



## Legislation Text

---

**File #:** 2019-0347, **Version:** 2

---

Clerk 11/13/2019

AN ORDINANCE relating to the office of risk management services; revising tort claims handling, enabling electronic filing by claimants and clarifying the name of the office of risk management services; and amending Ordinance 14199, Section 11, as amended, and K.C.C. 2.16.035, Ordinance 11984, Section 3, as amended, and K.C.C. 2.21.030, Ordinance 3581, Section 6, as amended, and K.C.C. 2.21.050, Ordinance 3581, Section 7, as amended, and K.C.C. 2.21.060, Ordinance 3581, Section 8, as amended, and K.C.C. 2.21.070, Ordinance 3581, Section 9, as amended, and K.C.C. 2.21.080, Ordinance 12045, Section 20, as amended, and K.C.C. 4.56.035, Ordinance 17392, Section 1, as amended, and K.C.C. 7.08.110, Ordinance 13734, Section 12, and K.C.C. 14.45.100, Ordinance 1159, Article III, Section 12, as amended, and K.C.C. 15.12.120 and Ordinance 12808, Section 3, as amended, and K.C.C. 24.28.020.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 14199, Section 11, as amended, and K.C.C. 2.16.035 are hereby amended to read as follows:

The county administrative officer shall be the director of the department of executive services. The department shall include the records and licensing services division, the finance and business operations division, the facilities management division, the fleet services division, the airport division, the ((~~administrative~~)) office of risk management services, the administrative office of emergency management, the administrative

office of the business resource center and the administrative office of civil rights. In addition, the county administrative officer shall be responsible for providing staff support for the board of ethics.

A. The duties of the records and licensing services division shall include the following:

1. Issuing marriage, vehicle/vessel, taxicab and for-hire driver and vehicle and pet licenses, collecting license fee revenues and providing licensing services for the public;
2. Enforcing county and state laws relating to animal control;
3. Managing the recording, processing, filing, storing, retrieval and certification of copies of all public documents filed with the division as required;
4. Processing all real estate tax affidavits; and
5. Acting as the official custodian of all county records, as required by general law, except as otherwise provided by ordinance.

B. The duties of the finance and business operations division shall include the following:

1. Monitoring revenue and expenditures for the county. The collection and reporting of revenue and expenditure data shall provide sufficient information to the executive and to the council. The division shall be ultimately responsible for maintaining the county's official revenue and expenditure data;
2. Performing the functions of the county treasurer;
3. Billing and collecting real and personal property taxes, local improvement district assessments and gambling taxes;
4. Processing transit revenue;
5. Receiving and investing all county and political jurisdiction moneys;
6. Managing the issuance and payment of the county's debt instruments;
7. Managing the accounting systems and procedures;
8. Managing the fixed assets system and procedures;
9. Formulating and implementing financial policies for other than revenues and expenditures for the

county and other applicable agencies;

10. Administering the accounts payable and accounts receivable functions;

11. Collecting fines and monetary penalties imposed by district courts;

12. Developing and administering procedures for the procurement of and awarding of contracts for tangible personal property, services, professional or technical services and public work in accordance with K.C.C. chapter 2.93 and applicable federal and state laws and regulations;

13. Establishing and administering procurement and contracting methods, and bid and proposal processes, to obtain such procurements;

14. In consultation with the prosecuting attorney's office and office of risk management services, developing and overseeing the use of standard procurement and contract documents for such procurements;

15. Administering contracts for goods and services that are provided to more than one department;

16. Providing comment and assistance to departments on the development of specifications and scopes of work, in negotiations for such procurements, and in the administration of contracts;

17. Assisting departments to perform cost or price analyses for the procurement of tangible personal property, services and professional or technical services, and price analysis for public work procurements;

18. Developing, maintaining and revising as may be necessary from time to time the county's general terms and conditions for contracts for the procurement of tangible personal property, services, professional or technical services and public work;

19. Managing the payroll system and procedures, including processing benefits transactions in the payroll system and administering the employer responsibilities for the retirement and the deferred compensation plans;

20. Managing and developing financial policies for borrowing of funds, financial systems and other financial operations for the county and other applicable agencies;

21. Managing the contracting opportunities program to increase opportunities for small contractors

and suppliers to participate on county-funded contracts. Submit an annual report as required by K.C.C.

