

**RESOLUTION NUMBER 5216**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, CALLING FOR, AND GIVING NOTICE OF, THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018, FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF A CERTAIN MEASURE, ENTITLED THE COMMERCIAL MARIJUANA DISTRIBUTION AND MANUFACTURING OPERATIONS TAX MEASURE; AND, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO § 10403 OF THE ELECTIONS CODE**

**WHEREAS**, under the provisions of the laws relating to general law cities in the State of California, a General Municipal Election shall be held on November 6, 2018, for the submission to the qualified electors of the City of Perris of a certain measure, entitled the Commercial Marijuana Operations Tax Measure; and

**WHEREAS**, it is desirable that the General Municipal Election be consolidated with the Statewide General election to be held on the same date and that within the City of Perris the precincts, polling places and election officers of the two elections be the same, and that the county elections department of the County of Riverside canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** That pursuant to the requirements of the laws of the State of California relating to general law cities, there is called and ordered to be held in the City of Perris, California, on Tuesday, November 6, 2018, a General Municipal Election for the submission to the qualified electors of the City of Perris of a certain measure, entitled the Commercial Marijuana Operations Tax Measure.

**Section 2.** That the City Council of the City of Perris, pursuant to its right and authority, hereby orders submitted to the voters at the General Municipal Election to be held on Tuesday, November 6, 2018 the following question:

Shall the measure known as the <b>COMMERCIAL MARIJUANA DISTRIBUTION AND MANUFACTURING OPERATIONS TAX MEASURE</b> , estimated to annually collect approximately \$2.3 million from commercial marijuana distribution and manufacturing operations (through a maximum tax rate of ten cents for each \$1	YES
	NO

of proceeds), to be administered and implemented pursuant to Chapter 3.40 of Title 3 of the Perris Municipal Code, with no sunset clause, be adopted?	
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**Section 3.** That the text of Ordinance Number 1359 to be submitted to the voters as a proposed measure is attached as Attachment “1” to this resolution.

**Section 4.** The method of tax collection and all aspects of the application and operation of any tax levied pursuant to the adoption of the ordinance known as the “Commercial Marijuana Distribution and Manufacturing Operations Tax” shall be as provided for in the ordinance and/or as authorized in the ordinance to be conducted and determined by the City Council, and any such tax shall become effective only upon approval of a majority of the votes cast by the voters voting upon the ballot measure.

**Section 5.** The ordinance shall not take effect, and no tax authorized by the ordinance shall be levied, unless and until the ordinance receives the approval of a majority of the votes cast by the voters of the City voting upon the ballot measure on the proposed ordinance at the November 6, 2018 General Municipal Election.

**Section 6.** That the vote requirement for the ballot measure to pass is a majority (50% +1) of the votes cast.

**Section 7.** That pursuant to the requirements of Section 10403 of the Elections Code, the Board of Supervisors of the County of Riverside is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General election on Tuesday, November 6, 2018, for the purpose of submitting to the qualified electors of the City of Perris of a certain measure, entitled the Commercial Marijuana Operations Tax Measure.

**Section 8.** That the ballots to be used at the Election shall be in the form and content as required by law.

**Section 9.** That the City Clerk is authorized, instructed and directed to coordinate with the Registrar of Voters of the County of Riverside (“Registrar”) to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election; and, further that, pursuant to the consolidation request herein, the City of Perris requests the Registrar to perform, and which such officer is hereby authorized and directed to perform, the following specified services: the preparation, printing and mailing of sample ballots and polling place cards; the establishment or appointment of precincts, polling places and election officers; the furnishing of ballots, voting booths and other necessary supplies or materials for polling places; and the performance of such other election services as may be requested by the City Clerk which may be necessary in order to properly and lawfully conduct the said Election, as more specifically detailed in Exhibit B of this Resolution.

**Section 10.** That the Election shall be held in all respects as if there were only one election, and only one form of ballot shall be used, and the Registrar is authorized to canvass the returns of the General Municipal Election and furnish the results of such canvassing to the City

Clerk of the City of Perris, as provided by law. The election will be held and conducted in accordance with the provisions of law regulating the statewide election.

**Section 11.** That the Election shall be held in all respects as if there were only one election, and only one form of ballot shall be used, and the Registrar is authorized to canvass the returns of the General Municipal Election and furnish the results of such canvassing to the City Clerk of the City of Perris, as provided by law. The election will be held and conducted in accordance with the provisions of law regulating the statewide election.

**Section 12.** That the City Council of the City of Perris, pursuant to Elections Code section 320, hereby designates Nancy Salazar, City Clerk, or her designee, as the City of Perris Elections Official for purposes of this election and its related process.

**Section 13.** That the Board of Supervisors of the County of Riverside is requested to issue instructions to the Registrar to take any and all steps necessary for the holding of the consolidated election.

