

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY

DEPT: Board of Supervisors

BOARD AGENDA:5.A.2  
AGENDA DATE: June 12, 2018

**SUBJECT:**

Approval of a Request to Consolidate the Municipal Election for the City of Ceres with the Gubernatorial General Election to be Held on November 6, 2018

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2018-0267**

On motion of Supervisor Monteith , Seconded by Supervisor Chiesa  
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended


2)  Denied

3)  Approved as amended

4)  Other:

**MOTION:**

ATTEST:

  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Board of Supervisors

BOARD AGENDA:5.A.2  
AGENDA DATE: June 12, 2018

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: No

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**SUBJECT:**

Approval of a Request to Consolidate the Municipal Election for the City of Ceres with the Gubernatorial General Election to be Held on November 6, 2018

**STAFF RECOMMENDATION:**

1. Approve the consolidation of the Municipal Election for the City of Ceres with the Gubernatorial General Election to be held on November 6, 2018.

**CONTACT PERSON:**

Elizabeth King, Clerk of the Board

Phone number: 209-525-4494

**ATTACHMENT(S):**

1. City of Ceres Resolution Consolidate Election



# OFFICE OF THE CITY CLERK

BOARD OF SUPERVISORS

2018 MAY 31 A 11:59

CITY OF CERES  
2720 SECOND STREET  
CERES, CA 95307-3292  
(209)538-5731  
FAX: (209) 538-5650

## CITY COUNCIL

Chris Vierra, Mayor  
Ken Lane                      Bret Durossette  
Mike Kline                    Linda Ryno

May 31, 2018

Liz King  
Clerk of the Board  
Stanislaus County Board of Supervisors  
1010 10<sup>th</sup> Street, Ste. 6700  
Modesto, CA 95354

RE: *Consolidated General Municipal Election – November 6, 2018*

Dear Ms. King:

This letter is to advise your office the City of Ceres will participate in the November 6, 2018 election as part of its municipal election schedule. The voters of the City of Ceres will consider the following:

- Two (2) Members of the City Council – full term of four (4) years
  - District 1 Incumbent: Ken Lane
  - District 2 Incumbent: Linda Ryno
- Two (2) Ballot Measures to the City's qualified voters relating to the position of City Treasurer and a Cannabis Business License Tax Amendment to Cannabis Ordinances 2017-1039 and 2017-1043.

Each candidate, if submitting a Candidate's Statement will be required to pay the cost of the printing in English and Spanish translation.

I have enclosed a certified copy of the following Resolutions:

- **Resolution No. 2018-057**, calling for the holding of a municipal election to be held on November 6, 2018, for the election of the District 1 and District 2 City Councilmembers and for the submission of two ballot measures to the City's qualified voters relating to the position of City Treasurer and a Cannabis Business License Tax Amendment to Cannabis Ordinances 2017-1039 and 2017-1043;
- **Resolution No. 2018-058**, requesting the Stanislaus County Board of Supervisors consolidate a municipal election to be held on November 6, 2018, with the Statewide General Election pursuant to section 10403 of the Elections Code; and
- **Resolution No. 2018-059**, authorizing members of the City Council to form a two (2) member subcommittee for the purpose of authoring and filing written arguments in favor of the measures to be submitted to the City's qualified voters at the November 6, 2018, election; and directing the City Attorney to prepare an impartial analysis for the measures.

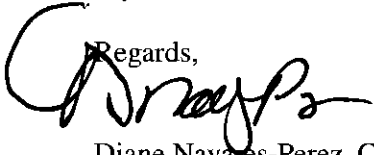
Also, I have enclosed for your information a copy of Resolution No. 97-65, which records our procedure should a tie vote occur.

The City of Ceres will be responsible to publish a Notice of Election and Notice of Nominees for Public Office, issue nomination papers, and act as the filing officer for all campaign statements as required by the Fair Political Practices Commission. The City of Ceres respectfully requests the Stanislaus County Elections Division to furnish

all other services, facilities, supplies and equipment. The City of Ceres will reimburse the County of Stanislaus for all actual costs for services performed relating to the conduct of the municipal election, except payment for Candidate's Statements which will be paid by the candidates themselves via the City.

If you need additional information, please contact the City Clerk's office at your convenience.

Regards,

A handwritten signature in black ink, appearing to read 'Diane Nayares-Perez', written in a cursive style.