2.97.090;

22. Managing the apprenticeship program to optimize the number of apprentices working on county construction projects. Submit an annual report as required by K.C.C. 12.16.175; and

23. Serving as the disadvantaged business enterprise liaison officer for federal Department of Transportation and other federal grant program purposes. The disadvantaged business enterprise liaison officer shall have direct, independent access to the executive on disadvantaged business enterprise program matters consistent with 49 C.F.R. Sec. 26.25. For other matters, the disadvantaged business enterprise liaison officer shall report to the manager of the finance and business operations division.

C. The duties of the facilities management division shall include the following:

1. Overseeing space planning for county agencies;
2. Administering and maintaining in good general condition the county's buildings except for those managed and maintained by the department of natural resources and parks and the Metro transit department as provided in K.C.C. chapter 4.56;
3. Operating security programs for county facilities except as otherwise determined by the council;
4. Administering all county facility parking programs except for public transportation facility parking;
5. Administering the supported employment program;
6. Managing all real property owned or leased by the county, except as provided in K.C.C. chapter 4.56, ensuring, where applicable, that properties generate revenues closely approximating fair market value;
7. Maintaining a current inventory of all county-owned or leased real property;
8. Functioning as the sole agent for the disposal of real properties deemed surplus to the needs of the county;
9. In accordance with K.C.C. chapter 4A.100, providing support services to county agencies in the acquisition of real properties, except as otherwise specified by ordinance;

10. Issuing oversized vehicle permits, franchises and permits and easements for the use of county property except franchises for cable television and telecommunications;

11. Overseeing the development of capital projects for all county agencies except for specialized roads, solid waste, public transportation, airport, water pollution abatement, surface water management projects and parks and recreation;

12. Being responsible for all general projects, such as office buildings or warehouses, for any county department including, but not limited to, the following:

- a. administering professional services and construction contracts;
- b. acting as the county's representative during site master plan, design and construction activities;
- c. managing county funds and project budgets related to capital projects;
- d. assisting county agencies in the acquisition of appropriate facility sites;
- e. formulating guidelines for the development of operational and capital project plans;
- f. assisting user agencies in the development of capital projects and project plans, as defined and

provided for in K.C.C. chapter 4A.100;

g. formulating guidelines for the use of life cycle cost analysis and applying these guidelines in all appropriate phases of the capital process;

h. ensuring the conformity of capital project plans with the adopted space plan and agency business plans;

i. developing project cost estimates that are included in capital project plans, site master plans, capital projects and biennial project budget requests;

j. providing advisory services, feasibility studies or both services and studies to projects as required and for which there is budgetary authority;

k. coordinating with user agencies to assure user program requirements are addressed through the capital development process as set forth in this chapter and in K.C.C. chapter 4A.100;

1. providing engineering support on capital projects to user agencies as requested and for which there is budgetary authority; and

m. providing assistance in developing the executive budget for capital projects; and

13. Providing for the operation of a downtown winter shelter for homeless persons between October 15 and April 30 each year.

D. The duties of the fleet services division shall include the following:

1. Acquiring, maintaining and managing the motor pool equipment rental and revolving fund for fleet vehicles and equipment, the equipment rental and revolving fund and the wastewater equipment rental and revolving fund. Metro transit department vehicles determined by the Metro transit department director to be intricately involved in or related to providing public transportation services shall not be part of the motor pool;

2. Establishing rates for the rental of equipment and vehicles;

3. Establishing terms and charges for the sale of any material or supplies that have been purchased, maintained or manufactured with money from the motor pool and equipment revolving fund, the equipment rental and revolving fund and the wastewater equipment rental and revolving fund;

