

RESOLUTION NO. 2018-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEVADA CITY, CALIFORNIA CALLING A MUNICIPAL ELECTION FOR JUNE 5, 2018; SUBMITTING A CANNABIS BUSINESS TAX ORDINANCE TO THE VOTERS AT THAT ELECTION; REQUESTING THE ASSISTANCE OF THE COUNTY OF NEVADA IN CONNECTION WITH THAT ELECTION; AND REQUESTING CONSOLIDATION OF THAT ELECTION WITH ANY OTHER ELECTION HELD ON THAT DATE

WHEREAS, Sections 37101 and 37100.5 of the California Government Code authorize the City to levy a license tax, for revenue purposes, upon business transacted in the City; and

WHEREAS, as a result of recent voter-approved changes to state law, there has been a very strong interest by cannabis businesses to open in the City; and

WHEREAS, cannabis businesses are likely to create demands upon City services, and the City does not currently impose any taxes upon cannabis businesses, aside from generally applicable municipal taxes;

WHEREAS, the City Council desires to seek impose a supplemental license tax upon cannabis businesses, to be known as the "Cannabis Business Tax"; and

WHEREAS, the Cannabis Business Tax cannot be imposed without voter approval; and

WHEREAS, the City Council desires to submit a Cannabis Business Tax measure to the voters of the City at an election to be held on Tuesday, June 5, 2018, and to be consolidated with any other election to be held on that date; and

WHEREAS, the election will be consolidated with the general municipal election, which has not yet been called, but is scheduled to occur on that same date; and

WHEREAS, newly adopted AB 195 amended Elections Code 13119 to require specific ballot language to be included in local government tax measures submitted to the voters for approval, and therefore, staff has made minor changes to the ballot language previously approved by the City Council in Resolution 2017-87 to comply with this new state law; and

WHEREAS, the proposed Cannabis Business Tax is more completely described in the ordinance attached hereto as Attachment "A" and incorporated herein by reference (the "Tax Ordinance").

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEVADA CITY AS FOLLOWS:

Section 1. Resolution 2017-87 is hereby rescinded.

Section 2. Recitals. The City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 3. Proposal. The City Council hereby proposes the Cannabis Business Tax as set forth in the ordinance (the "Tax Ordinance") attached hereto as Exhibit "A" and incorporated herein by reference.

Section 4. Election. The City Council hereby calls an election for Tuesday June 5, 2018 (the "Election") and orders, pursuant to Section 9222 of the Elections Code, that the Tax Ordinance be submitted to the voters at that election.

Section 5. Ballot Question. The question submitted by Section 3 of this Resolutions shall appear on the ballot as follows:

Shall the measure of the City of Nevada City to tax cannabis (marijuana) businesses to fund general municipal expenses such as police, fire, streets and recreation at annual rates not to exceed \$7.00 per canopy square foot for cultivation (adjustable for inflation), 8% of gross receipts for retail cannabis businesses, and 6% for all other cannabis businesses; generating approximately \$120,000 to \$135,000 annually be levied until repealed by voters or the City Council, be adopted?	YES	
	NO	

Section 6. Approval. Pursuant to Section 2(b) of Article XIII A of the Constitution, this measure requires approval by a majority of those casting ballots on the measure.

Section 7. Consolidation. Pursuant Section 10400 et seq. of the Elections Code, the Board of Supervisors of Nevada County is requested to consolidate the Election with other elections held on the same day in the same territory or in the territory that is in part the same.

Section 8. Canvass. The Board of Supervisors is authorized to canvass the returns of the Election pursuant to Section 10411 of the Elections Code.

Section 9. Conduct of Election. Pursuant to Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the County Clerk to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the City agrees to reimburse the County, in accordance with current County pro-rations and allocation procedures.

Section 10. Filing with County. The City Clerk shall file a certified copy of this Resolution with the County Clerk.

Section 11. Analysis and Argument. The City Attorney shall prepare an impartial analysis of the measure. Any person or persons may file an argument either for or against the ballot measure. An argument for or against the measure shall not exceed 300 words in length. If more than one argument is submitted for the measure, or more than one argument against the measure, the City Clerk shall select the argument to be included with the ballot materials. Rebuttal arguments shall be permitted pursuant to applicable law.

Section 12. Effective Date. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED this 7th day of February 2018, by the following vote:

AYES: STRAWSER, PARKER, MOBERG, PHELPS

NOES: NONE

ABSENT: SENUM

ABSTAIN: NONE

APPROVED:



Duane Strawser, Mayor

ATTEST:



Loree' McCay, Deputy City Clerk

EXHIBIT A

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	7	YES	
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	6	NO	
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Paul Coakley
2/7/18 71