

# RESOLUTION

Benton County Resolution No. 2023 375

BEFORE THE BOARD OF COMMISSIONERS OF BENTON COUNTY, WASHINGTON;

IN THE MATTER OF EXECUTION OF THE INTERLOCAL AGREEMENT BETWEEN THE COUNTY OF BENTON AND: THE CITY OF BENTON CITY, THE CITY OF KENNEWICK, THE CITY OF PROSSER, THE CITY OF RICHLAND, AND THE CITY OF WEST RICHLAND REGARDING ADMINISTERING FUNDS GENERATED THROUGH THE AFFORDABLE AND SUPPORTIVE HOUSING TAX CREDIT FOR LOCAL HOUSING AND ASSISTANCE PLANS AND PROGRAMS, HOUSE BILL 1406

**WHEREAS**, in the 2019 legislative session, the state approved House Bill 1406, a local revenue sharing program for local governments for affordable housing investments and programs; and

**WHEREAS**, the tax is not a new tax, but a credit against the state sales tax, so it does not increase the sales tax for the residents of the County. It allows for the County to retain up to 0.0146% local sales and use tax credited against the state sales tax in increments of 0.0073% depending on if the cities within the County participate; and


**WHEREAS**, the cities of Benton City, Kennewick, Prosser, Richland, and West Richland agreed to enter into this interlocal agreement and have Benton County collect the tax and develop a steering committee with representation from the County and the Cities to recommend how the funding is spent; and

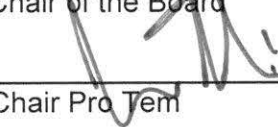
**WHEREAS**, the portion of the tax retained by the County shall be allocated to eligible housing activities that serve households at or below sixty percent of the area median income in the County and the Cities;  
**NOW, THEREFORE**

**BE IT RESOLVED**, that the Board of Benton County Commissioners hereby approves the attached Interlocal Agreement between the County of Benton and: the City of Benton City, the City of Kennewick, the City of Prosser, the City of Richland, and the City of West Richland regarding the administration of funds generated through the Affordable And Supportive Housing Tax Credit for Local Housing and Assistance Plans and Programs, House Bill 1406; and

**BE IT FURTHER RESOLVED**, the term of the attached Agreement commences on May 23, 2023 and shall expire on May 22, 2028.

Dated this 23<sup>rd</sup> day of May, 2023.

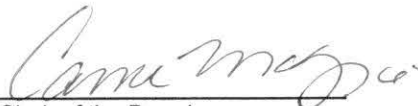
  
\_\_\_\_\_  
Chair of the Board

  
\_\_\_\_\_  
Chair Pro Tem

  
\_\_\_\_\_  
Commissioner

Constituting the Board of County Commissioners  
of Benton County, Washington

Attest:

  
\_\_\_\_\_  
Clerk of the Board

**INTERLOCAL AGREEMENT BETWEEN THE COUNTY OF BENTON, AND:  
THE CITY OF BENTON CITY, THE CITY OF KENNEWICK, THE CITY OF PROSSER,  
THE CITY OF RICHLAND, AND THE CITY OF WEST RICHLAND;  
FOR PROVIDING FOR LOCAL HOMELESS HOUSING AND  
ASSISTANCE PLANS AND PROGRAMS**

This Interlocal Agreement, hereinafter referred to as "Agreement," is entered into between Benton County, a political subdivision of the State of Washington, hereinafter referred to as "COUNTY," with its principal offices located at 620 Market Street, Prosser, Washington 99350; the City of Benton City, a municipal corporation with its principal offices located at 708 Ninth Street, Benton City, Washington 99320; the City of Kennewick, a municipal corporation with its principal offices located at 210 West Sixth, Kennewick, Washington 99336; the City of Prosser, a municipal corporation with its principal offices located at 601 Seventh Street, Prosser, Washington 99350; the City of Richland, a municipal corporation with its principal offices located at 625 Swift Boulevard, Richland, Washington 99352; and the City of West Richland, a municipal corporation with its principal offices located at 3100 Belmont Blvd. Ste. 100, West Richland, Washington 99353; hereinafter all the aforementioned cities referred to collectively as "CITIES."

This Agreement is entered into by the COUNTY under the authority of RCW 36.32.120, RCW 82.14.540, and Chapter 43.185C RCW. This Agreement is entered into by the CITIES under authority of RCW 82.14.540 and Chapter 43.185C RCW. This Agreement is in conformity with Chapter 39.34 RCW, the Interlocal Cooperation Act.

To carry out the purposes of this Agreement and in consideration of the benefits to be received by each party it is agreed as follows:

**Sec. 1. Purpose:**

The purpose of this Agreement shall be to provide for the collection, administration, and allocation of the COUNTY retained portions of the Affordable and Supportive Housing – Sales and Use Tax, RCW 82.14.540. The tax is credited against state sales taxes collected within Benton County and, therefore, will not result in higher sales and use taxes within Benton County, and will represent an additional source of funding to address housing needs in Benton County.

