

RESOLUTION OF INTENT PURSUANT TO HB 1406
Retainage of State Sales & Use Tax for Affordable Housing

Resolution No. 481

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FORKS DECLARING THEIR INTENT 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), AND OTHER MATTERS RELATED THERETO.

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, SHB 1406 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 or facilities providing supportive housing, and for the operations and maintenance costs of affordable or supportive housing, for cities *100,000 or less*: or, if eligible, for providing rental assistance to tenants; and

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

WHEREAS, the tax must be used to assist persons whose income is at or below sixty percent of the City’s median income; and

WHEREAS, the City has participated in the County’s effort to end homelessness and continues to see a need by local social service organizations to address the needs of individuals in need of safe, affordable housing and has determined that imposing the sales and use tax to address this need will benefit its citizens; 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; and

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

WHEREAS, the City, utilizing the model resolution prepared for the Association of Washington Cities by the Pacific Law Group, believes that it may only obtain between four to six thousand dollars per year from such a retainage


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

Section 1. Resolution of Intent. The City Council 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. In doing so, the City reaffirms its understand and objective of retaining a portion of the state's portion of the sales and use tax this legislation permits the City to retain if such an ordinance is adopted. Further, if enacted, the City would expect to award any retained funds to one or more social service agencies who can address and provide housing and housing assistance services to qualified individuals.

Section 2. Further Authority; Ratification. All City officials, their agents, and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.


Section 3. Effective Date. This resolution shall take effect immediately upon its passage and adoption.

Passed by majority vote of the City Council of the City of Forks in open meeting this 9th day of December, 2019.



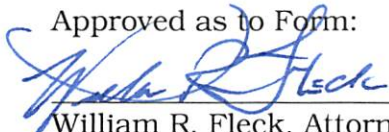
Mayor Tim Fletcher

Attested to:



Audrey Grafstrom, Clerk/Treasurer

Approved as to Form:



William R. Fleck, Attorney/Planner