



CITY COUNCIL STAFF REPORT

DATE: NOVEMBER 20, 2013 NEW BUSINESS

SUBJECT: PROPOSED RESOLUTION DECLARING THE RESULTS OF THE NOVEMBER 5, 2013, REGULAR MUNICIPAL ELECTION.

FROM: David H. Ready, City Manager

BY: James Thompson, City Clerk

SUMMARY

Pursuant to California Elections Code the City Council shall adopt a resolution declaring the results of the November 5, 2013, Regular Municipal Election.

RECOMMENDATION:

Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, RECITING THE FACT OF THE REGULAR MUNICIPAL ELECTION HELD ON NOVEMBER 5, 2013, DECLARING THE RESULT AND SUCH OTHER MATTERS AS ARE PROVIDED BY LAW."

STAFF ANALYSIS:

At the direction of the City Clerk, the Riverside County Registrar of Voters canvassed the returns of the November 5, 2013, Regular Municipal Election, pursuant to City Council Resolution No. 23368. The Registrar of Voters has provided a Certification to the Results and Canvass of the Election Returns, pursuant to California Elections Code § 10262.

Pursuant to California Elections Code § 10263 the City Council shall adopt a Resolution declaring the results of the election.

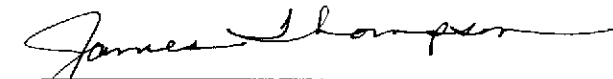
The proposed Resolution declares Ginny Foat and Christopher "Chris" Mills elected to the to the office of Member of the Palm Springs City Council for the term ending December, 2017.

Additionally, the proposed Resolution deems Ordinance No. 1831, "AN ORDINANCE OF THE PEOPLE OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADDING CHAPTER 3.35 TO THE PALM SPRINGS MUNICIPAL CODE, APPROVING AND


IMPLEMENTING A CANNABIS AND MARIJUANA TAX OF UP TO 15 CENTS PER \$1.00 OF PROCEEDS ON CANNABIS OR MARIJUANA COLLECTIVES OPERATING IN THE CITY;" (Measure "B") adopted and ratified.

FISCAL IMPACT:

None.



JAMES THOMPSON, CITY CLERK



DAVID H. READY, CITY MANAGER

Attachments:

- Proposed Resolution
- Certification of Election Results
- Ordinance No. 1831

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA RECITING THE FACT OF THE REGULAR MUNICIPAL ELECTION HELD ON NOVEMBER 5, 2013, DECLARING THE RESULT AND SUCH OTHER MATTERS AS ARE PROVIDED BY LAW.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, HEREBY FINDS:

A. A Regular Municipal Election was held and conducted in the City of Palm Springs, California, on Tuesday, November 5, 2013, as required by law.

B. Notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the laws of the State of California, and the Charter of the City of Palm Springs.

C. Pursuant to § 7 of Resolution No. 23368, adopted by the City Council on June 5, 2013, the Riverside County Registrar of Voters, at the direction of the City Clerk of the City of Palm Springs, canvassed the returns of the election and has certified the results to the City Council. The results are attached to this resolution as Exhibit A.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS HEREBY DETERMINES, DECLARES, APPROVES, AND RESOLVES:

SECTION 1. The whole number of ballots cast in the precincts except vote-by-mail ballots was 2,051. That the whole number of vote-by-mail ballots cast in the City was 6,735, making a total of 8,786 ballots cast in the City [38.19% Voter Turnout].

SECTION 2. The Regular Municipal Election was held for the purpose of electing:

- a. Two-members to the office of Member of the Palm Springs City Council;
- b. The submission to the qualified voters an ordinance implementing a cannabis and marijuana tax of up to 15 cents per \$1.00 of proceeds [Measure "B"].

SECTION 3. The names of persons voted for at the election for the office of Member of the Palm Springs City Council for the term ending December, 2017 are as follows:

Ginny Foat
Judy Evans Deertrack
Jeffrey Nichols
Christopher "Chris" Mills

SECTION 4. The City Council pursuant to its right and authority, ordered submitted to the qualified voters the following question and ordinance [Measure "B"]:

In order to help fund general municipal services, including but not limited to such matters as police protection and crime suppression services, fire prevention and suppression services, emergency medical services, park, recreation, and library facilities and services, and general improvements throughout the City, shall an ordinance to impose a tax at a rate of up to 15 cents per \$1.00 of proceeds on cannabis or marijuana collectives operating in the City of Palm Springs be adopted?	YES
	NO

SECTION 5. The number of votes given at each precinct, the number of votes for each qualified candidate and Measure "B" are attached hereto and incorporated herein as Exhibit A to this Resolution.

