

Ulster County Executive Michael P. Hein's 2016 State of the County Address

In the world of business there is a name for highly creative people who do not just reform around the edges but instead relentlessly rethink everything: courageous individuals who refuse to accept the status quo and push well beyond traditional boundaries. In the process they accomplish things that were previously thought impossible. As a result, our society is somehow altered. New opportunities are created and we move into the future, in an entirely new direction. They are referred to as “disrupters” in business, because they completely disrupt the status quo.

In a small way at the County government level that is what we have tried to do from the very beginning. Because if we had just accepted the status quo or operated a typical government then the great people of Ulster County would have suffered, and that was unacceptable. Instead we chose to innovate and create entirely new models that are now replicated all across New York. If we had just shied away from tough choices or innovation then we never would have addressed the looming crisis at Golden Hill or restructured County government, delivering millions in tax cuts and millions more to our towns and City governments.

If we were willing to accept the status quo as the only choice then homeless Veterans would have no choice but to sleep under bridges, vulnerable seniors would be stuck on waiting lists and more inner-city kids would be struggling to access higher education. The dream of a world class rail trail system would have remained only a dream and our long neglected roads and bridges would have simply begun to crumble.

But that is not what happened because we completely disrupted the status quo and made the difficult calls. We reinvented County government from the ground up. Now we have a community college satellite campus right in the heart of our City where young people are learning there as we speak. We have a model nutrition program for our seniors that is second to none. And instead of complaining about the unfairness of the national tragedy of homeless Veterans, we did something about it. We created an amazing home to serve these Veterans in their time of greatest need. Although the rail trail dream seemed impossible, it is now well on its way to reality. And our roads and bridges are being upgraded at a record setting pace. Most of all, I am proud to say that the long overdue County monument honoring those who gave their lives fighting for our freedoms is long overdue no more.

If this is what it means to be a disrupter in government then I am thrilled to have an administration full of disrupters: smart and dedicated people whose only focus is making things better for the great people of Ulster County. If that means shaking the establishment in the process, then I am proud to be a disrupter too, because the stakes could not be any higher.

Take for example our environment. The realization that human beings are capable of damaging our planet so severely as to bring about our own demise is an idea that seemed inconceivable only a generation ago. Now with rising world temperatures, melting ice caps and dramatic changes in global weather almost every thoughtful person acknowledges that climate change is here.

For all of us this kind of problem can seem overwhelming, but the exciting truth is that important and meaningful change can happen at the local level with each and every one of us. I am excited

as the County Executive that here in Ulster County we have taken many steps, some big and some small, to make things better. From changing light fixtures to LEDs, to trading plastic water bottles for modern water fountains we have changed. We have also added one of the highest concentrations of municipal electric car charging stations in upstate New York, thanks to our partnership with our Chamber of Commerce.

With my Executive Order requiring our County to purchase 100% of its electricity from renewable resources, I am pleased to say that the United States EPA now recognizes Ulster County as one of the top 25 green power municipalities in America. We are changing and those changes are adding up.

In fact, we have changed so much that we are the first and so far the only County government in the State of New York to become net carbon neutral. We hope others will join us soon. It has been said that we don't inherit the earth from our parents; instead we borrow it from our children. So we are not done. We are moving forward this year with installing over 10 acres of utility scale solar at both SUNY Ulster's Stone Ridge campus as well as the former landfill in the Town of Ulster. We are now setting an ambitious goal of having Ulster County government 30% energy-independent by 2020, something unheard of anywhere in the State of New York.

On top of that, it is my pleasure to announce an exciting new opportunity for Ulster County businesses, one that improves the bottom line and helps our environment in the process. We worked with Central Hudson, which will now offer electric car charging stations to any qualified business, as well as tourism destinations, at a fraction of the regular cost. By partnering with our business community Ulster County could well have the highest concentration of EV (electric vehicle) charging stations in the nation, attracting more millennials, more tourists and more companies that want these types of amenities for both their employees of today and their customers of tomorrow. I am proud to say, Ulster County is not only doing its part, but with these types of exciting initiatives we are continuing to lead the way.

