



Inclusion Through Diversity

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FOUR PAGES

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Highlights of the **September 5, 2017** meeting of the Tompkins County Legislature

Administrator Releases 2018 Recommended Budget

Tompkins County Administrator Joe Mareane has delivered to the County Legislature a 2018 Recommended County Budget. The budget supports quality County services; sustained investment in infrastructure; reasonable and reliable employee wages and benefits; and opportunities to address urgent new priorities—including the need to reduce the County’s jail population and to help mitigate a shortage of affordable housing many describe as a crisis.

The Recommended Budget supports total expenditures of \$179 million (an increase of 1.6%) and local dollar spending of \$86.6 million (an increase of 1.0%). It meets the Legislature’s 2018 budget goal of a 2.4% increase in the County property tax levy, and is well below the County’s projected 3.53% tax cap. Due to a substantial 3.1% increase in the county’s tax base, which spreads the cost of government across a larger base, the budget contains a property tax *rate* that will go *down* again in 2018, to \$6.58 per \$1,000—a reduction of 0.7%. This is the fourth consecutive year that the tax rate has decreased, and is the lowest County tax rate since 2011. Under the Recommended Budget, the County property tax bill for the owner of a median-valued \$178,000 home would increase by \$12.

“The Recommended Budget is, in many ways, the product of a strong local economy,” Administrator Mareane notes in his annual Budget Message to the Legislature, citing in part low unemployment that has reduced reliance on mandated human services programs delivered and substantially funded by the County. While local consumer spending remains erratic and unpredictable, Mareane expresses optimism that the County’s two-year decline in sales tax collections has bottomed-out, and that stability will resume in 2018.

“A defining feature of the 2018 budget is the convergence of new revenues and new or elevated priorities,” the administrator states. “For the first time, the County will be budgeting recurring revenue from the area’s two new casinos. An estimated \$1.2 million in new income is arriving just as we are working to respond to a State demand to reduce jail overcrowding and to mitigate a housing shortage that is pricing increasing numbers of people out of the housing market...The Legislature will have an opportunity to align these resources and priorities.”

The new casino revenue funds most of a \$1.36 million allocation to the County’s Contingent Fund included in the County Administrator’s budget. During the course of its budget review, the Legislature will decide whether to reallocate these funds to support “Over-Target Requests” (OTRs) proposed by departments and agencies, keep in contingency to protect against uncertainty, or reduce as a way to lower the property tax levy from its recommended level. Among the OTRs are a number that focus on the priorities of Jail overcrowding and housing.

The Recommended Budget includes \$782,000 in spending requests aimed at significantly reducing the Jail population, in response to recommendations from the Center for Governmental Research (CGR) as part of its wide-ranging analysis of jail population commissioned by the County. If approved by the Legislature, the proposals would

- Substantially increase the presence of the Mental Health Department at the Jail, enabling universal behavioral health and substance abuse assessments, individualized discharge planning, appropriate treatment at the jail, and active case management and a continuity of services when individuals are released;
- Expand Probation's capacity to manage more individuals through electronic monitoring rather than incarceration, and to accommodate more participants in drug court;
- Expedite the handling of cases in the District Attorney's Office;
- Provide expanded inmate health care in the jail;
- Continue OAR's *College Initiative Upstate* and provide a staff presence at the new *Endeavor House*;
- Provide a single point of central accountability for the implementation of these and the numerous other recommendations made by CGR.

The budget also includes \$247,000 in OTRs for initiatives related to the County's new Housing Strategy or that help mitigate homelessness. The requests include

- Creation of a Senior Planner position in the Department of Planning and Sustainability to focus on implementing the Housing Strategy; and funds to implement elements of the Housing Strategy;
- Continuation of funding for the Continuum of Care's Transitional Housing Initiative and expanded hours for the Continuum of Care Coordinator;
- Resumption of weekend hours at the Ithaca Rescue Mission's Friendship Center;
- Funds to augment the *Solutions to Eliminate Homelessness* (rapid rehousing) program.

Among other major influences on the budget:

- Sales Tax: The budget projects that sales tax collections will remain flat for the rest of this year and through the end of 2018, somewhat improved from what had been projected as part of the current year's budget.
- Mandates: Projected spending for mandated programs in 2018 is down by \$267,000, the third consecutive year of budgeted reductions in mandated expenses. The number of families relying on temporary assistance has now declined by three consecutive years and is expected to remain stable in 2018. Medicaid expense is expected to remain flat in 2018, but at \$11.6 million remains the largest County's single largest budget cost and 24% of the proposed property tax levy.

