ULSTER COUNTY EXECUTIVE

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The Honorable Kathy Hochul Governor of New York State NYS State Capitol Building Albany, NY 12224

VIA EMAIL

Dear Governor Hochul:

Thank you for your leadership on many important issues confronting our communities, from housing to climate change to the sustainability of emergency medical services. In these final days of three-way budget negotiations, I write to urge your support for key budget proposals of high importance to Ulster County and our upstate rural communities.

Housing

We applaud your Executive Order prioritizing State funding to Pro-Housing Certified Communities, which complements Ulster County's innovative Housing Smart Communities Program to incentivize and support municipal zoning, permitting, and policy actions that address the housing affordability crisis. There are several legislative budget proposals that we urge you to support in the enacted budget that will help alleviate the housing emergency our County and every other County in the state faces:

• Ulster County has seen an unprecedented increase in the number of unhoused individuals and families. The number of County emergency housing placements increased from an average of around 300-350 to over 500 last fall, and the duration of family stays in emergency housing--typically motels--has increased from around four months in 2021 to close to two years today. This is an unacceptable situation for families, especially for children, and more must be done to keep people in their homes at a time when housing costs are out of control. We strongly support the creation of a \$250M Housing Access Voucher Program as proposed in both the Senate and Assembly one-house budgets that would provide rental assistance to those who are homeless or facing imminent risk of

becoming homeless. We also urge you to support both Houses' proposal to allocate \$25M to first-time homeowner assistance and help put homeownership within reach for lowand moderate-income households; and to increase funding for the Small Rental Development Initiative and repair and rehabilitation of affordable rural housing, as proposed by the Senate.

- In Ulster County, the enormous growth in the short-term rental market is exacerbating the housing crisis, with some communities seeing as much as 10% of their housing stock converted to STRs. The County's Housing Smart Communities Program encourages municipalities to pursue regulation to better balance the benefits of STRs with adverse impacts on housing affordability, but action is needed at the state level to ensure effective data collection and enforcement. We appreciate the support you have given to statewide STR regulation in your Executive Budget and we ask for your support to include S.885B (Hinchey)/A4130A (Fahy) in the enacted budget, creating the needed statewide guidance and regulation on short-term rentals, including a rental registry, with enforcement of the law's provisions by the Department of State. The tax collection provisions included in this legislation would apply to short-term rentals statewide, regardless of whether municipalities have their own registration systems or not.
- We thank you for your past efforts to eliminate barriers to constructing Accessory Dwelling Units (ADUs) statewide, and urge you to include in the enacted budget S.5172A (Harckham), proposed in the Senate one-house budget, to incentivize municipalities to enable ADUs by right and create an optional tax exemption for homeowners to build an ADU on their property. ADUs are one of the most expeditious ways to expand the stock of affordable housing while also providing numerous benefits to homeowners, and it is a housing solution that Ulster County's Housing Smart Communities Program actively supports.
- While we recognize that the current budget proposals do not address the issue of the drastic misalignment between actual market rents and the shelter allowances available to temporary assistance recipients, we strongly urge consideration of this in near future. Shelter allowances have not been changed in over 20 years, leading to a gap between allowances and actual housing costs that makes it extremely challenging for residents to secure permanent housing.

Climate and Environment

In Ulster County we are committed to achieving the ambitious goals of the Climate Leadership and Community Protection Act (CLCPA), which I was proud to contribute to and help pass when I served in the State Senate. Meeting these goals will require transformative changes in energy use, and I support your proposal in the RAPID Act to move the Office of Renewable Siting to the Department of Public Service, which has the appropriate resources and expertise and is the logical home for this office. The enacted budget should ensure appropriate safeguards to minimize or mitigate impacts on active farmland, prime agricultural farmland and soils, and sensitive natural resources. A critical step that must be taken in this enacted budget is to amend Public Service Law to conform with the CLCPA. I applaud the amendments proposed in your Executive Budget to address antiquated provisions obligating utilities to expand gas infrastructure rather than invest in clean alternatives, and urge you to go further and include the affordability provisions of the New York Heat Act to ensure that low- and moderate-income households are not disproportionately burdened.

This budget also offers an opportunity to better align residential clean energy incentives with the ambitious goals of the CLCPA. The building sector is the single largest source of climate-damaging emissions in New York, and one of the biggest barriers for our residents and small businesses in making clean energy investments is financing the upfront capital costs, even though these investments provide long-term savings. We urge you to support the Senate proposals to double the maximum income tax credit for residential solar (S.3596C) and geothermal (S.8106) from \$5,000 to \$10,0000, and allow solar credits to be applied to storage. Importantly, S.3596C would make the solar and storage tax credit refundable for low- to moderate-income taxpayers or individuals in disadvantaged communities, which advances the equity requirements of the CLCPA. As we decarbonize our buildings and electrify heating and cooling, on-site solar and battery storage will play an increasingly important role in reducing peak load and managing utility costs.

