

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Authorizing The Creation Of A Recovery Zone Under The Provisions Of The American Recovery And Reinvestment Act Of 2009 (ARRA) To Issue Recovery Zone Economic Development Bonds (Rzedbs)

The Multnomah County Board of Commissioners Finds:

- a. The American Recovery and Reinvestment Act of 2009 (ARRA) authorized certain local governments to issue Recovery Zone Economic Development Bonds (RZEDBs) pursuant to volume cap allocated to such local governments.
- b. Pursuant to Internal Revenue Service (IRS) Notice 2009-50, Multnomah County was allocated \$5,435,000 of RZEDB volume cap
- c. Governments with volume cap may issue RZEDBs before January 1, 2011 to finance certain “qualified economic development purposes” for use within designated recovery zones.
- d. For this purpose, the Internal Revenue Code of 1986, as amended, (the Code) defines the term recovery zone to mean:
 - (1) any area designated by the issuer as having significant poverty, unemployment, rate of home foreclosures, or general distress; or
 - (2) any area designated by the issuer as economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990; or
 - (3) any area for which a designation as an empowerment zone or renewal community is in effect as of the effective date of ARRA (February 17, 2009).
- e. The Code defines the term “qualified economic development purpose” to mean any expenditures for purposes of promoting development or other activity in a recovery zone, including:
 - (1) capital expenditures paid or incurred with respect to property located in the recovery zone; or
 - (2) expenditures for public infrastructure and construction of public facilities; or
 - (3) expenditures for job training and educational programs.

- f. IRS Notice 2009-50 provides that, for this purpose, any local government that receives a volume cap allocation for RZEDBs may make the designation of recovery zones in any reasonable manner as it shall determine in good faith in its discretion.
- g. Staff has documented conditions of economic distress as defined in the Code. Those findings are attached as Exhibit A and incorporated by reference in this resolution and which provides the factual basis for designating the entire geographic area of Multnomah County as a recovery zone.

The Multnomah County Board of Commissioners Resolves:

- 1. The County authorizes the designation of its entire geographic area as a recovery zone under the Code. Based on Exhibit A, the Board finds that the entire geographic area of the County is experiencing significant poverty, unemployment, rate of home foreclosures, or general distress as defined by the Code.
- 2. Staff is directed to forward this resolution to the Oregon Business Development Department (OBDD) as notice that the County intends to use its entire RZEDB volume cap allocation.

ADOPTED this 26th day of August, 2010

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Jeff Cogen, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
Agnes Sowle, County Attorney

SUBMITTED BY:

Mindy Harris, Interim Director, Department of County Management