It is that kind of willingness to innovate that has allowed us to come so far. Because of that progress, I would like to take a moment and thank the members of the Ulster County Legislature for their partnership. The truth is that many of our most significant initiatives would not have been possible without the votes and support of the Ulster County Legislature.

In partnership with the Legislature, there is no service that we provide that is more important than the ones we provide to our Veterans. From small steps that provide kindness, dignity and respect to the large and sweeping reforms that address major national issues, Ulster County has truly focused on helping our American heroes.

With the amazing Patriots Project we set out to do nothing short of solving the national problem of homeless veterans at the local level. In Ulster County we did. Today the Patriots Project has proven to be an overwhelming success. Open 18 months, we have now served 32 formerly homeless Veterans and as a result their lives have been changed forever.

As we serve our Veterans, we must always keep in our hearts those brave American soldiers who have made the ultimate sacrifice. I am proud to say that the County's memorial to the over 1,300 Ulster County residents who gave their lives in defense of our freedoms is now completed, open to the public and will stand as a testament to their bravery forever. They are our friends, our

family, our neighbors and our heroes. We owe them, as well as all our Veterans, a debt we can never truly repay.

For those amazing, brave and humble American heroes who still walk among us, we have made massive upgrades in our Veterans operation, including doubling the number accredited Services Officers to help our Vets cut through red tape at the VA that often stands between them and the benefits they have earned. We have also enhanced the FAVOR program that provides our Vets with discounts at hundreds of local businesses, to now include their spouses too.

Because we have such great respect for our Veterans, I would like to share with you a brief story about making things right and honor that spans hundreds of years. We were contacted by an elderly gentleman who was deeply concerned that a rural family grave site located in the Town of Rochester would soon be lost to history. What concerned him most was the fact that this was the resting place of a United States Veteran. When we arrived, the site was nothing short of disgraceful: there were broken bottles, scattered grave stones and trash in a wooded area so overgrown it was almost unrecognizable.

Then our team went to work. Partnering with the Daughters of the American Revolution to preserve history, we painstakingly restored the burial site. The grave turned out to be the final resting place of Revolutionary War Veteran 2nd Lieutenant Moses DePuy, a descendant of the founders of Rochester and a decorated soldier from Ulster County. He rose through the ranks and not only served our Country, he actually fought for the very creation of America. I am proud that this site will now forever be preserved with the honor, dignity and respect it deserves because the great people of Ulster County never forget our Veterans.

I often think about the principles and opportunity that America was built upon, ideas that still shape the decisions we make today. That is precisely what inspired us to conceive of and build the Kingston Center of SUNY Ulster. This satellite campus of our community college, next to an inner city high school, provides real hope for improved access to life-altering, low cost, higher education for adult learners and all students, including some of our most disadvantaged. As we all know, education is the great equalizer, changing the trajectory of someone's life and in the end reducing the nightmare of generational poverty for our entire community.

Though you cannot put a price on that, I am very proud to say that while typical government construction projects are notoriously behind schedule and millions of dollars over budget, this \$7.8 million dollar transformational project was completed on-time and on-budget. Because of my administration's work securing major grant funding from both public and private sources, the entire project was completed with zero impact on local taxpayers.

When government is creative and responsible, it can do the impossible: it can protect taxpayers and invest in areas that others only dream of. That is why we do not shy away from difficult decisions that others typically avoid. As a result, we have saved a great deal of taxpayer money that we have then utilized to pay for real and meaningful change.

Meaningful changes have affected every segment of our society, like our seniors. A completely reinvented Meal on Wheels program eliminated waiting lists, improved food quality and added a first-of-its-kind Senior Care Coordinator to help some of our most vulnerable seniors if they find

themselves hospitalized, frightened and alone. Because we saved money in other areas, we were also able to help more seniors throughout Ulster County stay in their homes while still remaining active, independent and healthy.

