

**Hamilton County Commission President David Pepper  
2009 State of the County Address**

**February 19, 2009  
Rotary Club, Cincinnati**

Rotarians, Commissioners Portune and Hartmann, Sheriff Leis, Engineer Brayshaw, Recorder Coates, Vice Mayor Crowley, City Councilmembers, Township Trustees, state senators, state representatives, Congressman Driehaus, and other guests. Welcome.

I come today to give an accounting of where our great County stands. My aim is to begin an annual tradition—so every year, the citizens of this County understand where we’ve been, where we’re going, and how we’re going to get there.

I can’t think of a better place to do this than the Cincinnati Rotary Club. First, it’s an institution anchored in a mission of service. And as part of that mission, you hosted the Mayor’s State of the City speech for so many years, so I’m happy to bring that tradition back home. But maybe most importantly, you place very strict time limits on your speakers, and enforce them with a loud bell, which is good for all involved, even if it has me on edge.

2009 is no doubt a year of challenge, nationally and locally. In such a time, it has become trite to say that out of challenge comes opportunity. So I’m not going to repeat that, I’m going to take it a step further. For our County, it’s more than just opportunity. It’s renewal. It’s a chance to break from a direction a few years ago that we know wasn’t good enough to begin with. Far from it. And it’s a time to work together more than we have in the past.

In this way, I firmly believe that in 2009 and beyond, we can put ourselves on a stronger, more competitive footing than we have been before.

Let me outline how we can do so. In fact, how we have already begun to do so in the last two years.

**Economic Recovery Plan**

Our **first** and most serious challenge is our **economy**.

Consumer spending is down. Job losses up. Families are squeezed with higher costs, less to spend, and are seeking assistance at numbers we haven’t seen in years. These aren’t just numbers. They reflect individual stories of anguish, pain and struggle—for individuals, and whole families.

For their sake, we need our economy to recover, and our leaders in Washington and Columbus are doing what they can. But we at the local level can’t just sit around, waiting and hoping to be saved. We must act.

While we can’t control the national economy, there is much we can do to spark a local recovery. The County is pursuing a three part strategy to do so.

### **Immediate Relief for Working Families**

The first prong is providing immediate relief to middle class and working families.

Often overlooked, this is essential.

Because whatever packages and policies come through Washington, whatever plan there is for Wall St., the most important factor of any recovery will be the condition of the middle class families of this county, this state, and this country.

If our middle class and working families feel secure in their home, steady in a job, able to make ends meet, with enough dollars left either to save or spend again, their confidence and stability will be the engine of any sustained recovery.

If families are losing their homes, their health care, their retirements, and their ability to send their kids to college and create a better future, there won't be a recovery. There will be nothing to fuel it, or sustain it.

The good news is that there are many things this County can, and is already doing, to provide that working and middle class relief.

### **Fighting Foreclosures**

I mentioned being secure in their homes. In the past two years, we have fought for our families, and against foreclosures, through our County-City Homeowner Preservation Initiative. It has a simple goal—provide free “housing counseling” for troubled homeowners. Working with Councilman Berding, then Clerk of Courts Hartman, numerous other public and private partners, we have advertised the 211 hotline all over the City and County where people can call for help.

And it's worked. Since the program started, we have saved more than 1,200 Families from a foreclosure. We know also, that in saving 1,200 homes from foreclosure, we saved over \$80 million in surrounding property value that would have been lost.

But again, this is more than statistics. It's personal. Every family counts. Let me introduce one. Chris Gillium is my guest today. Chris and his family are one of our counseling clients, and they have gone through hell and back trying to stay in their home—a case study on some of the problems and scams out there. We're making progress, stopped one impending sale, but they're not out of the woods yet. Chris, hang in there, and we will hang in there with you, as we together fight to keep your home.

I'm excited to announce today that we will expand this foreclosure work in 2009, and help more families like the Gilliums. We are working with the Prosecutor and Treasurer to do so. We know in this economy that demand will keep coming, but we—and our counselors—are prepared to meet it head on. And for those scam artists who are taking advantage of families like the Gilliums to make a quick buck, our team is also prepared to take you head on.

## **Reducing family costs**

There are other things we can and must do to provide relief.

If our families can't make ends meet, this economy won't rebound. Which means everything we can do to lower the costs of the bare essentials is critical. Not just because this provides access to those bare essentials, but it puts money in families' pockets.

