

# Fiscal Year 2025 Mayor's Recommended Budget Speech

*Presented by Salt Lake City Mayor Erin Mendenhall*

*May 7, 2024*

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Good evening, Council Members, Council staff, our City team, and my fellow Salt Lakers. I am excited to be here tonight to present my recommended budget for the upcoming 2025 Fiscal Year.

This year's proposal is anchored by a commitment to executing our vision to support families, residents, and the incredibly bright future of Salt Lake City.

We are charting new pathways to cultivate a high quality of life for our residents and the generations who will call this city home long after us.

As you know, we've had an incredible past few months.

When I stood before you in January at the State of the City address, I outlined my intention for our capital city to level up and embrace the opportunities ahead. And boy, have we worked hard to ensure those opportunities come to Salt Lake City.

Last month, we hosted the International Olympic Committee's Future Host Commission. They came away wholly impressed with our facilities, our people, and our plans to welcome the world again. We stand closer than ever to securing the 2034 Winter Olympic and Paralympic Games, prepared and ready to sign the contract this July in Paris.

And the games will be centered in Salt Lake City. To quote the IOC's Karl Stoss, "We must bring the games to the people. That means to bring sport to the people, to bring sport to the city, downtown."

And that's exactly what we will do. With you.

Less than two weeks later, I was honored to join you in the exciting announcement that a new National Hockey League franchise is moving to Salt Lake City this year!

While I have vocally supported the creation of a downtown sports, entertainment, culture, and convention district for more than a year, those discussions have accelerated since the passage of the Capital City Revitalization Zone Bill and the addition of another professional sports franchise to our City.

I want to thank our Council members for supporting this vision, being at the table with me, and working diligently to guide our city to the next level. I've said it before, and I'll say it again: It is an incredible time to be a Salt Laker.

The months and years ahead will require great care from City leadership to ensure these opportunities also help foster our broader goals, to support a more people-focused, family-focused experience in our downtown core.

We are poised to deliver on those intentions...and to shape some of the greatest transformations this city has ever seen.

This year's budget supports the City's present needs, AND it positions us to move full steam ahead on these generational opportunities, which are approaching at great speed.

This budget allows us to achieve these visions AND level up services and amenities to support our most vulnerable communities. It enables us to address some of the greatest challenges we face, like homelessness and affordable housing. This is all possible because our City is determined to find solutions AND take hold of our exciting potential.

**This year, I am proposing a general fund budget of \$475,245,078, marking a 5.9% increase from last year's general fund budget.**

This proposal is responsible and accountable. It's proactive and determined. It is a nuts-and-bolts budget for our city and sets us up to execute catalytic ambitions.

We can and will do both—we *can* deliver a responsible, balanced budget AND drive planning for powerful initiatives to enrich our quality of life, including projects like the Green Loop, the Main Street Pedestrian Promenade, and the development of a dynamic sports, entertainment, culture, and convention district in our downtown.

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This year, we began with a budget deficit of more than \$20 million *before even* considering service or program expansion. We exercised creativity and diligence to develop a holistic budget, fund key priorities, and tackle our imbalance. We invited City Departments to closely review their budgets and define their greatest needs. This intentional approach allowed us to avoid a property tax increase and fund the needs of our city at the same time.

I will say it again because I think it's important to reiterate our commitment to building a responsible budget—**there are no major tax increases in this budget.**

Typically, we build a budget beginning with the Council-adopted budget from the prior fiscal year. Our budget committee then considers key changes to change service levels or start new programs. Starting in this coming fiscal year, we will take a different approach to building our budget. Line by line, breaking each program down to a functional zero, we will examine every piece that makes up each city function, from staffing to equipment to services.

This will help us scrutinize where we may best cut and consolidate resources and where we truly need to focus any *additional* people or funds.

While we can't fund every department request, program, or new employee this year, we developed a responsive budget focused on livability and quality of life...delivering positive results for all Salt Lakers.

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One important action I want to highlight tonight surrounds families. They are foundational to what makes Salt Lake City a world-class city. Our families, youth, and future generations are those we must fight for, plan for...and budget for.

