

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE July 5, 2016	AGENDA ITEM NUMBER
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TO: Mayor Shoji and City Councilors
FROM: Susanne Baker, Finance Director
THROUGH: Rodger Craddock, City Manager *rec*
ISSUE Resolution 16-11 and 16-17 Marijuana Activities and Tax Ballot Measures

BACKGROUND

At the June 7, 2016 City Council meeting, the City Council directed staff to prepare the necessary paperwork to file ballot measures for the November 8, 2016 election. The questions approved at that time were:

1. Should the business license ordinance be amended to allow state registered and licensed marijuana activities to operate within the city?
2. Shall Coos Bay impose a three percent tax on sales of marijuana items by recreational marijuana retailers in the city?

Staff has prepared the SEL 802s, resolutions, and the required advertisements for the local newspaper to place these questions on the ballot.

ADVANTAGES

Following this process will place the two questions on the November 8, 2016 ballot for the electors to vote.

DISADVANTAGES

Not adopting the resolutions will result in the questions not being placed on the November 8, 2016 ballot.

BUDGET

Including the questions on the General election ballot in November will not result in a cost to the City other than advertising.

RECOMMENDATION

It is staff's recommendation the City Council adopt Resolutions 16-11 calling a measure election to submit to the electors of the City the question of whether state licensed marijuana activities should be allowed within the City and adopt Resolution 16-17 calling a measure election to submit to the electors of the City the question of whether Coos Bay shall impose a three percent tax on sales of marijuana items by recreational marijuana retailers in the City.

RESOLUTION NO 16-11

A RESOLUTION OF THE CITY OF COOS BAY, COOS COUNTY, OREGON, CALLING A MEASURE ELECTION TO SUBMIT TO THE ELECTORS OF THE CITY THE QUESTION OF WHETHER STATE LICENSED MARIJUANA ACTIVITIES SHOULD BE ALLOWED WITHIN THE CITY.

WHEREAS, the City Council of the City of Coos Bay, Coos County, Oregon (the "City"), has approved a summary of the ballot measure:

Currently, the City's business license requirements prohibit any type of business which violates Federal, State, or local laws. While Oregon law allows for marijuana dispensaries and other marijuana related activities, the use and sale of marijuana remains illegal under Federal law. An affirmative vote on this measure would amend the City's business license requirements to permit the establishment of state – registered and licensed medical and recreational marijuana activities in the City, despite Federal law prohibiting the use and sale of marijuana.

BE IT RESOLVED by the City Council of the City of Coos Bay, Coos County, Oregon, that:

- A. A measure election is hereby called for the purpose of submitting to the electors of the City the question of should the business license ordinance be amended to allow state registered and licensed marijuana activities to operate within the city.
- B. The measure election hereby called shall be held on the 8th day of November, 2016.
- C. The City authorizes the City Manager, Finance Director, or the designee of either of those officials (each an "Authorized Representative") to act on behalf of the City and to take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provisions of law.
- D. Pursuant to ORS 250.275(5) and 250.296 the City Elections official shall publish the ballot title, by July 14, 2016, in The World or in some other newspaper of general distribution within the City, a notice of receipt of the ballot title including notice that a dissatisfied registered voter may file a petition with the Circuit Court for review of the ballot title not later than the seventh business day after the ballot title is filed in substantially the form of Exhibit B.
- E. Pursuant to ORS 254.095 the City Elections official will deliver a Notice of City Measure Election in substantially the form of Exhibit A to the Coos County Elections Office.
- F. This resolution shall take effect immediately upon its adoption by the City Council.

The foregoing resolution was duly adopted by the City Council of the City of Coos Bay, Coos County, Oregon this 7th day of July 2016.

Crystal Shoji, Mayor

ATTEST:

Susanne Baker, City Recorder

Notice of Measure Election

SEL 802

rev 01/16 ORS 250.035, 250.041,
250.275, 250.285, 254.095, 254.465

City

Notice		
Date of Notice July 18, 2016	Name of City or Cities City of Coos Bay	Date of Election November 8, 2016
Final Ballot Title The following is the final ballot title of the measure to be submitted to the city's voters. The ballot title notice has been published and the ballot title challenge process has been completed.		
Caption 10 words which reasonably identifies the subject of the measure.		
Shall state licensed marijuana activities be allowed within the city.		
Question 20 words which plainly phrases the chief purpose of the measure.		
Should the business license ordinance be amended to allow state registered and licensed marijuana activities to operate within the city?		
Summary 175 words which concisely and impartially summarizes the measure and its major effect.		
Currently, the City's business license requirements prohibit any type of business which violates Federal, State, or local laws. While Oregon law allows for marijuana dispensaries and other marijuana related activities, the use and sale of marijuana remains illegal under Federal law. An affirmative vote on this measure would amend the City's business license requirements to permit the establishment of state – registered and licensed medical and recreational marijuana activities in the City, despite Federal law prohibiting the use and sale of marijuana.		
Explanatory Statement 500 words that impartially explains the measure and its effect.		
If the county is producing a voters' pamphlet an explanatory statement must be drafted and attached to this form for: → any measure referred by the city governing body; or → any initiative or referendum, if required by local ordinance.		
		Explanatory Statement Attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Authorized City Official Not required to be notarized.		
Name Rodger Craddock	Title City Manager	
Mailing Address 500 Central Ave, Coos Bay, Oregon, 97420	Contact Phone 541-269-8915	
<i>By signing this document:</i> → I hereby state that I am authorized by the city to submit this Notice of Measure Election; and → I certify that notice of receipt of ballot title has been published and the ballot title challenge process for this measure completed.		

