

Three steps to affordable housing revenue

What's a "qualifying local tax" for cities?

1. Affordable housing levy (RCW 84.52.105)

OR

2. Sales and use tax for housing and related services (RCW 82.14.530). Must impose at least half of the authorized rate.

OR

3. Sales tax for chemical dependency and mental health services or therapeutic courts (RCW 82.14.460)

OR

4. Levy (property tax) under RCW 84.55.050, if used solely for affordable housing Will your county access additional funding to support affordable housing for the next 20 years?

YES

NO L

The law requires a resolution of intent to impose the tax credit. Can your county adopt a resolution of intent between July 28, 2019 and January 31, 2020?

YES

NO

Your county must **adopt an ordinance** by July 27, 2020 to levy the maximum tax under HB 1406. Did you or will you?

YES

NO

Your maximum tax rate will be .0146% for the unincorporated areas of your county. If a city within your county was levying the "qualifying local tax" before it instated the tax credit under HB 1406, then the county tax rate for that incorporated area is zero. If the city was not levying a "qualifying local tax" before it instated the tax credit under HB 1406, then the county portion of the tax rate in that incorporated area will be .0073% starting on the date the tax credit is levied.

Maybe. What can we spend the money on?

No action required.
However, if a county elects not to participate, cities that have not enacted a "qualifying local tax" WILL NOT receive any of the 1406 revenues within city boundaries.

Unfortunately, your county is no longer eligible to participate in the program.

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Important Dates:

- Resolution to levy tax credit: July 28, 2019 – January 31, 2020
- Ordinance to levy the tax credit: By July 27, 2020
- Cities must adopt
 "qualifying local tax"
 (optional): By July 31, 2020

All projects must serve households with income at or below 60% Area Median Income (AMI). Is the county's population more than 400,000?

YES

All of the options for counties over 400,000, plus rental assistance to tenants.

NO

Acquiring, rehabing or constructing affordable housing. Includes new units within an existing structure or supportive housing facilities under RCW 71.24.385. Consider bonding, land acquisition, direct capital investment down payment assistance, and rehabilitation of single family homes owned by individuals who meet the 60% AMI qualification.

OR

Funding the operations and maintenance cost of new units of affordable or supportive housing.