



Citizen's Budget Report
**Commitment
to Progress**

City of Tampa, Florida • FY2009



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Pam Iorio, Mayor
Bonnie M. Wise, Director of Finance
Jim Stefan, Budget Officer

Message from the Mayor

August 7, 2008

*The Honorable Tom Scott and
Members of Tampa City Council*

*Dear Chairman Scott and Members of
Tampa City Council:*

*I am pleased to present for your
consideration the Recommended Annual
Budget for the City of Tampa for the fiscal
year beginning October 1, 2008 and ending
September 30, 2009.*



*This year's budget theme is "Commitment to
Progress." Despite shrinking property tax revenue and a sluggish economy,
we believe that the city should aggressively repair, maintain and improve its
infrastructure. It is also important to maintain high levels of public safety
and basic core services that the public depends upon.*

*The budget for FY09 totals \$836 million. This represents a 9.8% increase
from the FY08 level of \$761 million, mainly due to an increase in enterprise
and bond funds available primarily for infrastructure improvements. Our
Tax Operating Funds, the operational part of city government that includes
property taxes, grew by less than 2%.*

*Over the past two years, due to the 2007 Legislative session which required
a rollback of the millage rate, and the 2008 impact of the voter approved
Amendment 1 that generally doubled the size of the homestead exemption,
the City of Tampa has seen recurring property tax revenues decrease by
approximately \$28 million. Economic problems across the state and country,
particularly in the real estate market, have caused stress on other revenue
sources such as sales taxes. Rapidly increasing gas prices have strained the
average person's budget as well as the city's budget.*

*The City of Tampa has adopted a long-term strategy to address these
challenges. The issues we face are not peculiar to this fiscal year, but rather,
reflect a changing reality for local governments. Our prospects for increased
revenue are unlikely, and rising energy costs are part of global market forces
and national energy policies that have no quick fixes.*

The foundation of this budget and future budgets is based on guiding principles. They include:

- *Protect those key services that the public depends upon.*
- *Look for better ways of doing business.*
- *Continue to make progress – move our city forward in capital infrastructure improvements and other investments that continue to make life better for our residents.*
- *Preserve our reserves so that the city remains financially healthy.*
- *Strategically shrink the size of city government.*

Continued Progress and Capital Investments

This year's budget reflects the following new investments:

- *In FY09, the Investing in Neighborhoods program will increase 15.5%. This program, which provides for street resurfacing, sidewalks, signage and traffic calming, is now funded at \$7.45 million, almost three times higher than the FY03 level of \$2.6 million.*
- *In June, Tampa Fire Rescue applied for a U.S. Department of Homeland Security Staffing for Adequate Fire and Emergency Response (SAFER) grant to fund up to 36 additional firefighter positions. If awarded, the additional positions will help Tampa achieve and maintain staffing goals per the National Fire Protection Association guidelines and help staff the two additional fire rescue stations for the north Tampa area. The first year's match of over \$210,000 is included in this budget.*
- *The city plans to acquire ownership of the Tampa Theatre lobby and two adjacent ground level spaces in order to eliminate existing lease payments. The estimated \$2 million purchase will help protect the future of one of our most historic buildings. The Tampa Theatre Foundation is assisting with the acquisition by paying various closing costs.*
- *Over \$2.1 million will go to replace the exterior windows at historic City Hall that are exhibiting visible deterioration.*
- *Over \$19 million will go to replace 20,500 feet of deteriorating pipe as part of the 12th Street wastewater force main project.*
- *The Water Department is embarking on nearly \$150 million worth of projects ranging from the expansion of the water pipeline replacement program, improving the distribution systems, providing minimum flows to the lower Hillsborough River, expanding the reclaimed water program and beginning construction on a major pipeline project to improve service to Downtown and South Tampa.*
- *Continue progress on Stormwater's five-year capital improvement program with an investment of up to \$42 million during the coming year.*

-
- Continue the Community Investment Tax (CIT) programs third five-year program and bond projects such as the Seminole Garden Center, Springhill Park Community Center, Cotanchobee Fort Brooke Park-Heroes Plaza, and the Ballast Point Pier and Boat Ramp. We will also design and start construction on a new fire station to serve New Tampa.

