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Introduced By: Sims

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ORDINANCE NO. **12468**

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AN ORDINANCE related to economic development; providing policy direction for the phased implementation of initiatives resulting in the transformation of King County into a globally competitive community; creating a Metropolitan King County international trade expansion and economic development initiative to assist local businesses; establishing a program oversight board and adding a new chapter in K.C.C. Title 2.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. In an effort to become more competitive on a global scale, King County will implement policy initiatives in several phases to create conditions further developing its economy, while preserving and maintaining a quality environment, through trade expansion (Phase 1), infrastructure improvement (Phase II), human resource management (Phase III), utilization of technology (Phase IV); manufacturing growth and retention (Phase V), regulatory reform (Phase VI), and a regional funding strategy (Phase VII).

SECTION 2. Phase 1 initiative adopted. The Metropolitan King County International Trade Expansion and Economic Development Initiative is hereby adopted.

SECTION 3. Definitions. The following definitions shall apply in interpretation and implementation of this ordinance:

A. "globally competitive community" means a jurisdiction that puts export-driven manufacturing and manufacturing-related economic activity in such areas as the services sector at the core of its economic growth and

1 development to maximize the quality of life for its citizens.
2 For the purposes of this ordinance the term "services" means
3 high technology (biotechnology, research, communications,
4 electronic, computers and software), agricultural and wood
5 products, as well as health services and professional
6 services (financial, legal, accounting, education, business
7 advice and environmental).

8 B. "international trade" refers to federally defined
9 'wholesale trade' which includes businesses primarily engaged
10 in selling merchandise to retailers, or to contractors, or to
11 professional business users, or to other wholesalers, or to
12 agents or brokers with chief functions that include
13 re-packaging bulk goods and delivery. For the purposes of
14 this ordinance, this definition shall also include exports;
15 marine port and air cargo activity; investment and tourism.

16 C. "small business" means companies and businesses with
17 up to fifty (50) employees.

18 D. "midsize business" means companies and businesses
19 with between fifty (50) and five hundred (500) employees.

20 E. "niche market" means a narrow segment of a larger
21 market category.

22 F. "technology transfer" means the transfer of research
23 and development efforts for the purpose of commercialization.

24 G. "foreign or 'free' trade zones (FTZs)" are legally
25 outside a nation's customs territory and are operated as
26 public utilities by state and/or local jurisdictions, or
27 corporations. They are designated by the Foreign Trade Zone
28 Board of the U.S. Department of Commerce and operate under
29 the supervision of the U.S. Customs Service. FTZs serve to
30 attract and promote international trade and commerce which
31 allow imported goods to be admitted into a designated FTZ
32 without payment of Customs duties or specific government

1 taxes, or without general U.S. quota restrictions which are
2 very limited.

3 SECTION 4. Findings.

4 A. Metropolitan King County is a new regional
5 government created by the voters in 1992 to provide services
6 to its citizens on a more efficient basis and to improve the
7 overall quality of life .

8 B. The County, which includes a world class seaport, a
9 multi-site foreign trade zone, and the Seattle-Tacoma
10 International Airport, a well-known international passenger
11 airport, has additional international linkages.

12 C. The County also owns and operates an international
13 airport which benefits the public. In 1928, County voters
14 approved a \$900,000 plan to build the King County
15 International Airport (Boeing Field), the region's first
16 public airport for air passengers and mail service. Boeing
17 Field presently is the largest and busiest general aviation
18 facility in the Northwest. With both domestic and
19 international flights, including air cargo activity, it is a
20 designated port of entry where U.S. Customs, immigration,
21 public health and agriculture inspection are available.

22 D. As a regional funder and manager of transportation
23 services and capital improvements, the County's ability to
24 move people, materials and goods to domestic and
25 international markets is a vital factor in its future
26 economic productivity. The County is fast-reaching the point
27 where it may have difficulty marketing itself as a good place
28 to do business with businesses that must rely on an efficient
29 local transportation system to move goods and people.

