



Legislation Text

File #: 18-125, Version: 1

Report Prepared by: John Tresidder, Assistant City Clerk, City Clerk's Office

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.

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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.

ALTERNATIVES

1. Approve as recommended; or,

2. Take no action.

AUTHORITY

City of Merced Charter Sections 200, 1001, 1003, and 1004.

DISCUSSION

At the Regular City Council Meeting of February 20, 2018, the City Council called for an election placing a tax ordinance for commercial cannabis on the June 5, 2018 ballot. All completed paperwork was filed with the Merced County Registrar of Voters on February 27, 2018 to meet the required deadlines.

Council has requested the reconsideration of Section 1 of the submitted ordinance after hearing comments from the public at subsequent meetings. Below are outlined options available for consideration. If amendments to the language are made, the adoption of a resolution to amend the language is also required and will need to be filed with the Merced County Registrar of Voters by March 14, 2018 in order to meet the deadline for doing so.

ORDINANCE AS ADOPTED - NO CHANGE

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IMPACT ON CITY RESOURCES

Funds have been appropriated to cover the cost of the election.