

RESOLUTION NO. \_\_\_\_\_ (N.C.S.)

**A RESOLUTION CALLING AN ELECTION TO ASK THE VOTERS OF THE CITY OF SALINAS TO ESTABLISH A TAX ON COMMERCIAL CANNABIS BUSINESSES OPERATING IN THE CITY OF SALINAS AND REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY CONSOLIDATE THE ELECTION WITH THE ESTABLISHED ELECTION TO BE HELD ON TUESDAY NOVEMBER 8, 2016, AND DIRECT THE COUNTY ELECTIONS DEPARTMENT TO CONDUCT THE ELECTION ON THE CITY'S BEHALF**

**WHEREAS**, through the passage of Proposition 215, the voters of California authorized the use of cannabis for medical purpose in 1996; and

**WHEREAS**, the City Council of the City of Salinas has adopted medical cannabis permitting regulations to prevent nuisance, provide for effective controls, enable medical cannabis patients to obtain cannabis from safe sources, and wishes to provide appropriate permitting and revenue for the City in a manner consistent with state law; and

**WHEREAS**, every person engaged in business activity in the City of Salinas is required to obtain a business tax certificate and to pay the City's business tax; and

**WHEREAS**, commercial cannabis businesses do not currently fall within a business category established in the City's business license tax provisions. Accordingly, the City Council of the City of Salinas desires to create Chapter 19A to create the appropriate categories and rates for commercial cannabis businesses including a) Medical Cannabis Cultivation b) Medical Cannabis Manufacturing, c) Medical Cannabis Dispensary, d) Medical Cannabis Delivery Service, and e) "Non-Medical" cannabis businesses (whether dispensing, delivering, cultivating, or manufacturing other than medical cannabis) where permissible by state and local law; and

**WHEREAS**, the City of Salinas seeks to appropriately regulate commercial cannabis facilities and seeks adequate funding to provide essential public services. All revenues received from the tax will be deposited in the general fund of the City to be expended for general purposes; now, therefore, be it

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF SALINAS** as follows:

**SECTION 1.** The foregoing recitals are true and correct and are hereby adopted by the City Council.

**SECTION 2.** Pursuant to Section 26 of the Salinas City Charter, the City Council hereby calls a municipal election for Tuesday November 8, 2016, for the purpose of submitting to the voters for adoption an amendment to the Salinas Municipal Code to add Chapter 19A to read as set forth in Exhibit A.

**SECTION 3.** The City Council hereby orders that such City of Salinas municipal election shall be consolidated with the statewide general election and all other elections to be held on November 8, 2016, the Board of Supervisors of the Council of Monterey to order such consolidation under California Elections Code Section 10400, 10401, and 10403.

**SECTION 4.** The City Council hereby requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services pursuant to California Elections Code Section 10002; and

**SECTION 5.** The City Council hereby requests that the Monterey County Elections Department shall conduct the election for the following measure, an amendment to the Salinas Municipal Code to be voted on November 8, 2016 for which the 75-word ballot question shall read as follows:

“Shall the Salinas Municipal Code be amended to add a Cannabis Business Tax on dispensaries, cultivation, manufacturing, and delivery services on medical and non-medical marijuana where permissible by state and local law with the tax on cultivation activities not to exceed \$25.00 per square foot and shall be adjusted annually by a consumer price index and the tax rate on dispensaries, manufacturing, and delivery activities not to exceed 10% of annual gross receipts?”

**SECTION 6.** The City Council further requests the Monterey County Elections Department to (1) print the attached full measure text exactly as filed or indicated on the field document in the Voter Guide for the November 8, 2016 election; (2) print the City Attorney’s Impartial Analysis for such measure, prepared pursuant to Elections Code section 9280 to be forwarded to the Monterey County Elections Department by August 18, 2016. The cost of printing and distribution of the measure text and the City Attorney’s Impartial Analysis will

be paid for by the City of Salinas.

**SECTION 7.** In accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code, the City Clerk is hereby authorized and directed to cause notice of the measure to be published once in The Salinas Californian, a newspaper of general circulation, printed, published, and circulated in the city of Salinas and hereby designated for that purpose by the Council of Salinas. The City Clerk may request that the County of Monterey Elections Department prepare and publish the required notice.

**SECTION 8.** The election on the measure set forth in Section 5 shall be held and conducted, the votes canvassed and the returns made, and the results ascertained and determined as provided for herein. In all particulars not prescribed in this resolution, the election shall be held as prescribed in the Charter of the City. In all particulars not provided for in the Charter, the election shall be held in accordance with the Elections Code of the State of California. The Board of Supervisors/Registrar of Voters of the County of Monterey is authorized to canvass the returns of that election with respect to the votes cast in the city of Salinas and certify the results to the City Council in accordance with Elections Code Section 15372. At the next regular meeting of the City Council occurring after the returns of the election have been canvassed and the certification of the results to the City Council, the City Council shall cause to be entered in its minutes a statement of the results of the election.

**SECTION 9.** The City Manager is hereby authorized and directed to expend the necessary funds to pay for the City's cost of placing the measure on the ballot.

**SECTION 10.** This Resolution shall be forthwith entered upon the minutes of this City Council and kept and maintained by the City Clerk of Salinas, as provided in Section 34 of the Salinas City Charter.

**SECTION 11.** The City Clerk is hereby authorized and directed to certify to the due adoption of this Resolution and to transmit a copy hereof so certified to the Board of Supervisors and the Registrar of Voters of Monterey County.

**SECTION 12.** In accordance with Elections Code Section 9286(b), the City Clerk affirms the date for the submission of arguments for or against said measure shall be consistent with the final date for arguments set and established by the Monterey County Registrar of Voters, and such dates shall be posted in the Office of the City Clerk.

**SECTION 13.** The City Clerk and the City Manager are hereby authorized and directed to take any and all actions necessary under law to prepare for and conduct the General Election and appropriate all monies necessary for the City Manager and the City Clerk to prepare and conduct the General Election in a manner consistent with state and local laws.

**SECTION 14.** The proposed measure requires a simple majority voter approval.

PASSED AND APPROVED this 12<sup>th</sup> day of July 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTION:

APPROVED:

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Joe Gunter, Mayor

ATTEST:

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Patricia M. Barajas, City Clerk