2024 Budget

Department of Finance

October 23, 2023

2024 Budget Priorities

Strategic investments in the following areas:

- Affordable Denver
- Safe Denver
- Vibrant Denver
- Greener Denver
- Housing for All

Dedicated Funds*:
Voter-Approved and Special Revenue Funds

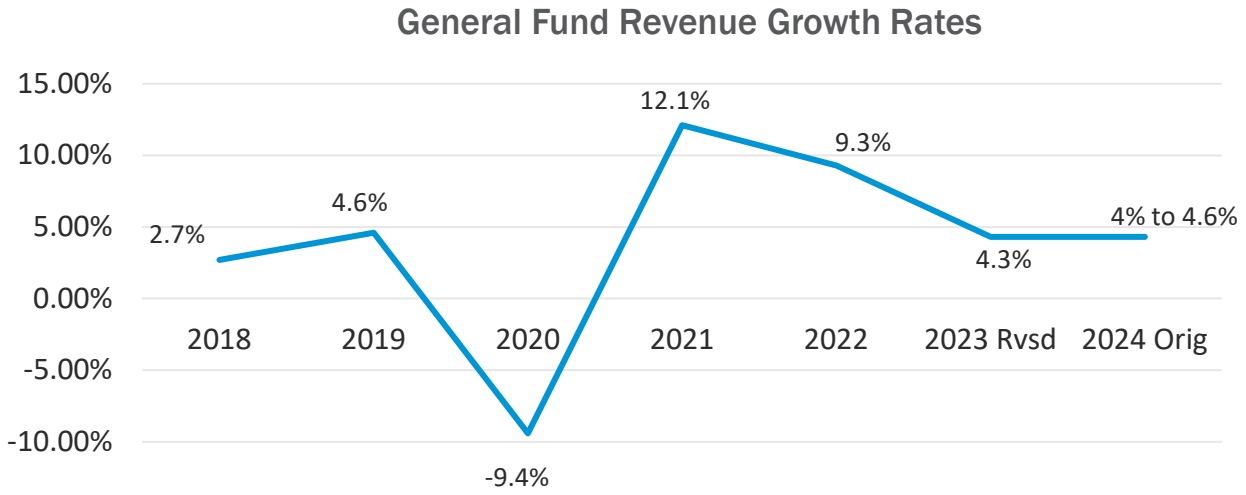
Fund	2023 Revised Revenue	2024 Original Revenue
Denver Preschool Program	$30.3 million	$31.4 million
Prosperity Denver	$15.5 million	$16.1 million
Healthy Food for Denver's Kids	$16.5 million	$17.2 million
Caring for Denver	$48.6 million	$50.5 million
Parks, Trails, Open Space Fund	$50.0 million	$51.9 million
Climate Protection Fund	$49.8 million	$51.8 million
Homelessness Resolution Fund	$50.2 million	$52.1 million
Affordable Housing Fund	$29.3 million	$33.7 million
Denver Public Library Fund	$32.2 million	$37.6 million
Total	**$322.4 million**	**$342.3 million**

*These are separate from (in addition to) the General Fund.

General Fund Revenue Projection

While 2024 revenue is projected to continue to grow, the rate of growth has begun moderating as we have normalized from the disruptions of the pandemic.

Sales and use tax is ~57% of the city's operating revenue. Property tax is ~11%.



$1.74 Billion General Fund Budget/Appropriated Expenditures

- 3.7% projected expenditure growth in 2024 ($1.74 billion)
- Personnel make up 70% of the General Fund budget
- Increases to address inflation for services and supplies

Capital Improvement Programs

The 2024 budget will include an additional **$277 million** in appropriations for capital investments.

Note: Additional capital investment of **$309 million** will come from voter-approved bond projects for transportation, mobility, parks, and city facilities.

