

DUTCHESS COUNTY EXECUTIVE MARCUS J. MOLINARO
2014 STATE OF THE COUNTY
Fragile. Resilient. Strong.

DUTCHESS COUNTY COMEBACK

You are this community; you are its proud and rich past; you are its vibrant and resilient present; you are its hope and potential for its future.

Despite the challenges, and there are many. Despite the obstacles, and they are great. Despite the uncertainty, and there is always uncertainty. Dutchess County and your county government is confronting it all with focus, logic, inclusion and fairness. With a dedicated workforce, talented leaders and dynamic residents we stand face forward in the storm – transforming our government, revitalizing our economy, and restoring the state of our county.

Legislature Chairman Rob Rolison and all 25 legislators along with Sheriff “Butch” Anderson, County Clerk Brad Kendall, District Attorney Bill Grady, Comptroller Jim Coughlan, 20 town supervisors, 8 village and 2 city mayors, business leaders, community advocates, and this county’s 1,700 dedicated employees recognize the need to build on past success, improve our current condition, and bring about the **great Dutchess County comeback**.

Let us thank them all for their dedication and service to our community.

Some say the Recession is over, and while we can point to some promising specifics, Dutchess County and its residents continue to face recessionary conditions.

- The Department of Community & Family Services has seen its caseloads increase 70% since 2007.
- Calls to the Department of Mental Hygiene’s 24/7 HELPLINE are up 46% since 2007 with the type of calls coming in becoming more severe in nature.
- While unemployment shows a slight rebound, the future of our largest private sector employer remains uncertain, and too many Dutchess County families are still struggling to get back to work.
- The County’s tax base continues to shrink – down nearly \$9 billion since 2008.

County Government has been able to somewhat shield residents and taxpayers from the brunt of the Recession’s impact on county services by cutting back on operational spending, consolidating, and finding greater efficiencies through technology and shared services. But now, the budget options we are left with are distasteful.

Last year, through consolidation and reorganization of departments and services we reduced our workforce by 103 positions making us the smallest in over 30 years, saving \$6.8 million annually and \$38 million over five years.

While we continue to deliver new efficiencies, consolidations and cost savings we will not make irresponsible decisions only to undermine the quality and character of our community. We will not exaggerate savings or over project revenue to mislead you. And we will not pass the buck or play political games. Instead we will lead. We will fulfill our mission “to preserve our heritage, promote economic development and enhance the quality of life for current and future generations.”

2014 COUNTY BUDGET

In 2012, I inherited a county budget the previous Administration balanced by using a one-time revenue measure. The nearly \$27 million appropriation of fund balance virtually wiped out our reserves. This contributed to a bond

rating downgrade. This use of fund balance is sort of like using your entire savings account to pay for your bills without actually cutting your costs.

In their bond rating review, Moody's stressed the need for Dutchess County to rebuild its fund balance and expand its tax base. The state comptroller and rating agencies recommend we maintain a fund balance of 5 to 10% of the total budget.

The need for an appropriate level of savings – to manage cash flow, protect against unforeseen expenses, loss of revenue and respond to man-made or natural emergencies – is why the 2014 budget does **not** use any general fund balance to offset an initial \$27 million budget gap. Maintaining a strong bond rating and adequate fund balance is critical to our fiscal security.

In order to balance the budget, the county asked for alternative revenues but needed state approval for those to be enacted. Those requests were denied.

Confronting historical rates of spending and tax increases, while preserving core services **without** one-shot revenue options, use of budget gimmicks or help from Albany left us with tough choices and distasteful options.

With no reserves and no help from Albany, we cut jobs, departments, programs and dollars – a lot of them. As we confronted this challenge for 2014, we cut expenses by \$3.9 million, reduced our debt payments and eliminated another 7.6 positions.

Our goal then? **Bend the curve in spending and tax growth.** Continue to reduce spending, create a more efficient and effective organization, and stop unsustainable property tax increases. Achieving this goal responsibly takes time and we are making progress.

Let's take a moment here and thank Commissioner of Finance, Pam Barrack, for her years of dedicated service to the people of Dutchess County – she will retire this May and we are grateful for her service.