In recent months, I've heard from parents about increased fees at our youth sports facilities as the result of an interpretation of state statute. Tonight, I want to say that I stand with our families who play, coach, and support youth athletics. I stand with August Wachter (whock-tur), a Little League coach, who led the charge to bring this issue to the forefront. I stand with Rose Park Little League, who delivered dozens of passionate letters to me just a couple weeks ago.

In conjunction with this year's budget, my administration transmitted to the Council a new fee schedule proposing that the City discount athletic field recreation fees for youth. This will cost approximately \$57,000 annually. It's a small price to pay to ensure families won't be priced out of youth recreational opportunities because of the cost of renting our athletic fields.

And I'll go a step further. In this budget, we will reimburse youth sports organizations the difference between the new fee and the old fees we have collected over the past two years, because it's the right thing to do.

This will ensure hundreds of kids can more readily sign up for youth leagues and access activities on our fields to practice, play, and develop lifelong skills that sports teach us—discipline, responsibility, and teamwork.

Opportunities like this for our youth are critical to generating the City's next leaders and engaged community members. This is about more than field access—this is about delivering for our families, children, and our future, and I'm grateful to the City Council members for already expressing their support for this move.

Not only are we addressing the fee schedule for athletic fields, but we are also reinforcing our ability to maintain and care for our multi-use fields and parks. This year, we will fund a new coordinator position in our Public Lands department to oversee and ensure our parks and public lands are as well-maintained as they can be.

Salt Lakers are passionate about our access to quality parks and open space. I want to—*again*—thank residents for approving the Parks, Trails, and Open Space Bond in 2022. We are investing in our public spaces because we know how important they are for our quality of life.

This year's budget proposal will help our Public Lands team expand its capacity to manage these treasured community spaces and thoughtfully oversee new projects the bond has made possible. This is all part of continuing our work and investments, which were bolstered by the GO Bond.

I'd like to mention that in this budget, the City is funding not one but *two* major art installations on the west side, taking advantage of the great community process our Salt Lake City Arts Council recently led. They concluded that either the new Glendale Regional Park OR the west end of the 9-Line should be the place for large-scale, new public art. I want to do BOTH, and the RDA is contributing from its arts fund to make that second art installation possible.

Strengthening access to parks, public lands, and community space doesn't stop there.

Our work to create a permanent pedestrian promenade on Main Street continues.

The programming we funded on Main Street since 2020 has brought so much more life, connection, and activity to our downtown. We will establish a permanent pedestrian promenade feature in Salt Lake City, but it cannot be done without thorough analysis, partnership, and a little imagination.

This week, our Economic Development team will release findings from the Main Street Promenade Conceptual Design Study, which spotlights the public's strong support for this legacy vision that will transform Salt Lake City for the next 100 years. The study found no significant infrastructure roadblocks and recommends additional stakeholder engagement and analysis on maintenance, parking, traffic, and utilities.

This year, we propose \$115,000 in funding for a comprehensive economic analysis to review the project's economic benefits and impacts as we guide the City's preferred concept design toward a permanent vision.

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With another Olympic and Paralympic Games on the horizon and the reconstruction of our international airport, Salt Lake City is leveling up in the world. As we solidify our place on the global stage, it is important we foster our international connections.

Last year, I was honored to join you in welcoming a delegation from our first sister city, Matsumoto, Japan. These relationships, centered on building peace and diplomacy, enhance our connection to the world from which we can carry out ideas to address our biggest problems and opportunities—like the climate change panel we held with Mayor Yoshinao Gaun (yo-shee-now gown). This budget nurtures the growth of our Sister Cities program. Salt Lake City is achieving more as we convene and collaborate with Sister Cities...with partners...than we ever could before in isolation.

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Earlier tonight, we heard from Smith Entertainment Group about another opportunity to reimagine the heart of downtown with the creation of a more connected, more activated sports, entertainment, culture, and convention district in and around the Delta Center.

