

CLEARANCES	Initial	Date	Date Received in Council Office	Agenda Date	Assigned to:
Originator:	DD	03/10/10	<p>RECEIVED</p> <p>MAR 23 2010</p> <p>WHATCOM COUNTY COUNCIL</p>	03/30/10	Finance Council
Division Head:					
Dept. Head:					
Prosecutor:	RSTW	3/14/10			
Purchasing/Budget:					
Executive:		3-22-10			

TITLE OF DOCUMENT: A Resolution approving the allocation received from the State of Washington of Recovery Zone Facility Bond to the Port of Bellingham

ATTACHMENTS: Letter from Dodd Snodgrass, Port of Bellingham Resolution
 Port of Bellingham Resolution

SEPA review required? () Yes (x) NO	Should Clerk schedule a hearing? () Yes (x) NO
SEPA review completed? () Yes (x) NO	Requested Date:

SUMMARY STATEMENT OR LEGAL NOTICE LANGUAGE: (If this item is an ordinance or requires a public hearing, you must provide the language for use in the required public notice. Be specific and cite RCW or WCC as appropriate. Be clear in explaining the intent of the action.)

A Resolution approving the allocation received from the State of Washington of Recovery Zone Facility Bond to the Port of Bellingham

COMMITTEE ACTION:
 3/30/2010: Forwarded to Council for approval

COUNCIL ACTION:
 3/30/2010: Council Approved 7-0
 Res. 2010-011

Related County Contract #:

Related File Numbers:

Ordinance or Resolution Number:
 Res. 2010-011

Please Note: Once adopted and signed, ordinances and resolutions are available for viewing and printing on the County's website at: www.co.whatcom.wa.us/council.

RESOLUTION NO. 2010-011

A RESOLUTION of the County Council of Whatcom County, approving the allocation received from the State of Washington of Recovery Zone Facility Bond to the Port of Bellingham.

WHEREAS Section 1401 of Title I of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) "ARRA"), added §§ 1400U-1 through 1400U-3 to the Internal Revenue Code of 1986, as amended authorizing State and local governments to issue Recovery Zone Bonds; and

WHEREAS, Recovery Zone Bonds include Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds; and

WHEREAS Section 1400U-1 imposes a national bond volume limitation ("volume cap") of \$10 billion for Recovery Zone Economic Development Bonds and \$15 billion for Recovery Zone Facility Bonds, which allocation is allocated among the States and counties and large municipalities within the States based on relative declines in employment in 2008; and

WHEREAS pursuant to authority granted by Section 1400U-1(a)(1)(A), the Secretary of the Treasury allocated the \$10 billion national volume cap for Recovery Zone Economic Development Bonds and the \$15 billion national volume cap for Recovery Zone Facility Bonds among the States, and the state of Washington received allocations of \$90,000,000 and \$135,000,000, respectively; and

WHEREAS, as provided in Section 2.04 of Notice 2009-50, the State's allocations were reallocated locally among counties and large municipalities within the State in a document regarding the Recovery Zone Bond volume cap and posted on the IRS website under the heading in the index entitled "IRS Releases Guidance on ARRA Bond Provisions", which reallocations

were made to Whatcom County in the amount of \$1,825,000 for Recovery Zone Economic Development Bonds and \$2,738,000 for Recovery Zone Facility Bonds; and

WHEREAS Recovery Zone Economic Development bonds may be used to finance certain “qualified economic development purposes” and Recovery Zone Facility Bonds may be used to finance certain “recovery zone property” generally for use within designated “recovery zones”; and

WHEREAS Section 1400U-2(b)(1) requires that all Recovery Zone Bonds be issued prior to January 1, 2011; and

WHEREAS the County has evaluated projects for eligibility and timeliness and found that no County project is ready to be financed with Recovery Zone Facility Bonds; and

WHEREAS the County may issue Recovery Zone Facility Bonds itself or by a conduit borrower or other ultimate beneficiary of the issue of the bonds as long as the eligible costs for qualified economic development purposes or recovery zone property, as applicable, relate to any such purpose or property that is located within, or attributable to, both the jurisdiction of the issuer and the jurisdiction of the entity authorized to allocate volume cap; and

WHEREAS the County may allocate its volume cap to ultimate beneficiaries in any reasonable manner as it shall determine in good faith in its discretion for use for eligible costs for qualified economic development purposes or recovery zone property, as applicable; and