4. Managing fleet and equipment training programs, stores function and vehicle repair facilities;

5. Administering the county alternative fuel program and take-home assignment of county vehicles policy; and

6. Inventorying, monitoring losses and disposing of county personal property in accordance with K.C.C. chapter 4.56.

E. The duties of the airport division shall include managing the maintenance and operations of the King County international airport, and shall include the following:

1. Developing and implementing airport programs under state and federal law including preparing policy recommendations and service models;

2. Managing and maintaining the airport system infrastructure;

3. Managing, or securing services from other divisions, departments or entities to perform, the design, engineering and construction management functions related to the airport capital program, including new facilities development and maintenance of existing infrastructure; providing support services such as project management, environmental review, permit and right-of-way acquisitions, schedule and project control functions; and

4. Preparing and administering airport service and supporting capital facility plans and periodic updates.

F. The duties of the ((administrative)) office of risk management services shall include the management of the county's insurance and risk management programs consistent with K.C.C. chapter 2.21.

G. The duties of the administrative office of emergency management shall include the following:

1. Planning for and providing effective direction, control and coordinated response to emergencies;  
and

2. Being responsible for the emergency management functions defined in K.C.C. chapter 2.56.

H. The duties of the administrative office of civil rights shall include the following:

1. Enforcing nondiscrimination ordinances as codified in K.C.C. chapters 12.17, 12.18, 12.20 and 12.22;

2. Assisting departments in complying with the federal Americans with Disabilities Act of 1990, the federal Rehabilitation Act of 1973, Section 504, and other legislation and rules regarding access to county programs, facilities and services for people with disabilities;

3. Serving as the county Americans with Disabilities Act coordinator relating to public access;

4. Providing staff support to the county civil rights commission;

5. Serving as the county federal Civil Rights Act Title VI coordinator; and

6. Coordinating county responses to federal Civil Rights Act Title VI issues and investigating complaints filed under Title VI.

- I. The duties of the administrative office of the business resource center shall include the following:
  1. The implementation and maintenance of those systems necessary to generate a regular and predictable payroll through the finance and business operations division;
  2. The implementation and maintenance of those systems necessary to provide regular and predictable financial accounting and procedures through the finance and business operations division;
  3. The implementation and maintenance of those systems necessary to generate regular and predictable county budgets, budget reports and budget management tools for the county; and
  4. The implementation and maintenance of the human resources systems of record for all human resources data for county employment purposes.

SECTION 2. Ordinance 11984, Section 3, as amended, and K.C.C. 2.21.030 are hereby amended to read as follows:

A. The office of risk management (~~((division))~~) services is established in K.C.C. chapter 2.16. The manager of the office of risk management (~~((division))~~) services shall be the risk manager, who shall report directly to the director of the department of executive services.

B.1. The risk manager shall be responsible for administration of the risk management program.

2. The risk manager shall coordinate with the civil division on contractual matters giving rise to potential liability on the part of the county. The risk manager shall seek the advice of the civil division as to appropriate language regarding insurance, indemnification, releases and hold harmless clauses. Thereafter, the risk manager shall advise department directors and division managers concerning these matters as part of a coordinated process before finalization of county contracts.

3. The risk manager shall be the chairperson of the committee and shall advise the committee concerning insurance, risk management policies, broker selection and other appropriate matters.

4. With the approval of the committee, the risk manager shall select appropriate insurance brokers by use of a competitive procurement process for the marketing of insurance and related services.

5. The risk manager shall be responsible for the purchasing and administration of all insurance policies, funded self-insurance programs and related services as are consistent with good risk management policy and the needs of the county. In purchasing insurance policies, the risk manager shall obtain the approval of the committee.