Diane Nayares-Perez, CMC, City Clerk

Enclosures

CC: Stanislaus County Office of the County Clerk-Recorder & Registrar of Voters

**RESOLUTION NO. 2018-057**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CERES CALLING FOR THE HOLDING OF A MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 6, 2018, FOR THE ELECTION OF THE DISTRICT 1 AND DISTRICT 2 CITY COUNCILMEMBERS AND FOR THE SUBMISSION OF TWO BALLOT MEASURES RELATING TO THE POSITION OF CITY TREASURER AND A CANNABIS BUSINESS LICENSE TAX.**

**WHEREAS**, under the provisions of the laws relating to general law cities in the state of California, a Municipal Election shall be held on November 6, 2018, for the election of Municipal Officers; and

**WHEREAS**, the terms of the District 1 and District 2 City Councilmembers will expire in December 2018; and

**WHEREAS**, the City Council must call for an election to be held on November 6, 2018 for the purpose of selecting the representatives for the District 1 and District 2 City Council offices; and

**WHEREAS**, the City Council also desires to submit to the voters at the election two ballot measures relating to: 1) the position of the City Treasurer; and 2) a Cannabis Business License Tax; and

**WHEREAS**, pursuant to Government Code section 36508, the City Council may submit to the voters a measure asking whether the position of the City Treasure should be appointed by the City Council, rather than elected; and

**WHEREAS**, the recent lack of local interest in running for City Treasurer has resulted in uncontested elections and the voters have been denied the opportunity to select candidates based upon qualifications and experience; and

**WHEREAS**, the City Council seeks authorization to enact a tax on the gross receipts of cannabis businesses located in the City; and

**WHEREAS**, pursuant to Elections Code section 9222, the City Council desires to submit to the voters a measure and proposed ordinance relating to a general tax on cannabis businesses; and

**WHEREAS**, pursuant to Government Code section 53724, the City Council seeks to submit the Cannabis Business License Tax ordinance to the qualified electors of the City at the next Statewide General Election on November 6, 2018; and

**WHEREAS**, pursuant to Government Code section 53724, subdivision (b), the City Council must approve the Cannabis Business License Tax Measure by a two-thirds vote for the measure to be included on the ballot.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CERES, CALIFORNIA, DOES 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 Ceres, California, on Tuesday, November 6, 2018, a Municipal Election for the purpose of electing two (2) Members of the City Council for District 1 and District 2 for the full term of four (4) years;

SECTION 2. That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Election the following ballot measure questions:

That a measure is to appear on the ballot as follows:

MEASURE _____	YES
Shall the measure making the office of the City Treasurer for the City of Ceres appointive, rather than elective, with the first appointment occurring upon the expiration of the term of the current City Treasurer, be adopted?	NO

That a measure is to appear on the ballot as follows:

MEASURE _____	YES
Shall the measure adopting an ordinance authorizing the City Council of the City of Ceres to impose a business license tax at a rate of up to fifteen percent (15%) of gross receipts on cannabis businesses and dispensaries, to help fund general municipal services, be adopted?	NO

The proposed complete text of the measure Ordinance submitted to the voters is attached as Exhibit A.

SECTION 3. That the vote requirement for the measures to pass is a majority (50%+1) of the votes cast pursuant to Government Code sections 36508 and 53723.

SECTION 4. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 5. That the City Clerk is authorized, instructed, and directed to coordinate with the County of Stanislaus Registrar of Voters, Election Division to procure and furnish any and all official ballots, notices, printed matter, supplies, and equipment that may be necessary in order to properly and lawfully conduct the election.

SECTION 6. That the polls for the election shall be open at 7:00 a.m. on the day of the election and shall remain open continuously from that time until 8:00 p.m. of the same day when

the polls shall be closed, pursuant to Election Code section 10242, except as provided in Elections Code section 14401.

SECTION 7. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 8. 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 9. For purposes of the District 1 and District 2 City Council elections, in the event of a tie vote, with any two or more persons receive equal and the highest number of votes for an office, as certified by the County of Stanislaus Registrar-Recorder, the City Council, in accordance with Election Code section 15651, subdivision (a), shall set a date and time and place and summon the candidates who have received the tie votes to appear and will determine the tie by lot.

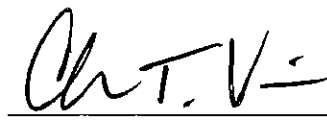
SECTION 10. That the City Clerk is hereby directed to forward a certified copy of this Resolution to the Stanislaus County Registrar of Voters office.


