates 750 vacant government positions, funds most programs at their pre-pandemic levels, and streamlines programs that are not getting a significant return on investment. These changes build sustainability into our longer-term budgeting.

As I have said before, when we work together, there is nothing that we cannot take on. The FY 2024 Budget makes the necessary investments to promote and sustain the District's comeback by unlocking the full potential of our residents, our neighborhoods, and our businesses.

Sincerely,




Muriel Bowser  
Mayor

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<sup>1</sup> Included in this submission are the "Fiscal Year 2024 Local Budget Act of 2023," the "Fiscal Year 2024 Federal Portion Budget Request Act of 2023," and the "Fiscal Year 2024 Budget Support Act of 2023." In addition, I am submitting the following accompanying measures: the "Fiscal Year 2023 Revised Local Budget Emergency Act of 2023," the "Fiscal Year 2023 Revised Local Budget Temporary Act of 2023," and the "Fiscal Year 2023 Revised Local Budget Emergency Declaration Resolution of 2023."



  
Chairman Phil Mendelson  
at the request of the Mayor

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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to adjust certain appropriations in the Fiscal Year 2023 Local Budget Act of 2022.

RESOLVED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Fiscal Year 2023 Revised Local Budget Emergency Declaration Resolution of 2023”.

Sec. 2. (a) The Mayor and the Council previously approved a balanced budget for Fiscal Year 2023.

(b) Since the time that budget was approved, the Chief Financial Officer has issued a revised revenue estimate certifying additional local fund revenues for Fiscal Year 2023. In addition, certain budget pressures have arisen since the beginning of Fiscal Year 2023.

(c) Appropriated revenues and budget authority for Fiscal Year 2023 must be adjusted to ensure that a balanced budget and financial plan is maintained while continuing to meet the needs of District residents.

(d) Adjustments to the Fiscal Year 2023 budget are necessary to recognize these additional resources, address existing budget pressures, align budgets with revenue, ensure timely repayment of the Contingency Cash Reserve Fund, and balance the budget and financial plan.

32           Sec. 3. The Council of the District of Columbia determines that the circumstances  
33 enumerated in section 2 constitute emergency circumstances making it necessary that the Fiscal  
34 Year 2023 Revised Local Budget Emergency Act of 2023 be adopted after a single reading.

35           Sec. 4. This resolution shall take effect immediately.