

The Economy and Cities:

WHAT AMERICA'S LOCAL LEADERS ARE SEEING

Communities of all sizes are feeling the economic impact of COVID-19 and need direct support now.

ALL CITIES COMBATING COVID-19 ON THE FRONTLINES ARE DOING SO AT GREAT COST, BUT NOT ALL ARE RECEIVING THE DIRECT FINANCIAL SUPPORT THEY DESPERATELY NEED FROM THE FEDERAL GOVERNMENT.

The National League of Cities (NLC) and the United States Conference of Mayors (USCM) conducted a survey of more than 2,100 local officials to understand the financial implications of the COVID-19 pandemic on local governments.

Local leaders understand the needs of their communities and residents and are best positioned to make difficult management decisions related to allocation of resources.

Unlike the federal government, local governments must achieve balanced budgets, and in most cases are legally prohibited from running annual budget deficits. Falling revenue resulting from drastic local economic decline is producing costly process delays, cuts in services, and lay-offs of critical employees.

MUNICIPALITIES OF ALL SIZES NEED DIRECT FUNDING UNDER THE CURRENT CARES ACT:



Only municipalities of more than **500,000** residents will receive direct funding from the Coronavirus Relief Fund



That equals less than **0.5%** of all municipalities



Only **36 of 19,000** American cities, towns and villages are 500,000+



And only represents **14%** of the country's total population

THE ECONOMIC IMPACT OF CORONAVIRUS DOES NOT DISCRIMINATE BASED ON POPULATION SIZE.

Nearly 100% of cities with populations above 50,000 will see a revenue decline this year.

87%

of municipalities <50,000 anticipate a revenue shortfall this year

100%

of municipalities 200k-499,999 anticipate a revenue shortfall this year

96% of all cities report that budget shortfalls are the result of unanticipated revenue declines

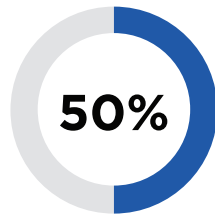
98%

of municipalities 50k-199,999 anticipate a revenue shortfall this year

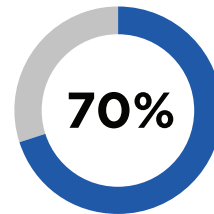
100%

of municipalities 500,000+ anticipate a revenue shortfall this year

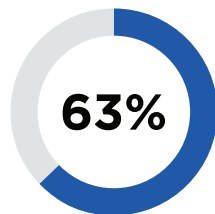
**PUBLIC SERVICES WILL BE IMPACTED
BY THE ECONOMIC STRAIN OF COVID-19.**



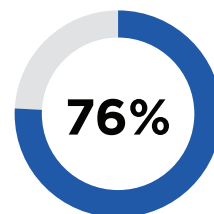
**of municipalities
<50,000**
are preparing to cut
public services



**of municipalities
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**of municipalities
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are preparing to cut
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**of municipalities
500,000+**
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MORE THAN **HALF** OF ALL CITIES OF ALL SIZES REPORTED THAT THESE CUTS WILL IMPACT POLICE AND PUBLIC SAFETY.

The federal government **MUST** act to ensure every city, town and village impacted by this pandemic—regardless of size—has direct access to emergency funding.

Methodology: A total of 2,463 cities, towns and villages responded to the survey, with final responses received on April 7, 2020. 2,191 of the cities are under 50,000 population; 181 are between 50,000 and 199,999; 56 are between 200,000 and 499,999; and 35 have a population of 500,000 and above -- a group that includes 19 of the nation's 20 largest cities. The survey cities represent 57% of the nation's municipal finance sector and 10% of its municipal governments. Their population totals 93,015,252, which is 28% of total U.S. population.