



# TRACEY A. BARTELS

## CHAIR'S ADDRESS

**May 16, 2023**

Good evening, members of the Legislature, Majority Leader Heppner, Minority Leader Ronk, Vice Chair Criswell, Executive Metzger, Comptroller Gallagher, Sheriff Figueroa, District Attorney Clegg, esteemed guests, and residents. It is a privilege to stand before you today as the elected Chair of the Ulster County Legislature.

Traditionally, the Chair's address is made in February and lays out a vision for the coming year. A series of circumstances and conflicts have brought us to May. Most certainly, a February address would have been different – in both tone and, to some degree, content. But with the delay, we gain information and insight. While in some regard, the message is the same, the urgency is different.

I'd like to touch on just a few key topics tonight.

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The housing crisis presents an acute and very painful challenge. Fewer and fewer of our neighbors can afford to live here. Both homeowners and renters struggle with housing insecurity. Market rate and affordable housing stock are inadequate, leaving people with nowhere to go.

On any given day, we place between 300 and 350 people in temporary emergency housing. Denied the security of a certain home – quality of life, including physical and mental health, suffer. We are in the midst of a national public health emergency – the painful reality is evident right here in Ulster County.

Last month, through Local Law Number 2 of 2023 introduced by Deputy Majority Leader Uchitelle, we declared affordable housing a county purpose, paving the way for a significant investment, along with a shift in thinking.

Yet, this Legislature has been far from silent on the issue. We dedicated \$6.02 million of ARPA funds to housing initiatives – fully 18% of our total award. Additionally, we are moving to contract on the Affordable Tenant Upgrade Program and the Accessory Dwelling Unit Program – both of which will either improve or create affordable housing rentals.

Through the Community Development Block Grant we have invested in rehab, home ownership and rental assistance. The Planning Department is actively engaged in multiple studies. A staff position was created in planning dedicated fully to housing. Additionally, a Housing Smart Communities Initiative was launched through Planning to support long term solutions to housing supply and affordability challenges through a certification process that works directly with the municipalities. All made possible with an approximate \$400,000 allocation, over the course of three years.

This list is far from exhaustive, but it is also far from enough. Earlier this year, Legislators Maloney and Erner raised concerns over our emergency housing conditions. After a site visit, Executive Metzger called for an immediate cessation to placement at that site. I want to thank the Executive for acting. The final relocation of our residents is expected to be completed before Thursday.

Together, we must work to transform our approach – to be proactive, rather than reactive, and to deliver on the promise to treat our most vulnerable with respect and dignity. Housing First is a model that must become part of our conversation. Like the RUPCO project that will turn the former Quality Inn into supportive permanent housing, I believe that we must prioritize those community members that are most vulnerable – the unhoused and at risk.

To do that, we will look to a steady stream of funding and an initial dedication. Legislator Maloney's resolve in reengaging the conversation regarding the County's bed tax has resulted in a resolution for consideration this evening with bill numbers from the state.

We will consider a Housing Trust or Action Fund along with a countywide Land Bank – about which we continue to have discussion with Kingston City Landbank to determine if there is a way to proceed together.

Under the leadership of Deputy leaders Uchitelle and Lopez, this Thursday, May 18th, there will be a special meeting of Health, Human Services and Housing Committee for a presentation on the proposal of an Ulster County Housing Action Fund.

And we will be called to evaluate, prioritize, and appropriate. While our county finances remain in a strong position – we must plan for a future that may not be as bright. Let's take a moment to talk about Finance.

On March 1st, then Commissioner of Finance Burt Gulnick resigned amid allegations of financial wrongdoing in his capacity as treasurer for a local non-profit. The effects were sweeping. The Office of the State Comptroller mobilized and is on site conducting forensic audits here at the

county building. The District Attorney along with the State Police are investigating the allegations of substantial theft at the nonprofit. There is significant cause for concern.

Regardless of the outcome of the multiple investigations, parts of our systems of internal control were broken. The Comptroller's office repeatedly expressed frustration over a lack of access to the financial systems. Explanations varied, often blame was laid on technologies that didn't communicate to one another or were antiquated. Warning signs existed.

As legislators, too often we have been told that it is outside our purview, that it's being handled, that our questions infringe on operations, that a standard operating procedure somehow trumps enacted policy – or forestalls the need for policy.

The Metzger administration has approached governance with genuine collaboration. Together, we are turning this challenge into opportunity – to improve upon our internal controls, to modernize all our financial systems and to ensure full transparency – for the comptroller, the legislature, and the public.

