

CITY OF

303 EAST "B" STREET, CIVIC CENTER

ONTARIO



ONTARIO

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May 5, 2020

The Honorable Bob Menendez
528 Hart Senate Office Building
Washington, DC 20510

The Honorable Bill Cassidy
520 Hart Senate Office Building
Washington, DC 20510

Re: State and Municipal Aid for Recovery and Transition Fund – Notice of Support

Dear Senators Menendez and Cassidy,

On behalf of the City of Ontario, California, I am writing to express support for your proposed State and Municipal Aid for Recovery and Transition (SMART) Fund. This critical legislation makes stimulus funding available to local agencies with populations of 50,000 or greater, a much-needed step not yet taken in previous measures. Such funds are a necessary component of mitigating the drastic budget shortfalls brought on by COVID-19 efforts and could be vital to forestall service cuts that would otherwise be unavoidable.

We are grateful for the urgency through which Congress and the current administration implemented the Corona Aid, Relief and Economic Security Act (CARES Act). However, the funding allocated to municipalities was only eligible for a small handful of cities in our State given the population size requirement. Mid-sized cities are facing the same obstacles and challenges as the ones experienced by larger jurisdictions. The sudden slowdown of economic activity due to statewide Stay-at-Home orders, coupled with the deferment of local sales and use taxes, extensions of the property tax deadline and cancellation of penalties have placed significant financial burdens on local governments.

While we agree that these policies need to be implemented to provide relief to individuals and businesses during times of economic hardships, it is important that as many cities as possible are also provided adequate tools to successfully fulfill their commitments. As social isolation orders are lifted and communities transition into reopening, cities will be required to take a number of costly measures to protect residents, businesses, and employees, such as the purchase of protective

equipment and expanded sanitation practices. Additionally, we will be expected to maintain current service levels critical to our public health and safety despite the significant cut in revenues. Without federal financial support to soften losses, cities will be forced to resort to drastic budget cuts, negatively impacting thousands of communities across the United States.

For the reasons outlined above, we support the SMART Fund and its efforts to allocate funding to small and mid-sized communities. Furthermore, we encourage Congress and the President to include all cities, regardless of size, in upcoming relief packages.

Sincerely,

A handwritten signature in black ink that reads "Paul S. Leon". The signature is written in a cursive style with a large, looping initial "P".

Paul S. Leon
Mayor