6. The risk manager shall advise all county departments and other county agencies regarding risk management and reduction of risk and exposure to loss, including programs and precautions for safety to reduce hazards to the public that may exist in county facilities and operations, and utilizing enterprise risk management in order to integrate risk management processes countywide and proactively identify, analyze, respond to and monitor risks and opportunities for risk-reduction. The risk manager shall cooperate with the safety manager in areas in which, in the opinion of the risk manager, the safety of employees and of the public requires coordinated programs. The risk manager shall also be responsible for answering all insurance or funded self-insurance coverage questions. The risk manager shall be responsible for the evaluation of current and future county or departmental insurance coverage programs and have the authority to make recommendations where such an action is in the best interests of the county.

7. The risk manager shall have the power, subject to budget authorization, to contract for such outside assistance and perform such other acts as are necessary to carry out the risk manager's responsibilities in an expeditious manner.

8. The risk manager is responsible for establishing reserve requirements for all claims and lawsuits and recommending financing plans and budget actions to assure that adequate resources are available to meet risk management financing requirements.

9. The risk manager is responsible for risk identification, control and reduction, including authority to make recommendations to all county departments and agencies regarding the safety of the public using county facilities or services.

C.1. The risk manager shall have the power to employ the services of claims specialists or other

persons who are necessary to process claims in an equitable and expeditious manner.

2. The risk manager shall cooperate with the civil division in coordinating information pertinent to claims and lawsuits against the county.

3. The risk manager shall dispose of claims as authorized in K.C.C. 2.21.070.E.

4. The risk manager shall maintain complete histories of all claims and claims litigation, insured or funded self-insurance, loss histories and investigations of claims. The risk manager shall be responsible to ensure that complete files are maintained of all claims asserted against the county and all incidents reported to the office of risk management (~~(division)~~) services sufficient to document at least a five-year claims history.

D.1. The risk manager shall report quarterly to the council on claims that have been closed with an indemnity payment in the amount of one hundred thousand dollars or more. The report shall identify the claimant; describe the claim; identify the amount of the indemnity payment; identify if the payment was a result of a settlement, a judgment or a payment to an insurance company or other party; and include any other information the risk manager believes would be helpful to the council in understanding the nature of the claim. The report shall take the form of a letter with an attached table that provides the information required in this section. The quarterly report is due thirty days after the end of each calendar quarter of the year.

2. The risk manager on or before March 31 of each year shall report to the council on the performance of the risk management program, including but not limited to the number of claim filings, amount of claim payments, insurance coverage and self-insured retention. The annual report shall also include enterprise risk management results for the previous year and plans for the current year, including, but not limited to, enterprise risk management goals, priorities, agency actions and measurable results.

E. The reports required by this section shall be filed in the form of a paper original and an electronic copy with the clerk of the council, who shall retain the original and provide an electronic copy of the report to all councilmembers.

SECTION 3. Ordinance 3581, Section 6, as amended, and K.C.C. 2.21.050 are hereby amended to read

as follows:

A. This section is consistent with and implements RCW 36.27.020, which makes the prosecuting attorney the legal advisor of the county.

B.1. Subject to the other provisions of this chapter, the county shall provide legal representation and indemnification to protect county officers, employees, agents and their marital communities from personal liability for alleged violations of civil or criminal law resulting from or based upon alleged acts or omissions of the officers, employees or agents. To have the benefit of the legal representation and indemnification, the county officer, employee or agent must have performed or acted in good faith, with no reasonable cause to believe the conduct was unlawful and within the scope of the county officer's, employee's or agent's service to or employment with the county.

2. The civil division shall provide legal advice to the risk manager regarding the disposition of all claims against the county.

3. The civil division shall keep the risk manager advised of the current status and progress of all claims litigation.

4. The civil division shall direct any recommendations for settlement of claims or lawsuits to the authority designated by K.C.C. 4.21.030 and 4.21.080 as having final settlement authority. In recommending settlement of claims or lawsuits, the civil division shall consult, in conjunction with the office of risk management (~~office~~) services, with the department (or other county agency most involved with the litigation or named as a party to the lawsuit).

5. In reviewing contract language involving indemnification, releases, hold harmless clauses or insurance matters, the civil division shall provide advice to the risk manager.