Reducing the Size of City Government

Over the past two fiscal years we have decreased our workforce by 382 positions. During this same period Tampa's population has continued to grow, while our workforce has decreased by 7.6%. Given the outlook for future revenues, we will carry on with strategic cutbacks in areas where we believe the public will be minimally affected. We have minimized our reductions in filled positions, but where we have eliminated a filled position we have given each employee 90 days notice and have offered assistance with finding other employment. Some people think that if a vacant position has been eliminated it really does not have much of an effect on a department. Nothing could be further from reality. A funded position is a position the department needs in order to fulfill its mission and a temporary vacancy in that position does not diminish its worth.

We are also addressing the rate of pay increases. The firefighters' contract currently under negotiation calls for the elimination of their merit/step increase plan, which has allowed for large increases depending on seniority. We hope that our proposal for a 3% cost of living and a 3.5% merit increase will be implemented and will set the tone for future negotiations with both the Amalgamated Transit Union (ATU) and Police Benevolent Association (PBA).

Our Efficiency and Effectiveness Task Force, comprised of employees throughout various departments, continues to look at how we can bring about savings. Their work is on-going and over time will bring about lower operational costs. The task force has identified and implemented ways to save money by doing business more efficiently while retaining the high quality of services citizens expect. An example of an improved process that has brought in additional revenue is the promotion of "online auctions." Additional savings are being realized from the Police Department's internal efficiency and effectiveness task force. Areas reviewed included records management where advancements in technology and processes reduced data entry workloads, courier redundancies and associated operating costs.

Our Police Department has made internal reductions in the way they do business, but street level operations that serve the public have not been affected. Their continual success in bringing down our crime rate is a key factor in a positive quality of life.

Many times when cutbacks are necessary, the arts and cultural monies are the first to be cut. I do not believe in this approach. We are committed to being a City of the Arts and our investment in the arts is returned over and over again in economic development activity and a better quality of life. We have not reduced the subsidies we give to the many art and cultural organizations that enrich the lives of so many in our community.

We have also had few if any reductions in other areas that help the city maintain high standards for our citizens such as Code Enforcement, Clean City and Public Works. We have made strategic cuts to Parks and Recreation but they will have minimal impact to our citizens.

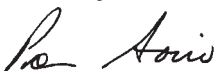
I want to make a point about our employees. Though resources have shrunk in almost every department, the employees have risen to the challenge of continuing to provide quality services. When the public calls, they answer. When City Council makes requests, they respond. They do this with a sense of mission and commitment. It is not easy to accomplish this when all around you important positions are being eliminated and operational dollars are being reduced. It would be easy for employees to do less but that is not their attitude.

The upcoming Super Bowl is a case in point. On February 1, 2009 Tampa will host Super Bowl XLIII. Although the event is six months away, considerable planning is taking place to ensure that the event is successful. Our employees in many different departments are doing considerably more work in addition to their current duties. And all departments are doing it with fewer employees than they had two years ago. And yet, their commitment to excellence is apparent.

As we discuss the budget in the coming weeks, I hope you will always keep in mind the remarkable job our employees are doing throughout every department during these difficult times of reduction.

So today I present to you a budget that reflects our commitment to continued progress. We know that times are tough. We know that means we have to step up for the public we serve – make cuts that protect their quality of life – make investments that continue to allow Tampa to be one of the best cities in America.

Sincerely,



Pam Iorio

Tampa City Council

Districts One, Two and Three are at large districts, as they represent all of the City of Tampa. Districts Four, Five, Six and Seven are represented individually.



