

BEFORE THE BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 178-2016

On the motion of Supervisor Caput
Duly seconded by Supervisor Coonerty
The following resolution is adopted:

**RESOLUTION CALLING FOR A SPECIAL ELECTION TO BE HELD ON
TUESDAY, NOVEMBER 8, 2016 TO SUBMIT TO THE QUALIFIED
ELECTORS OF THE COUNTY OF SANTA CRUZ A COUNTYWIDE
MEASURE OF WHETHER AN ORDINANCE REVISING THE CANNABIS
BUSINESS TAX SHOULD BE ADOPTED AND CONSOLIDATING SAID
SPECIAL COUNTY ELECTION WITH THE GUBERNATORIAL
GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2016.**

WHEREAS, the electors of the County of Santa Cruz adopted Measure K by 77.54% at a November 4, 2014 special election; and

WHEREAS, Measure K enacted Chapter 4.06 of the Santa Cruz County Code, instituting a Cannabis Business Tax to be paid by cannabis businesses in the unincorporated area of the County of Santa Cruz; and

WHEREAS, the Cannabis Business Tax was enacted solely to raise revenue for the general governmental purposes of the County and not for purposes of regulation or of raising revenues for regulatory purposes, in that all of the proceeds from the tax imposed by the ordinance are placed in the County’s general fund and are used for the usual current expenses of the County; and

WHEREAS, the Board of Supervisors has determined it is in the best interests of the County and its residents to submit to the voters a proposed ordinance revising the definitions of the terms 1) “cannabis” and 2) “cannabis business” or “medical marijuana business” in the Cannabis Business Tax ordinance to ensure that the definition of cannabis is consistent with State law and that all cannabis businesses are subject to the Cannabis Business Tax; and

WHEREAS, the Board of Supervisors of Santa Cruz County desires to submit to the electors of the County of Santa Cruz at a Special Election an ordinance amending Chapter 4.06 of the Santa Cruz County Code to revise the Cannabis Business Tax ordinance as set forth above; and

WHEREAS, subsection (b) of section 2 of Article XIII C of the California Constitution and section 53723 of the California Government Code require that before the County may impose a general tax, the tax must be submitted to the electorate and approved by a majority of the voters; and

WHEREAS, pursuant to section 9140 of the California Elections Code, the Board of Supervisors may submit to the voters, without petition, a measure relating to the enactment or amendment of any ordinance; and

WHEREAS, it is necessary that a special County election be held in accordance with law for the purpose of submitting to the qualified electors of the County a measure on whether to amend the Cannabis Business Tax ordinance by revising the definitions set forth above (the actual language of the proposed Ordinance amending the County Code is attached to this resolution as Exhibit A).

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of Santa Cruz as follows:

1. That a special election shall be and the same is hereby called and ordered to be held throughout the County on Tuesday, November 8, 2016 for the purpose of submitting to the qualified electors of the County the following Ballot Measure Question:

Measure “ ” Amendment Of The Cannabis Business Tax Ordinance

To protect the quality of life in Santa Cruz County and to fund essential County services such as police, fire, emergency response, health services, youth and senior programs, job creation, housing, environmental protection, and animal shelter/adoption, shall Measure K be amended to revise the definition of cannabis to conform to State law and revise the definition of cannabis business or medical marijuana business to include all cannabis businesses with all funds staying local?

Yes_____ No_____

2. The Board of Supervisors submits to the qualified electors said Ballot Measure Question as set forth in Paragraph 1 of this resolution and designates and refers to said measure as the measure to be set forth on the ballots for use in said election. The full text of the measure is as set forth in Exhibit A hereto.

3. Said special County election shall be held and conducted, and the votes thereat received and canvassed, and the returns thereof made and the result thereof ascertained and determined in accordance with law.

4. Said special County election hereby called shall be and is hereby consolidated with the Presidential General Election to be held throughout the County on Tuesday, November 8, 2016, in all respects and all as required by and pursuant to law.

5. In accordance with the provisions of Section 9160(b) of the California Elections Code, the County Counsel is hereby directed to prepare an impartial analysis of this measure.

6. In accordance with the provisions of Section 9160(c) of the California Elections Code, the County Auditor-Controller-Treasurer-Tax Collector is hereby directed to prepare a fiscal impact statement of this measure.

7. Arguments for and against this measure may be submitted in conformance with California Elections Code Section 9161 and following.

8. The Clerk of the Board of Supervisors shall file a copy of this Resolution with the County Clerk.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 2nd day of August, 2016, by the following vote:

AYES: SUPERVISORS Leopold, Friend, Coonerty, Caput, McPherson
NOES: SUPERVISORS none
ABSENT: SUPERVISORS none
ABSTAIN: SUPERVISORS none

BRUCE McPHERSON

Chairperson of the Board of Supervisors

ATTEST: **SUSAN GALLOWAY**
Clerk of the Board

Approved as to form:

Jim Heat 7/27/16
Office of the County Counsel

DISTRIBUTION: County Administrative Officer
County Counsel
Clerk of the Board
County Clerk-Registrar of Voters
Auditor-Controller-Treasurer-Tax Collector
Each City Manager

STATE OF CALIFORNIA)
COUNTY OF SANTA CRUZ) ss
I, SUSAN A. MAURIELLO, County Administrative Officer and ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California do hereby certify that the foregoing is a true and correct copy of the resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on August 2 20 16.

SUSAN A. MAURIELLO, County Administrative Officer

By *Susan Mauriello* Deputy

Exhibit A

ORDINANCE AMENDING THE CANNABIS BUSINESS TAX

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF SANTA CRUZ:

Chapter 4.06(F) and 4.06(G) of the Santa Cruz County Code are hereby amended to read as follows:

(F) “Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, as defined under the California Medical Marijuana Regulation and Safety Act at Health and Safety Code section 19300.5(f), as may be amended.

(G) “Cannabis business” or “medical marijuana business” means business activity directly involved with, related to, or concerning cannabis, including, but not limited to, cultivating, dispensing, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, or conducting wholesale and/or retail sales of cannabis and any ancillary products in the unincorporated area of the County, whether or not carried on for gain or profit.