30 E. The County has a demonstrated interest in
31 partnerships to enhance world trade and regional economic
32 development. In 1991, the County joined with the Port of
33 Seattle, City of Seattle, the Greater Seattle Chamber of

1 Commerce and organized labor to form the Trade Development
2 Alliance of Greater Seattle (TDA) to promote the Northwest
3 region in targeted overseas markets, including our
4 traditional Asia Pacific Rim and European trade partners, and
5 as an international commercial center.

6 F. The Countywide Planning Policies adopted for King
7 County require local governments to develop strategies to
8 support and expand "manufacturing, industrial and advanced
9 technology" jobs. These requirements have international
10 economic implications. For example, the County designated
11 Manufacturing/Industrial Centers (MICs) to be regional centers
12 for future family-wage job growth including international
13 trade. According to the Manufacturing Industrial Council of
14 King County, wholesale trade jobs presently (1993) support
15 68,070 jobs in the region generating average annual family-
16 wage incomes of \$35,354.

17 G. The County has a compelling interest in maintaining
18 and expanding a well educated and highly trained workforce
19 which can compete on an international level. This is
20 supported by the King County Comprehensive Plan,
21 Economic Development Policy 302 which states in part that the
22 County should provide "leadership and cooperate in efforts to
23 provide training and education programs that will create a
24 globally competitive workforce." In this vein, the County
25 has a long tradition of working with organized labor and
26 education communities including the Puget Sound Educational
27 Service District, the 19 public school districts, technical
28 and community colleges, the University of Washington and
29 Washington State University (Cooperative Extension Service),
30 private schools and colleges.

31 H. The County has demonstrated its interest in
32 supporting and expanding "sister county" relationships.
33 These relationships were started in 1977 by the Metropolitan

1 King County Council and have proven an essential ingredient
2 in the establishment of business, professional and cultural
3 ties to further King County's commitment to economic
4 development on an international basis. The County has
5 established two "sister county" relationships in Kaohsiung,
6 Taiwan and Hwasong, Korea.

7 I. The King County Council broke new ground by
8 participating in a two-year Ford Foundation grant project,
9 "Southern Africa Awareness: Building a Constituency for
10 Africa." As part of this effort, the Council planned and
11 hosted the first African Trade Mission of governments from
12 that region to the state of Washington in 1991.

13 J. The County participates in trade missions led by
14 regional business and trade promotion organizations and
15 agencies to both our traditional trade regions in Europe and
16 the Asian Pacific Rim in addition to the new emerging markets
17 of developing countries. The personal contact between
18 officials and business people results in economic development
19 and trade expansion for the region.

20 K. The County has a vital interest in economic
21 development activities which support international trade.
22 Historically, the County has promoted local, regional and
23 international economic development through the Cooperative
24 Extension, farmlands preservation and agriculture commission
25 programs; job training, the federal community development
26 block grant and economic assistance programs, the Central
27 Puget Sound Economic Development District, the Pacific
28 Northwest Economic Region (PNWER) and in other partnerships
29 with federal, state, port and other local governments. The
30 King County Library System since the 1980's has provided an
31 international business information service (the International
32 Pacific Rim Collection) to assist local businesses with
33 international trade and economic development inquiries and

1 referrals. The County has traditionally worked in
2 partnership with local chambers of commerce, commercial
3 clubs, convention and visitor bureaus as well--all to promote
4 regional economic growth.

5 L. The County realizes the importance of historical,
6 artistic and cultural understanding which creates within our
7 community a sense of pride and richness in the celebration of
8 our different heritages. The County has strongly supported
9 and promoted vital international arts and cultural activities
10 which have increased our communities' visibility to the
11 entire world. Through the County's support of the Goodwill
12 Games and professional sports franchises, the economy of the
13 entire region has benefited. These amenities attract
14 tourists and convention-goers who contribute some \$5 billion
15 to the state's economy each year.

16 M. King County firms are creating new products and
17 technologies essential to the emerging high tech, global
18 economy such as software, electronics, biotechnology and
19 computer equipment.