Present Situation and Short-Term Outlook

Optimistic Signals

- Unemployment is low and stable
- Growth is moderating but remains resilient
- Inflation improving
- Real wages are expected to grow
- Household balance sheets still appear solid despite draw down of excess savings

Risks

- Softening sales tax revenue
- Affordable housing stock
- Higher interest rates showing signs of weighing on economy
- Jump in energy prices
- Student loan distress
- Commercial Real Estate market correction

2024 Reserve Projections

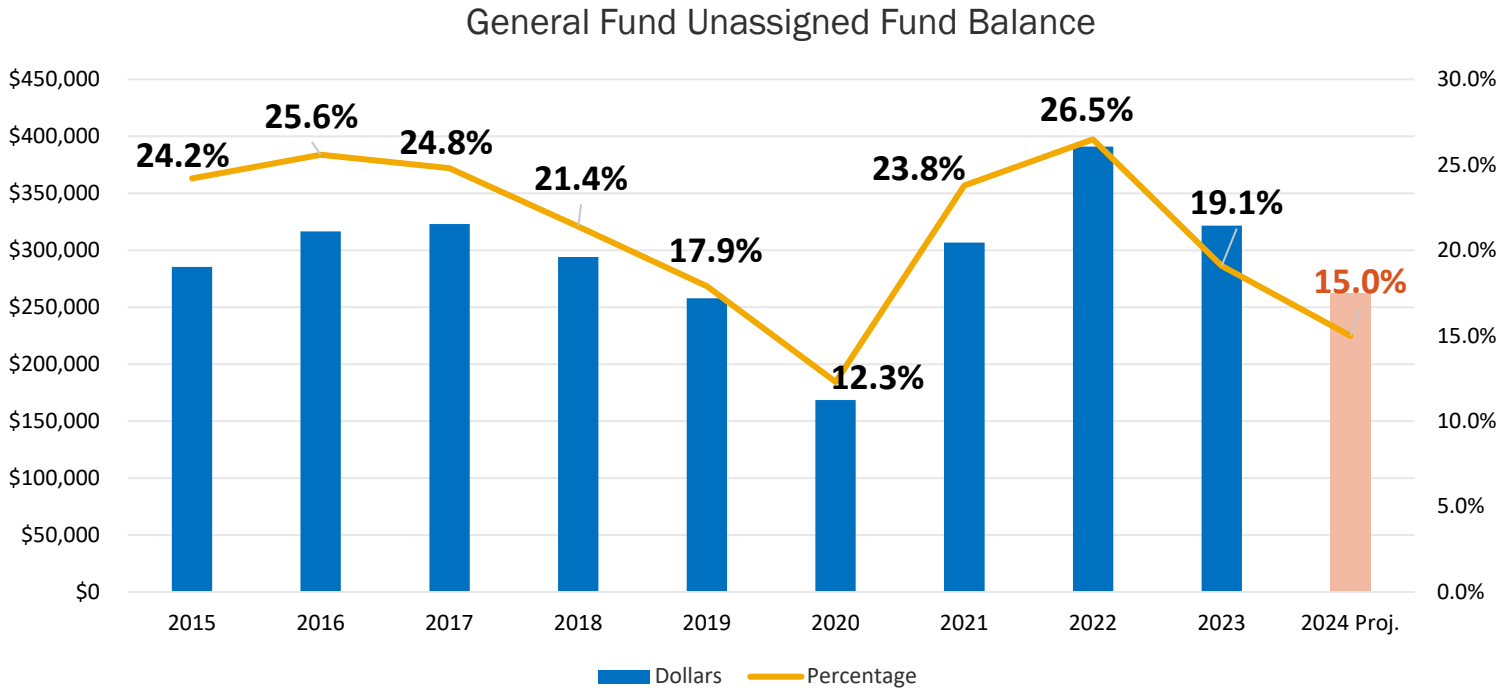
General Fund Contingency	$34.2 million
Capital Improvement Program Contingency	$5.4 million
Undesignated Fund Balance	$261.7 million or 15% of projected expenditures

Questions?

Thank you!

Appendix

Historical Fund Balance



2024 Budget Priorities

General Fund

Capital Improvement Fund

Dedicated Funds

American Rescue Plan Act Grant

FEMA Reimbursement

Affordable Denver

Our 2024 budget will invest **$247 million** through the Department of Housing Stability for resolving and preventing homelessness and investing in affordable home rental and homeownership opportunities for residents across Denver.

