



Office of the County Executive

Monroe County, New York

Adam J. Bello
County Executive

February 3, 2025

Honorable J. Gary Pretlow
Chair – Ways and Means Committee
New York State Assembly
Room 711- A LOB
Albany, NY 12247
PretloJ@nyassembly.gov

Senator Liz Krueger
Chair – Finance Committee
New York State Senate
Room 446 CAP
Albany, NY 12248
financechair@nysenate.gov

RE: Executive Budget 2025 – 2026

Dear Chair Pretlow and Senator Krueger:

Please accept this letter as my testimony regarding the proposed Executive Budget for New York State's 2025–2026 Fiscal Year. Our analysis of the proposed Executive Budget continues, and I hope to have an opportunity to meet with each of you in the near future.

I would like to congratulate Assemblymember Pretlow on his appointment as Chair of the Assembly Ways & Means Committee. I look forward to working with you and the staff of the Committee.

Monroe County and the City of Rochester have recommitted to a longstanding spirit of collaboration. More than 40 years ago, the County and the City negotiated the Morin-Ryan Sales Tax agreement, providing the most extensive sharing of local tax revenue in the state. This landmark agreement is emblematic of our region's historic commitment to rely on its own resources to solve its problems locally first, before seeking assistance.

In Monroe County, we are the heirs of the innovative spirit that has propelled the development of our community. This legacy includes six excellent universities in the County, educating approximately 43,000 students, two high-quality healthcare systems, and remarkable social and cultural institutions critical for a community to be healthy in body and spirit. Our entrepreneurs, scientists, engineers, and skilled workforce are now driving advances in manufacturing, food processing, communications, and other fields.

Our area does face substantial challenges, however. For example, the City of Rochester is now home to three of the five poorest ZIP codes in the state. Addressing these challenges takes laser focus and resources. Fully harnessing our community's assets will require help from the State. We cannot do this alone. With the State's growing interest in the Upstate economy, we are seeking the same support provided to our neighboring communities.

It is in this spirit that we respectfully present the attached list of our community needs and requests of the State. It represents an inventory of deferred needs that neither the County nor the City of Rochester can address on their own, or even together with only local collaboration. I would like to emphasize the following matters.

Healthcare

Our two major healthcare systems, UR Medicine and Rochester Regional Health (RRH), are experiencing unprecedented challenges. I mentioned this development in previous budget letters. Circumstances have recently become even more complicated.

The Finger Lakes Region has experienced a significant shortage of acute care hospital beds for several years. The pandemic-related collapse of the healthcare workforce compounded this problem.

Each system's major hospitals are frequently operating well above capacity. For example, UR Medicine's Strong Memorial Hospital and Highland Hospital in the City of Rochester are regularly respectively operating at as much 121 percent and 131 percent of capacity. RRH's Rochester General Hospital and Unity Hospital are regularly respectively operating at 110 percent and 116 percent of capacity. In each instance, the hospitals have dozens of patients ready for an Alternative Level of Care (ALC) outside an acute care facility.

Easing hospital capacity constraints requires an effective and reliable patient transition from the hospital to Skilled Nursing Facilities (SNF). Similar to our hospitals, rising operational costs, workforce shortages, and a widening funding gap are threatening the functioning of our SNFs and limiting their ability to accept patients. This scenario is particularly true for ALC patients who often require more intense care and more skilled staff. These circumstances have made more than a thousand licensed SNF beds in the region unavailable.

In 2023, Monroe County, its healthcare partners, and community organizations designed the **Transformational Community Care Coordination (TC3) Project** to address the barriers to discharging complex care patients to SNFs to alleviate the backlog of ALC patients in hospitals. This program was funded in part with Monroe County federal ARPA dollars as a proof of concept. It produced significant results and drastically reduced the number of ALC patients.

The \$15 million appropriation in the Executive Budget designated for Monroe County will be dedicated to the renewal of this project. The appropriation can be found at p.1055 of S.3003/A.3003. We request your support for this appropriation.

Monroe Community Hospital (MCH) is a County-operated SNF and long-term care facility. Operating a publicly-owned nursing home is an important community service for many reasons. MCH, however, currently operates at a deficit of \$143 per patient, per day. We need your help to keep this worthy institution viable.

Finally, Monroe County joins with our hospital systems and not-for-profits SNFs in requesting that the SFY 2025–2026 budget make the SFY 2024–2025 Medicaid rate increase permanent and that it include a substantial additional reimbursement rate increase to help facilities address ongoing cost pressures. We also support the Executive Budget proposal to continue the transformation grant program for healthcare facilities.

Benefits Cliff - Monroe Ladder Demonstration Program: In the Executive Budget, Governor Hochul proposes this demonstration program (see page 91 of the Executive Budget Briefing Book). The objectives of this program are important, and it has our support and commitment. Lower-wage workers with prospects for advancement are confronted with a dilemma: accept a pay raise or promotion and risk a costly reduction in public benefits. We must find a path forward without these risks. The purpose of the demonstration is two-fold:

- 1) Promote economic stability and self-sufficiency by offsetting the existing structure of means-tested benefits to encourage full-time work and career advancement.
- 2) Better understand the degree to which the mitigation of any real or perceived “benefits cliff” or high marginal diminishment of means-tested benefits (using a broad definition of the numerous governmental supports) has an impact on participating employers, workers, and workers’ families.

