



Legislation Text

File #: 16-0660, **Version:** 1

Recommendation to request City Attorney to prepare and return to the City Council for its consideration, all documents necessary to place one or more possible ballot initiatives on the November 8, 2016 ballot related to the taxation of recreational and medical marijuana; and/or request City Attorney to prepare and return a competing medical marijuana regulatory ordinance for placement on the November 2016 ballot.

On July 12, 2016, the Council voted to submit a petition driven ballot measure to local voters in November 2016 regarding the regulation and taxation of medical marijuana businesses in the City. That ballot measure contains provisions that would repeal taxes previously adopted by City voters in 2010 related to the sale and cultivation of recreational marijuana.

A statewide initiative regarding the regulation and taxation of recreational marijuana has also qualified for placement on the November 8, 2016 statewide ballot. That measure, known as the "Adult Use of Marijuana Act" (AUMA), permits local governments to establish local sales and use taxes related to the sale and production of recreational marijuana.

The local medical marijuana initiative if approved would effectively eliminate all voter approved local taxes on recreational marijuana and significantly reduce the voter approved taxes on medical marijuana. The City Council should consider placing a marijuana related tax measure or measures on the November ballot and/or other regulations on the cultivation and manufacture of marijuana related products to ensure the City has resources available to address issues which may arise should voters approve the sale of marijuana for medical and/or adult use.

The timing of placing one or more City initiated marijuana taxes or regulatory ordinance on the November ballot is critical, as the City Clerk has advised that the last day for the Council to approve a tax measure for ballot placement is August 2, 2016.

There is no fiscal impact for this request.

Approve recommendation.

REX RICHARDSON
COUNCILMEMBER, NINTH DISTRICT

LENA GONZALEZ
COUNCILWOMAN, FIRST DISTRICT

STACY MUNGO
COUNCILWOMAN, FIFTH DISTRICT