



CITY OF RANCHO SANTA MARGARITA

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April 29, 2020

Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814
VIA E-mail: ExternalAffairs@gov.ca.gov

Dear Governor Newsom:

The City of Rancho Santa Margarita thanks you for your leadership and efforts to protect and support Californians during this unprecedented public health crisis. Cities remain on the front line helping residents stay safe and in their homes, delivering emergency services, and supporting local businesses and community organizations. However, as emergency costs continue to grow, city revenues to fund local services are plummeting. COVID-19 is having devastating impacts on city budgets and services statewide.

Based on the League of California Cities analysis, California cities are projecting a nearly **\$7 billion general revenue shortfall** over the next two fiscal years. This shortfall will grow by billions of dollars if stay-at-home orders to protect public health extend into the summer months and beyond.

The City of Rancho Santa Margarita projects that these shortfalls will impact our core city services, including police, streets and traffic, emergency management, and planning and housing, and a majority of the cities surveyed anticipate lay-offs or furloughs, which will further impact core city services for residents, as well as the employees.

Since the beginning of the COVID-19 crisis, the City of Rancho Santa Margarita has stepped up to protect and serve our community. We have activated our Emergency Operations Center to quickly respond to all emergency and health orders from the County and State; we have modified service delivery methods to ensure continued access to essential services and to support our local businesses; and we have supported a shift in meal delivery services to our most vulnerable residents. The necessary measures our city has taken are costly. In order to continue to be a full partner with the state in saving lives, protecting our communities, and ultimately recovering from this crisis, **we need your help.**

The City of Rancho Santa Margarita is calling on you to immediately support the following actions:

- Establish at least a \$7 billion city revenue stabilization fund for direct aid to all cities to address the general revenue shortfall over the next two fiscal years;
- Allocate a share of the State's \$8.4 billion CARES Act funding for cities with populations under 500,000 to support COVID-19 expenses; and

Mayor
Bradley J. McGirr

Mayor Pro Tempore
L. Anthony Beall

Council Member
Anne D. Figueroa

Council Member
Carol A. Gamble

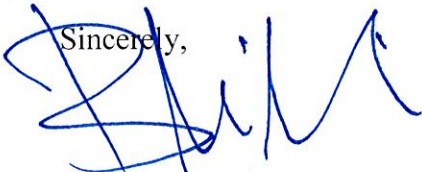
Council Member
Jerry Holloway

City Manager
Jennifer M. Cervantez

- Create a COVID-19 financing vehicle that all cities can access to support immediate cash flow needs.

The City of Rancho Santa Margarita appreciates your consideration of our requests and looks forward to further discussing in the coming days how together we can continue to best protect Californians, reopen our economy, and support the fiscal stability of local governments. Thank you again for your leadership and partnership during these uncertain times.

Sincerely,



Bradley J. McGirr
Mayor
City of Rancho Santa Margarita

cc:

Senator Patricia Bates
Assembly Member William Brough
Tony Cardenas, Public Affairs Regional Manager, League of California Cities, tcardenas@cacities.org
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