



**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

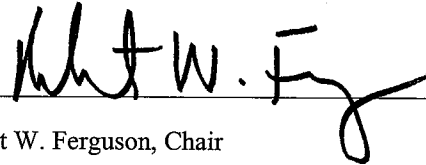
Ordinance 16787 was introduced on 2/8/2010 and passed by the Metropolitan King County Council on 3/29/2010, by the following vote:

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 1<sup>st</sup> day of April, 2010.

  
Dow Constantine, County Executive

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KING COUNTY COUNCIL

Attachments: None