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SNOHOMISH COUNTY COUNCIL

SNOHOMISH COUNTY, WASHINGTON



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DEC 30 1982 522

ORDINANCE NO. 82-145

AN ORDINANCE OF THE COUNTY COUNCIL OF SNOHOMISH COUNTY, WASHINGTON, AUTHORIZING AND PROVIDING FOR THE ESTABLISHMENT, ORGANIZATION AND OPERATION OF A PUBLIC CORPORATION TO IMPLEMENT CHAPTER 39.84 RCW, APPROVING A CHARTER FOR SUCH CORPORATION, SPECIFYING THE POWERS, AUTHORITIES AND LIMITATIONS OF THE PUBLIC CORPORATION AND PROVIDING FOR CONTROL AND SUPERVISION OF THE PUBLIC CORPORATION BY THE COUNTY.

WHEREAS, the County Council of Snohomish County (the "County") has determined that a public corporation should be created pursuant to the provisions of 1981 Washington Laws, Chapter 300, codified as Chapter 39.84 RCW (the "Act") to facilitate economic development and employment opportunities; and

WHEREAS, the County has determined that said public corporation is necessary to facilitate economic development and employment opportunities, to promote higher employment, encourage the development of new jobs, maintain and supplement the capital investments in industry that currently exist in Snohomish County and the State of Washington, encourage future employment by insuring future capital investment, attract environmentally sound industry to Snohomish County and the State of Washington, protect and enhance the quality of natural resources and the environment, and promote the production and conservation of energy.

NOW, THEREFORE, BE IT ORDAINED:

Section 1. The County does hereby create a public corporation to carry out the purposes of Chapter 300, Laws of Washington, 1981 (Reg. Sess.) codified as Chapter 39.84 RCW as that law may from time to time hereafter be amended (the "Act"). Such objects and purposes are independent upon and shall not be limited or restricted by reference to or inference from the terms of any other section of this ordinance unless, and only to the extent, specifically set forth here in. The public corporation shall be subject to the provisions of the Act.

Section 2. The name of the public corporation shall be the Pilchuck Development Public Corporation (the "Corporation").

Section 2. The Corporation shall have all the powers and be subject to all of the limitations and provisions contained in the Act.

Section 4. A charter (the "Charter") shall be issued to the Corporation by the County which shall grant to the Corporation authority to act pursuant to the Act. A copy of the initial Charter to be issued is attached to this Ordinance as Exhibit A. This Charter may be amended from time to time by the County Council.

Section 5. A board of directors (the "Board of Directors") is hereby established to govern the affairs of the Corporation. All corporate powers of the Corporation shall be exercised by or under the authority of, and the business, property and affairs of the Corporation shall be managed under the direction of the Board of Directors, except as may be otherwise provided in the Charter, the Bylaws of the Corporation or the Act. The number of directors of the Corporation shall be five (5). The names and addresses of the persons who are appointed to act as the first directors of the Corporation, until the appointment of their successors by resolution of the County Council of Snohomish County are as follows:

Name Address

1. Mr. Ancil Davis, Box 2196, 2623 Viewcrest, Everett WA 98203
2. Mr. H.H. Coyne, 15005 W. Lake Goodwin Road, Stanwood WA 98292
3. Mr. Tom C. Dickson, 15121 - 72nd West, Edmonds WA 98020
4. Mr. Robert J. Dickson, 8517 Cascadia Avenue, Everett WA 98204
5. Mr. Willis D. Tucker, County Executive, Everett WA 98201

No person shall be eligible to serve as a director except a person who has been appointed as a director by resolution of the County Council of Snohomish County. Each director so appointed, including the initial directors, shall serve a term of office not to exceed six years.

The Board shall elect among its own members a president, a vice-president and a secretary. The Board of Directors shall adopt rules and regulations governing the conduct of the Corporation.

Members of the Board of Directors shall serve with such compensation and reimbursement of expenses as may be provided in the rules and regulations to be adopted by the Board of Directors.

Section 6. No director, officer, agent or employee of the Corporation shall have directly or indirectly any financial interest in any property to be included in or any contract for property, service or materials to be furnished or used in connection with any industrial development facility financed through the Corporation.

Section 7. At all meetings of the Board of Directors, a majority of directors in office at the time shall be sufficient to constitute a quorum. Every act or decision done or made by a majority of the directors in office at the time and present at a meeting of the Corporation duly held, at which a quorum is present and acting, shall be regarded as an act of the Board of Directors.