**Section 14.** The City of Perris recognizes that additional costs will be incurred by the County of Riverside by reason of this consolidation, and agrees to reimburse the County of Riverside for services rendered, upon presentation of a properly detailed invoice to the City Clerk of the City of Perris.

**Section 15.** That the polls for said Election shall be opened at seven o'clock a.m. (7:00 a.m.) of the day of said Election and shall remain open continuously from said time until eight o'clock p.m. (8:00 p.m.) of the same day, when said polls shall be closed, pursuant to Elections Code section 10242, except as provided in Section 14401 of the Elections Code.

**Section 16.** That in all particulars not recited in this Resolution, said Election shall be held and conducted as provided by law for holding municipal elections in said City and that pursuant to Elections Code sections 10403 and 10418, the City Council of the City of Perris hereby acknowledges that the consolidated election shall be held and conducted in the manner prescribed in Elections Code section 10418 and in accordance with the provisions of law regulating the statewide election;

**Section 17.** That the City Clerk of the City of Perris is hereby directed to file a certified copy of this Resolution with the Registrar of Voters of the County of Riverside.

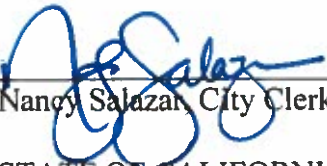
**Section 18.** That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

**Section 19.** That the City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions of the City of Perris; and shall make a minute of passage and adoption thereof in the records of the proceedings of the City Council of the City of Perris, in the minutes of the meeting at which same is passed and adopted.

***PASSED, APPROVED AND ADOPTED*** by the City Council of the City of Perris, California, at a regular meeting held on the 9th day of January, 2018.

  
\_\_\_\_\_  
Michael M. Vargas, Mayor

ATTEST:

  
\_\_\_\_\_  
Nancy Salazar, City Clerk

STATE OF CALIFORNIA    )  
COUNTY OF RIVERSIDE    ) §  
CITY OF PERRIS            )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 5216 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 9th day of January 2018, by the following called vote:

AYES: BURKE, CORONA, RABB, VARGAS  
NOES: ROGERS  
ABSENT: NONE  
ABSTAIN: NONE


  
\_\_\_\_\_  
City Clerk, Nancy Salazar

Exhibit 1  
Ordinance Number 1359

**ORDINANCE NUMBER 1359**

**AN ORDINANCE OF THE PEOPLE OF THE CITY OF PERRIS, CALIFORNIA APPROVING AND IMPLEMENTING A MARIJUANA TAX OF UP TO 10 CENTS PER \$1.00 OF PROCEEDS OF COMMERCIAL MARIJUANA DISTRIBUTION AND MANUFACTURING OPERATIONS WITHIN THE CITY, BY AMENDING CHAPTER 3.40 (MARIJUANA TAX) TO TITLE 3 (REVENUE AND FINANCE) OF THE PERRIS MUNICIPAL CODE**

**WHEREAS**, in 1996 the California voters approved Proposition 215, the Compassionate Use Act (“CUA”), codified as Health and Safety Code Section 11362.5, to exempt certain patients and their primary caregivers from criminal liability under state law for the possession and cultivation of marijuana for medical purposes; and

**WHEREAS**, in 2003 the California legislature enacted Senate Bill 420, the Medical Marijuana Program Act (“MMPA”), codified as Health and Safety Code Section 11362.7, *et seq.*, and as later amended, to clarify the scope of the Compassionate Use Act of 1996 relating to the possession and cultivation of marijuana for medical purpose, and to authorize local governing bodies to adopt and enforce laws consistent with its provisions; and

**WHEREAS**, in 2005 the California Board of Equalization began issuing seller’s permits for sales consisting only of medical marijuana; and

**WHEREAS**, in October 2015, the State of California adopted AB 266, AB 243, and SB 643, collectively referred to as the Medical Cannabis Regulation and Safety Act (“MCRSA”), which established a comprehensive regulatory and licensing scheme for commercial medical marijuana operations; and

**WHEREAS**, at the November 8, 2016, general election, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA”) was approved by California voters as Proposition 64, which established a comprehensive regulatory and licensing scheme for commercial recreational (adult use) marijuana operations, and which also legalized limited personal recreational marijuana use, possession, and cultivation; and

**WHEREAS**, on the November 8, 2016, the voters of the City of Perris approved a tax upon medical marijuana dispensaries and marijuana cultivation; and

**WHEREAS**, on June 27, 2017 Governor Brown signed Senate Bill 94, the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”), which merged the regulatory regimes of MCRSA and AUMA; and

**WHEREAS**, MAUCRSA provides that the State of California will begin issuing licenses in 2018 for both medical and recreational marijuana businesses in 20 different categories, which

are found in Section 26050 of the Business & Professions Code, and which categories include marijuana cultivation, manufacturer, testing, retailer, distributor, and microbusiness; and

