

**RESOLUTION AUTHORIZING AND REFERRING A BALLOT ISSUE FOR THE
NOVEMBER 2017 REGULAR ELECTION TO PROPOSE A FIVE PERCENT EXCISE
TAX ON THE WHOLESALE TRANSFER OF MARIJUANA AND MARIJUANA
PRODUCTS TO PROMOTE PUBLIC SAFETY AND SETTING THE BALLOT
LANGUAGE AND PROVIDING OTHER MATTERS RELATED THERETO**

RESOLUTION 2017-82

WHEREAS, Section 6(g) of Article XX of the Colorado Constitution authorizes Colorado home rule municipalities to levy and collect taxes as provided by Chapter XIII of the Charter of the City of Commerce City;

WHEREAS, the City of Commerce City ("City"), consistent with the Colorado Constitution, authorizes the licensing and operation of marijuana businesses within the City;

WHEREAS, there are direct and indirect costs to the City and the public related to the licensure, regulation, administration, and operation of marijuana businesses in the City;

WHEREAS, in 2015, voters approved a ballot question authorizing a five percent (5%) excise tax on the price paid by the purchaser of marijuana and marijuana products without limitation on the use of revenues of such tax;

WHEREAS, the City Council of the City of Commerce City ("City Council") desires to submit to the electors of the City the issue of whether to replace the previously authorized excise tax with a similar excise tax at the initial rate of five percent (5%), subject to increase or decrease not above ten percent (10%), on the wholesale transfer of marijuana and marijuana products, in addition to the City's standard sales and use tax and special sales tax on retail marijuana sales;

WHEREAS, the City Council desires that the revenues of such tax, if approved, be used for public safety purposes; and

WHEREAS, the City Council has the authority to refer this question to the November 7, 2017, regular election.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO, AS FOLLOWS:

Section 1. The ballot issue described in this Resolution and the referral thereof are hereby approved and determined to be in the interest of the public's health, safety, and welfare, for a valid public purpose, and supported by a public need.

Section 2. The City Council hereby submits to the registered electors of the City of Commerce City, at the Coordinated Election to be held November 7, 2017, the following ballot issue:

SHALL THE CITY OF COMMERCE CITY'S TAXES BE INCREASED BY
\$900,000.00 IN THE FIRST FULL FISCAL YEAR (BEGINNING JANUARY 1,
2018), AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED

ANNUALLY THEREAFTER, IMPOSING AN ADDITIONAL FIVE PERCENT (5%) EXCISE TAX ON THE WHOLESALE TRANSFER OF MARIJUANA AND MARIJUANA PRODUCTS FROM OR TO A MARIJUANA BUSINESS IN THE CITY, INCLUDING TRANSFERS BY THE SAME BUSINESS BETWEEN LICENSES, ASSESSED ON THE AVERAGE MARKET RATE OF UNPROCESSED MARIJUANA NOT FOR RETAIL SALE (FOR MARIJUANA) AND ON THE GREATER OF THE PRICE PAID BY THE PURCHASER OR THE CASH VALUE OF MARIJUANA PRODUCTS (FOR MARIJUANA PRODUCTS), WITH THE RATE OF SUCH EXCISE TAX BEING ALLOWED TO INCREASE OR DECREASE BY ORDINANCE APPROVED BY THE CITY COUNCIL WITHOUT FURTHER VOTER APPROVAL BUT NOT TO A RATE OF MORE THAN TEN PERCENT (10%); AND SHALL THE VOTER'S AUTHORIZATION FOR AN EXCISE TAX APPROVED IN 2015 BE REPEALED; AND SHALL THE REVENUES FROM SUCH TAXES, PLUS INTEREST EARNED THEREON, BE COLLECTED, RETAINED, AND SPENT FOR PURPOSES OF PUBLIC SAFETY AND AS A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO ANY AND ALL LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND ANY OTHER LAW WHICH PURPORT TO LIMIT COMMERCE CITY'S REVENUES OR EXPENDITURES?

Section 3. If a majority of the votes cast approve the ballot issue described in this Resolution, then the issue shall be deemed passed and the City, acting through the City Council and the City Manager, are authorized and directed to take all action necessary or appropriate to effectuate the approved issue. Any authority to levy taxes conferred by the results of the election shall be deemed and considered a continuing authority to levy the taxes so authorized at any one time, or from time to time, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the authority so conferred.

Section 4. The City Manager, City Clerk, Finance Director, and City Attorney are hereby authorized and directed to take all action necessary or appropriate to effectuate the referral of the ballot issue described in this Resolution for the conduct of the coordinated election.

Unless otherwise defined in this Resolution, all terms used in this Resolution shall have the meanings set forth in the Uniform Election Code of 1991, Title 1, Articles 1-14, as amended.

Section 5. All actions, not inconsistent with the provisions of this Resolution, heretofore taken by the City and its officers in advancement of the Coordinated Election, and the objects and purposes stated in this Resolution, are ratified, approved, and affirmed.

Section 6. All resolutions, or parts thereof, in conflict with this resolution, are hereby repealed to the extent of such conflict. This repealer shall not be construed to revive any resolutions, or part thereof, previously repealed.

Section 7. If any section, paragraph, clause, or provision of this ordinance shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall in no manner affect any remaining provisions of this ordinance.

Section 8. This Resolution shall be effective immediately upon approval.

RESOLVED AND PASSED THIS 7TH DAY OF AUGUST 2017.

CITY OF COMMERCE CITY, COLORADO

Sean Ford, Mayor

ATTEST:

Laura J. Bauer, MMC, City Clerk