

**Budget Remarks  
May 5, 2009  
Mayor Ralph Becker**

Salt Lake City and Utah are accustomed to bearing storms. Just this past winter we had 15 feet of snow in 15 days! While the winter storms posed challenges for snow removal crews and drivers, beyond the storms lay wonderful powder skiing and a strong water supply for another year.

Financially, the nation and world have been experiencing a different kind of storm. Salt Lake City is facing the most difficult financial challenge in many decades, along with the state and the entire nation. But similar to the promise of incredible powder ski days after a winter storm, national headlines are signaling brighter days ahead. “Stocks Jump as Home Sales, Construction Increase,” and “A Comeback? Stock Market is starting to Show Signs” are headlines we certainly welcomed this past week.

The budget I am presenting this evening comes to the Council at a challenging time. Although nationally we are seeing improvements, including a nearly 15 percent increase in the Dow Jones through March and April and a 3.2 percent rise in pending home sales, historical trends suggest the nation is four to nine months outside of a recovery. And, there is

uncertainty about the future financial situation that demands a conservative approach to budgeting.

Since I stood before you one year ago to present the budget, the City has experienced a steady decline in revenue and has had to make cuts in that same year's budget. Even with those cuts, the budget I present tonight is \$12 million smaller than the budget I presented last year.

### **Reasons to Smile**

Yet, despite these challenges, I firmly believe Salt Lake City is poised to weather this storm. Our greatest strengths are immutable and unparalleled. As the home of a world religion intent on investing in the City's progress, we are seeing the unabated progress of City Creek Center and so many other endeavors while much of the rest of the country reels in paralysis.

Salt Lake City has a diverse population that loves where we live and looks for ways to contribute to our betterment and support our neighbors. I think of Matt Minkevitch and his staff at The Road Home, who, facing a doubling of the homeless population and dwindling resources, maintain cheery

dispositions and give more of their time and hearts. I know Matt is here with us tonight. Matt, will you please stand to be recognized?

I think of community members like the late Larry Miller, who saw the potential of our City and invested in its places and its people.

Our transportation system is becoming truly balanced, with increasingly convenient and accessible transit (including commuter rail, light rail, buses, and soon streetcars); our bikeways are doubling; our trails are growing and connecting along the foothills, streams, and Jordan River into a regional network. Someday we may even get our traffic signals synchronized.

Local businesses are indeed struggling, but are holding on and holding their own. I think of Dean Periose of Cucina Deli who beginning later this month will provide free coffee on Mondays if you bring in your own cup.

Our Capital City is strengthened by its educational institutions; large and small businesses; government centers, arts organizations and the nearly 3,000 dedicated City employees who work daily to provide services for not

only our 180,000 residents, but also the daytime population that doubles with visitors, students, and workers.

In a recent citizen survey, conducted only two months ago, 71 percent of City residents rated the services they receive from Salt Lake City as good or excellent. This figure is 4 percent higher than in the 2007 survey and is up 11 percent from the first survey in 1994

Equally significant in this difficult economic climate is the response to the question “Do you believe that things are getting better for Salt Lake City or are they getting off on the wrong track?” Fifty-three percent – a slight majority of our City’s residents – believe things are getting better, up 12 percent since 2007.

So, while times are hard, while we pull together to tighten our belts and learn to make due with a little less, our optimism is present and our hopes and direction are focused on a bright future for this City.

## **Budget Proposal**

In creating this budget, we have listened to and acted upon the input of our residents and our employees. Public budget workshops were held to educate Salt Lake City residents about how the budget is funded and to gather residents' ideas about budget priorities. The City received additional resident input through our survey. Finally, Department Directors worked closely with their employees to learn their priorities and preferences for approaching the budget.

The City's department and division directors and I have heard our employees voice their commitment to the City and their desire to see no layoffs. We listened to the public when they shared their concern about the impact an increase in property taxes would have on their families. And we worked with the public and City employees to come up with creative and unique sources of revenue.

Recognizing the challenges of today with a \$12 million reduction in revenue needed to maintain City services, and drawing upon the creativity and hard work of a dedicated budget team led by Gina Chamness, we will be able to reduce City expenditures by six percent next year without laying off one-single employee.

To protect Salt Lake City's current employees, we have asked our City staff to do more with less. This budget reduces 37 positions throughout City government. We eliminated a number of vacant positions and enacted a retirement and voluntary separation incentive program for some employees. I thank all of our long-serving employees for their outstanding contribution to our community.

Just like many City residents who are feeling the hardship of an economic recession as they are forced to scale back and make cuts in their personal budgets, Salt Lake City employees – from the top down – will share some of the economic pain. I would like to ask all Salt Lake City employees – from me and my staff and to department heads on down – to accept a 1.5 percent suspension in pay and bear more of their health insurance costs.