WHEREAS the Port of Bellingham (the “Port”) is situated within the County and has requested that the County allocates its \$2,738,000 of its Recovery Zone Facility Bond allocation to the Port to support the issuance of Recovery Zone Facility Bonds by the Port;

WHEREAS the County has reviewed the request and find it to be reasonable and has determined that no other projects are expected to be eligible within the County prior to January 1, 2011; and

NOW THEREFORE BE IT RESOLVED that the County Council of Whatcom County;

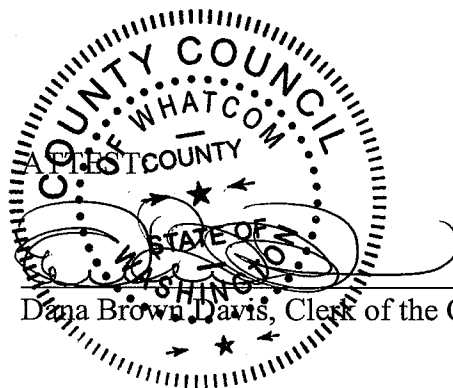
Allocates \$2,738,000 of its Recovery Zone Facility Bond allocation to the Port for the purpose of financing costs of recovery zone facility property upon the designation by the Port of the areas in which such property is located as "recovery zones; and approve the designation by the Port of its Recovery Zone as described in Port Resolution No.1282

Signed this 30th day of March, 2010

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

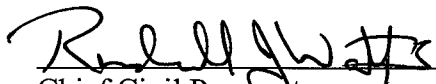


Sam Crawford, Council Chair



Dana Brown Davis, Clerk of the Council

APPROVED AS TO FORM:



Chief Civil Prosecutor

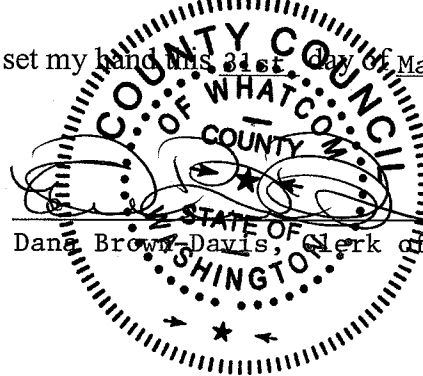
CERTIFICATE

I, the undersigned, Clerk of the County Council of Whatcom County (the "County"), do
HEREBY CERTIFY:

1. That the attached Resolution No. Res. 2010-011 (herein called the "Resolution") is a true
and correct copy of a resolution of the County as adopted at a meeting of the County Council
held on March 30, 2010 and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with
law, and to the extent required by law, due and proper notice of such meeting was given; that a
legal quorum was present throughout the meeting and a legally sufficient number of members of
the Council voted in the proper manner for the adoption of the Resolution; that all other
requirements and proceedings incident to the proper adoption of the Resolution have been duly
fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of March, 2010.


Dana Brown Davis, Clerk of the Council

RESOLUTION NO. 1282

A RESOLUTION of the Port Commission of the Port of Bellingham, Washington approving and accepting a Recovery Zone Facility Bond allocation from Whatcom County, designating an area within the Port as a recovery zone, confirming the Port's intention to utilize the Port's Recovery Zone Facility Bond allocation to the State.

WHEREAS Section 1401 of Title I of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) "ARRA"), added §§ 1400U-1 through 1400U-3 to the Internal Revenue Code of 1986, as amended authorizing State and local governments to issue Recovery Zone Bonds;

WHEREAS, Recovery Zone Bonds include Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds;

WHEREAS Section 1400U-1 imposes a national bond volume limitation ("volume cap") of \$10 billion for Recovery Zone Economic Development Bonds and \$15 billion for Recovery Zone Facility Bonds, which allocation are allocated among the States and counties and large municipalities within the States based on relative declines in employment in 2008;

WHEREAS pursuant to authority granted by Section 1400U-1(a)(1)(A), the Secretary of the Treasury allocated the \$10 billion national volume cap for Recovery Zone Economic Development Bonds and the \$15 billion national volume cap for Recovery Zone Facility Bonds among the States, and the state of Washington received allocations of \$90,000,000 and \$135,000,000, respectively;

WHEREAS, as provided in Section 2.04 of Notice 2009-50, the State's allocation was reallocated locally among counties and large municipalities within the State in a document

regarding the Recovery Zone Bond volume cap and posted on the IRS website under the heading in the index entitled “IRS Releases Guidance on ARRA Bond Provisions;”