Before the Legislature tonight, we consider three resolutions addressing aspects of Ulster County finance.

First, an amendment to the Investment Policy, co-sponsored by Legislator Petit, that requires the duty of deciding on the County's investment portfolio be shared with an independent board, a task that up to this point fell on the shoulders of a single individual.

Next, an amendment to the Fund Balance Policy that will further strengthen the County's Fund Balance position, clarify the roles and responsibilities of those involved in the financial statement and budgetary process, and protect the Legislature's role as the government's highest decision-making body.

Finally, the County's first Debt Management Policy, sponsored by Legislator Gavaris. This proposed policy follows best practices, establishes roles and responsibilities, segregates duties, and memorializes the County's obligation to fully comply with the provisions of State and Federal laws governing its debt. Our lack of a debt management policy has appeared on the County's management letter for a several consecutive years. This policy will further aid in the decision-making process for the financing of capital projects.

I want to thank Comptroller Gallagher, Financial Analyst Feaster, and Financial Analyst Kelder for their invaluable input on all three policies.

Additionally, we are holding a public hearing on the charter amendment that will separate the duties of the Commission of Finance and the Director of Budget. This will ensure and require a clear separation of duties – long held best practice.

But that is not all – the Legislature working in collaboration with the Executive departments will deliver a Foreclosure and Disposition Policy that began nearly a year ago under the leadership of former Vice Chair Walter and Deputy Executive LaValle. The proposed policy will codify a procedure for every step of the foreclosure process. It will be fully transparent, ensuring that the legislature is aware of and can weigh in on all decisions made. Millions of taxpayer dollars have been squandered in the failure to foreclose – all without the Legislature’s knowledge.

In advance of the policy’s submission, I have requested an updated list of all foreclosure eligible properties that have not been foreclosed upon, including justification. In addition, we will be provided a list of properties foreclosed upon but not included in the tax sale. This documentation will be a regular requirement once the policy is adopted and I will share it with the full legislature upon receipt.

Together we turn the page, and we strengthen County government and County Policy. Yesterday Executive Metzger submitted an appointment for the Commissioner’s replacement. Roseann Daw brings with her a wealth of experience and a fresh set of eyes.

I look forward to meeting Ms. Daw and her interview before the Ways and Means Committee.

It should be noted that with the anticipated passage of today’s amendments to the Fund Balance Policy, the County will exceed the policy’s recommended 20% limit on unrestricted fund balance.

To bring ourselves into compliance we will need to consider and prioritize how to restrict or spend the excess funds.

Reserve funds are a tool, whose specific intended purposes and requirements are set forth in General Municipal Law. Like the Tax Stabilization Reserve Fund, they require Legislative Board approval for creation. There is a finite list of allowable reserve funds, each with specific requirements and limitations.

I suggest that we consider the possible creation of two new funds.

First, a Capital Reserve Fund. For years, we have reported a Capital Reserve Fund when, in fact, no such fund existed. I propose the consideration of a Capital Reserve Fund with the express purpose of financing all or part of the cost of construction, reconstruction, or acquisition of a specific capital project, in this case the Government Operations Center.

There is no dispute that Ulster County has long deferred addressing inadequacies in our PSAP/911 Emergency call center. Cramped quarters, outdated technology, inadequate common space, and the absolute inability to expand are today’s reality. Add to that, a disconnect in emergency response as it relates to a command center for operations in a crisis – natural or otherwise.

Billed as a Government Operations Center to house both the County's Emergency Operations and the PSAP/911 Call Center, there has been expanded discussion about broader county use of the 16,000 sq ft facility, along with a 4,000 square foot storage facility. This represents a more than 10-fold increase in the space currently occupied and, significantly, the first major new construction undertaking since the Ulster County Law Enforcement Center.

We all know how that turned out. The roof is still leaking – allegedly from opening day.

While some may not want to hear it, it needs to be said. Only three of us remain. Legislators Cahill and Fabiano were here for the investigation into the cost overruns, the subpoenas, the report, the recommendations, the subsequent grand jury convening, its recommendations, and dust that settled.

For my part, I joined the Legislature amid an already unfolding controversy and I chaired the bipartisan investigation into the overruns and all the thousands of mistakes – small and large – that contributed. My concern is informed by that experience.

What I know is that once the train leaves the station, it is very difficult to say no. To anything. You are told that so much has already been spent, that it costs more to stop than to continue, and that it's just this one thing. Death by a thousand cuts. Or change orders.

