LEWIS COUNTY PUBLIC FACILITIES DISTRICT

RESOLUTION NO. 2007- 001

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LEWIS COUNTY PUBLIC FACILITIES DISTRICT IMPOSING A SALES AND USE TAX PURSUANT TO THE AUTHORITY GRANTED BY RCW 82.14.390.

BE IT RESOLVED by the Board of Directors of the Lewis County Public Facilities District (the "Board") as follows:

Section 1. The Board adopts the following recitals and findings:

a. The Lewis County Public Facilities District, a Washington public facilities district duly organized and existing under the laws of the State of Washington (the "District"), was created by Lewis County, Washington (the "County") pursuant to Resolution No. 07-247 enacted by the County on August 13, 2007, all in accordance with Chapter 36.100 of the Revised Code of Washington ("RCW"). The boundaries of the District are coextensive with the boundaries of the County.

b. The District was formed for the purpose among others, of pursuing the acquiring, constructing, owning, operating, maintaining, remodeling, repairing, equipping, reequipping, and/or financing a public facility(ies) or project(s) with contiguous parking facilities for among other purposes, equestrian, rodeo, musical, and other cultural exhibitions presentations, or performances, together with related parking facilities, individually or in cooperation with any other governmental and/or private entities as allowed by law. However, without prior written approval by the Board of County Commissioners, the District shall not carry out the design, construction, ownership, operation and/or financing of a public facility or project other than the initial project.

c. Except as otherwise approved by the Board of County Commissioners the District shall not impose any taxes under RCW 36.100.040 (lodging tax) or RCW 36.100.050 (property tax). The District has no authority to create new taxes, nor impose a hotel/motel tax, nor any other tax, except as authorized under RCW 82.14.390 and Engrossed House Bill 2388. The District may receive or collect and expend gifts, grants, and donations consistent with RCW 36.100.

d. The District has been authorized, under RCW 82.14.390, to collect the portion of the sales and use tax in the maximum amount allowed by law from those persons who are taxable by the State of Washington under RCW Sections 82.08 and 82.12 upon occurrence of any taxable event within the District to be collected at the earliest date allowed by the law.

e. The amount of sales and use taxes collected for the District will be deducted from sales and use tax amounts that would otherwise be paid to the

Washington State Department of Revenue, so that there will be no increase in the total amount of sales and use taxes paid by the public within the boundaries of the District.

f. The District is required to use the sales and use taxes it collects to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance or operate regional centers as defined in RCW 35.57.020 and authorized under RCW 82.14.390 and EHB 2388.

g. The Board of Directors of the District held a meeting on August 27, 2007, after public notice being given, concerning whether the Board should impose, at the rate of 0.033 percent, a sales and use tax that is to be deducted from the amount of tax otherwise required to be collected and paid over to the State Department of Revenue under Chapters 82.08 and 82.12 RCW and thus does not increase the amount of tax paid by the public; and

h. The Board of Directors now determines that it is appropriate to establish and impose the sales and use tax authorized by RCW 82.14.390 and EHB 2388.

Section 2. As authorized by RCW 82.14.390 and EHB 2388, there is hereby imposed a sales and use tax at the rate of 0.033 percent of the selling price in the case of a sales tax or the value of the article used in the case of a use tax. Pursuant to RCW 82.14.390, the tax imposed under this section shall be collected from those persons who are taxable by the State under Chapter 82.08 – Retail Sales Tax, and Chapter 82.12 – Use Tax, upon the occurrences of any taxable events within the boundaries of the District. The tax imposed under this section shall be deducted from the amount of tax otherwise required to be collected or paid over to the Washington State Department of Revenue under Chapters 82.08 and 82.12 RCW, and that Department shall perform the collection of such taxes at no cost to the District. The tax imposed under this section shall expire not more than twenty-five years after the tax is first collected.

Section 3. Proceeds of the sales and use tax imposed by this resolution shall be collected by the Washington State Department of Revenue and paid over to the District, to be set aside and applied by the District to be used only for those purposes authorized by State law, specifically, to be paid to the Lewis County Public Facilities District for the purpose of providing the cost of designing, constructing, owning and operating the initial project. If at any time the District determines that it is not feasible to apply the taxes collected pursuant to this resolution for an authorized purpose, then money not validly expended for the purposes authorized by State law shall be returned to the Washington State Department of Revenue.

Section 4 Proceeds of the tax authorized by RCW 82.14.390 and EHB 2388 must be matched with an amount from other public or private sources equal to thirty three percent (33%) of the amount collected, provided that amounts generated from nonvoter approved taxes authorized under RCW 36.100 shall not constitute a

public or private source. Public or private sources include, but is not limited to cash or in-kind contributions used in all phases of development or improvement of the regional center, land that is donated and used for the siting of the regional center, cash or in-kind contributions from public or private foundations, or amounts attributed to private sector partners as part of a public and private partnership agreement negotiated by the public facilities district.

Section 5. Any officer of the District is authorized, jointly and severally, to do any and all things and to execute and deliver any and all documents, agreements and certificates and other instruments which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and any other documents executed and delivered pursuant to the authority granted in this resolution. Any such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 6. The Secretary of the Board shall transmit, or cause to be transmitted, a copy of this resolution to the Washington State Department of Revenue at least thirty (30) days prior to the effective date of the tax. The effective date of the tax shall be the first of a month.

Section 7. The effective date of the sales and use tax authorized by RCW 82.14.390 and herein adopted shall be October 1, 2007.

Section 8. This resolution shall be in full force and effect from and after the date of its adoption.

Adopted this 27th day of August, 2007

Peter Corwin, Chair
Lewis County Public Facilities District

Paul W. Schulte, Vice- Chair
Lewis County Public Facilities District

Thomas Lerchen, Secretary
Lewis County Public Facilities District

David Kuper, Director
Lewis County Public Facilities District

Rodney Murschel, Director
Lewis County Public Facilities District