For example, we launched a new **Prescription Drug Discount Card** that saves the average buyer 20-25% on prescription drugs—hundreds of dollars per year. It costs the county nothing, but puts millions into our local economy by savings millions for our families.

We can also help families save on the growing costs of child care, health care, home costs, energy (through new Duke programs). And there are other ways we can help working families make the most of what they earn.

In the same way, these opportunities put thousands of dollars into the pockets of individual families, and churn tens of millions back into our local economy.

To maximize our results, though, I am announcing a new County website that provides citizens easy access to all of these opportunities, and tells them how to take advantage of all of them:

**[www.hamiltoncountyfamilies.com](http://www.hamiltoncountyfamilies.com)**

It launched this morning. The goal is to provide real relief to our overstretched working families. It's our own local stimulus, and it goes directly to those families that need it most. And as importantly, it goes to the families *we* need most, if we're going to have a recovery.

## **Jobs and job creation**

Still, nothing is as important to that family stability than jobs, good jobs. And that's the second part of our recovery strategy.

In 2008, our County job creation work was strong, creating 3,092 new jobs and retaining more than 4,000.

In 2009, we plan to take it further—becoming more strategic, more aggressive in creating and keeping good jobs.

First, to create jobs, we must build off our strengths.

And we have so many strengths:

- We have a diverse economy
- We're a day's drive from more than half of the country's population, and half of its manufacturing; 5<sup>th</sup> largest inland port—giving us access to all major river communities and Gulf of Mexico
- We have 1.5 million workers within 50 miles, including 50,000 scientists and engineers
- We have a low cost of living, and when it comes to taxes, believe it or not, we stack up well against peer counties:

- Forbes survey: of Ohio's six largest urban counties, we have the lowest property taxes as % of income (26% less than Cuyahoga; 16% less than Franklin)
- Sales tax, of six largest urban counties, we are tied for the lowest (16.5% lower than Cuy, 7% less than Montg, 4% Franklin); also lower property transfer taxes
- Recognized again and again as a great place to bring business
- But recognizing and reciting these strengths is not enough. We must use them strategically.

One way is what I call our **Homebase strategy**: if companies across this country, including some of our own, have thousands of employees living and working in Bentonville ARK to be near Walmart, no reason we can't do the same here with our major players. I aim to partner with the Chamber and our large companies to do the same here, and convince those who seek *their* business to locate jobs here in the County, and show that with our many strengths, we will make it worth their while.

And we must do a far better job of working with our many other growing businesses already located here, helping them expand and bring any new jobs they create right here. And this includes taking new steps to support and expand **small businesses**, who are the largest engine of job creation in any economy.

To create jobs, we must also pursue **new, 21<sup>st</sup> century growth opportunities**.

One clear opportunity: **Green/clean energy jobs**. A new Ohio mandate requires that 25% of energy must come from alternative sources by 2025. This poses a huge challenge, but it's also a huge opportunity, as there will be a huge local demand for solar, geothermal, wind power and other options that help us meet that mandate—and many of these options will bring local, state jobs, and new companies to our region.

In similar ways, we must take advantage of other opportunities: bioscience, biotech jobs; tourism; advanced manufacturing; trade; aerospace, and construction.

Finally, to create new jobs, we must make **ourselves an easier place to do business**. So,

- We will soon be announcing a significant overhaul of our development process, making it far easier to get projects done
- And we will look to regionalize certain functions, like code enforcement and tax collection, so when a business comes to the County, and desires multiple locations, they can file their taxes or comply with codes through one stop and one form, and not 48 different ways.

**But simply creating jobs is not enough**. As we create new jobs, we must be sure **we are connecting our residents, our citizens**, to those jobs—through access, and job training.

This is why the City, County and private sector partnership known as the **SuperJobs Center** is so important. Under new leadership, this Center is setting records and exceeding goals. In 2007-2008, it trained and placed more than **3,500 citizens into jobs**—more than double the results of any other county in Ohio.

But in 2009—there is more to do, and more demand than ever; which is why we are getting far more strategic.

We are beginning to **specialize in the very growth areas** I mentioned above: Construction jobs, green jobs, health care jobs, shovel-ready jobs coming out of the stimulus bill, environmental, sewer, and weatherization work

Many of these jobs require the same skills as blue collar manufacturing jobs, so we can help workers displaced by the changing economy.

At the same time, with businesses desperately seeking skilled workers, we need every citizen we can to be ready, willing, *skilled* and able to take on the jobs that are in such high demand. Which means we need to reach out to those who've fallen through the cracks—and get them the skills they need to be productive. Because *we need them* to be productive.

