Approved as to Form and-Legality

City Attorney's Office

### 2010 APR 22 PM 8: 13 OAKLAND CITY COUNCIL

OFFICE OF THE CITY CLERA

RESOLUTION NO.

C.M.S.

#### A RESOLUTION IN SUPPORT OF THE LOCAL JOBS FOR AMERICA ACT, HOUSE RESOLUTION №.4812, WHICH WILL HELP CREATE ONE MILLION PUBLIC AND PRIVATE JOBS IN LOCAL COMMUNITIES, INCLUDING IN THE CITY OF OAKLAND

WHEREAS, our nation is going through one of the most difficult economic times in its history with the national unemployment rate hovering around 10 percent; and

WHEREAS, despite signs of an economic recovery at the national level, economic conditions in cities and towns across the country continue to worsen with more municipal governments facing significant budget shortfalls and increased demand for services; and

WHEREAS, the City of Oakland employs workers who provide critical services to our residents ranging from public safety, community and economic development, infrastructure maintenance, trash collection, and waste water treatment; and

WHEREAS, the unemployment rate in the City of Oakland metropolitan statistical area has risen to 18%; and

WHEREAS, the City of Oakland is facing a \$50,000,000 budget shortfall and may have to choose between laying off employees, eliminating services, and raising taxes to balance its budget; and

WHEREAS, such action to counter the recession's impact on the City of Oakland would contribute to an increase in the lack of fiscal stability for this community and further contribute to the nation's unemployment rate just as the economy begins to recover; and

WHEREAS, federal aid will be necessary if the City of Oakland is to avoid public service worker layoffs including fire and police, teachers and other important city workers or significant increases in taxes to pay the salaries of these employees; now, therefore, be it

**RESOLVED:** that the City of Oakland endorses H.R. 4812, the Local Jobs for America Act because it will direct \$75 billion to cities and towns, not just states, fiscal assistance to save and create jobs in local communities; it will help create one million public and private jobs in local communities this year, including in the City of Oakland; and be it

**FURTHER RESOLVED:** that the City of Oakland supports the Local Jobs for America Act because "it will help ensure that our city can continue to provide services essential to families in our community; and be it

FURTHER RESOLVED: that the City of Oakland supports H.R. 4812 because it would help prevent state and local tax increases, while helping governments avoid making the choice between eliminating services and raising taxes; and it would also help stimulate local businesses and create more jobs in the local economy; and be it

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immediately so that cities and towns across America can retain existing employees and provide employment opportunities in the public and private sectors.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2010

#### PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES-

ABSENT-

ABSTENTION-

ATTEST:\_\_\_\_

LATONDA SIMMONS City Clerk and Clerk of the Council of the City of Oakland, California

### LOCAL JOBS FOR AMERICA ACT H.R. 4812

Our nation is going through one of the most difficult economic times in its history. We must do everything to help create jobs for those who are struggling to support their families. At the same time, the recession is forcing states and municipalities to cut jobs that are critically important – teachers, police, firefighters, childcare workers, and others. The Local Jobs for America Act will provide our economy a shot in the arm by putting a million people to work by restoring these services in local communities.

## The Local Jobs for America Act will create a million public and private jobs in local communities this year.

Support will be targeted directly to states and municipalities with the greatest number of people out of work to restore important local services.

# The Local Jobs for America Act will help ensure that local communities can still operate essential services.

Because of the recession, many local communities have cut back on education, public safety, childcare, health care, education and transportation. As a result, families who rely on these services are suffering the cost of these cutbacks.

#### This bill will help prevent state and local tax increases.

By supporting the services local communities deem most necessary, the bill will help local governments avoid having to choose between eliminating services and raising taxes.

# Creating local jobs will stimulate local businesses and create more jobs in the local economy.

By increasing employment in local communities, families will be able to start spending again at their neighborhood businesses and favorite restaurants. This will help spur additional jobs for local small businesses.

#### The Local Jobs for America Act will fund salaries for private sector on-the-job training to help local businesses put people back to work.

Specifically, the Local Jobs for America Act invests:

- \$75 billion over two years to local communities to hire vital staff
- Funding for 50,000 on-the-job private-sector training positions

The bill also includes provisions already approved by the House:

- \$23 billion this year to help states support 250,000 education jobs
- \$1.18 billion to put 5,500 law enforcement officers on the beat
- \$500 million to retain, rehire, and hire firefighters

### FACT SHEET

#### Key details of the bill are as follows:

- The bill would provide \$75 billion over two years (\$37.5 billion in year one, and \$37.5 billion in year two) to local governments, community based organizations, and states to save and create local jobs.
- The U.S. Department of Labor would administer the program.
- The funding distribution mechanism is based on the Community Development Block Grant program (CDBG) – every city with a population of 50,000 or more would be eligible to receive DIRECT FUNDING. Cities with a population below 50,000 would also be eligible to receive funding, only passed through the states.
- As with CDBG, 70 percent of the funding would be for direct entitlement cities, and 30 percent would be for state pass-through.
- Though the distribution mechanism is based on CDBG, the formula is **not** the same. This formula is based on unemployment numbers (50 percent), poverty level (25 percent), and population (25 percent).
- Each city could use up to 50 percent of the funding to retain employees that might otherwise lose their jobs because of budget shortfalls.
- Up to 25 percent can be given by a city to local community based organizations to hire employees to provide services or functions not customarily provided by local government employees.
- If a city desires, the remaining funding can be used to hire new city employees or rehire those recently let go. However, there is no requirement that a city use this part of the program.
- A city can use up to 5 percent of the funding for administration of the program.
- This program has NO LOCAL MATCH requirement.
- There is no requirement to retain employees once the funding runs out. There would be two years of funding, and then it would be up to a city to either retain or not retain employees funded by the program based on need and local budgets.
- Employees would have to be hired full-time with benefits, under existing contracts or agreements. The federal funding can be used to cover all costs, including salaries and benefits.
- There is no cap on per-employee costs, however no more than 20 percent of the funds can be used for management employees.
- The bill also provides \$23 billion to help states support an estimated 250,000 education jobs, provides \$1.18 billion to put 5,500 law enforcement officers on the beat, and allocates \$500 million to hire and retain fire fighters.
- Finally, the bill provides \$500 million for approximately 50,000 additional on-the-job training positions slots to help private business expand employment.