SECTION 11. That the City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 12. That the City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

**PASSED AND ADOPTED** by the City Council of the City of Ceres at a regular meeting thereof held on the 29<sup>th</sup> day of May, 2018, by the following vote:

AYES: Durossette, Kline, Lane, Ryno, Mayor Vierra  
NOES: None  
ABSENT: None

  
Chris Vierra, Mayor

ATTEST:  
  
Diane Nayares-Perez, CMC  
City Clerk



Reso. No. 2018-057

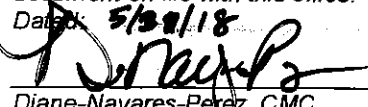
*This is to certify that this is a true and correct copy of a document on file with this office.*  
Date: 5/30/18  
  
Diane Nayares-Perez, CMC  
City Clerk for the City of Ceres

Exhibit A

**ORDINANCE NO. 2018-1049**

**AN ORDINANCE OF THE CITY OF CERES ADOPTING CHAPTER 3.26, CANNABIS BUSINESS TAX, TO TITLE 3, REVENUE AND FINANCE, IMPOSING A BUSINESS LICENSE TAX AT A RATE OF UP TO FIFTEEN PERCENT (15%) ON THE GROSS RECEIPTS OF COMMERCIAL CANNABIS BUSINESSES IN CITY**

**WHEREAS**, in 1996, the voters of the state of California approved Proposition 215 (codified as California Health and Safety Code § 11362.5, and known as “The Compassionate Use Act of 1996” or “CUA”); and

**WHEREAS**, in 2003, the California legislature passed SB 420 (Medical Marijuana Program Act), which amended the Health and Safety Code to permit the establishment of medical cannabis dispensaries for the distribution of cannabis for medical purposes; and

**WHEREAS**, on October 9, 2015, Governor Brown signed three bills into law (AB 266, AB 243, and SB 643), collectively referred to as the Medical Marijuana Regulation and Safety Act (“MMRSA”). MMRSA set up a state licensing system for commercial medical cannabis uses while also allowing cities to maintain local control of cannabis cultivation; and

**WHEREAS**, in 2016, the voters of California approved Proposition 64 entitled the “Control, Regulate and Tax Adult Use of Marijuana” (“AUMA”). AUMA legalized the adult-use and possession of cannabis by persons 21 years of age or older and the personal cultivation of up to six cannabis plants within a private residence; and

**WHEREAS**, on June 27, 2017, Governor Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), which created a single regulatory scheme for both medical and adult-use cannabis businesses. MAUCRSA retains the provisions in MCRSA and AUMA that granted local jurisdictions control over whether businesses engaged in commercial cannabis activity may operate in a particular jurisdiction; and

**WHEREAS**, On May 22, 2017, the City Council approved the Medical Cannabis Business Pilot Program which allows for the regulation of medical cannabis businesses within the City pursuant to a development agreement and a cannabis business permit.; and

**WHEREAS**, On May 22, 2017, the City Council approved Zoning Text Amendment 17-04 to include medical cannabis businesses within the City’s Zoning Code; and

**WHEREAS**, the City Council seeks authorization to enact a tax on cannabis businesses;  
and



**WHEREAS**, this Ordinance would tax businesses engaged in cannabis cultivation and distribution at a maximum rate of up to fifteen percent (15%) of monthly gross receipts, as directed by the City Council by resolution; and

**WHEREAS**, the City Council of the City of Ceres finds that it is in the best interest of the health, welfare, and safety of the public to submit this Ordinance to the qualified voters of the City at the next Statewide General Election on November 6, 2018.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF CERES ORDAIN:**

**SECTION 1. Chapter 3.26, Cannabis Business Tax, of Title 3, Revenue and Finance, of the City of Ceres Municipal Code shall be added to read as follows:**

**3.26.010 Definitions.**

For the purpose of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

“Business” means professions, trades, occupations, gainful activities, and all and every kind of calling whether or not carried on for profit.

“Cannabis” or “Marijuana” has the meaning as defined in California Health and Safety Code section 11018.

“Cannabis business” means any business activity involving the commercial cultivation, distribution and exchange of cannabis, including, but not limited to the, planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, providing, wholesale and retail sales, whether fixed, mobile, permanent or temporary, where cannabis is made available, sold, given, distributed, or otherwise provided in accordance with the existing laws of the state of California, whether for medical or non-medical reasons.

“City” means the City of Ceres, a municipal corporation of the state of California, in its present incorporated form or in any later reorganized, consolidated, enlarged, or reincorporated form.

“Collector” means the Director of Finance or other City officer or employee charged with the administration of this chapter.

“Fixed place of business” means the premises occupied in the City for the particular purpose of conducting a business there and regularly kept open for that purpose with a competent person in attendance for the purpose of attending to such business.

