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## **Ulster County Executive Michael P. Hein's 2014 State of the County Address**

Good evening ladies and gentlemen. Welcome to the 2014 State of the County Address. As hard as it is to imagine, we are now beginning the sixth year of our Charter form of government. As the County Executive, working for the great people of Ulster County, it has been my privilege to help build an entirely new form of government from the ground up.

Before we continue tonight, I would like to thank SUNY Ulster President Don Katt, his Administration and the entire Board of Trustees for hosting this evening's event. I would be remiss if I failed to acknowledge their collective support for important initiatives that are shaping Ulster County's future, from the STRIVE Project that puts a satellite college campus right next to the Kingston High School to the selfless and difficult step of selling the College President's House in order to help fund transitional housing for homeless veterans. SUNY Ulster has been there every step of the way, so thank you to Dr. Katt and thank you to the entire SUNY Ulster family for all that you do.

This evening I am looking forward to discussing some exciting new initiatives. As we look to the future, we should also take a moment and reflect on just how unique Ulster County government has become within the State of New York, in many ways becoming a model of "innovation and reform." In fact, over the past five years, while reinventing a \$336 million County government we have designed and implemented a number of creative solutions, some of which have never been seen anywhere in New York State before.

Whether it was dealing with a County nursing home in crisis or a County government whose finances were headed towards disaster, I am proud to say that with this new government we avoided raising taxes, we cut spending, we improved our bond rating and just as importantly, we did it all while ensuring essential services for the great people of Ulster County. As someone born and raised here, I am proud to say: it was the great people of Ulster County that made this unique government possible. They provided my administration with the tools and support, as well as the opportunity to build a different kind of government. And we did.

In the process we built an administration that puts the needs of the people ahead of the wants of the politicians: a reform based organization willing to make difficult decisions that were avoided for too long. Gone are the days of nepotism and cronyism and gone is the system that brought us disgraceful decisions like the jail and a bloated government that virtually guaranteed big tax increases. In its place is an effective County government that is a full one third smaller. In fact, this year's budget includes the single largest reduction in government spending in the history of Ulster County. It is \$23.7 million less in a history that goes back to 1683. And for the third consecutive year, we have delivered a budget with no County property tax increase.

I do not control every property tax bill you get, but your property tax levy from the County has actually gone down over the past three years and we are very proud of that. I can assure you, it



was not easy. But as I have always believed, Ulster County is the kind of remarkable place worth fighting for. So my administration focused on delivering results instead of excuses and restructured the entire County government in the face of enormous fiscal pressures.

And over the past five years what has become clear to me as County Executive is that in government, much like in life, standing up for what is right is not always easy. Though there are many honest public servants, there will always be bad politicians too, so our fight for good government will never be easy.

That said, it is reassuring to know that we are not alone in this fight. We are joined by strong members of our State delegation serving with honor and distinction. I want to thank Senator Larkin, Senator Tkaczyk, Assemblyman Skartados, and Assemblyman Lopez for all they have done. I will never forget that when the “Cahill Crisis” placed our residents in danger, these individuals stepped up in a bipartisan way to limit the damage. For that and for all that they do, we as a County truly are thankful.

Unfortunately, not every State Legislator is so honorable. I am as appalled as you are when I read about the scandals in Albany. I understand why so many are losing faith in our elected officials. Governor Cuomo understands this too. That is why he has been so aggressive in taking action. The size and scope of the issue is sobering. The recently completed *Moreland Commission Report* is frightening. It includes:

This Commission was created in response to an epidemic of public corruption that has infected this State. In recent years, too many state elected officials, staff members, and party leaders have been indicted and convicted for offenses running the gamut of shame; bribery, embezzlement, self-dealing, and fraud. Public corruption has become all too commonplace and has eroded the public's trust and confidence. One out of every eleven State legislators to leave office since 1999 has done so under the cloud of ethical or criminal violations, and multiple sitting officials are facing indictments on public corruption charges. The list goes on and on.

What is even more disturbing than the *Moreland Commission Report* is the fact that while all of this was going on there was not one, not two, but three State Legislative Ethics Committees turning a blind eye and Assemblyman Cahill sat on one of these committees for years. Ladies and gentlemen, you have the right to demand better. I can assure you, my administration is delivering much better for you right here in Ulster County.

