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FOR IMMEDIATE RELEASE

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Contact

Shyanne Faulconer

Email

Shyanne.Faulconer@co.benton.wa.us

Website

www.co.benton.wa.us

COUNTY, CITIES, AND PORTS TO BOOST ECONOMIC DEVELOPMENT

Jail financing agreement to be retired; new sales tax rebate partnership to begin

Kennewick, WA – Benton County, the cities of Benton City, Kennewick, Prosser, Richland, and West Richland; and the ports of Benton and Kennewick will hold a **joint press conference at 11 a.m. on July 20, 2016 at Benton County Justice Center, 7122 W. Okanogan Place** in the Board of County Commissioners Conference Room, located on the second floor.

This conference is held to announce termination of the “Amended and Restated Debt Participation Agreement for Jail and District Court Expansion” that was signed by the County, Kennewick, Prosser, Richland, and West Richland in 2001. This termination will free-up use of Benton County’s Rural County Capital Fund for other economic development projects by the County, Cities, and Ports.

History of Benton County Rural County Capital Fund

Following statutory authority provided by the Legislature, the Benton County Rural County Capital Fund was established in 1998 for the purpose of leveraging new projects in the community that would create jobs and diversify the economy. The account is funded by a sales tax rebate and *is not* an additional tax. The rebate is pulled from existing Washington State Sales Tax, with 0.09 percent (0.09%) of the revenue being placed in the fund. This rebate from Washington State is then used by the County and potentially disbursed to the Cities and/or Ports for use on economic development projects that meet statutory requirements.

In January 2002, the County and Cities of Kennewick, Prosser, Richland, and West Richland signed an Amended and Restated Debt Participation Agreement, deciding to use the Rural County Capital Fund to repay a portion of the non-voted, general obligation bonds that were used to expand the Benton County Jail and District Court. Over the past fourteen years, the Rural County Capital Fund has been used by the County to repay the remaining debt obligation for the bonds. The balance of the Fund has been sufficient to meet the remaining principal and interest balance on the bonds, resulting in a cash reserve. The County and Cities are now signing a termination agreement to end the debt participation agreement – therefore allowing for use of the remaining Rural County Capital Fund balance and all future funds that accumulate in the Rural County Capital Fund for other economic development projects in accordance with [RCW 82.14.370](#). The termination agreement will be signed on July 19, 2016 by each of the involved entities. The sales tax rebate will end in 2022.

As of June 28, 2016, Benton County’s allocation formula for the eight entities eligible for utilization of Rural County Capital Funds is as follows: Benton County (10.94%), cities of Kennewick (18.05%), Richland (16.31%), West Richland (10.94%), Prosser (10.94%), and Benton City (10.94%), and the ports of Benton (10.94%) and Kennewick (10.94%).

Join us July 20, 11 a.m. in a joint press conference to hear more about the future plans of Benton County, Cities of Benton City, Kennewick, Prosser, Richland, and West Richland, and the Ports of Benton and Kennewick.

[About Benton County](#)

Benton County is located in south-central Washington. The county seat is located in Prosser, and its largest city is Kennewick. Benton County was created on March 8, 1905 and was named after U.S. Senator Thomas Hart Benton. Benton County operates under the plural executive form of government with three commissioners and seven other elected officials. Benton County has offices located in Prosser, Kennewick, and Richland. For more information, please visit www.co.benton.wa.us.

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