

RESOLUTION NO. 2019-31

**SECOND RESOLUTION OF THE BELLINGHAM CITY COUNCIL
REGARDING A SALES AND USE TAX FOR AFFORDABLE AND
SUPPORTIVE HOUSING UNDER SUBSTITUTE HOUSE BILL 1406
(CHAPTER 338, LAWS OF 2019)**

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, for the operations and maintenance costs of affordable or supportive housing, and for certain cities and counties, providing rental assistance to tenants; and

WHEREAS, the tax will be credited against sales and use taxes collected by the State of Washington within the city and county imposing the tax, including Bellingham and, therefore, will not result in higher sales and use taxes within the city and county and will represent an additional source of funding to address housing needs in the city and 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, both Whatcom County (the “County”) and the City of Bellingham (the “City”) have a need for more housing units affordable to those earning at or below sixty percent of median income; 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, the City and the County are currently working on a proposal under which the County will impose the maximum amount of the tax instead of the City, and the jurisdictions will work collaboratively to ensure the funds are allocated in a manner that is consistent with the memorandum attached to City Council Resolution 2019-25.; and

WHEREAS, on October 22, 2019, the Whatcom County Council passed legislation that (1) authorizes the maximum capacity of the tax, and (2) is consistent with the proposal outlined in City Council Resolution 2019-25.

Second Resolution Regarding Sales and Use Tax
under SHB 1406

(1)

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
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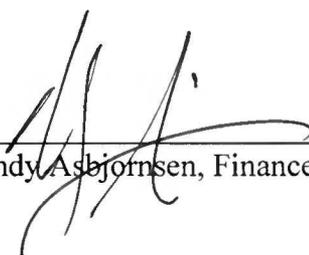
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELLINGHAM that the City Council declares that it will not levy the sales and use tax so that the County may proceed with the county-wide levy under SHB 1406 as set forth in its October 22, 2019 legislation.

PASSED by the Council this 18th day of November, 2019.

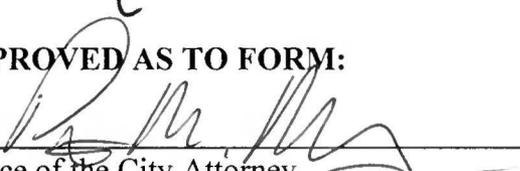

Daniel Hammill, Council President

APPROVED by me this 3rd day of December, 2019.


Kelli Linville, Mayor

ATTEST: 
Andy Asbjornsen, Finance Director

APPROVED AS TO FORM:


Office of the City Attorney