“Gross receipts” means the total amount charged or received for the performance of any act, service, or employment of whatever nature it may be, whether or not such service, act, or employment is done as a part of or in connection with the sale of goods, wares, or merchandise, for which a charge is made or credit allowed. Gross receipts shall be calculated without any deduction on account of any of the following: (i) the cost of tangible property sold or bartered; (ii) the cost of materials or products used, labor or service cost, interest paid, losses, or other expense; or (iii) transportation costs

“Person” means all domestic and foreign corporations, associations, syndicates, joint stock corporations, partnerships of every kind, clubs, business or common law trusts, societies, and individuals transacting and carrying on any business in the City.

“Reporting Period” means a year, quarter, or calendar month, as determined by the collector.

### **3.26.020 Cannabis Business Tax.**

A. Every person engaged in a cannabis business shall pay an annual business license tax of up to fifteen cents (\$0.15) for each one dollar (\$1.00) of gross receipts, regardless whether the City has authorized the cannabis business.

B. The tax rate shall be set by resolution of the City Council. The City Council may, in its discretion, implement such cannabis business tax rate it deems appropriate, and may by resolution increase or lower such tax rate from time to time, provided that the cannabis business tax shall not exceed 15 cents for each \$1.00 of gross receipts.

C. The Collector shall establish reporting periods for the periodic collection of gross receipts. The reporting period may fall under yearly, quarterly, or monthly reporting, or any reasonable reporting period established by the Collector.

D. Failure to pay the cannabis business tax shall be subject to penalties, interest charges, and assessments as the City Council may establish by resolution, and the City may use any and all code enforcement remedies available at law to collect such payments.

E. The payment of the cannabis business tax shall not be construed as authorizing the conduct or continuance of any illegal business or of a legal business in an illegal manner. Nothing in this section shall be applied or construed as authorizing the sale of cannabis.

F. The Collector or his or her designee shall annually audit any cannabis business taxes imposed by this section to verify that tax revenues have been properly expended in accordance with the law.

G. The cannabis business tax is not a sales tax and shall not be assessed as such.

H. This section was submitted to the qualified voters of the City for approval. Any amendment to the maximum tax rate therefore may not become effective until such amendment is approved by the voters. The voters expressly authorize the City Council to amend, modify, change, or revise any other provisions of this section as the City Council deems in the best interest of the City. The City Council or City Manager may promulgate rules, regulations, and procedures to implement this section and to ensure the efficient and timely collection of any taxes or any related penalties imposed by this section.

**SECTION 2.** This is a City Council sponsored initiative ordinance that shall only be amended by the qualified voters of the City of Ceres, as provided in the ordinance. The City Council reserves the right and authority to amend the ordinance as authorized, or at any time after a state or federal law is enacted which requires amendments in order for the ordinance to be in compliance with such law or laws.

**SECTION 3.** If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. The People of the City of Ceres hereby declare that they would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

**SECTION 4.** After its adoption by the voters, this ordinance shall be in full force and effect ten (10) days after the vote is declared by the legislative body, pursuant to the provisions of Elections Code sections 9217 and 15400, and as provided by law.

**Passed, Approved, and Adopted** on this \_\_\_ day of November 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

\_\_\_\_\_  
Chris Vierra  
Mayor of the City of Ceres

**ATTEST:**

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**Diane Nayares-Perez, CMC**  
City Clerk of the City of Ceres

**RESOLUTION NO. 2018-058**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CERES, CALIFORNIA, REQUESTING THE STANISLAUS COUNTY BOARD OF SUPERVISORS CONSOLIDATE THE MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 6, 2018, WITH THE STATEWIDE GENERAL ELECTION.**

**WHEREAS**, the City Council of the City of Ceres called a Municipal Election to be held on November 6, 2018, for the purpose of the election of two (2) Members of the City Council (Districts 1 and 2), for a term of four (4) years; and

**WHEREAS**, the City Council is submitting to the voters the questions relating to: 1) whether the position of the City Treasurer shall be appointed or elected; and 2) whether a Cannabis Business Tax; and

**WHEREAS**, it is desirable that the Municipal Election be consolidated with the Statewide General Election to be held on November 6, 2018, and within the City's the precincts and polling places; and

**WHEREAS**, it is desirable that the Stanislaus County Registrar of Voters canvass the returns of the Municipal Election and that the election be held in all respects as if there were only one election; and

**WHEREAS**, the City Council acknowledges that the consolidated election will be held and conducted in the manner prescribed by section 10418 of the Elections Code.

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

SECTION 1. That pursuant to the requirements of section 10403 of the Elections Code, the Board of Supervisors of the County of Stanislaus is hereby requested to consent and agree to the consolidation of a Municipal Election with the Statewide General Election on Tuesday, November 6, 2018, for the purpose of the election of two (2) Members of the City Council (Districts 1 and 2) for the term of four (4) years.