Beginning with an Executive Order banning nepotism and a Corporate Compliance Program that is one of the best in the state, we focus everyday on making County government worthy of the great people we serve. I believe elected officials must deliver concrete results to our citizens if they ever hope to regain the trust of the people. At every level of government we have to do more.

One of the biggest problems undermining public trust in government is the reality of money in politics. Though I cannot fix the national problem, I intend do something about it locally.



Tonight I am proposing new legislation that places strict limitations on campaign contributions to any County official from anyone doing business with County government. It is an aggressive step and it is done specifically for the people. Though there will undoubtedly be those who ask why a County Executive would propose a law that is likely to affect County Executives more than anyone else, my answer is simple: I believe in the people, I believe in good government, and I believe it is the right thing to do. Campaign finance reform will help protect our democracy for the future.

I also believe we must protect our children, because our children are our future. The truth is that our children are at risk. Tonight we will address the nightmare dangers of smoking and cancer because what is most troubling is when we see our young people start down a path towards a lifetime of pain. What compounds that concern is when we see billion dollar, multinational tobacco companies preying on our youth. In fact, they are increasingly focusing their marketing efforts at the point of sale, in convenience stores, gas stations and other locations, some of which are right next to our schools. With massive marketing budgets and an insatiable desire for new smokers our children are at risk. So tonight I propose legislation to help protect our children against the leading cause of preventable death in the United States: smoking.

Under this law, the sale and in-store advertising of tobacco products will be restricted in school zones. Tobacco retailers will be required to apply for a no-cost tobacco retail license and these licenses will not be issued to new retailers located in immediate proximity to our schools. To help existing retailers impacted by these school zone restrictions, they will be “grandfathered in” but only if they follow established guidelines. The Ulster County Health Department will offer free training to insure compliance and limit the impact of tobacco on our children.

I firmly believe that individual Americans have every right to make personal choices but I also believe we have a duty to ensure that huge tobacco companies don’t prey on our children right next to their schools. I look forward to working with the County Legislature, the Board of Health and the Tobacco Free Action Coalition led by Ellen Reinhardt to ensure the best possible legislation with the common sense goal of simply protecting our children.

As we all know, protecting our children and protecting our future in this complicated world can be difficult. That is precisely why we have not shied away from acting on other serious issues affecting the youth of Ulster County. We have been proactive in helping our school districts in their anti-bullying efforts and we are working to deliver new and important tools to our educators, family members, and friends as well as individuals in their moment of crisis with a state of the art smart phone app that greatly strengthens our suicide prevention efforts. This new app designed by our mental health professionals is known as the Ulster County SPEAK app. It is free and it is quickly becoming the go-to model for counties around the state. Everyone now has a tool right at their fingertips that can help them save a life. I urge you to download it, and at the same time I pray that you will never need it.

As we have said many times before, if it avoids even one tragedy then it may well become the most important work we have ever done. I now ask that you join me in recognizing our partner Ellen Pendergar of the Mental Health Association and the three wonderful individuals who, with their inspirational videos,



helped make the SPEAK app such a success: Julia Purdy from Highland High School; Wally Sasse, one of our amazing County Veterans; and Bob Pucci from SUNY Ulster. Thank you for all that you have done to make SPEAK a reality.

I believe one of the most serious social issues in our nation today is the provision of mental health services for those in need. We have all seen the tragedies splashed across the national news. Unfortunately, there are serious structural problems facing County governments all across New York. The most pressing of these is the fact that over the past five years the State has cut mental health funding by over 50%. This means a loss of more than \$8 million to our mental health system in Ulster County. Instead of doing what many counties have done to control costs: to severely limit access to care, in Ulster County we have done things differently. We protected care for everyone by redesigning our entire system.

We launched our C.A.R.E.S. initiative and worked with mental health professionals, our Community Services Board, and the County's largest labor union CSEA. Together we delivered a pair of innovative public / private partnerships that work...As a result, access to quality care for everyone in our community remains intact regardless of your ability to pay. I want to provide a serious word of caution, as proud as we are of the C.A.R.E.S. initiative that does not mean the national system isn't fragile. I urge our State officials to dedicate any savings they may garner from the closure of State facilities directly back into the system, in order to help those in need. I am pleased to say Senator Tkaczyk and others are working on exactly that.