The Delta Center is an economic engine for our City—and data shows that our biggest economic days are ones when there's activity at the Delta Center. In 2022, 76% of our top visitation days were tied to the Delta Center. SEG's ownership and doubling of non-Jazz events has helped us experience a nationally recognized recovery coming out of the pandemic, and adding 41 more professional sporting events with our new NHL team each year will further enhance Downtown SLC and ensure we have the means to continue addressing our challenges.

We are leveling up as a City, and any one of these initiatives...the NHL, a sports, entertainment, culture and convention district, the Green Loop, Main St.

Promenade—by themselves—would breathe new life into our urban core and bolster the City’s ability to address needs in our communities.

But together, they have the power to fundamentally redefine the identity and experience of Salt Lake City’s downtown. To make it more dynamic and entertaining; more livable, equitable and sustainable; to make it more responsive to families; welcoming to visitors; and profitable for small businesses.

To ensure all of these opportunities are coordinated and champion the community’s interests, I am proposing a new position in my office to manage downtown projects.

While the Legislature’s authorization of a potential sales tax increase to support a sports, entertainment, culture, and convention district is not directly reflected in this budget, I am eager to advance that opportunity and continue engaging in the many conversations we will have ahead.

We know that the way we build public benefits needs to be as diverse as the residents and visitors we serve. From providing public space and fueling our economic engine to affordable housing and outreach to our most vulnerable.

We have not slowed an inch in our prioritization of affordable housing. New graduates need it. Young families need it. Many of our aging residents and thousands of hardworking Salt Lakers need access to affordable housing.

The last four years of the City’s record investment was just the beginning. Affordable housing has been such a priority for my administration, as it has for the Council as well, that we keep putting more into it throughout the year — not just in the annual budget. Like in March, the City dedicated \$17.7 million to facilitate the construction of 1,500 affordable housing units—many family-sized—through the RDA and City’s Department of Community and Neighborhoods. Tonight, I’m recommending we allocate *another* \$2.59 million in the budget for affordable housing via the RDA.

Affordable housing isn’t just an annual budget priority, it’s a year-round funding priority that continues to yield powerful results.

A critical part of supporting our neighbors in Salt Lake City is our steadfast financial investment in services and investment of time in partnerships to help our most vulnerable residents.

This budget DOUBLES our Rapid Intervention Team and the City's ability to directly engage with unsheltered individuals and connect them to essential resources, including substance use treatment programs like the VOA's Recovery on Redwood facility that expanded last year, shelter like the microshelter community, and supportive housing.

The launch of the Rapid Intervention Team last year has been a valuable tool to support our communities, and the City continues to be proactive in collaborating with the state and county on increasing services, expanding shelter capacity, and improving winter planning.

We cannot address the Statewide homelessness crisis without working together with our partners. We are each responsible for different parts of this complex issue. This budget ensures the City continues to do its part.

Our City Justice Court is another touchpoint we have with vulnerable individuals. I know many of you are familiar with City programs like Homeless Court, HEART's Resource Fairs, and Kayak Court. For unsheltered residents, court cases and warrants are a barrier to achieving stability, housing, and breaking the cycle of homelessness...Salt Lake City is taking outreach a step further with a new approach to justice, promoting access to resources and helping remove obstacles to stable housing and support. We are meeting people where they are and how they are, with accountability and now *also* with hands-on case management.

This budget facilitates a new full-time position at the Justice Court to support the recently established Familiar Faces Program and conduct outreach that bridges the gap from justice to the community, whether that's helping complete a needs questionnaire or being a consistent face to connect defendants with wraparound services. As the City works closely with our residents who are living unsheltered, service providers, and state partners, we are making real strides in ensuring homelessness is rare, brief, and non-recurring.

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We have good people who are committed to the community's safety every day in Salt Lake City, as we continue to build out a more nuanced public safety response to better serve residents when they call us facing an emergency...and ultimately save more lives.

We're enthusiastic to deploy an additional Medical Response Paramedic Team through the Salt Lake City Fire Department in this proposed budget, who will work alongside our

firefighters, EMTs, and social workers to provide basic emergency medical care when we arrive on a scene.