GWEN MILLER
District 1 at Large
Chairman Pro-Tem



MARY MULHERN
District 2 at Large



LINDA SAUL-SENA
District 3 at Large



CHARLIE MIRANDA
District 6



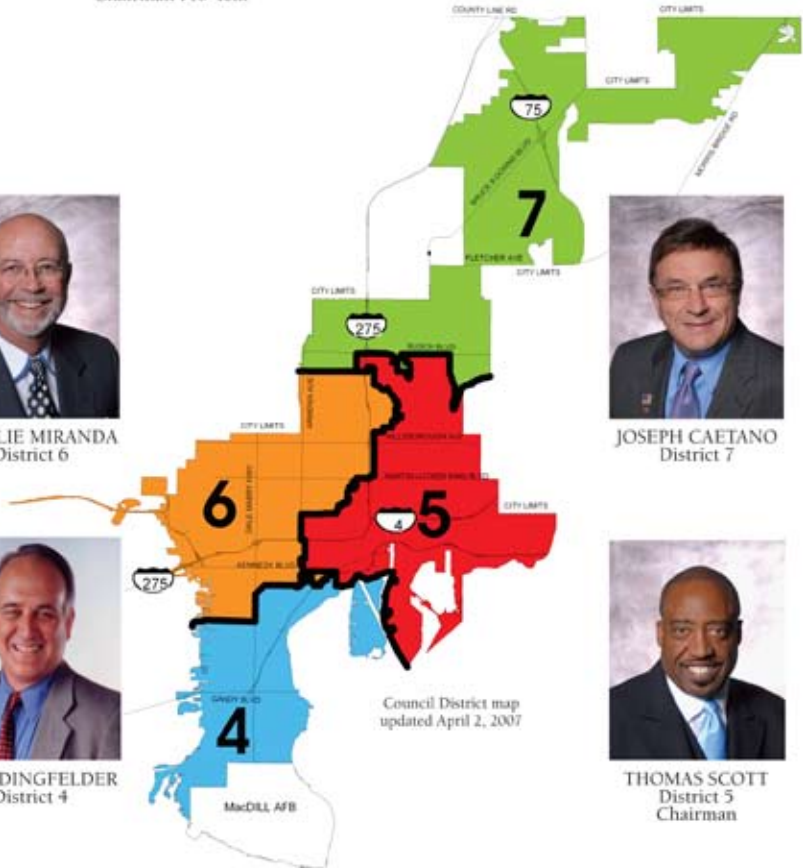
JOSEPH CAETANO
District 7



JOHN DINGFELDER
District 4



THOMAS SCOTT
District 5
Chairman



Vision

Tampa will be recognized as a diverse, progressive city; celebrated as the most desirable place to live, learn, work and play.

Mission

The City of Tampa's mission is to deliver outstanding services to enhance the quality of life within our community.

Values

The vision, mission and goals of the City of Tampa will be guided by the following core values:

Integrity

- Demonstrating honesty and sincerity in all of our dealings.
- Upholding only the highest ethical principles.
- Making decisions that reflect the highest standards of proper stewardship and accountability of resources.

Teamwork

- Working in full cooperation and mutual support that inspires trust and respect to achieve a common goal.
- Creating a spirit of service.

Excellence

- Being accountable for our actions.
- Delivering every product and service of city government in an outstanding manner.
- Developing a quality workforce.
- Showing pride in our efforts and the community in which we live and work.

Respect

- Showing consideration or regard for an individual or institution.
- Judging all people on their merits.
- Being tolerant and appreciative.
- Accepting individual differences.

Six Strategic Focus Areas

Investing in Tampa's Neighborhoods

Advance the quality of life in Tampa's neighborhoods by delivering outstanding services.

Economic Development in Our Most Challenged Areas- Using East Tampa as a Model

Transform East Tampa into a community of vibrant residential, business, recreational, social and cultural life through the implementation of a strategic, economic development model focused on neighborhood assets that can be replicated in other challenged areas within the City of Tampa.

Creating a Downtown Residential Community

By 2010, our downtown will have a safe, pedestrian oriented neighborhood serving a broad mix of incomes and providing homes to individuals and families.

Efficient City Government Focused on Customer Service

The City of Tampa will become a model of government efficiency and effectiveness, delivering the highest quality of services at the best possible value, while providing outstanding customer service in all areas of operations.

Tampa as a City of the Arts

Tampa will be a place that celebrates the works of artists, writers, and performers; providing opportunities for residents and visitors of all ages to enjoy and be enriched by a wide array of creative pursuits, while encouraging the growth of creative businesses.

Making Regional Mass Transit a Reality

The City of Tampa will work on a regional basis to create a mass transit system consisting of both rail and enhanced bus service to serve future generations.