**WHEREAS**, on November 14, 2017, the City Council adopted Chapter 5.58 (Commercial Marijuana Operations Regulatory Program) of Title 5 (Business Tax Certificates and Regulations) of the Perris Municipal Code, which provided for a regulatory program for certain commercial marijuana operations within the City of Perris; and

**WHEREAS**, while the City Council does not condone or support the use of marijuana, the City Council at the same time does not seek to forego a potential revenue source for the City from commercial marijuana operations; and

**WHEREAS**, pursuant to subdivision (b) of Section 2 of Article XIIC of the California Constitution and Section 53720 et. seq. of the Government Code the City Council is authorized to impose a general tax upon submission of such general tax to the voters of the City and approval by a majority of the voters voting on the issue, at an election consolidated with a regularly scheduled general election for members of the governing body of the local government; and

**WHEREAS**, the administration, implementation, and enforcement of the tax contemplated by this Ordinance shall be carried out in accordance with Chapter 3.40 (Marijuana Tax) of Title 3 (Revenue and Finance) of the Perris Municipal Code;

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF PERRIS, CALIFORNIA DO HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1. SECTION 3.40.010 (DEFINITIONS) OF CHAPTER 3.40 (MARIJUANA TAX) OF TITLE 3 (REVENUE AND FINANCE) OF THE PERRIS MUNICIPAL CODE IS HEREBY AMENDED AS FOLLOWS (~~STRIKETHROUGH~~ REPRESENTS DELETED LANGUAGE WHILE UNDERLINE REPRESENTS ADDED LANGUAGE):**

**“Section 3.40.010 - Definitions.**

- A. “Commercial marijuana operation” shall have the same meaning as “commercial marijuana operation” as defined in Section 5.58.030 of Chapter 5.58 of Title 5 of the Perris Municipal Code.
- B. “Cultivation” has the same definition as provided for in Bus. & Prof. Code § 19300.5(l), and as may be amended, defined as “any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.”
- C. “Distribution” shall have the same meaning as “distribution” as defined in Section 5.58.030 of Chapter 5.58 of Title 5 of the Perris Municipal Code.
- D. “Distributor” shall have the same meaning as “distributor” as defined in Section 5.58.030 of Chapter 5.58 of Title 5 of the Perris Municipal Code.

- E.B. “Finance Director” shall mean the Finance Director of the City of Perris and his/her designee(s).
- F. “Manufacture” or “manufacturing” shall have the same meaning as “manufacture” and “manufacturing” as defined in Section 5.58.030 of Chapter 5.58 of Title 5 of the Perris Municipal Code.
- G. “Manufacturer” shall have the same meaning as “manufacturer” as defined in Section 5.58.030 of Chapter 5.58 of Title 5 of the Perris Municipal Code.
- H.C. “Marijuana” has the same definition as provided for in Bus. & Prof. Code § 19300.5(f) for the term “cannabis,” and as may be amended, defined as “all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. ‘Cannabis’ also means the separated resin, whether crude or purified, obtained from marijuana. ‘Cannabis’ also means marijuana as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. ‘Cannabis’ does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, ‘cannabis’ does not mean ‘industrial hemp’ as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.”
- I.D. “Medical marijuana” means marijuana used for medical purposes in accordance with the Compassionate Use Act (Health and Safety Code section 11362.5), the Medical Marijuana Program Act (Health and Safety Code sections 11362.7 et seq.), and the Medical Marijuana Regulation and Safety Act of 2015.
- J.E. “Medical marijuana dispensary” includes any facility or location where marijuana is made available, sold, transmitted, distributed, given or otherwise provided by or to one or more of the following: a primary caregiver, a qualified patient or a person with an identification card (and includes the term “dispensary” as provided for in Bus. & Prof. Code § 19300.5(n), and as may be amended, defined as “a facility where medical cannabis, medical cannabis products, or devices for the use of medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization by local ordinance, medical cannabis and medical cannabis products as part of a retail sale.”).
- K.F. “Person” means any natural person, firm, corporation, partnership, club, or any association or combination of natural persons, whether acting by themselves or through any servant, agent or employee.



**L.G.** “Proceeds” means total revenue and/or money received through the sale of goods and/or services before any deductions or allowances (e.g., rent, cost of goods sold, taxes).

**M.H.** “Space utilized as cultivation area” shall mean any space or ground, floor or other surface area (whether horizontal or vertical) which is used during the marijuana germination, seedling, vegetative, pre-flowering, flowering and harvesting phases, including without limitation any space used for activities such as growing, planting, seeding, germinating, lighting, warming, cooling, aerating, fertilizing, watering, irrigating, topping, pinching, cropping, curing or drying marijuana or any such space used for storing any products, supplies or equipment related to any such activities, no matter where such storage may take place or such storage space may be located.