I thank and congratulate my fellow Salt Lake City employees for their commitment to public service and our community. Most importantly, I would like to recognize each employee's commitment to share in this burden equally in order to ensure the person in the desk next door remains employed with the City. In an effort to recognize the financial sacrifice each of you

are making, my budget recommends providing each employee with an additional four days of personal leave – the time equivalent to the 1.5 percent salary reduction. I ask that our employees continue to persevere and look towards better times ahead. Thank you for your service in this time of need.

To keep the budget balanced and ensure fiscal responsibility, I am also asking the residents and businesses of Salt Lake City to join the City's personnel in bearing the burden of these tough economic times.

Knowing the burden placed on many of our families, my proposed budget does not include an increase in the City's share of property taxes. My staff and I have left no stone unturned in looking for government efficiencies and, as many of you requested in the budget workshops, we have explored numerous non-traditional methods of increasing the City's revenue. We have also worked hard to ensure that the basic core services enjoyed by and expected from our community every day will not be reduced.

The proposed budget, however, will have noticeable impact in our lives:

The City will delay a number of capital improvements until economic conditions improve. This will affect some sidewalk, City building, and curb and gutter improvements, park projects, and more. My administration is also recommending the City no longer provide non-safety related tree stump removal and that we reduce services for aesthetic tree trimming.

Finally, because Salt Lake City's employees have been diligent in covering vacant positions and accepting additional tasks and responsibilities to help the City reach this reduced budget, the additional workload will likely affect response times for some individuals with specific requests. We appreciate your patience. I know Salt Lake City's employees are some of the finest; I am confident they will come together to keep any delays to a minimum.

The City will ask each business to contribute an additional \$30 per year on base business licenses. This increase is directly related to the cost of administering business licensing.

We have compared and reviewed our fees with other Salt Lake area communities; the fees we are charging are in line with regional norms.

The City will also raise parking ticket late fees \$10 per late period, generating close to \$162,000 in additional revenue. We will also ask residents to pay a \$1 processing fee for transactions on the City website. This is similar to most other governments, including the State of Utah, and will cover part of the credit card costs to the City. We have been reducing personnel over the years to reflect the change from in-person to online payments and actions. We will be implementing more online services in the next year.

We will also ask each household to contribute an additional \$3 - \$15 per year, depending on waste can size, to support weekly trash, recycling, and yard waste pick up.

These are just a few examples of how the Administration hopes to increase revenue and reduce our spending.

Amidst the reductions, I am proud to report the investments and efficiencies achieved in last year's budget will ensure the City effectively meets this year's budget challenges. For example, as a result of LED traffic signals,

Salt Lake City will save an additional \$25,000 in electrical power and supplies this year alone.

### **Recommended Expenditures**

While this budget recommends reductions and identifies areas for greater efficiencies, this budget also reflects the priorities of a growing, developing Great American City. Newly funded positions will strengthen the foundation for Salt Lake City's bright future.

We have historic neighborhoods adjacent to a blossoming downtown with committed residents who seek to preserve the best of our heritage. This year's budget recommends filling the Historic Preservation Planner position (funded in last year's budget but left vacant), to help implement the preservation plan as the community works to preserve the City's most charming and enduring neighborhoods.

Salt Lake City will continue to expand its bikeways by filling the Bike Coordinator position, a position funded in 2008 but not filled due to budget considerations. In our capital improvement budget, we have maintained the ten-fold increase we made in last year's budget for bikeways. And, before

you tonight we propose using \$100,000 of the federal stimulus money for additional bikeway development.

The Administration's budget also recommends appropriating \$70,000 to establish a Gang Intervention Outreach Worker program. This program will reach out to identified gang members and link them with services, institutions, and resources to reduce gang activities within the City. The Outreach Worker is an essential component to the Comprehensive Gang Model, a federally-developed gang intervention model developed through years of pragmatic research in cities across the country.

Because community events are important to the well-being and enjoyment of our residents, the Administration recommends \$150,000 to create a Special Events Fund. This fund will be used to support events that will help build and sustain a strong sense of community throughout our Capital City.

A \$20,000 programming budget is recommended to expand City and community efforts in Pioneer Park. As one of the City's Salt Lake Solutions projects, Pioneer Park was home to an outdoor film series and lunchtime concerts last summer. This funding will ensure the continuation of high-

quality, long-term programming in one of the City's open space treasures. I appreciate Council Member Garrett and Michele Straube's work with stakeholders in the Salt Lake Solutions project to achieve noticeable improvement in the conditions at Pioneer Park.

Salt Lake City will continue to provide efficient and transparent government through expanding our electronic document management systems and redeveloping our financial systems.