The FY09 Budget

Total Funds Available

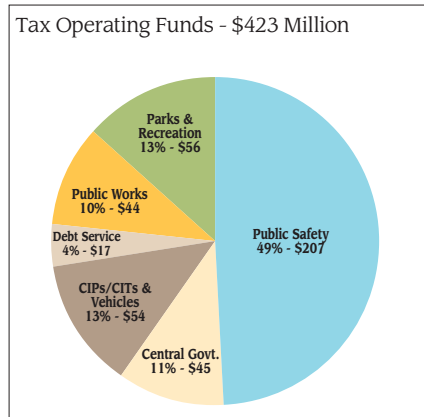
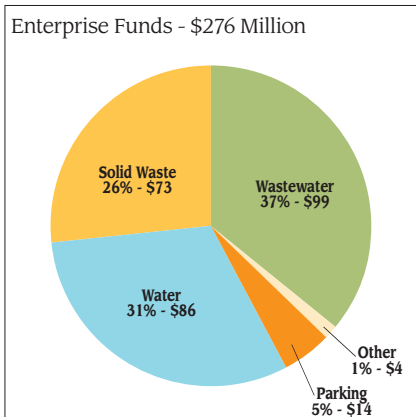
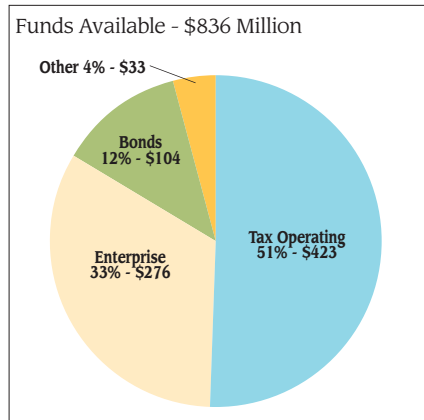
The City of Tampa's budget for fiscal year 2009 totals \$836 million. This is comprised of tax operating funds (\$423 million), enterprise funds (\$276 million), and internal service/other funds (\$33 million). In addition, we expect to spend \$104 million of previously appropriated bond funds in fiscal year 2009.

Enterprise Funds

The City's enterprise funds include Water, Wastewater, Solid Waste and Parking. These departments are run like businesses within city government - that is, they operate on the user revenues they bring in.

Tax Operating Funds

Tax operating funds include property taxes, franchise fees, sales taxes and communication services taxes as well as other sources. These monies are used to support general city services such as Police, Fire Rescue, Parks and Recreation, and basically all the support services needed to efficiently operate our city.



The City of Tampa's budget for FY2009 totals \$836 Million.

Net New Construction

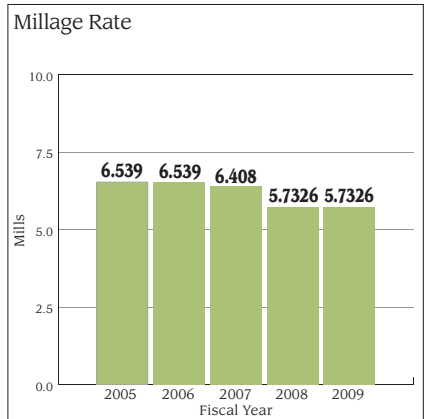
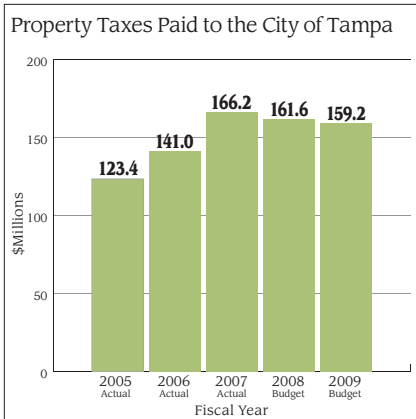
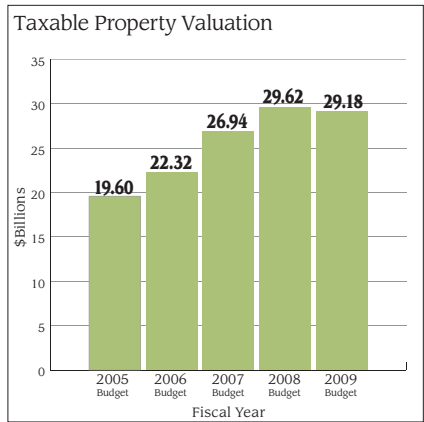
New construction placed on tax rolls for the first time reached a record level of almost \$1.1 billion helping offset valuation loss due to Amendment 1.