**N.I.** “Term” means a calendar month in regards to the monthly taxation of proceeds from medical marijuana dispensaries, and means the fiscal year in regards to the annual taxation of the space utilized as cultivation area for medical marijuana cultivation.”

**SECTION 2. SECTION 3.40.020(C) (COMMERCIAL MARIJUANA DISTRIBUTION AND MANUFACTURING OPERATIONS TAX) IS HEREBY ADDED TO CHAPTER 3.40 (MARIJUANA TAX) OF TITLE 3 (REVENUE AND FINANCE) OF THE PERRIS MUNICIPAL CODE AS FOLLOWS:**

“Marijuana Distribution and Commercial Manufacturing Operations Tax. All distributors and commercial manufacturers operating within the City of Perris, either pursuant to this Code or otherwise, and regardless of whether such operation has a valid commercial marijuana operation permit pursuant to this Code, shall pay a maximum marijuana tax of 10 cents for each \$1.00 of proceeds or fractional part thereof, the rate to be set by resolution of the City Council.”

**SECTION 3. ADMINISTRATION, IMPLEMENTATION, AND ENFORCEMENT**

The tax contemplated by this Ordinance shall be administered, implemented, and enforced in accordance with Chapter 3.40 (Marijuana Tax) of Title 3 (Revenue and Finance) of the Perris Municipal Code, as it may be amended from time to time.

**SECTION 4. EFFECTIVE DATE.**

If a majority of the voters of the City of Perris voting at the General Municipal Election of November 6, 2018 vote in favor of this Ordinance, then this Ordinance shall become a valid and binding ordinance of the City of Perris, and shall be considered as adopted upon the date that the

vote is declared by the City Council of the City of Perris, and this Ordinance shall go into effect ten (10) days after that date, pursuant to Election Code section 9217.

**SECTION 5. CITY COUNCIL AUTHORITY TO AMEND AND/OR REPEAL**

This is a City Council sponsored initiative Ordinance which otherwise would only be subject to amendment by the voters of the City of Perris. However, pursuant to Section 9217 of the California Elections Code, the City Council expressly reserves the right and authority to amend or repeal the Ordinance in any manner that does not increase a tax rate, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

**SECTION 6. SEVERABILITY.**

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, the remaining portions of this Ordinance shall nonetheless remain in full force and effect. The People hereby declare that they would have adopted each section, subsection, sentence, clause, phrase, or portion of this Ordinance, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions of this Ordinance be declared invalid or unenforceable.


**SECTION 7. CEQA.**

This measure to be submitted to the voters adopts a general tax to fund any lawful purpose of the City. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant impact on the environment. Therefore, under CEQA Guidelines section 15060, review under CEQA is not required.

**SECTION 8. EXECUTION.**

The Mayor of the City of Perris is hereby authorized and ordered to attest to the adoption of the Ordinance by the voters of the City of Perris by signing where indicated below.

I hereby certify that the foregoing Ordinance was ***PASSED, APPROVED and ADOPTED*** by the People of the City of Perris, California voting on the 6th day of November, 2018.



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Mayor

ATTEST:

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City Clerk



## Exhibit 2

### Detailed list of services to be provided by the Riverside County Registrar of Voters:

1. Prepare all up-to-date election process forms.
2. Provide signature verification services for all nomination papers.
3. Prepare sample ballot materials including candidate statements and translations for review by the City Clerk, prior to distribution.
4. Distribute sample ballots to all qualified City of Perris registered voters.
5. Establish polling places for voting precincts.
6. Provide voting equipment, ballot boxes, ballots, and all other necessary supplies and paraphernalia, for each established polling place.
7. Select, train and issue payment to poll workers and alternate poll workers as required by law for each polling place established. The City shall have the opportunity to review the final list of poll workers assigned to serve in City precincts.
8. Provide training for "Range Inspectors" hired by the County to provide technical support on Election Days.
9. Provide an alphabetical listing of each voter in the City, including their appropriate polling place location, on CD if available.
10. Provide the necessary voter registration lists for all polling locations.
11. Publish and post required notices regarding polling places and poll workers.
12. Provide the County tabulation equipment and the qualified and trained County personnel to operate the same.
13. Provide County personnel for security during the ballot counting and tabulation process.
14. Provide sufficient personnel to deliver, process, count and tabulate the ballots on the night of the general municipal election.
15. Distribute and process all vote by mail ballots.
16. Distribute and process all provisional ballots.
17. Prepare and deliver the election returns of the votes cast at the general municipal election to the Perris City Clerk, to enable the City Clerk to canvass the returns and declare the results.
18. Provide voting precinct maps for use by the City Clerk's Office and City poll workers, in assisting voters to determine their precinct polling locations.
19. Provide itemized written Invoice prior to December 31, 2018.