

YAKIMA VALLEY LIBRARIES

A Resolution of the Board of Trustees of the
Yakima Valley Libraries designating a recovery zone
for purposes of Sections 1400U-1 and 1400U-2 of the
Internal Revenue Code of 1986, as amended, and the
American Recovery and Reinvestment Act of 2009 for
the purpose of issuing bonds

**RESOLUTION
#10-009**

WHEREAS the Board of Trustees of the Yakima Valley Rural County Library District (doing business as Yakima Valley Libraries) (the "District") intends to finance improvements to existing library facilities and development of a new library (the "Project"), and

WHEREAS, Section 1400U-1 of the Internal Revenue Code of 1986, as amended (the "Code") authorizes the District to designate a "recovery zone" for the purpose of issuing recovery zone economic development bonds under Section 1400U-2 of the Code ("Recovery Zone Economic Development Bonds"), and

WHEREAS, pursuant to the American Recovery and Reinvestment Act of 2009 ("ARRA"), the State of Washington Department of Commerce is allocating volume cap authority to issue Recovery Zone Economic Development Bonds, and

WHEREAS, the District has applied for an allocation of volume cap authority to issue Recovery Zone Economic Development Bonds to pay a portion of the costs of the Project; and

WHEREAS, proceeds of Recovery Zone Economic Development Bonds must be used to finance capital expenditures paid or incurred with respect to property located in a recovery zone, expenditures for public infrastructure and construction of public facilities, and expenditures for job training and educational programs, all of which are designed to promote economic development or other economic activity in a recovery zone, and

WHEREAS, a recovery zone is (1) any area designated by the District as having significant poverty, unemployment, rate of home foreclosures, or general distress, (2) any area designated by the District 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 District has experienced significant poverty rates, a significant increase in the rate of unemployment and general economic distress, and

WHEREAS, as a result, the Board of Trustees now desires to designate the geographic boundaries of the District as a recovery zone under ARRA in order to issue Recovery Zone Economic Development Bonds to finance certain components of capital projects that qualify for financing under ARRA;

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE YAKIMA VALLEY RURAL COUNTY LIBRARY DISTRICT:

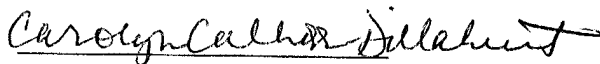
Section 1. Findings. For purposes of ARRA, as shown in the following data, the District has experienced significant poverty rates, a significant increase in the rate of unemployment and general economic distress within the geographic boundaries of the District:

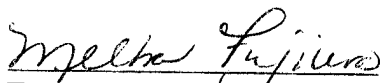
- A. According to U.S. Census data, the percentage of persons below the poverty level in Yakima County was 18.6% in 2008 compared to a state average of 11.3%.
- B. Unemployment rates in the County rose to 8.8% in August, 2010
- C. The District has experienced general economic distress, as reflected in County-wide childhood poverty rates of 26% compared to a statewide rate of 15%.


Section 2. Designation of Recovery Zone. For the foregoing reasons, the Board hereby designates the geographic boundaries the District as a "recovery zone" for purposes of issuing Recovery Zone Economic Development Bonds. Issuance of such bonds will be at the discretion of the Board based on project qualifications meeting the requirements of the Code.


Section 3. Effective Date. This resolution shall be effective after its passage as provided by law.

Adopted 28TH day of September, 2010.


Trustee


Trustee


Trustee


Trustee


Trustee