



Michael G. Breslin, County Executive
County of Albany, State of New York

State of the County Address

County Legislative Chambers
Albany County Court House
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Chairman Houghtaling, Majority Leader Commisso, Minority Leader Benedict, Legislators and friends, thank you for joining me for my annual State of the County Address.

How the world has changed since I submitted the budget nearly six months ago. And the economic crisis continues to grow worse. Each week, there are more business closings, layoffs and financial losses in the U.S. and around the world. Just last week, we heard our region's unemployment rate jumped to 7.1 percent in January, two percentage points higher than a year earlier and the highest level since the State Labor Department began gathering this data in 1990. Nationally, unemployment has hit a 25-year high of 8.1 percent.

People have stopped buying homes and mortgage delinquencies increased by more than 50 percent in Albany County last year.

Consumers are being increasingly cautious. Sales tax receipts have declined in five of the last six quarters. So far in 2009, our sales tax receipts are already down more than four percent from the same period last year and down more than six percent from what we budgeted. If these trends continue, this year alone we will face a multi-million dollar budget shortfall. This is just one of many budget challenges.

In the last decade, the nation's consumer-driven economy, based on excessive debt, was unsustainable. Although we in this region have been more prudent than other areas of the country, it is clear that when the economy resets at a sustainable level, it will be lower than what we have become accustomed to.

Many of you will remember the tough decisions we had to make to meet the ever-increasing State-mandated Medicaid costs, including increasing property taxes. By being fiscally prudent and working together then, we made it through. However, the current economic downturn is unlike any other we've experienced, and we do not know the extent and duration of the crisis.

Proposed State budget cuts add to the economic uncertainty. We are tentatively facing a substantial reduction in revenues, particularly nursing home reimbursement. These potential reductions will be offset by temporary federal revenue for the next two years. In addition, we know federal stimulus funds will be coming. But any funds from the stimulus package will also be a short-term fix to what looks to be a long-term economic downturn.

When you add it all up, the State's proposed cuts in Medicaid reimbursement and the loss of temporary federal revenue will increase the required County subsidy for the nursing home to over \$20 million in 2011 from \$4.5 million budgeted in the current year. That represents at least two consecutive double digit real property tax increases in 2010 and 2011 just to cover the nursing home subsidy.

Relying on our experience and creativity, we can lead the County through this storm.

The size of the budget gap we expect to face will require us all to make difficult choices. I anticipate coming to you with budget adjustments mid-year. In the long-term we need to fundamentally change the way we deliver and provide for County services.

We cannot forget that as much as County government may struggle through this fiscal crisis, those we serve are struggling even more. And the availability of our services for them will be more critical than ever.

We have already taken steps to strengthen the County's safety net. This year's budget included an additional \$1.6 million for family assistance and more than \$740,000 for emergency assistance. We also increased funding for home delivered meals for our seniors by \$300,000.

Let me be clear. I will not waver in my commitment to serving our most vulnerable residents: the elderly, the poor, children, individuals with disabilities and those facing mental health challenges.

In my judgment, the best way to meet this commitment is to serve individuals in their community, where we can identify needs and provide assistance earlier. Community-based services will improve the quality of life for our most vulnerable residents by promoting their independence and avoiding the significantly higher costs of institutional care.

Last year, I announced plans, with your support, for the creation of a Community Assessment and Referral Team (CART). The team links individuals living with mental health challenges who are at risk for hospitalization or incarceration with supportive services in the community--treatment, housing and employment. I am happy to report that our CART team is up and running and has served 75 clients in its

first two months. Once fully staffed, the team will be able to serve up to 350 individuals continuously.

Let me share with you a CART success story. John had been homeless for three months and had been unable to access treatment, medications or housing due to his mental illness. He had been seen frequently in emergency rooms and at the Capital District Psychiatric Center's Crisis Intervention Unit. He was at a high risk for hospitalization or incarceration. The Crisis Intervention Unit referred John to CART, which immediately linked him with treatment and supportive services, including housing. Today, thanks to the efforts of CART, John is actively involved in a vocational program, receiving the treatment he needs and living independently in the community.

We have also initiated efforts to ensure those being released from prison have access to community-based services to assist them in their transition back into the community.