Section 8. The Corporation shall have all the powers granted by the Act and shall be subject to all limitations on such powers provided in the Act. Such powers and limitations shall include, but not be limited to, the following:

1. To construct and maintain one or more industrial development facilities;
2. To lease to a lessee all or any part of any industrial development facility for such rentals and upon such terms and conditions, including options to purchase, as its Board of Directors considers advisable and not in conflict with the Act;
3. To sell by installment contract or otherwise and convey all or any part of any industrial development facility for such purchase price and upon such terms and conditions as its Board of Directors considers advisable and which are not in conflict with the Act;
4. To make secured loans for the purpose of providing temporary or permanent financing or refinancing of all or part of the project cost of any industrial development facility, including the refunding of any outstanding obligations, mortgages, or advances issued, made, or given by any person for the project costs; and to charge and collect interest on the loans for the loan payments upon such terms and conditions as its Board of Directors considers advisable and which are not in conflict with the Act;
5. To issue revenue bonds for the purpose of financing all or part of the project cost of any industrial development facility and to secure the payment of the revenue bonds as provided in the Act;

6. As security for the payment of the principal of and interest on any revenue bonds issued and any agreements made in connection therewith, to mortgage, pledge, or otherwise encumber any or all of its industrial development facilities or any part or parts thereof, whether then owned or thereafter acquired, and to assign any lease or mortgage and repledge any security conveyed to the Corporation, to secure any loan made by the Corporation and to pledge the revenues and receipts therefrom;
7. To sue and be sued, complain, and defend in its corporate name;
8. To make contracts and to execute all instruments necessary or convenient for the carrying out of its business;
9. To have a corporate seal and to use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced;
10. Subject to the limitations of section 6 of the Act, (RCW 39.84.060) to borrow money, accept grants from, or contract with any local, state, or federal governmental agency or with any financial, public, or private corporation;
11. To make and alter bylaws (rules and regulations) not inconsistent with the Charter for the administration and regulation of the affairs of the Corporation;
12. To collect fees or charges from users or prospective users of industrial development facilities to recover actual or anticipated administrative costs; and
13. To execute financing documents incidental to the powers enumerated in this subsection.

Section 9. The Corporation created by this ordinance may not operate any industrial development facility as a business other than as lessor, seller, or lender. The purchase and holding of mortgages, deeds of trust, or other security interests and contracting for any servicing thereof is not considered the operation of an industrial development facility.

Section 10. The Corporation created by this ordinance may not exercise any of the powers authorized in this section or issue any revenue bonds with respect to any industrial development facility unless the industrial development facility is located wholly within the boundaries of the County or unless the industrial development facility comprises energy facilities or solid waste disposal facilities which provide energy for or dispose of solid waste from the County or the residents thereof.

Section 11. The County may not give or lend any money or property nor exercise its power of eminent domain in aid of the Corporation. This proviso in shall not preclude the County from dealing with the Corporation on an arm's-length basis.

Section 12. The Corporation may not issue revenue obligations except upon approval of the County.

Section 13. Every person who was or is a party to, or is threatened to be made a party to, or is involved in, any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or a person of whom he is the legal representative is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as its representative in any other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the law of the State of Washington from time to time against all expenses, liability and loss (including attorneys' fees, judgments, fines and

amounts paid or to be paid in settlement), reasonably incurred or suffered by him in connection therewith. Such rights of indemnifications shall be a contract right which may be enforced in any manner desired by such person. Such right of indemnification shall not be exclusive of any other right which such directors, officers, or representatives may have or hereafter acquire, and without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any bylaw, agreement, provision of law, or otherwise, as well as their rights under this article. The Board of Directors may adopt rules and regulations (bylaws) from time to time with respect to indemnification to provide at all times the fullest indemnification permitted by the law of the State of Washington, and may cause the Corporation to purchase and maintain insurance or behalf of any person who is or was a director or officer of the Corporation, or its representative in any other enterprise, against liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Corporation would have the power to indemnify such person.

Section 14. Any net earnings of the Corporation beyond those necessary for retirement of indebtedness incurred by it shall inure to the County and not for the benefit of any other person. Alteration of the Charter of or dissolution of or audits of the Corporation shall be as provided by the Act and by subsequent ordinances of the County. Upon dissolution of the Corporation title to all property owned by the Corporation shall vest in County.

Section 15. In the process of determining the eligibility of an industrial development facility for financing under the Act, the Corporation shall require the potential user to show compliance with the following objectives:

(a) the project type must fall within the categories eligible for industrial revenue bond financing in Section 103 of the Internal Revenue Code of 1954, as amended, and applicable regulations, as well as the provisions of 1981 Washington Laws, Chapter 300 and other applicable state law;

(b) the project must be consistent with all elements of the Snohomish County comprehensive plan, including sub-area plans and growth management strategies;

(c) the project must provide for the creation and/or maintenance of employment for the residents of Snohomish County;

(d) the project would not proceed at the planned investment level without the availability of industrial revenue bond financing;

(e) the project must be financially feasible; i.e., the potential user must demonstrate its ability to obtain commercially responsible financing;

(f) the project must have little or no adverse impact on the quality of the environment;

(g) the project must not put an unreasonable burden on existing public services; and

(h) the project must be consistent with current Snohomish County economic development objectives.

Section 16. This ordinance shall be liberally construed to effect its purposes.

Section 17. This ordinance shall take effect from and after its final passage and publication as required by law.

PASSED AND ADOPTED this 28th day of December, 1982, by the following vote:

AYES: 5
NOES: 0
ABSENT 0
OR NOT
VOTING: 0

Dated this 28th day of December, 1982.

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

Cliff Bailey
Chairman

Elic Snyder
Clerk of the Council

- (X) APPROVED
- () EMERGENCY
- () VETOED

DATE 1-4-83

Willis D. Tucker
County Executive

PUBLISHED 1/17/83