The program will bring together resources from employers and Monroe County and will help address any real or perceived loss of means-tested public benefits by providing work incentive payments and financial counseling. The appropriation can be found at p.524 of S.3003/A.3003. **We request your support for this \$3 million program.**

Public Safety

Public Safety and Public Service Emergency Radio Communications Redundant and Resilient Upgrades (Requested State Support \$59.4 million): Our Public Safety and Public Service Emergency Radio Communications lack redundant and resilient systems in the event of a natural or manmade disaster, including cyberattacks or targeted attacks against critical infrastructure. This project will resolve this critical problem. The SFY 2024–2025 approved budget included \$85 million to be shared by all counties for development or operation of public safety communications systems or networks designed to support statewide interoperable communications for first responders. The proposed executive Budget would reappropriate these funds. See p.775 of S.3003/A.3003. **We support this reappropriation as a starting point, but we ask that it be significantly increased to address the needs of counties such as Monroe County.** See page 9 of the attached booklet for more detail.

Juvenile Enhanced Diversion and Stabilization (JEDS) program: In spring 2023, Monroe County experienced a more than 600% increase in juvenile delinquency arrests for stolen automobiles, weapons possession, robbery, and reckless endangerment charges compared to the same period in 2022. The length of time between arrest and an appearance in Court or induction into the diversion process, often several weeks, was not serving the interests of our community or justice-involved youth. JEDS was developed with the philosophy that the swift intervention, coupled with appropriate resources and services, could reduce the number of youths who participated in delinquency activities. In 2024, the

adjustment rate was 82% for youth completing the program, while the statewide average was 36%. We believe that the following additional service options for Raise-the-Age youth and other justice-involved youth will provide safe options, beyond secure detention, to ensure that dangerous behaviors are avoided. **The total annual cost for these programs is expected to be \$3.65 million. We request your support.**

- **Continued funding for the JEDS program.** In September 2024, we increased the intensive stabilization period from two weeks to four weeks. The increased duration of intensive supervision requires substantial staff time. The estimated annual cost to make the four-week stabilization period permanent is approximately \$1.2 million.
- **A Juvenile Drop-In Center** designed to allow both scheduled and unscheduled programming for justice-involved youth during non-school hours. The Center would provide for cognitive behavioral groups, educational assistance, appropriate recreational activities, and an evening meal. This model would further strengthen the intensive stabilization period of JEDS. The annual cost of this program is estimated to be \$950,000.
- **A Juvenile Respite Center** to provide for brief out-of-home stays (up to seven days) for youth in crisis to facilitate stabilization and reunification with the child's primary caregiver. This would be a voluntary program with the goal of returning youth home with ongoing community-based support and services. The annual cost of this program is estimated to be \$1.5 million.

Economic Development

Rochester Riverside Convention Center 2025 Modernization Project (Requested State Support – Capital: \$59.63 million): The 40-year-old Joseph R. Floreano Rochester Riverside Convention Center is in need of substantial exterior and interior improvements to remain competitive and serve the community. In addition to exterior improvements, updates are planned for the main exhibit hall, meeting rooms, kitchen, connecting skyways, and essential infrastructure facilities. This project is critical to the survival of the Convention Center and downtown, especially when competing for events with other newer venues throughout New York State. The project will also bring more visitors and related economic activity to Downtown Rochester. The project is described in more detail at page 9 of the booklet.

Innovative Field Patron and Facility Improvements: The County-owned Innovative Field has been the home to our Triple-A baseball team, the Rochester Red Wings, since the facility opened in 1997. The County has continued its investment in the 27-year-old stadium with MLB-required upgrades totaling \$12 million and facility improvements totaling \$11 million, thanks in part to \$12.5 million in financial assistance committed by New York State. The stadium is a cornerstone source of low-cost family entertainment. The County is seeking to invest \$40.8 million in Patron Improvements and \$24.7 million in Facility Improvements for a total of \$65.5 million. The improvements are described in more detail at page 16 of the brochure. I ask for your support for \$59 million in State assistance.

Children’s Pavilion: The construction of the new Children’s Pavilion in the Frederick Law Olmsted designed Highland Park will restore the park’s historic integrity, add to its reputation as a jewel in our park system, and provide visitors with a new vista for enjoying the park.

In 2022, the project costs were estimated at \$3.13 million with costs covered as follows:

Highland Park Conservancy	\$1,000,000
NYS Municipal Facilities Grant*	\$500,000
2021 Environmental Protection Fund Parks Grant	\$500,000
Monroe County	\$1,130,000
Total	\$3,130,000

*Assemblymember Bronson secured the NYS Municipal Facilities Grant, and I am thankful for his support.

Unfortunately, competitive bids brought the project’s total cost to approximately \$6.95 million. **This will produce a deficit of \$3.82 million. It is our hope that you might be able to find additional state assistance to address this deficit.**

Community Based Optional Preventive Services (COPS): We support the continued funding for the Community Optional Preventive Services (COPS) program at \$12.125 million.

Utility Infrastructure: Our community assets have made Monroe County and our region an attractive place to live and excellent location for new and existing businesses. One formidable challenge is the age and condition of the electricity delivery system. The current system is primarily mid-20th century in design and construction. These systems are neither nimble nor robust. If we are to position ourselves for 21st century opportunities, we need the State’s support and leadership in guiding a prompt modernization of utility infrastructure.

These highlighted projects, along with the others we have shared in the attached booklet, will position Rochester and Monroe County for a safer, healthier, and more prosperous future. We are asking for New York State to invest in our community, our residents, and our economy. We are grateful for your consideration as we continue to seek equitable support for our region.

Sincerely,



Adam J. Bello
Monroe County Executive

Attachment:

Monroe County/City of Rochester
Joint Legislative Requests 2025- 2026