

## RESOLUTION NO. 15801

### **A RESOLUTION** of the Board of County Commissioners of Thurston

County, Washington declaring the intent of Thurston County to adopt legislation to authorize a sales and use tax for affordable and supportive housing in accordance with Substitute House Bill 1406 (chapter 338, laws of 2019).

**WHEREAS**, this resolution, and associated actions related to substitute house bill 1406, will not result in an increase to the sales and use taxes to the citizens of Thurston County; and

**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") related to affordable and supportive housing; and

**WHEREAS**, SHB 1406 authorizes the governing body of a city or county to impose a local sales and use tax for (1) acquiring, rehabilitating, or constructing housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services under RCW 71.24.385 (for individuals with mental health and or substance use disorders), (2) the operations and maintenance costs of affordable or supportive housing, for a county of 400,000 or less; and (3) providing rental assistance to eligible tenants; and

**WHEREAS**, the maximum rate imposed may not exceed 0.0146. The maximum rate is available until July 28, 2020, to a county within its unincorporated areas and within the limits of a city that declares it will not levy the tax or that does not adopt a resolution of intent to impose the tax; and

**WHEREAS**, SHB 1406 requires a county and the cities, in determining the use of funds under this bill, to consider the income of the individuals and families to be served, the leveraging of the resources available under this section, and the housing needs within the respective jurisdictions; and

**WHEREAS**, SHB 1406 authorizes the County and cities to enter into an interlocal agreement for purposes of pooling the tax monies received, pledging these taxes to bonds issued by one or more parties to the agreement and allocating the proceeds in accordance with the interlocal agreement; and

**WHEREAS**, Thurston County intends to use these tax monies in collaboration with the cities as a means to fully leverage the resources under SHB 1406; and

**WHEREAS**, the tax will be credited against state sales taxes collected within the 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**, the tax must be used to assist persons whose income is at or below sixty percent of the County median income; and

**WHEREAS**, in Thurston County for every 100 extremely low-income households there are only 15 units available and affordable, 50% of renters are cost-burdened paying more than 30% of their income in rent, and 23% of renters are severely cost burdened, paying more than 50% of their income; and

**WHEREAS**, the County is currently experiencing a homeless crisis and does not have sufficient affordable housing supply to meet current population needs and projected growth over the next 20 years and has determined that imposing the sales and use tax to address this need will benefit the citizens of Thurston County; and

**WHEREAS**, in order for a city or county to impose the tax, within six months of the effective date of SHB 1406, or January 28, 2020, the governing body must adopt a resolution of intent to authorize the maximum capacity of the tax, and within twelve months of the effective date of SHB 1406, or July 28, 2020, must adopt legislation to authorize the maximum capacity of the tax; and

**WHEREAS**, this Resolution constitutes the resolution of intent required by SHB 1406.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUMWATER AS FOLLOWS:**

**Section 1. Resolution of Intent.** The Board of County Commissioners of Thurston County declares its intent to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by SHB 1406 within one year of the effective date of SHB 1406, or by July 28, 2020.

**Section 2. Severability.** The provisions of this Resolution are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this Resolution or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the Resolution, or the validity of its application to other persons or circumstances.

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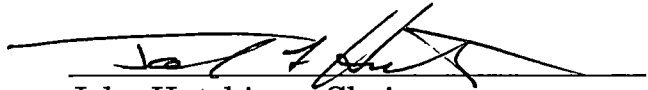
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**Section 3. Effective Date.** This Resolution shall become effective immediately upon adoption.

ATTEST:

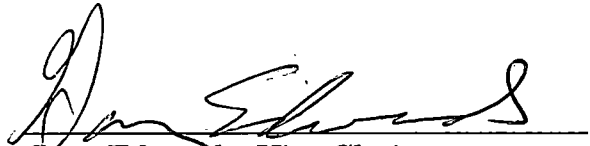
BOARD OF COUNTY COMMISSIONERS  
Thurston County, Washington

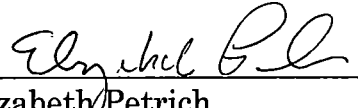
  
La Bonita Bowmar  
Clerk of the Board

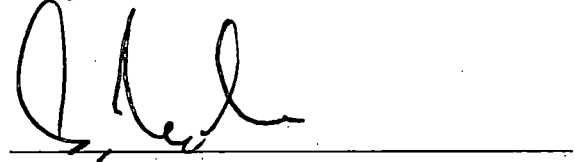
  
John Hutchings, Chair

APPROVED AS TO FORM:

JON TUNHEIM  
PROSECUTING ATTORNEY

  
Gary Edwards, Vice Chair

By:   
Elizabeth Petrich  
Chief Civil Deputy Prosecuting Attorney

  
Tye Menser, Commissioner