

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, IMPOSING THE MAXIMUM LOCAL SALES AND USE TAX PURSUANT TO RCW 82.14.525 AND CHAPTER 36.160 RCW, WHICH FUNDS ARE TO BE USED FOR A CULTURAL ACCESS PROGRAM; AND PROVIDING FOR OTHER MATTERS RELATING THERETO AND PROPERLY PERMITTED BY STATE LAW**

**THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON DOES ORDAIN** as follows:

**Section 1. Findings.** The City Council (the "Council") of the City of Olympia, Washington (the "City"), makes the following findings and determinations:

1.1 RCW 82.14.525 and Chapter 36.160 RCW authorizes counties and cities to impose a sales and use tax of one-tenth of one percent (0.1%), provided that the sales and use tax increase is approved by voters. The City's proceeds from such a tax shall be used for a cultural access program as authorized and permitted by Chapter 36.160 RCW and RCW 82.14.525.

1.2 On December 14, 2021, the Council adopted Resolution No. M-2280 (the "Ballot Resolution") authorizing submission to the qualified voters of the City a proposition authorizing an additional sales and use tax of not more than one-tenth of one percent (0.1%) for the Olympia Cultural Access Program ("Proposition No. 1"), as authorized and permitted by RCW 82.14.525 and Chapter 36.160 RCW.

1.3 Proposition No. 1 was approved by the requisite number of City voters at the special election held on April 26, 2022, and its passage was certified by the County Auditor on May 6, 2022, with 7,266 votes for the ballot measure, and 5,244 votes against, to impose a sales and use tax for the purposes authorized under Chapter 36.160 RCW and as provided by RCW 82.14.525, for a period of seven (7) consecutive years. The funds shall be collected and used as set forth in RCW 82.14.525(4) ". . . only . . . for the purposes set forth in RCW 36.160.110 . . ." for the Olympia Cultural Access Program.

1.4 The Council finds that the City of Olympia has satisfied all prerequisites to impose the sales and use tax permitted by RCW 82.14.525 and Chapter 36.160 RCW for the Olympia Cultural Access Program.

**Section 2. Sales and Use Tax Imposed.**

2.1 Tax Imposed; Effective Date. The sales and use tax increase shall be imposed at a rate of one-tenth of one percent (0.1%) of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax, within the City of Olympia. The tax shall become effective on the earliest practicable date consistent with RCW 82.14.525 and RCW 82.14.055.

2.2 Use of Sales and Use Tax Receipts Pursuant to RCW 36.160.110. City proceeds shall be used as required by RCW 82.14.525(4) ". . . only . . . for the purposes set forth in RCW 36.160.110, including but not limited to, start-up funding provided to the program under RCW 36.160.040 with the expectation "that the funding will be repaid . . .;" that the funding forming such a program to be reserved for program costs, including direct administrative costs, and repaying any start-up funding provided under RCW 36.160.040; the percentage of total funds available annually to be reserved for a public school cultural access program established and managed by the City to increase access to cultural activities and programming for public school students, including transportation to off-site cultural experiences for all students at schools in the City that are located within a school district in which at least forty percent of the district's students are eligible for the federal free and reduced-price school meals program; and the City may limit its spending on the transportation benefit to no more than five percent of funds collected each year under RCW 36.160.080;

and remaining funds available annually, including all funds not initially reserved under RCW 36.160.110(1), (2), and (3), as well as funds not distributed by the City from the reserved funds, must be distributed by the City to entities designated by the legislative authority of the City creating the program, after creating guidelines and criteria for the award of funds to eligible cultural organizations, including designated entity administrative costs. In accord with RCW 36.160.110(5), the City in ". . . evaluating requests for funding authorized under this chapter, the designated entity responsible for the distribution of the funds must consider the public benefits that any cultural organizations represented will be derived from proposed projects. Funds distributed to cultural organizations may be used to support cultural and educational activities, programs, and initiatives, public benefits and communications, and basic operations. Funds may also be used for (a) capital expenditures or acquisitions including, but not limited to, the acquisition of or construction of improvements to real property and (b) technology, equipment, and supplies reasonably related to or necessary for a project otherwise eligible for funding under Chapter 36.160 RCW.

2.3 Expiration of Tax. The tax imposed by the City under RCW 82.14.525 and Chapter 36.160 RCW shall expire seven (7) years after the date on which the tax is first imposed.

**Section 3. Administration.** The City Clerk is directed to cause a certified copy of this Ordinance to be delivered to the State of Washington Department of Revenue, the State of Washington Department of Commerce, and any other public officers or agencies required by law. The City's Finance Director and other appropriate officers are authorized and directed to enter into such contracts with and provide such notices to the State Department of Revenue or Department of Commerce, and other appropriate state or local agencies, for the collection and distribution of receipts of the tax imposed by this Ordinance as may be necessary or convenient consistent with RCW 82.14. 525 and Chapter 36.160 RCW and other applicable law.

**Section 4. Ratification.** All actions taken in furtherance of and not inconsistent with this Ordinance are ratified and confirmed in all respects.

**Section 5. Severability.** If any provision of this Ordinance is declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be severable from the remaining provisions of this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance.

**Section 6. Publication and Effective Date.** Notification of passage of this Ordinance shall be published as provided by law and shall take effect and be in full force five (5) days after publication.

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MAYOR

**ATTEST:**

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CITY CLERK

**APPROVED AS TO FORM:**

Mark Barber  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**