SECTION 2. That a measure is to appear on the ballot as follows:

<b>MEASURE _____</b>	<b>YES</b>
Shall the measure making the office of the City Treasurer for the City of Ceres be appointive, rather than elective, with the first appointment occurring upon the expiration of the term of the current City Treasurer, be adopted?	<b>NO</b>

SECTION 3. That a measure is to appear on the ballot as follows:

MEASURE _____	YES
Shall the measure adopting an ordinance authorizing the City Council of the City of Ceres to impose a business license tax at a rate of up to fifteen percent (15%) of gross receipts on cannabis businesses and dispensaries, to help fund general municipal services, be adopted?	NO

The proposed complete text of the measure Ordinance submitted to the voters is attached as Exhibit A.

SECTION 4. That the vote requirement for the measures to pass is a majority (50%+ 1) of the votes cast pursuant to Government Code sections 36508 and 53723.

SECTION 5. That the Stanislaus County Registrar of Voters, Elections Division is authorized to canvass the returns of the election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.

SECTION 6. That the Stanislaus County Board of Supervisors is requested to issue instructions to the Stanislaus County Registrar of Voters, Elections Division to take any and all steps necessary for the holding of the consolidated election.

SECTION 7. That the City of Ceres recognizes that additional costs will be incurred by the County of Stanislaus by reason of this consolidation and agrees to reimburse the County for any costs.

SECTION 8. That the City Clerk is authorized, directed and will be responsible for issuing and collecting election information, publishing the Notice of Election and the Nominees for Public Office; and further or additional election notices as required by law.

SECTION 9. That the City Clerk is hereby directed to file a certified copy of this resolution with the Stanislaus County Board of Supervisors and the County Registrar of Voters, Elections Division no later than July 2, 2018.

SECTION 10. That the City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

**PASSED AND ADOPTED** by the City Council of the City of Ceres at a regular meeting thereof held on the 29<sup>th</sup> day of May, 2018, by the following vote:

AYES: Durossette, Kline, Lane, Ryno, Mayor Vlerra

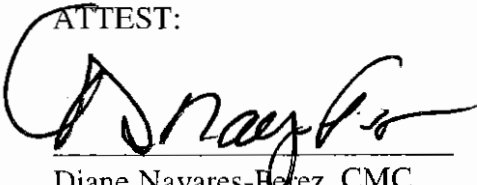
NOES: None

ABSENT: None

Ch.T.V.

Chris Vierra, Mayor

ATTEST:



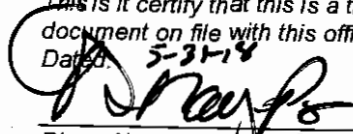
Diane Nayares-Perez, CMC  
City Clerk

Reso. No. 2018-058



This is it certify that this is a true and correct copy of a  
document on file with this office.

Dated: 5-31-18



Diane-Nayares-Perez, CMC  
City Clerk for the City of Ceres

Exhibit A

**ORDINANCE NO. 2018-1049**

**AN ORDINANCE OF THE CITY OF CERES ADOPTING CHAPTER 3.26, CANNABIS BUSINESS TAX, TO TITLE 3, REVENUE AND FINANCE, IMPOSING A BUSINESS LICENSE TAX AT A RATE OF UP TO FIFTEEN PERCENT (15%) ON THE GROSS RECEIPTS OF COMMERCIAL CANNABIS BUSINESSES IN CITY**

**WHEREAS**, in 1996, the voters of the state of California approved Proposition 215 (codified as California Health and Safety Code § 11362.5, and known as “The Compassionate Use Act of 1996” or “CUA”); and

**WHEREAS**, in 2003, the California legislature passed SB 420 (Medical Marijuana Program Act), which amended the Health and Safety Code to permit the establishment of medical cannabis dispensaries for the distribution of cannabis for medical purposes; and

**WHEREAS**, on October 9, 2015, Governor Brown signed three bills into law (AB 266, AB 243, and SB 643), collectively referred to as the Medical Marijuana Regulation and Safety Act (“MMRSA”). MMRSA set up a state licensing system for commercial medical cannabis uses while also allowing cities to maintain local control of cannabis cultivation; and

**WHEREAS**, in 2016, the voters of California approved Proposition 64 entitled the “Control, Regulate and Tax Adult Use of Marijuana” (“AUMA”). AUMA legalized the adult-use and possession of cannabis by persons 21 years of age or older and the personal cultivation of up to six cannabis plants within a private residence; and