6. The prosecuting attorney may contract with outside counsel for legal services where appropriate.

7. The chief civil deputy of the civil division shall resolve any questions relating to:

a. whether a county official, employee or agent acted in good faith with no reasonable cause to

believe the conduct was unlawful and within the scope of the county officer, employee or agent's service to or employment with the county;

b. whether, for purposes of the issues raised by a particular claim or lawsuit, a person is in fact a county official, employee or agent; or

c. whether or not a county officer, employee or agent performed or acted as required to have the benefit of county legal representation and indemnification.

C. Any reasonable costs and expenses incurred in the provision of legal representation and indemnification for criminal law allegations, driving infractions and professional licensing matters shall be paid from the funds appropriated to the particular county department or agency employing or retaining the affected county officer, employee or agent. Any reasonable costs and expenses incurred in the provision of legal representation and indemnification for tort claims and lawsuits shall be paid from available insurance or funded self-insurance program.

SECTION 4. Ordinance 3581, Section 7, as amended, and K.C.C. 2.21.060 are hereby amended to read as follows:

A. All county departments or agencies and the officers, employees and agents of those departments and agencies shall cooperate fully and in good faith with the risk manager and the civil division in the investigation and defense of claims and lawsuits. When deemed necessary by the chief civil deputy or deputy prosecutor assigned to the case, the assistance may include, but not be limited to, the providing of testimony and exhibits for use in litigation. Any request for information by the office of risk management services shall be considered a request by the civil division.

B. Except as specifically directed by the risk manager or the civil division, a county department or agency, or a county official or speaking agent, or an employee or agent represented by the civil division or by outside counsel at the county's expense should not:

1. Negotiate or otherwise affect the settlement of a claim or lawsuit against the county; or

2. Make an admission of liability involving a claim or lawsuit against the county.

C. Except as specifically directed by the risk manager or the civil division, a county department or agency, or a county official or speaking agent, or an employee or agent represented by the civil division or by outside legal counsel at the county's expense should not:

1. Discuss with persons who are not county employees incidents that could reasonably lead to claims or lawsuits against the county; or

2. Discuss with persons who are not county employees incidents that are the subject of pending claims or lawsuits.

D. In the event of an accident, incident or occurrence causing bodily injury or property damage involving county vehicles, property or personnel acting within the scope of their employment, the knowledgeable county officers, employees and agents shall provide notice to the office of risk management services as soon as practicable. The notice shall include all reasonably obtainable information with respect to the time, place and circumstances of the accident, incident or occurrence and the names and addresses of all knowledgeable county personnel, injured or affected parties and available witnesses.

SECTION 5. Ordinance 3581, Section 8, as amended, and K.C.C. 2.21.070 are hereby amended to read as follows:

A.1. All claims against the county for damages arising out of tortious conduct shall be presented to and filed with the ~~((clerk of the council on))~~ risk manager by use of the electronic claim filing system managed by the office of risk management services or a claim form provided by the county or the state.

2. All such claims shall be verified by oath or affidavit and shall:

a. state the claimant's name, date of birth and contact information;

b. describe the conduct and circumstances that brought about the injury or damage;

~~((b-))~~ c. describe the injury or damage;

~~((e-))~~ d. state the time and place the injury or damage occurred;

~~((d.))~~ e. state the names of all persons involved, if known; and

~~((e. contain))~~ f. state the amount of damages claimed, together with a statement of the actual residence of the claimant at the time of presenting and filing the claim and for a period of six months immediately before the time the claim arose.

3. If the claimant is incapacitated from verifying, presenting and filing the claim, if the claimant is a minor or if the claimant is a nonresident of the state, the claim may be verified, presented and filed on behalf of the claimant by any relative, attorney or agent representing the claimant. With respect to the content of such claims, this section shall be liberally construed so that substantial compliance will be deemed satisfactory.

B. An action shall not be commenced against the county for damages arising out of tortious conduct until a claim has first been presented to and filed with the ~~((clerk of the council))~~ risk manager.

