

FIRST AMENDMENT

DISBURSEMENT AGREEMENT

USE OF DISTRESSED COUNTY TAX CREDIT FUNDS

This FIRST AMENDMENT made and entered into effective as of the date fully executed by and between Benton County, (the COUNTY) and City of West Richland, (the CITY);

WHEREAS, the parties entered into a disbursement agreement per Resolution 11-679, dated November 1, 2011, (the AGREEMENT) to assist the CITY with the development of Belmont Industrial Center (the PROJECT); and

WHEREAS, the AGREEMENT provided that it is entered into effective upon the signature of both parties, and the COUNTY agreed to reimburse the CITY incurred construction costs in an amount up to Fifty-Five Thousand Dollars (\$55,000) from the Distressed County Tax Credit (DCTC) Fund; and

WHEREAS, this FIRST AMENDMENT is necessary as both parties wish to amend the date in Section 3; and

WHEREAS, both parties also wish to amend the date in Section 10; and

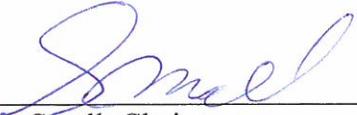
WHEREAS, both parties also wish to amend the language in Section 11, and

The parties agree that all provisions of the AGREEMENT remain in effect except Sections 3, 10, and 11 which by way of this FIRST AMENDMENT, shall be replaced in their entirety with the following:

3. The parties agree that the COUNTY will disburse funds only as reimbursement for actual, direct costs incurred by the CITY in connection with the PROJECT and that the PROJECT is scheduled to be completed by December 31, 2014.
10. The COUNTY'S obligation to disburse DCTC Funds under this AGREEMENT shall terminate if the PROJECT is not completed by December 31, 2015.
11. The CITY agrees to maintain ownership of the above referenced parcel and infrastructure created as part of the PROJECT through February 16, 2022; provided, the CITY may sell the above referenced parcel and infrastructure prior to such time if it first repays to the COUNTY all funds received by the CITY under this FIRST AMENDMENT.

IN WITNESS WHEREOF the Chairman of the Board of Benton County Commissioners has executed this FIRST AMENDMENT on behalf of the County and the City has executed this FIRST AMENDMENT, on the day and year set forth below.

BENTON COUNTY



Shon Small, Chairman

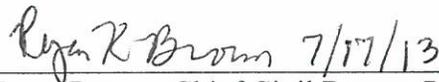
9-10-13

Date



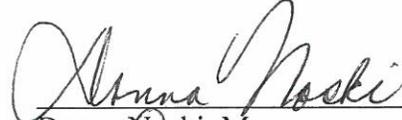
Clerk of the Board

APPROVED AS TO FORM



Ryan Brown, Chief Civil Deputy Prosecutor

CITY OF WEST RICHLAND



Donna Noski, Mayor

8/21/13

Date

Date

Date

RESOLUTION 11-679

BEFORE THE BOARD OF COMMISSIONERS OF BENTON COUNTY, WASHINGTON:

**IN THE MATTER OF APPROVING THE DISBURSEMENT AGREEMENT
USE OF DISTRESSED COUNTY TAX CREDIT FUNDS BETWEEN BENTON
COUNTY AND THE CITY OF WEST RICHLAND,**

WHEREAS, pursuant to Resolution 98 312, the Benton County (hereafter COUNTY) created the Distressed County Tax Credit Fund 0143-101 (hereafter DCTC), to collect sales and use tax revenue as provided by RCW 82.14.370 beginning July 1, 1998; and

WHEREAS, the COUNTY collected and deposited sale and use tax revenue in the DCTC Fund up to August 1, 1999; and

WHEREAS, the revenue received from the State of Washington and deposited into the DCTC Fund may only be used to finance public facilities; and

WHEREAS, the City of West Richland (hereafter CITY) owns a 7.38 acre parcel of undeveloped land at 620 Keene Road, West Richland, WA 99353; and

WHEREAS, the CITY intends to allow the construction of an industry specific building by a third party on such land (hereafter Belmont Industrial Center), and lease the land to a third party private industry to be used as a manufacturing facility; and

WHEREAS, the CITY intends to make certain infrastructure improvements (hereafter PROJECT) to it undeveloped land to facilitate its appeal to potential third parties; and

WHEREAS, after the PROJECT and the construction of the Belmont Industrial Center are completed, the above referenced 7.38 acres will be leased to a private manufacturer as part of the CITY'S strategic effort to create new and retain primary living wage jobs, and encourage private investments; and **NOW THEREFORE**,

BE IT RESOLVED, by the Board of County Commissioners, Benton County Washington, that the Chairman of the Board of Commissioners is hereby authorized to sign the Disbursement Agreement Use of Distressed County Tax Credit Funds; and

BE IT FURTHER RESOLVED, the COUNTY has agreed to distribute to the CITY up to Fifty-Five Thousand Dollars (\$55,000) for the PROJECT.