SECTION 6. The City Council determines and declares that Ginny Foat and Christopher "Chris" Mills were elected to the office of Member of the Palm Springs City Council for the term ending December, 2017.

SECTION 7. The City Council determines and declares that as a result of the election, a majority of the voters voting on Measure "B" implementing a cannabis and marijuana tax of up to 15 cents per \$1.00 of proceeds, did vote in favor of it, and that Measure "B" was carried, and shall be deemed adopted and ratified.

SECTION 8. The Mayor and City Clerk are hereby authorized and directed to execute Ordinance No. 1831, "AN ORDINANCE OF THE PEOPLE OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADDING CHAPTER 3.35 TO THE PALM SPRINGS MUNICIPAL CODE, APPROVING AND IMPLEMENTING A CANNABIS AND MARIJUANA TAX OF UP TO 15 CENTS PER \$1.00 OF PROCEEDS ON CANNABIS OR MARIJUANA COLLECTIVES OPERATING IN THE CITY;" (attached hereto and incorporated herein as Exhibit B to this Resolution) and the City Clerk shall certify to the passage of Ordinance No. 1831, by the People of the City of Palm Springs, enter it into

the book of original Ordinances, correct any non-substantive typographical errors, and cause such Ordinance to be codified in the Palm Springs Municipal Code.

SECTION 9. The City Clerk shall enter on the records of the City Council a statement of the results of the election, showing:

- a. The whole number of votes cast in the City;
- b. The qualified candidates voted upon;
- c. The measure voted upon;
- d. For what office each person was vote for;
- e. The number of votes given at each precinct to each to each qualified candidate, and for and against Measure "B;"
- f. The total number of votes given in the City for each qualified candidate, and for and against Measure "B."

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

PASSED, APPROVED AND ADOPTED BY THE PALM SPRINGS CITY COUNCIL THIS 29TH DAY OF NOVEMBER, 2013.

DAVID H. READY, CITY MANAGER

ATTEST:

JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular

Resolution No. _____

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meeting of the City Council of the City of Palm Springs on 20th day of November, 2013
by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JAMES THOMPSON, CITY CLERK
City of Palm Springs, California



Kari Verjil
Registrar of Voters

Rebecca Spencer
Assistant Registrar of Voters

REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE

**CERTIFICATE OF REGISTRAR OF VOTERS
TO THE RESULTS OF THE CANVASS OF ELECTION RETURNS**

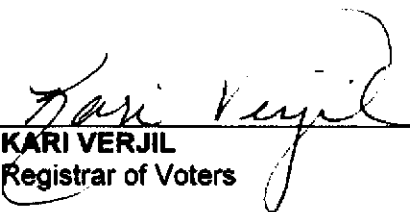
State of California)
) ss.
County of Riverside)

I, KARI VERJIL, Registrar of Voters of said County, do hereby certify that, in pursuance of the provisions of Sections 15301, 15372, and 15374 of the California Elections Code, and the resolution adopted by the City Council, I did canvass the returns of the votes cast on November 5, 2013, as part of the Consolidated General Election in the

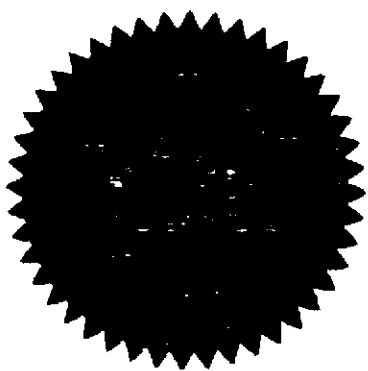
CITY OF PALM SPRINGS

and I further certify that the statement of votes cast, to which this certificate is attached, shows the whole number of votes for each candidate for elective office and for and against each measure at said election, in said City, and in each precinct therein, and that the totals as shown for said election are full, true, and correct.