It is precisely that willingness to save money in other areas that made it possible to make the largest infrastructure investment in our County's history last year, with over \$15 million to dramatically upgrade our system of roads and bridges. Since our residents deserve so much more than just superficial repairs, we have taken on the Herculean task of redesigning the entire system to prepare for future traffic needs and greater pedestrian safety. I am thrilled to say that we have dedicated an additional \$15 million this year, bringing our two year total to \$30 million. To underscore the magnitude, this is more than 10 times the infrastructure investment made back in the year 2000. I recognize this is only made possible because of our financially responsible partnership with the Ulster County Legislature.

As a result of that partnership, adjusted for inflation, Ulster County property taxes are actually less today than they were in 2007: 9 years ago. Simply put, embracing innovation and change works. Taxes are down, spending is down, unemployment is down, private sector job growth is up and there is more access to critical services for our citizens than ever before, because collectively we were courageous enough to reinvent government and reject the status quo.

The state of our County is strong! It is strong because responsible leaders focused on putting people over politics while remaining willing to make the difficult choices and embrace innovation. Instead of a government on the edge of insolvency, which is where we started, we are now ranked as the most fiscally sound County government in our region by the State Comptroller's Office. All while providing millions in relief to our local governments.

Unfortunately, our community is not immune from danger. The system is broken at its core and taxpayers at every level are at risk. It is not just County property taxes that are placing pressure on businesses and residents. It is the combination of taxes from towns, cities, schools and counties, as well as many other taxing jurisdictions, that together are creating a looming potential crisis and overwhelming far too many hardworking families.

Over the past seven years Ulster County has undergone nothing short of a metamorphosis. Unlike every other government in the State, for us it was never about the tax cap. Instead it was always about lowering property taxes. Now we are 30% smaller and we have reduced County spending by over \$32 million. What is the problem? Well it is not unreasonable for any taxpayer to ask, "If you saved over \$32 million, where did all that taxpayer money go?"

I am proud to say that we utilized a significant portion to do what many thought was impossible; we gave it back to the people by lowering their County property taxes. Plus we reinvested in our infrastructure like never before and greatly enhanced services for those among us most in need. But the largest portion went directly toward providing a massive amount of assistance to the governments of our towns and the City of Kingston.

We absorbed a whopping \$22 million worth of their Safety Net expenses over the past four years. And over the next four years we will provide even more relief, absorbing an additional \$32 million. That is \$54 million in relief for the governments of our towns and the City of Kingston over an eight year period.

Some might argue that since Ulster was the last county to take over this expense, even though it was an enormous amount of relief, the County was merely making things right. Though some strongly disagree, I could not agree more. In fact, I agreed so much that I was actually the one who designed the final plan that broke the logjam and got this done after 20 years of contentious debate. But \$54 million is a lot of taxpayer money.

While I have great respect for the talented and hard-working leaders and amazing services provided at every level of government, if we are to be completely honest with our taxpayers, the truth is the current system is totally unsustainable and things have to change. With all the relief we provided, the widespread property tax reductions that the Legislature and I, as well as our citizens had anticipated, did not happen.

For this reason I am proposing something bold tonight to protect all taxpayers. As the County Executive, I am willing to put everything on the table. I invite everyone to join me and examine each and every essential service provided to our citizens and collectively decide who is best equipped to provide that service. Whether it is the towns, the City, the County or even through partnerships, we have to disrupt the entire system. It will collapse if we do not, and our taxpayers will be the ones that suffer. If our taxpayers are to truly benefit from the massive government reform that has already occurred at the County level, then the entire system has to embrace fundamental change.

