

## Board of Supervisors



# COUNTY OF SAN MATEO

COUNTY GOVERNMENT CENTER • REDWOOD CITY • CALIFORNIA 94063-1655  
WEB PAGE ADDRESS: <http://www.co.sanmateo.ca.us>

BOARD OF SUPERVISORS  
MARK CHURCH  
CAROLE GROOM  
RICHARD S. GORDON  
ROSE JACOBS GIBSON  
ADRIENNE TISSIER

DAVID S. BOESCH  
COUNTY MANAGER  
CLERK OF THE BOARD

(650) 363-4653  
FAX: (650) 599-1027

September 30, 2009

The Honorable Dianne Feinstein  
United States Senate  
331 Hart Senate Office Building  
Washington, DC 20515

The Honorable Barbara Boxer  
United States Senate  
112 Hart Senate Office Building  
Washington, DC 20515

Dear Senators Feinstein and Boxer:

We, the undersigned, thank you for your leadership in attempting to secure federal assistance under the Troubled Assets Relief Program (TARP) for the hundreds of local governments that lost taxpayer money in highly rated investments in the Lehman Brothers investment banking firm. The one-year anniversary of the Lehman Brothers bankruptcy passed by on September 15, yet the Treasury Department under Secretary Timothy Geithner has failed to assist local governments as authorized and expected under the TARP.

We ask that you assist us in our continued efforts to urge the Secretary to exercise his authority to help the local jurisdictions harmed by the loss of \$1.7 billion in highly rated Lehman investments. We have worked closely with you, Reps. Anna Eshoo, Jackie Speier and Barney Frank, and the aforementioned local governments but Treasury has not accepted an invitation to meet with us or our House Congressional delegation.

On September 10, Secretary Geithner appeared before the TARP Congressional Oversight Panel and indicated that Treasury intends to renew the TARP program for another year. The Secretary further discussed his belief that the program had played a significant role in settling the economy. To date, banks participating in the program have repaid more than \$70 billion to the Treasury. However, local governments impacted by the failure of Lehman Brothers are still grappling with the losses associated with Lehman's failure despite Section 103(7) of the Emergency Economic Stabilization Act (HR 1424), which instructs the Secretary of the Treasury to take into consideration "the need to ensure stability for United States public instrumentalities, such as counties and cities, that may have suffered significant increased costs or losses in the current market turmoil."

The \$1.7 billion in losses represents one-quarter of 1 percent of the amounts set aside for the TARP. While a small percentage of the whole, the benefits to be realized by providing TARP assistance to local entities harmed by the Lehman failure would be immediate and help the residents who depend on local government to provide teachers, health and human services to those in dire need and public safety services that benefit an entire community.

We understand the enormity of the issues faced by government at all levels in the current economic climate, and realize that TARP funding to replace resources lost as a result of the Lehman collapse will not solve all of the problems that local government will be facing for years to come. But TARP does permit assistance to public instrumentalities, and we can imagine no better investment than to help local agencies address the critical needs of residents.

We appreciate your leadership in continuing to advocate on this important issue and respectfully request your further assistance.

Sincerely,

County of San Mateo  
County of Santa Clara  
County of Sarasota, Florida  
County of Sacramento  
County of Tuolumne  
County of Monterey  
Boulder County, Colorado  
City of Burlingame  
City of Costa Mesa  
City of Culver City  
City of Daly City  
City of El Segundo  
City of Folsom  
City of Fremont  
City of Long Beach  
City of Santa Clarita

City of San Mateo  
City of Shafter  
City of Vacaville  
City of Ventura  
Town of Colma  
Town of Loomis  
San Mateo County Superintendent of  
Schools  
San Mateo County Community College  
District  
San Mateo County Transportation Authority  
Orange County Transportation Authority  
Beach Cities Health District  
Calaveras County Water District  
Marin Municipal Water District

C: The Honorable Anna Eshoo, United States House of Representatives  
The Honorable Jackie Speier, United States House of Representatives  
The Honorable Board of Supervisors, San Mateo County  
David S. Boesch, County Manager, San Mateo County  
Michael Murphy, County Counsel, San Mateo County  
San Mateo County Cities  
San Mateo County School Districts