



CITY OF MERCED

City Council Chamber
Merced Civic Center
2nd Floor
678 W. 18th Street
Merced, CA 95340

Minutes

City Council/Public Finance and Economic Development Authority/Parking Authority

Thursday, March 8, 2018

6:00 PM

A. CALL TO ORDER

Mayor MURPHY called the Special Meeting to order at 6:16 PM.

A.1. Pledge of Allegiance

B. ROLL CALL

Present: 7 - Council Member Michael Belluomini, Council Member Anthony Martinez, Mayor Pro Tempore Jill McLeod, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Council Member Kevin Blake

Absent: 0

C. BUSINESS

C.1.

SUBJECT: Consideration of Amending Section 1. of Previously Submitted Commercial Cannabis Business Tax Ballot Measure Ordinance

REPORT IN BRIEF

Considers amending Section 1. of the submitted ordinance for the Commercial Cannabis Business Tax Measure to allocate funding by percentage to parks and recreation, fire, and police services.

RECOMMENDATION

City Council - Adopt a motion:

A. Amending the submitted ordinance to include language to allocate funds raised by the tax with specific minimum percentages to parks and recreation, fire and police services by choosing option 1 or 2; and,

OPTION ONE

SECTION 1. Special Tax.

The Commercial Cannabis Business Tax is enacted solely to raise revenue for specific governmental purposes for the City of Merced and not

for purposes of regulation. All of the proceeds from the tax imposed by this Ordinance shall be used exclusively to fund local police and fire protection services and parks and recreation services and cannot be spent for any other purpose. Parks/recreation services shall receive a minimum of twenty percent (20%) of the tax revenues annually.

OPTION 2

SECTION 1. Special Tax.

The Commercial Cannabis Business Tax is enacted solely to raise revenue for specific governmental purposes for the City of Merced and not for purposes of regulation. All of the proceeds from the tax imposed by this Ordinance shall be used exclusively to fund local police and fire protection services and parks and recreation services and cannot be spent for any other purpose. Local police, fire protection and parks/recreation services shall each receive a minimum of twenty percent (20%) of the tax revenues annually.

B. Adopting **Resolution 2018-13**, a Resolution of the City Council of the City of Merced, California, Rescinding and Replacing Resolution 2018-10 and Calling a Special Municipal Election to be held on June 5, 2018, for the purpose of submitting a commercial cannabis business tax to the electorate.

City Manager Steve CARRIGAN read the options available for Council to discuss and vote on.

Council Member PEDROZO clarified how the tax dollars are to be used regarding Recreation and Parks.

Council and Staff discussed the options that were listed on the agenda and how the tax dollars could be used.

Claudia GONZALEZ, Merced - spoke on funding for youth activities and not funding the police and fire departments.

Angelica COSTILLA, Merced - spoke on allocating more funding to the youth.

Jorge GARCIA, Merced - spoke on allocating more funding to the youth.

Isai PALMA, Merced - spoke on funding the Recreation and Parks Department and increasing programming for the youth.

Sol RIVAS, Merced - spoke on allocating funding for youth programs and services.

Marilyn MOCHELL, Merced - asked about parks services and safety. She also spoke on investing in the youth.

Christopher JENSEN, Merced - spoke on funding for Recreation and Parks and youth services.

Tsia XIONG, Merced - spoke on youth services and youth cannabis prevention programs.

Ron ROBERTS, Stanislaus County - spoke on the tax ordinance.

Seth SMITH, Merced - spoke on allocating any surplus funds to the youth and other opportunities.

Kristynn SULLIVAN, Merced - spoke on allocating the funds to youth services. She also spoke on parks after dark.

Edward FLORES, Merced - spoke on allocating more funds to the Recreation and Parks Department.

Susana CALDERON, Merced - spoke on afterschool programs. She also asked about the allocation of the remaining 40% of funds.

Casey STEED, Merced - spoke on the cannabis tax funding allocation.

Priya LAKIREDDY, Merced - spoke on youth prevention programs and mental health services.

Council gave their closing statements.

Council and Staff continued discussion on the options listed on the agenda.

Council Member Pedrozo made a motion to adopt Option 1. The motion failed due to lack of a second.

Clerk's Note: Council Member PEDROZO stated his opposition to Option 2, but agreed to vote with the majority on this item.

A motion was made by Council Member Blake, seconded by Council Member Belluomini, to approve Option 2. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 0

D. ADJOURNMENT

Clerk's Note: The Special Meeting was adjourned at 7:15 PM.

A motion was made by Council Member Blake, seconded by Council Member Pedrozo, to adjourn the Special Meeting. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 0