

# COUNCIL COMMUNICATION

**Manager's Recommendation:** Approval of the resolution as follows:

Council \_\_\_\_\_ offered and moved adoption of the following resolution:

## **RESOLUTION TO SUPPORT ASSISTANCE FOR AUTO INDUSTRY**

WHEREAS, General Motors Corporation, Ford Motor Company and Chrysler Automotive Company are important businesses in the United States, the State of Michigan and in the City of Saginaw, and have been for many years; and

WHEREAS, these three companies are facing strong competition from foreign imports, and declining sales have forced them to reduce operations leading in turn to a reduction in employment in this area; and

WHEREAS, despite sincere and legitimate efforts to modernize and restructure their operations, these companies have been adversely affected by the recent significant downturn in the economy over which they had little control; and

WHEREAS, the request from these companies for temporary financial assistance from the federal government has been modest in scope in comparison to the cost of recent assistance to troubled financial institutions; and

WHEREAS, the history of past requests, including that to the Chrysler Automotive Company demonstrates the ability and willingness to repay these temporary loans; and

WHEREAS, the inability of these automotive companies to obtain financial assistance may well lead to reduction in operations or even bankruptcy of one or more of these companies; and

# COUNCIL COMMUNICATION

WHEREAS, such reduction in operations or bankruptcy would have a devastating effect on the local economy and lead to further business reductions and closures with parts suppliers and the other businesses providing services to these automotive companies and their employees; and

WHEREAS, the State of Michigan and the City of Saginaw are already facing higher than average unemployment and business decline.

NOW, THEREFORE, BE IT RESOLVED, that the City of Saginaw hereby strongly urges the Congress and the President of the United States to provide needed financial assistance to the automotive companies so that they may continue and improve their operations.