MANDATE RELIEF

With 70% of net county costs mandated by the state and federal government, core county programs and services are being crowded out. Government cannot be all things to all people but this government must be able to fulfill its core mission for its people. We must continue providing those critical services our families, friends, and neighbors depend on.

Instead of expecting us – county governments and local taxpayers – to carry their burden, I suggest Albany and Washington pay for their programs. Since they won't, Dutchess County Government was put in a difficult position and forced to pick among distasteful options in order to balance the 2014 budget.

The Poughkeepsie Journal, described the budget as "responsible yet painful".

Acting responsibly is an expectation we should all have of government but I recognize the pain doesn't seem to get any better. These were not choices I wanted to make. Running a government like a business requires we make them. Please know we accept and have taken every call, listened to every criticism, and genuinely appreciate your comments, concerns and ideas. We are all in this together and we know the pain all too well. I know the burden we carry. I know the sacrifices too many will have to make.

The repeal of a 1974 sales tax exemption on residential energy costs is unwanted and distasteful to me, and just about everyone. But, as I stand before you today, I pledge to you – **I will do everything in my power to eliminate this tax.**

We have three specific and aggressive strategies to accomplish this and provide greater tax relief:

- advocate for mandate relief;
- transform local government; and
- incentivize economic growth.

Without relief from oppressive mandates we will never achieve the government we are owed. Why do I say this?

Every aspect of what we do in county government is impacted by some decision or mandate from Albany. When any layer of government makes the decisions and sets the parameters for a service they then force others to pay for, it becomes ripe for waste, fraud and abuse. And, it is this lack of accountability in Albany that must be addressed.

While we talk in broad terms about mandate relief, let's look at a specific example – state mandated Special Education Preschool Program for children under the age of 5.

As a parent of a daughter with special needs, this program is very familiar to me. It provides a valuable service yet is a state education program that they mandate county health departments fund and manage. Keep in mind the State Constitution requires the State provide a public education for every child.

New York is the only state in the nation that mandates counties fund Preschool Special Education. According to the New York State Association of Counties' (NYSAC), local governments – including New York City – will pay in excess of \$2 billion for this state program, with Dutchess County charged approximately \$7 million this year. Beyond the fiscal impact to counties, the current structure has created a divide causing great disparity between those children with and without special needs.

As the state now considers Universal Pre-Kindergarten, at New York City's urging with support from the Governor, we cannot allow those inequities to grow, leaving our special needs children behind. **By taking back the cost for Special Education Preschool, New York State would pay for its own program, address a glaring division in public education, and enable Dutchess County Government to restore the sales tax exemption on residential energy sources.**

We are fortunate that our state legislators – Senators Terry Gipson and Greg Ball, Assembly members Didi Barrett, Kevin Cahill, Frank Skartados, and Kieran Lalor – are fighting for mandate relief. Each has sponsored or spearheaded specific relief proposals. And we thank them for their efforts.

These along with other measures would enable us to eliminate the sales tax on residential energy sources and cut property taxes. They need to be adopted. In the weeks ahead, we will continue our advocacy efforts. We will be calling, e-mailing and letting residents know when and how to help get these bills passed. We will organize our community to motivate state legislative leaders to pay attention to your proposals and help each of our state representatives get their legislation adopted.

- Since 2012, I have personally been back to Albany to lobby for relief and assistance with some success.
- This year, I was chosen by the NYSAC to lead our statewide effort for Special Education Preschool relief and realignment.

- Last month, I testified on behalf of NYSAC on this and other mandate relief proposals.
- Tomorrow, I will lead Dutchess County's delegation at Senator Greg Ball's Mandate Relief Lobby Day.

Dutchess County is aggressively focused on mandate relief because it is our path to substantial tax relief and comprehensive government reform.

TRANSFORMATION OF COUNTY GOVERNMENT: YEAR 2

With immense fiscal challenges, the stress so many in our community face and a struggling economy we are **committed to making government smaller, smarter and more successful.** From the reorganization and consolidation of departments, to making funding competitive and incentivizing shared services, our multi-year transformation of county government is taking hold and making a difference.