Dated this day of Nov, 2011.

Les M. Boyeman
Chairman of the Board

Small
Chairman Pro-Tem

James R. Beave
Member

Attest: Came M. ...
Clerk of the Board

Constituting the Board of County
Commissioners of Benton County,
Washington

DISBURSEMENT AGREEMENT

USE OF DISTRESSED COUNTY TAX CREDIT FUNDS

This AGREEMENT, made between Benton County, (hereafter COUNTY) and City of West Richland, (hereafter CITY), is effective upon signature of both parties;

WHEREAS, pursuant to Resolution 98 312, the COUNTY created the Distressed County Tax Credit Fund 0143-101 (hereafter DCTC), to collect sales and use tax revenue as provided by RCW 82.14.370 beginning July 1, 1998;

WHEREAS, the COUNTY collected and deposited sale and use tax revenue in the DCTC Fund up to August 1, 1999;

WHEREAS, the revenue received from the State of Washington and deposited into the DCTC Fund may only be used to finance public facilities;

WHEREAS, the CITY owns a 7.38 acre parcel of undeveloped land at 620 Keene Road, West Richland, WA 99353;

WHEREAS, the CITY intends to allow the construction of an industry specific building by a third party on such land (hereafter Belmont Industrial Center), and lease the land to a third party private industry to be used as a manufacturing facility;

WHEREAS, the CITY intends to make certain infrastructure improvements to it undeveloped land to facilitate its appeal to potential third parties;

WHEREAS, to assist with the development of the facility, the CITY has requested Fifty-Five Thousand Dollars (\$55,000) from the DCTC Fund to help fund the construction of the following infrastructure for the Belmont Industrial Center: installation of 670 linear feet of sidewalk along Belmont Road, pave a driveway and parking lot for the facility, extend water lines to the facility with 500 linear feet of 10" pipe and 25 linear feet of 6" pipe, extend an existing sewer line to the facility with 392 linear feet of 12" pipe, and install one sewer manhole. The above infrastructure is depicted on Exhibit A (hereafter PROJECT);

WHEREAS, after the PROJECT and the construction of the Belmont Industrial Center are completed, the above referenced 7.38 acres will be leased to a private manufacturer as part of the CITY'S strategic effort to create new and retain primary living wage jobs, and encourage private investments;

WHEREAS, the COUNTY has agreed to distribute to the CITY up to Fifty-Five Thousand Dollars (\$55,000) the PROJECT;

NOW THEREFORE, in consideration for the mutual covenants, conditions, and terms contained herein, the said parties hereby mutually agree to the following:

1. The COUNTY agrees to reimburse the CITY for up to Fifty-Five Thousand Dollars (\$55,000) of direct costs incurred by the CITY for the PROJECT, consistent with Resolution 98 338 and Ordinance Number 332.
2. The CITY has agreed to use said funds of the DCTC Fund solely for the purpose of funding the PROJECT, and warrants that all expenditures shall comply with the limitations set forth in RCW 82.14.370.
3. The parties agree that the COUNTY will disburse funds only as reimbursement for actual, direct costs incurred by the CITY in connection with the PROJECT and that the PROJECT is scheduled to be completed by December 31, 2012.
4. The CITY will invoice the COUNTY once each month for the PROJECT costs incurred by the CITY in the prior month that are eligible for reimbursement. Such invoices shall specify the nature and amount of the costs for which reimbursement is sought. The CITY will provide a status report on the PROJECT with each invoice. All invoices shall be mailed to the following address:

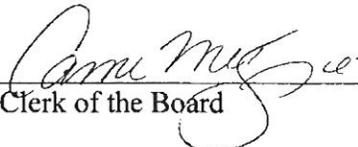
Benton County Commissioners
Attention: David Sparks, County Administrator
PO Box 190
Prosser, WA 99350
6. The CITY shall not hold the COUNTY liable for any delay in disbursements, but the COUNTY agrees to use its best efforts to make appropriate disbursements in a reasonably timely fashion.
7. If the DCTC Funds are applied to non-eligible expenditures, the COUNTY may cease all disbursements until the CITY has repaid to the DCTC Fund all funds inappropriately expended.
8. The CITY agrees to indemnify the COUNTY from and against any claims, actions, losses, costs, penalties, damages, attorney's fees, and all other liabilities and costs of defense of any nature arising out of the COUNTY'S agreement to disburse DCTC Funds under this AGREEMENT.
9. The CITY shall not have the right to assign the rights under this AGREEMENT nor terminate its obligations hereunder otherwise without first securing the written consent of the COUNTY.
10. The COUNTY'S obligation to disburse DCTC Funds under this AGREEMENT shall terminate if the PROJECT is not completed by December 31, 2013.
11. The CITY agrees to maintain ownership of the above referenced parcel and infrastructure created as part of the PROJECT for at least ten (10) years after the

PROJECT is completed; provided, the CITY may sell the above referenced parcel and infrastructure prior to such time if it first repays to the COUNTY all funds received by the CITY under this Agreement.

