

CITY COUNCIL MEETING

May 6, 1981

By 10
cc-6

SUPPORT FOR
CITY OF LONG
BEACH
RESOLUTION

City Clerk Reimche presented a letter which had been received from Dr. Thomas J. Clark, Councilman, City of Long Beach, stating that the City of Long Beach requests Council's review and support of City of Long Beach Resolution No. C-23159 - "A Resolution of the City Council of the City of Long Beach Expressing its Support of Efforts by the Federal Administration to Return Powers to Local Entities and Urging a Careful Implementation of Those Efforts in Ways that will Enhance, Not Further Impede, Home Rule". With the tacit concurrence of the Council, the City Clerk was directed to write a letter of support regarding the resolution to the City of Long Beach.



OFFICE OF THE CITY COUNCIL
CIVIC CENTER PLAZA
333 WEST OCEAN BOULEVARD
LONG BEACH, CALIFORNIA 90802

DR. THOMAS J. CLARK
COUNCILMAN, FOURTH DISTRICT

213/590-6139

April 14, 1981

Dear Mayor and Councilmembers:

We are all keenly aware of the current efforts to address the nation's economic problems. As a part of these efforts, local governments have a major opportunity before them to lend their suggestions for a restructuring of the federal-state-local relationship.

Consequently, the City of Long Beach requests your review and support of the attached resolution. The City's resolution speaks to local government's support of the return of local powers which have been eroded over the years by the growth of federal programs. In particular, we support the Administration's efforts to clarify and redefine the roles and responsibilities of federal, state and local governments. We do so, however, with the concern that federal funds be directly applied to that unit of government responsible for a program's administration. Local governments cannot afford to see the siphoning off of pass-through funds by the state, nor the development of a state bureaucratic maze.

We sincerely urge you to adopt such a resolution as enclosed, and forward your concerns to our national leaders. The City of Long Beach appreciates your joining us in an effort to positively restructure our government to meet the needs of our citizens.

Sincerely,

DR. THOMAS J. CLARK
Councilman, City of Long Beach
Chairman, Legislation Committee

TJC:law

Enclosure

APR 27 1981



Development from p. 1

Grant program also could apply for grants from this "state pot."

The Office of Management and Budget has no plans to set a limit on the amount of administrative cost the states could charge to the program. OMB also has indicated that area offices of the Department of Housing and Urban Development would be reduced in staff to handle only a limited number of housing and community development programs still controlled at the national level.

The administration also plans to create a state block grant to replace the present CDBG small cities program, but in 1982, rather than 1983. [See The Weekly, March 16.]

The block grant would use the current state formula to distribute earmarked funds for the block grant. Officials said OMB will review this formula over the next year to see if it should be changed in 1983, when the action grant and small-cities programs

Checklist:

Community Development Grants: Reagan's Proposals for Change

	(\$ millions)		
	1981	1982	1983
Large cities and urban counties	2,653	2,791	2,791
States	—	875	1,375
Small cities	938	—	—
UDAG-type subprogram	—	500	—
Secretary's discretionary fund	104	—	—
Total—Block grants	3,695	4,166	4,166
Separate UDAG program	675	—	—
Total	4,370	4,166	4,166

are replaced by the combined block grant for states.

The administration's latest thinking on community development programs was revealed by Office of Management and Budget Director David A. Stock-

man in recent testimony before the Senate Budget Committee. OMB aides elaborated on the proposals last week at a meeting of the Council for State Community Affairs Agencies.

Officials couldn't say what the im-

mediate effect will be for small cities that have multi-year commitments from HUD. States might be asked to take over administration of all present small-cities programs, or these commitments might be included in the state block grant. OMB has said that it will review the current experiments in state administration of block grants in Kentucky and Wisconsin.

The Urban Development Action Grant would be eliminated and replaced with \$500 million for a "UDAG-type sub-program" in fiscal 1982; the program would be eliminated in 1983.

The administration also has proposed to eliminate the HUD secretary's discretionary program in 1982. That program has been used to support technical assistance, disaster programs, innovative grants and aid to Indian tribes.

The administration plans to send proposed legislation to Congress in the next several weeks. □

New state role seen in local community development

by B. J. Reed

The Reagan Administration will propose to Congress that the Small Cities Community Development Block Grant and the Urban Development Action Grant programs be replaced in 1983 by a block grant for states.

The administration would retain an entitlement program for large cities and urban counties but would consolidate all other CDBG and UDAG funds into a \$1.375 billion state fund. The states would distribute that money for a wide variety of community and economic development programs for both large and small cities.