I am assured that Executive Metzger and the Executive team take this very seriously. I understand that they are reviewing the design and cost proposal to deliver efficiency.

At the same time, Legislator Stewart has submitted a resolution for discussion, considering a cap on total project costs. It's an interesting approach. The Legislature controls the appropriation. One would argue that we don't need a resolution empowering us with power we already hold. And yet, it's an attempt to draw a line in the sand, to set a limit and live by it.

Both the Legislative Committee and the Grand Jury recommended formal, adequate oversight of future capital projects. I propose a formalized process for Legislative inclusion in the oversight of the project, including most critically, regular briefings on project change orders and condition changes. This will be a major test and one for which I hold grave concern.

Additionally, and back to my original point. I propose the establishment of a Project Specific Capital Reserve Fund for the construction of the Government Operations Center. If bonded at today's rates, the full cost of the estimated \$34 million project will require an annual debt service payment of roughly \$2.7 million. For the next 18 years. This represents a 3.77% increase to the tax levy, exceeding the tax cap, and likely requiring a reconsideration of expenditures.

We dedicated little, if any, of our ARPA allocation to Emergency Response. This is an opportunity to contain the cost to taxpayers and effectively draw down on our unrestricted fund balance.

Ulster County Resource Recovery Agency – the agency that seems unable to escape controversy. On tonight's agenda, we consider a memorializing resolution asking us to weigh in on landfill siting, not yet undertaken in earnest.

As I have previously stated, it is critical that we site a local or regional landfill. Our current operations are not sustainable and put us at the mercy of markets, capacity and other municipalities regulations and standards. We must control our own destiny. The only way to do that is to maintain local responsibility for the whole cycle of our waste.

Only by siting a landfill, we will be vested in not filling it.

Another allowable reserve fund is a Solid Waste Management Facility Reserve. This fund is used to pay for the design, construction, and operation of solid waste management facilities.

We must start the conversation in earnest about long-term solutions to disposition of our residual solid waste and to modernize and upgrade facilities related to recycling, composting and all other methods of waste diversion.

I suggest that we consider investing in a Solid Waste Management Facility Reserve Fund, cementing our commitment to doing the real work. I want to assure the people of Plattekill and all of Ulster County, that any actual siting endeavor will involve the community. The Supervisors and Mayors Association need to be brought to the table and proactively engaged in this work. Our failure will impact the localities most acutely. We must work together, be wholly transparent, and have a meaningful conversation about host community benefits.

We are at a crossroads.

For several years we have approved Capital Plans that are simply not realistic. It is therefore critical that we address issues of capacity.

We must understand the scope of our infrastructure needs, including bridges and work deferred (something I know that Legislator Fabiano is very vested in), before making assignments. I urge caution and assessment of the full picture of all our obligations when allocating any funds.

There is much good ahead, from formalizing our arts funding mechanism by Vice Chair Criswell, food security through initiatives by Legislators Sperry and Hewitt, Agriculture initiatives from Legislators Nolan and Litts, continued transportation expansion by Legislators Erner and Petit, ongoing Charter and Rules work suggested by Leaders Heppner and Ronk, as well Legislators Roberts and Levine, and greening the county through the work of Legislators Greene and Hansut. I want to also acknowledge Legislator's Corcoran ARPA initiative incentivizing municipal solar and EV charging infrastructure. There is simply too much to include.

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I want to acknowledge and thank our incredible staff. Our financial analysts Feaster and Kelder who do amazing work. They provide us with critical information and professional expertise. How far we have come.

Our entire office works to make each of us better, from Deputy Clerk Mahler to Legislative Staff and the Chairs Confidential – again, we, and the County profoundly benefit from the good work that they do.

Clerk Fabella, who does not like to be recognized, must be. Her institutional knowledge and fierce advocacy for the legislature makes all our jobs not only easier but more meaningful. It cannot be overstated how difficult having twenty-three bosses can be.

Legislative Counsel Ragucci, along with Counselors Gordon and Pascale, provide the necessary and very frequent legal advice that we require. I thank them for their dedication to the body and the work.

To my fellow legislators, once again, I extend to you my respect, my commitment to listen to your concerns, and my gratitude for giving me the opportunity to serve as your chair.

And to all the Countywide Elected Leaders, thank you, truly. This form of government is so very young. We are improving as we go. In just a little over four years, we have had five county executives. I'm comforted knowing that Executive Metzger will be here for a while, and I am grateful for the open spirit of collaboration that each of you demonstrate.

I am optimistic for our future. Together, we must succeed. Our residents are counting on us.