Taxable Property

Overall taxable property values within the city declined 1.5% from the FY08 valuation of \$29.62 billion to \$29.18 billion for FY09.

Property Taxes Paid to the City and the Millage Rate

For FY09, estimated ad valorem proceeds and delinquent taxes budgeted will total \$159.2 million, \$2.4 million less than FY08. The property tax millage rate for FY09 will remain at 5.7326 mills.



Public Safety

Our City's commitment to progress is demonstrated each day in the work of our police officers and firefighters. These men and women put their lives on the line each day to ensure the safety and security of our residents and visitors. As we balanced the budget, we made certain it reflected our on-going commitment to public safety.

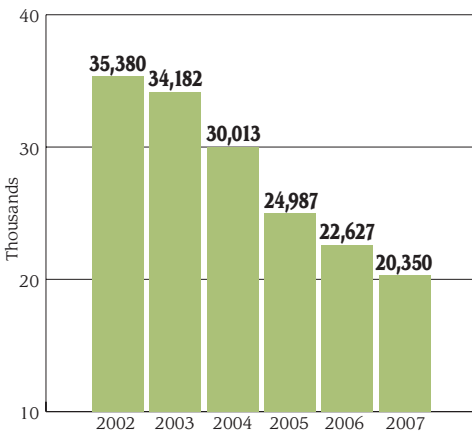
Police Department

The Tampa Police Department (TPD) is continuing to improve the lives of Tampa's residents by reducing crime in our neighborhoods. By continuing to partner with the community, our officers were able to realize another 10 percent reduction in Part 1 crimes, bringing the five year decrease to 42.5 percent.



TPD is also working to realize savings by establishing an internal Efficiency and Effectiveness Task Force process that looks at better ways of doing business. Comprised of employees from different levels, they are incorporating new technologies that reduce operating costs associated with data entry workloads.

Tampa's Crime Rate 2002-2007



***Last year
Tampa saw
over 15,000
fewer Part
I Crimes
compared to
2002.***

Fire Rescue

Tampa Fire Rescue (TFR) is committed to meeting the needs of Tampa's citizens when it comes to emergency response including fire, hazardous material and medical services. TFR's special teams excel and the marine division has been designated by the U.S. Coast Guard as the primary agency responsible for marine and shipboard firefighting from Manatee to Citrus County and up to 100 miles from the shoreline.

In 2007 Tampa Fire Rescue responded to 55,246 medical calls.



As increased revenue is unlikely, city government must look to new ways to fund additional firefighters. In June 2008, TFR applied for a grant through the U.S. Department of Homeland Security to fund up to 36