**WHEREAS**, on June 27, 2017, Governor Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), which created a single regulatory scheme for both medical and adult-use cannabis businesses. MAUCRSA retains the provisions in MCRSA and AUMA that granted local jurisdictions control over whether businesses engaged in commercial cannabis activity may operate in a particular jurisdiction; and

**WHEREAS**, On May 22, 2017, the City Council approved the Medical Cannabis Business Pilot Program which allows for the regulation of medical cannabis businesses within the City pursuant to a development agreement and a cannabis business permit.; and

**WHEREAS**, On May 22, 2017, the City Council approved Zoning Text Amendment 17-04 to include medical cannabis businesses within the City’s Zoning Code; and

**WHEREAS**, the City Council seeks authorization to enact a tax on cannabis businesses;  
and



**WHEREAS**, this Ordinance would tax businesses engaged in cannabis cultivation and distribution at a maximum rate of up to fifteen percent (15%) of monthly gross receipts, as directed by the City Council by resolution; and

**WHEREAS**, the City Council of the City of Ceres finds that it is in the best interest of the health, welfare, and safety of the public to submit this Ordinance to the qualified voters of the City at the next Statewide General Election on November 6, 2018.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF CERES ORDAIN:**

**SECTION 1. Chapter 3.26, Cannabis Business Tax, of Title 3, Revenue and Finance, of the City of Ceres Municipal Code shall be added to read as follows:**

**3.26.010 Definitions.**

For the purpose of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

“Business” means professions, trades, occupations, gainful activities, and all and every kind of calling whether or not carried on for profit.

“Cannabis” or “Marijuana” has the meaning as defined in California Health and Safety Code section 11018.

“Cannabis business” means any business activity involving the commercial cultivation, distribution and exchange of cannabis, including, but not limited to the, planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, providing, wholesale and retail sales, whether fixed, mobile, permanent or temporary, where cannabis is made available, sold, given, distributed, or otherwise provided in accordance with the existing laws of the state of California, whether for medical or non-medical reasons.

“City” means the City of Ceres, a municipal corporation of the state of California, in its present incorporated form or in any later reorganized, consolidated, enlarged, or reincorporated form.

“Collector” means the Director of Finance or other City officer or employee charged with the administration of this chapter.

“Fixed place of business” means the premises occupied in the City for the particular purpose of conducting a business there and regularly kept open for that purpose with a competent person in attendance for the purpose of attending to such business.

“Gross receipts” means the total amount charged or received for the performance of any act, service, or employment of whatever nature it may be, whether or not such service, act, or employment is done as a part of or in connection with the sale of goods, wares, or merchandise, for which a charge is made or credit allowed. Gross receipts shall be calculated without any deduction on account of any of the following: (i) the cost of tangible property sold or bartered; (ii) the cost of materials or products used, labor or service cost, interest paid, losses, or other expense; or (iii) transportation costs

“Person” means all domestic and foreign corporations, associations, syndicates, joint stock corporations, partnerships of every kind, clubs, business or common law trusts, societies, and individuals transacting and carrying on any business in the City.

“Reporting Period” means a year, quarter, or calendar month, as determined by the collector.

### **3.26.020 Cannabis Business Tax.**

A. Every person engaged in a cannabis business shall pay an annual business license tax of up to fifteen cents (\$0.15) for each one dollar (\$1.00) of gross receipts, regardless whether the City has authorized the cannabis business.

B. The tax rate shall be set by resolution of the City Council. The City Council may, in its discretion, implement such cannabis business tax rate it deems appropriate, and may by resolution increase or lower such tax rate from time to time, provided that the cannabis business tax shall not exceed 15 cents for each \$1.00 of gross receipts.

C. The Collector shall establish reporting periods for the periodic collection of gross receipts. The reporting period may fall under yearly, quarterly, or monthly reporting, or any reasonable reporting period established by the Collector.

D. Failure to pay the cannabis business tax shall be subject to penalties, interest charges, and assessments as the City Council may establish by resolution, and the City may use any and all code enforcement remedies available at law to collect such payments.

E. The payment of the cannabis business tax shall not be construed as authorizing the conduct or continuance of any illegal business or of a legal business in an illegal manner. Nothing in this section shall be applied or construed as authorizing the sale of cannabis.

F. The Collector or his or her designee shall annually audit any cannabis business taxes imposed by this section to verify that tax revenues have been properly expended in accordance with the law.

