



March 5, 2021

The Honorable Gavin Newsom
Governor, State of California
First Floor, State Capitol Building
Sacramento, CA 95814

Dear Governor Newsom,

On behalf of the League of California Cities Board of Directors, thank you for joining our recent board meeting. We truly appreciated the opportunity to engage with you on a wide variety of topics of mutual interest, including state aid for local response and recovery, support for small businesses, the need for increased housing supply and affordability, vaccine distribution, and our interest in improved collaboration and planning to strengthen wildfire prevention and preparedness. We are confident that by working together, we can make meaningful progress this year in each of these areas on behalf of all Californians. In addition to thanking you for meeting with the board, I wanted to follow up on several pandemic-related items that were discussed.

As you well know, city budgets across the state have been hit hard by the pandemic, and our revenues have seen far less of a recovery than the state. Cities have been on the front lines fighting the pandemic for nearly a year, incurring billions to protect public health, provide assistance to vulnerable populations, and help small businesses survive. At the same time, cities have lost \$5 billion in revenue due to shuttered local economies, with another \$1 billion in losses expected this year. These budget shortfalls made it difficult for cities to cover the cost of maintaining essential services and jobs needed to fight the pandemic and drive recovery at the very time more is needed. Sadly, more than 35,000 local government jobs in California have already been lost during the pandemic, and additional cuts in services and jobs are coming if the shortfalls are not addressed.

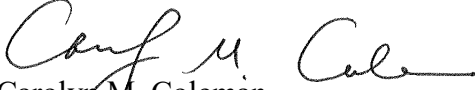
This sense of urgency is why Cal Cities is calling for the quick passage of the American Rescue Plan currently being considered by the U.S. Senate. Our cities are counting on securing the billions of dollars in aid in the bill to fight the pandemic and begin to rebuild our local economies, which we know will take years to recover. However, while we are optimistic about the potential for federal aid, we know the pandemic and its impacts on our local budgets is far from over, and it will take years for a sustained recovery to take hold. For this reason, in addition to securing a federal commitment for cities through the American Rescue Plan, we urge you to allocate funding from the state's budget windfall to cities to ensure they can be a strong recovery partner and not a drag on the state's economic recovery from this pandemic.

Regarding vaccine distribution, we agree with your remarks regarding the need for greater transparency and accountability in the process, and in the weeks since our meeting, have appreciated your progress towards this goal. We also want you to know that, when creating and implementing further COVID-19 vaccine distribution and prioritization guidance, cities are ready to be a strong partner. We understand the unique roles the state and counties play in vaccine distribution, but as trusted messengers, neighbors, and members in our diverse

communities, city officials are an asset we hope the state will better leverage in its efforts to improve the distribution system.

Thank you again for joining our board meeting. California cities are eager to be a strong partner to the state in our ongoing efforts to fight the pandemic and jumpstart recovery in our communities. If you have any questions or would like to discuss anything further, please do not hesitate to contact me. I look forward to our work together.

Sincerely,



Carolyn M. Coleman
Executive Director and CEO
League of California Cities