RESOLUTION R-5385

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND DECLARING AN INTENT TO ADOPT LEGISLATION TO AUTHORIZE A SALES AND USE TAX FOR AFFORDABLE HOUSING AND FACILITIES PROVIDING SUPPORTIVE SERVICES PURSUANT TO 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 Bill 1406 (Chapter 338, Laws of 2019); and

5 WHEREAS, SHB 1406 authorizes the governing body of a city 6 with a population of 100,000 or less to impose a local sales and use tax 7 for the acquisition, construction, or rehabilitation of affordable housing 8 or facilities providing affordable housing and for the operations and 9 maintenance costs of affordable or supportive housing, and for 10 providing rental assistance to tenants; and

WHEREAS, the tax will be credited against state sales taxes collected within the city of Kirkland ("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 60 percent of the King County median income; and

WHEREAS, the City Council adopted Resolution R-5313,
 accepting the recommendations of the Housing Strategy Advisory Group
 and putting in place the Housing Strategy Work Program for 2018-2020;
 and

WHEREAS, on November 7, 2019 the City Council approved
Resolution R-5344, adopting the City's 2019 State Legislative Agenda,
which included supporting "new local funding and policy tools to address
homelessness and create more

29 affordable housing" as a top priority; and

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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 of a city must adopt a resolution of intent to authorize the maximum capacity of the tax, and within one year of the effective date of SHB 1406, or July 28, 2020, the city 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

41 WHEREAS, the City now desires to declare its intent to impose a 42 local 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 Kirkland as follows:

46 <u>Section 1</u>. Resolution of Intent. The City Council declares its
47 intent to adopt legislation to authorize the maximum capacity of sales
48 and use tax authorized by SHB 1406 within one year of the effective
49 date of SHB 1406, or by July 28, 2020.

Section 2. Further Authority; Ratification. All City officials, their agents and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, the Resolution. All acts taken pursuant to the authority of this Resolution but prior to its effective date are hereby ratified.

Passed by majority vote of the Kirkland City Council in open
 meeting this 3rd day of September, 2019.

61 Signed in authentication thereof this 3rd day of September, 62 2019.

Penny Sweet, Mayor

Attest:

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enson Kathi Anderson, City Clerk