

## **COUNCILMEMBERS**

Position No.

1. Tod Gunther
2. Chris Moore
3. Don Tracy
4. John Williams
5. Gregg Bradshaw
6. Greg Hogan
7. Melodi Koenig



**ORTING CITY COUNCIL**  
Special Meeting Agenda  
104 Bridge Street S, Orting, WA  
Zoom – Virtual  
March 20th, 2023  
7:00 p.m.

## **Mayor Joshua Penner, Chair**

### **1. CALL MEETING TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL.**

This meeting is being held in person and through the platform zoom. A link for virtual participation can be found on the agenda or on the City's website:

<https://us06web.zoom.us/j/84285812641?pwd=b2dteTd2WVBzTm9UbjFBSERLNDBOdz09>  
Telephone: 1-253-215-8782 - Meeting ID: 842 8581 2641 and the passcode 147771.

### **REQUEST FOR ADDITIONS OR MODIFICATIONS TO THE AGENDA.**

#### **2. PUBLIC COMMENTS.**

Comments may be sent to the City Clerk at [clerk@cityoforting.org](mailto:clerk@cityoforting.org) by 3pm on March 20th, 2023 and will be read in to the record at the meeting. In person attendees may provide public comment at the meeting. In the case of a question, the chair will refer the matter to the appropriate administrative staff member or committee. Written comments that come in after the 3pm deadline will be read in to the record at the next Council meeting.

#### **3. NEW BUSINESS.**

A. AB23-30 – Resolution No. 2023-04; Imposing 0.1% sales and use tax for housing and related services per HB 1590

***Motion: to adopt Resolution 2023-04, a resolution of the City of Orting, Washington, imposing an additional sales and use tax of one-tenth of one percent for housing and related services as authorized in RCW 82.14.530, providing for severability and establishing an effective date.***

#### **4. EXECUTIVE SESSION.**

#### **5. ADJOURNMENT.**

***Motion: To Adjourn.***



**City of Orting  
Council Agenda Summary Sheet**

<b>Subject:</b>  Resolution No. 2023-04; Imposing 0.1% sales and use tax for housing and related services per HB 1590		<b>Committee</b>	<b>Study Session</b>	<b>Council</b>
	<b>Agenda Item #:</b>			
	<b>For Agenda of:</b>			3.20.2023
	<b>Department:</b>	Administration		
	<b>Date Submitted:</b>	3.17.2023		
<b>Cost of Item:</b>	N/A			
<b>Amount Budgeted:</b>	N/A			
<b>Unexpended Balance:</b>	N/A			
<b>Bars #:</b>	TBD			
<b>Timeline:</b>	Council Discretion			
<b>Submitted By:</b>	<b>Mayor Penner, Councilmember Koenig</b>			
<b>Fiscal Note:</b> The estimated amount collected from imposition of the tax is \$100,000.				
<b>Attachments:</b> Resolution No. 2023-04				
<b>SUMMARY STATEMENT:</b>				
<p>In 2020, the Washington State Legislature passed House Bill 1590, which amended State law (RCW 82.14.530) to allow a sales and use tax increase of up to 0.1 percent imposed at either the city or county level. There are policy and timing implications relating to either the City of Orting or Pierce County collecting and spending potential funds. Pierce County Council is expected to vote this week to enact the sales tax increase; this action would impose the tax throughout the county, including Orting, and the collection and expenditure of funds would be governed by Pierce County. If the City takes action to impose the tax prior to Pierce County imposing the full tax, the City would collect and invest the full measure of the tax within Orting retaining local control.</p>				
<b>RECOMMENDED ACTION:</b>				
To adopt Resolution No. 2023- 04.				
<b>MOTION: <u>Motion:</u></b>				
To adopt Resolution No. 2023-04, imposing an additional sales and use tax of one-tenth of one percent for housing and related services as authorized in RCW 82.14.530.				

**CITY OF ORTING  
WASHINGTON**

**RESOLUTION NO. 2023-04**

**A RESOLUTION OF THE CITY OF ORTING,  
WASHINGTON, IMPOSING AN ADDITIONAL  
SALES AND USE TAX OF ONE-TENTH OF  
ONE PERCENT FOR HOUSING AND  
RELATED SERVICES AS AUTHORIZED IN  
RCW 82.14.530, AND PROVIDING FOR  
SEVERABILITY AND ESTABLISHING AN  
EFFECTIVE DATE**

**WHEREAS** existing sources of funding for affordable housing and related services are insufficient to meet the needs of all individuals and families experiencing housing cost burden, displacement, and homelessness in Orting;

**WHEREAS**, investments in affordable housing provide access to opportunity for low wage workers and their families, increase mobility from poverty, and foster inclusive communities accessible to all; and

**WHEREAS**, the City of Orting recognizes the urgent need to increase investments in the production, preservation, and ongoing operation and maintenance of affordable housing and related services; and