It is unclear what the population cutoff will be for entitlement funds, to total \$2.8 billion in 1983. The present entitlement program applies to cities of 50,000 and larger.

NLC's Small Cities Advisory Council, briefed on preliminary reports of these proposals, voted earlier this month to oppose transferring federal authority to the states if these programs aren't given more federal aid at the same time.

Reagan's plan would allow states to decide—with few or no federal controls—how the money would be allocated, for what projects and for how much. This would mean that small cities and large cities would compete for the same pot of money for economic and community development projects. Presumably, large cities that receive entitlement funding under Washington's Community Development Block

See p. 12, col. 1

1 RESOLUTION NO. C-23159

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3 A RESOLUTION OF THE CITY COUNCIL OF
4 THE CITY OF LONG BEACH EXPRESSING ITS
5 SUPPORT OF EFFORTS BY THE FEDERAL
6 ADMINISTRATION TO RETURN POWERS TO LOCAL
7 ENTITIES AND URGING A CAREFUL IMPLEMENTATION
8 OF THOSE EFFORTS IN WAYS THAT WILL ENHANCE,
9 NOT FURTHER IMPEDE, HOME RULE.

10
11 WHEREAS, the current administration has pledged itself
12 to reducing the costs of the federal government while, at the
13 same time, returning to local entities many of the powers that
14 have gradually been assumed in Washington over a period of many
15 years as a part of extensive federal funding activities; and

16 WHEREAS, cities throughout the nation and most certainly
17 the City of Long Beach have, in many past instances, utilized
18 federal funds well and efficiently to implement policies and pro-
19 grams of vital concern and assistance to the people of those
20 cities; and

21 WHEREAS, these federal funds have been best utilized
22 and most helpful when they were unconstrained by conditions and
23 regulations unrelated to the objectives and realities of the
24 local community utilizing the funds; and

25 WHEREAS, the current federal administration has
26 indicated that a part of its fiscal and regulatory reform effort
27 will be to deemphasize so-called categorical (constrained) aid
28 programs while, at the same time, enhancing block grant (uncon-

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1 strained) programs;

2 WHEREAS, the Board of Directors of the National League
3 of Cities has adopted a policy statement regarding President
4 Reagan's economic recovery program and, as a part of that state-
5 ment, has indicated its strong support for fundamental reform
6 and relief from the burdens of federal regulatory activities and
7 a modification of those activities to eliminate unnecessary regu-
8 lations affecting local governments and a development of a com-
9 prehensive federal policy on mandated costs on local governments;

10 NOW, THEREFORE, the City Council of the City of Long
11 Beach resolves as follows:

12 Section 1. That the City Council lauds the expressed
13 goal of the administration to return to local governments many
14 of the powers that have gradually been eroded away over the past
15 decade as a part of extensive federal funding activities.

16 Sec. 2. That, in implementing these expressed goals,
17 the City Council urges the administration and Congress to exer-
18 cise diligence in assuring that the legitimate and acceptable
19 relationships between the federal, state and local governments
20 be observed. In this regard, the City urges a rejection of any
21 system that would require the passing or funnelling of federal
22 funds for essentially local purposes through state government.

23 Sec. 3. That while it may be perfectly appropriate
24 for certain funds to be paid directly to the state (e.g.,
25 those relating to state supported health or welfare or educa-
26 tional activities), state administration of federal funds for
27 city programs might, in the end, result in even worse adminis-
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Absent: Councilmembers: None.

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SHELBA POWELL
City Clerk

(SEAL)

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WHK:11
3/31/81
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CITY COUNCIL

JAMES A. McCARTY, Mayor
ROBERT G. MURPHY, Mayor Pro Tem
RICHARD L. HUGHES
WALTER KATNICH
JAMES W. PINKERTON, Jr.

CITY OF LODI

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City Clerk

RONALD M. STEIN
City Attorney

May 13, 1981

Dr. Thomas J. Clark
Councilman, City of Long Beach
Civic Center Plaza
333 West Ocean Boulevard
Long Beach, CA 90802

Dear Councilman Clark:

Your April 14, 1981 letter and attached Resolution No. C-23159 was presented to the Lodi City Council at its May 6, 1981 meeting.

The City Council wishes also to voice its support of efforts by the Federal Administration to return powers to local entities and also urges a careful implementation of those efforts in ways that will enhance, not further impede, home rule. We would ask that the City of Lodi be added to the list of municipalities supporting this position.

By Direction of the Lodi
City Council



Alice M. Reimche
City Clerk

AR:dg