

Good evening. Thank you for giving me the opportunity to introduce my Fiscal Year 2024 budget tonight.

It's an incredible time to be a Salt Laker.

Our neighborhoods and businesses are growing as a result of having the strongest economy in the nation.

Our residents continue to enjoy a quality of life that ranks among the top 10 cities nationwide.

Our downtown is thriving, recovering from the pandemic faster than any other downtown in the country.

And even though the City is growing, our air quality continues to improve.

We all share the excitement, the electric atmosphere around our City right now, and the infinite possibilities that lie ahead. We are on the right track. Major League Baseball, the National Hockey League, the Olympics and the year round benefits our residents can gain from these opportunities are knocking at our door... While we may still dream of what that future looks like, I have never been more confident in the strength of our City than I am today.

The priorities of our community guided us through the challenges of the past three years, and today, thanks to the decisions we've made together, our vision for the future is clear, bright, and possible.

Of course we still have challenges as many growing cities in the U.S. do, especially a critical housing shortage and caring for our unsheltered neighbors. We also face unique challenges like our air quality and, of course, saving the Great Salt Lake.

This year's recommended budget charts a path forward to further strengthen the foundation we've built, while recognizing the continued growth of our city population and resident needs.

As you'll recall from last year, we've initiated a three year budget strategy that is both fiscally responsible and prioritizes what is best for our residents and visitors based upon our revenues and use of the City's healthy fund balance.

We're now in the second year of that strategy and my recommended budget presents a balanced approach, which will move the City forward with the flexibility to meet challenges that may lie ahead.

This year, I'm proposing a general fund budget of \$444,504,923.

It marks a 4.4 percent increase— or about \$19 million – over last year's budget, with the primary change attributed to inflation.

Our revenue from sales tax will be approximately \$17 million more than what we anticipated last year and we will realize an increase from interest in our investments, which helps to balance our growing needs.

However, we are also exercising caution as we work through the year ahead with licensing and permitting slightly lagging behind the frenetic pace we'd seen building over the past three years.

Approximately \$8 million of this budget increase is a result of higher costs of labor, water, gas and electrical procurement as well as lingering supply chain constraints caused by the pandemic, which are still affecting our economy.

Many cities across the nation continue to face a critical shortage of affordable housing. And we are not immune to that trend as the capital city of the fastest growing state in the nation.

But we are making a tremendous difference.

Our investments in affordable housing units since 2020 have net the largest increase in the city's history. In the last 3 years, we've invested more than \$56 million toward affordable housing, with nearly \$20 million awarded last year alone.

Our dollars have helped create more than 4,000 affordable units, and by year's end, seven more projects will either break ground or open, thanks to RDA investment.

The entirety of what we've been able to do together marks a 413% increase in unit creation since 2020.

And we're not done.

This fiscal year, we will continue to build a track record of creating additional housing opportunities by proposing the allocation of nearly \$10 million between new investment and our ongoing commitment from the City and the RDA.

This is in addition to \$10 million in the wealth-building, affordable housing perpetual fund investment you are considering in Budget Amendment 6.

And we're also on the doorstep of more than 400 permanent supportive housing units coming online this spring and summer as a result of last fall's Capital Improvement Program 6M dollar investment.

I'll say this again because it is critical for everyone to understand our commitment to lowering the cost of living in our capital city. Over the next month, you'll consider a combined \$20 million in city-led affordable housing investment.

I'm confident the first units of The Other Side Village, a first-in-our-state tiny home community, will come online in the upcoming fiscal year. It's taken time as we've worked through environmental mitigation steps on the site, but the end result will undoubtedly be worth it. Homes – individual homes – for people who have struggled for years with chronic homelessness, will have places of their own.

Housing is the key to addressing the statewide homelessness crisis, but Salt Lake City also leads out on trying to connect unhoused people with services, and keeping our public spaces clean and safe for all.

In this budget, we will continue to invest in those resources, by bolstering our downtown ambassador program, adding more social workers to our medical response teams, and providing tenant relocation and navigation services as identified from our Thriving in Place, anti-gentrification and displacement work.

The practicality of increasing these investments only amplifies the need to also strengthen our relationships with County and State partners to identify much-needed, long term solutions to include additional shelter space, sufficient winter overflow plans, and the development of mental health and addiction treatment services.

I'm confident in our resolve to address homelessness. It's the most difficult issue facing the City and I'm encouraged by the progress we've made.

As an air quality advocate, this budget proposal also continues the work of improving air quality using a variety of methods, as we create new investments in our sustainable future.

We will continue our partnership with the state for the commercial gas-powered equipment exchange program, and we will keep our commitment to student public transit passes while also expanding our network of EV charging stations.

We're also laying the groundwork to expand our air quality efforts and investments in other areas, with an eye toward more empowerment for our residents. I'm proud to propose the creation of Salt Lake City's first dedicated resident air quality incentive program tonight.

The staff and programming for this initiative will reside in our Sustainability Department, and will empower the City's residents to make small, powerful changes in their homes and commutes that add up to an improvement in our air quality and quality of life.

From battery-powered landscaping equipment to e-bikes, our residents will have an easier route to access tools that make a direct impact on improving our local air quality through this incentive program.

As it does for many throughout the state, the Great Salt Lake is ever present at the top of my mind, even after the record-setting winter, which we are now managing in the form of stream run-off.

Our namesake's wellbeing and long-term viability is still critical and urgent. To put it in perspective, just yesterday University of Utah's Dr. Kevin Perry paid my office a visit.

