

CITY MANAGER  
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**California Mayors Coalition**

303 W. Commonwealth Avenue  
Fullerton, CA 92832  
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April 9, 2020

Dear Colleagues,

Navigating these turbulent waters during this unprecedented time in history takes collaboration and by working together we can meet this moment and help our communities thrive. I urge you to sign on to the California Mayors Coalition so that we may work together and speak with one voice urging the State and Federal government to assist cities with our continuation of essential services. Below is the COVID 19 Action Plan outline.

**California Mayors Coalition – COVID 19 Action Plan**

**COVID-19 Testing – *The Governor should mandate free, widely available testing across CA's 58 Counties immediately.***

Healthy people need to get back to work. The only way to get the California economy moving again, is to provide easy testing that is free and widely available. Currently, each of the 58 counties in the State have distinct testing procedures and policies. This hurts California's residents. The Governor should standardize testing procedures and work with the federal government to ensure fast, accurate test kits are available to all Californians.

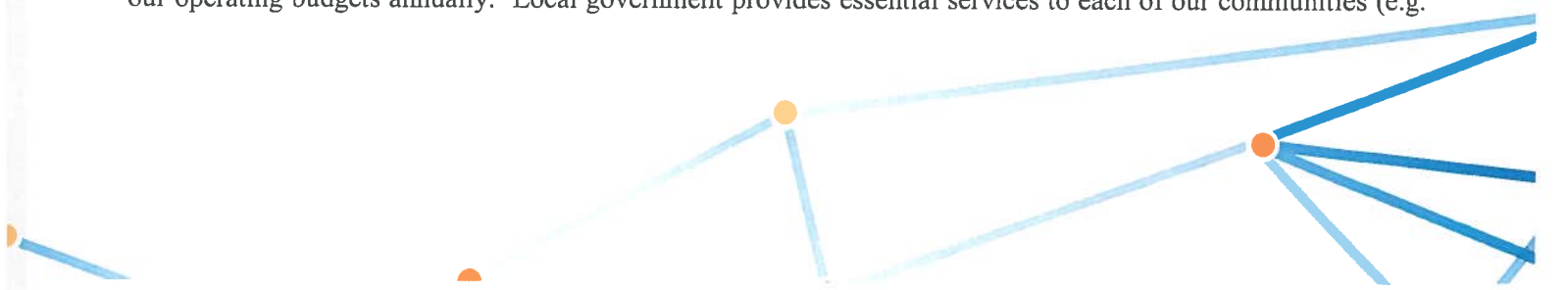
**CALPERS – *The Governor needs to mandate that CALPERS immediately freeze the current discount rate for two years.***

The Governor must prevent CALPERS from attempting to lower the discount rate any further and spread the cost to its members. Because of the great financial strain resulting from the revenue losses due to the COVID-19 crisis, its members cannot sustain what would be a death blow to their finances. Additionally, a suspension of the COLA to retirees must be considered. This must be done prior to May 1<sup>st</sup>, before the 2020 COLA is implemented.

**Federal Funding Allocation–*\$1.5 billion in federal COVID disaster relief funding will come to California. A portion of that funding must be allocated to cities on a per capita basis***

Simply put, cities under 500,000 population are in desperate need of COVID-19 federal funding infused directly into our General Funds. We must receive a fair and equitable share across county lines from the \$1.5 billion in federal funding coming to the State.

Even when negative economic shocks (e.g. COVID, the Great Recession, etc.) reduce income and spending, which in turn reduces income and sales tax revenues collected by state and local governments, our cities must balance our operating budgets annually. Local government provides essential services to each of our communities (e.g.



public safety, libraries, parks and recreation programs as well as major ongoing capital investments in roads, sanitary sewers, and water treatment and distribution systems).

To be wholly left to the generosity of county governments penalizes the millions of CA residents who live in our communities. The State should join with CA cities in advocating for a per capita funding to every city under 500,000 population in California.

In addition to any federal funding allocation related to COVID disaster relief, Congress needs to pass a Infrastructure Spending Bill. This bill would infuse much needed funds into local jurisdictions to pay for infrastructure (e.g. streets/roads/highways, bridges, sewer and water infrastructure) – this funding too should be allocated on a per capita basis and sent directly to cities.

More importantly, should a New Relief Bill be introduced that would provide direct relief to cities who have populations under 500,000; we must advocate for the passage of this legislation.

***Sales Tax Reprieve – The State government should advance sales tax funding that would have been collected by local governments over the next twelve months to protect cities from insolvency because of lack of sales tax; one of the two main sources of city revenue.***

Based on the Governor's recent announcement, small businesses will receive a no-interest loan of sorts from the State as those businesses will be allowed to keep sales tax collected during the next twelve months. While cities realize the very real struggles of small businesses, this creates an unbearable burden for cities. Cities will not be able to fund after school programs, public safety, or library services without their sales tax allocation. The State must use its resources to advance estimated sales tax funding to ensure cities are able to continue to serve the millions of CA residents who live in our communities.

***Jobs – Workforce development programs and increased economic development funding must be a priority to put Californians back to work.***

Many years ago, redevelopment funding for cities was eliminated and cities lost the ability to revitalize blighted areas of our communities and reinvest in commercial enterprises in order to bolster not only the city's finances, but most importantly, put our local workforce back to work. Now is the time for Sacramento to invest in the local community so that the thousands of out-of-work CA residents can access local programs, tailored to local needs; that's how they'll be able to feed their families moving forward

Should you have any questions about the Action Plan please contact me at [JenniferF@cityoffullerton.com](mailto:JenniferF@cityoffullerton.com) or my staff liaison, Antonia Graham, Deputy City Manager at [agraham@cityoffullerton.com](mailto:agraham@cityoffullerton.com). We look forward to meeting this moment together and working as one voice.



Jennifer Fitzgerald, Mayor  
City of Fullerton

April 9, 2020

Date