**WHEREAS**, the Washington State Legislature in 2020 enacted HB 1590 (published as Chapter 220, Laws of 2020 and codified at RCW 82.14.530) amending RCW 82.14.530; and

**WHEREAS**, RCW 82.14.530 authorizes the governing body of a county to impose a local sales and use tax, for constructing affordable housing; constructing mental and behavioral health-related facilities; and funding the operations and maintenance costs of new units of affordable housing or newly constructed evaluation and treatment centers, in an amount not to exceed “one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax”; and

**WHEREAS** RCW 82.14.530 states that if a county does not impose the full tax rate under RCW 82.14.530(1)(a) by September 30, 2020, any city legislative authority located in that county may impose, without a proposition approved by the majority of persons voting, the whole or remainder of such sales and use tax in accordance with the terms of Chapter 82.14 RCW; and

**WHEREAS**, the Pierce County Council did not impose the additional sales and use tax by September 30, 2020; and

**WHEREAS**, the absence of Pierce County action to impose such a sales and use tax by September 30, 2020, thereby authorizes the City of Orting to impose, without a proposition

approved by a majority of persons voting, the whole or remainder of such sales and use tax in accordance with the terms of Chapter 82.14 RCW; and

**WHEREAS**, RCW 82.14.030 authorizes the governing body of a city to impose a sales and use tax by resolution or ordinance for the purposes authorized by this chapter; and

**WHEREAS**, RCW 82.14.530(1)(c) provides that if a county imposes a tax authorized under RCW 82.14.530(1)(a) after a city located in that county has imposed the tax authorized under RCW 82.14.530(1)(b), the county must provide a credit against its tax for the full amount of imposed by a city; and

**WHEREAS**, the local sales and use tax revenue shall be spent solely for the purposes authorized by RCW 82.14.530; and

**WHEREAS**, RCW 82.14.530 authorizes the City of Orting to issue general or revenue bonds to carry out the purposes of the legislation and to pledge the revenue collected by the local sales tax to repay the bonds;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORTING, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1. Sales and Use Tax Imposed:**

A. Pursuant to RCW 82.14.530, an additional one-tenth of one percent sales and use tax is hereby levied, fixed and imposed on all taxable events within the City of Orting for housing and related services as authorized by RCW 82.14.530.

B. The tax shall be imposed upon and collected from those persons from whom sales or use tax is collected by the state in accordance with RCW chapter 82.08 or 82.12, and shall be collected at the rate of one-tenth of one percent of the selling price, in the case of a sales tax, or the value of the article used, in the case of a use tax.

C. As used in this section, the term “taxable event” has the meaning set forth in RCW 82.14.020.

D. The Finance Director or Designee is authorized to provide any necessary notice to the Department of Revenue to effectuate the tax enacted by this resolution and to execute, for and on behalf of the City of Orting, any necessary agreement with the Department of Revenue for the collection and administration of the tax enacted by this resolution.

**Section 2. Use of Sales and Use Tax Proceeds.** Moneys collected from the tax shall be used solely for purposes authorized by RCW 82.14.530, as the same now exists or as hereafter amended.

**Section 3. Administration and Collection of Tax.** The administration and collection of the tax imposed by the Section shall be in accordance with OMC 3-5-3.

**Section 4. Severability.** If any section, subsection, paragraph, sentence, clause, or phrase of this Resolution is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this Resolution.

**Section 5. Effective Date.** This Resolution shall take effect immediately upon its passage.

**Section 6. Corrections Authorized.** The City Clerk is authorized to make necessary corrections to this Resolution, including but not limited to correction of clerical errors.

**PASSED BY THE CITY COUNCIL AT A SPECIAL MEETING THEREOF ON THE 20<sup>th</sup> DAY of March 2023.**

CITY OF ORTING

\_\_\_\_\_  
Joshua Penner, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Kimberly Agfalvi, City Clerk

Approved as to form:

\_\_\_\_\_  
Charlotte Archer, City Attorney  
Inslee Best, PLLC



## Notice of Special Meeting of the Orting City Council

The Council will hold a special meeting at 7pm on Monday, March 20th, 2023 at Orting City Hall located at 104 Bridge St. S. Orting, WA 98360 and on Zoom.

The purpose of the special meeting is to discuss and potentially adopt a resolution of the City of Orting considering a 1/10 of 1% sales tax as allowed in House Bill 1590 to support housing and mental health services. Public comment will be accepted at the special meeting on this topic.

**To join the meeting via Zoom:**

<https://us06web.zoom.us/j/84285812641?pwd=b2dteTd2WVBzTm9UbjFBSERLNDBOdz09>

Meeting ID: 842 8581 2641

Passcode: 147771

Dial by your location

+1 253 215 8782 US (Tacoma)