\*\*\*LOGO\*\*\*

DATE

Honorable Gavin Newsom Governor, State of California State Capitol

Sacramento, CA 95814

VIA E-mail: ExternalAffairs@gov.ca.gov

Dear Governor Newsom:

The <<BUSINESS GROUP>> thanks you for your leadership and efforts to protect and support Californians during this unprecedented public health crisis.

Firefighters, law enforcement, city staff, and city officials remain on the frontline helping residents stay safe and in their homes, delivering emergency services, and supporting their 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 a League of California Cities analysis that was released in April 2020, 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 as modified COVID-19 stay-at-home orders extend into the summer months and beyond.

Since the beginning of the COVID-19 crisis, the <<BUSINESS Group>> has stepped up to protect and serve our community. <<Add specific detail here>>. The necessary measures our business has taken are costly. Additionally, like cities, many businesses continue to suffer extreme hardship as a result of the COVID-19 stay-at-home orders. For many, revenues have almost completely evaporated. Even those business sectors considered essential are experiencing dramatic revenue losses and are reducing staff to stay afloat.

As the COVID-19 stay-at-home orders begin to relax in the coming weeks and months, and additional business sectors begin to open up, it will be imperative that cities have the ability to conduct important inspections, process business licenses, and issue needed permits. These actions will greatly assist with jumpstarting the economy.

In order to continue to be a full partner with the state in the economic recovery of our state and region **we need your help.**

The <<BUSINESS GROUP>> has joined the Support Local Recovery coalition and we are calling on you to immediately support the following actions:

* Provide **$7 billion in direct and flexible state funding** to support critical local services and allocate CARES Act funding for all cities for COVID-19-related expenditures.
* Advocate to secure **$500 billion in direct and flexible funding from the federal government** for all cities nationwide to support critical local services.

The <<BUSINESS GROUP>> appreciates your consideration of our requests and look forward to further discussing in the coming days how together we can continue to best protect Californians and reopen our economy. Thank you again for your leadership and partnership during these uncertain times.

Sincerely,

NAME

TITLE

<<BUSINESS GROUP>>

Cc: Your Senator

 Your Assembly Member

Bismarck Obando, League of California Cities, SupportLocalRecovery@cacities.org