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Remarks by
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Vice Chairman
Board of Governors of the Federal Reserve System
at the
Dedication of the new Seattle Branch building
of the
Federal Reserve Bank of San Francisco
Renton, Washington
April 7, 2008

Good afternoon. It is my honor and pleasure to be here today to help dedicate the new Seattle Branch building, and to speak about how this terrific new facility will assist the Federal Reserve System's efforts to help guide the national economy and serve the payment needs of the Northwest.

I would like to express my personal appreciation to the City of Renton for its support and assistance in locating the Seattle Branch at its new home along Naches Avenue. As Chairman of the Committee on Federal Reserve Bank Affairs at the Board of Governors, I have followed this building project closely, and value the city's cooperation in helping ensure its future success. I especially appreciate the city's close cooperation with us in upgrading the utilities and streets serving the site and, essentially, making it a welcome new home for Branch employees.

The Seattle Branch, created in 1917, was housed in leased space until a downtown site was built in 1950. Although that building served the Seattle area's needs well for more than fifty years, service demands on the Branch have evolved and outstripped the capabilities of the old building and site. The vault and cash processing areas were no longer adequate for efficient operations, and cash delivery facilities could not accommodate the type and number of delivery vehicles, which had resulted in armored trucks queued along Spring Street. Furthermore, the building's general layout and construction did not meet the post-9/11 security requirements necessary for protecting Federal Reserve System employees and operations.

We considered several sites in the Seattle metropolitan area for the new building, initially searching for a suitable site within the city limits. But our site and transportation requirements prompted us to consider options within the broader metropolitan area, and we found that this location's proximity to major roads and highways will improve vehicular access for employees, visitors, and delivery personnel.

As you may have noticed, the new site is large--almost 10 acres--and its security is evident. Clearly, the safety of our employees and operations is a high priority that has become a greater focus in the post-9/11 era, but the building is more than just secure: Its design supports our mission, which is to promote a stable and efficient financial system and to conduct a monetary policy that fosters maximum employment and stable prices.

In recognition of our responsibilities as a community partner, the architecture of the building reflects both the character of the area as well as environmental concerns. For example, the building site borders a wetlands area that the Bank was careful to consider in situating the structure and tailoring the landscaping. A construction objective was to minimize the project's cost by using materials and methods commonly employed locally. The new building's exterior is a combination of low-maintenance glass, metal, and concrete elements. In all, the designers have produced a handsome design that reflects the Branch's desired utilitarian theme and functional requirements. The natural landscaping around the building reflects the character of the region as well, and it serves as an important feature in the overall design, and helps minimize ongoing maintenance costs.

And besides serving as an attractive asset in the City of Renton and in the greater Seattle metropolitan area, the new building should act as a catalyst for further development of the Longacres area by attracting other financial services facilities. It will serve as an ideal location for meetings with the Branch board of directors and as a facility for interacting with a wider public audience to exchange information on economic developments in the Northwest. And these meetings will support our broader monetary policy mission. Monetary policy is directed by the Federal Open Market Committee, or FOMC, which consists of the Board of Governors of the Federal Reserve System and the Reserve Bank presidents. The FOMC relies on information

provided by business people and others and economic intelligence gathered from around the nation. The Seattle Branch assists FOMC policymakers by monitoring indicators of economic conditions at the grassroots level here in the Northwest through liaison with local community groups and businesses. In addition, through community outreach, the Seattle Branch supports the Federal Reserve's aim to provide economic information to the community and offer economic and financial education programs to local groups and schools.

Maintaining the effectiveness of the nation's payment system is another important aspect of our work here in the Northwest. The distribution of currency is critical to the local economy, and the Federal Reserve has the responsibility to ensure the reliability and availability of cash. Fortunately, the new Branch building is designed to meet the cash service of Seattle area residents for many years to come. It comes equipped with state-of-the-art cash handling systems, including an automated storage vault to further improve operational efficiency, and its currency operations are designed to be scalable to address changing demands for cash in the Seattle region.

Let me conclude by reiterating my great pleasure in participating in this ceremony, which underscores our commitment to serve the growing needs of the Seattle and greater Northwest communities. I appreciate the opportunity you've provided me to speak about our central bank roles and functions and our strong links with the local economic community.

I am confident that this building will enable us to continue to meet our own mission objectives and serve as an integral member of the community for many years to come. I congratulate Branch staff and the community for their roles in ushering in this outstanding facility.