There are other critical issues in which a short fall of State or Federal funding has required a creative local solution. Last year we stood before you with an ambitious dream, a dream that required Ulster County with limited resources to address the national tragedy of homeless veterans locally. I, like you, believe we as a nation have an obligation to honor those who have fought for our freedoms. So we took action to provide high quality transitional housing to Ulster County veterans who have served our nation and now need our help.

We launched the "Patriot's Project" knowing full well Ulster County government could never do it alone. We had faith in the people of Ulster County and ladies and gentleman as soon as we began something truly amazing happened: the patriotism, warmth and compassion of our citizens rose up and overwhelmed us. People like Bob Siracusano of Sawyer Motors, who donated all the proceeds from the Saugerties Car Show, and John Nilsen of the Ironworkers and Tradesmen who built a handicap accessibility ramp for free, and the Benedictine Foundation, the Community College, the church communities, Herzog's and Benjamin Moore too. They all stepped forward. Add to that our amazing veterans groups, service organizations and everyday citizens all across Ulster County. At each and every step of the way we were overwhelmed. If you would like to participate, I encourage you to reach out to the United Way, which has graciously agreed to coordinate all donations.

As I stand here today, I am in awe of just how many have stepped forward and I am pleased to report that the "Patriot's Project" is well on its way and opening soon. The homeless veterans of Ulster County will receive all the services they deserve in a place they can finally call home.



In Ulster County, working together, we are proving we can turn dreams into reality. The process makes our community a better place for generations to come. Another example of this is the STRIVE Project in which we, along with Mayor Shane Gallo, SUNY Ulster and the Kingston School District are all working together to improve access to higher education for inner city youth. The STRIVE Project, in conjunction with the Mayor Gallo's BEAT initiative, will create an educational corridor right in the heart of Kingston. The good news is after extensive planning, we expect to break ground on STRIVE later this year and instead of a boarded up former school building, Midtown Kingston will have its very own beacon of education.

Together we can accomplish so much. Improved access to higher education means improved access to the American dream and that is great for our economy. Yes, many of the issues that also impact our local economy are national in scope, so my administration is committed to better positioning Ulster County to compete in this ever changing global economy. That is why I must commend our Office of Business Services for being at the center of securing almost \$6 million for area businesses and municipalities for 2014 through Governor Cuomo's highly competitive Regional Economic Development Council process. In fact, Ulster County actually secured more funding than any other county in our seven-county region.

In spite of all the progress, we as a county and we as a nation must also acknowledge that for some the American dream still remains elusive. For some, the national recession has not ended. To improve the opportunity for those who have struggled most, we are launching an aggressive pilot program that utilizes existing resources in different ways. It is designed to assist chronically unemployed individuals and eliminate the largest barriers for both employers and employees, and get them a job. This six month pilot program provides Ulster County businesses with 90% of the gross wages to offset training costs for eligible new hires, providing hope where there was previously none. The goal here is clear: to put people back to work long-term.

To further assist in the process, we will be rolling out a new smart phone app later this year. This app will allow everyone to make plans and easily track Ulster County buses, because reliable transportation can often be the difference between getting and keeping a job. Even though there is no guarantee, I believe everyone deserves a chance to participate in the American dream.

I am pleased to say, there are many bright spots and emerging opportunities now happening in the Ulster County economy. With sectors like advanced manufacturing that are strong and will now benefit from the Governor's upstate manufacturing incentives, to our \$500 million agriculture sector that is not only expanding to feed the northeast but also with the recent New World Farm Hub acquisition of Gill's farm, our agriculture sector is evolving to help feed our nation and benefit our local economy now and long into the future.

Our tourism sector numbers have been nothing short of extraordinary, with a 12% increase in bed tax year over year and with the overhaul of our tourism operation back in 2009, a 22% increase in tourism ever since. I think we are only beginning to realize the scope of what is



possible. With the rail trail expansion and the growth of our creative economy from an amazing arts community, this part of our economy could one day surpass a billion dollars.

As we discuss our economy and the expansion of rail trail, I am exciting to say that the dream of connecting the Walkway Over the Hudson to the breathtaking Ashokan Reservoir is now closer to reality than ever. With \$2 million from Governor Cuomo and \$2.5 million from an agreement with the DEP, an agreement that opens up the entire north shore of the Ashokan reservoir for the first time in over a century, this segmented plan now provides the people of Ulster County with the greatest opportunity we have ever had. We can deliver an amazing tourist attraction that celebrates our rich railroad history west of the Ashokan and connect to an unmatched rail trail system with easy access to 22 million people. There is no question that what was once only a dream is now closer to reality than ever.