Dated this 12th day of November 2013.



KARI VERJIL
Registrar of Voters



RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

100014		CITY COUNCIL, CITY OF PALM SPRINGS												
	Registration	Ballots Cast	Turnout (%)	GINNY FOAT	JUDY EVANS DEERTRACK	JEFFREY NICHOLS	CHRISTOPHER "CHRIS" MILLS							
41000 PALM SPRINGS	0	0	0.00	0	0	0	0							
41000 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
41001 PALM SPRINGS	0	0	0.00	0	0	0	0							
41001 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
41002 PALM SPRINGS	7	0	0.00	0	0	0	0							
41002 - Vote by Mail Reporting	7	3	42.86					Insufficient Turnout to Protect Voter Privacy						
41003 PALM SPRINGS	0	0	0.00	0	0	0	0							
41003 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
41006 PALM SPRINGS	0	0	0.00	0	0	0	0							
41006 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
41012 PALM SPRINGS	2114	125	5.91	74	43	35	68							
41012 - Vote by Mail Reporting	2114	507	23.98	320	177	81	285							
41020 PALM SPRINGS	3204	285	8.90	163	125	74	152							
41020 - Vote by Mail Reporting	3204	820	25.59	495	288	188	490							
41024 PALM SPRINGS	1854	207	11.17	113	93	42	118							
41024 - Vote by Mail Reporting	1854	538	28.91	321	171	110	330							
41027 PALM SPRINGS	2389	216	9.04	134	94	42	129							
41027 - Vote by Mail Reporting	2389	685	27.88	378	238	164	388							
41031 PALM SPRINGS	3835	270	7.43	168	115	59	142							
41031 - Vote by Mail Reporting	3835	882	27.02	573	382	223	570							
41040 PALM SPRINGS	2584	274	10.68	167	113	83	158							
41040 - Vote by Mail Reporting	2584	804	31.36	512	259	180	482							
41045 PALM SPRINGS	2766	208	7.52	124	85	48	128							
41045 - Vote by Mail Reporting	2766	818	29.57	528	281	178	519							
41048 PALM SPRINGS	0	0	0.00	0	0	0	0							
41048 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
41049 PALM SPRINGS	2423	255	10.52	118	121	58	158							
41049 - Vote by Mail Reporting	2423	859	35.45	506	292	180	551							
41051 PALM SPRINGS	0	0	0.00	0	0	0	0							
41051 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
41053 PALM SPRINGS	2048	211	10.30	129	88	42	124							
41053 - Vote by Mail Reporting	2048	740	36.13	454	253	158	451							
41055 PALM SPRINGS	0	0	0.00	0	0	0	0							
41055 - Vote by Mail Reporting	0	0	0.00	0	0	0	0							
Precinct Totals	23004	2051	8.92	1178	877	483	1170							
Vote by Mail Reporting Totals	23004	8735	29.28	4090	2304	1453	4037							
Grand Totals	23004	8786	38.19	5268	3181	1916	5207							
Riverside County	23004	8786	38.19	5268	3181	1916	5207							
36th Congressional District	23004	8786	38.19	5268	3181	1916	5207							
28th Senatorial District	23004	8786	38.19	5268	3181	1916	5207							
42nd Assembly District	23004	8786	38.19	5268	3181	1916	5207							
STATE BOARD OF EQUALIZATION	23004	8786	38.19	5268	3181	1916	5207							
4th SUPERVISORIAL DISTRICT	23004	8786	38.19	5268	3181	1916	5207							
City of Palm Springs	23004	8786	38.19	5268	3181	1916	5207							