Signature

Date Signed

Exhibit A

Agenda Item #8

EXHIBIT B

NOTICE OF RECEIPT OF BALLOT TITLE

Notice is hereby given that a ballot title for a measure referred by the City has been filed with the City Recorder on July 5, 2016. The ballot title caption is shall state licensed marijuana activities be allowed within the city. An elector may file a petition for review of this ballot title in Coos County Circuit Court no later than 5:00 p.m., July 14, 2016 (seven (7) business days after filing of this notice with the City Recorder) under ORS 250.296.

Signature of authorized City Elections Officer

Date signed

Susanne Baker
Printed name of authorized City Election Authority

City Recorder
Title

This legal notice is to be published by the City Recorder in The World, Coos Bay, Oregon, or in another newspaper of general distribution within the City.

RESOLUTION NO 16-17

A RESOLUTION OF THE CITY OF COOS BAY, COOS COUNTY, OREGON, CALLING A MEASURE ELECTION TO SUBMIT TO THE ELECTORS OF THE CITY THE QUESTION OF WHETHER COOS BAY SHALL IMPOSE A THREE PERCENT TAX ON SALES OF MARIJUANA ITEMS BY RECREATIONAL MARIJUANA RETAILERS IN THE CITY?

WHEREAS, the City Council of the City of Coos Bay, Coos County, Oregon (the "City"), has approved a summary of the ballot measure:

If adopted by the voters, this measure would impose a three percent sales tax on sales of marijuana items (including marijuana, marijuana products, and marijuana extracts) by recreational marijuana retailers licensed by the Oregon Liquor Control Commission and located within the City of Coos Bay. The tax would be collected by the recreational marijuana retailer at the point of sale. The recreational marijuana retailer would remit the three percent tax to the City. The three percent City tax would be imposed in addition to any state taxes on the sale of marijuana items by a recreational marijuana retailer. The three percent City tax would not be imposed on medical marijuana sales. The three percent City tax would not be imposed on sales of recreational marijuana to anyone other than a consumer.

BE IT RESOLVED by the City Council of the City of Coos Bay, Coos County, Oregon, that:

- A. A measure election is hereby called for the purpose of submitting to the electors of the City the question of whether Coos Bay shall impose a three percent tax on sales of marijuana items by recreational marijuana retailers in the city.
- B. The measure election hereby called shall be held on the 8th day of November, 2016.
- C. The City authorizes the City Manager, Finance Director, or the designee of either of those officials (each an "Authorized Representative") to act on behalf of the City and to take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provisions of law.
- D. Pursuant to ORS 250.275(5) and 250.296 the City Elections official shall publish the ballot title, by July 14, 2016, in The World or in some other newspaper of general distribution within the City, a notice of receipt of the ballot title including notice that a dissatisfied registered voter may file a petition with the Circuit Court for review of the ballot title not later than the seventh business day after the ballot title is filed in substantially the form of Exhibit B.
- E. Pursuant to ORS 254.095 the City Elections official will deliver a Notice of City Measure Election in substantially the form of Exhibit A to the Coos County Elections Office.
- F. This resolution shall take effect immediately upon its adoption by the City Council.

The foregoing resolution was duly adopted by the City Council of the City of Coos Bay, Coos County, Oregon, this 7th day of July 2016.

Crystal Shoji, Mayor

ATTEST:

Susanne Baker, City Recorder

Notice of Measure Election

SEL 802

rev 01/16 ORS 250.035, 250.041,
250.275, 250.285, 254.095, 254.465

City

Notice

Date of Notice

July 18, 2016

Name of City or Cities

City of Coos Bay

Date of Election

November 8, 2016

Final Ballot Title The following is the final ballot title of the measure to be submitted to the city's voters. The ballot title notice has been published and the ballot title challenge process has been completed.

Caption 10 words which reasonably identifies the subject of the measure.

City tax on recreational marijuana retailers' sale of marijuana items

Question 20 words which plainly phrases the chief purpose of the measure.

Shall Coos Bay impose a three percent tax on sales of marijuana items by recreational marijuana retailers in the city?

Summary 175 words which concisely and impartially summarizes the measure and its major effect.

If adopted by the voters, this measure would impose a three percent sales tax on sales of marijuana items (including marijuana, marijuana products, and marijuana extracts) by recreational marijuana retailers licensed by the Oregon Liquor Control Commission and located within the City of Coos Bay. The tax would be collected by the recreational marijuana retailer at the point of sale. The recreational marijuana retailer would remit the three percent tax to the City. The three percent City tax would be imposed in addition to any state taxes on the sale of marijuana items by a recreational marijuana retailer. The three percent City tax would not be imposed on medical marijuana sales. The three percent City tax would not be imposed on sales of recreational marijuana to anyone other than a consumer.

Explanatory Statement 500 words that impartially explains the measure and its effect.

If the county is producing a voters' pamphlet an explanatory statement must be drafted and attached to this form for:

→ any measure referred by the city governing body; **or**
→ any initiative or referendum, if required by local ordinance.

Explanatory Statement Attached?

Yes

No

Authorized City Official Not required to be notarized.

Name

Rodger Craddock

Title

City Manager

Mailing Address

500 Central Ave, Coos Bay, Oregon, 97420

Contact Phone

541-269-8915

By signing this document:

→ I hereby state that I am authorized by the city to submit this Notice of Measure Election; **and**

→ I certify that notice of receipt of ballot title has been published and the ballot title challenge process for this measure completed.

Signature

Date Signed

Exhibit A

Agenda Item #8

EXHIBIT B

NOTICE OF RECEIPT OF BALLOT TITLE

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Signature of authorized City Elections Officer

Date signed

Susanne Baker
Printed name of authorized City Election Authority

City Recorder
Title

This legal notice is to be published by the City Recorder in The World, Coos Bay, Oregon, or in another newspaper of general distribution within the City.