



NEWS RELEASE

FOR IMMEDIATE RELEASE – October 6, 2020

Contact: Karla Slate, Communications and Marketing Manager
City of Covington
(253) 480-2402
kslate@covingtonwa.gov

CITY COUNCIL PASSES ORDINANCE TO ENSURE HOUSING AND HOMELESSNESS TAX REVENUE RAISED IN COVINGTON IS KEPT IN THE COMMUNITY

Covington, WA – After learning King County Council plans to discuss enacting a sales and use tax increase authorized by HB 1590, the Covington City Council passed an ordinance at a special meeting on October 5, 2020, to authorize the tax at the city level to keep spending decisions under city control.

In 2019, the State passed HB 1590 which allows counties to authorize a one tenth of one percent sales and use tax increase to fund housing and homelessness initiatives. Per the bill, counties had until September 30 to pass the sales tax increase. King County did not meet the deadline, however, it has been proposed by the executive and King County Council will be reviewing it soon.

“It is most inevitable that King County will pass this, and it is nice we have this chance...to be in control of our own destiny to help those of need in Covington,” said Mayor Jeff Wagner.

If King County Council passes the tax, they are under no obligation to direct any of the funds to Covington. Additionally, 30 percent of those funds are required to be spent in cities with a population of over 60,000, which is a threshold Covington does not meet.

“Without us passing an ordinance, that money is just going right out of our community,” said Mayor Pro Tem Sean Smith.

By passing the ordinance first, the Covington City Council has ensured that the full amount of the tax revenue will remain in the Covington community, the use of those funds will be controlled by the city, and King County must provide a tax credit against any subsequently imposed county tax for the full amount of the tax imposed by the city.

“I do not want to put additional strain on our residents, but if it’s happening, then we should be in control of it,” said Council member Jennifer Harjehausen.

Sixty percent of the funds collected must be spent on construction, operations and maintenance of affordable housing or mental/behavioral health facilities and the remaining funds can be spent on mental and behavioral health or affordable housing-related programs and services

###