

RESOLUTION NO. M-2280

A RESOLUTION OF THE OLYMPIA CITY COUNCIL PROVIDING FOR THE SUBMISSION TO THE VOTERS OF THE CITY OF OLYMPIA AT THE APRIL 26, 2022, SPECIAL ELECTION, A PROPOSITION AUTHORIZING THE CITY OF OLYMPIA TO LEVY A SALES AND USE TAX AT THE INCREASED RATE OF ONE-TENTH OF ONE PERCENT PURSUANT TO RCW 82.14.525 FOR A PERIOD OF SEVEN YEARS, TO BE USED FOR THE PURPOSE OF FUNDING ARTS, SCIENCE, CULTURAL AND HERITAGE PROGRAMS; SETTING FORTH THE BALLOT PROPOSITION; REQUIRING AN ANNUAL REPORT; AND DIRECTING THE CITY CLERK TO TRANSMIT TO THE THURSTON COUNTY AUDITOR A CERTIFIED COPY OF THIS RESOLUTION

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OLYMPIA, WASHINGTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Findings and Determinations. The following recitals are hereby adopted as legislative findings and determinations made by the Olympia City Council (the "Council"):

- a. Pursuant to RCW 36.160.010(1)(c), the Washington State Legislature set forth its intent to provide local governments and communities the fiscal tools needed ". . . to provide public and educational benefits and economic support for cultural organizations [by] [p]roviding local support for the state's cultural organizations [which] is in the public interest and will serve multiple public purposes including, among others, enhancing and extending the education reach and offerings of cultural organizations; ensuring continued and expanded access to the facilities and programs of cultural organizations by economically and geographically underserved populations; and providing financial stability to the organizations to continue and extend the numerous public benefits they provide."
- b. Access to arts, science, culture and heritage programs in the City of Olympia will advance and promote equity, diversity, and opportunity for Olympia's residents and communities by leveraging Olympia's arts and cultural assets, potential partnerships, and the need to invest in Olympia's youth.
- c. The City of Olympia seeks to promote greater civic engagement and to use arts and culture as a vehicle to address and support Olympia's values and priorities including education, neighborhood and economic development, community building, equity and inclusion, including minority cultural and ethnic groups and underserved populations.
- d. Olympia's residents would greatly benefit from improved public access to programs produced by nonprofit arts, science, culture, and heritage organizations that would be enabled by an increase in public funding for those organizations.
- e. The Olympia City Council finds that increased funding would advance fair and equitable access to arts, science, culture, and heritage programs throughout the City and remove barriers to access faced by many segments of Olympia's population due to poverty, isolation, bias, racism, stigma, discrimination, disability, chronic illness, and/or other systemic barriers.

- f. Increased funding for arts, science, culture, and heritage organizations would allow such organizations to expand open public hours, offer discounted and free admission for Olympia's residents, award scholarships, participate in public school access programs, and make more programs available in Olympia's communities that do not have spaces for cultural activities.
- g. Additional funding would foster the creation and development of new cultural organizations throughout the City, reduce geographic barriers, and facilitate access to arts, science, culture, and heritage resources for all residents.
- h. Providing increased financial support for arts, science, culture, and heritage organizations in Olympia will result in multiple public benefits, including but not limited to: (1) ensuring K-12 public school students in all Olympia Public Schools will have greater access to arts, science, culture, and heritage organizations during students' formative years through programs in and out of classrooms, before and after school programs, and during the summer, and opportunities for free visits to cultural attractions, leading to better engagement in the classroom, improved educational attainment, support for social and emotional growth, and higher graduation rates; (2) creating new resources to support or promote cultural activities, events, or projects reflecting our diverse lifestyles, interests and cultures, including learning about the Native American heritage of Olympia and its environs; (3) expanding access and opportunities for the general public, including students, seniors, and economically underserved populations or those on a fixed income, to attend and experience cultural events, performances, festivals, exhibits, and related programs and activities; (4) boosting the City's economy through enhanced cultural community, job creation, and increased tourism; and (5) ensuring that arts, culture, science, and heritage organizations are financially healthy and able to provide public programs and services within their facilities, in neighborhoods and communities, and in public schools.
- i. Increased funding will provide transportation for school age children to access and attend arts, science, cultural, and heritage programs, so as to overcome one of the recognized barriers for such participation.
- j. In order to provide such public benefits, the Olympia City Council shall create and establish an advisory board consistent with RCW 36.160.060, consisting of nine (9) members, and to be known as the Olympia Cultural Access Program Advisory Board. The Cultural Access Program Advisory Board (the "CAP Advisory Board") shall make recommendations for funding of arts, science, cultural, and heritage programs to the City Council. The CAP Advisory Board shall ensure that a minimum of eighty percent (80%) of all collected revenues will be dedicated to providing public and educational benefits and economic support for arts, science, cultural and heritage organizations, and for programming for youth, neighborhood and community activities, and for capital expenditures or acquisitions including, but not limited to, the acquisition of or construction improvements to real property as permitted by RCW 36.160.110(6). Up to ten percent (10%) of collected revenues shall be used to fund youth transportation for such activities; and ten percent (10%) shall be used for administrative costs.