The first round of our Agency Partner Grant Program was a success. Over 18 organizations applied with 10 receiving funds for projects to improve our community. This year's round of grant applications are currently under review with 17 agencies applying for just over \$700,000. This competitive grant program converted our process of funding needed services from "member items" or "earmarks" to an outcome based, competitive grant enhancing accountability and maximizing the benefit of each tax dollar granted to an agency.

Thank you to the members of the Community Development Advisory Committee, staff at our Department of Planning & Development and the Dutchess County Coalition of Nonprofits for their support, cooperation, and efforts.

Please also join me in also thanking Planning & Development Commissioner Kealy Salomon for her years of dedicated public service as she plans to retire from County Government.

PUBLIC HEALTH

In light of changes in health insurance, the federal Affordable Care Act, state closure of psychiatric centers in our county, reduction in Mental Health beds at St. Francis Hospital and the high cost center of our Mental Hygiene Department, last year we announced we would seek to create a more cost effective, integrated delivery of public and behavioral health services.

St. Francis Hospital's bankruptcy and its purchase by Westchester Medical Center along with the uncertainty of federal and state funding streams, an increase in suicides and crisis in chemical dependency, make it critical that we integrate our Health and Mental Hygiene departments. By aligning their efforts with the work of the departments of Community and Family Services and Emergency Response, along with IMAGINE Dutchess, the next chapter of healthcare in our county can revolutionize the way we confront public and mental health.

Thanks to the Dyson Foundation, last year, we engaged the Center for Government Research (CGR) to help determine the feasibility of merging the two departments. CGR's final report establishes a base line of current services and presents a spectrum of options ranging from the status quo to full merger. CGR ultimately recommends just that – **merge the two departments under a single commissioner.** With the unanimous endorsement from our Health & Human Services Advisory Team – comprised of health and mental health experts – we intend to carefully proceed with this proposal.

We are grateful to Commissioners Ken Glatt and Kari Rieber. They envision, as we do, a stronger, more collaborative and responsive department that will meet the public health needs of our community. Please join me in thanking them for their service and continued work.

CRIMINAL JUSTICE

Long before I became County Executive, the size and outdated nature of our jail facility had been the source of excess cost and much concern. Today, our jail budget is over \$40 million and we employ 233 Correction Officers. Our total number of inmates incarcerated is less than the national and state average. However, due to a lack of capacity we must house out in county jails across New York – on any given day over 200 inmates – above the 250 in our jail facility. When factoring in transportation and overtime, the cost to house inmates in other counties climbs to \$8.2 million annually. Housing out is detrimental to the inmates and their families. Housing out weakens our criminal justice system, threatens our fiscal security and public safety – it wastes your tax dollars.

Housing out is not a solution. It is the avoidance of a solution.

It is time we expand the size of our jail, drastically improve the ratio of COs to inmates and do so by designing and building a facility with the right beds for the specific inmate populations we house today and project to house in the foreseeable future.

In 2012 the Criminal Justice Council completed an assessment making clear our solution to lack of jail space required a two-track approach – build new capacity and drive down inmate population with alternatives to incarceration.

Central to any solution is having inmates housed back in Dutchess County. By doing so, we can speed up the judicial process, prepare inmates to successfully return to the community, and reduce recidivism. Installation of temporary housing PODs on the existing jail site will achieve this goal and save approximately \$1 million annually.

I am pleased to announce we have **reached agreement with the State Commission on Corrections to proceed with installation of these PODs upon county legislative approval.**

With bi-partisan support last July, we moved forward with the next phase of our work. We eliminated the Hudson River Psychiatric Center from possible jail expansion sites, facilitating its sale to a developer working with the Town of Poughkeepsie to make a substantial private investment. Subsequently, in December, we reached agreement to purchase property adjacent to our current jail enabling expansion on the current site.

In a 24-1 vote the legislature overwhelmingly approved purchasing the property needed to expand jail capacity. I'm thankful to the County Legislature for joining us and committing to solving this problem.

