

09/17/2019

PROPOSED BY: Health
INTRODUCTION DATE: _____

ORDINANCE NO. _____

ESTABLISHING AN AFFORDABLE AND SUPPORTIVE HOUSING FUND

WHEREAS, in the 2019 Regular Session, the Washington State Legislature approved, and the Governor signed, Substitute House Bill 1406 (Chapter 338, Laws of 2019) ("SHB 1406"); and

WHEREAS, RCW 82.14.540 was established as statute pursuant to SHB 1406; and

WHEREAS, RCW 82.14.540 authorizes the governing body of a county to impose a local sales and use tax for affordable and for supportive housing to persons whose income is at or below sixty percent of the Whatcom County area median income, with said tax expiring twenty years after the date on which the tax is first imposed; and

WHEREAS, RCW 82.14.540 authorizes use for the following: the acquisition, construction or rehabilitation of affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing, and for funding the operations and maintenance costs of new units of affordable or supportive housing, and for counties with populations of 400,000 or less, for providing rental assistance to tenants; and

WHEREAS, Whatcom County is a participating county that currently imposes a qualifying local sales and use tax in accordance with requirements of RCW 82.14.540; and

WHEREAS, the City of Bellingham also has a qualifying local tax; and

WHEREAS, the City of Bellingham has stated in a resolution on September 9, 2019 that Whatcom County is authorized to retain the tax at the maximum rate and will not be a participating city by retaining the tax; and

WHEREAS, Whatcom County and the cities within the county have agreed that Whatcom County is authorized to retain the tax at the maximum rate; and

WHEREAS, Whatcom County has declared on September 10, 2019 through resolution an intent to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by RCW 82.14.540; and

WHEREAS, the tax will be credited against state sales taxes collected within Whatcom County and, therefore, will not result in higher sales and use taxes within the County and will represent an additional source of funding to address housing needs in the County; and

WHEREAS, Whatcom County will facilitate a county-wide housing plan by collating the various city and county housing plans and then identifying common goals; and

WHEREAS, the Whatcom County Housing Advisory Committee was formed through an interlocal agreement among the county and the seven cities and serves in an advisory capacity to Whatcom County issues related to housing; and

1 **WHEREAS**, the current interlocal agreement establishing the Whatcom County
2 Housing Advisory Committee states membership status for cities as well as scope of the
3 committee's activities; and

4 **WHEREAS**, the city of Bellingham desires two representatives on the Whatcom
5 County Housing Advisory Committee; and

6 **WHEREAS**, an amendment to the interlocal agreement that established the
7 Whatcom County Housing Advisory Committee will reflect the change in membership to add
8 an additional representative from the city of Bellingham, as well as expanded scope as an
9 advisory body for said tax distribution; and

10 **WHEREAS**, the County has a need for supportive and affordable housing units and
11 has determined that retaining the maximum rate of the sales and use tax to address this
12 need will benefit its citizens; and

13 **WHEREAS**, the state Department of Revenue will set the maximum amount of tax
14 distributions for a participating county no later than December 31, 2019; and

15 **WHEREAS**, a new fund must be established to collect the tax distributions;

16 **NOW, THEREFORE, BE IT ORDAINED** that:

- 17
- 18 1. Whatcom County adopts Exhibit A into law.
- 19 2. The Affordable & Supportive Housing fund is hereby established to collect this new
20 revenue.
- 21 3. An annual report reflecting housing priorities, strategies, and accomplishments of
22 the entire county will be submitted by the Whatcom County Housing Advisory
23 Committee.

24 This ordinance shall take effect immediately upon its passage and adoption.

25 **ADOPTED** this ____ day of _____, 20____.

26
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28
29
30 ATTEST:

31
32
33 _____
34 Dana Brown-Davis, Clerk of the Council

35
36 WHATCOM COUNTY EXECUTIVE
37 APPROVED AS TO FORM:

38
39 _____
40 Civil Deputy Prosecutor
41 Executive

42 WHATCOM COUNTY COUNCIL
43 WHATCOM COUNTY, WASHINGTON

44 _____
45 (Current Chair's Name), Council Chair

46 WHATCOM COUNTY, WASHINGTON

(Current Executive's Name), County

() Approved () Denied

Date Signed: _____