He told our team something stark - scientists have done additional research on the data that told us last year we had only 5 years before the total collapse of the lake. This year's snowpack only adds 2 years to that tally. This reaffirms to me the urgency we have to do more for the Lake.

In this year's State of the City Address in January, I outlined our strategy to protect a contribution of 13 billion gallons of water each year for the Great Salt Lake, put in place a drought surcharge on the highest summer water consumers, and conduct a top-to-bottom audit of all municipal water use.

Tonight, I propose an additional measure that works in tandem with these efforts. In this next fiscal year, our team will devote resources to fully exploring the concept of a Great

Salt Lake Shoreline Preservation area, an idea brought to us from a cross-section of residents, advocates and scientists including The Audubon Society, The Center for Biological Diversity, Friends of Great Salt Lake, the Rudy Duck Club, and our Westpointe community council.

While establishing such an area would be a multi-year endeavor, our work through the Public Utilities and Community and Neighborhoods Departments will explore what it would take to manage and protect more wetlands and natural areas on the shores of the Great Salt Lake.

I want to extend my deep gratitude to the community members who brought this idea forward to our City. It's this kind of creative thinking and committed partnerships that will help save our Lake.

The \$85 million Parks, Trails and Open Space bond passed by voters last fall will also begin to bear fruit this year.

Phase one of construction on Glendale Regional Park will begin in just a few months and I'm excited to see improvements along the Jordan River Parkway Trail take shape as the Emerald Ribbon Master Plan moves forward.

We are also taking a deep look at City-owned vacant land, particularly on our city's West Side, and you will see us moving to unlock economic development activation where neighborhoods need easier access to fresh food, shops, and services.

Later this month, we'll announce the winners of our Ballpark Next competition. That process is well underway with community members and in the upcoming fiscal year, we'll take steps together to further activate the neighborhood in and around Smith's Ballpark as we work toward a long-term vision.

Ballpark residents can also expect more activations and community events, future engagement opportunities, as well as additional city staff to help prepare for the upcoming transition in the neighborhood.

Another area where city staffers have been hard at work - our roads.

The historic winter we all experienced will provide some relief for drought conditions in the West; however, locally, record snowfall wreaked havoc on our City's roads.

Our snowfighters did a tremendous job keeping our City streets plowed through the winter, and our streets crews have been hard at work repairing the damage due to harsh winter conditions.

Earlier this month, we repaired more than 6,000 potholes in one week during our first ever Pothole Palooza.

The work of constructing, improving and maintaining our roads continues to be a priority.

Citywide infrastructure improvements continue. While the massive winter season impacted our roads, our crews still improved the quality of our streets by 20%.

This budget includes a recommended \$10.2 million for transportation projects.

This significant investment will fund Frequent Transit Routes, Urban Trails, Traffic Circle Construction and Traffic Signal Replacement.

Another \$10.3 million will go toward sidewalks, alleyway improvements, maintenance, and concrete work.

Street safety is so much more than road conditions. The very design of our streets need to prioritize the safety of all who use them, including pedestrians and cyclists. As part of our work to join the Vision Zero network, this budget includes funding for Safer Crossings, Sidewalk Improvements, Complete Streets, Livable Streets, and Neighborhood Byways.

The last major project from the 2018 Streets Bond is the 2100 South reconstruction project from 700 E to 1300 E, which will begin next spring. We're excited to fulfill the projects outlined in that bond process and look forward to bringing back a renewal of additional infrastructure bond projects in the third-year of our multi-year budget process.

I've heard the same jokes as you about road construction season in Utah. But these investments will fund real improvements. They'll make our residents' lives better. And they're worth it.

As a result of our continued recovery from the pandemic, a property tax adjustment last year, and sales tax revenue exceeding expectations, I will not be considering any tax increase in this budget for Salt Lake City residents.

A change residents *will* see is a pre-planned and longstanding public utilities rate increase for water, sewer and stormwater infrastructure that amounts to about \$10 a month for low water users.

I want to wrap things up by speaking about the people who make this city run - our public servants. From the person you see filling a pothole on the street, to someone signing off on a building permit. The waste and recycling specialist at your curb, or the public utilities team member building a wall of sandbags. Fire fighters, police officers, 911 dispatch, and librarians, the list could go on. Each is part of our team of more than 3,000, who are behind the scenes working to improve the quality of every resident's life.

They take care of Salt Lakers in often invisible and incredibly crucial ways every day, and this budget aims to take care of them.

First, a 5% cost of living adjustment for non-represented employees and market-rate adjustments for positions that are lagging behind market wages. This budget also proposes the creation of a \$500 annual Lifestyle Savings Account, which gives employees flexibility in spending for quality of life needs.

And this budget aims for a more digitally accessible city than our employees have ever had. The onset of Workday puts every single employee's benefit management in the palm of their hands in many languages.

In this recommended budget, you will see the proposed addition of 115 full time employees spread across nearly every department. These new positions are critical and will support dozens of infrastructure projects and make sure that programs and services can keep pace with our growing city.

Tonight, I formally submit my proposed budget to you and to our public for consideration. The opportunities at our fingertips today have the potential to positively impact our city for *generations*. To support our communities with *our residents* at the forefront. To grow our economy to benefit ALL and help those families who are working too many jobs today, connect with the higher-paying, economically resilient industries growing here.

Salt Lake City is ready. We are ambitious in our vision and confident in our budgeting. We have weathered many storms and emerged stronger than ever. I'm so happy to present this year's budget proposal to you with great confidence in our 16 departments who do this work every single day.

We look forward to working with you over the coming weeks to process the budget and keep Salt Lake City moving steadily forward.