

OFFICE OF THE CITY MANAGER



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May 1, 2020

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

Dear Governor Newsom:

The City of San Mateo 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 San Mateo projects that these shortfalls will impact our core city services and our ability to fund critical capital and infrastructure work.

Since the beginning of the COVID-19 crisis, the City of San Mateo has stepped up to protect and serve our community. Some of the actions we have taken include contributing \$400,000 towards grants for small businesses, contributing \$440,000 to rental assistance for our residents, packaging and delivering meals and crucial supplies to our most vulnerable populations, and redeploying members of our workforce to assist local non-profits in providing core services to those in need. These 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 San Mateo 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
- Create a COVID-19 financing vehicle that all cities can access to support immediate cash flow needs.

The City of San Mateo 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 and reopen our economy. Thank you again for your leadership and partnership during these uncertain times.

Sincerely,

A handwritten signature in blue ink, appearing to read "Drew Corbett".

Drew Corbett  
City Manager  
City of San Mateo

cc: Senator Jerry Hill  
Assemblymember Kevin Mullin  
Seth Miller, League of California Cities, [smiller@cacities.org](mailto:smiller@cacities.org)  
Meg Desmond, League of California Cities, [cityletters@cacities.org](mailto:cityletters@cacities.org)