A projected \$100,000 increase in ongoing Assigned Counsel costs reflects higher income eligibility thresholds for free legal counsel, with \$100,000 in additional onetime expense in 2018 caused by an extraordinarily high number of pending homicide cases. Local dollar spending for the Early Intervention and Pre-K Special Education programs operated by the County Health Department remain steady at \$2.6 million.

- Labor Costs: The budget includes sufficient funds to settle labor contracts for 2018 within the economic parameters established by the Legislature. The Recommended Budget contains an additional 6.9 full-time equivalent positions, including newly-negotiated part-time Deputy Sheriffs and Correction Officers in the Sheriff's Office. An additional 16 positions are requested as part of department-submitted OTRs to be considered by the Legislature.

Fringe benefit costs are expected to rise by 2%. Health benefit costs are up by 3.7%, reflecting continued beneficial effects from participation in the Greater Tompkins County Municipal Health Insurance Consortium, and the Consortium's platinum-level coverage now offered to all new County employees. Pension costs in 2018 are expected to remain stable. Total cost of employee and retiree benefits is \$21 million.

- Capital Reinvestment: The Recommended Budget adds \$240,150 to the tax levy to pay for infrastructure improvements—mostly to pay debt service on projects already authorized by the Legislature or proposed as part of the 2018-2022 Capital Program. Again this year, \$200,000 is appropriated for the Natural

Infrastructure program initiated in 2017 to anticipate and mitigate the effects of climate change. Four new property-tax supported capital projects are proposed.

The Administrator cautions that this budget contains three significant risks:

- A precipitous rise in inmate board-out costs that might occur, should the State revoke the County's 18-bed Jail variance, and if the Jail population begins to rise above its recent low levels;
- Volatility in casino and sales tax revenue; and
- The effect future federal funding decisions could have on the budget—especially those regarding the funding of Medicaid.

“I wish to thank County Department Heads and Agency Directors, and their staff, for their professional approach to the challenges that mark every budget,” Mareane states. “All continue to demonstrate their commitment, and ability, to provide services that are essential to the community with both quality and efficiency.” He also recognizes the Legislature for its ongoing actions to establish clear policy guidance and instill a culture of fiscal discipline and responsiveness to community needs that has shaped this budget and many before it.

Legislators will review the recommended budget in detail at the first meeting of the County's Expanded Budget Committee (any legislator may participate) on Thursday, September 7, 5:30 p.m. in Legislature Chambers, Governor Daniel D. Tompkins Building, 121 E. Court Street (Second Floor), Ithaca—the first in a series of meetings that will continue through September and October.

The 2018 Recommended Budget is posted on the County website at www.TompkinsCountyNY.gov/ctyadmin/2018budget.

Public copies of the Recommended Budget are available for review at the County Administration office, 125 East Court Street (3rd Floor), and at the Office of the County Legislature, 121 East Court Street.

Contacts: County Administrator Joe Mareane, 274-5551; James Dennis, Chair, Budget, Capital, and Personnel Committee, 592-3206; Michael Lane, Chair of the Legislature, 274-5434 or 844-8440.

Legislature Approves Sale of Old Library Site

The Legislature tonight resolved many years of study and discussion about the future of the Old County Library site, authorizing sale of the property to preferred developer Travis-Hyde Properties.

The Legislature passed three resolutions regarding disposition—declaring the site, located at Cayuga and Court Streets in the City of Ithaca, just off DeWitt Park, no longer needed for public use; concurring with the City's determination that sale of the property for the proposed Dewitt House Project will not negatively affect the environment; and authorizing sale of the property to Travis-Hyde's Dewitt House Associates for a sale price of \$925,000. The final vote authorizing sale was 11-3, with Legislators Carol Chock, Dooley Kiefer, and Leslyn McBean-Clairborne voting no.

The DeWitt House Project will construct a four-story structure of approximately 86,700 square feet (the third and fourth stories set back on three sides), with 58 apartment units; ground floor commercial space; a community room managed by the non-profit organization Lifelong; and 38 enclosed ground floor parking spaces. The authorization specifies that as part of the sales agreement the County retains a reversionary interest in the property—meaning that the property will revert to the County ownership should its use no longer be substantially residential.