C. This section shall not affect the applicable period of limitations within which an action must be commenced, but the period shall begin and shall continue to run as if no claim were required.

D. ~~((The clerk of the council shall immediately transmit the original of the claim to the risk manager and notify the civil division of the transmittal.~~

~~E.))~~1. For all claims of one hundred thousand dollars or less, the risk manager shall have the final payment authority and shall make final disposition by either granting or denying the claim;

2. For all claims over ten thousand dollars, the risk manager shall seek the advice of the civil division before final disposition.

3. For all claims above one hundred thousand dollars, the county executive shall make final disposition after receiving advice from the civil division and the risk manager. **SECTION 6.** Ordinance 3581, Section 9, as amended, and K.C.C. 2.21.080 are hereby amended to read as follows:

A. Service of a summons and complaint shall be as provided in K.C.C. 2.04.010. Any county official or employee who is served with a summons and complaint in a lawsuit against the county or against any of its officials, employees or agents alleged to be acting in their official capacities shall immediately deliver the

summons and complaint to the clerk of the council.

B. The clerk of the council, upon accepting service of the summons and complaint shall immediately deliver the summons and complaint to the civil division. The civil division shall docket the lawsuit and send a copy of the summons and complaint to the office of risk management services.

C. The prosecuting attorney shall defend, or provide for the defense of, all lawsuits against the county or any of its officials, employees or agents, acting in good faith with no reasonable cause to believe the conduct was unlawful and within the scope of the county officer, employee or agent's service to or employment with the county, as long as the individuals discharge their obligations in K.C.C. 2.21.060.

D. Final authority for settlement of self-insured lawsuits shall be as follows:

1. The risk manager, acting with the advice of the civil division, may authorize settlements of one hundred thousand dollars or less; and

2. The executive, acting with the advice of the civil division and the risk manager, may authorize settlements of more than one hundred thousand dollars.

SECTION 7. Ordinance 12045, Section 20, as amended, and K.C.C. 4.56.035 are hereby amended to read as follows:

County employees shall be held accountable and responsible for all of the various personal property assigned to them during the course of their employment with the county.

A. Written documentation, by employee, of all changes in assigned capitalized items from the department or agency inventory reports will be recorded at the time of the occurrence and kept in each county department or agency.

B. The fleet services division shall provide a report of losses to the county council, county administrative officer and office of risk management services. The report to the county council shall be transmitted with the biennial budget.

C. The fleet services division shall recommend to the department or agency director or manager

corrective action for all capitalized items lost or misplaced due to employee negligence or misconduct.

D. If the director or manager determines an employee to be negligent in the care of the property assigned to the employee or if a terminated employee fails to return personal property assigned to the employee, then the county may pursue any remedy available at law for recovery of loss of property. If a career service employee is disciplined, that employee has the right to the full protection of the county disciplinary-grievance process as established by applicable union bargaining agreements and the county code provisions and administrative guidelines for the career service.

E. The fleet services division shall be the sole agency responsible for inventorying and disposing of county personal property.

SECTION 8. Ordinance 17392, Section 1, as amended, and K.C.C. 7.08.110 are hereby amended to read as follows:

A. For any improvement or construction on parks and recreation division property with an anticipated private investment from a community partner group of less than ten thousand dollars, including in-kind contributions and volunteer hours, the division will execute a contractual agreement with the community partner group before any construction of the improvement, by or on behalf of the community partner group, commences.

B. For any improvement or construction on parks and recreation division property with an anticipated private investment of between ten thousand dollars and ninety-nine thousand nine hundred ninety-nine dollars from a community partner group, including in-kind contributions and volunteer hours, the division shall notify the chair of the council's transportation, economy and environment committee or its successor as well as the councilmember in whose district the project is located. The notice shall be provided at least thirty days before the division enters into any contractual agreement with the community partner group relating to this improvement. The notice may be provided electronically and shall include at least the following:

1. A description of the project;

2. The project location;
3. Key anticipated milestones; and
4. The anticipated public and private investment.
5. Verification that the community partner group has agreed to execute a contractual agreement that

includes indemnification provisions as set forth in subsection D. of this section.

