



DATE: March 20, 2018
TO: Mayor and City Council
FROM: City Clerk
SUBJECT Adoption of Ordinance Adding Article 21 to Chapter 8 of the Hayward Municipal Code Relating to a Commercial Cannabis Tax

RECOMMENDATION

That the Council adopts the Ordinance introduced on March 6, 2018.

SUMMARY

Adoption of ordinance adding Article 21 to Chapter 8 of the Hayward Municipal Code relating to a Commercial Cannabis Tax that the City Council introduced on March 6, 2018.

BACKGROUND

The Ordinance was introduced by Council Member Zermeño at the March 6, 2018, meeting of the City Council with the following vote:

AYES:	COUNCIL MEMBERS: Zermeño, Márquez, Peixoto, Lamnin MAYOR Halliday
NOES:	COUNCIL MEMBER: Mendall
ABSENT:	COUNCIL MEMBER: Salinas
ABSTAIN:	None

The motion to introduce the Ordinance included an amendment to Section 8-21.00 (Findings and Purpose) to read as follows:

SEC. 8-21.00 FINDINGS AND PURPOSE. The City Council finds and declares as follows:

- (d) The cannabis business tax is intended to aid in the alleviation of the City of Hayward's ongoing general fund operating deficit and would be used for any valid municipal purpose, including police and fire services, paramedic services, youth and anti-gang programs, *education*, disaster preparedness, economic development, street repairs and maintenance, graffiti removal, and code enforcement.

The motion also included the review of the cannabis business tax, currently set at a rate of 6% of gross sales, one year after the issuance of a business permit.

FISCAL IMPACT

There is no fiscal impact associated with this report.

STRATEGIC INITIATIVES

This agenda item is a routine operational item and does not relate to one of the Council's Strategic Initiatives.

PUBLIC CONTACT

The summary of the Ordinance was published in the Hayward Daily Review on Friday, March 16, 2018. Adoption at this time is therefore appropriate.

NEXT STEPS

The Hayward Municipal Code and other related documents will be updated accordingly.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:



Kelly McAdoo, City Manager