



Legislation Text

File #: Res 31893, Version: 1

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION relating to taxation; stating an intent to adopt legislation imposing a local sales and use tax at the maximum rate authorized to fund investments in affordable and supportive housing.

WHEREAS, existing sources of funding for affordable housing and permanent supportive housing are insufficient to meet the needs of all individuals and families experiencing housing cost burden, displacement, and homelessness in Seattle; and

WHEREAS, Seattle residents and families experiencing severe housing cost burden, displacement, and homelessness are disproportionately people of color; and

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, investing in permanent supportive housing is a proven, cost-effective, and humane solution to provide stability, security, and access to critical health and social services for people exiting homelessness; and

WHEREAS, for over 35 years, the Seattle Office of Housing has invested in affordable housing and permanent supportive housing across the city; and

WHEREAS, The City of Seattle recognizes the urgent need to increase investments in the production, preservation, and ongoing operation and maintenance of affordable housing and permanent supportive housing; and

WHEREAS, solving the homelessness and affordability crisis requires partnership between federal, state, regional, and local government; and

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, the local sales and use tax will be credited against the state sales and use tax so that the total tax paid by the consumer will not increase; and

WHEREAS, the local sales and use tax revenue shall be spent on acquiring, rehabilitating, or constructing affordable housing or supportive housing and other related expenditures as authorized by Chapter 338, Laws of 2019; and

WHEREAS, the local sale and use tax revenue shall be used to assist persons whose income is at or below sixty percent of the median income of the City; and

WHEREAS, Chapter 338, Laws of 2019 authorizes The City of Seattle to issue general obligation or revenue bonds to carry out the purposes of the legislation and to pledge the revenue collected by the local sales and use tax to repay the bonds; and

WHEREAS, Chapter 338, Laws of 2019 requires that a city that desires to impose the tax must adopt a resolution of intent to adopt legislation to authorize the maximum capacity of the tax within six months of the effective date of Chapter 338, Laws of 2019; and

WHEREAS, The City of Seattle desires and intends to exercise its authority to impose the maximum tax authorized under Chapter 338, Laws of 2019; and

WHEREAS, This resolution constitutes the resolution of intent required by Chapter 338, Laws of 2019; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR
CONCURRING, THAT:**

Section 1. The City of Seattle declares its intent to adopt legislation to impose the maximum capacity of

the sales tax authorized by Chapter 338, Laws of 2019 and in accordance with the requirements and constraints established by Chapter 338, Laws of 2019.

Adopted by the City Council the _____ day of _____, 2019, and signed by me in open session in authentication of its adoption this _____ day of _____, 2019.

President _____ of the City Council

The Mayor concurred the _____ day of _____, 2019.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2019.

Monica Martinez Simmons, City Clerk

(Seal)