The good news is that the State has proposed a \$20 million challenge grant to help municipalities just like ours succeed in reinventing sustainable government. I invite my colleagues to join me at the table, to be innovative, to be bold, to reinvent the entire system together, to set aside politics and self-interest and simply do what is right for the people, because working together we can make real and meaningful progress.

Real progress is something we are familiar with in Ulster County. On a small scale we have made that kind of progress in the long-standing debate between tourism railroad and the creation of a world class rail trail system. Ultimately we will connect the breathtaking Walkway Over The Hudson with the magnificent Ashokan Reservoir, benefitting communities and economies all along the way with a segmented railroad-rail trail agreement for the entire County-owned Ulster and Delaware corridor.

Over the next few years the entire system will be linked together, including a linear park in the City of Kingston that delivers on the promise of social justice, connecting inner-city families with low cost/high quality food and providing recreational opportunities and enhanced access for people of all ages. Obviously getting to this historic railroad / rail trail agreement on the Ulster and Delaware corridor was not easy. I don't know if everyone is aware of this, but over the past few years there has been some mild controversy on this issue. Though you may find this hard to believe, apparently not everyone saw eye to eye. I want to commend the Legislative committee members who worked so diligently on this issue. Their thoughtful deliberation was instrumental to resolving this debate.

I am also proud beyond words of my entire team who never blinked in the face of relentless and often disgraceful public misinformation. The truth is my administration always wanted both railroad and rail trail operations to thrive, and everyone actively involved in the process knew that. We also always knew that the only way to accomplish this was with a responsible and

segmented plan. It is incredibly rewarding to have the segmented compromise plan that we laid out over a year ago essentially become the final plan that everyone ultimately agreed upon. Now it is exciting to know that our community can at long last move forward on this complex issue together.

We have an extremely busy and important year ahead of us. The County will once again move forward with an aggressive agenda from both the County Legislature as well as my office. There are a number of key areas, in addition to rails and trails that I believe we must take action on together: the Legislature must decide soon where the Family Court facilities will ultimately be located. The Legislature must also determine our long term and sustainable County policy for dealing with the solid waste produced in our communities. The Legislature has been so vigilant on so many other issues, but a decision in this area is now long overdue.

We must decide exactly where our new Fire Training facility will be built. I formed a task force with the Ulster County Fire Chiefs Association and I am inviting two Legislators from each side of the aisle to help locate the County's new multi-million dollar Fire Training Center. It will benefit and support all of our amazing first responders.

The Legislature has been a tremendous partner in protecting the animals of our community who cannot speak for themselves. In addition to creating our new County dog park, we have passed a compassionate anti-tethering law, an animal abuse registry and enhanced animal sheltering to help victims of domestic violence. Now, as we collaborate to end animal cruelty, let us pass a responsible Breeder's Law that will further protect the health and safety of our beloved family pets.

I believe it is essential that we work with parents, superintendents, school board members and all concerned stakeholders to have a hard conversation about how to best protect our children. Cyberbullying is on the rise and the reality is those who are bullied are up to nine times more likely to commit suicide than those who are not. As the County Executive, I have no desire to go to even one more wake. I believe our government must look to keep pace with technology and our Legislature will have an important opportunity to do something about this by designing and passing effective legislation that helps protect our children.

Protecting our kids has become more complicated now than ever. As a County we have worked extremely hard to reduce the harmful impacts of opioid and heroin addiction. We are investing over \$1.1 million in education, treatment and other important steps like making sure our first responders have easy access to Narcan to help them treat overdoses and prevent senseless tragedies. Soon we will also have a dedicated Family Advocate to assist individuals and families in obtaining treatment and navigating the often daunting world of insurance coverage.

But even with all these efforts, there is still so much left to do. To assist in this effort we need to reach beyond our own community to our policymakers in Albany and Washington, since it is becoming more and more common that people struggling with heroin got their start by using prescription pain pills. Counties across New York have been successful in getting some of these unused medications out of people's medicine cabinets and off the streets with programs called "Shed the Meds." Ulster County has led the way with some of the highest numbers of prescription drug collection boxes in upstate New York at our Sheriff's and town police departments.

