

09/19/2022

RESOLUTION NO. M-4188

A RESOLUTION providing for the submission to the qualified electors of the City of Vancouver at the February 14, 2023 Special Election a proposition authorizing the City to increase its property tax levy pursuant to RCW 84.52.105 to provide funding for housing for people with low and very low incomes; requesting that the Clark County Auditor place the proposition on the February 14, 2023 ballot; and providing for other matters properly related thereto.

WHEREAS, supporting safe, affordable housing and services for households with low and very low income is a commitment the City Council has made to meet the needs of Vancouver residents; and

WHEREAS, in 2016, City Council placed an affordable housing proposition on the ballot authorized by RCW 84.52.105 to impose additional regular property tax levies to finance affordable housing for households with very low income; and

WHEREAS, a majority of voters voted to authorize a seven-year levy collecting \$6 million per year, creating the Affordable Housing Fund administered by the City; and

WHEREAS, the Affordable Housing Fund is used for production and preservation of units affordable to families with very low income, and also supports rental assistance, housing services, and temporary shelter for the period commencing in 2017 and continuing through 2023; and

WHEREAS, the Affordable Housing Fund has awarded \$36,041,884 to support 52 projects with construction, acquisition, and preservation of affordable housing, as well as rental assistance and temporary shelter for Vancouver residents earning less than 50% of Area Median Income; and

WHEREAS, to date, 1,064 units of affordable housing have been produced or preserved with support from the Affordable Housing Fund, 1,654 households have received rental assistance and services to prevent homelessness, and 405 temporary shelter beds have been created or supported with operating costs; and

WHEREAS, the city of Vancouver still has a deficit of approximately 5,600 housing units and a vacancy rate lower than two percent for all rental units in the City; and

WHEREAS, U.S. Census data indicates that there are 13,905 renter households with very low income in Vancouver that face a high housing cost burden, representing 39.7 percent of all renters; and

WHEREAS, U.S. Census data estimates that there are 6,670 homeowners with very low income in Vancouver that are cost burdened by housing expenses, approximately 17.7 percent of homeowners; and

WHEREAS, the 2022 Homeless Point-in-Time count, required by HUD, found 625 people homeless and living unsheltered in Clark County, an increase of 20 percent from 2020, the last year for which data was available; and

WHEREAS, the 2022 Point-in-Time count found an additional 572 people who were homeless and living in temporary shelters in Clark County, an increase of 83 percent due to a substantial increase in shelter beds; and

WHEREAS, the 2022 Point-in-Time count found that 27 percent of people experiencing homelessness were people of color, while people of color make up only 14 percent of Clark County's population; and

WHEREAS, the State of Washington reports that 1,454 children enrolled in the Evergreen and Vancouver school districts, approximately 3.2 percent, are experiencing homelessness and

living in motels, shelters, or on the streets, resulting in adverse childhood experiences that have profound and long-lasting negative consequences; and

WHEREAS, the demand for subsidized housing for households earning less than 50% of Area Median Income has increased to the point that the Vancouver Housing Authority has had to close many of the rent restricted waitlists since the number of applications received exceeds ability to assist existing waiting households for several years. They have also adopted preferences on the Section 8 waitlist that limit availability to the most in-need households; and

WHEREAS, household incomes are not keeping pace with Vancouver's housing costs, with average apartment rent increasing 28 percent between 2017 to 2022 according to The Columbian and median household income increasing by only 4 percent according to U.S. Census data; and

WHEREAS, the national rental database WalletHub indicates that Vancouver is experiencing the fourth highest year-over-year rent increases in the nation; and

WHEREAS, due to the COVID-19 pandemic, many residents have experienced loss of income leading to an increased risk of homelessness, and construction costs and delays have created a greater strain on the rental market; and

WHEREAS, in 2022, a group of affordable housing developers and practitioners from Vancouver convened to review Affordable Housing Fund outcomes and current market conditions and recommended that City Council ask voters to renew the Affordable Housing Fund levy to continue assisting in the delivery of affordable housing; and

WHEREAS, the replacement of the Affordable Housing Fund levy will result in local funding that will be used to serve households with low and very low incomes, and will be leveraged with other public and private funding to create affordable housing serving additional households for 20 or more years; and

WHEREAS, as a condition of receiving federal funding for affordable housing, the City of Vancouver administers an affordable housing program with citizen oversight, including preparation of five-year strategic plans, performance measures and outcomes, and annual action plans; and

WHEREAS, the City of Vancouver has efficiently administered the Affordable Housing Fund in conjunction with its existing programs that use federal funding for housing affordability and can continue to do so; and

WHEREAS, RCW 84.52.105 authorizes a city to impose additional regular property tax levies to finance affordable housing for households with low and very low income when specifically authorized to do so by a majority of the voters of the taxing district voting on a ballot proposition authorizing the levy; and

WHEREAS, RCW 35.21.685 authorizes a city to assist in the development or preservation of publicly or privately owned housing for people with low income by providing loans or grants of general municipal funds to the owners or developers of the housing, including loans or grants to finance the acquisition, construction or rehabilitation of affordable housing, and to provide rental assistance and other supportive services to people with low income; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VANCOUVER:

Section 1. **Findings.** The Council hereby adopts and incorporates by reference the above recitals as findings.

