

**Agenda Summary Report (ASR)
Franklin County Board of Commissioners**

DATE SUBMITTED: May 28, 2020	PREPARED BY: Keith Johnson
Meeting Date Requested: June 2,2020	PRESENTED BY: Keith Johnson
ITEM: (Select One) Consent Agenda X Brought Before the Board <div style="text-align: right;">Time needed: 10 minutes</div>	
SUBJECT: Adoption of Ordinance for Reallocation of sales tax revenues from State subject to Substitute House Bill 1406 adopted in 2019	
FISCAL IMPACT: This will result in additional revenues to the County for affordable housing assistance in Franklin County	
BACKGROUND: This ordinance is the follow up legislation that was adopted by the County in 2019 which expressed our intent to adopt the provisions of Substitute House Bill 1406 in the 2019 legislative session. The ordinance re-directs a portion of the locally collected sales tax revenues already assessed to homeless housing assistance. This will not be a new tax or an increase in existing taxes but will allow Franklin County to receive a greater allocation from the State to assist with these programs	
RECOMMENDATION: Approval of this ordinance as required in the legislation.	
COORDINATION: Keith Johnson, Franklin County Administrator Jennifer Johnson, Chief Civil Deputy PA – Supports County Auditor's office – Supports Department of Human Services - Supports	
ATTACHMENTS: (Documents you are submitting to the Board) Ordinance	
HANDLING / ROUTING: (Once document is fully executed it will be imported into Document Manager. Please list <u>name(s)</u> of parties that will need a pdf) Signed copy to Keith Johnson Cc to Kyle Sullivan, Human Services	

I certify the above information is accurate and complete.

_____ Keith Johnson, Administrator

Franklin County ORDINANCE _____

AN ORDINANCE ADOPTING LEGISLATION TO AUTHORIZE A SALES AND USE TAX FOR AFFORDABLE AND SUPPORTIVE HOUSING IN ACCORDANCE WITH 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 of2019) ("SHB 1406"); and

WHEREAS, SHB 1406 authorizes the governing body of a county to impose a local sales and use tax for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing, and for the operations and maintenance costs of affordable or supportive housing, and, if eligible, for providing rental assistance to tenants; and

WHEREAS, THIS TAX IS NOT A NEW TAX, rather the tax will be credited against state sales taxes collected within Franklin County, and, therefore, will not result in higher sales and use taxes within the County and will represent an additional source of funding to address housing needs in Franklin County; and

WHEREAS, the tax must be used to assist persons whose income is at or below sixty percent of the County's median income; and

WHEREAS, the County has determined that imposing the sales and use tax to address this need will benefit its citizens; and

WHEREAS, in order for the County to impose the tax, the County first adopted resolution No. 2019-284 declaring the County's intent to levy a portion of the State's sales tax within 12months of the effective date of the SHB 1406, and

WHEREAS, within twelve months of the effective date of SHB 1406, the governing body must adopt legislation authorizing the maximum capacity of the tax; and

WHEREAS, in the spirit of cooperation, the County has consulted with officials from each of the cities to determine their intent to levy the tax prior to determining the percentage of tax the County would levy; and

WHEREAS, the Franklin County Board of Commissioners now desires to enact the local sales and use tax as authorized by SHB 1406 as set forth herein;

NOW, THEREFORE, BE IT ORDAINED, BY THE BOARD OF COUNTY COMMISSIONERS OF FRANKLIN COUNTY, WASHINGTON, THAT:

Section 1. Tax Imposed

There is hereby imposed by this ordinance the maximum capacity of the sales and use tax (.0146 percent) authorized by SHB 1406 in Franklin County. For unincorporated Franklin

County, and the cities of Connell, Mesa, and Kahlotus, which do not intend on levying their portion of the sales and use tax, the maximum capacity is .0146 percent. For the City of Pasco which does intend on levying its portion of the sales and use tax and will impose a qualifying local tax, the maximum capacity is a .0073 percent.

Section 2. Applicability of Tax

The tax shall be imposed upon and collected from those persons from whom the state sales or use tax is collected pursuant to Chapters 82.08 and 82.12 RCW. The rate of tax imposed by this ordinance shall be applied to the selling price in the case of a sales tax or the value of the article used in the case of a use tax.

Section 3. Administration and Collection

The tax imposed by *this* ordinance shall be administered and collected in accordance with Chapter

82.14.050 RCW. The Chair of the Board of Franklin County Commissioners is hereby authorized to and directed to execute and sign contracts with the Washington State Department of Revenue that may be necessary to provide for the administration or collection of the tax.

Section 5. Use of Funds.

Monies collected shall be used for allowable expenditures authorized by 82.14 RCW as intended by Substitute House Bill 1406.

Section 6. Administration of Fund

Monies collected under this ordinance shall be deposited with the Franklin County Treasurer in a separate fund named “ Affordable Housing for All” shall be administered through the County Administrator’s office upon coordination with the Benton Franklin Department of Human Services.

Section 7. Effective Date.

This ordinance is effective the date of signing.

Section 8. Severability.

If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance or the application of the provisions to other person or circumstances is not affected.

Dated this 2 day of June 2020.

Chair

Chair Pro Tem

Member

Attest.....
Clerk of the Board

**Constituting the Board of Commissioners
Franklin County, Washington**