



Legislation Text

---

File #: CB 120200, Version: 1

---

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE relating to the Office of Housing; creating a new Fund in the City Treasury.

WHEREAS, during the 2019 session, the Washington State Legislature enacted SHB 1406 (published as

Chapter 338, Laws of 2019) that authorizes cities that have enacted a qualifying local tax, such as The City of Seattle's 2016 housing levy under RCW 84.55.050, to impose a local sales and use tax of 0.0146 percent; and

WHEREAS, in 2019 the City Council passed Ordinance 125887, imposing this tax upon persons from whom the state sales tax or use tax is collected pursuant to chapter 82.08 and 82.12 RCW; and

WHEREAS, Ordinance 125887 added Section 5.60.027 to the Seattle Municipal Code defining the purposes of the tax as acquiring, rehabilitating, or constructing affordable housing; or funding the operations and maintenance costs of new units of affordable or supportive housing, only for persons whose income is at or below 60 percent of area median income; and

WHEREAS, the Office of Housing has the adequate fund structure for managing the portion of this revenue that is supporting the construction of affordable housing, but does not have an available fund that is relevant for managing the operations and maintenance costs of new units; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. A new Local Option Operating & Maintenance Fund (Fund) is created in the City Treasury with fund number 16421, into which revenues may be deposited, and from which associated expenditures may be paid for the purposes described in Section 2 of this ordinance.

Section 2. The purpose of the Fund is to manage the portion of the Local Option sales tax which may be used for operations and maintenance subsidies for new units of affordable housing, including but not limited to affordable housing units recently built with Local Option sales tax revenues.

Section 3. Fund 16421 shall receive revenues from the Local Option sales tax. The Fund shall receive earnings on its positive balances and pay interest on its negative balances.

Section 4. The Office of Housing Director shall have responsibility for administering the Fund. The Director of Finance is authorized to create accounts or subaccounts as may be needed to implement the Fund's purpose and intent as established by this ordinance.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2021, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

---

Monica Martinez Simmons, City Clerk

(Seal)