

#4799

WHEREAS, the Coronavirus Aid, Relief and Economic Security (CARES) Act provides \$2.2 trillion to address the COVID-19 emergency, with \$150 billion going directly to states, territories, tribes and localities to combat the public health and economic effects of the COVID-19 pandemic; and

Sponsor:

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WHEREAS, the State of Delaware is fortunate to have fierce advocates in Congress who fought to ensure that small states like ours were not overlooked in comparison to their larger neighbors and were awarded significant funding. However, like many states, Delaware is facing a looming budget shortfall that already is unprecedented in our state's history. The full economic impact of this crisis might not be realized for several months; and

WHEREAS, The CARES Act provides vital funding, but it restricts the money to unbudgeted expenses related to COVID-19. This is far too restrictive for states like Delaware to effectively apply the federal funds to these very special circumstances. Being able to use these dollars to shore-up Delaware's operating budget is critical to maintaining services and recovering from this unprecedented crisis; and

WHEREAS, according to a survey by the United States Conference of Mayors and the National League of Cities, as this pandemic brings the nation's economy to a standstill, nearly nine in 10 cities expect a budget shortfall due to the impact of the outbreak. An even larger share of cities – 98% – with populations between 50,000 and 500,000 expect a shortfall because of the pandemic; and

WHEREAS, the City of Wilmington is among those smaller-than-500,000 population municipalities that will be directly and adversely impacted in our efforts to both address the pandemic, while compensating for the shortfalls, layoffs and service gaps that have been created due to COVID-19; and

WHEREAS, The City of Wilmington is not only the largest city in the State of Delaware, but a City with over 50% of its permanent residents self-identifying as Black, Hispanic and low- to moderate income households. The shortfalls we will experience due to predicated by virtue that 43% of the City's revenues are generated from Wage Taxes, 25% of the City's revenues are generated from Property Taxes and 65% of the City's operating budgetary expenses are for core City services such as First Responders for Police and Fire, Sanitation, Streets, Water Sewer System, and Code Enforcement.

COVID-19 will have real, and possibly long-lasting effects on our City, and the flexibility provided by H.R. 6467 will be key to our efforts to address public health emergencies caused by COVID-19; and

WHEREAS, by raising our voices, Members of the 107th Session of the City Council of the City of Wilmington, Delaware raise our voices, along with leaders of small municipalities across the country. We ask that you support H.R. 6467 and that you encourage your colleagues in Washington to do the same.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON we ask that you to support Congressional efforts to amend the CARES Act – H.R. 6467 - to provide small municipalities, such as Wilmington, Delaware, the flexibility to use the funds to compensate for unprecedented revenue losses. Flexible federal funds for state revenue shortfalls will help states continue to provide vital citizen services, prevent further shutdown of vital sectors of the state economy, and hasten the recovery once social distancing measures are relaxed.

Passed by City Council,

ATTEST: _____
City Clerk

SYNOPSIS: This Resolution asks the United States Senate and the United States House of Representatives to vote to pass H.R. 6467, The COVID Community Relief Act, which will provide important and flexible funding to small municipalities to address public health emergencies caused by COVID-19, to replace revenue shortfalls and to prevent further shutdown of vital sectors of the state economy, and hasten the recovery once social distancing measures are relaxed.