Offenders released from prison typically face a host of challenges: a history of substance abuse, mental illness, insufficient education, homelessness, lack of work skills and a lack of stable family support. These challenges place parolees at a high risk for re-offending. In fact, according to the U.S. Department of Justice, almost 70 percent of convicted offenders are re-arrested within three years of release.

Thanks to a grant from the New York State Division of Criminal Justice Services, our Departments of Social Services, Probation, Mental Health and the Sheriff and District Attorney's offices are working collaboratively on a task force to improve access to vital services for individuals returning from prison. Our efforts will be critical as transitions will be especially difficult in this economy. Our success will improve public safety, save taxpayer dollars and most importantly assist offenders in becoming contributing members of the community.

Community-based prevention services have proven to be effective in serving our children and families as well. Under the leadership of Commissioner Colette Poulin, our Department for Children, Youth and Families has taken new steps in our continuous commitment to strengthen services.

Commissioner Poulin is developing a quality improvement process to help ensure our employees and providers deliver the best, most effective services possible. She has been strengthening internal practices in order to further integrate and foster collaboration among the various organizations to improve the way we work with families.

When we created the Department in 2001, there were 554 Albany County children in foster care. Eight years later, we have decreased the number of children in foster care to 261, a 47 percent drop. Our success is a direct result of the enhanced prevention services provided to families through the Department's strong leadership, as well as the hard work and dedication of its employees.

The creation of the Department took many years of hard work and collaboration, and we have come a long way. Each year the Department's efforts produce brighter outcomes for the children we serve. Most importantly, we are identifying children before they require foster care.

The same will be true of long-term care. We can build a system that helps prospective patients avoid institutionalization. We will not have instant success. But by focusing our creative energies on enhancing community-based long term care services we can keep our seniors and individuals with disabilities living independently in the community.

Listen to Sally's story.

Sally has multiple sclerosis and is wheel chair bound. Her two adult children care for her at home. However, she requires a high level of assistance for her personal and medical care. Her son and daughter work full-time, and do not have the time to provide all the care mom needs. They preferred to keep mom at home, but had to consider a nursing home. The family was referred to Albany County-NY Connects, where our staff linked the family with 20 hours of home care services a week through the Expanded In-home Services for the Elderly Program (EISEP). In addition, Sally's home was connected to a 24 hour-a-day emergency response system. After six months, the children were again overwhelmed. Sally's EISEP services were increased to 40 hours a week to meet her needs. Today, she continues to live safely at home.

NY Connects has assisted thousands like Sally, responding to more than 680 calls a month. With \$3 million of local funding dedicated

to home and community-based services this year, the quality of life of our elderly will improve; taxpayers will be spared the cost of premature and expensive institutional care; and our County's core values of independence, dignity and choice will be honored.

Our Adult Protective Services Division staff plays an integral role in upholding these values. I salute them for their efforts to form collaborative partnerships with various County and community agencies to serve vulnerable, at-risk adults. They were also recently honored for their work by the New York State Office of Children and Family Services.

Sally's story and the many others who have been assisted by our NY Connects program speaks to the critical need for streamlined community-based long term care services. Many of you attended a recent presentation by Eddy SeniorCare about the PACE program. PACE offers seniors, who qualify for nursing home care, the option to remain at home—where they want to be--by providing an array of health care and personal care services. And we can do this at half the cost of care provided in a nursing home.

I hope you will join me in further exploring the possibility of a PACE program and other alternatives in Albany County.

All community-based services depend on adequate affordable housing. During these difficult economic times, our commitment to affordable housing is more critical than ever. Since 2007, we have invested close to a million dollars in our Housing Trust Fund, contributing towards projects that will result in over 100 affordable housing units.

This year, we also received a \$750,000 federal grant for home rehabilitation for low income property owners. Applicants are now lining up for the program.

It is clear that individuals cannot afford homes if they do not have jobs. It is more important than ever the County utilizes its existing economic development tools to attract new businesses and help create jobs.

The AI Tech Board recently approved segregating \$1.5 million for

a Technology Acceleration Fund to target emerging technology ventures that will lead to much needed investment and jobs.

While the State is currently assessing the effectiveness of Empire Zones, here in Albany County, the program continues to be an asset for creating and expanding businesses. The majority of our businesses are far exceeding State standards and giving back to our community much more than they receive.