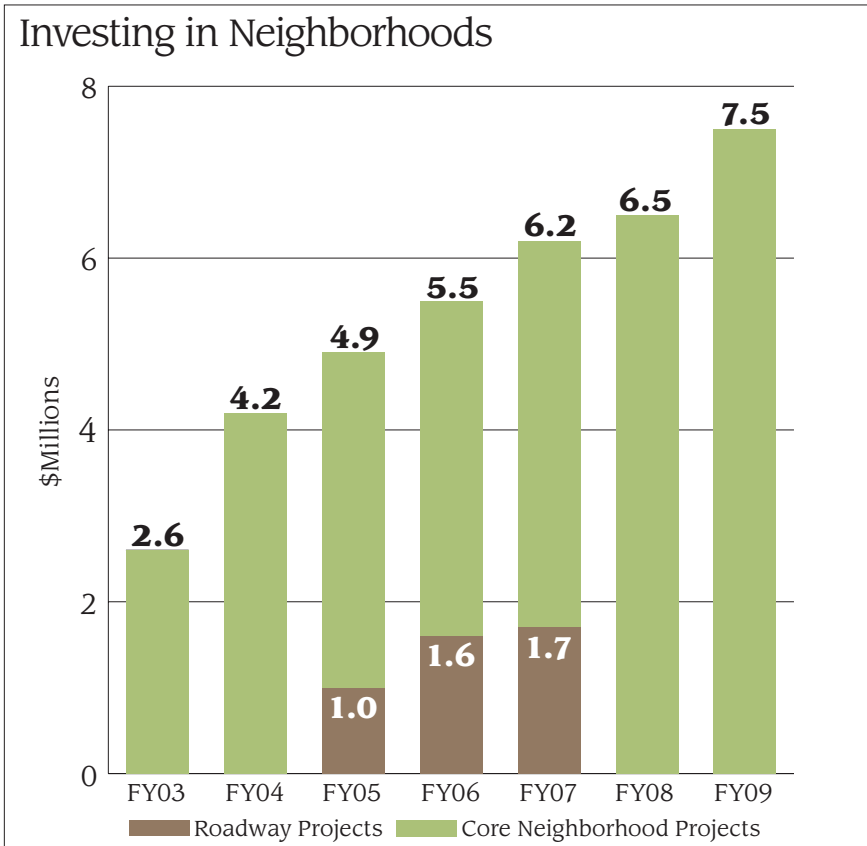
firefighters. The grant requires matching funds from the City and over \$210,000 has been allocated this year. Should Tampa not receive the grant, we will use the money to fund seven additional firefighters.

Investing in Neighborhoods

One of our guiding principles when balancing this year's budget was our commitment to fundamental improvements. This commitment to progress is reflected in our Investing in Neighborhoods program that will receive a 15.5 percent increase over fiscal year 2008. The program includes projects and enhancements such as street

resurfacing and maintenance, sidewalks, street signs and markings, and neighborhood traffic calming devices.

Last year city crews filled over 10,400 potholes.





Road Resurfacing & Maintenance

Our program this year will repave approximately 30 miles of roadway.

Street Signage

Our signage program includes street name signs, illuminated signs, traffic signs and marking installations. This year we expect to replace 5,000 signs throughout our city and 15 intersections will receive illuminated signs.

Sidewalks

Our sidewalk program will install and repair several miles of sidewalk this year to help ensure pedestrian safety and contribute to our sense of community.

Traffic Calming

Traffic calming devices help promote and maintain the safety and livability of our residential streets. This year more than eight projects are planned throughout Tampa's neighborhoods.



Parks & Recreation

Our Parks and Recreation Department has traditionally been one of our largest departments as it takes a number of people to provide quality services and programs to our residents. In order to reduce the size of city government, we have made strategic cuts, while reorganizing the department, to ensure that we continue to provide the high-level of quality programming our citizens have come to expect.

A bond for \$17 million utilizing Community Investment Tax (CIT) dollars was issued in December 2006 for ten projects. During fiscal year 2008, the New Tampa Community Center, Macfarlane Park-Freedom Playground, Wellswood ball field lighting, and the renovation of Cyrus Greene Pool were completed. Progress will continue on the remaining projects including the Spring Hill Community Center, Cotanchobee Fort Brooke Park/Heroes Plaza, Seminole Garden Center, and Ballast Point Pier and boat ramp.

New Tampa Park

The New Tampa Community Center opened in New Tampa Park following the completion of construction in February 2008. Now Tampa's largest recreation center, the 19,568 square-foot facility boasts a gymnastics area that includes a tumbling pit and full apparatus equipment. Construction of a skate park

adjacent to the community center will soon begin, providing additional amenities for New Tampa's residents.



Ballast Point Pier

Funded at \$1.2 million, work will soon begin on the renovation of south Tampa's Ballast Point Pier.

Cotanchobee Fort Brooke Park/Heroes Plaza

Located adjacent to the soon to be completed Tampa Bay History Center, \$2.5 million in CIT bond funds and \$1 million in county funding are being used to construct an undeveloped portion of Cotanchobee Fort Brooke Park. Construction began this month and improvements include the construction of the Riverwalk segment along the park's edge and development of Heroes Plaza, a major element designed to honor those who have lost their lives in war.

