

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON,  
DECLARING ITS INTENT TO ADOPT LEGISLATION  
AUTHORIZING A SALES AND USE TAX FOR  
AFFORDABLE AND SUPPORTIVE HOUSING PURSUANT  
TO SHB 1406**

**WHEREAS**, in its 2019 Regular session, the Washington State Legislature approved, and the Governor signed, Substitute House Bill 1406, Chapter 338, Laws of 2019 (“SHB 1406”), now codified at RCW 82.14.540; and

**WHEREAS**, SHB 1406 authorizes the governing body of the city 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 operation and maintenance costs of affordable or supportive housing; and, because the City has a population of less than 100,000, for providing rental assistance to tenants; and

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

**WHEREAS**, SHB 1406 authorizes cities imposing the tax to enter into an interlocal agreement with one or more cities, counties, or public housing authorities for purposes of, among other things, pooling the tax receipts received from the tax to better fulfill the purposes of the law; and

**WHEREAS**, this tax will be credited against state sales taxes collected within the City and, therefore, will not result in higher sales and use taxes within the City, but will represent an additional source of funding to address affordable housing needs in the City; and

**WHEREAS**, the City has a need for affordable housing options and has determined that imposing the sales and use tax authorized by SHB 1406 to address this need will benefit its citizens; and

**WHEREAS**, in order for the City to impose the tax, the Council must (i) within six months of the effective date of SHB 1406, or January 28, 2020, adopt a resolution of intent to authorize the maximum capacity of the tax, and (ii) within twelve months of the effective date of SHB 1406, or July 28, 2020, adopt legislation to authorize the maximum capacity of the tax;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The City Council declares its intent to become a participating city as defined in SHB 1406 and to adopt, by no later than July 28, 2020, legislation authorizing the maximum capacity of the sales and use tax described in SHB 1406.

**Section 2.** This resolution constitutes the governing body's resolution of intent as required under RCW 82.14.540(2)(e)(i)(A).

**Section 3.** This resolution takes full force and effect immediately upon its passage.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2019.**

CITY OF BLACK DIAMOND:

\_\_\_\_\_  
Carol Benson, Mayor

Attest:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk