

**EXECUTIVE/COUNCIL APPROVAL FORM**

<b>MANAGEMENT ROUTING:</b>		<b>TO:</b>	<b>COUNCIL CHAIRPERSON:</b>
EXECUTIVE	<u>Dave Somers</u>		<b>SNOHOMISH COUNTY COUNCIL</b>
EXEC. DIR.	<u>Susan Neely</u>		
DIRECTOR/ELECTED	<u>Nathan Kennedy <i>nk</i></u>		<b>EXECUTIVE RECOMMENDATION:</b>
DEPARTMENT	<u>Finance</u>	<input checked="" type="checkbox"/>	Approve <input type="checkbox"/> No Recommendation
DIV. MGR.		<input type="checkbox"/>	Further Processing
DIVISION		<input type="checkbox"/>	Requested By
ORIGINATOR	<u>Nathan Kennedy <i>nk</i></u>		<u>SUSAN NEELY</u>
DATE <u>5/15/2019</u>	<u>3120</u>	<u><i>Susan Neely</i></u>	Executive Director <u>5/16/19</u>
		Executive Office Signature	<u>MAY 16 2019</u>
		CEO Staff Review <u><i>cap</i></u>	
		Received at Council Office <u># 2:14PM</u>	<u>5/16/19</u>

**DOCUMENT TYPE:**

<input type="checkbox"/> BUDGET ACTION:	<input type="checkbox"/> GRANT APPLICATION
<input type="checkbox"/> Emergency Appropriation	<input checked="" type="checkbox"/> ORDINANCE
<input type="checkbox"/> Supplemental Appropriation	<input type="checkbox"/> Amendment to Ord. # _____
<input type="checkbox"/> Budget Transfer	<input type="checkbox"/> PLAN
<input type="checkbox"/> CONTRACT:	<input type="checkbox"/> OTHER
<input type="checkbox"/> New	
<input type="checkbox"/> Amendment	

**DOCUMENT / AGENDA TITLE:**

Ordinance No. 19-\_\_\_\_\_. Amending Chapter 4.12.015 (2) (b) SCC pertaining to the Authority to dispose of Real Estate Excise Tax proceeds imposed under SCC 4.12.005.

**APPROVAL AUTHORITY:**

EXECUTIVE _____	COUNCIL <u><input checked="" type="checkbox"/></u>
CITE BASIS <u>SCC 2.100.030</u>	

**HANDLING:** NORMAL \_\_\_\_\_ EXPEDITE  URGENT \_\_\_\_\_ DEADLINE DATE \_\_\_\_\_

**PURPOSE:**

To align Snohomish County Code with State law in the disposition of REET II taxes collected, giving the Snohomish County financial flexibility to further address the homelessness crisis.

**BACKGROUND:**

Currently, Snohomish County Code restricts the spending of REET II proceeds to capital projects as defined in RCW 82.46.035. However, RCW 82.46.037 (1) (b) gives counties more tools to address homelessness for limited period time. This proposed Snohomish County Code change aligns SCC with RCW, which allows Snohomish County to pursue current projects that County Council set forth in a 2019 budget condition. Said change will also eliminate the need to update the SCC in July of 2019 when new State legislation takes effect.



1 SNOHOMISH COUNTY COUNCIL  
2 Snohomish County, Washington

3  
4 ORDINANCE NO. 19- 026

5  
6 AMENDING CHAPTER 4.12 SCC

7  
8 BE IT ORDAINED:

9  
10 Section 1. Snohomish County Code Section 4.12.015, last amended by  
11 Ordinance No. 18-079 on November 19, 2018, is amended to read:

12  
13 **4.12.015 Disposal of tax.**

14 (1) The county treasurer shall place 1.3 percent of the proceeds of the taxes imposed  
15 under SCC 4.12.005 in the current expense fund to defray costs of collection.

16 (2) The remaining proceeds from the taxes imposed under 4.12.005 shall be placed in  
17 separate accounts within the real estate excise tax fund created pursuant to this chapter  
18 or as required by chapter 4.13 SCC and used for the following purposes:

19 (a) Revenues generated from the tax imposed under SCC 4.12.005(1) shall be  
20 used by the county for local improvements, including those listed in RCW  
21 35.43.040. After April 30, 1992, revenues shall be used solely for financing  
22 capital projects specified in a capital facilities plan element of a comprehensive  
23 plan and housing relocation assistance under RCW 59.18.440 and 59.18.450.  
24 However, revenues pledged to debt retirement prior to April 30, 1992, shall  
25 continue to be used for that purpose until the original debt for which the revenues  
26 were pledged is retired, and revenues committed to a project prior to April 30,  
27 1992, shall continue to be used for that purpose until the project is completed. As  
28 used in this subsection, "capital project" has the meaning given in  
29 RCW 82.46.010.

30 (b) Revenues generated from the tax imposed under SCC 4.12.005(2) shall be  
31 used by the county (~~solely for financing capital projects specified in a capital~~  
32 ~~facilities plan element of a comprehensive plan. As used in this subsection~~  
33 ~~"capital project" has the meaning given in RCW 82.46.035~~) in accordance with  
34 state law.

35 (3) Beginning with the preparation of the 2020 budget and annually thereafter, the  
36 selection of capital projects to be financed by the taxes imposed under SCC 4.12.005  
37 shall be limited as follows:

38 (a) Total debt service to be paid in any year shall not exceed 50 percent of the  
39 total projected revenues of such taxes for that year;

1 (b) Up to 75 percent of projected tax revenues under  
2 SCC 4.12.005(1) or 4.12.005(2) may be used for debt service so long as the total  
3 to be paid in any year does not exceed the 50 percent limit imposed by  
4 subsection 3(a) of this section; and

5 (c) The term for which a project may be financed shall not exceed the useful life  
6 of the project, provided that preference shall be given to a shorter term if the total  
7 debt service to be paid in any year will be close to the 50 percent limit imposed  
8 by subsection 3(a) of this section.

9  
10 PASSED this \_\_\_ day of \_\_\_\_\_, 2019.

11  
12 SNOHOMISH COUNTY COUNCIL  
13 Snohomish County, Washington

14  
15 \_\_\_\_\_  
16 Chairperson

17  
18 ATTEST:

19  
20 \_\_\_\_\_  
21 Clerk of the Council

22  
23 ( ) APPROVED

24  
25 ( ) EMERGENCY

26  
27 ( ) VETOED

28  
29 DATE: \_\_\_\_\_

30  
31 \_\_\_\_\_  
32 County Executive

33  
34 ATTEST:

35  
36 \_\_\_\_\_  
37  
38 Approved as to form only:

39  
40 *Rebecca Wendling* 5/15/2019  
41 \_\_\_\_\_  
42 Deputy Prosecuting Attorney