G. The cannabis business tax is not a sales tax and shall not be assessed as such.

H. This section was submitted to the qualified voters of the City for approval. Any amendment to the maximum tax rate therefore may not become effective until such amendment is approved by the voters. The voters expressly authorize the City Council to amend, modify, change, or revise any other provisions of this section as the City Council deems in the best interest of the City. The City Council or City Manager may promulgate rules, regulations, and procedures to implement this section and to ensure the efficient and timely collection of any taxes or any related penalties imposed by this section.

**SECTION 2.** This is a City Council sponsored initiative ordinance that shall only be amended by the qualified voters of the City of Ceres, as provided in the ordinance. The City Council reserves the right and authority to amend the ordinance as authorized, or at any time after a state or federal law is enacted which requires amendments in order for the ordinance to be in compliance with such law or laws.

**SECTION 3.** If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. The People of the City of Ceres hereby declare that they would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

**SECTION 4.** After its adoption by the voters, this ordinance shall be in full force and effect ten (10) days after the vote is declared by the legislative body, pursuant to the provisions of Elections Code sections 9217 and 15400, and as provided by law.

**Passed, Approved, and Adopted** on this \_\_\_ day of November 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

\_\_\_\_\_  
Chris Vierra  
Mayor of the City of Ceres

ATTEST:

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Diane Nayares-Perez, CMC  
City Clerk of the City of Ceres

**RESOLUTION NO. 2018-059**

**A RESOLUTION OF THE CITY COUNCIL OF CERES, AUTHORIZING MEMBERS OF THE CITY COUNCIL TO FORM A TWO MEMBER SUBCOMMITTEE FOR THE PURPOSE OF AUTHORIZING AND FILING WRITTEN ARGUMENTS IN FAVOR OF THE CITY MEASURES TO BE SUBMITTED TO THE CITY'S QUALIFIED VOTERS AT THE NOVEMBER 6, 2018, ELECTION; AND DIRECTING THE CITY ATTORNEY TO PREPARE IMPARTIAL ANALYSES FOR THE MEASURES**

**WHEREAS**, California Elections Code section 9282 authorizes the filing of written arguments for or against City measures, and Elections Code section 9287 establishes priorities for filing written arguments in favor of and against City measures; and

**WHEREAS**, the City Council desires to authorize a two (2) member subcommittee formed for the purpose of filing written arguments for and against the adoption of the following ballot measures in accordance with Elections Code section 9282, subdivision (b); and

**WHEREAS**, the City Council desires to authorize the subcommittee to file rebuttal arguments, if necessary, in accordance with Elections Code section 9282, subdivision (a); and

**WHEREAS**, a General Municipal Election is to be held in the City of Ceres on November 6, 2018, at which there will be submitted to the voters the following measures:

Measure \_\_: appears on the ballot as follows:

<b>MEASURE</b> _____	YES
Shall the measure making the office of the City Treasurer for the City of Ceres appointive, rather than elective, with the first appointment occurring upon the expiration of the term of the current City Treasurer, be adopted?	NO

Measure \_\_: appears on the ballot as follows:

<b>MEASURE</b> _____	YES
Shall the measure adopting an ordinance authorizing the City Council of the City of Ceres to impose a business license tax at a rate of up to fifteen percent (15%) of gross receipts on cannabis businesses and dispensaries, to help fund general municipal services, be adopted?	NO

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

SECTION 1. That Elections Code section 9282, subdivision (b), permits the City Council to authorize members of the City Council to file a written argument for or against any City measure, including proposed measures. Pursuant to Elections Code section 9282, subdivision (b), the City Council hereby authorizes the City Council establish a two (2) member subcommittee for each proposed ballot measure, formed for the purpose of preparing and filing written arguments in favor of or against any or all of the proposed measures described above.

SECTION 2. That, in accordance with section 9283 of the Elections Code, the printed names and signatures of not more than five (5) authors shall appear with any argument submitted in accordance with this resolution.

SECTION 3. That, in accordance with section 9282 of the Elections Code, any written argument in favor of or against any of the proposed measures described above shall not exceed 300 words.

SECTION 4. That, pursuant to Elections Code section 9287, in the event more than one argument for or against any of the proposed City measures described above are submitted to the City Clerk within the time prescribed, the City Clerk shall select one of the arguments in favor and one of the arguments against the proposed measures for printing and distribution to the voters. In selecting the argument, the City Clerk shall give preference and priority, in the order named, to the arguments of the following:

- (a) The Mayor and members of the City Council;
- (b) The individual voters, or bona fide association of citizens, or combination of voters and associations, who are the bona fide sponsors or proponents of the measure;
- (c) Bona fide associations of citizens; and
- (d) Individual voters who are eligible to vote on the measure.

