

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 2010-119**

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 are 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 26<sup>th</sup> day of August, 2010

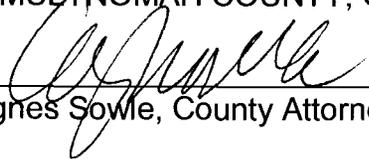


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

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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

## Exhibit A - Findings for Designation of Multnomah County as a Recovery Zone

### Multnomah County Unemployment Rate (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Monthly Average	% Change from Prior Year
<b>2010</b>	10.5	9.6	10.0	9.8	9.7	9.5							<b>9.9</b>	<b>-3.3%</b>
<b>2009</b>	9.0	9.7	10.4	10.4	10.7	10.9	10.8	10.8	10.8	10.6	10.1	10.4	<b>10.4</b>	<b>77.7%</b>
<b>2008</b>	4.8	4.6	4.7	4.7	5.0	5.3	5.6	6.1	6.3	7.1	7.6	8.3	<b>5.8</b>	<b>19.8%</b>
<b>2007</b>	5.1	4.8	4.7	4.9	4.8	4.8	4.9	4.8	4.9	4.9	4.9	5.0	<b>4.9</b>	

Source: State of Oregon, Oregon Labor Market Information System: [www.qualityinfo.org](http://www.qualityinfo.org)

### Notices of Default in Multnomah County

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total	Monthly Average	% Change from Prior Year
<b>2010</b>	620	532	567	558	465	529	522						<b>5,688</b>	<b>542</b>	<b>14.4%</b>
<b>2009</b>	413	465	513	545	409	443	529	532	483	448	397	511	<b>3,676</b>	<b>474</b>	<b>54.7%</b>
<b>2008</b>	248	264	304	270	297	310	313	298	319	367	291	395	<b>2,108</b>	<b>306</b>	<b>74.4%</b>
<b>2007</b>	156	170	171	137	162	194	159	186	164	228	189	192		<b>176</b>	

Source: Multnomah County Division of Assessment, Recording, & Taxation