Once environmental assessments are completed, we will begin the Project Definition phase. Our commitment to the City of Poughkeepsie and county taxpayers is to define and develop:

- A facility with **adequate space to house all our inmates**, reduce jail operating expenses and save tax dollars;
- A campus to include inmate programs and other criminal justice services in a **continuum of incarceration to help inmates re-enter the community and reduce recidivism**;
- A campus **sensitive to the community and its neighbors** – a neighborhood design to include private investment, private job creation and increased property assessment, while encouraging additional development in adjacent properties; and

- A mixed-use site, where **public and private space** is created, conforming with the Greater Walkway and local land use and zoning expectations.

Our jail, albeit a large and broken component of our criminal justice system, is only one component. Currently, nearly 600 individuals are in alternative programs, and approximately 2,500 others are supervised through probation. Dutchess County is committed to other critical efforts to curb inmate population growth, and successfully promote alternatives to incarceration.

Thank you to Mary Ellen Still, our Director of Probation and Community Corrections and Chair of the Criminal Justice Council, for her tremendous efforts to drive down recidivism and make our robust ATI programs even more successful.

HUMAN RIGHTS

We must be responsive to those in the community that feel, and rightly so, that local human rights deserve greater attention. To further this endeavor we are appointing a **Dutchess County Human Rights Officer**.

Currently, we have an Equal Employment Opportunity/Affirmative Action position that handles complaints on discrimination or harassment within the county workforce. This position will expand to assist those with Human Rights complaints throughout the county. He will help with filing complaints, ensure access to appropriate state and federal resources, and assist with required paperwork and follow-up.

Thank you Curtis Forbes for taking on this important role.

To assist in our efforts, we will also create a **Diversity Advisory Board**. This Board will provide input and feedback on the work of the Human Rights Officer and assist the County in efforts to more greatly diversify our workforce. Civil Service governs the hiring practices of all municipalities and when we recruit for positions or hold civil service exams there is often low participation from members of the minority communities.

Thank you to Northern Dutchess NAACP President Elouise Maxey and County Legislator Barbara Jeter-Jackson for taking these steps with us.

DOMESTIC VIOLENCE

The tragic events that took place in Pleasant Valley this past November, leaving two children and two parents dead, is a horrific reminder that domestic violence can strike anytime, anyplace and in a most heinous way.

Dutchess County continues to focus on this critical issue. Our collaboration with the District Attorney, Sheriff's Office, the Department of Community and Family Services, Grace Smith House and Family Services has never been stronger. Through their coordination and work, victims can access assistance and shelter, while law enforcement is able to better prosecute and hold accountable those who abuse.

In its October 2013 report, the County Legislature's Citizens' Advisory Committee on Domestic Violence identifies gaps in service that state assistance can help address. With domestic violence 911 calls averaging about 13 per day we must continue our efforts. We have asked for continued state funding assistance to accomplish this goal.

Of particular importance is the Grace Smith House teen violence initiative and our own Home Visit Program. One sheds light on violence in teen relationships, the other has greatly improved law enforcement's interaction with

victims of domestic violence, helping to keep them safe. Funding is necessary for advocacy, education and law enforcement.

Thank you to all who do so much to curb domestic violence including District Attorney Grady, Sheriff Anderson, County Legislator Donna Bolner, Brian Doyle from Family Services, and Renee Fillette from Grace Smith House.

YOUTH EMPOWERMENT

Programs like G.R.E.A.T. (Gang Related Education & Training) have been longstanding successes in Dutchess County as we focus efforts on reducing gang activity, drug abuse and youth violence in our community. Using a strength-based approach, specific components of G.R.E.A.T. will be incorporated into Catherine Street Community Center's summer enrichment program. This partnership demonstrates the positive relationships that can exist between criminal justice and community agencies, thereby diminishing the attractiveness of gangs and reducing county costs for juvenile detention. For generations Catherine Street has been changing lives for the better, and Shirley Adams has been at the forefront.

Thank you Shirley for all you do for this community.

With that effort as a pre-cursor and the work of our own Youth Board as a foundation, I propose a new approach to addressing the needs and challenges facing our young people by creating **the Dutchess County Youth Board and Coordinating Council**.

Modeled after the successful Criminal Justice Council, we will bring together the best and brightest of our stakeholders and unleash the talent and experience found throughout those agencies and organizations serving our kids. Its mission will be to strengthen community and family interaction with our young people in an effort to prevent crime, improve quality of life, and empower young people to lead productive lives and achieve greater success for themselves and their families.

