

Affordable Housing Sales Tax Fact Sheet

What is the Affordable Housing Sales Tax?

The Affordable Housing Sales Tax (AHST), also known as the “Housing & Related Services Sales Tax,” was authorized by the Washington State Legislature in 2015 ([RCW 82.14.530](#)) and allows jurisdictions to implement a sales tax of up to 0.1% for affordable housing and behavioral health facilities. This sales tax was implemented by the Vancouver City Council on Nov.16, 2020 ([VMC 3.15](#)).

How can tax revenues be used?

According to State law, at least 60% of AHST revenue must be used for:

- Construction or acquisition of affordable housing, including emergency, transitional, and supportive housing
- Construction or acquisition of facilities providing housing-related services
- Construction or acquisition of behavioral health-related facilities
- Acquisition of land for affordable housing or behavioral health-related facilities
- Funding for operations and maintenance costs for new affordable housing, facilities where housing related programs are provided, or newly constructed evaluation and treatment centers

The remainder of the funding (up to 40%) may be used for operation, delivery or evaluation of behavioral health treatment programs and services, or housing-related services.

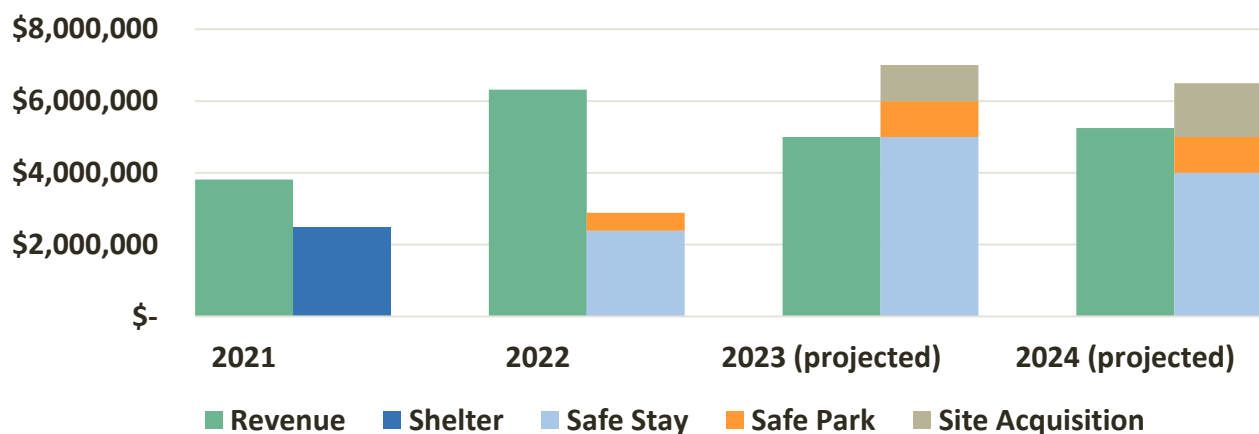
Who can be served?

All housing and housing-related programs must serve people who earn 60% or less of area median income. In addition, people who are income-eligible must also be within one of the following subpopulations: people with behavioral health disabilities, veterans, seniors, people who are homeless or at-risk of homelessness, unaccompanied youth or young adults who are homeless, people with disabilities and domestic violence survivors.

How is Vancouver spending AHST revenue?

The City of Vancouver collects between \$4-6 million annually from the AHST. Because sales tax revenue varies from year to year, collections can be unpredictable. As highlighted below, Vancouver has used, and will continue to use, revenue from AHST primarily to fund the City’s homeless crisis response activities, including the Safe Stay Communities and Safe Park sites. In addition, the City will evaluate options for enhancing the homeless service continuum in 2023 and may fund new initiatives with AHST revenues beginning in 2024.

AHST Revenue and Expense



Emergency Shelter

In 2021, in partnership with the VHA and Clark County, the City contributed \$2.5 million to the purchase of a hotel near Vancouver Mall, which became a non-congregate emergency shelter with 62 rooms.

Safe Stay Communities

Since December 2021, the City has used AHST funds to open two Safe Stay Communities (SSC), with plans to open three additional SSCs in 2023. AHST funds pay for a portion of the startup costs for each SSC, as well as staffing and other operational expenses (potable water, portable toilet, hand washing stations, and dumpster service). Annual staffing expenses, which include onsite staff 24 hours per day, are approximately \$800,000 per site, with other operational expenses bringing the total cost per site to roughly \$1 million per year.

Safe Park

The City of Vancouver opened the first Safe Park site in June 2020, at the Evergreen Transit Center, in partnership with C-Tran. This Safe Park provides over 50 parking spots for people who are living in their vehicles, serving roughly 80 individuals at a time. AHST funds are used for daily onsite staff and security at night, as well as portable restrooms, hand washing stations and trash services. The cost for operating the site is approximately \$500,000 per year. A second Safe Park is planned for 2023. The City anticipates the need to use reserves from the AHST to facilitate the purchase of property for a second Safe Park location.

To request other formats, please contact:

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