

ORDINANCE NO. 1961

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DAYTON, WASHINGTON, ADOPTING LEGISLATION TO AUTHORIZE THE MAXIMUM CAPACITY OF THE SALES AND USE TAX AUTHORIZED BY RCW 82.14.540 FOR AFFORDABLE AND SUPPORTIVE HOUSING AND CREATING CHAPTER 2-30 OF THE DAYTON MUNICIPAL CODE.

WHEREAS, CHAPTER 388, LAWS OF 2019, RELATING TO ENCOURAGING INVESTMENTS IN AFFORDABLE HOUSING WAS ADOPTED IN THE 2019 SESSION AND CODIFIED AT RCW 82.14.540; AND,

WHEREAS, RCW 82.14.540 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, AND PROVIDING RENTAL ASSISTANCE TO ELIGIBLE TENANTS; AND,

WHEREAS, THIS IS NOT A NEW TAX, RATHER THE TAX WILL BE COLLECTED FROM SALES TAX THE STATE CURRENTLY COLLECTS FROM SALES TAX REVENUE THE CITY OF DAYTON CURRENTLY GENERATES, AND THEREFORE, WILL NOT RESULT IN HIGHER SALES AND USE TAXES WITHIN THE CITY; AND,

WHEREAS, THE MAXIMUM RATE IMPOSED WITHOUT ADOPTING AN ADDITIONAL QUALIFYING LOCAL TAX IS 0.0073% ANNUALLY; AND,

WHEREAS, THE CITY OF DAYTON WILL NOT BE ADOPTING A NEW QUALIFYING LOCAL TAX TO ENSURE ZERO IMPACTS TO THE CITY OF DAYTON CONSTITUENTS; AND,

WHEREAS, THE TAXES COLLECTED OVER THE 20-YEAR PERIOD MUST BE UTILIZED TO ASSIST PERSONS WHOSE INCOME IS AT OR BELOW SIXTY PERCENT OF THE CITY OF DAYTON MEDIAN INCOME; AND,

WHEREAS, THE CITY OF DAYTON ADOPTED ORDINANCE 1952 ON AUGUST 14, 2019 ESTABLISHING THE AFFORDABLE HOUSING COMMISSION, AND THE DUTIES OF THIS COMMISSION INCLUDES THE REVIEW OF AND RECOMMENDATIONS FOR USE OF THESE FUNDS; AND,

WHEREAS, THE CITY OF DAYTON ADOPTED RESOLUTION 1398 ON

NOVEMBER 13, 2019 DECLARING INTENT TO ADOPT THE LEGISLATION;
AND,

WHEREAS, THE CITY OF DAYTON RECOGNIZES THAT THE LACK OF AFFORDABLE HOUSING IS BURDENING RESIDENTS AS WAGE/INCOME DISPARITY FAILS TO KEEP UP WITH HOUSING COSTS AND A LACK OF AFFORDABLE WORKFORCE HOUSING IS AN INCREASING CONCERN FOR AREA BUSINESSES, AS IS THE HOUSING NEEDS FOR THE AGING POPULATION; AND,

WHEREAS, IMPOSING THIS SALES AND USE TAX WILL ASSIST THE CITY IN ADDRESSING THIS ONGOING ISSUE; AND,

WHEREAS, A PUBLIC HEARING WAS DULY ADVERTISED IN THE PAPER OF RECORD, ON THE CITY OF DAYTON WEBSITE, AND POSTED AT CITY HALL TO OFFER AMPLE OPPORTUNITY FOR RESIDENTS TO OFFER INPUT ON THE PROPOSED; AND,

WHEREAS, THE PUBLIC HEARING WAS HELD ON FEBRUARY 12, 2020 BY THE DAYTON CITY COUNCIL, AND ALL TESTIMONY PROVIDED WAS CONSIDERED BY THE CITY COUNCIL IN THE DECISION-MAKING PROCESS.

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

SECTION 1. ADOPTION: Chapter 2-30 - Affordable/Supportive Housing Sales and Use Tax - Credit Against Prior Tax. Shall be adopted to read as follows:

CHAPTER 2-30 - Affordable/Supportive Housing Sales and Use Tax - Credit Against Prior Tax.

