**CITY OF ORTING**

**WASHINGTON**

**RESOLUTION NO. 2020-04**

**A RESOLUTION OF THE CITY OF ORTING, WASHINGTON, DECLARING THE INTENT OF THE CITY OF ORTING 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 Bill1406 (Chapter 338, Laws of 2019) (“SHB 1406”); and

**WHEREAS**, SHB 1406 authorizes the governing body of a city of 100,000 residents or less to impose a local sales and use tax for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing, and/or for the operations and maintenance costs of affordable or supportive housing, and/or for providing rental assistance to eligible 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 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 median income; and

**WHEREAS**, the City has experienced rising housing costs proportionate to the increasing housing costs in the region that have unduly burdened low income households in the City, 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 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 locale sales and use tax as authorized by SHB 1406 as set forth herein;

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

**Section 1. Recitals**. The foregoing recitals are incorporated herein by this reference.

**Section 2. 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.

 **Section 3. Further Authority; Ratification**. The Mayor or his designee is hereby authorized and directed to undertake all action necessary to carry out the terms of, and complete the actions contemplated by this resolution, and approved by the City Council. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.

 **Section 4. Corrections**. The City Clerk and the codifiers of this resolution are authorized to make necessary clerical corrections to this resolution including, but not limited to, the correction of scrivener’s errors, references, numbering, section/subsection numbers and any references thereto.

**Section 5. Effective date**. This Resolution shall become effective immediately upon adoption and signature as provided by law.

**RESOLVED BY THE CITY COUNCIL AT A SPECIAL MEETING THEREOF ON THE 27th DAY OF JANUARY, 2020.**

CITY OF ORTING

Joshua Penner, Mayor

ATTEST/AUTHENTICATED:

Jane Montgomery, City Clerk, CMC

Approved as to form:

Charlotte A. Archer

Inslee, Best, Doezie & Ryder, P.S.

City Attorney