- k. The CAP Advisory Board will make its recommendations to the City Council and shall be accountable for funding recommendations through regular reporting of expenditures and program data, including measurable outcomes and records of participants within the City of Olympia.
- l. As a further accountability measure, applicants for and recipients of City grants will be required to identify and demonstrate community benefit, based on criteria to be adopted by the Olympia City Council, which will ensure benefit to all Olympia residents, communities, and generations, for free or reduced cost programs, neighborhood or community-based programs, economic development, and arts incubation on all levels.
- m. The Olympia City Council supports the growth and development of arts, science, culture, and heritage programs in Olympia's neighborhoods and communities to promote a healthy, more inclusive, and vibrant Olympia.
- n. RCW 36.160.030(3) provides that "A city may create a cultural access program if the county legislative authority in which the city is located adopts a resolution stating the county forfeits its option to create a program or does not place a proposition before the people to create such a program by June 30, 2017. In the event the exception in this subsection occurs, all references in this chapter to a county must include a city that has exercised its authority under this subsection, unless the context clearly requires otherwise." The Olympia City Council finds that Thurston County did not exercise its option under RCW 36.160.030(3) to create a cultural access program by June 30, 2017, and therefore the City of Olympia, through the legislative discretion of the Olympia City Council, wishes to create a cultural access program for Olympia's residents.
- o. The Olympia City Council further finds that in creating a cultural access program under Chapter 36.160 RCW, it must affirm that any funding the City usually and customarily provides to cultural organizations similar to funding that would be available to those organizations ". . . under this chapter may not be replaced or materially diminished as a result of funding becoming available under this chapter." In accord with RCW 36.160.050, the Council hereby makes such affirmation.
- p. In accord with RCW 36.160.080(1)(a), a city creating a cultural access program under Chapter 36.160 RCW, may impose a sales and use tax as provided by RCW 82.14.525. Per RCW 36.160.080(4) "All revenue from taxes imposed under [Chapter 36.160 RCW] must be credited to a special fund in the treasury of the [city] imposing such tax and used solely for the purpose of paying all or any part of the cost of cultural access programs as provided in this chapter."
- q. RCW 82.14.525(1) provides "The legislative authority of a county or a city may impose a sales and use tax of up to 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, for the purposes authorized under chapter 36.160 RCW. The legislative authority of the county or city may impose the sales and use tax by ordinance and must condition its imposition on the specific authorization of a majority of the voters voting on a proposition submitted at a special or general election held after June 30, 2016. The ordinance and ballot proposition may provide for the tax to apply for a period of up to seven consecutive years."
- r. RCW 82.14.525(3) further provides that "The legislative authority of a county or city may reimpose a tax imposed under this section for one or more additional periods of up to seven consecutive years."

The legislative authority of the county or city may only reimpose the sales and use tax by ordinance and on the prior specific authorization of a majority of the voters voting on a proposition submitted at a special or general election.

- s. Moneys collected under RCW 82.14.525(4) “. . . may only be used for the purposes set forth in RCW 36.160.110.” The department of revenue shall collect taxes under RCW 82.14.525 on behalf of a county or city at no cost to the county or city.

SECTION 2. Authorization of a Cultural Access Program Sales and Use Tax. The Olympia City Council directs the submission of a proposition to the voters of the City of Olympia, substantially as set forth in this Resolution, to authorize the City to impose pursuant to RCW 82.14.525 a sales and use tax of one-tenth of one percent to create the “Olympia Cultural Access Program” (“OCAP”).

SECTION 3. Use of Tax Proceeds. If approved, the City shall use the moneys collected under 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.

