Legislation Details (With Text)

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Type:	Ordinance	**Status:**	Passed
File created:	8/21/2019	**In control:**	Budget and Fiscal Management Committee
On agenda:		**Final action:**	8/28/2019
Enactment date:	9/13/2019	**Enactment #:**	18972
Title:	AN ORDINANCE relating to declaring the intent of the metropolitan King County council to adopt legislation to authorize a sales and use tax for affordable and supportive housing in accordance with Chapter 338, Laws of Washington 2019, and other matters related thereto; and declaring an emergency.		
Sponsors:	Claudia Balducci, Jeanne Kohl-Welles, Rod Dembowski		
Indexes:	Housing, Taxes		
Code sections:			
Attachments:	1. Ordinance 18972, 2. 2019-0354 transmittal letter, 3. 2019-0354_0355_SR_HousingSalesTaxSHB1406 ak v2		

Date	Ver.	Action By	Action	Result
8/28/2019	1	Metropolitan King County Council	Hearing held/closed and passed	Pass
8/27/2019	1	Budget and Fiscal Management Committee	Recommended Do Pass	Pass
8/21/2019	1	Metropolitan King County Council	Introduced and Referred	

Clerk 08/15/2019

AN ORDINANCE relating to declaring the intent of the metropolitan King County council to adopt legislation to authorize a sales and use tax for affordable and supportive housing in accordance with Chapter 338, Laws of Washington 2019, and other matters related thereto; and declaring an emergency.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. **Findings:**

A. In the 2019 Regular Session, the Washington state Legislature approved, and the Governor signed, Substitute House Bill 1406, which became Chapter 338, Laws of Washington 2019 ("the Act").

B. The Act authorizes the governing body of a city or county to impose a local sales and use tax for 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 services under RCW 71.24.385, and for the operations and maintenance costs of new units of affordable or supportive housing ("the tax").

C. The tax will be credited against state sales taxes collected within King County and, therefore, will not result in higher sales and use taxes within King County and will represent an additional source of funding to address affordable housing needs in King County.

D. The metropolitan King County council has determined that imposing the sales and use tax to address this affordable housing need will benefit the county's citizens.

E. In order for a city or county to impose the tax by January 28, 2020, which is six months after the Act's effective date, the governing body must adopt a resolution of intent to authorize the maximum capacity of the tax, and by July 28, 2020, which is twelve months after the Act's effective date, must adopt legislation to authorize the maximum capacity of the tax.

F. This ordinance constitutes the resolution of intent required by the Act.

G. The additional funding from the state under the Act would provide a vital revenue source to address the critical affordable housing need in King County. In order to maximize the amount of tax proceeds distributed to the county under the Act , the county must adopt the legislation required under the Act timely and in sequence. Under the Act, the county must adopt its resolution of intent before it may adopt an ordinance to authorize, fix and impose the tax. Failure to adopt this resolution of intent would prohibit the county from fixing and imposing the tax authorized under the Act. Additionally, if the county fails to adopt the follow-on ordinance to fix and impose the taxes authorized under the Act timely, the county's share of this state funding source may be reduced. This ordinance, as the resolution of intent, must therefore take effect immediately in order that the county may then consider legislation to authorize, fix and impose the tax authorized by the Act. Therefore, this ordinance, as the resolution of intent, is necessary to support county government's response to the critical affordable housing need in the county. Providing funding to address this critical need will contribute to the public health and safety of the county's residents.

SECTION 2. The county hereby provides its resolution of intent to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by Chapter 338, Laws of Washington 2019, by July 28, 2020.

SECTION 3. **Emergency.** The county council finds as a fact and declares that an emergency exists and that this ordinance is necessary for the immediate preservation of

public peace, health or safety or for the support of county government and its existing public institutions.

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