C. Any improvement or construction on parks and recreation division property with an anticipated private investment of one hundred thousand dollars or more from a community partner group, including in-kind contributions and volunteer hours, must be approved by ordinance before the commencement by, or on behalf of the community partner group, for the design or construction of the improvement. An ordinance authorizing a use agreement or a detailed capital improvement program budget with respect to any such a project constitutes authorization under this section, but only if the use agreement or capital improvement program budget is approved before construction or any contractual agreement regarding construction.

D. All contractual agreements shall include indemnification provisions that ensure that community partners and their volunteers agree to indemnify and hold harmless King County to the extent permitted under the law, for all claims, demands, suits and judgments caused by and arising out of work performed by community partner groups and their volunteers, including design and construction work. All contractual agreements shall include insurance provisions in amounts and coverages approved by the county's office of risk management (~~(division)~~) services. No construction or improvement on parks and recreation division property can begin before a contractual agreement is executed.

SECTION 9. Ordinance 13734, Section 12, and K.C.C. 14.45.100 are hereby amended to read as follows:

A. For any right-of-way use agreement, the agreement holder must carry commercial general liability, automobile liability and stop gap or employers liability coverage, each in minimum limits of not less than one million dollars (\$1,000,000), in an amount approved by the King County office of risk management services.

All policies must name King County as an additional named insured.

B. All policies shall be placed with insurers having a Bests' rating of no less than A:VIII or, if not rated by Bests, with surpluses equivalent to or greater than Bests' A:VIII rating. The agreement holder shall send copies of certificates, endorsements or other adequate evidence of compliance with this section to the office so designated in the application prior to the county's execution of the agreement.

SECTION 10. Ordinance 1159, Article III, Section 12, as amended, and K.C.C. 15.12.120 are hereby amended to read as follows:

A. A flying club must be organized as a nonprofit corporation under the laws of the state of Washington or of the United States for the purpose of fostering flying for pleasure, developing skills in aviation, and developing an awareness and appreciation of aviation requirements and techniques to the general public.

B. Each club must furnish to the airport manager a current and correct copy of the bylaws, articles of incorporation, operating rules and membership agreements.

C. A current certified roster of officers and directors and their addresses must be filed annually with the airport manager.

D. The commercial use of B.F.I. by flying clubs is prohibited.

E. The flying club shall maintain a membership record containing the full names, addresses and pilot license number and rating of all active members, together with the date when their membership commenced. These records shall be certified by an officer of the flying club and made available for inspection at any reasonable time upon request of and by the airport manager or designee.

F. All flying clubs will submit to the airport manager upon the airport manager's request a certified list of all instructors who are or have been instructing members of the club and the names of each of the members who received said instruction and the dates and time duration of such instruction within the six months preceding the request.

G. All flying clubs must obtain public liability and property damage insurance with a hold harmless

agreement in favor of B.F.I. and King County, its officers and employees. King County's office of risk management services shall assess the insurance requirements and provide a determination of liability and amount of insurance needed. Certificates of insurance will be kept on file at all times with the airport manager. Thirty days' prior notice of cancellation shall also be filed with the airport manager.

H. All aircraft owned, leased or used by the club must first be registered with the airport manager. Club aircraft shall not be used for business or commercial activities.

SECTION 11. Ordinance 12808, Section 3, as amended, and K.C.C. 24.28.020 are hereby amended to read as follows:

A. The project-based credit enhancement program will add to the stock of workforce housing aiding the poor and infirm of King County. The program is intended to create an incentive to develop new types of housing, increased affordability for residents, and realization of multiple growth management goals. Extension of credit enhancements to housing developers to secure favorable financing terms for housing projects should result in tangible benefits to the direct beneficiaries, who are poor and infirm residents of the proposed housing, and other public benefits, as appropriate. Project-based credit enhancements may be utilized for one or more of the following:

1. Enabling the development of needed housing that would not otherwise have been built were the project-based credit enhancement unavailable;
2. Increasing the affordability of individual units that are targeted for lower income households within workforce housing projects; and
3. Providing a payment to King County in lieu of additional project affordability for the purpose of developing affordable housing at another location.