For example, Vicarious Visions, located in our Menands zone and one of the creators of the wildly popular Guitar Hero, has created 87 jobs and invested over \$22 million. Vicarious Visions returns nearly \$140 to our community for every \$1 received in Empire Zone benefits.

In an effort to spur additional jobs and investment, we are seeking approval from the State to create a new Empire Zone area in the Town of Coeymans. Carver Laraway and his partner Eli Wies have taken the former P&M Brick yard site, located on the Hudson River in the Town of Coeymans, and turned it into a state-of-the-art deep water port and industrial center.

Their investment will lead to the creation of an estimated 250 jobs in an area that has been devastated by job losses. Twelve businesses, including a bridge manufacturer and a company that builds co-generation plants, will construct on-site and ship the finished product to its final location. This will take trucks off the road, significantly reducing carbon emissions.

Economic development and environmental sustainability are increasingly codependent. The cost of energy and gasoline as well as the potential impacts on climate change demand we take a close look at our County operations, including our energy needs, transportation and waste management.

We have already taken significant steps to becoming one of the greenest counties in the State:

- Energy efficiency improvements at the Sewer District have resulted in a reduction of carbon emissions equivalent to taking nearly 1,100 cars permanently off the road. In 2008, these improvements saved over \$1.6 million.

- Investment in energy efficiency upgrades has enabled us to cut our electricity use in half at the Harold L. Joyce Albany County Office Building compared to three years ago.
- We will be joining The Climate Registry, which will enable us to record and track our greenhouse gas emissions with transparency and public accountability.
- Thirty-three percent of U.S. carbon emissions come from cars. To mitigate these emissions, we are implementing a Commuter Choices program to make it easier and more cost efficient for our County employees to use public transportation and carpool to work.
- Last year, County employees diverted more than 70 tons of waste from the landfill through the County's recycling program.

Our proposed Rail Trail can also reduce our greenhouse gas emissions in addition to encouraging physical fitness by preserving open space and promoting walking and biking. We signed a contract for the purchase of the nine mile corridor this past December. Before taking title to the property, we are conducting environmental assessments and inspecting the eight bridges along the trail.

The public will have an opportunity to provide input for the planning phase of the trail. The County will be reaching out to interested stakeholders, as well as holding public meetings this summer. We have already been working closely with the dedicated volunteer group, Friends of the Rail Trail. A website was also launched today for this exciting project, which is linked to the County web page.

We are also making progress with the County Court House rehabilitation project. Despite some bumps in the road, I am pleased to announce phase one of the project will be completed next month.

Our achievements would not be possible without the hard work and dedication of our County employees. Let us take a moment to recognize our 11 County employees who have served on active military duty over the past year. I salute them and all the brave men and women who have served our country.

I want to thank all our employees, without whom we could not deliver our critical services. I would like to particularly recognize our staff at the County Nursing Home and Director Gene Larabee for their efforts in developing an innovative program to enhance the quality of life for our residents suffering from dementia. This unique program, called RISE, offers activities that facilitate both cognitive and physical stimulation as well as socialization to slow the deterioration that is part of this disease.

Let me share with you the story of one of our RISE participants. Doris is a lifelong resident of Albany County and was an active member of her community. Later in life, Doris developed dementia, and was placed at the Ann Lee Home. She was highly anxious, rarely came out of her room and had very little social interaction.

When the RISE program began, Doris was selected to participate and has become an active member of the program. Not only has she become more social and vocal, she now does daily exercises, creates arts and crafts projects, is a leader in the current events forum, serves and feeds herself and actually assists staff in preparing for group activities. Doris can tell you the name of every resident and staff member in the RISE Program. And, at the end of the day, she even participates in many evening activities.

Very rarely do we find people who functionally improve after being diagnosed with dementia. Doris has—a testament to the creativity of our employees and the success of this novel program.

Despite the challenges we face, we must continue to look for new and innovative ways to serve our most vulnerable residents.

The next few years will not be easy. We will need to make difficult choices and do more with less. But we have led the County through it before and we will again.

We must embrace the opportunity for us to meet the increasing needs of our residents with renewed vigor and open minds. Working together, we have significantly enhanced how we serve our children and families, and I am confident we can do the same for those needing long term care.

I thank you, the Legislature, for your support. I look forward to working with you in the coming years.