RIVERSIDE COUNTY Statement of Vote
CONSOLIDATED GENERAL ELECTION

MEASURE B - CITY OF PALM SPRINGS													
140022	Registration	Ballots Cast	Turnout (%)	YES	NO								
41000 PALM SPRINGS	0	0	0.00	0	0								
41000 - Vote by Mail Reporting	0	0	0.00	0	0								
41001 PALM SPRINGS	0	0	0.00	0	0								
41001 - Vote by Mail Reporting	0	0	0.00	0	0								
41002 PALM SPRINGS	7	0	0.00	0	0								
41002 - Vote by Mail Reporting	7	3	42.86			Insufficient Turnout to Protect Voter Privacy							
41003 PALM SPRINGS	0	0	0.00	0	0								
41003 - Vote by Mail Reporting	0	0	0.00	0	0								
41006 PALM SPRINGS	0	0	0.00	0	0								
41006 - Vote by Mail Reporting	0	0	0.00	0	0								
41012 PALM SPRINGS	2114	126	5.91	66	56								
41012 - Vote by Mail Reporting	2114	507	23.98	323	180								
41020 PALM SPRINGS	3204	285	8.90	160	122								
41020 - Vote by Mail Reporting	3204	820	25.59	510	283								
41024 PALM SPRINGS	1854	207	11.17	107	87								
41024 - Vote by Mail Reporting	1854	536	28.91	369	149								
41027 PALM SPRINGS	2389	218	9.04	121	88								
41027 - Vote by Mail Reporting	2389	665	27.88	448	188								
41031 PALM SPRINGS	3835	270	7.03	169	93								
41031 - Vote by Mail Reporting	3835	982	27.02	632	310								
41040 PALM SPRINGS	2584	274	10.69	149	115								
41040 - Vote by Mail Reporting	2584	804	31.36	545	218								
41045 PALM SPRINGS	2786	208	7.52	126	79								
41045 - Vote by Mail Reporting	2786	818	29.57	523	261								
41046 PALM SPRINGS	0	0	0.00	0	0								
41046 - Vote by Mail Reporting	0	0	0.00	0	0								
41049 PALM SPRINGS	2423	266	10.82	138	110								
41049 - Vote by Mail Reporting	2423	859	35.45	585	245								
41051 PALM SPRINGS	0	0	0.00	0	0								
41051 - Vote by Mail Reporting	0	0	0.00	0	0								
41053 PALM SPRINGS	2048	211	10.30	129	74								
41053 - Vote by Mail Reporting	2048	740	36.13	504	208								
41055 PALM SPRINGS	0	0	0.00	0	0								
41055 - Vote by Mail Reporting	0	0	0.00	0	0								
Precinct Totals	23004	2051	8.92	1164	622								
Vote by Mail Reporting Totals	23004	6735	29.28	4421	2020								
Grand Totals	23004	8786	38.19	5585	2842								
Riverside County	23004	8786	38.19	5585	2842								
36th Congressional District	23004	8786	38.19	5585	2842								
28th Senatorial District	23004	8786	38.19	5585	2842								
42nd Assembly District	23004	8786	38.19	5585	2842								
STATE BOARD OF EQUALIZATION	23004	8786	38.19	5585	2842								
4th SUPERVISORIAL DISTRICT	23004	8786	38.19	5585	2842								
City of Palm Springs	23004	8786	38.19	5585	2842								

ORDINANCE NO. 1831

AN ORDINANCE OF THE PEOPLE OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADDING CHAPTER 3.35 TO THE PALM SPRINGS MUNICIPAL CODE, APPROVING AND IMPLEMENTING A CANNABIS AND MARIJUANA TAX OF UP TO 15 CENTS PER \$1.00 OF PROCEEDS ON CANNABIS OR MARIJUANA COLLECTIVES OPERATING IN THE CITY.

THE PEOPLE OF THE CITY OF PALM SPRINGS ORDAINS:

SECTION 1. Chapter 3.35 is added to the Palm Springs Municipal Code to read:

CANNABIS AND MARIJUANA TAX

- 3.35.010 Imposition of Tax.
- 3.35.020 Definitions.
- 3.35.030 Payment Obligation.
- 3.35.040 City Council Authorization to Adjust Rates.
- 3.35.050 Payment of Tax Does Not Authorize Activity.
- 3.35.060 Cannabis and Marijuana Tax Is Not a Sales Tax.
- 3.35.070 Amendments and Administration.

3.35.010 Imposition of Tax.

Every person engaged in operating or otherwise conducting a cannabis or marijuana collective, and regardless of whether such collective has a permit pursuant to Section 9.23.15 of this Code, shall pay a cannabis and marijuana tax of 15 cents for each \$1.00 of proceeds or fractional part thereof.

