

ORDINANCE NO. _____

AN ORDINANCE PROVIDING FOR THE SUBMISSION OF A PROPOSITION TO THE QUALIFIED ELECTORS OF WHATCOM COUNTY AUTHORIZING THE COUNTY TO LIFT THE LIMIT ON REGULAR PROPERTY TAXES UNDER CHAPTER 84.55 RCW FOR THE PURPOSE OF FUNDING FOR CHILDCARE, EARLY LEARNING PROGRAMS, AND INCREASED SUPPORT FOR VULNERABLE CHILDREN

WHEREAS, studies show that 90% of the human brain is developed before the age of 5. This period before kindergarten is the critical window for children to learn the basic skills to have a successful life and be ready to learn in school, such as attention, motivation, coordination, and self-esteem; and

WHEREAS, there are approximately 10,000 children under the age of 5 in Whatcom County, and up to 5,000 lack access to early learning because there are not enough spaces available. This childcare gap is worse in rural areas of the county; and

WHEREAS, studies show that children who go to high-quality preschool are more likely to read proficiently by the third grade, and more likely to graduate and go on to post-high school education such as college, technical school, or training programs that lead to good jobs as adults; and

WHEREAS, recent data shows that only 46% of students in Whatcom County, and only 25% of children of color, enter kindergarten fully ready to learn; and

WHEREAS, research shows that, for every dollar invested in early childhood programs, between \$7 and \$13 are saved in benefits to the community, including higher graduation rates, lower incarceration rates, and lower healthcare costs. Whatcom County currently spends only 2% of its budget on programs related to families, but spends much more responding to situations involving severe mental illness and homelessness, and on incarceration; and

WHEREAS, over 85% of Whatcom County businesses report staffing challenges from lack of childcare access; and

WHEREAS, increased wages would help attract, train, and keep high quality educators and providers for children in Whatcom County. Child care workers are essential, but their salaries have not kept up with the cost of living. Most earn minimum wage; less than \$30,000 a year on average; and

1 **WHEREAS**, chapter 84.55 RCW generally limits the dollar amount of regular
2 property taxes that a county may levy in any year, but RCW 84.55.050 allows a county to
3 levy taxes exceeding such limit by majority approval of the voters, allows a county to
4 include in the ballot proposition a limit on the purpose for which the additional taxes levied
5 will be used and allows the proposition to provide for the expiration of the additional taxing
6 authority; and
7

8
9 **WHEREAS**, the Whatcom County Council finds that the best interests of the citizens
10 of Whatcom County require the submission of a proposition to the qualified voters of the
11 County, in a special election to be held concurrently with the general election on November
12 8, 2022, to approve or reject a levy above the regular property tax limitations established in
13 RCW 84.55.010 for the funding of childcare and early childhood programs to improve
14 kindergarten readiness and funding for support of homeless and otherwise vulnerable
15 children; and
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17
18 **WHEREAS**, the taxes authorized by this proposition will be in addition to the
19 maximum amount of regular property taxes the County would have been allowed to levy
20 within the limitations provided for in RCW 84.55.010 in the absence of voter approval.
21 Thereafter, such levy amount would be used to compute limitations for subsequent years as
22 allowed by chapter 84.55 RCW; and
23

24
25 **WHEREAS**, the proposed levy lid lift authorized by this proposition would permit the
26 County to increase its regular property tax levy by \$0.19 per \$1000 of assessed valuation,
27 resulting in a regular property tax levy of \$0.94 per \$1000 of assessed valuation for
28 collection in 2023 (calculated using the regular property tax rate in 2022, based on total
29 assessed value in 2021), and to increase the levy thereafter as allowed by chapter 84.55
30 RCW to allow for the uninterrupted continuation of the levy lid lift for a term of ten (10)
31 years. The amount collected in 2023 and in the following 9 years will be approximately
32 \$8,200,000.00 annually; and
33

34
35 **WHEREAS**, pursuant to RCW 84.55.050(5), the maximum regular property taxes
36 that may be levied in 2032 for collection in 2033 and in later years shall be computed as if
37 the proposition under this resolution had not been approved; and
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39
40 **NOW, THEREFORE, BE IT ORDAINED** by the Whatcom County Council that:
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43 **SECTION 1 LEVY SUBMITTAL:** To provide necessary funding for the purposes identified
44 in Section 3 of this ordinance, the County Council shall submit to the qualified electors of
45 the County a proposition authorizing a regular property tax levy in excess of the levy
46 limitation contained in chapter 84.55 RCW which would allow the County, commencing in
47 2023 and thereafter continuing for an additional 9 years, to collect additional property taxes
48 in the amount of \$0.19 per \$1000 of assessed valuation, for a total regular property tax of
49 \$0.94 per \$1000 of assessed valuation for collection in 2023.
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1 **SECTION 2 DEPOSIT OF LEVY PROCEEDS:** All levy proceeds shall be deposited into a
2 fund, to be known as the Healthy Children’s Fund, which shall be created by ordinance, and
3 these funds and proceeds thereon shall be used exclusively for the purposes outlined in
4 Section 3.
5