The fact is that economic development goes hand and hand with environmental protection. Quality of life issues like clean water and clear air, and access to the great outdoors, are all part of business attraction and business retention in this new economy. Whether it is the inner city or the most rural parts of our great County, my administration is very serious about protecting our history, our heritage and our environment, and running a fiscally responsible organization is what makes this all possible.

The famed naturalist and former Ulster County resident John Burroughs was more than just a close personal friend of President Teddy Roosevelt. Fortunately for us, during his life in Ulster County he had the profound vision to protect sensitive farmland and open spaces for generations to come. In fact, the wilderness of the Catskills, the crags of the Shawangunks, the shores and hills of the Hudson River and the farmlands of the Rondout Valley are all testaments to his foresight.

Yet, serious risks still exist for key areas that remain unprotected. I have included in this year's capital budget funding that will help leverage an additional \$12 million over the next five years to protect sensitive areas, help sustain local agriculture and assist in closing gaps in our amazing trail network. I am pleased to say we think this is exactly the kind of "Open Space Plan" that John Burroughs could be proud of.

Whether it is open spaces or higher education, whether it is cutting taxes and government spending, campaign finance reform or the "Patriot's Project," ladies and gentleman, you have the right to be proud of your government and you have the right know the facts. When we set out to increase transparency by improving the County's website, we scoured the nation to find the best.

Ulster County's new website isn't just better than it was before. I believe it is now one the best County websites in the nation. It provides an entirely new level of transparency with detailed information about how and where your tax money is spent. It provides easy access to critical safety information in case of emergency and also includes easy to use tools like the "How Do I" section that answers frequently asked questions fast.



Ulster County government is now providing an unprecedented level information for our citizens because it is your government. In addition to all the data that is now available online, we are also providing even more information about how your money is spent with a redesigned, easy to read color cost breakdown sent to every property taxpayer in Ulster County.

I know, after all this information, any in depth discussion of a new financial system may cause eyes to glaze over and possibly induce sleep so I'll make this brief. As we manage this \$336 million County government, replacing our severely outdated financial system is critical, especially if we are to continue controlling costs and improving accountability. Successfully accomplishing this in a large and diverse organization is not only complex and costly, it is fraught with difficulty. Many governments choose to avoid it until there is a catastrophic breakdown.

We do not work that way. In 2014 we will complete, with the assistance of our new ACE Unit, the installation of a comprehensive, integrated, internet-based financial management system. This part of government may seem a bit wonkish and not very exciting, but this new financial system will move Ulster County 20 years forward and allow us to rethink and replace outdated operations, saving taxpayers millions of dollars over time. As wonkish as this may seem, saving taxpayers millions of dollars for decades to come makes it extremely exciting for all of us.

Any discussion of finances must include the impact of Safety Net and sales tax. I will take just a moment and set the record straight with respect to the much publicized Safety Net issue. Way back in 2012 my office designed a creative solution to address the highly controversial problem known as Safety Net. For those of you who may not know, Safety Net is actually an unfunded State mandate for welfare. Local governments are simply forced to pay the lion's share of the Safety Net expense. Unfortunately, this issue was placing a huge wedge between some of our towns and the City of Kingston, and it divided our legislature for decades.

My administration made difficult choices, cut costs and implemented a fiscally responsible three year-County takeover that provided over \$12 million in relief to the towns and the City of Kingston, plus millions more going forward to protect taxpayers and bring a comprehensive solution to a decades old problem.

You may ask yourself, why are we still talking about a problem the County Legislature and I solved all the way back in 2012? Well apparently we enjoyed fixing it so much we are now going to pretend to fix it over and over and over again. As ridiculous as this saga has been, my administration will remain focused on the serious issues facing the great people Ulster County and not on this nonsense.

As the County Executive, I know there are responsible legislators out there on both sides of the aisle and I actively seek partnerships with any legislator truly committed to our citizens. But I must offer a word of caution to our incoming County Legislature: we live in dynamic times and there is no guarantee for the future. All the major improvements we have made, all the taxpayer protections we have instituted, and all the promise that exists for the future can all be washed away by legislative leaders who either shy away



from challenging issues or pretend the County finances have not been severely weakened by the “Cahill Crisis.”