By repurposing our Youth Board, the Coordinating Council will bring together representatives from government, not-for-profits, businesses, our faith-based community, and educational institutions. The Council will examine community risk factors, study best practices from other communities, and develop strategies to better address the challenges confronting young people today.

Additionally, I will ask the Council to develop community coalitions though out the County. By empowering local volunteers in each "region," we can more effectively engage the community and empower our young people.

Brian Doyle from Family Services, Kathleen Murphy from the Center for Child Abuse Prevention, Commissioner Bob Allers from the Department of Community and Family Services, and Legislators Marge Horton from East Fishkill and April Farley from Beacon will help shape the Council's mission and select its members. Please join me in thanking them.

This is a critical effort and among their goals will be to address recreation needs, teen violence, gang activity, child abuse and exploitation – as well as our growing drug addiction problem.

DRUG ABUSE PREVENTION

Drug overdose death rates in the United States have more than tripled since 1990. The number of fatalities in Dutchess County due to a drug overdose mirror those national trends.

Working with Legislators Angela Flesland and Ken Roman, our Health and Mental Health departments are collaborating with CAPE – the Coalition for Addiction and Prevention Education – to conduct forums to generate awareness and dialogue between parents, young people, law enforcement and service providers.

Of course, public forums alone are not enough.

We have formed an internal taskforce bringing together the departments of Health, Mental Hygiene, and Community & Family Services to coordinate the County’s response to drug abuse. This taskforce, led by our Health & Human Services Cabinet and its Chair, Mary Kaye Dolan, outlined a draft work plan for key county and community stakeholders to **enhance communications, coordinate activities, and implement a comprehensive response**. Our campaign will include the new Youth Coordinating Council, and seek to engage families, schools, faith based groups and our not-for-profits.

Thank you to all those who have focused on this epidemic and our intervention and prevention efforts so that together we can save lives.

GOVERNMENT CONSOLIDATION & SHARED SERVICES

Government structure in New York hasn’t changed much over the last 200 years, it relies on some of the same rules and expectations, delivers many of the same outcomes, yet there is just so much more of it.

As Governor Cuomo points out, there are 10,500 different government layers in this state – 327 are found in Dutchess County. I suggest reducing that number and returning more tax dollars to our taxpayers.

In its first year, our Municipal Consolidation and Shared Services Grant Program was a success and has garnered attention throughout New York. Together we set aside \$2 million for municipalities to consolidate and/or share services.

In 2014, we continue the program but add a **new top priority – the outright dissolution of a division, layer or jurisdiction of government**.

We will continue funding shared services and consolidation but will give priority to those projects that save taxpayer money by eliminating an entire government entity. Additionally, we will consider applications from special districts – such as fire and library districts seeking to consolidate and/or dissolve.

I know the ideas are out there, the desire exists, and we are putting your commitment to the test.

Municipalities and the County have learned so much from one another over these two years and we have more to gain. As recommended by several supervisors and mayors – specifically Aileen Rohr from Hyde Park, Dave Kelly from Pawling, Todd Tancredi from Poughkeepsie, Bob LaColla from Fishkill, Randy Casale from Beacon, and John Merwin from Millerton – we will convene a **Consolidation and Shared Services Summit** later this year to implement best practices, provide an update on grant projects, and discuss areas for greater consolidation.

The County seeks to partner in every way possible.

Last year, our Shared Services Director Chris Barclay set out on a mission to meet with every supervisor, mayor, and nonprofit Executive Director he could. He explained and marketed our shared service opportunities and

solicited ideas for more. We listened, and have responded adding to what we provide – all of which can be found on our redesigned, nationally awarded website.

The team at the Office for Central and Information Services (OCIS) under the leadership of Commissioner Tim Mahler will continue to expand, promote, and provide our county's shared services.

Thank you Tim, Chris and our entire OCIS team.

ECONOMIC DEVELOPMENT

Tourism and Agriculture are the largest components of our economic engine. Our farms and attractions draw hundreds of thousands of visitors. The same components and beauty that make Dutchess County a great place to live also make us a great place to visit.