Section 2. **Calling of Election Regarding the Levy of Additional Property Taxes.**

The City of Vancouver submits to the qualified electors of the City a proposition authorizing an additional property tax levy for low-income and very low-income housing and

housing services pursuant to RCW 84.52.105 for their ratification or rejection at a special election to be held on February 14, 2023. The Clark County Auditor, as ex officio supervisor of elections in Clark County, is hereby requested to call and conduct the election referenced on such day and to submit this proposition to the qualified electors of the City. The proposition would raise \$10 million per year totaling \$100 million in aggregate over a period of ten years, with collection beginning in 2024.

- A. The proposition would authorize the City to impose an additional regular property tax levy of \$10 million per year (approximately \$0.30 per \$1,000 assessed valuation) for ten years to fund low-income and very low-income housing pursuant to RCW 84.52.105. The limitations in RCW 84.52.043 shall not apply to this tax levy. All levy proceeds shall be used for the purposes specified in an affordable housing administrative and finance plan approved by City Council.
- B. The taxes authorized by this proposition shall be in addition to the maximum amount of regular property taxes the City would have been limited to by RCW 84.55.010 in the absence of voter approval of this proposition, plus other authorized lid lifts, for ten years. Pursuant to RCW 84.55.050(5), the maximum regular property taxes that may be levied following the expiration of the additional taxes authorized by this proposition in shall be computed as if the limit on regular property taxes had not been increased under this proposition and the City had made levies at the maximum rates which would otherwise have been allowed during the years the levies were made under this proposition.

Section 3. **Ballot Proposition.** The City Clerk is hereby authorized and directed, not later than December 16, 2022, to certify a proposition to the Clark County Auditor, as ex officio supervisor of elections in Clark County, Washington, in substantially the following form:

PROPOSITION NO. ____

Affordable Housing Levy Replacement

The City of Vancouver Council adopted Resolution No. M-4188 concerning the replacement of an expiring affordable housing property tax levy. This proposition would replace an expiring property tax levy and fund housing and housing services for people with low and very low incomes, including those with disabilities, veterans, seniors, and families with children, by authorizing a regular property tax levy generating \$10,000,000 annually (approximately \$0.30/\$1,000 assessed value) for ten years, beginning in 2024, pursuant to RCW 84.52.105. All levy proceeds would be used for affordable housing purposes pursuant to an administrative and financial plan adopted by City Council.

Should this proposition be approved?

- YES
- NO

For purposes of receiving notice of the language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates: (a) the City Clerk (Natasha Ramras), telephone: (360) 487-8484; email: natasha.ramras@cityofvancouver.us; and (b) the City Attorney (Jonathan Young); telephone: (360) 487-8500; email: jonathan.young@cityofvancouver.us, as the individuals to whom such notice from the Auditor should be provided. The City Attorney and the City Clerk are each authorized individually to approve changes to the wording of such proposition as may be recommended by the Clark County Auditor and the Clark County Prosecuting Attorney, as long as the intent of the proposition remains clear and consistent with the intent of this resolution.

Section 5. **Voters Pamphlet.** To the extent that a local voters' pamphlet and/or online voters' guide ("Voters' Pamphlet") will be produced for the February 14, 2023 election, the Pamphlet shall include an explanatory statement and arguments advocating approval and disapproval of the ballot measure, if any. Pursuant to RCW 29A.32.280, the arguments advocating approval and disapproval of the ballot measure shall be prepared by committees appointed by the City Council or the Clark County Auditor.

Section 6. **Severability.** If any provisions of this resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed severable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the levy or collection of the taxes authorized by this proposition.

Section 7. **Effective Date.** This resolution shall take effect and be in full force immediately upon adoption by the City Council.

ADOPTED at a Regular Meeting of the Vancouver City Council this 19th of September 2022.

DocuSigned by:
Anne McEnerny-Ogle
6C89D9089EC5424...
Anne McEnerny-Ogle, Mayor

Attest:

DocuSigned by:
Natasha Ramras
BCF6734E40E94AE...
Natasha Ramras, City Clerk

Approved as to form:

DocuSigned by:
Jonathan Young
9A7DC2E31F694A2...
Jonathan Young, City Attorney