B. Eligible applicants may include public housing authorities, nonprofit organizations, for-profit organizations, local governments, public agencies and public development authorities.

C. Eligible beneficiaries must be the poor and infirm of King County. These persons are commonly

recognized as households earning eighty percent or less of the county median income and persons or households with special needs.

D. Project-based credit enhancements are to be used to assist the development of mixed-income projects that add to the stock of workforce housing units in King County, including homeownership opportunities for eligible beneficiaries. Owned housing must remain affordable for subsequent buyers who are eligible beneficiaries or upon resale to an ineligible buyer the county shall recapture the subsidy provided by the credit enhancement. Rental projects must guarantee long term affordability to eligible beneficiaries. Eligible activities shall include new construction and acquisition and/or rehabilitation of existing housing when the final product will yield additional workforce housing units.

E. Projects assisted through the project-based credit enhancement program must be located in urban centers or within close proximity to transit hubs or corridors. Projects proposed to be sited elsewhere may be considered when there are unique opportunities to aid eligible beneficiaries. These projects shall nevertheless demonstrate access to employment, transportation and human services, and adequate infrastructure to support housing development.

F. Applications for project-based credit enhancements should be accepted year round to accommodate timely approval of final financial arrangements for projects. Proposed projects must detail the financial benefit of the project-based credit enhancement over the life of the project and how that benefit will be realized by eligible beneficiaries residing in the project.

G. All projects shall undergo rigorous review for financial, legal and policy compliance by staff from appropriate county agencies, including the housing, homelessness and community development division, the finance and business operations division and the office of the prosecuting attorney. When determined necessary by staff, review by the county's economic development consultant and bond counsel, as well as opinions from a bond rating service, shall be required. Project-based credit enhancements shall be used to improve the credit worthiness of the housing developer, but shall never be used as a sole source of credit worthiness of an

applicant. Developers and developer teams shall be competent, experienced and financially stable. Minimum standards for developers and projects shall be established by the executive.

H. Projects shall conform with applicable county requirements for contracting services.

I. All contingent loan agreements resulting in a project-based credit enhancement for a project shall be structured to minimize the county's financial risk and shall ensure the county's right to review all project records and direct corrective measures deemed necessary to prevent financial instability, material or technical default. All agreements shall be reviewed and approved by appropriate county agencies, including the housing, homelessness and community development division, the finance and business operations division, the office of the prosecuting attorney and the office of risk management services, and shall be reviewed by the county's economic development consultant and bond counsel, as appropriate.

J. Projects receiving project-based credit enhancements shall have the option to make a payment in lieu of providing additional project affordability. The payment shall be allocated to the housing and community development fund for the sole purpose of funding development of affordable low-income housing.

K. Projects will vary in financial risk to the county. While financial risks are to be minimized, the county may extend project-based credit enhancements where risks exist, provided the county has adequate financial reserves to cover county credit enhancement obligations.

L. The executive is authorized to collect an application fee between 0.2 and 0.4 percent of the amount of project debt that is credit-enhanced under the project-based credit enhancement program. The application fee shall be payable at the time that a contingent loan agreement is approved. The proceeds of the application fee shall be deposited in the credit enhancement reserve account described in K.C.C. 24.28.030.A. In establishing the level of the fee, the executive shall give primary consideration to the costs incurred by the county for processing an application for a project-based credit enhancement.

M. The executive is authorized to impose an annual monitoring fee between 0.05 and 0.10 percent of the amount of project debt that is credit enhanced under the project-based credit enhancement program. The

proceeds of the monitoring fee shall be

deposited in the housing and community development fund and used for program

administrative costs.