**Sec. 2. Parties:**

The parties to this Agreement shall be Benton County, the City of Benton City, the City of Kennewick, the City of Prosser, the City of Richland, and the City of West Richland.

**Sec. 3. Term:**

This Agreement shall be for five (5) years from the date of execution unless any party elects to terminate the Agreement pursuant to the termination clause of this Agreement. Renewal of this Agreement shall be by separate written agreement of the parties.

**Sec 4. Administration:**

Recommendations for the allocation of COUNTY retained portions of the Surcharge shall be made by the Surcharge Steering Committee (hereinafter "Committee"). The Committee shall be composed of the following members: one (1) representative

appointed by each of the City Councils to represent the CITIES; the director of Benton County Department of Human Services (hereinafter "DHS") or designee participating as a non-voting member ex officio; and the County Administrator for Benton County or designee. All Committee members shall be elected or appointed officials, directors, or employees of the respective government entity which they represent. Each member shall serve at the pleasure of the legislative body appointing them to the position, and their terms shall not be limited or restricted in any other fashion. All recommendations of the Committee shall be presented by the director of the DHS to the Benton County Board of Commissioners, who shall, by majority vote, make final funding decisions. If the Benton County Board of Commissioners votes in a manner contrary to recommendations by the Committee, then findings, on the record, shall be made to support such a contrary vote.

The DHS shall be responsible for the administrative aspects of managing the COUNTY retained portions of the Surcharge. These responsibilities include, but is not limited to, managing the Notifications of Fund Availability (NOFA) process, providing administrative support to the Committee during the process of applicant screening and selection, administration of contracts necessary for selected projects, and contract compliance oversight and monitoring for selected projects. The initial 5% of the surcharge permitted to be retained by COUNTY for administrative purposes shall be allocated to DHS to help defray its expenses, including salaries of employees, necessary in carrying out its responsibilities under this paragraph.

All awarded funds shall be disbursed pursuant to an appropriate contract between the award recipient and COUNTY. Such a contract shall ensure that the awarded funds are used solely for purposes permitted by RCW 82.14.540 and shall provide mechanisms for COUNTY to recover the awarded funds if they are misused.

**Sec. 5. No Separate entity or Joint Property:** This Agreement does not provide for or authorize any of the following:

- a. the acquisition, holding, or disposal of property other than the funds collected hereunder;
- b. the financing of any joint or cooperative undertaking;
- c. the creation of any separate legal entity;
- d. the creation of any right or privilege which may be claimed by any third party not party this agreement;

**Sec. 6. Hold Harmless/Indemnification:** Each party agrees to be responsible for, and assume liability for, its own wrongful and negligent acts or omissions, or those of its officers, agents or employees to the fullest extent allowed by law, and agrees to hold harmless, indemnify, and defend the other parties from any such liability. In the case of negligence of more than one party, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party; and each party shall have the right to seek contribution from each of the other parties in proportion to the percentage of negligence attributable to each of the other parties.

**Sec 7. Governing Law and Venue:** This agreement has been and shall be construed as having been entered into and delivered within the State of Washington, and it is mutually understood and agree by each signatory party hereto that this agreement shall

be governed by the laws of the State of Washington and any applicable Federal laws and regulations both as to interpretation and performance. Any action hereunder must be brought in the Superior Court of Washington in and for the County of Benton unless either party determines that a Federal forum is appropriate to the issues raised.

**Sec. 8. Termination:** Notwithstanding any other provision of this Agreement, any party may terminate this Agreement effective January 1st of any given year by giving written notice of intent to terminate by July 1st of the preceding year, with the termination to become effective no earlier than January 1st of the following year. Such notice of termination shall be by appropriate action of the elected governing body of the terminating party and shall be provided to all parties' subject to this Agreement. A party may not terminate this Agreement if doing so will be contrary to State law at the time of the intended termination, or if terminating will cause the signatories to this agreement, or any one of them, to be in violation of State law.

**Sec. 9. Notice:** Any formal notice or communication to be given under this Agreement shall be deemed properly given, if personally delivered, or if mailed postage prepaid and addressed:

To: Benton County  
Attn: County Administrator  
Post Office Box 150  
Prosser, Washington 99350

To: City of Prosser  
601 Seventh Street  
Post Office Box 271  
Prosser, Washington 99350

To: City of Benton City  
708 Ninth Street  
Post Office Box 70  
Benton City, Washington 99320

To: City of Richland  
625 Swift Boulevard  
Post Office Box 190  
Richland, Washington 99350

To: City of West Richland  
3100 Belmont Blvd. Ste. 100  
West Richland, Washington 99353

To: City of Kennewick  
210 W. Sixth Avenue  
Post Office Box 6108  
Kennewick, Washington 99336

**Sec. 10. No Agency:** The parties and their employees or agents performing under this Agreement are not deemed to be employees, officers, or agents of the other parties to this Agreement.

