

## RESOLUTION NO. 2016-15

A RESOLUTION OF THE CITY OF SALEM, REFERAL TO THE ELECTORS OF THE CITY OF SALEM THE QUESTION OF ESTABLISHING A THREE PERCENT TAX ON THE SALE OF RECREATIONAL MARIJUANA ITEMS BY A MARIJUANA RETAILER WITHIN THE CITY

**Whereas**, Oregon law provides that the Oregon Liquor Control Commission has the duty and power to license the retail sale of recreational marijuana within the state, and;

**Whereas**, Oregon law further provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items, which include marijuana concentrates, extracts, edibles, and other products intended for human consumption and use, by retail licensees in the city, but the Council must refer that ordinance to the city voters at a statewide general election, and;

**Whereas**, the City Council has enacted Engrossed Ordinance Bill No. 5-16 imposing a three percent tax on the sale of marijuana items by a retail licensee in the city, subject to approval by voters in the City at the November 2016 General Election, and;

**Whereas**, the tax, if approved by Salem electors, would apply only to the retail sale of recreational marijuana items, and would not apply to wholesale of marijuana items, or to the sale or transfer of medical marijuana, and;

**Whereas**, Salem Revised Code 11.240 provides that whenever the City Council shall deem it expedient to submit to the legal voters of the city a municipal measure, the Council shall declare the same by resolution prior to the date when the City Recorder is required to furnish a statement of the measure to the County Clerk pursuant to Oregon law.

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

**Section 1. Measure.** A measure election (the “Measure Election”) is hereby called for the purpose of submitting to the electors of the City of Salem a measure proposing the establishment of a three percent tax on the sale of recreational marijuana items, a copy of which is attached hereto as “Exhibit 1”, and incorporated herein by reference.

**Section 2. Election conducted by Mail.** The Measure Election shall be held in the City on Nov 8, 2016. As required by ORS 254.465, the Measure Election shall be conducted by mail by the County Clerk of Marion County, Oregon, and the County Clerk of Polk County, Oregon, according to procedures adopted by the Oregon Secretary of State pursuant to ORS 254.470.

**Section 3. Delegation.** The City authorizes the City Manager, or the City Manager’s designee, (the “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 set forth herein, in compliance with the applicable provisions of law.

**Section 4. Preparation of Ballot Title.** The City Attorney is hereby directed to prepare the ballot title for the measure, and deposit the ballot title with the City Recorder within the times set forth in SRC 11.266.

**Section 5. Publication of Notice of Ballot Title and Rights to Appeal.** The City Recorder shall publish in the Statesman Journal, or in some other newspaper of general distribution within the City a notice of receipt of the ballot title, including notice that an elector may, pursuant to SRC 11.266, appeal the ballot title to the Municipal Judge, by filing a written appeal with the City Recorder no later than five business days after the date the ballot title is deposited with the City Recorder, requesting a different ballot title and stating why the ballot title is unsatisfactory.

**Section 6. Explanatory Statement.** The Explanatory Statement for the measure, which is attached hereto as “Exhibit 2”, and the incorporated herein by reference, is hereby approved.

**Section 7. Filing with County Elections Office.** Pursuant to ORS 254.095(2), the City Recorder shall deliver the Notice of Measure Election to the Election Officers of Marion County, Oregon, and Polk County, Oregon, on or before September 8, 2016, which is a date not later than sixty-one days prior to the election.

**Section 8. Effective Date.** This resolution is effective upon adoption.

ADOPTED by the City Council this 11<sup>th</sup> day of July 2016.

ATTEST:

City Recorder

Approved by City Attorney: \_\_\_\_\_