BENTON COUNTY


Leo Bowman, Chairman

11-1-2011
Date


Clerk of the Board

APPROVED AS TO FORM


Ryan Brown, Chief Civil Deputy Prosecutor

CITY OF WEST RICHLAND

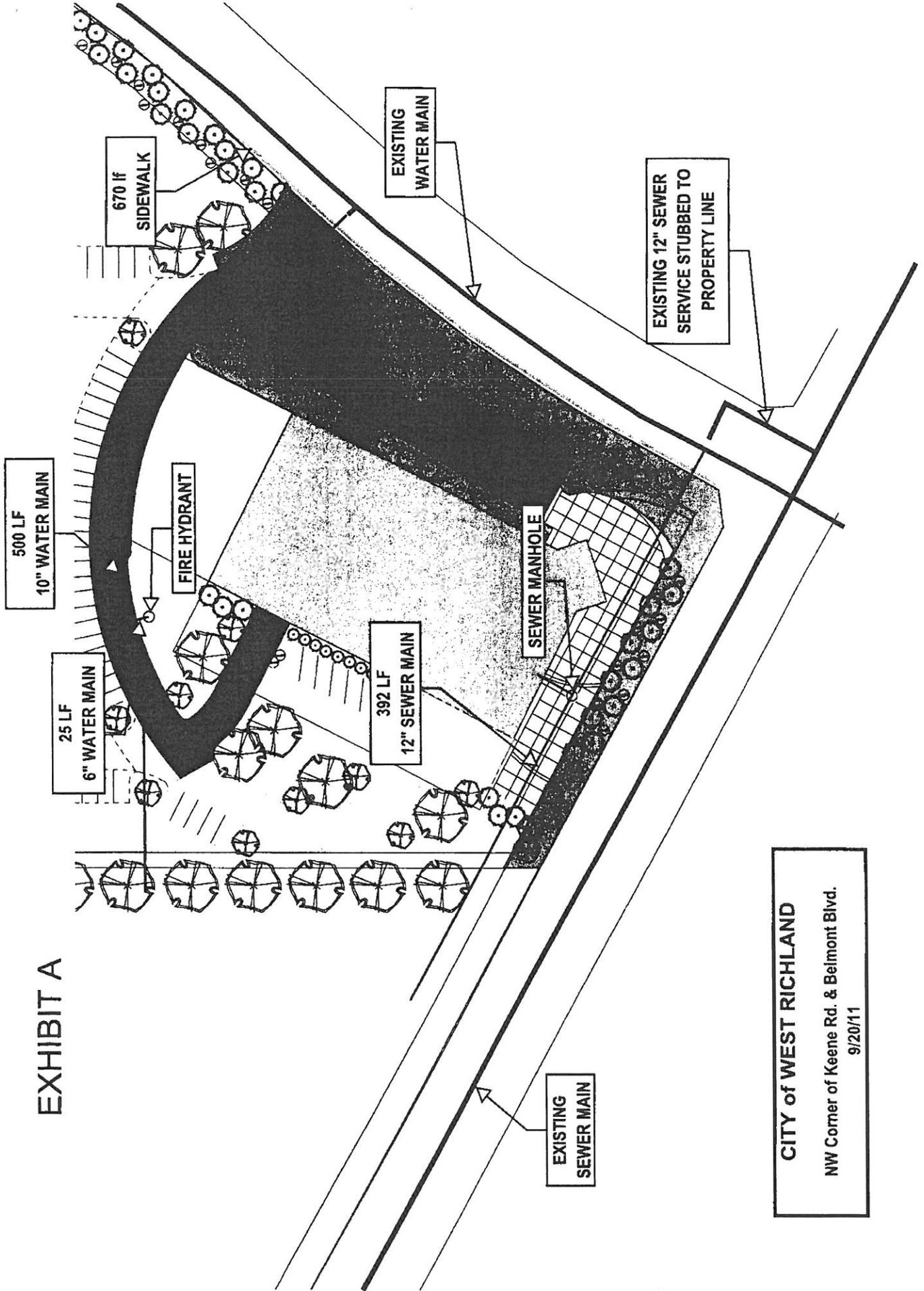

Donna Noski, Mayor

10/12/11
Date

11-1-2011
Date

Date

EXHIBIT A



CITY OF WEST RICHLAND
NW Corner of Keene Rd. & Belmont Blvd.
9/20/11