I'm grateful for the concerted crime-reduction efforts led by Chief Brown and our City's police officers. Using multiple strategies implemented during my administration, we're seeing double-digit declines in crime in nearly every single Council district...and a 15-year low in our *citywide* crime rate. This budget accounts for renegotiated salary structures that bring Salt Lake City's Police Department back to the top of the market so we can continue to recruit the best people and fill all open positions.

And we're always exploring grant opportunities beyond the general fund for pilot projects and new initiatives, like enhancing the mental health and wellness of our police department.

Also, later this month, we will apply for a federal grant our police department receives regularly to pay for 10 to 12 NEW police officers dedicated to the Jordan River and North Temple. The grant would cover \$1.5 million of the cost of the officers over a three-year span. This complete squad would have the ability to be present in the corridor seven days a week, dramatically increasing our community policing capacity and crime prevention for these neighborhoods whose families need and deserve it.

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Strengthening livability in our communities also involves investing in the City's ability to enforce policies and regulations that maintain safety and order on our streets and in our neighborhoods, especially as the City continues to grow.

We're all too familiar with signs of growth...orange cones, detours, and sometimes blockages that weren't planned or permitted. This budget invests in code enforcement personnel to better ensure that everyone can safely and comfortably access residential and commercial areas during construction and development.

The sting of lengthy road construction projects is difficult, and believe me, I experience it alongside you every day, so we're taking more proactive steps to keep our roads better maintained before they need a full replacement. We began a pilot 'mill and overlay' program last year, and it's been so successful we're investing an additional \$300,000 a year to maintain our city streets in this budget.

These commitments to mobility greatly impact the quality of life of our children, families, and all residents. This budget increases transit access by proposing more than



\$300,000 in expanded funding for UTA On-Demand on Salt Lake City's westside. This will connect more residents with TRAX, FrontRunner, and buses—and ultimately to their jobs, schooling, or with each other. That will take us to more than \$3 million annually for this funding.

We're also continuing our investment in transit passes for students, parents, and educators through our Hive Pass partnership with UTA and the Salt Lake City School District.

The City is not only connecting our residents with transit but also by arts, culture, and events supported through the ACE Fund. After receiving hundreds of applications this year, my office awarded grants supporting 126 community-organized events that celebrate our cultural and artistic diversity, protect our environment, and build a more sustainable Salt Lake City.

They are the threads woven together that form our identity, which is why this budget proposes additional funding for future ACE grants that empower our residents to celebrate and support the diversity and needs of our unique communities.

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The City's bones—our streets, parks, curbs, and other public infrastructure—are critical for the success of our communities. Every resident, business, and visitor depends on the City's maintenance of capital projects. In this budget, I am proud to spotlight important Capital Improvement Program investments that will fortify our public infrastructure:

- \$6.25 million to support "Complete Streets" reconstruction and overlay, promoting safer street access for all pedestrians and travelers of all modes of transportation
- \$4 million to support the reconstruction of the Jordan River Bridge on 400 South
- Nearly \$1 million dedicated to our neighborhood byways program
- \$750,000 toward repairing sidewalks
- \$300,000 for safer crossings citywide

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All of the work I've discussed tonight cannot happen without our dedicated city employees. It's imperative that we invest in and retain our team of public servants in this competitive job market so we can continue to deliver the services our residents demand

and deserve, which is why the budget also includes a 5% cost-of-living adjustment for non-represented employees and an increase in Health Savings Account contributions.

{conclusion}

There's no question Salt Lake City is propelling forward. The goals I laid out for our City earlier this year and our ambitious work in the three months that followed have positioned us squarely on a strong path. This responsible budget supports our forward movement as we continue down this path that previous generations of Salt Lakers could only dream of...and we're undaunted...because we will not do it alone.

I want to express my deepest gratitude to our Finance team, led by Chief Financial Officer Mary Beth Thompson and Budget Director Greg Cleary, and the entire budget committee for their thoughtful and diligent work on this budget proposal. Thank you.

And thank you, City Council and staff, for the work you will do over the next several weeks to carefully consider and finalize this budget.