20 N. The Council finds that forging a strategic trade
21 expansion and economic development initiative, by
22 articulating a shared vision between government and business
23 on such a policy; by bringing together various policies and
24 programs, would be beneficial to the economy of the region
25 and its citizens. This compels the County to provide greater
26 leadership on behalf of the region by promoting expanded
27 trade and economic development activities which can be
28 quantified through performance measurements. Specifically,
29 the Council finds that the County needs to effectively
30 facilitate through appropriate partnerships the development
31 of international trade markets for small and midsize
32 businesses both in Unincorporated areas and cities in King
33 County.

1 SECTION 5. Policy. It is the policy of King County as
2 the regional government to provide leadership necessary to
3 provide increased opportunities for international trade and
4 related economic development for the benefit of the people
5 and businesses in smaller cities and Unincorporated
6 communities throughout urban and rural areas in the County.
7 This applies particularly to midsize and small businesses,
8 engaged in or desiring to be engaged in international
9 exporting, joint venture partnerships, technology transfer,
10 niche marketing and related local job creation. This
11 initiative addresses two issues related to trade expansion:
12 first, it is concerned with providing greater efficiency,
13 productivity and organizational purpose among the various
14 County-managed trade-related activities. Second, the
15 initiative is intended to assist businesses located in the
16 County to access markets in an increasingly complex
17 international economy. The County further intends its
18 expanded trade initiative to be complimentary not duplicative
19 of existing trade and economic development activities in the
20 region. Consistent with this effort, the County intends to
21 continue promotion of reciprocal cultural, professional and
22 trade exchanges, including "sister county" relationships
23 which can help to launch trade and economic development
24 opportunities between newly identified businesses abroad and
25 local companies. It is the policy of the County to measure
26 the accomplishment of purposes of this ordinance, in part, by
27 means of public performance criteria by which it will be held
28 accountable.

29 SECTION 6. Program Management. The King County
30 International Airport is designated as the advocate and lead
31 agency to implement the County's international trade
32 expansion and related economic goals through management of
33 contracts with the appropriate agencies.

1 SECTION 7. Program Description. The County intends to
2 accomplish the purposes of this ordinance in partnership with
3 an agency or agencies presently collaborating with both the
4 public and private sectors to promote the trade interest of
5 this region in domestic and international markets.

6 SECTION 8. Initial Goals. The initial goals of the
7 international trade expansion and economic development
8 initiative shall be as follows:

9 A. Enhance and expand the global trade and business
10 development activities for local small and midsize
11 businesses, chambers of commerce, and cities/Unincorporated
12 areas in the County in coordination with the King County
13 International Airport;

14 B. Manage the County's "sister county" program--
15 ultimately expanding it to seven of the major emerging global
16 market regions including Africa (e.g. the Southern Africa
17 economic consortium), Asia (Pacific Rim countries including
18 Taiwan, Korea and the Philippines), Canada, India, Israel,
19 Mexico and South America (e.g. Argentina, Chile and Peru);

20 C. Support trade exchanges in conjunction with the
21 "sister county" program, local chambers of commerce local
22 communities;

23 D. Research local markets (for example provide local
24 company profiles to verify the stability of potential
25 business ventures abroad);

26 E. Recommend training for local businesses concerning
27 accessing international markets through local chambers of
28 commerce and use of the King County International Airport for
29 trade development. This could include matching local
30 businesses with businesses in various foreign countries;

31 F Identify in cooperation with the County's
32 agricultural program "niche markets" for locally farmed
33 products and recycled materials to sell abroad;

1 G. Collaborate with trade and economic development
2 organizations to facilitate business development activities
3 following outbound and/or inbound trade missions;

4 H. Identify fields for potential "technology transfer"
5 and match with local research;

6 I. Explore ways of providing direct communication
7 between local businesses in King County and potential
8 international trade partners through technology;

9 J. Facilitate exchange of "best practices" between
10 local governments, special purpose districts and school
11 districts with entities providing comparable services in
12 foreign countries.

13 SECTION 9. Oversight Board.

14 A. There is created an International Trade Expansion and
15 Economic Development Initiative Oversight Board, referred to
16 in the body of this ordinance as the "board", staffed and
17 supported by the executive through the manager of the King
18 County International Airport.