WHEREAS, a reallocation for Recovery Zone Facility Bonds was made to Whatcom County (the “County”) in the amount of \$2,738,000;

WHEREAS Section 1400U-2(b)(1) requires that all Recovery Zone Bonds be issued prior to January 1, 2011;

WHEREAS the County has evaluated projects for eligibility and timeliness and found that no County project is ready to be financed with Recovery Zone Bonds;

WHEREAS the County may issue Recovery Zone Bonds itself or by a conduit borrower or other ultimate beneficiary of the issue of the bonds as long as the eligible costs for qualified economic development purposes or recovery zone property, as applicable, relate to any such purpose or property that is located within, or attributable to, both the jurisdiction of the issuer and the jurisdiction of the entity authorized to allocate volume cap;

WHEREAS the County may allocate its volume cap to ultimate beneficiaries in any reasonable manner as it shall determine in good faith in its discretion for use for eligible costs for qualified economic development purposes or recovery zone property, as applicable;

WHEREAS, a recovery zone is (1) any area designated by the Port as having significant poverty, unemployment, rate of home foreclosures, or general distress, (2) any area designated by the Port 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 a renewal community is in effect, and

WHEREAS as set forth herein, the Port, as a whole, has experienced a significant increase in the rate of unemployment, a high rate of home foreclosures and general economic

distress, and

WHEREAS the Port of Bellingham is situated within the County and has requested that the County allocate its Recovery Zone Facility Bond allocation to the Port as an ultimate beneficiary; and

WHEREAS, the County Council of Whatcom County is hereby requested to adopt a resolution allocating its entire Recovery Zone Facility allocation of \$2,738,000 to the Port;

NOW, THEREFORE BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF BELLINGHAM, WASHINGTON, as follows:

Section 1. The Port hereby agrees to accept the Recovery Zone Facility Bond allocation of \$2,738,000 from Whatcom County.

Section 2. Pursuant to Section 2400U-1(b) of the Code, the Port hereby designates the area described on Exhibit A as a "recovery zone" to be known as the "Downtown/Waterfront Redevelopment Zone" by reason of having unemployment and general distress as shown in the following data.

Section 3. For purposes of ARRA, as shown in the following data, the Port has experienced an increase in the rate of unemployment and general economic distress:

A. Unemployment rates in the County rose from a low of 4.2% in 2007 to a high of 8.0% in 2009. The unemployment rate in the County currently is 8.3%. Source: Washington State Employment Security Dept.

B. The Zone encompasses two U.S. Census tracts, with respective low-moderate income population shares of 57% and 84%, and respective poverty rates of 28% and 27%. Source: 2000 Census.

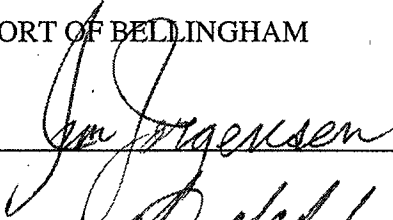
C. The Zone includes over 200 acres of largely vacant waterfront property that was the former site of a significant wood pulp production facility. Over 1000 jobs have been lost over time with the reduction in force and eventual closure of the mill.

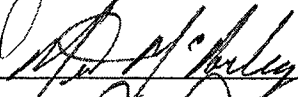
Section 4. The Port intends to revitalize the Downtown/Waterfront Redevelopment Recovery Zone through the issuance of Recovery Zone Facility Bonds, using its allocation of \$2,738,000 received from Whatcom County to finance capital expenditures with respect to property in the "recovery zone" to promote development and economic activity within such Zone.

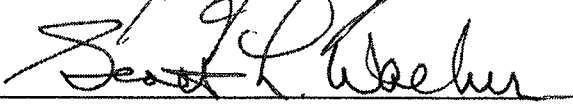
Section 5. The Port shall issue the Recovery Zone Facility Bonds prior to January 1, 2011.

Adopted this 16th day of March, 2010.

PORT OF BELLINGHAM







Commissioners


CERTIFICATE

I, the undersigned, Secretary of the Port Commission ("Commission") of the Port of Bellingham, Whatcom County, Washington (the "Port"), DO HEREBY CERTIFY:

1. That the attached Resolution No. 1282 (the "Resolution") is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the 16th day of March, 2010, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of March, 2010.



Secretary