6
7 **SECTION 3 ELIGIBLE EXPENDITURES:**
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9 A. The Healthy Children’s Fund shall be used exclusively for the following:
10

11 1. **Increasing Affordable, High-Quality, Professional, and Accessible Early**
12 **Learning and Child Care Opportunities.** Young children of all backgrounds will
13 have increased access to affordable, high-quality, professional, and accessible
14 early learning and child care experiences that meet the unique needs of families
15 across Whatcom County.
16

17 a. Funding in this area must address each of the following priorities:
18

19 **Affordable:** Decrease the cost of early learning and child care
20 experiences for both families and providers.
21

22 **High-Quality:** Increase the quality of early learning and child care
23 experiences.
24

25 **Professional:** Attract and retain quality early childhood educators.
26

27 **Accessible:** Expand early learning and child care services that meet
28 the varied needs of families and children. Geographic locations, ages
29 of children, special needs, and a broad range of child care scheduling
30 needs (including emergency child care opportunities) will all be
31 considered in the development.
32

33 2. **Helping vulnerable children of all backgrounds, including homeless and**
34 **at-risk children.** Vulnerable children of all backgrounds will have increased
35 access to the support they need, either directly or through support for their
36 families, including mental and behavioral health services and housing stability
37 programs. For the purposes of this ordinance, ‘vulnerable children’ are defined
38 as any children at greater risk of experiencing physical or emotional harm and/or
39 experiencing poor outcomes because of one or more factors in their lives,
40 including but not limited to homeless and foster children.
41

42 a. Funding in this area must address each of the following priorities:
43

44 **Expand Mental and Behavioral Health:** Expand mental health
45 services for vulnerable children and their families.
46

47 **Prevent and reduce homelessness of vulnerable children:**
48 Reduce the instances of vulnerable children experiencing
49 homelessness, through diversion and other preventative services and
50 reduce the trauma associated with homelessness by supporting interim

1 housing services and trauma-focused system reform directed at
2 vulnerable children and their families.

3
4 **Support Vulnerable Children’s Parents:** Expand supports and
5 services for families who have or are expecting children deemed to be
6 vulnerable.
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8 b. Services funded under this section shall not include those that are already
9 funded through the Continuum of Care system for homelessness that is
10 part of the federal and state-mandated Coordinated Entry System.

11
12 3. **Help all children be ready for kindergarten.** Improvements to child care and
13 early learning programs under this measure must be designed to advance the
14 goal that children of all backgrounds in Whatcom County should enter
15 kindergarten prepared and ready to learn.

16
17 4. **Independent Performance Audits and Oversight:** Ensure that taxpayer
18 money is well spent achieving the goals adopted by the County Council in this
19 ordinance and endorsed by the voters through passage of the levy.
20

21 B. Funding requirements and limitations:

22
23 1. The County shall ensure that the Healthy Children’s Fund is used exclusively to
24 sustain an increase in overall public expenditures for eligible services as set forth
25 in this ordinance. Money in the Healthy Children’s Fund shall not be used in lieu
26 of federal, state, county, city or school district funding already committed for the
27 purpose of providing outlined services.
28

29 2. School districts, and/or other public entities may be eligible to receive funds as a
30 service provider if, through the County’s purchasing procedures, they are deemed
31 the best option to meet goals and outcomes.
32

33 3. All service providers, vendors and subcontractors of the Healthy Children's Fund
34 shall be selected by fund administrators in compliance with County purchasing
35 procedures. All service providers shall have and adhere to robust anti-
36 discrimination and child protection policies. All contracts for service resulting from
37 The Healthy Children's Fund should state the contract’s objective, whether from
38 this ordinance or the Community Health Improvement Plan.
39

40 4. Reimbursements to the County for administrative costs, evaluation, and overhead
41 shall be limited to nine percent of levy proceeds, with up to three percent used
42 for auditing and evaluation.
43

