

**CITY OF MERCER ISLAND  
RESOLUTION NO. 1568**

**A RESOLUTION OF THE CITY OF MERCER ISLAND DECLARING THE  
INTENT OF THE CITY COUNCIL TO ADOPT LEGISLATION TO AUTHORIZE  
A SALES AND USE TAX FOR AFFORDABLE AND SUPPORTIVE HOUSING.**

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, for the operations and maintenance costs of affordable or supportive housing, or, for providing rental assistance to tenants; and

WHEREAS, the 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 and will represent an additional source of funding to address housing needs in the City; and

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

WHEREAS, the City Council has determined that imposing the sales and use tax program authorized by SHB 1406 to address the housing needs of the community will benefit its citizens; and

WHEREAS, to take advantage of this funding source, the City Council must pass a resolution of intent by January 31, 2020 and within twelve months of the effective date of SHB 1406, or July 28, 2020, must adopt legislation to authorize the maximum capacity of the tax; and

WHEREAS, this resolution constitutes the resolution of intent required by SHB 1406; and

WHEREAS, the City Council now desires to declare its intent to impose a local sales and use tax as authorized by SHB 1406 as set forth herein;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND AS FOLLOWS:

- Section 1. Resolution of Intent.** The City Council declares its intent to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by SHB 1406 within one year of the effective date of SHB 1406, or by July 28, 2020.
- Section 2. Further Authority; Ratification.** All City officials, their agents, and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.

**Section 3. Severability.** The provisions of this Resolution are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this Resolution or the invalidity of the application thereof to any person or circumstance, shall not affect the

**Section 4. Effective Date.** This resolution shall take effect immediately upon its passage and adoption.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS REGULAR MEETING ON THE 15TH DAY OF OCTOBER 2019.

CITY OF MERCER ISLAND

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Debbie Bertlin, Mayor

ATTEST:

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Deborah A. Estrada, City Clerk