



"Citrus Capital of the World"

City of Santa Paula

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March 5, 2021

The Honorable Dianne Feinstein
U.S. Senate
331 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Alex Padilla
U.S. Senate
B03 Russell Senate Office Building
Washington, D.C. 20510

RE: Support for Federal Relief Package for Cities

Dear Senators Feinstein and Padilla:

The City of Santa Paula 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. As you are aware, 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 Spring months and beyond.

Keeping these metrics in mind, we respectfully submit and request the following on behalf of the City of Santa Paula:

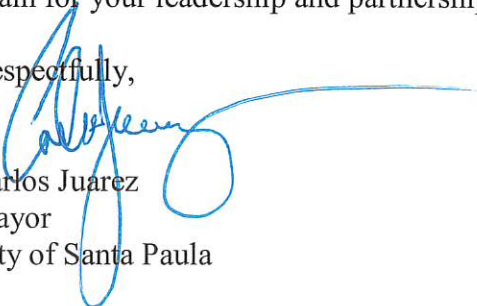
- Please support the \$350 billion COVID-19 relief bill that includes \$60.1 billion in critical fiscal support for cities.
- Since the beginning of the pandemic, cities have lost \$5 billion in revenue, and expect to lose another \$1 billion over the next year.
 - More than half of the shortfall is attributed to the decline in hotel occupancy taxes and has devastated cities dependent on tourism dollars (51% loss in transient occupancy tax (TOT) revenue).
 - Nearly one-third of the shortfall is attributed to the decline in sales tax revenue following the shuttering of businesses and local economies during the pandemic (28% loss in sales tax revenue).
 - The actions cities have taken to support and protect their communities and workforce during the pandemic have saved lives but also resulted in significant unplanned expenditures that are depleting city budgets. The City of Santa Paula's estimated allotment of fiscal recovery funds is \$5.5 million and will be crucial to help pay for several unplanned expenses.

- City revenues have been hit by the shuttering of businesses and local economies during the pandemic, and in order to maintain essential services to residents, protect people from the pandemic, and lead the recovery in our communities, cities need assistance now. Obtaining these fiscal recovery funds will provide a direct and flexible relief to help alleviate revenue losses, and stimulate and support our most fragile businesses and residents.

We appreciate the thoughtful work of the U.S. House of Representatives so communities of all sizes can receive the help they need. As the Senate considers this legislation we ask that you maintain the \$350 billion fund that will get aid quickly to all corners of the country including your constituents.

The City of Santa Paula appreciates your consideration and support of our request. Thank you again for your leadership and partnership during these uncertain times.

Respectfully,



Carlos Juarez
Mayor
City of Santa Paula

Cc: City Council, City of Santa Paula
Michael Powers, CEO, County of Ventura
Board of Supervisors, County of Ventura
League of California Cities, SupportLocalRecovery@cacities.org
David Mullinax, League of California Cities Regional Public Affairs Manager