SECTION 4. Calling of Election. The Olympia City Council requests the Thurston County Auditor, as *ex officio* supervisor of elections in Thurston County, Washington, to call and conduct a special election in the City of Olympia, in the manner provided by law, to be held therein on April 26, 2022, for the purpose of submitting to the voters of the City, for their approval or rejection, the question of whether or not the City shall impose the additional sales and use tax permitted by RCW 82.14.525 of one-tenth of one percent over a period of seven years for the sole purpose of funding arts, science, culture, and heritage programs in the City of Olympia. If such proposition is approved by the requisite number of voters, the

City shall be authorized to impose the additional sales and use tax and to use the revenues as authorized by this Resolution.

SECTION 5. Ballot Proposition. The City Clerk is authorized and directed to certify, no later than December 20, 2021, to the Thurston County Auditor, as *ex officio* supervisor of elections in the City of Olympia and Thurston County, a copy of this Resolution and the proposition to be submitted at that election in the form of ballot title prepared by the City Attorney, substantially in the form as set forth below, as required by RCW 29A.36.071, as follows:

**CITY OF OLYMPIA
PROPOSITION NO. 1**

The Olympia City Council passed Resolution No. _____ concerning a sales and use tax increase to support cultural programs.

If approved, this proposition authorizes the City of Olympia to impose an additional sales and use tax of 0.1% beginning July 1, 2022, and expiring in seven years. The revenue generated shall be used to provide free and discounted access to arts, science, cultural, and heritage programs for Olympia's residents, free transportation to programs for Olympia public school children, and capital improvements. It would also expand services to Olympia's diverse, underserved and low-income populations.

Should this proposition be approved?

- ☐ Yes
☐ No

For purposes of receiving notice of any matters related to the ballot title, as provided in RCW 29A.36.080, the Council hereby designates its City Attorney as the person to whom such notice shall be provided.

SECTION 6. General Authorization. The proper City officials are authorized to perform such duties as are necessary or required by law to the end that the question of whether or not the additional sales and use tax shall be submitted to the voters. Should the voters approve this ballot proposition, the Olympia City Council shall create and codify formation of the Olympia Cultural Access Program Advisory Board, whose purpose will be to guide, recommend, oversee, and implement the program and to deliver an annual progress report to the public so that Olympia's residents may easily understand the benefits provided and achieved, among other performance indicators important for transparency and accountability of these public resources.

SECTION 7. Use of Funds if Ballot Proposition is Approved. Should the voters in the City of Olympia approve this proposition, of the tax revenues collected: (a) a minimum of eighty percent (80%) of all revenues will be dedicated for cultural programs in Olympia, including programs for youth, neighborhood or community events, and arts, science, cultural and heritage organizations, and including reduced or free admission for Olympia residents; (b) up to ten percent (10%) of all revenues will be

dedicated to provide children enrolled in Olympia Public Schools transportation to cultural programs funded by the Olympia Cultural Access Program (CAP); and (c) ten percent (10%) shall be used for administrative costs.

SECTION 8. Authorization for Publication and Distribution of Local Voters' Pamphlet. In accord with RCW 29A.32.210, the Olympia City Council authorizes the publication and distribution by the Thurston County Auditor of a Local Voters' Pamphlet for the foregoing ballot proposition at a special election to be conducted on April 26, 2022.

SECTION 9. City Manager Authorized to Bring Forward Ordinance if Proposition is Approved. Should the voters in the City of Olympia approve this proposition, the City Manager is directed to bring forward to the Olympia City Council, an ordinance establishing the Olympia Cultural Access Program (CAP) Fund for the purpose of dedicating and restricting funds and any revenue generated as a result of this ballot measure, so that such funds are used as outlined in the approved ballot measure.

SECTION 10. Severability. If any provision of this Resolution 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 Resolution and shall in no way affect the validity of the other provisions of this Resolution.

SECTION 11. Effective Date. This Resolution shall take effect and be in full force immediately upon passage and publication as provided by law.


SECTION 12. Ratification. Any action taken consistent with the authority of this Resolution, after its passage but prior to the effective date, is ratified, approved, and confirmed.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, AT A REGULAR MEETING this 14th day of December 2021.



MAYOR

ATTEST:



CITY CLERK

APPROVED AS TO FORM:

Mark Barber

CITY ATTORNEY