April 30, 2020

The Hon. Mitch McConnell  
Majority Leader, United States Senate  
Washington, DC 20510

The Hon. Nancy Pelosi  
Speaker, United States House of Representatives  
Washington, DC 20515

The Hon. Charles Schumer  
Minority Leader, United States Senate  
Washington, DC 20510

The Hon. Kevin McCarthy  
Minority Leader, United States House of Representatives  
Washington, DC 20515

Dear Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy:

At this time of national crisis, the fast and effective response of the United States Congress has been essential in supporting local businesses, health care and other essential workers, and the state and local governments poised on the frontlines of the response to the pandemic. Thank you for the vital resources provided in the CARES Act and subsequent COVID-19 legislation.

Those actions helped shore up the fiscal stability of local communities, ensure housing security, and protect small businesses. However, as the impact of the crisis deepens, it is clear that more must be done. As Congress considers further action to support response and promote recovery, the American Planning Association (APA) urges you to support:

- Robust additional funding for state and local government to ensure frontline fiscal stability
- Flexible, equitable aid that reaches more communities and covers lost revenues
- Proven programs addressing housing, transportation, and economic recovery needs
- Investment in essential infrastructure across the spectrum of planning, design, and delivery, and responding to the needs and opportunities of the future
Recent research has laid bare the enormity of the fiscal challenge faced by state and local governments. The combination of skyrocketing costs associated with essential services, decimated revenue from the need to lockdown the economy, and persistent challenges in financial markets have put our frontline institutions on the brink. **Additional federal funding is vital to ensuring that states and localities continue being able to not only meet immediate response needs, but also continue to support the plans, projects, and people that will sow the seeds of restarting the economy.**

While more resources are needed, it is equally important that new legislation address some of the limitations of CARES Act funding for communities. Population eligibility caps prevented many communities from being able to receive direct support. Further, more flexibility needs to be given for rescue and recovery eligibility. The CARES Act allowed only cities of 500,000 or higher to qualify for direct aid. That minimum needs to be dropped to meet the needs of 86% of Americans who live in cities of less than 500,000 people. The Federal Reserve acknowledged this reality, in part, by taking action to lower the population threshold for the Municipal Liquidity Facility. A better approach would be for Congress to use the levels in Community Development Block Grant formula allocations for determining rescue fund eligibility.

Funding flexibility is also needed. Allowing lost revenue to be considered an eligible expense for rescue and relief funding is vital to addressing the fiscal shortfall that threatens all state and local budgets. These shortfalls in turn threaten to undermine the ability to meet critical health, social, and economic needs.

Robust and flexible funding for states and localities is essential to meeting the response demanded now. But, federal legislation must also begin working to support the recovery of our economy. In our view, a critical element of recovery will be supporting the pipeline of infrastructure and development projects. This requires action to ensure planners can continue working on critical projects that will restore the economy and to fund the plans and projects for the infrastructure the nation needs for the future.

Now is the time to tackle infrastructure to promote planning for new needs and realities. Congress should move swiftly to advance transportation, water, housing, and broadband infrastructure investment. Addressing infrastructure in recovery legislation is an essential part of responding to the pandemic and enjoys strong bipartisan support. It will provide an economic stimulus and allow reforms for building smarter, healthier, and more resilient communities. Infrastructure provisions should support the entire spectrum of infrastructure project planning, design, and delivery and ensure stability in municipal bond markets, lower total costs, and fund planning that will allow for innovation in infrastructure.
We have an obligation to meet the needs of today’s response to this crisis while also laying the foundation for a durable recovery. Good planning is essential for tackling uncertainty and restoring a strong, resilient, and equitable economy. Federal policy is pivotal in supporting communities as the engine of recovery.

Thank you for your service and leadership in this moment of crisis.

Sincerely,

Kurt Christiansen, FAICP
APA President

CC: Members of Congress