

**PROPOSED BY: Buchanan, Donovan**  
**DRAFTED By: Executive Sidhu**  
**INTRODUCTION DATE: 03/09/2021**

**ORDINANCE 2021- 013**

**AN ORDINANCE OF WHATCOM COUNTY, WASHINGTON IMPOSING AN ADDITIONAL SALES AND USE TAX OF ONE-TENTH OF ONE PERCENT FOR HOUSING AND RELATED SERVICES AS AUTHORIZED BY RCW 82.14.530; ADDING A NEW CHAPTER 3.47 TO THE WHATCOM COUNTY CODE**

**WHEREAS**, housing affordability, related housing services, and mental and behavioral health facility and service needs throughout the County are well-recognized problems that continue to grow and impact our communities; and

**WHEREAS**, existing sources of County-wide funding for affordable housing, related services, and mental and behavioral health resources are currently insufficient to meet the needs of all individuals and families experiencing housing cost burdens, displacement, homelessness, and mental and behavioral health issues throughout Whatcom County; and

**WHEREAS**, investments in affordable housing and related services, and mental and behavioral health facilities and services, 1) provide access to opportunity for low wage workers and their families, increase mobility from poverty, and foster inclusive communities accessible to all, and 2) help serve those suffering from mental and behavioral health conditions that often contribute an array of unfavorable outcomes impacting the individual and community as a whole; and

**WHEREAS**, Whatcom County recognizes the urgent need for investments in the production, preservation, and ongoing operation and maintenance of affordable housing and related services as well as the continued development of mental and behavioral health resources throughout Whatcom County; and

**WHEREAS**, Whatcom County has referenced the Whatcom County Housing Advisory Committee under Whatcom County Code, Section 3.45.060 and the Behavioral Health Advisory Committee is established under Whatcom County Code, Section 3.37.070: and

**WHEREAS**, the Whatcom County Housing Advisory Committee has been formed through an interlocal agreement among the county and the seven cities and serves in an advisory capacity to Whatcom County issues related to housing and it is the intent of Whatcom County to collaborate and coordinate with the City of Bellingham and the small cities on the utilization of these funds respectively; and

**WHEREAS**, the Whatcom County Housing Advisory Committee will serve in an advisory capacity to the county executive via the Whatcom County health department for this fund, and in

consultation with the Behavioral Health Advisory Committee for the use of the fund to support mental and behavioral health facilities, operations and services; and

**WHEREAS**, RCW 82.14.530 authorizes counties to impose an additional sale and use tax of one-tenth of one percent to be used for funding affordable housing, related housing services, and mental and behavioral health facilities and services; and

**WHEREAS**, pursuant to RCW 82.14.530, the County may impose the additional sales and use tax by County Council ordinance without voter approval;

**WHEREAS**, the Whatcom County Council has determined that the tax should be imposed and the proceeds used for those purposes authorized in RCW 82.14.530, which include (i) constructing affordable housing and facilities that provide housing-related services; (ii) constructing mental and behavioral health-related facilities; and (iii) funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers, or operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing related services.

**NOW, THEREFORE, BE IT ORDAINED** that the Whatcom County Code is hereby amended to establish Chapter 3.47, Sales and Use Tax for Housing and Related Services, as outlined in Exhibit A to this ordinance.

This ordinance shall take effect immediately upon its passage and adoption.

ADOPTED this 23rd day of March, 2021.

ATTEST

  
Dana Brown-Davis, Clerk of the Council

WHATCOM COUNTY COUNCIL  
WHATCOM COUNTY, WASHINGTON



Barry Buchanan, Council Chair

APPROVED AS TO FORM:

Christopher Quinn approved  
Civil Deputy Prosecutor via email

WHATCOM COUNTY, WASHINGTON

  
Satpal Singh Sidhu, County Executive

Approved      ( ) Denied

Date Signed: 3/29/2021

## EXHIBIT A

### Chapter 3.47

#### SALES AND USE TAX FOR HOUSING AND RELATED SERVICES

##### Sections

- 3.47.010 Tax imposed.
- 3.47.015 Tax Rate.
- 3.47.020 Administration and collection of tax.
- 3.47.030 Establishment of Fund.
- 3.47.040 Use.
- 3.47.050 Administration of Fund
- 3.47.060 Oversight
- 3.47.070 Effective Date
- 3.47.080 Severability

##### **Section 3.47.010 Sales and Use Tax Imposed.**

There is hereby imposed an additional sale and use tax as authorized by RCW 82.14.530 upon every taxable event, as defined in 82.14.020, occurring in Whatcom County. The tax shall be imposed upon and collected from those persons from whom the state sales tax or use tax is collected pursuant to RCW 82.08 and 82.12.

##### **Section 3.47.015 Tax Rate.**

The rate of the sales and use tax imposed by this chapter shall be one-tenth of one percent of 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 3.47.020 Administration and collection of tax.**

- A. The administration and collection of tax imposed by this chapter shall be in accordance with the provisions of RCW 82.14.050.
- B. The County Executive is authorized to enter into a contract with the Washington State Department of Revenue for the collection and administration of this tax.
- C. The County consents to the inspection of such records as are necessary to qualify the city for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330.

##### **Section 3.47.030 Establishment of an Affordable Housing, Behavioral Health Facilities, and Related Services Program Fund.**

There is hereby created the Affordable Housing, Behavioral Health Facilities, and Related Services Program Fund. The Whatcom County Treasurer shall deposit monies collected pursuant to this

chapter in this fund. To the extent permitted by federal, state and local law, the Treasurer may invest the fund balance and interest earned shall be deposited into this fund.

**Section 3.47.040 Use of Funds**

Moneys collected from the tax shall be used solely for those housing, mental and behavioral health facilities, and related services authorized by RCW 82.14.530, as the same now exists or as hereafter amended.

**Section 3.47.050 Administration of Funds**

The County Executive shall administer the Affordable Housing, Behavioral Health Facilities, and Related Services Program Fund with the assistance of the Whatcom County Housing Advisory Committee and the Whatcom County Health Department, in accordance with the budgetary process and the Whatcom County administrative policies and state law.

**Section 3.47.060 Whatcom County Housing Advisory Committee Oversight**

To ensure oversight, implementation and evaluation, the existing Whatcom County Housing Advisory Committee established pursuant to Whatcom County Code, Section 3.45.060, shall serve as the advisory body assigned to recommend to the County Executive and County Council on the use of the Affordable Housing, Behavioral Health Facilities, and Related Services Program Fund. The Whatcom County Housing Advisory Committee will consult with the Behavioral Health Committee, established pursuant to Whatcom County Code, Section 3.37.070, for use of this fund to support mental and behavioral health facilities, operations and services.

The committee will submit an annual report reflecting priorities, strategies and accomplishments related to this funding source, as well as identification of action steps for the coming year. This report will be submitted to the county executive, community partners by the committee and County Council.

**Section 3.47.070 Effective Date.**

In accordance with the Whatcom County budget cycle, this ordinance shall take effect upon passage. Start date for collection of the tax will be determined by the State Department of Revenue.

**Section 3.47.080 Severability.** If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court, board or tribunal of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

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