

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADISON HEIGHTS,
MICHIGAN DECLARING SUPPORT FOR THE PRESERVATION OF THE FEDERAL TAX
EXEMPTION OF MUNICIPAL BONDS.**

WHEREAS, the tax-exempt municipal bond market is a widely used source of capital for states, local governments, tribes, territories, and non-profit borrowers that finances a tremendous share of the nation's public infrastructure; and

WHEREAS, state and local governments finance about three-quarters of the public infrastructure in the United States and use tax-exempt bonds to do so, with the federal government providing only about one-quarter of the investment; and

WHEREAS, federal tax exemption for municipal bonds, dating back to the 1800s and incorporated into the modern tax code in 1913, has been crucial for state and local governments to affordably finance critical infrastructure projects; and

WHEREAS, tax-exempt bonds offer borrowers to achieve a multiplier effect of 2.11, meaning that for every dollar, borrowers achieve \$2.11 in borrowing cost savings thereby demonstrating the efficiency and effectiveness of this exemption in facilitating infrastructure investment; and

WHEREAS, tax-exempt bonds provide for essential infrastructure projects, such as roads, bridges, utilities, broadband, water and sewer systems, and hospitals, which are vital to the health and well-being of our community such that without such bonds, the cost of borrowing would be more expensive thereby causing an increase in taxes and fees that would place an undue burden on taxpayers; and

WHEREAS, The Madison Heights City Council finds and determines that tax-exempt municipal bonds provide an opportunity for economic development along its path, better facilitate the movement of agriculture products, equipment, and other goods, and increase safety.

NOW, THEREFORE, BE IT RESOLVED that the Madison Heights City Council hereby encourages the Michigan Congressional Delegation to assist the City of Madison Heights, Michigan by preserving the tax-exempt status of municipal bonds by supporting and ensuring the protection of the federal tax exemption of municipal bonds.

BE IT FURTHER RESOLVED, that copies of this Resolution shall be furnished to all members of the Michigan Congressional Delegation.



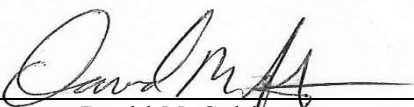
Roslyn Grafstein
Mayor




Mark Bliss
Mayor Pro Tem



William J. Mier
Councilman



David M. Soltis
Councilor



Sean D. Fleming
Councilman



Emily J. Rohrbach
Councilor



Quinn J. Wright
Councilor