

PLANNING DOCUMENT – 1590 FUNDS IN CLARK COUNTY

Key Considerations

- Projected to raise ~\$6.4million/year
- At least 60% of funds must go to:
 - Constructing or acquiring affordable housing, which may include emergency, transitional, and supportive housing and new units of affordable housing within an existing structure, and facilities providing housing-related services, or acquiring land for these purposes
 - Constructing or acquiring behavioral health-related facilities, or acquiring land for these purposes
 - 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
 - The affordable housing and facilities providing housing related programs must be provided to persons within any of the following population groups whose income is at or below sixty percent of the median income:
 - Persons with behavioral health disabilities;
 - Veterans;
 - Senior citizens;
 - Homeless, or at-risk of being homeless, including families with children;
 - Unaccompanied homeless youth or young adults;
 - Persons with disabilities; or
 - Domestic violence survivors.
- The remainder of the funds collected must be used for the operation, delivery, or evaluation of behavioral health treatment programs and services or housing-related services.

For demonstrative purposes, the following table illustrates the 2025 United States Department of Housing and Urban Development’s (“HUD”) Area Median Family Income limits for all of Clark County by household size. The income limits will be updated annually:

HUD Income Limits by Area Median Income and Family Size

AMI	1	2	3	4	5	6	7	8
30%	\$26,100	\$29,800	\$33,550	\$37,250	\$40,250	\$43,250	\$46,200	\$49,200
50%	\$43,450	\$49,650	\$55,850	\$62,050	\$67,050	\$72,000	\$76,950	\$81,950
60%	\$52,140	\$59,580	\$67,020	\$74,460	\$80,460	\$86,400	\$92,340	\$98,340

Landscape

Clark County is experiencing a trend of increased housing costs for both buyers and renters. Rapid population growth and limited supply has led to increases in the share of county residents who are rent burdened and impacts are being felt most acutely by the county's most vulnerable residents.

The Clark County Council has made efforts to utilize the tools at the county's disposal to improve housing affordability and increase the number of housing units available. Recent headwinds such as inflation, increasing cost of materials, and reduced value for low-income housing tax credits have squeezed affordable housing developers to the point where it is getting more challenging for affordable housing developments to be financially feasible.

1590 Affordable Housing Revenue Policy Goals

- Holistic, countywide approach to affordable housing development
- Provide resourcing for affordable housing development outside of the City of Vancouver
- Maximize production of income-qualified housing for households at or below 60% AMI
- Prioritize sustainability of affordable housing over-time
- Align funding to provide operations and maintenance funding for units that serve the most vulnerable households

Decision Points

- Structure of fund allocation > grants, loans, bonding (max of 50% of revenue can be used for bond payments)
- Annual RFP process?
- New committee/repurpose existing group to add in 1590 process?
- Council policy direction on how to prioritize funds
- Creation of interlocal agreement with City of Vancouver

Authorizing RCW: 82.14.530

Sales and use tax for housing and related services.

(1)(a)(i) A county legislative authority may submit an authorizing proposition to the county voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(ii) As an alternative to the authority provided in (a)(i) of this subsection, a county legislative authority may impose, without a proposition approved by a majority of persons voting, a sales and use tax in accordance with the terms of this chapter. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(b)(i) If a county does not impose the full tax rate authorized under (a) of this subsection by September 30, 2020, any city legislative authority located in that county may:

(A) Submit an authorizing proposition to the city voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used; or

(B) Impose, without a proposition approved by a majority of persons voting, the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter.

(ii) The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(iii) A county with a population of greater than one million five hundred thousand may impose the tax authorized under (a)(ii) of this subsection only if the county plans to spend at least thirty percent of the moneys collected under this section that are attributable to taxable activities or events within any city with a population greater than sixty thousand located in that county within that city's boundaries.

(c) If a county imposes a tax authorized under (a) of this subsection after a city located in that county has imposed the tax authorized under (b) of this subsection, the county must provide a credit against its tax for the full amount of tax imposed by a city.

(d) The taxes authorized in this subsection are in addition to any other taxes authorized by law and must be collected from persons who are taxable by the state under chapters [82.08](#) and [82.12](#) RCW upon the occurrence of any taxable event within the county for a county's tax and within a city for a city's tax.

(2)(a) Notwithstanding subsection (4) of this section, a minimum of sixty percent of the moneys collected under this section must be used for the following purposes:

- (i) Constructing or acquiring affordable housing, which may include emergency, transitional, and supportive housing and new units of affordable housing within an existing structure, and facilities providing housing-related services, or acquiring land for these purposes; or
- (ii) Constructing or acquiring behavioral health-related facilities, or acquiring land for these purposes; or
- (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.

(b) The affordable housing and facilities providing housing-related programs in (a)(i) of this subsection may only be provided to persons within any of the following population groups whose income is at or below sixty percent of the median income of the county imposing the tax:

- (i) Persons with behavioral health disabilities;
- (ii) Veterans;
- (iii) Senior citizens;
- (iv) Persons who are homeless or at-risk of being homeless, including families with children;
- (v) Unaccompanied homeless youth or young adults;
- (vi) Persons with disabilities; or
- (vii) Domestic violence survivors.

(c) The remainder of the moneys collected under this section must be used for the operation, delivery, or evaluation of behavioral health treatment programs and services or housing-related services.

(3)(a) A county that imposes the tax under this section must consult with a city before the county may construct or acquire any of the facilities authorized under subsection (2)(a) of this section within the city limits.

(b) Among other priorities, a county that acquires a facility under subsection (2)(a) of this section must provide an opportunity for 15 percent of the units provided at that facility to be provided to individuals who are living in or near the city in which the facility is located, or have ties to that community. The provisions of this subsection (3)(b) do not apply if the county is unable to identify sufficient individuals within the city in need of services that meet the criteria provided in subsection (2)(b) of this section. This prioritization must not jeopardize United States department of housing and urban development funding for the continuum of care program.

(4) A county that has not imposed the tax authorized under RCW [82.14.460](#) prior to October 9, 2015, but imposes the tax authorized under this section after a city in that county has imposed the tax authorized under RCW [82.14.460](#) prior to October 9, 2015, must enter into an interlocal agreement with that city to determine how the services and provisions described in subsection (2) of this section will be allocated and funded in the city.

(5) To carry out the purposes of subsection (2)(a) and (b) of this section, the legislative authority of the county or city imposing the tax has the authority to issue general obligation or revenue bonds within the limitations now or hereafter prescribed by the laws of this state, and may use, and is authorized to pledge, up to fifty percent of the moneys collected under this section for repayment of such bonds, in order to finance the provision or construction of affordable housing, facilities where housing-related programs are provided, or evaluation and treatment centers described in subsection (2)(a)(iii) of this section.

(6)(a) Moneys collected under this section may be used to offset reductions in state or federal funds for the purposes described in subsection (2) of this section.

(b) No more than ten percent of the moneys collected under this section may be used to supplant existing local funds.