44 5. The Healthy Children’s Fund may maintain reserve funds. It is intended that
45 substantially all levy proceeds will be used for the purposes set forth in this
46 ordinance within the ten-year levy period, and reserves maintained after the
47 ninth year of the levy must be supported by a formal statement justifying the
48 need for the reserve.
49
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1 **SECTION 4 IMPLEMENTATION PLAN:**
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- 3 1. The Department of Health shall serve as the fund administrator to develop an
4 implementation plan and oversee the implementation of the Healthy Children’s
5 Fund. However, should the County later create a new department or entity that is
6 a more appropriate fund administrator, the County Executive, with the
7 concurrence of the County Council, may transfer the role of fund administrator to
8 that new department or entity.
9
- 10 2. The Fund Administrator shall develop an implementation plan that identifies the
11 specific strategies and projects to be funded and the outcomes to be achieved
12 with the use of levy proceeds.
13
- 14 3. This implementation plan shall, to the maximum extent possible, be developed in
15 collaboration with the Child and Family Well-being Taskforce, an existing
16 community board established by the Whatcom County Council, and shall be
17 transmitted to the County Executive by March 31, 2023, and every 2 years
18 thereafter to be included as part of the budget submitted to the Council.
19
- 20 4. The Implementation Plan, including the spending plan, shall be open to and
21 shared with the public. Before submitting to the County Executive, the Fund
22 Administrator shall seek input from relevant advisory groups, including the Child
23 and Family Well-Being Taskforce. The implementation plan should also include
24 the following information:
25
- 26 a) Details of fund allocations across eligible expenditures and strategies,
27 including as a percentage of the fund revenue;
 - 28
 - 29 b) Working criteria for fund allocation to guide the granting and/or
30 contracting process for non-administrative expenses;
 - 31
 - 32 c) An overview of the granting/contracting process that includes
33 opportunities for community members to provide input in to fund
34 allocation decisions; and;
 - 35
 - 36 d) Opportunities for leveraging the fund and bringing in external
37 resources to the county.
38
- 39 5. The initial 2-year Implementation Plan shall allocate no less than 55% and no
40 more than 68% of levy revenue and proceeds to improving early learning and
41 care through the strategies outlined in paragraph 3.A.1 and shall allocate no less
42 than 20% and no more than 36% of levy revenue and proceeds to supporting
43 vulnerable children through the strategies outlined in paragraph 3.A.2.
44
- 45 6. In subsequent years of the fund, adjustments can be made to the allocations by
46 the County Council based on the information reflected in the independent audit,
47 recommendations by the Child and Family Well-Being Task Force, the emergent
48 needs of our community, and changes in state and federal funding availability.
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1 **SECTION 5 INDEPENDENT PERFORMANCE AUDITS AND OVERSIGHT:**
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- 3 1. Every other year, a qualified independent auditor shall conduct a performance
4 audit of the Healthy Children’s Fund. The auditor shall be selected in compliance
5 with County purchasing procedures. The auditor shall develop the audit process
6 in consultation with the Child and Family Well-Being Taskforce, which shall also
7 provide feedback on the draft audit before its submission to the County Council.
8 The audit shall:
9
10 a) Collect and review data and evaluate progress towards achieving the
11 goals and strategies adopted in section 3;
12
13 b) Collect and report on feedback from stakeholders, including users and
14 providers;
15
16 c) Include qualitative and quantitative sources; and
17
18 d) Include recommendations for improvements or adjustments.
19
20 2. The Child and Family Well-Being Taskforce, with the support of the Fund
21 Administrator, will write and deliver an annual report to the public and the
22 County Council. This shall include progress made toward agreed upon goals,
23 outcomes, and metrics. Fund Administrators shall use this report, and
24 recommendations from the Evaluation, to make improvements in fund
25 administration.
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27

28 **SECTION 6 CALL FOR A SPECIAL ELECTION:** In accordance with RCW 29A.04.32I, the
29 Whatcom County Council hereby calls for a special election to be held in conjunction with
30 the general election on November 8, 2022, to consider a proposition authorizing a regular
31 property tax levy for the purposes described in this ordinance. The Whatcom County Auditor
32 shall cause notice to be given of this ordinance in accordance with the state constitution and
33 general law and to submit to the qualified electors of the county, at the said special county
34 election, the proposition hereinafter set forth. The clerk of the council shall certify that
35 proposition to the director of elections in substantially the following form:
36
37

38 **PROPOSITION XX;**

39 The Whatcom County Council adopted Ordinance No. 22-_____ concerning funding to
40 address the well-being of children. If approved, this proposition would authorize the County
41 to increase property taxes to fund childcare, early learning programs, and increased support
42 for homeless or otherwise vulnerable children. This measure would increase property taxes
43 for ten consecutive years in the amount of \$0.19/\$1000 in assessed valuation (to a total
44 rate of \$0.94/\$1000 in assessed valuation for collection in 2023) for collection in 2023-
45 2032, generating approximately \$8,200,000 annually, subject to limit factors in chapter
46 84.55 RCW. Should this proposition be approved?
47

- 48 Yes
49 No
50
51

1 **SECTION 7 CORRECTIONS:** The Prosecuting Attorney is authorized to make such minor
2 adjustments to the wording of this proposition as may be required that do not change its
3 substantive meaning and are consistent with the intent of this ordinance.
4

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6 **SECTION 8 EXPLANATORY STATEMENT:** The Prosecuting Attorney shall prepare an
7 Explanatory Statement based on this ordinance for use in the Voters' Pamphlet.
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10 **SECTION 9 SEVERABILITY:** If any provision of this ordinance or its application to any
11 person or circumstance is held invalid, the remainder of the ordinance or the application of
12 the provision to other persons or circumstances is not affected.
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14
15 **ADOPTED** this ____ day of _____, 2022.
16

17
18
19 ATTEST:
20
21 _____
22 Dana Brown-Davis, Clerk of the Council
23

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

Todd Donovan, Council Chair

24
25 WHATCOM COUNTY EXECUTIVE
26 APPROVED AS TO FORM:
27
28 _____
29 Karen Frakes
30 Civil Deputy Prosecutor
31

WHATCOM COUNTY, WASHINGTON

Satpal Sidhu,
County Executive

32
33 () Approved () Denied
34

Date Signed: _____
35
36
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