

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STOCKTON, CALLING AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2016; REQUESTING CONSOLIDATION OF THE GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE; SUBMITTING TO THE QUALIFIED VOTERS OF THE CITY OF STOCKTON AT THE NOVEMBER 8, 2016 MUNICIPAL ELECTION A BALLOT MEASURE TO AMEND CHAPTERS 5.98 AND 5.99 OF THE STOCKTON MUNICIPAL CODE TO INCREASE THE CITY'S MEDICAL CANNABIS BUSINESS LICENSE TAX RATE, AND TO MAKE OTHER CONFORMING CHANGES IN LIGHT OF NEW STATE LAW; AND DIRECTING AND AUTHORIZING ADDITIONAL STEPS NECESSARY TO PLACE THE MEASURE ON THE BALLOT

Pursuant to section 9222 of the California Elections Code, the City Council has authority to place propositions on the ballot to be considered at a Municipal Election; and

The City of Stockton (the "City"), pursuant to Chapter 5.98 of the Stockton Municipal Code, currently imposes a business license tax on the gross receipts of medical cannabis dispensaries, in the amount of \$25.00 per \$1,000.00 of gross receipts per year, which amount may be increased or decreased by ordinance or resolution of City Council, so long as the rate does not exceed the maximum rate of \$25.00 per \$1,000.00 of gross receipts per year; and

The City Council desires to increase and establish a range of rates for the City's medical cannabis business license tax, to be at a minimum of \$35.00 and a maximum of \$50.00 per \$1,000.00 of gross receipts of medical cannabis businesses, as set by resolution of City Council, but not to exceed the maximum rate of \$50.00 per \$1,000.00 of gross receipts; and

The City, pursuant to Chapter 5.99 of the Stockton Municipal Code, also authorizes a business license tax on the gross receipts of marijuana businesses involving non-medical or recreational marijuana, in the amount of \$100.00 per \$1,000.00 of gross receipts per year, in the event State or Federal law is approved or adopted to allow for the use of marijuana for any non-medical business, personal, or recreational purpose or activity; and

The City Council desires to amend the Stockton Municipal Code to allow for such increase in the tax rate to medical cannabis businesses, and to implement a minimum and maximum allowable tax rate that may be imposed, and to revise the applicable definitions for the medical cannabis business license tax and marijuana business license tax to better encompass the range of medical cannabis businesses authorized and regulated by new state law, the Medical Marijuana Regulation and Safety Act; and

Pursuant to the California Constitution, article XIII C, section 2(b) and California Government Code section 53723, the City's existing and proposed medical cannabis business license tax and marijuana business license tax are general taxes used for general municipal services, which may be established and increased only upon approval by a majority vote of the qualified electors voting in the election; and

California Constitution article XIII C, section 2(b) and California Government Code section 53724(c), any election for the approval of an increase to a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government; and

Pursuant to California Government Code section 53724(b), any such measure may be presented to the voters only if the ordinance or resolution so proposing is approved by a two-thirds vote of the governing body; and

The next regularly scheduled General Municipal Election for members of the City Council and the next statewide General Election will be held on Tuesday, November 8, 2016; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

SECTION 1. The City Council of the City of Stockton hereby calls and gives notice of a General Municipal Election to be held on Tuesday, November 8, 2016, in the City of Stockton, County of San Joaquin. Said General Municipal Election shall be held and conducted, and the votes canvassed and the returns thereof made, and the results thereof ascertained and determined as herein provided, and in all particulars not prescribed in this Resolution, said General Municipal Election shall be held as provided for in the City Charter and otherwise in accordance with the Elections Code of the State of California. The City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 2. Pursuant to California Elections Code section 10400 and following, the City Council hereby requests that the Board of Supervisors of the County of San Joaquin, State of California, order the consolidation of the City's General Municipal Election with the statewide General Election to be held on Tuesday, November 8, 2016, for the purpose of submitting to the qualified voters of the City the ballot proposition set forth in this Resolution. The consolidated election shall be held and conducted in the manner prescribed in Section 10418. The Board of Supervisors is requested to issue instructions to the County Clerk – Registrar of Voters to take any and all steps necessary for the holding of the consolidated election. The Board of Supervisors of the County of San Joaquin is authorized to canvas the returns of that election with respect to the votes cast in the City and certify the results to the City Council. The City recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for all costs.

SECTION 3. The City Council of the City of Stockton hereby submits to the qualified voters of the City of Stockton at the General Municipal Election of November 8, 2016, a ballot measure to amend the Stockton Municipal Code pertaining to medical cannabis business license taxes and marijuana business license taxes, and orders the full text of the ordinance attached hereto as Exhibit "1," and by this reference incorporated herein and made an operative part hereof, to be submitted to the qualified voters accordingly.

The ballot proposition shall be presented and printed upon the ballot submitted to the voters in the following form:

MEASURE ____:

APPROVING AMENDMENTS TO THE CITY OF STOCKTON'S MUNICIPAL CODE GOVERNING BUSINESSES SUBJECT TO THE MARIJUANA BUSINESS LICENSE TAX AND INCREASING THE CITY OF STOCKTON'S MEDICAL CANNABIS BUSINESS LICENSE TAX

Shall Ordinance ____ be adopted to amend provisions of the City of Stockton Municipal Code governing businesses subject to the marijuana business license tax and to increase the rate for the medical cannabis business license tax to a minimum of \$35.00 and a maximum of \$50.00 per \$1,000 of the annual gross receipts of medical cannabis businesses, estimated to raise \$672,000-\$1,000,000 annually for general City services, which tax shall continue until repealed by the City Council or City voters?	YES	
	NO	

SECTION 3. The City Attorney of the City of Stockton is hereby authorized and directed to prepare an impartial analysis of the measure by August 19, 2016 in accordance with section 9280 of the Elections Code, showing the effect of the measure on existing law and the operation of the measure.

SECTION 4. The City Council requests that the San Joaquin County Board of Supervisors add the proposed ballot proposition authorized by this Resolution to the ballot for the General Municipal Election to be held November 8, 2016.

SECTION 5. Written arguments may be filed in favor or against the measures. The deadline for filing arguments for or against the measure shall be August 19, 2016, for the direct arguments, and August 29, 2016, for rebuttal arguments.

SECTION 6. The City Manager is hereby authorized and directed to appropriate the necessary funds to pay for the City of Stockton's cost of placing the measure on the ballot.

SECTION 7. The City Clerk is hereby authorized and directed to take all steps necessary to place the measure on the ballot and to cause the measure to be printed. The City Clerk is authorized, instructed and directed to procure and furnish any and all printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 8. The City Clerk is directed to file a certified copy of this Resolution with the Board of Supervisors of San Joaquin County and the Registrar of Voters of San Joaquin County.

PASSED, APPROVED AND ADOPTED by at least a two-thirds vote of all members of the City Council of the City of Stockton: June 28, 2016.

ANTHONY SILVA, Mayor
City of Stockton

ATTEST:

BONNIE PAIGE, City Clerk
City of Stockton