



MAYOR STEVEN SCHARF
sscharf@cupertino.org

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3191 • FAX: (408) 777-3366
CUPERTINO.ORG



April 17, 2020

The Honorable Dianne Feinstein
331 Hart Senate Office Building
Washington, DC 20510

RE: Support H.R. 6467

Dear Senator Feinstein,

As the Mayor for the City of Cupertino, and as a member of the League of California Cities, I am writing to express support of H.R. 6467, the Coronavirus Community Relief Act, and to thank you for your support for a companion Senate Bill. H.R. 6467 provides \$250 billion in direct aid from the federal government to local governments with a population of less than 500,000 as they face mounting challenges related to the global COVID-19 pandemic.

The scale of this global crisis is unprecedented, and so is the scope of the local government response. California cities of all sizes are coordinating across jurisdictional lines, enacting emergency measures to slow the spread of the coronavirus pandemic, taking action to protect individuals and small businesses on the economic margins, while spending such sums as necessary to protect public health.

City of Cupertino applauds Congress on the passage of the CARES Act, which provides financial assistance to meet the immediate needs of individuals and small businesses, as well as \$150 billion in direct aid to states and local governments with a population greater than 500,000 to help offset the new costs directly related to the pandemic. However, given the population threshold, only four of California's 482 cities will receive this much needed aid. H.R. 6467 creates a path for the other 99.2 percent of the California cities that were shut out of the CARES Act to receive direct federal aid.

The Coronavirus Community Relief Act also addresses some other gaps not covered by the CARES Act. The proposed bill allows units of local government to use allocated funds to cover losses. Section 601 of the CARES Act restricts use of funds to cover "necessary expenditures." Cities, towns, and villages will need federal assistance to

persevere through the hardship resulting from rising costs and decreasing tax revenue and fees due to COVID-19. This change from the CARES Act will help local communities deal with revenue shortfalls that will happen as a result of the COVID-19 crisis.

The Coronavirus Community Relief Act also provides the necessary flexibility on how allocated funds can be used. If one city needs more funds than it is allocated while another city does not need all of its allocated funds, funds can be reallocated among cities within a state to ensure funds are put to their best use. This is a change from the CARES Act.

Finally, the Coronavirus Community Relief Act changes the rule regarding when a city, town, or village must certify in order to receive funds. Instead of placing a burdensome "shot clock" by which cities, towns, and villages must apply, this legislation allows more time for an applicant to request funds. Smaller cities and towns are facing unprecedented challenges and could be facing layoffs. In this environment, a "shot clock" to apply puts unneeded pressure on smaller communities in crisis.

California's local leaders are on the frontlines of responding to the outbreak of the coronavirus (COVID-19) in their communities doing what is necessary to ensure the health and safety of their residents and will continue to be for some time. I would like to thank you for our leadership in supporting the Coronavirus Community Relief Act to ensure communities have the resources to maintain the essential services their residents need, especially in this moment.

Sincerely,

A handwritten signature in blue ink that reads "Steven M. Scharf". The signature is written in a cursive style with a large, stylized 'S' at the beginning.

Steven Scharf
Mayor, City of Cupertino