

February 6, 1992

RON SIMS
INTRODUCED BY Greg Nickels
Audrey Gruger

PROPOSED NO. 92-78

ORDINANCE NO. **10277**

AN ORDINANCE relating to interim use of the Community Development Block Grant (CDBG) fund for economic development and social service projects and authorizing the King County executive to enter into loan agreements necessary to effect the projects, and repealing Ordinance 9102, Section 3.

PREAMBLE:

This ordinance approves a Community Development Interim Loan to the Family Resource Center and raises the loan amount on an existing loan to Modern Holdings Inc. Section 1 of this ordinance repeals the \$400,000 loan limit placed on Modern Holdings Inc. by Ordinance 9102.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 9102, Section 3 is repealed.

SECTION 2. Definitions. Unless the context otherwise requires, the terms defined in this section shall, for all purposes of this ordinance and of any ordinance supplemental hereto, have the meanings specific; words importing the singular number include the plural number and vice versa:

"County" means King County, Washington.

"Council" means the county council of King County, Washington.

"Community Development (CD) Interim Loan" shall mean the making of short-term financing loans to assist in the development of Community Development Block Grant eligible projects.

"Community Development Block Grant (CDBG) funds" shall mean those entitlement monies King County receives through the United States Department of Housing and Urban Development and are dedicated to the CDBG fund.

SECTION 3. It is found and determined to be necessary and appropriate and in the best interests of the county to make a CD Interim Loan in the amount of one million six hundred thousand dollars to the Family Resource Center. The loan will be used to increase the accessibility and quantity of social services available to lower income persons by developing a common

1 facility to house numerous agencies. This project will also enhance the
2 CDBG fund by earning interest for other projects.

3 SECTION 4. It is further found and determined to be necessary and
4 appropriate and in the best interests of the county to make a CD Interim
5 Loan in the amount of eight hundred thousand dollars to Modern Holdings
6 Inc. The loan will be used to retain jobs, the majority of which are
7 held by lower income persons, by refinancing a working capital loan.
8 This project will also enhance the CDBG fund by earning interest for other
9 projects.

10 SECTION 5. In accordance with regulations of the United States Depart-
11 ment of Housing and Urban Development, the King County executive is hereby
12 authorized to enter into CD Interim Loan agreements with the Family Resource
13 Center and Modern Holdings Inc. The loans shall be repaid to King County
14 in accordance with the term and conditions of the CD Interim Loan agreements.

15 SECTION 6. For the purpose of making these CD Interim Loans, the
16 sum of two million four hundred thousand dollars or so much thereof as
17 may be necessary to fund these projects shall be disbursed from such unex-
18 pended balances as may become available in the King County CDBG Letter
19 of Credit.

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