



CITY OF PITTSBURGH

"AMERICA'S MOST LIVABLE CITY"

Office of Mayor Luke Ravenstahl

Mayor Ravenstahl's 2013 Budget Address
November 13, 2012

"Bringing the Promise Back to Pittsburgh"

Good morning Council President Harris, members of City Council, fellow City leaders and employees, and residents of our most livable City of Pittsburgh. I am honored to present to you a balanced budget for your consideration for a seventh consecutive year. Working together with my budget team to produce our 2013 Operating and Capital Budget and Five-Year Financial Plan, I couldn't help but reflect upon how far we have come as a City, and the promise that our future now holds.

Almost one decade ago, when our City was facing bankruptcy and entered Act 47, I was a newly elected City Councilman and I remember vividly the deep sense of despair and hopelessness we all felt. Our workforce was cut by nearly a quarter. Hundreds of cops were laid off. Pools, recreation centers and fire stations were closed. It was an extremely difficult time for employees and residents alike. Years of mismanagement meant that neighborhoods didn't get the investment they both needed and deserved. As a result, people were still leaving our City in droves.

Today, however, **we've brought the promise back to Pittsburgh**. Today, Pittsburgh's Third Renaissance is in full swing and is marked by both job creation and neighborhood development throughout the City - from East Liberty to East Ohio Street, from the West End to the South Side, from Downtown to Allentown. We can say, for the first time in my lifetime, that Pittsburgh's population is growing again. Crime is at a historic low, having decreased for six straight years. And perhaps most importantly, at over 1.2 million, there are more jobs in Pittsburgh today than ever before.

City Council Members, City Controller and fellow City employees – together, we have come a long way. The financial backbone of our success has been our commitment to paying down past debts. Our debt diet resulted in the retiring of a quarter-billion dollars of debt. That's right – a quarter of a billion dollars.

This also was a key factor in moving our investment status from "junk" to solid "A" investment grade. Even more impressive, we did all of this despite a national economic recession. While other governments are increasing taxes and laying off workers – we've been able to balance our budgets and save for a rainy day. In fact, we actually cut taxes. While **we've brought the Promise back to Pittsburgh**, there is still much more work to do.

Today, Pittsburgh City government is financially sound and our Act 47 overseers have petitioned to remove our financially "distressed" status. We had to make serious sacrifices to reach this point, but we are here.

512 CITY-COUNTY BUILDING, 414 GRANT STREET, PITTSBURGH, PENNSYLVANIA 15219

Phone: 412-255-2626 Fax: 412-255-2687



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And as we celebrate our City's rebirth, we also chart the course for five more years of fiscal health. The proposed 2013 Operating and Capital Budget and Five Year Financial Plan contains no surprises. The financially responsible policies that have been the hallmark of City government will continue. The \$470 million budget proposes no new or increased taxes, results in an operating surplus and carries a healthy, \$50 million rainy day fund.

Over the course of the five-year plan, we will commit another \$25 million to a pay-as-you-go capital budget while pledging an additional \$25 million above and beyond what is required to the pension fund. In addition to fiscal prudence, this budget allows us to deliver the highest quality services to Pittsburgh's residents.

The proposed \$65 million 2013 capital budget will fund essential quality-of-life services such as public safety, public works, and parks and recreation. Our public safety professionals will get new top-of-the-line radios that will ensure that this important communication system is sustainable for years to come. We will invest \$6 million toward our ongoing efforts to modernize the City's fleet. We will invest another \$10 million into a robust paving program. We will continue our commitment to aggressively taking down dangerous structures by investing over \$3 million in demolition. And, we won't forget that our kids and seniors deserve neighborhoods with the best amenities.

So this budget commits over \$16 million to projects throughout the City. From spray parks, to recreation and senior centers, to playgrounds and ball fields, we will be working next year to build and maintain critical infrastructure throughout the City.

Last, but not least, we will continue to deploy innovative strategies to ensure that Pittsburgh's Third Renaissance reaches all of our City's 90 neighborhoods.

Community investment comes in all shapes and sizes, and we're giving residents the tools to take ownership of their blocks' revitalization. Programs like Green Up and Love Your Block have built community pride and transformed hundreds of vacant lots.

Whether it's capitalizing on the impact of dedicated volunteerism through servePGH, or investing in the future of our young people through The Pittsburgh Promise, we recognize that the greatest strength we have in Pittsburgh is our people.

Together **we've brought the promise back to Pittsburgh**, and the world has taken note.

Whether it's being named a "Top Comeback City" or "America's Most Livable City" year after year, Pittsburgh has become the model for transformation. I am confident that this proposed budget charts Pittsburgh's path beyond recovery. Many of us here today helped navigate the course from our City's darkest days to this period of rebirth and resurgence. Let us take the lessons learned from these transformative years and together write the next chapter in Pittsburgh's remarkable history