19 B. The purpose of the board shall be to provide
20 oversight, advice and assistance to the executive and council
21 with respect to the international trade expansion and
22 economic development initiative, including but not limited to
23 the following:

24 1. conduct an analysis of the region's economy to
25 determine components related to King County's global
26 competitiveness;

27 2. inventory the state and region's trade-related
28 organizations to determine functions and goals in order to
29 avoid duplicating same;

30 3. Develop a business plan. The board shall develop
31 and adopt in cooperation with the executive an annual
32 business plan to guide the activities of the initiative;

1 4. sister county program. The board shall promote,
2 foster and publicize the sister county program as
3 appropriate;

4 5. hosting foreign guests. The board shall advise the
5 executive and council with regard to visits to the County by
6 foreign guests and assist in hosting of events for such
7 guests as directed by the County;

8 6. oversight of contracts. The board shall provide
9 oversight to the County regarding contracts executed to
10 implement the purposes of this ordinance;

11 7. adoption of measures to gauge the performance of
12 contractors;

13 8. promotion of international relations. The board
14 shall be responsible for fostering and promoting
15 international relations. The board shall advise and make
16 recommendations to the council and executive on participation
17 in such international relations and programs;

18 9. report to the council and executive on an annual
19 basis on progress addressing goals listed in the Section 8;

20 10. coordinate with other County programs and
21 activities which perform functions related to international
22 trade and economic development including, but not limited to
23 the King County Library System, Arts Commission, Agriculture
24 Commission, Cooperative Extension, Commission for Marketing
25 Recyclable Materials;

26 11. council and executive requests. The board shall
27 perform such other functions and advise the County on such
28 other international trade, economic development and related
29 matters as the County may request;

30 C. The Board shall consist of sixteen(16) voting members and
31 three (3) non-voting members appointed by the executive and
32 confirmed by the council. Board members shall serve terms of
33 three years as specified in K.C.C. 2.28. The initial terms

1 of board members shall be governed by K.C.C. 2.28. D. The
2 composition of the board shall be as follows:

3 1. Three (3) members from chambers of commerce and
4 commercial clubs located in suburban, rural and
5 Unincorporated communities in King County;

6 2. Two (2) members representing technical or
7 community colleges which have established international
8 programs;

9 3. Three (3) representatives of small to midsize
10 businesses in King County;

11 4. One (1) at-large citizen representative residing
12 in Unincorporated King County;

13 5. One (1) at-large representative for the export and
14 import business sector;

15 6. One (1) head of the Washington State Department of
16 Community, Trade and Economic Development (CTED), or the
17 Governor's Special Trade Representative, or their designee;

18 7. One (1) representative from the U.S. Department of
19 Commerce;

20 8. One (1) representative from the wholesale trade
21 and distribution business sector;

22 9. One (1) representative from the Port of Seattle;

23 10. Two (2) representatives from the King County
24 Labor Council.

25 The three non-voting members shall be: the manager (1) or
26 designee of King County International Airport; the county
27 council chair (1) or designee; and the county executive (1)
28 or designee. E. The board shall adopt bylaws to govern its
29 operations. F. The board shall meet at least quarterly.
30 G. Board members shall not receive compensation except for
31 reimbursement for actual expenses as authorized by the
32 executive.

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SECTION 10. Work Plan. The board shall develop and recommend to the executive and council, within six months of confirmation of a majority of its members by the council, a work plan, performance objectives and first annual budget for accomplishing the program and goals described in Sections 7 and 8 of this Ordinance.

SECTION 11. Executive authorized to sign contracts. The executive is authorized to negotiate and sign contracts to achieve the purposes of this ordinance consistent with K.C.C. 4.16.

SECTION 12. Severability. Should any section, subsection, paragraph, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portion of this ordinance.

INTRODUCED AND READ for the first time this 19th day of August, 1996

PASSED by a vote of 12 to 0 this 23rd day of September, 1996.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Jane Hague
Chair

ATTEST:

Gerald A. Peterson
Clerk of the Council

APPROVED this 4th day of October, 1996.

for Kevin Raymond
King County Executive

Attachments: None