- So, in 2009, we will see the first full year of Commissioner Portune's **Connect To Success program**, where we are identifying and putting high school dropouts back on the path to education and a job
- And this is why, along with the leadership by the private sector and the GCF, we are placing new focus on **identifying ex-offenders** who paid the price, want to change their lives, but need the skills and an opportunity to get back to work
- And we plan on increasing by 40% the number of **jobs provided to young people**, getting them the skills and work ethic they need to be the productive workers of tomorrow

Let me emphasize again. **This is not charity.** In this competitive world, if we don't build the workforce of the future, and hone the skills of every single person in our community, we will lose out—on jobs and on growth—to those places that do.

And to underscore how serious we are about linking new jobs to our citizens, we will soon make clear, that if we put public dollars into projects (port, MSD, stimulus, Banks), we will insist that those employers who participate consider OUR workers as they create jobs, and list all of those new jobs at our Super Jobs Center. If Children's Hospital, GE and TriHealth use the Center to hire their new employees, asking others to do the same is not asking much. Indeed, it will be to their benefit.

**By creating jobs, training workers, and linking new jobs to our citizens, we will get our economy going again.**

### **Investments and Infrastructure**

Investment and infrastructure comprise the third part of our recovery strategy. As Engineer Brayshaw reminds me often, the history of our nation's economy directly tracks the history of investment in infrastructure. Time has proven again and again that the right investments—river, road, rail, water and sewer and other public infrastructure—lead to access, growth, commerce and jobs. And history shows that failure to make those investments can lead rapidly to economic irrelevance.

No better case study than our own Convention Center of how a wise investment can spark growth. The story is simple: several years ago, a public-private partnership spearheaded an investment to expand the Center and make it competitive, and we followed this with a wise investment in marketing the new Center. The result has been record revenue and growth in 2008—despite the tough economy.

There are numerous other investment opportunities—federal, state and private—coming our way, and we are working not only to get every dollar possible, but to invest those dollars to build jobs and secure our long-term future. Examples:

- Invest on our **riverfront**: permanently cement this as an exciting, job-creating centerpiece of our region
- Make **green and new energy investments**—extending and rehabbing our sewer infrastructure to allow development and growth to happen, while cleaning our environment
- **Transportation**—in addition to building a regional system that gets workers to jobs throughout the region, we must increase freight access to and from our region—by rail, road, and river—so we get our goods and services quickly and competitively into the global stream of commerce.
- **Brownfield investments**: we will work through our reformed port authority to create as many development-ready business sites as we can, so that we no longer lose the competition for businesses to the greenfields and farmlands north and south
- **Community revitalization**—in 2009, we will invest millions in federal dollars to retake blighted and foreclosed properties, improve roads, and revitalize business districts in communities across our County;

And once again, through our Super Jobs Center, we will connect all these investments to our citizens, through new, good jobs.

And to do all this economic work, we need to get **Organized**, and on one page—as we’ve never been before.

So I’ve formed a new **Economic Growth Cabinet** where all the key economic development agencies of this County gather around one table on a monthly basis, to follow our unified and coordinated strategy; and we are creating an economic dashboard, relentlessly track our results.

Economic Recovery is clearly Job 1—and this County is off and running with a strategy to do it.

### **Public Safety**

**Public Safety is our second major challenge; but also presents an opportunity to do better than before.**

Amid all the discussion of public safety of late, make no mistake, public safety is by far our largest area of support in our budget, and it always will be.

In one way, then, the most important way to help public safety is to **spur an economic recovery**; because increasing County revenues allows us to increase the resources we can dedicate to our front-line public safety services, such as patrols, corrections and prosecutors.

And when we invest those resources, our priority will be to get the most dangerous criminals off the street, for as long as possible. Which is why we’ve continued to support, with our prosecutor, Project Disarm, which locks up the most dangerous, gun-wielding offenders for long, federal sentences.

But we can’t just be “tough on crime,” we’ve got to be “smart on crime”—making the wise investments that reduce crime in the first place.

This means making investments in **prevention**, particularly for our young people, by continuing *early childhood intervention* for high risk families; *after school initiatives* that we fund in numerous schools across the County; and paying special attention to the *highest-risk kids* like our foster kids, to get them and keep them on the right path.

