

## RESOLUTION DESIGNATING RECOVERY ZONE

WHEREAS, the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (“ARRA”) modifies the Internal Revenue Code of 1986, as amended (the “Code”) to authorize, among others, two new types of bonds entitled “recovery zone economic development bonds” and “recovery zone facility bonds;” and

WHEREAS, “recovery zone economic development bonds are a subcategory of taxable build America bonds (as defined in section 54AA(d) of the Code), issued under provisions of ARRA that have been codified as Section 1400U-2 of the Code, the proceeds of which are to be used for qualified economic development purposes in a recovery zone; and

WHEREAS, qualified economic development purpose include expenditures for the purpose of promoting development or other economic activity in a recovery zone, including capital expenditures for property located in the zone or expenditures for public infrastructure and construction of public facilities in the zone; and

WHEREAS, ARRA also authorizes a new type of federally tax exempt private activity bonds entitled “recovery zone facility bonds” in Sections 1400U-1 and 1400U-3 of the Code to finance construction, renovation, or acquisition of depreciable property by a private taxpayer of a qualified business in a recovery zone, with “qualified business” defined to include any trade or business other than residential rental property and certain prohibited uses outlined in the Code;

WHEREAS, sections 1440U-2 through 1400U-3 of the Code, and related Notice 2009-50 issued by the U.S. Treasury Department (collectively, the “Recovery Zone Act”) define a recovery zone as any area designated by the County as an area of significant poverty, unemployment, rate of home foreclosure, or general distress;

WHEREAS, the County has determined that [the County][some designated portion of the County] has experienced significant unemployment and general distress because [recite factors that reasonably lead to this conclusion, such as significant plant foreclosures, high unemployment, increase in unemployment over short period of time, etc.]

WHEREAS, the County has determined that it is in the best interest of the County and its citizens to designate [define recovery zone] as a “recovery zone” for purposes of the Recovery Zone Act;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of \_\_\_\_\_, that:

1. The County hereby finds that there is significant unemployment and general distress in the [County][area of the County to be designated as a recovery zone], and therefor hereby designates the [County][area of the County to be designated as a recovery zone ] as a recovery zone for purposes of the Recovery Zone Act.

2. The officers of the County are hereby authorized and directed to take all actions as may be required in furtherance of the designation of the recovery zone.