

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 07/24/2018 by the following vote:

AYE:
NO:
ABSENT:
ABSTAIN:
RECUSE:



Resolution No. 2018/227

IN THE MATTER OF CALLING FOR AN ELECTION TO PRESENT TO THE VOTERS OF THE COUNTY A PROPOSED ORDINANCE ADDING CHAPTER 64-16 TO THE CONTRA COSTA COUNTY CODE TO IMPOSE A GENERAL TAX ON COMMERCIAL CANNABIS ACTIVITIES AND ORDERING CONSOLIDATION OF THE ELECTION ON THE TAX ORDINANCE WITH THE CONSOLIDATED GENERAL ELECTION CALLED FOR NOVEMBER 6, 2018 (COUNTYWIDE)

Recitals

- A. Revenue and Taxation Code section 34012.5 authorizes counties to impose a tax on the privilege of cultivating, manufacturing, producing, processing, preparing, storing, providing, donating, selling, or distributing cannabis or cannabis products, subject to applicable voter approval requirements imposed by law.
- B. Before a general tax may be implemented, Government Code sections 53723 and 53724 require that the board of supervisors first approve an ordinance proposing the tax by a two-thirds vote, and then submit the proposed tax measure to the qualified county electorate, which must approve it by a majority vote of the voters voting on the issue.
- C. Elections Code sections 9140 and 9141 provide that if an ordinance proposing a general tax is approved by a majority of voters voting on the ordinance, the ordinance is enacted and takes effect immediately.
- D. In 1996, the voters of the State of California adopted Proposition 215, the Compassionate Use Act, which authorized the use of cannabis for medical purposes.
- E. In 2016, the voters of the State of California adopted Proposition 64, the Control, Regulate, and Tax Adult Use of Marijuana Act, which legalized and regulates adult-use cannabis and authorizes counties and cities to impose taxes on commercial cannabis activities.
- F. Under Business and Professions Code section 26200, cities and counties retain local authority to license, regulate, limit, or completely ban cannabis businesses within their jurisdictions.
- G. On June 26, 2018, the Board of Supervisors approved a zoning ordinance to govern the establishment of businesses engaged in one or more commercial cannabis activities and allow commercial cannabis activities in certain zoning districts under a land use permit.
- H. The zoning ordinance will not become operative unless a majority of voters voting on an ordinance imposing a general tax on commercial cannabis activities approve the tax ordinance.
- I. Ordinance No. 2018-22, the Contra Costa County Cannabis Business Tax Ordinance, would add Chapter 64-16 to the Contra Costa County Ordinance Code and impose a general tax on commercial cannabis activities, including commercial cannabis cultivation, cannabis distribution, cannabis manufacturing, cannabis retailers, cannabis testing laboratories, and vertically integrated cannabis businesses.
- J. The Board of Supervisors approved Ordinance No. 2018-22, the Contra Costa County Business Tax Ordinance, by a unanimous vote.

NOW, THEREFORE, the Contra Costa County Board of Supervisors resolves as follows:

1. Pursuant to Elections Code section 9140, the Board of Supervisors hereby calls and orders to be held on Tuesday, November 6, 2018, an election for the purpose of submitting Ordinance No. 2018-22, attached as Exhibit A and incorporated herein by reference, to the qualified electors of the County, with the election to be held and consolidated with the statewide general election on Tuesday, November 6, 2018. The qualified electorate for this measure is all registered voters in the incorporated and unincorporated areas of Contra Costa County.
2. The Board of Supervisors consents to the consolidation of the election on Ordinance No. 2018-22 with all other elections to be held within the same territory on Tuesday, November 6, 2018.
3. A ballot measure in substantially the following form shall be included on the ballot, in addition to any other matters required by law to be on the ballot:

Shall the County tax cannabis (marijuana) businesses in the unincorporated area at annual rates up to \$7.00 per canopy square foot for cultivation (adjustable for inflation) and up to 4% of gross receipts for all other cannabis businesses including retailers, to generate an estimated \$1.7 to \$4.4 million annually to fund general County expenses such as public safety, health services, and environmental protection, and levied until repealed by the voters or Board of Supervisors?	YES	
	NO	

A “yes” vote is a vote to approve the measure. A “no” vote is a vote to reject the measure. A majority of those voting on the measure must approve the measure for it to pass.

4. Pursuant to Elections Code section 9119, the full text of Ordinance No. 2018-22 shall be printed in the voter pamphlet.
5. The Elections Office and the County Administrator 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 Elections Office and County Administrator to prepare and conduct the general election in a manner consistent with state and local laws.
6. The Elections Office is directed and authorized to certify the results of the election on the measure to the Contra Costa County Board of Supervisors.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: Julie DiMaggio Enea (925)
335-1077**

ATTESTED: July 24, 2018
David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Asst Co Registrar, Auditor-Controller, Treasurer-Tax Collector, County Administrator, County Counsel