It means new investments in *reentry*—because the best way to reduce crime is to tackle the problem of repeat, often less violent, offenders, who cycle in and out of our system many times a year. Under a new approach, as these repeat low-level inmates come through the front door of our jail, we now assess the underlying root cause of their behavior, and get them the help they need, whether or not they ultimately serve a sentence. So far, we've successfully worked to get hundreds out of a life of crime, out of that revolving door, and onto the right path.

Finally, *accountability*—we no longer have the money to waste on anything that does not work. So we will be a County and criminal justice system that insists on **evidence-based practices** and **results**, and uses data and measurements to determine what we fund, what we cut, and where we send individuals who need help.

I do want to take a second to address the **jail situation**, which gets a lot of attention, and rightly so.

The voters have spoken, twice, and given us a clear mandate of how much space and resources we are to have. So our job is simple: take the space and resources they've given us, and **run the smartest, most effective system possible**—so that **every single jail bed we have is used as effectively as possible to improve safety**.

In doing so, let's remember what the jail is for: the place where convicted misdemeanors serve their sentence; felons waiting for trial are held, once convicted, go to the state.

But over the years, the jail has become so much more—too much more. It has become the backstop for all our problems and social ills, large and small. So much so, that even our hard-working Sheriff and his outstanding staff, and the county taxpayer, have begun shouldering, and paying for, responsibilities far beyond our ability and resources to handle.

Clearest examples: state felons. Our jail is not meant to be the place where state felons are kept, except when they are awaiting trial. After conviction, the responsibility is supposed to pass on to the state system.

**But too often, we are becoming, for all intents and purposes, the state penitentiary.** You see, most of the cases in our jail are felons waiting for trial—on Feb. 2, 756 out of 1240 were felons waiting for trial. 278 of those waiting for trial for more than 3 months; 81 more than six months, several had been waiting for two years.

And after all that time waiting, many cases plead guilty and get sentenced for time already served, or then serve “local” time—meaning the inmate never goes to the state for their felony sentence. He serves that sentence here. Both for safety and financial reasons, we can not afford to play the role of the state pen in this way.

To solve this, we have begun meeting with the Sheriff, prosecutor, and our judges to change things. And we have a new, bipartisan crop of judges who have agreed to try new ways to get this done. Bottom line, we need to **speed up and streamline our processes**—because the faster we get to trial, or get those who plead guilty shipped to the state, the more money we save and the more space we have for those actually convicted of crimes.

In the same way, the jail is being asked to take on too many other roles. Too often, not only is it often a poor solution to the underlying problems, but at \$65/day in County tax dollars, it's often the most expensive one by far.

I'll name a few, and we are tackling all of them through our new Criminal Justice Commission:

- **Chronically homeless:** recent study found that chronically homeless people were spending more time in jail than in shelters; makes no sense and wastes dollars and jailspace; so we are creating a system to change that
- **Illegal immigrants** who've committed crimes should not take up local jail or local dollars, but should be put in the hands of federal government; we have begun doing this
- **veterans**—sadly, *far too many veterans who suffer mental illness, substance abuse are spending time in our jail*; given their service to this country, when we can do it responsibly, we need to get them the help they need and deserve, paid through by their federal veteran benefits instead of the County taxpayer; and we have begun a process to do this
- **mentally ill:** the jail *should not be the largest mental health institution in the region*, but with hundreds of inmates on psychotropic drugs every day, that's what it has become. So our courts are working to create specialized mental health court for felonies in addition to misdemeanors, among other solutions and reforms.

These are just some examples of issues we're working on to reduce overcrowding and run a smarter, more cost effective system. But the most important result is not money saved, but improved safety, because we will have the room to house those convicted of crimes and the dangerous felons waiting for trial.

### Accountable Government

That covers our largest challenges—economics and public safety. But in the same way, in this challenging time, where every tax dollar is precious, we must make **county government accountable, innovative, and cost-effective in everything we do**. So that in good times and bad, when people choose where to live, they find our County to deliver the best service, best quality of life, at the best price, they can find anywhere.

It starts with making sure **every dollar is spent wisely**. Unlike other governments, we can not borrow to operate, and can not spend money we don't have. So we have to learn from the mistakes of past commissions, and be incredibly disciplined fiscally, as we were in our 2009 budget, which **reduced spending to the level it was 10 years ago**. Painful to do, but it was necessary to balance the budget without raising taxes, and to begin rebuilding our reserves to a healthy level.

And as we spend the money that we do bring in, we must **relentlessly measure** everything we do. This year, we are creating a way to track performance in our departments, assuring that every dollar is well spent. And just as we were one of the first Counties in the nation to make our line item spending available on the internet, we will make all these measurements **transparent** as well.