Building, Acquiring, and Preserving Affordable Units	
Up to $100 million	With state and federal funding, develop and preserve 3,000 affordable homes in 2024, with a goal of adding 25,000 units of permanently affordable housing over the next eight years

Reforming Denver's Permitting Process	
$365,000 for 3 FTEs	Adding dedicated inspectors to our Affordable Housing Review Team to reduce the time from design to doors-open for these critical projects
$200,000	Launching a first-ever process reform study of building/zoning codes and procedures

Safe Denver

Rebuilding Denver's Police Force	
$8.2 million	Starting 167 new police recruits in 2024 to fill the gap to authorized strength

Expanding Non-Criminal Co-Responder Programs	
$7.2 million	Funds co-responder programs and expands STAR to up to 16 teams and eight vans
$1.8 million	Adds a second Wellness Winnie team

Commitment to Treatment Alternatives	
$3 million	Staffing and facility improvements to make 90 more beds available in community corrections as treatment alternatives to prison
$4.2 million	Increase of $400,000 for our Behavioral Health Solutions Center

Vibrant Denver

Downtown Revitalization	
$21.6 million	Complete the 16th Street Mall with an expanded tree canopy and new pedestrian spaces
$1 million	Help stabilize businesses impacted by construction on the mall
$16.6 million	Ensure the success of our downtown Convention Center in both operations and maintenance
$4.5 million	Increase of $2 million for downtown activation, including to attract new businesses and visitors along and near our rejuvenated 16th Street and increase our investments into a clean and safe downtown
Underway	Pilot program for commercial-to-residential conversions downtown
Vibrant Neighborhoods	
$14.7 million	Leverage $136 million in Federal Transit Authority funding for a fast, reliable, and safe bus rapid transit (BRT) option along Colfax
Underway	Legacy Business program to protect and strengthen longstanding local businesses citywide

Greener Denver

Electric Vehicle Infrastructure	
$2 million	EV replacements of city vehicles that are at the end of their useful life
$1.5 million	Public and city fleet EV charging infrastructure

Expanding Mobility Options	
$15 million	Multi-modal infrastructure investments, including bike lanes, Safe Routes to School, pedestrian crossings, neighborhood traffic calming, and implementation of Denver Moves plans
$2.8 million	Continuing Denver's popular e-bike voucher program
$1.3 million	Additional community rebates, incentives, and electrified micro-transit to encourage a transition to EVs

RTD EcoPass: We're keeping EcoPasses free for city employees and encouraging downtown employers to do the same.

Housing for All

Sustained Services	
$39.2 million	Funding for hotels, micro-communities, and rapid rehousing to bring 1,000 more people out of unsheltered homelessness in 2024
$2 million	Denver Basic Income Project

Preventing Homelessness Through Rental Support	
$15.6 million	Rental and utility assistance programs
$2 million	Free legal services for households facing eviction

Appendix:
Capital Improvement Program

Transportation and Mobility = $100.3M CIP

- $57.2M for Transportation and Mobility Annual Capital Maintenance programs
- $15M for Safety and Mobility Programs including Safe Routes to School, Neighborhood Transportation Management, and Transit
- $14.7M for Colfax Bus Rapid Transit project

Parks & Recreation = $56.8M CIP

- $4.5M for Westwood Recreation Center bond project gaps
- $8.5M for Heron Pond/Carpio Sanguinette park construction in Globeville
- $3.5M for the Civic Center Greek Theater and Central Promenade improvements
- $2.5M for Ruby Hill Phase 3.2
- $1.5M for City Park irrigation renovation

City Facilities & Real Estate = $68.4M CIP

- $35.1M for deferred maintenance, repairs, and improvements to city facilities
- $6.8M for real estate space planning, relocation and renovation projects
- $6.9M for evidence relocation project
- $4M for homeless shelter improvements
- $2.2M for community corrections facility acquisition
- $2M for Office of the Municipal Public Defender space buildout

Climate Action & Resiliency = $6.0M CIP

- $3.1M for Solar Infrastructure and Maintenance
- $900K for Energy Conservation Improvements
- $1M for Electrified Mobility Infrastructure and Maintenance
- $1M for Energize Denver compliance

Other CIP Expenditures = $34.9M CIP

- $21.6M to support the 16th Street Mall revitalization project
- $5M for micro-community implementation support
- $2M for downtown safety and activation improvements
- $5.8M for technology investments