Sections:

2-30.010 Definitions

2-30.020 Imposition

2-30.030 Rate

2-30.040 Administration and Collection

2-30.050 Fund Created

2-30.060 Use of Funds

2-30.070 Report by Director of Planning and Building

2-30.080 Expiration

2-30.010 - Definitions

"Nonparticipating City," "Nonparticipating County," "Participating City," "Participating County," and "Qualifying Local Tax" shall have the definitions provided in RCW 82.14.540(1) as it exists or is hereafter amended.

2-30.020 - Imposition

The City of Dayton is a "participating city" under RCW 82.14.540. There is authorized, fixed and imposed a sales and use tax on every taxable event, as defined in RCW 82.14.020, in nonparticipating cities and participating cities identified in RCW 82.14.540, as appropriate for taxation by a participating county. There is also authorized, fixed and imposed a sales and use tax on every taxable event, as defined in RCW 82.14.020, in the City of Dayton for the time period identified as appropriate for taxation by a participating city under RCW 82.14.540. The tax shall be imposed upon and collected from those persons from whom the state sales or use tax is collected pursuant to RCW Ch. 82.08 and RCW Ch. 82.12.

2-30.030 - Rate.

The rate of the tax shall be the maximum rate permitted participating cities under RCW 82.14.540 as it exists or is hereafter amended.

2-30.040 - Administration and collection.

The tax imposed by this chapter shall be administered and collected in accordance with RCW 82.14.540. The Mayor is authorized and directed to execute any contracts with the Department of Revenue that may be necessary to provide for the administration or collection of the tax.

2-30.050 - Fund Created.

The proceeds of the tax imposed by this chapter shall be deposited in a special fund in the City of Dayton to be known as the "Affordable and Supportive Housing Fund."

2-30.060 - Use of funds

Monies collected may only be used for affordable and supportive housing purposes as provided in RCW 82.14.540(6)(b) as it exists or is hereafter amended. Monies shall be administered by the City Council of the City of Dayton in accordance with budgetary processes and state statutes.

2-30.070 - Report by Mayor

The Mayor or designee shall report annually to the Department of Commerce as required by RCW 82.14.540(11).

2-30.080 - Expiration

The tax imposed by this Chapter expires 20 years after the date on which the tax is first imposed.


SECTION 2: SEVERABILITY. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, or phrase of this ordinance.

Section 3: TRANSMITTAL TO THE DOR. Following the adoption of this ordinance, the director of planning and community development shall transmit a copy of this ordinance to the Washington State Department of Revenue.

Section 4: EFFECTIVE DATE. A summary thereof of this Ordinance consisting of its title shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

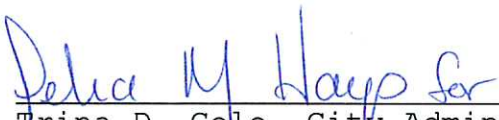
PASSED BY THE CITY COUNCIL OF THE CITY OF DAYTON ON THE 18TH DAY OF FEBRUARY, 2020.

APPROVED:



Zac Weatherford, Mayor

ATTEST:



Trina D. Cole, City Administrator

APPROVED AS TO FORM:



Quinn Plant, City Attorney

ORDINANCE SUMMARY BY TITLE ONLY FOR PUBLICATION PURPOSES
ORDINANCE NO. 1961

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DAYTON,
WASHINGTON, ADOPTING LEGISLATION TO AUTHORIZE THE MAXIMUM
CAPACITY OF THE SALES AND USE TAX AUTHORIZED BY RCW 82.14.540
FOR AFFORDABLE AND SUPPORTIVE HOUSING AND CREATING CHAPTER 2-30
OF THE DAYTON MUNICIPAL CODE.

The full text of Ordinance 1961 adopted the 18th day of February,
2020 is available for examination at the City
Administrator/Clerk-Treasurer's Office, 111 S. 1st St., Dayton,
WA during normal business hours, Monday - Thursday, 7:00 a.m. to
4:00 p.m. Full text of the Ordinance shall be mailed upon
request.

SECTION 1. ADOPTION.
SECTION 2: SEVERABILITY.
SECTION 3: TRANSMITTAL TO THE DOR.
SECTION 4: EFFECTIVE DATE.

By: /s/ Zac Weatherford, Mayor
Attest: /s/ Trina Cole, City Administrator
Approved as to form: /s/ Quinn Plant, City Attorney

Published:
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