

## COUNCILMEMBERS

### **Position No.**

1. Tod Gunther
2. John Kelly
3. Tony Belot
4. John Williams
5. Gregg Bradshaw
6. Greg Hogan
7. Scott Drennen



## ORTING CITY COUNCIL

### **Special Meeting Minutes**

Orting Public Works Building  
902 Rocky Road, Orting, WA  
January 27<sup>th</sup>, 2020  
7PM.

ORIGINAL

**Mayor Joshua Penner, Chair**

## **1. CALL MEETING TO ORDER**

Mayor Penner called the special meeting to order at 7:00pm. Councilmember Belot led the pledge of allegiance.

**Councilmembers Present:** Councilmembers Tod Gunther, John Kelly, John Williams, Gregg Bradshaw, Tony Belot, and Scott Drennen.

**Councilmembers Absent:** Deputy Mayor Greg Hogan. (Excused by motion at the 2.12.20 Council Meeting)

**Staff Present:** Mark Bethune, City Administrator, Jane Montgomery, City Clerk, Charlotte Archer, City Attorney.

## **2. AGENDA ITEM**

**A. Resolution No. 2020-04** – Resolution Declaring Intent to Adopt Legislation Consistent with Substitute House Bill 1406, Regarding Sales and Use Tax for Affordable and Supportive Housing. City Attorney Charlotte Archer briefed on the Proposed Resolution. The Washington State Legislature enacted Substitute House Bill 1406, effective July 28, 2019. The Bill allows local jurisdictions (cities and counties) to impose a local state-shared sales and use tax to fund affordable or supportive housing. The consumer does not pay this tax, and the effective sales tax rate remains the same. Instead, this tax is credited against the 6.5% state sales tax. The tax expires twenty years from the date it was imposed. The City Attorney briefed that the funds had to be used for one of the following:

- Acquisition, rehabilitation or construction of affordable housing
- Funding the operations and maintenance costs of new units of affordable or supportive housing, or, providing rental assistance to tenants.

In order to participate the City needs to adopt both of the following:

- The resolution of intent to adopt legislation by Jan. 28, 2020, and later an ordinance to authorize the tax which would need to be adopted by July 28, 2020.

The proposed resolution would complete the first step by declaring an intent by the City Council of Orting to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by SHB 1406 by July 2020. Council discussion followed. Some points of discussion were:

- Anticipated revenue
- Possible uses for the revenue
- Any associated costs of participation
- Pros and cons of participation
- Carryover of funds
- Can be administered by a 501C3 such as Saint Vincent DePaul;
- Steps in the process
- Language of the Resolution

Mayor Penner expressed his support of the proposed resolution which allows the opportunity for the City Council to show their intent to receive the proposed tax credit back to Orting residents. The Mayor also spoke about the efforts of Cities to look in to forming coalitions to see what cities can do if they join together and pool their revenues.

Council invited comments from 3 citizens who were present for the meeting.

**Public Comment**

**Asher McCord**

Mr. McCord expressed that he is in favor of the City participating and receiving funds for Orting citizens.

**Jeff Craig**

Mr. Craig expressed that he is in favor of participating in the program, and feels Council would be derelict if they did not move forward on the proposed resolution.

**Diane Langdon**

Ms. Langdon expressed that she is in favor of the Council approving this resolution. She would like tax dollars paid by Orting Citizens to come back and help support Orting citizens, and not have them go somewhere else.

After discussion, Council wanted to change section 3 language in the Resolution to  
The following:

**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.

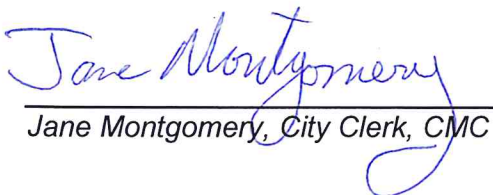
*Councilmember Kelly a motion to adopt Resolution No. 2020-04, Declaring the Intent of The City of Orting To Adopt Legislation To Authorize A Sales And Use Tax For Affordable And Supportive Housing In Accordance With Substitute House Bill 1406, Chapter 338, with the stated additional language added "and approved by the City Council" to the first sentence in Section 3. Second by Councilmember Kelly. Motion passed (6-0)*

**3. ADJOURNMENT**

*Councilmember Kelly, made a motion to Adjourn. Second by Councilmember Bradshaw. Motion passed (6-0).*

Mayor Penner adjourned the meeting at 8:00pm.

ATTEST:

  
Jane Montgomery, City Clerk, CMC

  
Joshua Penner, Mayor