While these efforts are important, they are not nearly enough. Unlike their pharmacy, many folks feel very uncomfortable going into police stations so they simply don't. The practical, convenient and most impactful solution is to require large commercial pharmacy chains that make billions of dollars selling medication to New Yorkers to simply take back the unused portion of the narcotics they sell. I am not talking about small, local pharmacies with limited budgets. I am talking about huge national chains that clearly have the means to do this. Though this may seem like a common sense solution that should already be in place, unfortunately there is a massive loophole in our laws. The industry has powerful lobbyists so the existing State and Federal laws are not mandatory. No one has to participate and very few do.

I am asking the County Legislature to join me in urging our lawmakers in Albany and Washington D.C. to protect our children by demanding that large pharmacy chains simply take back the unused portion of the very medications they make billions in profit by selling.

The Legislature also needs to have its voice heard over and over again on the Pilgrim Pipeline and the potentially explosive oil trains. Together they represent a serious public health risk and dangerous environmental hazard. With deteriorating trestles and other failing infrastructure, oil trains are primed for a disaster. Often referred to as "bomb trains" they travel through our highly populated areas with schools and hospitals and near environmentally sensitive places like the Hudson River and the Rondout Creek, just to name a few.

They pose an incredible potential danger to our communities and especially our first responders. The industry's dirty little secret is that no significant oil train fire has ever been put out. They simply let it burn and deal with consequences later. With respect to the Pilgrim Pipeline, it actually functions as two pipelines: one with volatile Bakken crude headed south and another with highly flammable refined fuel headed north.

The bottom line is this, neither oil trains nor the pipeline directly benefit the citizens of Ulster County. I want to be clear, we are not being asked to choose between oil trains or the pipeline. What is currently being proposed is both, all of the danger and none of the benefit. I believe our Legislature must be aggressive in this area if we are to fully protect the amazing residents of Ulster County and our pristine environment too.

Though all these challenges are extremely serious, it is also important for us to remember that there are amazing things happening and new opportunities taking place every single day. In addition to our growing tech sector, our tourism industry is skyrocketing. As a four season destination, tourism revenues are up 33% since 2006. Put into context, without a Metro North station and with 100,000 less people, Ulster County has a larger tourism industry than our neighbors in Dutchess County.

Our agricultural industry is experiencing a \$500 million renaissance with our Farm Hub and evolving family farms, plus wonderful craft breweries and distilleries that now utilize our high quality local produce. There are also two new sports teams in Ulster County: the Saugerties Stallions baseball team and the Kingston Stockade Soccer Club.

We are working on exciting projects like Wildberry Lodge in New Paltz, marina and hotel projects in Saugerties, and a B&B /conference center in Shawangunk. We are helping Buttermilk

Falls expand in Milton, the Williams Lake project in Rosendale, and we have just started working with the new owners of Twin Lakes in Hurley on a renovation and expansion project.

In Kingston there is an exciting new project in the old Woolworth building. When open later this year, it will house a Grand Central-style food court selling locally grown foods and three large commercial kitchens. These are just a small sample of the exciting activity going on in Ulster.

Even with all this, there is an opportunity for so much more, especially if we can work together to level the playing field in a number of key areas. Areas like State action to provide the same kind of oversight for Airbnb-style facilities as currently exists for our hotels. And in highly technical areas like Shovel Ready reform, which would bring this important economic development tool into this century.

What is really exciting is we have not even discussed an industry that may very well have the largest upside of all: our creative economy. We are fortunate in Ulster County to have more artists per capita than anywhere else in the State and our creative economy has the potential to be big business and a great employer. The truth is our creative economy could be and should be so much stronger.

With our tremendous natural beauty and fantastic communities we are home to countless movie stars, producers, writers, directors and studio executives. High powered decision makers not only live here but desperately want to work right here in Ulster County. They already know about our diverse locations, incredible historic structures and high quality and experienced talent.

