INTRODUCED BY PETE VON REICHBAUER

PROPOSED NO.: 96 - 003

ORDINANCE NO. 12143

AN ORDINANCE relating to interim use of
the Community Development Block Grant (CDBG)
fund to provide a short term working capital loan
to a firm creating new employment opportunities
primarily benefiting lower-income persons
and authorizing the King County Executive to
enter into loan agreements necessary to effect
the project.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Definitions. Unless the context otherwise requires, the terms defined in this section shall, for all purposes of this ordinance 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 2. 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 three million five hundred thousand dollars to CNA Manufacturing Systems Inc. The loan will be used to provide working capital to this manufacturing firm located in the city of Redmond. Approximately one hundred new jobs will be created which will be targeted to low-moderate income persons. This project will also enhance the CDBG fund by earning interest for other projects.

SECTION 3. In accordance with the regulations of the United States Department of Housing and Urban Development, the King County executive is hereby authorized to enter into a CD Interim Loan agreement with CNA Manufacturing Systems Inc. The loan shall be repaid to King County in accordance with the term and conditions of the CD Interim Loan agreement.