In 2013, New York's tourism industry generated \$7.7 Billion in state and local taxes and added 25,000 jobs; and in Dutchess County visitors spent over \$400 million dollars. This past September, the Hudson Valley Food and Wine Festival, held at the Rhinebeck Fairgrounds attracted more than 18,000 visitors, including hundreds on a special train from New York City. Over the last year, tourism venues in Dutchess have expanded with the establishment of new agri-businesses such as Crown Maple, Dutch Spirits, Millbrook Distillery, and Dutchess Hops. This year, Dutchess County Tourism will continue to brand Dutchess County as a distinct destination, and setting a goal to increase visitation by 10%.

I know we can get to 10% thanks to the efforts of Mary Kay Vrba and all the staff at Dutchess County Tourism.

From unparalleled natural resources and arts venues to amazing historic sites and farms; from our rail trails to a Walkway over the Hudson; from baseball to the largest agricultural fair in the state – **tourism in Dutchess generates millions of dollars and thousands of jobs**. As we fight off the effect of this lagging economy, tourism continues to lead the way.

Previously, I announced the 4RFuture Economic Development Plan – to Reform, Retain, Reinvest and Recruit – and an alliance of our economic development entities as part of our first-ever economic development strategy for the county. Our Deputy Commissioner of Strategic Planning and Economic Development, Ron Hicks, has been working diligently on that strategy, which includes an assessment of our economy, and 6 new programs with goals, objectives and action plans to advance and diversify our economy.

1. Business Retention and Expansion

71% of new jobs are created by small businesses. Of those, 73% are sole proprietors and 52% are home-based. What does this all mean? It means your neighbor is more likely to create a new job in our community than any large corporation - making small businesses the heart of our local economy and the best bet for future growth.

The most important component of our Strategy is a Business Retention and Expansion Program. This requires business surveys and creating a database of all businesses. As one does in an emergency, we determine those most at risk and then strategically target and assist them.

2. Expedited Permitting and Review

One of the greatest obstacles to business expansion and attraction in the Northeast is the protracted and duplicative permitting and review process. While the County has limited control over federal, state and local regulatory agencies and boards, we can lead by example and solicit local governments to partner with us to attract jobs and new investments.

The three County departments with permitting and review authority are the Department of Health, Department of Public Works, and Department of Planning and Development. Each is unique with their own mission and obligations. In too many ways they operate independently, unfortunately, leaving some important projects with unnecessary layers of red tape.

A consolidated and expedited permitting process will enable a project that creates good paying jobs, puts our local labor force to work, and creates a positive economic benefit to be given priority status. The County will focus our efforts to advance that project within a speedy timeframe.

To further expedite permitting, we will implement a Professional Certification Pilot Program. This partnership with participating municipalities will enable an Architect or Professional Engineer, registered and licensed in the State of New York to self-certify that the plans they file are in compliance with all applicable laws. This will reduce the amount of time a builder would normally wait for a permit or approval. We will be reaching out to supervisors and mayors to identify partners to participate in this initiative.

3. Infrastructure Planning and Investment

Fifteen years ago, Dutchess County launched our Partnership for Manageable Growth Grant Program to protect farmland and invest in infrastructure. Through those years, we invested \$6.5 million in the preservation of over 3,000 acres of active farmland and critical open space. No funding was sought for water and sewer expansion.

The funding for this program has expired, and now is the time to refocus it. In order to assist agri-business, provide strategic economic opportunity and revitalize our community centers we must invest in our infrastructure. We need water and wastewater to support job creation and stimulate redevelopment in commercial corridors. Focused infrastructure development also prevents sprawl and enables sustainable housing development, while strengthening our agricultural industry.

Our Infrastructure Planning and Investment Partnership will leverage federal dollars, state aid and our own commitment of \$5 million with private investment and municipal matching funds. All focused on infrastructure projects that redevelop our community centers or lead to significant job creation and private investment.

4. Business Attraction Program

We cannot wait for large employers to come to us. We must independently, aggressively market our assets and available space beyond our borders. To that end, we have developed a Business Attraction Program and this year we will contract with the Economic Development Corporation's External Marketing Council to implement it.