Tonight's action culminates four years of concentrated deliberation and review, which began with issuance of a Request for Expressions of Interest from prospective developers in 2013, then a Request for Proposals, followed by designation of Travis-Hyde as the preferred developer, and lengthy review by the City's Landmarks Preservation Commission which eventually resulted in a Certificate of Appropriateness for the project and site approval by the City Planning Board.

In nearly an hour of deliberation, Legislators explored issues including how the project has evolved since it was first proposed; sustainability features; the demographic segment expected to be served by the project; and, as some members of the community have questioned, whether the established sale price is too low. Developer Frost Travis and architect Graham Gillespie said that while the concept of a courtyard building on the site has not changed, most design changes resulted from input from the City Landmarks Preservation Commission and Planning Board—and several legislators, even those who dissented in the authorization vote, thanked the developers for their efforts. Questioned about the project’s senior housing focus, Mr. Travis said that an age restriction hasn’t officially been set, but marketing will be focused on “independent living,” targeting a “mid-market” segment. He estimated monthly rental for a one-bedroom unit at about \$1,600, for a larger two-bedroom with den about \$1,000 above that.

Legislator Chock said she appreciates the developers’ work, but still can’t support the project—in part, because of concerns about its fit with the character of the neighborhood, its more limited involvement with Lifelong, and potentially decreased focus on senior housing, and that she’d prefer the site be retained for some public aim. Legislator Kiefer, who had long supported the concept of a ground lease, noted she still feels strongly about County ownership of the land. Legislator Anna Kelles, who had been deeply involved in the issue before her election to the Legislature, said that while the project “is not perfect” and has not met all the needs initially put forward, ultimately, because of a great need for housing, she was willing to support it. Legislator Rich John said, “We don’t do perfect; we do what’s possible,” and predicted the project will bring alive a site that has not been optimally used for a long time. Legislator Martha Robertson said, “This is not just the least we can get... This is going to be a very good project.” Assessment Director Jay Franklin advised that he believes the \$925,000 sale price still represents a fair market value for the property, and Legislator Jim Dennis added that the project achieves the desired goal of bringing more housing downtown.

Contact: Legislature Chair Michael Lane, Chair of the Old Library Committee, 274-5434 or 844-8440.

Legislature Accepts Jail Population Study

The Legislature formally accepted the jail population study conducted by the Center for Governmental Research (CGR) entitled “Assessment of the Future of the Tompkins County Jail” and commended CGR “for its thorough and thoughtful work.” The vote was 12-2, with Legislators Dooley Kiefer and Carol Chock dissenting—those legislators preferring different wording that would have “thanked,” rather than “commended” CGR. The Legislature commissioned the analysis of current and projected jail population in response to the possible revocation of the Jail’s long-standing 18-bed variance by the State Commission of Correction. The CGR report found that Tompkins does not need to build a new jail or expand the number of beds in the existing jail, due both to Tompkins County population projections over the next 25 years and savings in bed days that can result from effective use and expansion of incarceration alternatives. It will be up to the Legislature to decide how to respond to the report’s recommendations. The Legislature, by a vote of 12-2 (Legislators Kiefer and Dan Klein voting no), also approved an amendment to the County’s agreement with CGR for the jail population study, to reflect the increased scope of work conducted by CGR, and increasing it by \$15,000 to a total of \$78,000. It has been noted that CGR, in part, had conducted more than 60 in-person interviews as part of the study, more than twice the number anticipated.

Contact: Richard John, Chair, Jail Study Committee, 256-9794.

Bargaining Agreement with Corrections Officers Union Ratified

The Legislature, by unanimous vote, ratified a new three-year bargaining agreement with the County’s Corrections Officer union, through the end of 2017. The agreement, which is retroactive to January 1, 2015, includes in its provisions a 2.25% pay increase for each of the three years.

Contact: James Dennis, Chair, Budget, Capital and Personnel Committee, 592-3206

Among other business,

The Legislature authorized continuation of salary above the normal salary range for the position of Medical Director at Tompkins County Mental Health, confirming past practice on salary as medical director responsibilities are transferred following resignation of the department’s past medical director in July.

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