With regard to clean water, we urge you to reconsider cutting by half the annual increase in state funding for local water and sewer infrastructure, and to restore the \$250M to the Clean Water Infrastructure Act as proposed by the Senate and Assembly. This funding is critical to resource-strapped communities that need to improve and expand their water and sewer systems. The New York Clean Water Coalition estimates that water and sewer infrastructure will cost \$80 billion over the next two decades, and this is not the time to cut back on these investments if the state is to truly safeguard the constitutional right of New Yorkers to clean water.

Transportation

Public transportation is a key climate solution for reducing greenhouse gas emissions in communities outside of New York City, and is vital to ensuring equitable access to educational and job opportunities for those who cannot afford to own a car, and to providing independence to seniors who no longer drive. Many people depend on Ulster County Area Transit, our municipal bus system, to get around: In Ulster County, some 17% of City of Kingston residents and 18% of Village of Ellenville residents do not own a car. The 5.4% increase proposed in the Executive Budget for non-MTA municipal transit systems is woefully inadequate to meet the need in Ulster County and elsewhere, and we urge your support for the Senate's proposal for an additional \$79.6M for non-MTA Statewide Transportation Operating Assistance.

With extreme temperature swings from climate change taking a major toll on roadways, we also urge you to support the Senate's proposal to add \$160M in additional support for the Consolidated Local Highway Improvement Program (CHIPS), and an additional \$50M in support for Extreme Winter Recovery funding.

Food security

Too many families and seniors are struggling with food insecurity in Ulster County, and some 10,000 County residents depend upon the federal Supplemental Nutrition Assistance Program (SNAP) to put food on the table. The recent major reduction in SNAP benefits that resulted from the expiration of pandemic emergency allotments is devastating for our most vulnerable residents, with food costs higher than pre-pandemic levels. It is impossible to subsist on the SNAP minimum of \$23 per month, and I urge you to support the inclusion of S.7663-A (May)/A.6214-A (Gonzalez-Rojas) in the enacted budget to create a \$50M State Supplemental SNAP Minimum Benefit Program guaranteeing a minimum benefit of \$100 for eligible residents.

Childcare

Ulster County is experiencing a childcare crisis. Since 2007, Ulster County has seen an over <u>45% decline</u> in the availability of childcare, causing intense stress and financial hardship for families, and depriving children of an educational head start. The costs of staffing operations is an important contributing factor, and for this reason we strongly urge you to include in the enacted budget the Senate and Assembly proposal for \$500M in Child Care Provider Wage Enhancements. The additional funding will not only help prevent a further decline in childcare availability--these funds will also contribute to a fairer and more livable wage for childcare staff, who are mostly women and are paid some of the <u>lowest service-sector wages</u> in the Hudson Valley region.

We also urge you to include both Houses' proposal for an additional \$5M to support after-school programs, which will help alleviate the need for after-care for school-age children, and the financial stress and hardship this need creates.

Emergency Medical Services

Thank you for your recognition of the emergency medical services crisis facing our rural communities and for your leadership in advancing meaningful solutions in the Executive Budget. Ulster County, as elsewhere in the state, has seen a decline in coverage, especially in certain geographic areas, due to the well-documented challenges of recruiting and retaining EMS volunteers. At the same time, the proportion of the population that is 65 years of age or older continues to increase, which places increased demands on an already strained system. The County has recently undertaken an assessment of EMS services across this 1,124 square-mile county, and is committed to the goal of achieving sufficient service countywide, but the costs could be prohibitive without changes to state law that would support a financially viable path forward. We fully support the proposals in your Executive Budget and in S.4020C (Mayer) to designate EMS as an essential service and enable the creation of special taxing districts to fund this service. Critically, the enacted budget must exempt these districts from the tax cap for at least five years. Without this exemption, it will not be feasible to create the necessary special districts, given current budgetary constraints that local and county governments face. Additionally, we support your proposal for paramedic urgent care in rural areas that includes the integration of telehealth services. This initiative will save lives by avoiding potentially long trips to the hospital, and it will eliminate unnecessary emergency room visits and save money for recipients of care and for taxpayers. These and other proposals, including those relating to EMS

practitioner licensing and credentialing, will make a meaningful impact in addressing the EMS crisis and we urge their inclusion in the enacted budget.

Hospital funding

Lastly, we urge you to accept both Houses' proposals to add funding for financially distressed hospitals. Our community is at risk of losing vital services at HealthAlliance Hospital in Kingston, including critical inpatient behavioral health care and labor and delivery that no city or county can afford to be without.

Thank you, in advance, for considering the above requests for the 2025 Enacted Budget. It is refreshing to have a Governor that has served in local and county government and understands the needs of upstate communities, and I wish you the best as you work with Senate and Assembly leadership to finalize the budget in the coming days.

Sincerely,

Jen-Metzger Ulster County Executive