

RESOLUTION NO. 1008

**CITY OF LYNDEN RESOLUTION OF INTENT PURSUANT TO
SUBSTITUTE HOUSE BILL 1406**

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 for facilities providing supportive housing, and for the operations and maintenance costs of affordable or supportive housing; and

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

WHEREAS, the City of Lynden does not have a qualifying tax that would allow collection of said sales tax credit; and

WHEREAS, Lynden is therefore a non-participating city that does not impose a sales and use tax in accordance with SHB 1406; and

WHEREAS, Whatcom County is a participating county that has a qualifying local tax; and

WHEREAS, in order for a county to impose the tax, the legislative body must adopt a resolution of intent to authorize the maximum capacity of the tax within six months of the effective date of SHB 1406, or January 28, 2020; and

WHEREAS, in order for Whatcom County to impose the tax, the cities within the county must declare their intent not to collect the tax on behalf of their municipality; and

WHEREAS, the City of Lynden agrees to have Whatcom County collect the tax on behalf of its municipality;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lynden as follows:

1. That the City declares it will not adopt legislation at this time to authorize the maximum capacity of the sales and use tax authorized by SHB 1406; and
2. That the City authorizes Whatcom County to collect maximum capacity of the sales and use tax for them as authorized by SHB 1406; and
3. That this resolution shall take effect immediately upon its passage and adoption.

**PASSED BY THE CITY COUNCIL BY AN AFFIRMATIVE VOTE, _____ IN FAVOR
_____ AGAINST AND SIGNED BY THE MAYOR THIS _____ DAY OF _____, 2019**

MAYOR, Scott Korthuis

ATTEST:

CITY CLERK, Pamela Brown,

APPROVED AS TO FORM:

CITY ATTORNEY, Robert Carmichael