

The Federal Government announced, last week, allocation to cities and counties under the American Recovery and Reinvestment Act of 2009, which authorizes State and local governments to issue Recovery Zone Facility Bonds, which are tax-exempt private activity bonds. The County of Los Angeles received an allocation of \$271,484,000. The purpose of these bonds is to promote economic development within recovery zones, defined as areas having significant poverty, unemployment, home foreclosures, or general distress. The bonds are a conduit financing mechanism to provide loans to private businesses with the purpose of increasing employment opportunities within recovery zones. The County must explore every avenue for enhancing economic growth within these areas.

I, THEREFORE, MOVE that the Board of Supervisors instruct the Chief Executive Officer to develop a plan to optimize the use of the Recovery Zone Facility Bond allocation available to the County in a prudent and appropriate manner and report back to the Board in 60 days with recommendations on how to best utilize the Recovery Zone Facility Bonds.

MOTION

MOLINA _____

RIDLEY-THOMAS _____

YAROSLAVSKY _____

ANTONOVICH _____

KNABE _____