That if more than one argument in favor of or more than one argument against a proposed City measure are timely submitted to the City Clerk and such arguments for or against the proposed measure, respectively, are authored by individuals or associations within the same priority group identified in items (a) through (d) above, then the City Clerk shall give preference and priority to the argument initially filed with the City Clerk first in time.

SECTION 5. That, in accordance with Elections Code section 9286, subdivision (b), the deadline for filing (and changing or withdrawing) arguments for or against any of the proposed City measures described above with the City Clerk shall be not later than 5:00 p.m. on Monday, July 23, 2018.

SECTION 6. That, pursuant to Elections Code section 9280, the City Council hereby directs the City Clerk to transmit a copy of the proposed ballot measures described above to the City Attorney. The City Attorney shall prepare an impartial analysis of each of the measures, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit such impartial analysis to the City Clerk by no later than 5:00 p.m. Monday, July 23, 2018.

SECTION 7. That, pursuant to Elections Code section 9285, the City Council is permitted to authorize members of the City Council to file rebuttal arguments for or against any City measure, including proposed measures. Pursuant to Elections Code section 9285, subdivision (a), the City Council hereby authorizes the subcommittees formed to author and submit the primary argument in favor of the measures, to prepare and file written rebuttal arguments in favor of or against any or all of the proposed measures described above.

SECTION 8. That, in accordance with section 9285, subdivision (a)(3), of the Elections Code, any written rebuttal argument in favor of or against any of the measures described above shall not exceed 250 words.

SECTION 9. That, in accordance with Elections Code section 9285, subdivision (a)(4), the deadline for filing rebuttal arguments for or against any of the proposed City measures described above with the City Clerk shall be not later than 5:00 p.m. on Monday, July 30, 2018.

SECTION 10. That the City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

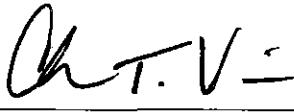
**THE FOREGOING RESOLUTION** is approved and adopted by the City Council of the City of Ceres this 29<sup>th</sup> Day of May, 2018, by the following roll call vote:

AYES: Durossette, Kline, Lane, Ryno, Mayor Vierra

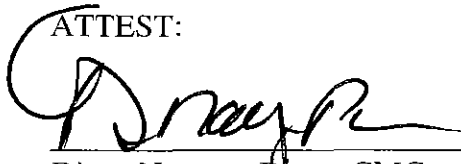
NOES: None

ABSENT: None

CITY OF CERES

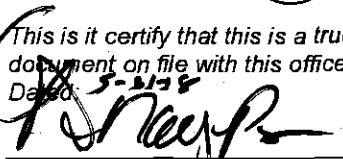
By:   
Chris Vierra, Mayor

ATTEST:

  
Diane Nayares-Perez, CMC  
City Clerk

Reso. No. 2018-059



This is it certify that this is a true and correct copy of a document on file with this office.  
Date: 5-29-18  
  
Diane-Nayares-Perez, CMC  
City Clerk for the City of Ceres

RESOLUTION NO. 97- 65

RESOLUTION REPEALING RESOLUTION NO. 85-93  
TO DELETE THE REQUIREMENT OF A SPECIAL  
RUNOFF ELECTION IN THE EVENT OF A TIE VOTE.

THE CITY COUNCIL  
City of Ceres, California

WHEREAS, pursuant to Ceres City Council Resolution 85-93, adopted on July 8, 1985, a special runoff election is required in the event of a tie vote for any elected City Office; and,

WHEREAS, Elections Code Section 15651 provides that tie votes will be resolved by lot, unless the local agency elects to resolve such tie votes by conducting a special runoff election; and,

WHEREAS, the City Council has determined that the interest of the citizens of the City would be best served by avoiding the additional expense of a special runoff election and resolving any tie vote by lot.


NOW THEREFORE, IT IS RESOLVED by the City Council of the City of Ceres that Resolution 85-93 adopted on July 8, 1985, is hereby repealed.

PASSED AND ADOPTED by the Ceres City Council at a regular meeting thereof held on the 23rd day of June, 1997, by the following vote:

AYES: Bradley, Havener, Ingwerson, Risen and Mayor Hinton

NOES: None

ABSENT: None

  
\_\_\_\_\_  
BARBARA HINTON, Mayor

ATTEST:

  
\_\_\_\_\_  
BRENDA SCUDDER HERBERT, City Clerk

SEAL IMPRESSED



This is to certify that this is a true and correct copy of a document on file with this office.

Dated: 5-21-97

  
\_\_\_\_\_  
Diane Nayaes-Perez, CMC

City Clerk for the City of Ceres