

Cuyahoga County Executive Ed FitzGerald
State of the County Address
April 6, 2011

The attendance here proves once again just how interested Greater Clevelanders are in public affairs. This is the second major public policy address in Cleveland just in the last 24 hours, the first having been delivered last night at the State Theatre by Charlie Sheen.

I want to thank the City Club for your sponsorship of the first State of the County address under our new system of government. I want to recognize the numerous dignitaries here from all walks of life, and particularly Mayor Jackson. Mayor Jackson and I have already been building a partnership based on mutual trust and our shared concern for Greater Cleveland.

I also want to recognize the students from the Look Up to Cleveland program, who are in attendance here as well.

These past few months have brought about some significant changes to the way our county government is organized and operates; and, there are many more changes to come. As the American inventor Charles Kettering once said, "The world hates change, yet it is the only thing that has brought progress."

By working together with the County Council, we are already making progress on behalf of the residents of Cuyahoga County. I would like to acknowledge all of the members of the County Council here in the audience today. We have and will continue to have discussions about all matters in our county – great and small – so that the public's business is properly vetted before decisions are made.

Cuyahoga County: Where We Are Today

Before we talk about our agenda for change, let us take stock for a moment of our current situation. We must be honest about the fact that we are facing a formidable array of negative trends and forces.

Cuyahoga County is still the most populous county in Ohio, and is larger than eight (8) States and the District of Columbia. But at a time when the country added millions of new residents, we lost about 113,000 residents in the last ten years, a drop of about 8%.

Our poverty rate is a disgrace, with 24% of our county's children living in families with income below the federal poverty rate, and more than one out of every three children receiving health insurance through Medicaid or state assistance. We have children who can't concentrate on school because they don't have enough to eat. Cuyahoga County is off target on premature death, low birth weight, teen birth rate, high school graduation rate, number children living in poverty, and our overall crime rate.

The 2011 County Health Rankings were just released, on March 30th. Cuyahoga County ranked 69th out of Ohio's 88 counties. This is up from 70th last year. Improvement? Maybe. Acceptable? No.

The unemployment rate stands at 9.2%, that is almost 58,000 people, or roughly the entire cities of Solon, Shaker Heights and Independence...combined. The underemployment rate is at 17%. And those are just the "official" numbers.

We find ourselves at the center of the storm when it comes to foreclosures, with over 10,000 homes in foreclosure in 2010.

Meanwhile, this country's traditional route to economic success- education- is underperforming in this county, with only 71% of our children graduating from high school while only 27% of our population possesses a college degree. And there is great disparity in the midst of these dismal numbers, since we have one of the widest gaps in the country between urban and suburban high school graduation rates.

At a time when we needed our county government the most, we have instead endured the worst corruption scandal in our county's history, with some county officials revealed as having greed as their defining principle.

Adding insult to injury, the cuts contained in the proposed state budget are sapping our resources when we need them most, while at the same time depleting our revenue by actually giving tax cuts at the most inopportune time conceivable.

You have probably heard this depressing litany before, and there is a segment of our own people who love to repeat it and wallow in it. And unfortunately, we've allowed this part of our story to be portrayed as the whole story.

So, the question is, with all of these negative forces at work, do we have what it takes to succeed? Yes. And we will, with room to spare.

And here's why - Lets take a quick inventory of the positive assets we have at our disposal:

We possess some of the finest health care facilities in the entire world, providing not just life-saving care, but also comprising a key part of our economic base.

We have an array of outstanding higher education institutions in our county, both public and private.

We boast one of the nation's greatest assembly of non-profits, from the Cleveland and Gund Foundations, to the dozens of neighborhood-based community organizations.

We are in the enviable position of being on a freshwater lake, and we rank at the top of major metropolitan areas for lakefront property available for new development.

We are home to thousands of businesses, varying in size from fortune 500 companies to neighborhood-based businesses, from the most advanced high tech in the world, to locally grown food cooperatives.

We have a quantity and quality of cultural institutions a county five times our size would envy, including our world class orchestra, major museums, an incredible theatre district, just to name a few.

This moment in time represents a point in history where these negative forces and positive assets are facing off against each other, and the outcome will determine whether the greater Cleveland area is an American success story or an American failure.

Get ready. Because the balance between these conflicting forces is about to shift, as a county government which was part of the problem is evolving into a catalyst for change.

Even in the best of times, the words of an elected official are often regarded with suspicion. And this natural skepticism has deepened into cynicism because of the disgraceful actions and unbridled greed of some of our former elected officials. So, the antidote for that cynicism is not just more words, or the same old words spoken by a new talking head.

This speech isn't going to be about rhetoric, or platitudes or clichés. What you are about to hear represents the most sweeping and dramatic plan for recovery in the history of Cuyahoga County. So let's get down to business:

This speech will answer three central questions:

First, how do we restore trust in our government?

Second, how do we embrace a culture of innovation?