Road Improvements

In addition to our annual Investing in Neighborhoods Program, we are also committed to improving Tampa's overall road network. Though construction costs are still on the rise and many road improvements are so costly that funding is spread out over several years, we are making steady progress that will improve both motorist and pedestrian safety.



40th Street

The construction of the \$110 million 40th Street Corridor Project is continuing to move forward. Segment B, from Hanna Avenue to Hanlon Street, is under construction and includes the bridge portion. In March, the city celebrated with the community the opening of two lanes of the new bridge as well as the demolition of the old bridge, with final completion for

this segment slated for later this year. Construction of segment C will soon follow and the final phase, segment A, is expected to start in fall 2009.



Cass Street Bridge

Each year the Florida Department of Transportation inspects movable bridges and the Cass Street Bridge was identified for improvements. This year \$2.9 million will go toward restoring basic elements of the structure. A two-year project, the Cass Street Bridge restoration is expected to receive additional funding next year to complete all repairs.

Cross Creek

Our commitment to making improvements in New Tampa continues. In July the city embarked on a project development and environment study for the second phase of the Cross Creek Boulevard widening, a \$22.4 million project. This future phase will widen the eastern portion of the roadway.

Downtown as a Neighborhood

Surrounded by wonderful neighborhoods, Tampa's Downtown is quickly becoming a central gathering place for all of Tampa's residents. Often referred to as Tampa's Cultural District, downtown will soon provide additional cultural and leisure opportunities for all of Tampa's residents and visitors.

Tampa Theatre

In order to protect the future of this historic building, the city plans to acquire ownership of the Tampa Theatre lobby and two adjacent ground level spaces. The \$2 million transaction will eliminate the lease payments and the Tampa Theatre Foundation is partnering with the city by paying the closing costs.

Riverwalk

Work continues on the Tampa Riverwalk project. During 2008, the city opened the Platt Street segment, connecting USF Park on the Riverwalk to the Tampa





Convention Center. Reflecting the public-private partnership that is supporting this 2.2 mile pedestrian-friendly walkway, the city is allocating \$210,000 to design the segment from Brorein Street to Whiting Street.

Cultural Arts District

In April 2008, construction began on the new Tampa Museum of Art (TMA) as well as the new Curtis Hixon Waterfront Park. With completion slated on both projects for summer 2009, the city's \$37 million construction contract was pulled together from a variety of funding sources including CIT and Downtown Tax Increment Financing funds. In

addition to the city's contribution toward the construction of the museum, TMA is also providing \$8.3 million toward the new facility. The design of the park also provides an area for the new Glazer Children's Museum that is expected to break ground later this year.

Kiley Park

Located adjacent to the new Curtis Hixon Waterfront Park, Kiley Park will help create a new landscape for the downtown waterfront. The \$4.4 million project includes restoration and repair of the garage located beneath the park.

Enterprise Funds

Tampa's Enterprise Funds are easily compared to a business - they operate on the revenue they receive from users. Our commitment to progress means assessing the demands on our enterprise departments to ensure we are continuing to provide the quality services our customers have come to expect. Tampa has four enterprise funds that provide basic services: solid waste, parking, wastewater and water.

Solid Waste

In order to improve service to our solid waste customers, the department will build a neighborhood drop-off center this year adjacent to the McKay

Bay facility. This center will accept items such as bulky trash, yard waste, and appliances that are not accepted with regular, residential collection.

Wastewater Department

The Wastewater Department will continue to replace its aging system including deteriorating force mains and manholes. Construction on the \$20 million 12th Street force main project is underway. The department will also replace two existing force mains under Bruce B. Downs Boulevard to improve service and provide for the continued growth in the New Tampa area.



Water Department

The Water Department is committed to delivering quality, potable water to its customers, while meeting increased demands. With an aging system, the department is focusing efforts on several key areas including system replacement and rehabilitation; distribution system improvements; protecting the lower Hillsborough River; improving and expanding the reclaimed water system; and constructing a major pipeline to improve water service and reliability in downtown and south Tampa.