Dutchess County has over 2.5 million square feet of vacant commercial and industrial space. Much of this has been empty for years and has cost us jobs, tax revenue and other economic benefits. In partnership with the External Marketing Council, we now have a comprehensive database of vacant and other commercial and industrial properties, and to help fill this empty space, Dutchess County will participate in a new Lead Generation Program in development with New York State Empire State Development, the New York State Economic

Development Council, Hudson Valley Economic Development Corporation, and the Dutchess County Economic Development Corporation's External Marketing Council.

Our new Business Attraction Program includes a public-private branding and promotion effort. This will require resources to be effective and I will ask our state representatives and the County Legislature to match the EMC's funding for a targeted marketing campaign to help fill the 2.5 million square feet of vacant space, which has the potential to create more than 12,000 jobs.

Thank you to the Dutchess County Regional Chamber of Commerce and the Hudson Valley Young Professionals for their partnership with us to improve the economic climate here in Dutchess County. In particular, let me say thank you to Charlie North who just yesterday announced his plan to retire.

5. Entrepreneurial Development

In order to help foster entrepreneurial growth and provide a network for start ups, I've asked Charlie and the Dutchess County Regional Chamber of Commerce along with the Hudson Valley Young Professionals, represented here tonight by co-chairs James Lentz, from TEG, and Jennifer Pawenski, from The Chazen Companies', to lead a strategy for entrepreneurial development and young professionals' retention and attraction.

Additionally, we are in the planning stages of bringing a StartUp Weekend to one of our college campuses. These are 54-hour events where developers, designers, marketers, product managers and startup enthusiasts come together to share ideas, form teams, build products, and launch startups.

The next wave of economic growth will ride in on the shoulders of young professionals. These young, motivated innovators aren't tethered to a time zone and don't expect to work for any one employer very long. They live in a world with no borders, problem solve in a less structured way and can connect to anyone, anywhere at any time. With over 20,000 college students calling Dutchess home, so many talented young business leaders and our proximity to the business capital of the world – we must engage these Millennials. By leveraging Dutchess County's "Staying Power" we need their help, input and investment. Why Dutchess? What brought you here? What can we do to keep you here? How can you help us make this the community you call home and build your business in? We have asked the Hudson Valley Young Professionals to partner with us in a campaign to engage and empower this generation of business leaders and entrepreneurs.

6. Economic Development Restructuring

While the Dutchess County Industrial Development Agency (IDA) is an independent public authority, separate from County government, it is our greatest tool for new business attraction. A recent audit by the New York State Comptroller has made clear the IDA needs immediate reform. Working with Legislature Chairman Rolison and Deputy Commissioner Hicks we have outlined a proposal that we will submit to the Chairman of the IDA that includes diversifying the Board, and the County taking responsibility for reporting, compliance and management. The IDA will be brought into statutory compliance and we'll implement best practices recommended by the state Comptroller and its Authorities Budget Office.

Lastly, as part of rightsizing County government, and in pursuit of creating a one stop shop for business, Dutchess County Planning and Development will align with the Dutchess County Economic Development Corporation to provide updated demographic, economic and GIS data. This important information will be used to monitor and evaluate our economic development strategy. We must ensure our economic development programs remain relevant, and the strategy responds to an evolving competitive environment.

Economic development doesn't come from a prepared agenda or closed quarterly meeting and our efforts cannot be limited by past practice or bureaucratic structure. I have seen the passion in our business leaders' eyes and I have heard their call for a new approach. I know it is time to re-engage this community in a robust dialogue about our future, to allow the business community that rebounded from devastating job losses in the 1980's and 90's to be reborn. Through roundtable forums, media campaigns and a communication effort, we will bring together business leaders from all communities and all sectors to engage in our comeback.

Poughkeepsie Waterfront Strategy

And, no one place is currently more critical to that comeback than the county's seat: the City of Poughkeepsie. That is why the revitalization of the Waterfront and redevelopment of the surrounding neighborhoods is absolutely necessary.

