

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 AS A RESULT OF STATE OF THE AFFORDABLE HOUSING FOR ALL SURCHARGE, RCW 36.22.178

This Interlocal Agreement, hereafter 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 principle offices located at 210 W. Sixth Avenue, 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 principle 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 collectively referred to as "CITIES".

WHEREAS, the Washington State Legislature passed Substitute House Bill 2060 (SBH 2060) during the 57th Legislative session which became effective on June 13, 2002 and was codified as RCW 36.22.178;

WHEREAS, RCW 36.22.178 directs a thirteen-dollar (\$13) surcharge, named the "Affordable Housing for All Surcharge," (hereinafter "the Surcharge") on certain documents recorded with the County Auditors office for the purpose of providing funds for affordable low-income housing;

WHEREAS, RCW 36.22.178 directs that of the funds collected under the Surcharge, five percent (5%) may be retained by the COUNTY to compensate for the collection, administration and local distribution of the funds, forty percent (40%) of the remaining shall be remitted to the State Treasurer and the remaining funds generated by the surcharge shall remain at the COUNTY;

WHEREAS, the portion of the Surcharge retained by the COUNTY shall be allocated to eligible housing activities that serve extremely low and very low-income households in the COUNTY and the CITIES according to an Interlocal Agreement between the COUNTY and the CITIES, consistent with county wide and local housing needs and policies;

WHEREAS, the parties are authorized to enter into such agreements by virtue of Chapter 39.34 RCW, the Interlocal Cooperation Act;

WHEREAS, this Agreement is entered into by the COUNTY under the authority of RCW 36.32.120, RCW 36.22.178, and Chapter 43.185C RCW; and

WHEREAS this Agreement is entered into by the CITIES under authority of RCW 36.22.178 and Chapter 43.185C RCW.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, it is mutually agreed by and between the COUNTY and CITIES 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 Housing for All Surcharge, RCW 36.22.178.

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. The Committee shall discharge its duties pursuant to the terms of the Operating Bylaws attached as Exhibit A and hereby adopted by reference. The members of the Committee may change provisions of the Operating Bylaws by majority vote so long as such changes are not contrary to law or to this Interlocal Agreement. 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 36.22.178 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 and Franklin Counties 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~~ ²⁰²³.

BOARD OF COMMISSIONERS, BENTON COUNTY, WASHINGTON



Chair




Member



Member

Attest:

Approved as to Form:



Clerk of the Board



Deputy Prosecuting Attorney

CITY OF BENTON CITY

L. Lehman

Linda Lehman, Mayor

Attest:

Anna Meyer

Title: *City Clerk - Treasurer*

Approved as to Form:

[Signature]
47859

Title: *Attorney*

CITY OF KENNEWICK

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

Date: Nov 18, 2022 | 9:09 AM PST

Attest:

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

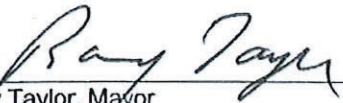
Title: City Clerk

Approved as to Form:

DocuSigned by:
Lisa Beaton
F74652BEE65B486...

Title: City Attorney

CITY OF PROSSER




Randy Taylor, Mayor

Attest:



Title: City Clerk

Approved as to Form:



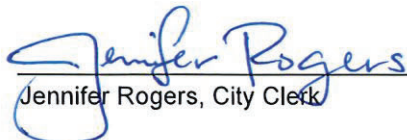
Title: City Attorney

CITY OF RICHLAND



Jon Amundson, ICMA-CM, City Manager

Attest:



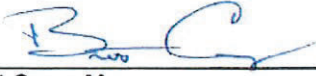
Jennifer Rogers, City Clerk

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

RESOLUTION

Benton County Resolution No. 2023 374

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 HOUSING FOR ALL SURCHARGE, RCW 36.22.178

WHEREAS, The Washington State Legislature passed Substitute House Bill 2060 which became effective on June 13, 2002; and

WHEREAS, RCW 36.22.178 directs a thirteen-dollar (\$13) surcharge, named the "Affordable Housing for All Surcharge," on certain documents recorded with the County Auditor's office for the purpose of providing funds for affordable low-income housing; and

WHEREAS, RCW 36.22.178 directs that of the funds collected under the Surcharge five percent (5%) may be retained by the County to compensate for the collection, administration and local distribution of the funds, forty percent (40%) of the remaining shall be remitted to the state treasurer and the remaining sixty percent (60%) be retained by the County; and

WHEREAS, the portion of the Surcharge retained by the County shall be allocated to eligible housing activities that serve extremely low and very low-income households in the County and the Cities according to the interlocal agreement between the County and the Cities consistent with county wide and local housing needs and policies; **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 Housing for All Surcharge, RCW 36.22.178; 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 23rd day of May, 2023.



Chair to the Board



Chair Pro Tem



Commissioner

Constituting the Board of County Commissioners
of Benton County, Washington

Attest:



Clerk of the Board

RESOLUTION NO. 2022-154

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AUTHORIZING AN INTERLOCAL AGREEMENT WITH BENTON
COUNTY FOR RECEIPT AND ALLOCATION OF 2060 FUNDS.**

WHEREAS, the Washington State Legislature passed Substitute House Bill 2060 during the 57th Legislative Session which became effective June 13, 2002 and is codified as RCW 36.22.178; and

WHEREAS, RCW 36.22.178 directs a thirteen dollar (\$13) surcharge titled “Affordable Housing for All Surcharge” on certain documents recorded with all County Auditors across the State for the purpose of providing funds for affordable low-income housing, including Benton County; and

WHEREAS, RCW 36.22.178 directs that a portion of the funds collected under the surcharge be retained by Benton County and allocated to eligible housing activities that serve low and very low-income households in Benton County and the cities within Benton County consistent with countywide and local housing needs and policies; and

WHEREAS, Benton County and the cities within Benton County have operated for several years under an interlocal agreement that identifies how 2060 funds would be administered; and

WHEREAS, the most recent interlocal agreement between the parties has expired (*see* Richland Contract No. 181-15).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute the Benton County Affordable Housing (2060) Interlocal Agreement between Benton County and the cities of Benton City, Kennewick, Prosser, Richland and West Richland.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.


ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 20th day of December, 2022.


Michael Alvarez, Mayor

Attest:


Jennifer Rogers, City Clerk

Approved as to Form:


Heather Kintzley, City Attorney