We must be **competitive and innovative**: making ourselves easy to work with, and cost as little as possible. Bold enough to break bad habits, root out waste, and rid ourselves of some of the old perks we can no longer afford. And brave enough to continue new reforms, such as managed competition, and rewarding employees for identifying savings.

And I mentioned **taxes** earlier. While we're doing better than our peer counties, we can't rest on our laurels—especially at this tough time. So my goal is to actually reduce the total amount in property taxes paid to county voted levies by the end of 2009.

To do even better, though, we're pursuing several broad initiatives for 2009:

**First is Shared services.** Since the same taxpayers are paying for all the many layers of government we have around here, we have a collective responsibility to explore every area in which the 48 jurisdictions of this

County can provide a service together, at a lower price, rather than reinventing that service 48 times. So the County, the City and numerous local government partners have begun a process for doing just that for things such as:

- Tax collection
- Operation of heavy equipment
- Code enforcement
- Several jurisdictions have come together to look at sharing fire services; not only commend it, but supporting them as they move forward

Our goal is not just to save money, but to provide better quality service across the board, and create concrete success stories that lead to more and more sharing of services over time.

And we're not just sharing services, we're working together to achieve regional goals, through efforts such as the County Climate Initiative—where governments from across the County meet monthly to strategize on how to improve our environment, save money on energy costs, and create green jobs. On issues like this, we don't need 48 different plans; but one good one.

The point of efforts like this, and projects like Agenda 360, is if we work together, we can save money and achieve better results because these are all issues that demand regional, rather than fractured, solutions.

### **Professionalism and Top Performance.**

An organization is no stronger than its people, and their performance. For decades, some parts and jobs in this County have been perceived as places where who gets hired and promoted is based on who you know, how many campaigns you worked on, what political party you're in, or even who you're related to.

We need to fix that perception, and fix that reality when it is indeed still reality. Because the citizens expect and demand peak performance from the workforce that they, after all, are paying for. Equally importantly, because most of the men and women working for this county are working harder, for less, to deliver top-flight service, they suffer most when there is a poor perception of their work because of some isolated bad practices.

For these reasons, I will be launching a Professionalism and Ethics Initiative to emphasize bright lines, clear rules and model personnel policies that assure that qualifications, hard work and top performance are how our hard-working employees are judged, rewarded and get ahead—and not other factors unrelated to their County job. My hope is that all County elected officials will take up this call.

### **“All Hands on Deck”**

As we do all this work, I need to point out the obvious. County government, government in general, can't do it alone. Indeed, far from it.

For those who have the time, and have the inclination, we need your service. To use that old expression, we need “All Hands on Deck”.

I know Rotary is aware of this, but it's often lost just how much citizen service makes a difference. But a few hours a week won't just change others' lives, it changes the community. And it often changes your own life more than any other. So many ways to help your community.

One example. We have run a foster child promotion program, called EveryDay Heroes—because every foster parent is not simply a hero to that child, but to the whole community, and we need more very badly. Now, I couldn't bring one of the actors dressed up in the superhero outfits you've seen in the commercials, but I did you one better. I'd like to introduce a true hero—**Cheryl Unzueta**. Cheryl lives in Wyoming, heard our EveryDay heroes campaign, and like many others, responded to the call. Cheryl is now licensed and eagerly waiting her first placement. Thank you Cheryl, for being an Every Day hero for this community.

To encourage more Cheryls, just as we're launching a website today on how citizens can get help, we will soon be launching one calling on citizens who are willing and able can help others, and connecting them with ways to do so.

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In closing, I'll finish where I began—there's no doubt it's a time of challenge. But just as our citizens and businesses are pressing on, our job is not to complain about the difficult decisions we face, or shirk from them. Instead, our new President put it best when he said it's time to “pick ourselves up, dust ourselves off, and begin again the work of remaking America.”

In Hamilton County, it's also time to roll up our sleeves and do our job.

And let's do that job better than we've ever done it before.

Let's use this moment of challenge, where our backs are against the wall, to get organized, to change some old bad habits, and to do some things we should have done years ago.

And let's use this moment to take some bold and creative new directions, to demand more accountability than we have in the past, and to join together more so than we have for a long time.

If we do so, and we work hard, I believe 2009 can be a year that, while difficult, we position this County to ultimately be in a better place than it has ever been before.

Thank you.