Nearly \$150 million is budgeted in fiscal year 2009 to make improvements in these key areas. Almost 23 percent of the funding, over \$34 million, will go toward critical pipeline repairs and replacement - a fraction of the city's aging system.

The Water Department also embarked on a test of 100 valves in the downtown area. As a result of the success of the 100-valve test, they have initiated a three-year program to test all 35,000 valves in order to improve the maintenance of the distribution system. Additionally, nearly 43,000 meters that are beyond their useful life will be replaced.

Last year the City of Tampa and the Southwest Florida Water Management District entered into



an agreement that will ensure freshwater flows to the lower Hillsborough River. In order to meet the required flow, several projects have been identified and the city will invest \$20 million over the next five years.

As Tampa continues to grow, there is an increased demand on our city's water supply. To help meet the needs of our residents and future growth, the city will invest \$47 million toward the construction of a 15-mile pipeline from the water treatment plant to south Tampa. Design of the pipeline project began in 2008 and construction will begin in 2009.

Stormwater

Tampa's Stormwater Department works each day to improve many of our city's long standing flood problems and water quality concerns. During fiscal year 2009, Stormwater will invest up to \$40 million in capital improvements for water quality and flood protection.

Sediment Filtration Devices

Sediment traps will be installed at various locations as retrofits to the current drainage system. These devices remove 60 to 80 percent of sediments and 98 percent of litter in stormwater that flows to the river and the bay.

Westshore Boulevard to Spring Lake

A major pipe rehabilitation project, 1,900 feet of pipe will be upgraded to provide better flood protection in the Westshore Boulevard area located north of Gandy Boulevard.

Riverwalk Stormwater Retrofit Project

This \$1.2 million project provides treatment for drainage pipes that go to the Hillsborough River and Old Tampa Bay along the Riverwalk. Trash, oils, and sediments will be captured, reducing pollution from the Downtown Tampa area.

North Hyde Park/Spainishtown Creek

This \$2.2 million project will provide for a new outfall for North Hyde Park to help alleviate street and property flooding on Rome Avenue between Kennedy Boulevard and Cypress Street. The project also provides for future upgrades for areas west of Rome.

Duck Pond Drainage

This \$9.2 million cooperative City, County, Southwest Florida Water Management District and FEMA project improves flood protection in the University Square and Busch Gardens area. A new high-flow pumping station and piping system will greatly improve flood protection.



East Tampa

Our commitment to progress is reflected in our on-going commitment to East Tampa. As one of our city's strategic focus areas, we are dedicated to making the community a better, safer place to live.

Designated as a Community Development Area (CRA) in 2004, the East Tampa Development Division administers a Tax Increment Financing (TIF) District that is funded by revenues generated from annual increases in property values within the boundaries of the CRA. For fiscal year 2009, it is estimated that \$6.2 million will be available for reinvestment in East Tampa.

Land Development

22nd Street is a vital corridor for the East Tampa community. Investment in this area is critical to redevelopment. In 2008, nine parcels along the corridor were purchased and in fiscal year 2009 \$1.5 million in TIF revenue is committed to the acquisition of additional property. These parcels will provide for greater economic redevelopment opportunities.

Street Repair

East Tampa is partnering with the Public Works Department to take a systematic approach to repair and resurface streets in the community. Nearly \$1 million in TIF revenue is invested annually in the program.



Other projects that are expected to be funded through TIF revenues include the \$1.1 million enhancement of the stormwater retention pond on Martin Luther King Jr. Boulevard and a flood relief project for the commercial center at Hillsborough Avenue and 30th Street through a \$400,000 matching grant from the Southwest Florida Water Management District.

Greening Initiative

Green practices have long been a part of city government. However, 2008 saw the establishment of a more formal program as the city's green resolution was signed and adopted. Most notably, the resolution commits the city to achieving certification as a Florida Green Local Government by October 2010. In addition to the green resolution, two ordinances were revised to help ensure a high quality of life for

future generations. In April, Tampa's first Green Officer was established to implement and coordinate environmentally sustainable practices and standards. The position was also established to ensure the city's compliance with the U.S. Conference of Mayors Climate Protection Agreement, which outlines our commitment to reducing global warming pollutants and Tampa's carbon footprint.