### **Additional Enhancements to Our City**

Private development and additional funding sources are contributing to Salt Lake City's promise. I've mentioned City Creek Center, our \$1.5 billion mixed use redevelopment of 25 acres in northern downtown. We are also seeing the beautiful new office building at 222 South Main take shape and O.C. Tanner's renovation of the historic Public Library building on State Street.

And, our public investment in transit and a complete street for cars, bikes and pedestrians will soon bring us a Grand Boulevard along North Temple, including a new viaduct over the railroad tracks – thanks in no small part to

Senator Greg Bell, Senator Sheldon Kilpack and the State Legislature —  
and the federal stimulus package.

The American Recovery and Reinvestment Act is allowing us to convert an underutilized park in Glendale into a soccer field and restrooms, and a vacant field in an underserved part of Rose Park to a neighborhood park. Money from ARRA will also flow to help the homeless, those on the verge of being homeless, and will help some of our housing become more energy efficient, less costly and comfortable.

On Thursday we will be making an announcement for the proposed new public safety complex. I look forward to joining you in showing our community our plans and asking for their approval in November.

Our future strength will not only be visible in structures. Salt Lake City is progressing on the first comprehensive sustainability ordinance in the country. Our future community will build on our past heritage of self-sufficiency and planning.

Neighborhoods will be strengthened with services within walking and biking distance – much like our 9th and 9th and 15th and 15th areas.

Residents will be allowed and encouraged to save runoff water and have appropriate xeriscaping and vegetable and fruit gardens anywhere on their lots. Neighborhood community gardening will have ever increasing opportunities.

Our thriving airport and University will give us entrée to an ever-expanding world of innovation, productivity, and access.

Trail development includes the Bonneville Shoreline Trail in our foothills, connected with trails along our waterways to the Jordan River, and a restored Jordan River will be connected with our neighbors to the north and south, ultimately allowing someone to travel regionally on segregated paths in Salt Lake, Davis, Utah, and Summit Counties.

Our transit system of commuter rail, light rail, streetcar, and bus will be as convenient and accessible as our current road system. Buildings and developments will achieve energy efficiency and utilize renewable energy

resources as the norm, saving us from fossil fuels and reversing air pollution degradation.

In the longer term, I envision a region where we all continue to work together to preserve precious natural areas in our Wasatch Mountains for a pure water supply, a range of recreational opportunities, including the ability to obtain solitude.

Our Great Salt Lake will be appreciated for its international value for wildlife and large inland sea. We will recycle and re-use the vast majority of our products locally. And, local food sources will provide a large part of our needs. We will be able to walk to our schools, basic commercial and governmental services, and find online our outside supplies.

Our public schools will serve as the source of enjoyable learning and serve as community centers for our diverse populations growing to hundreds of cultures – creative minds harmoniously pursuing a secure, successful economic future. Public education is democracy's source of equal opportunity.

Our cultural core will flourish. Music, dance, theater, and visual arts will enliven a 24/7 downtown that serves as the bustling home for young and old.

Our energy use will be reduced through more efficient buildings, community design, and transportation modes; and, our ample sun, wind, and geothermal resources will largely supplant fossil fuels for electricity. Salt Lake City will be a model for a world whose carbon footprint allows future generations to enjoy all we have produced and enjoyed.

Lest you think this is far out thinking, I ask you only to look to our past. In 1847, a tired group of pioneers straggled into this desert valley and declared it “The Place.” For the next 20 years, they created an oasis, diverting streams for agriculture, establishing a civilization that was largely self-sufficient until the joining of the transcontinental railroad 80 miles to the north of Salt Lake City in 1869. This well-planned community, whose Plat of Zion won the highest award from the American Planning Association, had an efficient grid system with water supply, wide streets, gardens, farmland around the outside of the city, and domestic livestock as well as wild game that provided basic sustenance, enough to export to the unwelcome army, the visitors and the weary travelers.

Our tomorrow can exceed our past. We have an international, growing airport and are truly the crossroads of the West. Our University is second only to MIT in the number of spin-off companies from research. Our sustainability practices are getting international recognition and will be highlighted in June at an international conference of the transit world to discuss sustainability. And, thankfully, we have both a business and residential community that even in these tough times, are excited to achieve our potential, working with our neighbors and integrating all parts of our community in common purpose.

### **Looking Inward, Outward and Ahead**

With the economic challenges we are facing, our hearts and attention have turned inward to establish security for ourselves and our community. We need each other, and Salt Lakers and Utahns have always been a beacon of caring. We are also a community that looks beyond the present. Having weathered plenty of storms, we know there are brighter days ahead.

Our attributes serve us well, and will help us through our economic challenges. Thank you, residents and representatives of our fair city, for your generosity, your care and your understanding.