Third, how do we make strategic investments for the 21st Century?

Restoring Trust :

Robert Kennedy once said: "Few will have the greatness to bend history itself; but each of us can work to change a small portion of events, and in the total of all those acts will be written the history of this generation." Each county employee has a role to play in transforming our new system of government, because we are establishing a new standard of professionalism in county government.

Beginning this year, every county employee will be evaluated and will have a defined job description and status. Every employee must now complete ethics training; the first group of 350 employees will be going through an ethics training seminar on May 4th, a program we are implementing in partnership with the Ohio Ethics Commission. I believe that every county employee not only has the responsibility to avoid personal ethical failings, but they also have an affirmative duty not to tolerate such behavior from other employees or outside parties. Every position is now posted online, even non-paying board appointments. Employees must be qualified for their position, and we will provide

opportunities for professional development. Employment is now based on what you know, not who you know or who you are related to. We have established a strict anti-nepotism policy. Even for student internships, we have established a public policy fellowship, in partnership with the Cleveland Leadership Center, to be given out strictly on the basis of merit.

We have established a strict code of ethical standards, the toughest in Ohio, and we are already enforcing it. Not only that, but we are the first county in Ohio to have established an independent Office of Inspector General, so that infractions of our code, or the law, will be vigorously pursued. One of my first acts as County Executive was to hire a federal prosecutor as our first Inspector General, and we sent a message as well by placing her office in the Auditor's old office, which had literally become a crime scene. We have sent a substantive and a symbolic message that our standards are high and our enforcement will be relentless.

The people cannot be expected to believe what they cannot see. That is why we have now created a level of transparency in operations that is unprecedented in Cuyahoga County government. As part of our "Open Government Initiative," we are conducting our business in public, and for the first time in the county's history, we are posting online our contracts and purchases. It is your money, it's the public's checkbook, and you have a right to know exactly how it is being spent. The County's new Chief Information Officer will take the County through the process of using IT to make our government even more open, so you can expect to be able to see county business like you have never been able to do before. We have also taken steps to ensure that our contract bidding process is fair, open and competitive, and we seek to include vendors from all parts of the county, not a select few.

In addition, our Inspector General will launch an initiative to improve our private sector partners' awareness of the ethical standards that we are committed to. This initiative will begin with a series of Ethics trainings that will be focused on current and potential vendors, based on the type of business they do with us. All vendors must agree to a strict Code of Conduct, and must complete ethics training prior to applying to do business with the county. The first ethics training for vendors is being planned now, and will be done in partnership with both the Ohio Ethics Commission and the U.S. Attorneys' Office for Northern Ohio. Needless to say, this is not the kind of interaction which used to exist between county government and the Department of Justice.

By establishing high standards and clear rules, by providing for the independent enforcement of those rules, by making county government a place where merit and excellence is prized above all else, and by opening the doors and letting the sunlight stream into the workings of county government, we will, step by step, restore both our employees pride in their service, and more importantly, the peoples trust in our government.

Embracing Innovation:

For too long, county government, and local government in general, has been satisfied to do things because that's just how they've always been done. We have begun a process which questions basic assumptions and outdated rivalries and divisions.

Through a process called CountyStat, we are methodically examining every function of county government, and using recognized best practices to make our county government smaller and more efficient. We believe that any entity that receives public money- no matter what branch of government or whether they are public, private, or non-profit, must meet a high standard in order to justify that expenditure of public funds.

We have hired the first Chief Information Officer in the history of the county, and we will be leveraging technology to become increasingly productive.

We have tapped into the talent of the private sector, by launching a Loaned Executive Program which has already relied on the abilities of dozens of volunteers from local businesses. And we are reaching out to the faith community, some of whom are here today, to assist us in our service to those among us who are most in need.

We are re-examining the portfolio of properties the county owns and leases, and we will be soliciting the private sector for creative proposals for the more than 50 properties and county owns or leases, from the Ameritrust complex on down.

We have begun a dialogue with our health care systems and providers, and we hope to establish a "Health Care Alliance" focused on ensuring that the world-renowned medical advances we are famous for will be reflected in the overall health and wellness of our residents. I applaud the Healthy Cleveland initiative, and we need to expand that county-wide.

We have also begun a dialogue with our local institutions of higher learning, and we hope to form an "Academic Alliance," so that we can draw upon their intellectual capital to help revive this region and open higher education to more of our young people.

We have committed the county to the Global Cleveland Initiative, which recognizes immigration as a key component to a thriving economy.

We have begun a focused discussion with our municipalities, and have been identifying services that we can begin to provide directly, as well as assisting in collaborations between cities. It's time for us to openly admit that we have too many cities and too many entities in Cuyahoga County with duplicate services; but in addition to cheering them on, we need to stand ready with resources to help those cities who are ready to share services or actually merge. We have already laid the foundation for a county-wide IT district, and we are continuing to identify other possibilities through our newly created office of Regional Collaboration.