That said, our County has a major problem. We are being discriminated against in Albany and unfairly excluded from a critical State tax credit program that was designed ironically to help upstate counties better compete for film and television productions. Defying all logic this program does not include Ulster County as upstate New York. To drive home how absurd and unfair this is, 84% of all upstate New York counties are included in this program but we are not. That is fundamentally wrong.

Film and television productions have the ability to go anywhere in the world and these tax incentives are critical to successfully competing and attracting the millions of dollars that are spent locally. There are currently a number of international cities as well as other states receiving huge benefit from thoughtful tax policy. The potential economic value here cannot be overstated. For example, since 2008 when a similar tax credit program went into effect in Georgia, the entertainment industry's impact jumped from \$260 million to an estimated \$6 billion just last year.

The reality is, because we have been excluded, that kind of benefit is not available to us. We are disadvantaged as we compete with Georgia and other states and we are forced to compete with our fellow upstate counties with one hand tied behind our back. Unfortunately this issue has more profound consequences than just making it more difficult to attract a film production. We have also had multiple inquiries from entertainment groups looking to site large film studios and other new media production right here in Ulster County. These efforts are being harmed by this illogical tax policy.

Modern studios and new media facilities have the capacity to create hundreds of high quality,

tech based jobs and millions of dollars of additional business for our local economy. With our growing tech sector and large number of local residents already in the business, we are uniquely positioned to engage the entertainment industry.

In fact, joining us tonight to highlight the importance of this issue is award winning actor, director and producer Mary Stuart Masterson whose list of accomplishments is far too long to read. Her work in “Fried Green Tomatoes” was amazing! Although I had never actually met someone who hosted Saturday Night Live before, I want to thank her for joining us.

Mary Stuart not just a star and an incredible talent, she lives right here in the Hudson Valley and wants to bring millions in sustainable investment to our community. She leads one of the entertainment groups looking to bring major production facilities to Ulster County but the reality is this tax credit issue is undermining investment and harming these projects.

All we are looking for is basic fairness. Other counties have been added to this program in the past and it is important to note that including Ulster County would not increase the State’s cost for this program by one single cent.

At its heart, this issue is about economic development. We need our County Legislators to join me and our State representatives in a strong bipartisan effort to level the playing field. Albany is in session right now and the State budget is being debated as we speak, so time is of the essence. Let us make this right and in the process let’s make the creative economy in Ulster County the enormous success it can be. I would also like to once again say a very special thank you to Mary Stuart Masterson for joining us tonight to highlight the importance of the amazing opportunity that is before us.

We have been talking about many large and sweeping issues tonight. For me, this ultimately comes down to people, amazing individuals with their own hopes and aspirations, families trying to make ends meet, and small business owners working hard for the American Dream. That is why I am so proud to be from here. This is where I was born and raised and I am honored to serve as your County Executive.

Because we have created such a unique government that embraces innovation and change we are able to say to that senior who is wondering if they can stay in their house just a little longer: the answer is yes. To the teenager who is wondering if they will have a chance to go to college: the answer is yes. And to the Veteran who is wondering if their community still cares: the answer is a resounding yes.

When we talk about things like sustainability, what we are really talking about is the kind of world we want to pass on to our children. Will they inherit our debt, our pollution and the results of our unwillingness to change? Or will they inherit all the hope and possibilities that will come if we agree to be innovative and bold together?

I invite you to join me, to be a disrupter too. To demand more and to embrace the fact that Ulster County’s future can be limitless if we are only willing to try. Together we have proven that we are capable of profound change. Let us dare to make Ulster County even greater. Let us dare to be innovative. Let us dare to bold. Imagine what is possible if we do.

If we do I know in my heart that Ulster County will forever be the finest place anywhere to live, work and raise a family. Thank you and God bless America.