3.35.020 Definitions

For purposes of this Chapter.

A. A "cannabis or marijuana collective" means any activity regulated or permitted by Section 9.23.15 of this Code, or California Health and Safety Code sections 11362.5, *et seq.*, as may be amended from time to time, or any other activity or business that involves planting, cultivating, harvesting, transporting, dispensing, delivering, providing, manufacturing, compounding, converting, processing, preparing, storing, packaging, or testing any part of the marijuana plant for medical purposes.

B. "Proceeds" means gross receipts of any kind, including without limitation, membership dues; the value of in-kind contributions; reimbursements provided by members regardless of form; any payments made; and anything else of value obtained by a cannabis or marijuana collective.

3.35.030 Payment Obligation.

All taxpayers subject to this Chapter must pay the full tax imposed by this Chapter regardless of any rebate, exemption, incentive, or other reduction set forth elsewhere in this Code, except as required by California or Federal Law. Failure to pay the tax shall be subject to penalties, interest charges, and assessments as the City Council may establish and the City may use any or all other code enforcement remedies provided in the Charter and this Code. No provision in this Code can lower the tax rate set forth in this Section or otherwise reduce the amount of taxes paid hereunder unless the provision specifically states that the reduction applies.

3.35.040. City Council Authorization to Adjust Rates.

The City Council may impose the tax authorized by this Chapter at a lower rate and may establish exemptions, incentives, or other reductions, and penalties and interest charges or assessments for failure to pay the tax in a timely manner, as otherwise allowed by the Charter and California law. No action by the Council under this Section shall prevent it from later increasing the tax or removing any exemption, incentive, or reduction, and restoring the maximum tax specified in this Chapter.

3.35.050 Payment of Tax Does Not Authorize Activity.

The payment of the tax required pursuant to this Chapter 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 Chapter implies or authorizes that any activity connected with the distribution or possession of cannabis is legal unless otherwise authorized and allowed in strict and full conformance to the provisions of this Code, including without limitation the provisions of Section 9.23.15. Nothing in this Chapter shall be applied or construed as authorizing the sale of marijuana.

3.35.060 Cannabis and Marijuana Tax Is Not a Sales Tax.

The Cannabis and Marijuana Tax provided for under the provisions of this Chapter is not a Sales or Use Tax and shall not be calculated or assessed as such. The Cannabis and Marijuana Tax shall not be separately identified or otherwise specifically assessed or charged to any member, patient, or caretaker.

3.35.070 Amendments and Administration.

A. This Chapter was submitted to the voters for approval. Any amendment to Section 3.35.010 to increase the Tax above the rate expressly provided in such Section shall 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 provision of this Chapter as the City Council deems in the best interest of the City.

B. The City Manager or the City Manager's designee shall promulgate rules, regulations, and procedures to implement and administer this Chapter to ensure the

efficient and timely collection of the tax imposed by this Chapter, including without limitation, formulation and implementation of penalties and interest to be assessed for failure to pay the tax as provided.

C. The City Manager or the City Manager's designee shall annually audit the cannabis and marijuana taxes imposed by this Chapter to verify that tax revenues have been properly expended in accordance with the law.

D. Pursuant to California Constitution Article XIII B, the appropriation limit for the City is increased to the maximum extent over the maximum period of time allowed under law consistent with the revenues generated by the cannabis and marijuana tax.

SECTION 2. This Ordinance shall become effective upon adoption by a majority of the voters casting votes at the general municipal election on November 5, 2013.

PASSED, APPROVED, AND ADOPTED BY THE PEOPLE OF THE CITY OF PALM SPRINGS AT THE REGULAR MUNICIPAL ELECTION HELD THE 5TH DAY OF NOVEMBER, 2013.

STEPHEN P. POUQUET, MAYOR

ATTEST:

JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, California, do hereby certify that Ordinance No. 1831 is a full, true, and correct copy, and was adopted by a majority vote of the People of the City of Palm Springs, at the Regular Municipal Election held the 5th day of November, 2013, as appears by the official returns of said election, and the Statement of Votes Cast as declared by the City Council, Resolution No. _____, adopted the 20th day of November, 2013.

JAMES THOMPSON, CITY CLERK
City of Palm Springs, California