

RESOLUTION NO. 448

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DECLARING THE CITY COUNCIL'S INTENT TO ADOPT LEGISLATION TO AUTHORIZE THE MAXIMUM CAPACITY OF A SALES AND USE TAX FOR AFFORDABLE AND SUPPORTIVE HOUSING IN ACCORDANCE WITH SUBSTITUTE HOUSE BILL 1406.

WHEREAS, in 2015, the City Council passed Resolution No. 379 expressing the City's commitment to continue to help incentivize and aid in the development of affordable housing in the City; and

WHEREAS, in the 2019 regular session, the Washington State Legislature adopted Substitute House Bill (SHB) 1406 (chapter 338, Laws of 2019), adding a new section to chapter 82.14 RCW so as to encourage investments in affordable and supportive housing through a revenue sharing program between the State of Washington and local governments; and

WHEREAS, SHB 1406 permits the City Council to authorize a local sales and use tax for the acquisition, construction, or rehabilitation of affordable housing or facilities providing supportive housing services, and for the operations and maintenance costs of affordable or supporting housing; SHB 1406 further authorizes cities with a population of less than 100,000 to utilize the tax collected for the provision of rental assistance to tenants; and

WHEREAS, the local sales and use tax authorized by SHB 1406 shall be deducted from the amount of tax otherwise required to be collected or paid to the Washington State Department of Revenue pursuant to chapters 82.08 or 82.12 RCW; and

WHEREAS, given this reduction, the local sales and use tax authorized by SHB 1406 will not result in higher sales and use taxes and represents an additional source of funding to address affordable and supportive housing needs within the City for those persons whose income is at or below sixty percent of the City median income; and

WHEREAS, the City Council has determined that there are qualified residents of the City with a need for affordable and supportive housing and that the imposition of the local sales and use tax will provide a benefit to all of the City's residents; and

WHEREAS, the effective date of SHB 1406 is July 28, 2019, and SHB 1406 requires the City to adopt a resolution of intent within six months and legislation within one year of the effective date; and

WHEREAS the City Council desires, with this Resolution, to declare its intent to impose a local sales and use tax as authorized by SHB 1406 as set forth herein;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,
WASHINGTON, HEREBY RESOLVES:**

Section 1. Resolution of Intent. The City Council of the City of Shoreline declares its intent to adopt legislation to authorize the maximum capacity of the local sales and use tax authorized by SHB 1406 within one year of the effective date of SHB 1406.

Section 2. Direction to City Staff. City Staff is directed to undertake all action necessary to facilitate the adoption of the legislation contemplated by this Resolution and to present to the City Council for consideration and adoption.

Section 3. Severability. If any one or more sections, subsections, or sentences of this Resolution are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this Resolution and the same shall remain in full force and effect.

Section 4. Effective Date of Resolution. This Resolution shall take effect and be in full force immediately upon passage by the City Council.

**ADOPTED BY A SIMPLE MAJORITY VOTE OF THE CITY COUNCIL ON
OCTOBER 28, 2019.**


Mayor Will Hall

ATTEST:

Jessica Simulcik Smith
City Clerk