Every year in our State of the County Address we outline critical policy issues that need action. They are not all easy and so some shy away. Golden Hill was only one example of this, but the ironic truth is that by working together with my administration the County Legislature showed it was capable of unprecedented levels of reform. No discussion of 2013 could be complete without an understanding of the magnitude of the financial crisis we faced at Golden Hill or the fact that on June 26<sup>th</sup> the transition of the Golden Hill Healthcare Facility became complete.

On a personal note, the most rewarding part about designing an entirely new model that is now used across the state to solve county nursing homes in crisis was how seamlessly Golden Hill’s transition took place. The vast majority of jobs remained in our community, residents were not displaced, family members participated in the process, quality of care remained excellent, and regardless of anyone’s financial means access remained available.

What started out as a highly contentious issue has now become a quiet success. Instead of standing by and watching multimillion dollar losses mount, placing the very existence of Golden Hill in jeopardy, the County Legislature and my administration worked together and in the end we accomplished the most important thing of all. In the end we truly did save Golden Hill.

In the process we learned a lot about what is possible and that big ideas and major changes really can happen. I urge the County Legislature to be bold this year and support important legislation like:

- Anti-Tobacco Legislation to protect our children;
- Campaign Finance Reform to protect our democracy;
- Our Open Spaces Program to protect our environment; and
- The \$2.5 million inter-municipal rail trail agreement at the Ashokan to help protect our future.

Because we have proven that Ulster County can deliver on tough issues, I ask that the Legislature not shy away from other critical policy decisions like:

- RRA - What is Ulster County’s comprehensive solid waste policy that will carry us into next century;
- Interoperability - How will we insure radio communications for our First Responders now and into the future; and
- Broadband - To grow our economy, what is the County policy going to be that will help expand broadband to improve internet access for everyone?

Last but definitely not least,





- Law Enforcement - What is the Legislature's policy to ensure we can always afford the high quality police protection we now enjoy for the people of Ulster County?

These policy questions are all important to the future of Ulster County, but the unfortunate truth is that some of these policy decisions have remained unaddressed for too long. Now the dangers are growing. I believe one of the most important lessons of Golden Hill for all of us was that by working together the impossible becomes possible in Ulster County if we are willing to put the interests of the people before the wants of the politicians.

As anyone in upstate New York will tell you, it is about jobs and it is about taxes. It is about our families and our quality of life. That is why my administration has such an aggressive agenda for 2014. It has never been about a bigger government or smaller government; it has always been about a better government. I ask that you join me, not only in celebrating all the amazing things that Ulster County has to offer, I ask that you to join me in looking to the future.

Imagine how amazing Ulster County can become:

- Imagine an Ellenville with a thousand new jobs and a reborn Nevele and a Rosendale with a Williams Lake project complete;
- Imagine a successful 3D printing center at SUNY New Paltz with a focus on our economy and a world class education;
- Imagine a Rosendale Community pool alive and well with the sounds of children; and
- Imagine our Main streets vibrant with farmers markets and sold out theatres at Shadowland, UPAC, Woodstock and more.

Ladies and gentleman, all this is possible. Just imagine a place with a world class trail system connecting the Walkway Over the Hudson to the breathtaking Ashokan Reservoir; a system that brings together the majestic mountains of Wallkill and the historic stone houses of New Paltz; a County with strong manufacturing, agriculture and tourism to a place where every child has access to higher education and a real chance at the American dream. A deeply patriotic place that never turns away from the tough issues so that when the parades are over we don't forget our veterans deserve much more than we can ever repay. Ulster County is already that kind of place and the opportunity for a brighter future is right in front of us.

From the lighthouse in Saugerties to the orchards of Marlboro, and from the top of Mohonk to the top of Bellearye; Ulster County is a place where all our seniors feel safe and where property taxes are controlled because honest public servants outnumber the politicians. The state of our County is strong because the people of our County are strong. The strength of our County is in our diversity and our strength is in our values. We live in the greatest nation on the face of the earth and the American dream is alive and well. Our future is bright because we live in Ulster County and it is the finest place anywhere to live, work and raise a family.

Thank you ladies and gentleman and God bless the United States of America.