**Sec. 11. Record Keeping:** Records shall be kept by the Benton County Department of Human Services, sufficient to document all activities, actions and decisions made by the parties pursuant to this agreement. This agreement does not impose any obligation on individual parties to keep any records beyond what they are required to keep by law.

**Sec. 12. Assignment:** No parties to this Agreement shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder.

**Sec. 13. Amendments or Modifications:** This Agreement may be amended, altered, or changed in any manner by the mutual written consent of all parties. If any proposed amendment cannot be agreed to by all of the parties, then the proposed amendment shall not be made, and the parties shall conduct their business pursuant to this agreement as if such proposed amendment was not proposed.

**Sec. 14. Waiver:** No waiver by any party of any term or condition of this Agreement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or a different provision of this Agreement.

**Sec. 15. Severability:** If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the remaining provisions shall continue in full force and effect.

**Sec. 16. Filing:** Copies of this Agreement shall be filed with the Benton County Auditor and the Secretary of State after execution of this Agreement by all parties.

**Sec. 17. Counterparts:** This Agreement may be executed by facsimile and in any number of current parts and signature pages hereof with the same affect as if all parties to this Agreement had all signed the same document. All executed current parts shall be construed together, and shall, together with the text of this Agreement, constitute one and the same instrument.


**Sec. 18. Effective:** This Agreement shall become effective upon approval by all of the parties and recording with the Benton County Auditor.

Dated this 23 day of May, ~~2022~~ <sup>2023</sup>

BOARD OF COMMISSIONERS, BENTON COUNTY, WASHINGTON

  
\_\_\_\_\_

Chair

  
\_\_\_\_\_

Member

  
\_\_\_\_\_

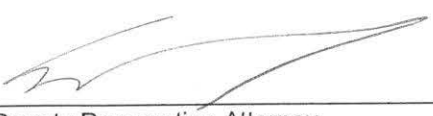
Member

Attest:

  
\_\_\_\_\_


Clerk of the Board

Approved as to Form:

  
\_\_\_\_\_

Deputy Prosecuting Attorney

**CITY OF BENTON CITY**

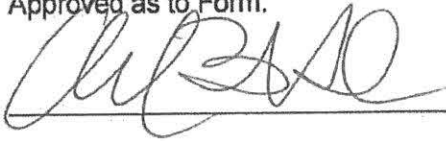
  
\_\_\_\_\_  
Linda Lehman, Mayor

Attest:

  
\_\_\_\_\_

Title: City Clerk - Treasurer

Approved as to Form:

  
\_\_\_\_\_

Title: City Attorney

## CITY OF KENNEWICK

DocuSigned by:  
W.D. McKay  
W.D. McKay, Mayor

Date: Nov 18, 2022 | 9:10 AM PST

Attest:

DocuSigned by:  
Terri L. Wright  
2B6A557A10E64E7...

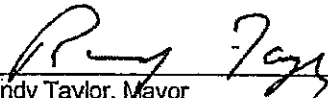
Title: City Clerk

Approved as to Form:

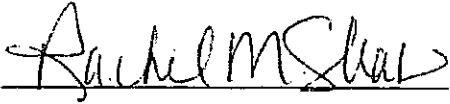
DocuSigned by:  
Lisa Beaton  
F74662BEE65B496...

Title: City Attorney

**CITY OF PROSSER**

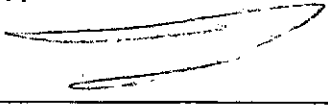
  
\_\_\_\_\_  
Randy Taylor, Mayor

Attest:

  
\_\_\_\_\_

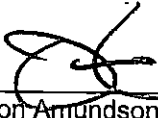
Title: City Clerk

Approved as to Form:

  
\_\_\_\_\_

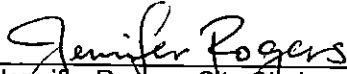
Title: City Attorney

**CITY OF RICHLAND**



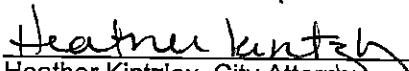
Jon Arrundson, ICMA-CM, City Manager

Attest:



Jennifer Rogers, City Clerk

Approved as to Form:



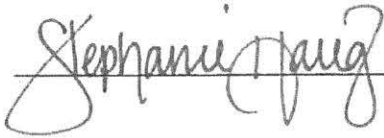
Heather Kintzley, City Attorney

**CITY OF WEST RICHLAND**



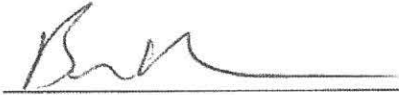
Brent Gerry, Mayor

Attest:



Title: City Clerk

Approved as to Form:



Title: City Attorney