Today, I am taking this a step further, and announcing that in the coming weeks, I will propose a county-wide no-poaching agreement for our 59 municipalities, that is tied to

economic help from Cuyahoga County government. Gone are the days when all of our municipalities can have a 'go it alone' approach to their future here in our county.

We have stepped in to mediate disputes between entities, whether it be different governmental bodies or non-profits. For instance, later this month we are bringing both the sewer district, municipalities and third parties together to attempt to mediate the dispute over storm water fees.

The county charter established an Economic Development Commission whose charge is to author a 5 Year Economic Development Plan. For the first time in our county's history, representatives of the major public sector institutions are sitting at the table with representatives of the business and labor communities and working together on a plan which will rescue this county from the economic stagnation we find ourselves in.

But plans are plentiful; money isn't. And that is why, even in the midst of all of our financial difficulties, we must find the will and the resources to not just make plans, but invest in them.

Strategic Investments for the 21st Century:

Through the years, there has been no shortage of planning exercises; but if these plans are going to be more than exercises in futility, we must come up with the funds to turn these plans into reality.

I had hoped that we could use casino revenue to implement our proposals, but while the casino projects are indeed promising, the revenue stream they will produce is too uncertain and too far off for us to wait for them to begin our comeback.

We cannot wait. We can't wait for the economy to turn around. We can't wait for the state to restore the funding it has stripped away from us. We cannot wait for another federal stimulus package which may never arrive.

We must find the resources within our own means, even in these most difficult days. Therefore, I propose that we will commit approximately 10% of our 2010 sales tax revenue for strategic investments. The categories of investment should include job growth, early childhood care and education, a universal scholarship initiative, and a community policing initiative.

By using one half of this reserve of sales tax proceeds, we can support a bond payment which will yield a \$100 million economic development fund. This will be the largest investment in this County's history in emerging industries. It's not invested in a single thing or a place or a stadium, it's a huge investment in the businesses which will provide the real engine of growth for our local economy, which actually produce wealth. This will complement the projects that are already underway such as the Medical Mart, the casino and the East Bank of the Flats. Using a process based on Ohio's Third Frontier program, and advised by leading entrepreneurs, it will send the strongest message possible that we are determined to revive our economy, and we're starting this year

without delay. And just as important, we will fund this effort not with higher taxes, but as a direct result of our making government more efficient. It is also a recognition that we will not reduce the chronic unemployment of this region by adding to a public payroll, but by ensuring that more residents earn a living wage on a private payroll.

From the remainder of the reserved funds I mentioned, we will fund a \$1 million county-wide community policing initiative. Community policing strategies work, and we can play an expanded role in supporting and encouraging those local efforts. These funds will allow our Sheriff's office to put more deputies on the street, and by working on a rotating basis with local police departments across the county, we will increase police presence and prevent crimes before they occur.

The remaining funds will be placed in a "challenge grant" fund, for the purposes of supplementing our Invest in Children programs and to fulfill our charter mandate to provide college scholarships for our young people. This challenge grant concept is important, because county government cannot address all of our human needs- we need the investment and support of the private sector.

Our nationally recognized Invest In Children programs get results. We know that we cannot expect a child who has been neglected in the first five years of life to suddenly thrive upon reaching school age. We know that intuitively, and the research backs it up. But despite their effectiveness, state and local support for these critical programs has been reduced in recent years. As the private sector steps forward to aid in this work, we need to be there to match their efforts.

Our college scholarship program will be the most ambitious of its kind in Ohio. We are compelled to do this- both by the charter itself and by our conscience. But there is economic self-interest at work here as well, because each increase in our college graduation rate will result in a corresponding increase in our region's economic base.

My oldest son Jack is graduating from high school this year, and he's getting ready to go to college this fall. I have tried to impress upon him how important this period of his life is; this is a moment when he can choose his direction in life, what values will guide him, what defines him.

Similarly, as a county, we now have one of those once in a lifetime opportunities to define who we really are. Following the road map I have outlined, we can firmly break from the past, and establish that our county has an open, honest, efficient government, one that embodies and promotes innovation and best practices, one that harnesses and coordinates the myriad of governmental and non-profit organizations. And it will be a county, that even in our most difficult days, has the courage to make major investments in jobs, public safety, early childhood, and college education.

These choices will not be universally acclaimed. Making investments in a time of cutbacks is not popular. It would be easier to try and change course gradually, over a decade or more. But we are out of time. We don't have time for half measures. We tried

that approach before, and it failed. If we wait, the moment will be gone, and we will be left waiting at the dock while the ship sails away from us.

We need your help- we need you to volunteer, to loan us your expertise, and to support these bold choices. There is an ancient principle of engineering which states that given solid ground, any object can be moved. If those of you here, and anyone hearing these words, provide solid ground for our efforts, we will move this entire structure in a new direction, and we will help save this small corner of the world that we all care so much about.

Thank you very much.