The County, City, Scenic Hudson, Walkway, MetroNorth and other stakeholders have been working hard on a Waterfront Redevelopment Strategy. By incorporating the many projects along the riverfront with transit oriented development at the Poughkeepsie Train Station we can infuse new growth and new energy in the city for all its neighborhoods and beyond. The strategy and corresponding zoning is nearly ready for review by the City Council. Once adopted – the MTA can promote the plan and seek developers for their property. There is no time for delay. The future of Dutchess County is tied to the future of the “capital of the Hudson Valley.”

AIRPORT

Before I took office, the airport cost the County hundreds of thousands of dollars annually. In just two years, we cut the county's subsidy of the airport 35% – that's a savings to taxpayers of over \$250,000. This operating deficit, of course, does not account for the airport's annual economic impact of over \$44 million. But, to evaluate the Airport's future I requested a comprehensive audit by our County Comptroller and commissioned a financial analysis by highly renowned Stephen Baldwin Associates. They provided key recommendations with the 2 most critical being:

1. Water and sewer must be provided for any reasonable expansion; and
2. Dutchess County should hire a private organization to assume airport operations.

In December we were awarded a state economic development grant to bring water to the airport and are pursuing additional funds for wastewater on-site. In so doing, we can promote private investment and new private sector jobs. This will assist in attracting a private operator and retaining Sikorsky/AAG. With 60 private sector jobs and a \$5 million dollar payroll, Sikorsky/AAG can be a catalyst for the private development of the airport.

In the next weeks, we will seek an experienced Fixed-Based Operator to manage, develop and market the Airport. By reinvigorating our Airport Advisory Board, investing in needed water and wastewater and “privatizing” operations, the Dutchess County Airport can be an unparalleled economic asset and in time it will perform as one.

STADIUM

While we seek to “privatize” airport operations, one county asset has already achieved the same. Dutchess Stadium is a County Park, owned by Dutchess County Government. It was built on land owned by the Beacon City School District. Yet it is operated and managed by our contracted private sector partner Keystone Management

group – parent company of the Hudson Valley Renegades. The Renegades pay us rent and other fees which cover our expenses.

The debate to build and own a stadium occurred in 1992 and 93 (while I was in High School). Since then this county has seen significant benefits from hosting this successful Minor League baseball business – and minor league baseball is big business.

The Renegades employ hundreds of people, they support dozens of not-for-profits, they've attracted over 3 million fans to their games and millions more to concerts, carnivals, car shows, and high school and college competitions. All of this generates sales tax revenue to the county, profits to neighboring businesses, and paychecks to local residents.

The Renegades contract expires at the end of 2016 and we will work to negotiate a mutually beneficial agreement. We should enjoy the economic benefit they are, embrace the team we love, and insure they know Dutchess is the only home for them.

PLACE CALLED DUTCHESS

Minor League baseball, though, is less about the sport and more about something less tangible yet more valuable... it's about making memories.

From across the world, young men yearning to make it big in America's pastime come here. Thousands of men and women have interned, studied, worked and honed their skills employed here. Millions of fans and families travel from throughout the east coast to this stadium for exciting baseball, great family fun and memories that last a lifetime. And they all do it – on a field in a place called Dutchess.

Whether a county-owned ballpark, support of a community college, struggling business or challenge facing a family – the work we do and lives we live require partnership, a willingness to compromise, and a certain amount of trust, even when we have doubt. The comeback trail is steep, and it is arduous. While the state of our county is fragile, our people are resilient and our potential remains strong.

I think you expect at least that from me – resilience, strength, honesty. (Those were the lessons he taught us.)

Growing up, my grandfather, Albert Dinanzio, shared stories of sacrifice meant to instill in his grandkids respect for others, love of family, and commitment to giving back. I have never forgotten them and try to pass them on to my own kids. He never saw my name on the ballot but I think 20 years after first being elected a Tivoli Village Trustee, he would be proud of his grandson.

Many of you know, I am unabashedly sincere, always optimistic, and I rarely tire. I care deeply about this community and believe in our ability to succeed. The decisions we have made come with consequence, and I accept my responsibility – but I ask for your trust and patience. I will do everything in my power to reduce the burden you carry and improve the state of our county.

God bless you and may He continue to bless Dutchess County.