

RESOLUTION NO.: 51-2025

INTRODUCED BY: Nelson, Council President Jordan, and Mayor Thomas

A RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND HEIGHTS, OHIO, 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;

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;

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;

WHEREAS, tax-exempt bonds offer borrowers the ability 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;

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 communities 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 Council of the City of Richmond Heights, Ohio, finds and determines that tax-exempt municipal bonds provide an opportunity for economic development and the establishment and repair of critical public infrastructure to this municipality and communities across the United States;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, Ohio, that:

Section 1: This Council and Mayor Kim A. Thomas hereby encourage the Ohio Congressional Delegation to support and assist the City of Richmond Heights, Ohio, and all Ohio communities by preserving the tax-exempt status of municipal bonds by supporting and ensuring the protection of the federal tax exemption of municipal bonds.

Section 2: The Council Clerk is instructed to mail a copy of this Resolution to: President Donald J. Trump, Vice President James D. Vance, U.S. Senator Jon Husted, U.S.

Senator Bernie Moreno, U.S. Congress Member Shontel Brown, Speaker of the U.S. House of Representatives Mike Johnson, and Majority Leader of the U.S. Senate John Thune.

Section 3: It is found and determined that all formal actions and deliberations of Council and its committees, relating to the passage of this legislation that resulted in formal action were in meetings open to the public where required by Chapter 105 of the Codified Ordinances of the City.

Section 4: This Resolution shall at the earliest time provided by law.

PASSED: April 8, 2025

APPROVED: April 8, 2025



Kim A. Thomas, Mayor

ATTEST: Tracey Blair
Tracey Blair
Clerk of Council



Bobby Jordan
President of Council