

**CITY OF MONROE  
ORDINANCE NO. 024/2019**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONROE, WASHINGTON, ADOPTING LEGISLATION TO AUTHORIZE, FIX, AND IMPOSE 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; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

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WHEREAS, in the 2019 Regular Session, the Washington State Legislature approved, and the Governor signed, Substitute House Bill 1406 (Chapter 338, Laws of 2019) ("SHB 1406"); and

WHEREAS, SHB 1406 authorizes the governing body of a city or 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, the tax authorized by SHB1406 is not a new tax, rather, the tax will be credited against state sales taxes collected within City of Monroe, 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 City of Monroe; 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, the City has determined that imposing the sales and use tax to address this need will benefit its citizens; and

WHEREAS, in order for the City to impose the tax, the City first adopted Resolution No. 019/2019 declaring the City's intent to levy a portion of the State's sales tax within six months 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, the Monroe City Council now desires to adopt legislation imposing a local sales and use tax as authorized by SHB 1406 as set forth herein; and

WHEREAS, the City of Monroe has not heretofore levied a "qualifying local tax," as defined by SHB 1406, and may therefore impose the tax authorized by SHB at the rate of 0.0073 percent.

NOW, THEREFORE, THE CITY COUNCIL OF CITY OF MONROE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Tax Imposed. There is hereby authorized, fixed and imposed by this ordinance the maximum capacity of the sales and use tax (0.0073 percent) authorized by SHB 1406 in the City of Monroe.

Section 2. Applicability of Tax. The tax imposed by this ordinance 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 Mayor of the City of Monroe is hereby authorized to and directed to execute and sign any contract(s) with the Washington State Department of Revenue that may be reasonably necessary to provide for the administration or collection of the tax.

Section 4. Use of Revenues. Revenues collected from the tax imposed by this ordinance shall be used solely for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing, for the operations and maintenance costs of affordable or supportive housing, for providing rental assistance to tenants, or for any other purpose authorized by SHB 1406, as the same now exists or as hereafter amended or superseded.

Section 5. Administration of Fund. Revenues collected from the tax imposed by this ordinance shall be collected in a Special Revenue Fund, entitled "Affordable Housing for All," and shall be administered by the Mayor through the City's budget.

Section 6. Reporting. The City shall report annually to the Washington State Department of Commerce on the collection and use of the revenues collected from the tax imposed by this ordinance. The report shall be in such form and contain such content as the Department of Commerce shall prescribe by rule. The Mayor or his/her designee shall prepare the annual report and provide a copy to the City Council at the time the same is filed with the state.

Section 7. Expiration of Tax. The tax imposed by this ordinance shall expire twenty years from the date this ordinance becomes effective.

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.

Section 9. Effective Date. This ordinance shall be in full force and effect five (5) days from and after its passage and approval and publication as required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Monroe, at a regular meeting held this 10th day of December, 2019.

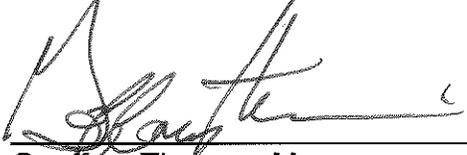
First Reading: November 12, 2019  
Adoption: December 10, 2019  
Published: 12/15/19  
Effective: 12/20/19

(SEAL)

ATTEST:

  
\_\_\_\_\_  
Cheri Hurst, Authorized Designee  
of the City Clerk

CITY OF MONROE, WASHINGTON:

  
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Geoffrey Thomas, Mayor

APPROVED AS TO FORM:

  
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J. Zachary Lell, City Attorney