

CITY OF LYNDEN

EXECUTIVE SUMMARY



Meeting Date:	October 7, 2019	
Name of Agenda Item:	Reso 1008 - Sales Tax Rebate for Affordable Housing	
Section of Agenda:	New Business	
Department:	Planning	
Council Committee Review:	<input checked="" type="checkbox"/> Community Development <input type="checkbox"/> Finance <input type="checkbox"/> Parks	<input type="checkbox"/> Public Safety <input type="checkbox"/> Public Works <input type="checkbox"/> Other: _____
	Legal Review: <input type="checkbox"/> Yes - Reviewed <input type="checkbox"/> No - Not Reviewed <input checked="" type="checkbox"/> Review Not Required	
Attachments:		
Resolution 1008, Fact Sheet regarding House Bill 1406		
Summary Statement:		
<p>Whatcom County Executive office has asked that the City of Lynden approve a resolution of intent pursuant to the State’s House Bill 1406. House Bill 1406 gives Lynden the opportunity to claim a certain percentage of the city’s gross sales tax to be applied toward affordable housing programs. This total is estimated to be \$23,000 annually if the City collected on its own. However, the Bill allows for twice that amount (\$46,000) to be refunded if the City signed its rebate over to Whatcom County. Having the County collect on the City’s behalf increases the funding but also cuts down on administrative costs associated with establishing a City-sponsored affordable housing program.</p> <p>It should be noted that the program is not an additional tax but simply a refund of some of the City’s sales tax that would otherwise go to the State.</p> <p>Whatcom County Housing Advisory Committee would be recommendations on expenditures toward existing or new affordable housing programs within the County. County Council would make the final decision for distribution. The expenditures will also be reviewed in an annual report to the Advisory Committee from the County Health Department.</p> <p>The County anticipates that legislation will be passed by the end of October. County will begin to collect by 2020 for distribution. This item was reviewed at the September CDC meeting which resulted a recommendation for approval.</p>		
Recommended Action:		
Motion to approve Resolution 1008 pursuant to Substitute House Bill 1406 authorizing Whatcom County to collect the City of Lynden’s portion of sales tax rebate intended for affordable housing programs and authorizing the Mayor’s signature on the document.		