



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

March 29, 2010

Ordinance 16787

Proposed No. 2010-0070.2

Sponsors Patterson

1 AN ORDINANCE relating to designating King County a
2 Recovery Zone in order to qualify for Recovery Zone
3 Economic Development Bonds and Recovery Zone Facility
4 Bonds authorized by the federal American Recovery and
5 Reinvestment Act.

6 STATEMENT OF FACTS:

- 7 1. The federal American Recovery and Reinvestment Act created two
8 new bond programs to help stimulate nationwide economic recovery.
- 9 2. Recovery Zone Economic Development Bonds are taxable bonds that
10 allow state and local governments to obtain lower borrowing costs,
11 through a forty-five percent federal interest payment subsidy, to finance a
12 broad range of qualified economic development projects including public
13 works projects and job training and educational programs.
- 14 3. Recovery Zone Facility Bonds are tax-exempt private activity bonds
15 that provide lower borrowing costs to private businesses to finance a broad
16 range of depreciable capital projects.
- 17 4. The United States Department of the Treasury has allocated to King
18 County \$23,169,000 in issuing authority for Recovery Zone Economic

19 Development Bonds and \$34,754,000 in issuing authority for Recovery
20 Zone Facility Bonds.

21 5. Recovery Zone Economic Development Bonds and Recovery Zone
22 Facility Bonds may only be used to finance eligible projects in designated
23 Recovery Zones.

24 6. A Recovery Zone is defined as an area having significant
25 unemployment, home foreclosures, poverty or general distress.

26 7. King County's economy has declined significantly during the national
27 recession.

28 8. King County's unemployment rate at the end of September 2009 was
29 8.8 percent.

30 9. The number of unemployed workers in King County grew by six
31 thousand six hundred seventy in September 2009.

32 10. Through the end of October 2009, King County companies have laid
33 off over fourteen thousand employees.

34 11. Small and medium-sized businesses have extreme difficulty obtaining
35 credit.

36 12. The median price for a house in King County fell to \$350,000 in
37 October 2009, a decline of fifteen percent from its high of \$410,000 in
38 April 2008.

39 13. Seaport cargo has declined by 11.9 percent and air cargo has declined
40 by 7.9 percent year-to-date at the Port of Seattle.

41 14. Bankruptcy filings in King County during September 2009 increased
42 fifty-seven percent over September 2008.

43 15. Notice of Trustee Sales of homes have increased eighty percent year-
44 to-date over 2008.

45 16. Significant public infrastructure and private business assets are at risk
46 from potential flooding in the Green River valley.

47 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

48 SECTION 1. King County is designated a Recovery Zone.

49 SECTION 2. The executive or the executive's designee shall form a working
50 group to review and rank projects requesting Recovery Zone financing for consideration
51 by the executive. The working group shall have as few as three and no more than five
52 members, one of whom shall be a King County council staff member appointed by the
53 chair of the budget and fiscal management committee or its successor. The remaining
54 members shall be appointed by the executive or the executive's designee.

55 SECTION 3. The executive shall transmit a motion to the council containing the
56 executive's recommendations for projects that should receive Recovery Zone financing.
57 The timing for transmittal of the motion shall conform to the federal American Recovery
58 and Reinvestment Act and relevant Washington state Administrative Code. The motion

59 shall be transmitted to the clerk of the council in the form of an original and nine copies
60 for distribution to all councilmembers.
61

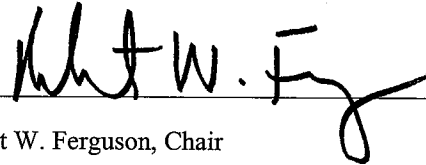
Ordinance 16787 was introduced on 2/8/2010 and passed by the Metropolitan King County Council on 3/29/2010, by the following vote:

Yes: 6 - Mr. Phillips, Mr. Gossett, Ms. Patterson, Ms. Lambert, Mr. Ferguson and Mr. Dunn


No: 0

Excused: 3 - Ms. Drago, Mr. von Reichbauer and Ms. Hague


KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Robert W. Ferguson, Chair

ATTEST:


Anne Noris, Clerk of the Council

APPROVED this 1st day of April, 2010.


Dow Constantine, County Executive

RECEIVED
2010 APR -2 AM 11:09
CLERK
KING COUNTY COUNCIL

Attachments: None