

**A RESOLUTION APPROVING REFERAL TO THE) RESOLUTION NO. 2016-25
ELECTORS OF THE CITY OF LEBANON THE)
QUESTION OF IMPOSING A THREE PERCENT)
TAX ON THE SALE OF MARIJUANA ITEMS BY A)
MARIJUANA RETAILER WITHIN THE CITY OF)
LEBANON)**

WHEREAS, Section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the City of Lebanon City Council adopted Ordinance No. 2883 on July 13, 2016, which imposes a tax of three percent on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the City;

NOW, THEREFORE, THE CITY OF LEBANON RESOLVES:

MEASURE. A measure election is hereby called for the purpose of submitting to the electors of the City of Lebanon a measure imposing a three percent tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the City.

ELECTION CONDUCTED BY MAIL. The measure election shall be held in the City of Lebanon on November 8, 2016. As required by ORS 254.465, the measure election shall be conducted by mail by the County Clerk of Linn County, according to the procedures adopted by the Oregon Secretary of State.

DELEGATION. The City of Lebanon authorizes the City Manager or the City Recorder, designee, 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.

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 by law. Attached hereto as Exhibit 1 and hereby approved by the City of Lebanon City Council is the Ballot, containing the approved Ballot Title, Question, Summary and Explanatory Statement.

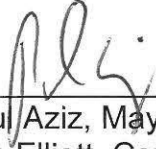
NOTICE OF BALLOT TITLE AND RIGHT TO APPEAL. Upon receiving the ballot title for this measure, the City Recorder shall publish in the next available edition of a newspaper of general circulation in the city a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

FILING WITH COUNTY ELECTIONS OFFICE. The City Recorder shall deliver the Notice of Measure Election to the county clerk for Linn County for inclusion on the ballot for the November 8, 2016 election.

EFFECTIVE DATE. This resolution is effective upon adoption.

Passed by the Lebanon City Council by a vote of 4 for and 0 against and executed by the Mayor on this 13th day of July, 2016.

City of Lebanon, OREGON



Paul Aziz, Mayor
Bob Elliott, Council President

ATTEST:


Linda Kaser, City Recorder

Exhibit 1 to Resolution Referring Recreational Marijuana Ordinance

BALLOT TITLE

Imposes city tax on marijuana retailer's sale of marijuana items

QUESTION

Shall Lebanon, Oregon impose a three percent tax on the sale in the City of Lebanon of marijuana items by a marijuana retailer?

SUMMARY

Under state law, a city council may adopt an ordinance to be referred to the voters of the city imposing up to a three percent tax or fee on the sale of marijuana items in the city by a licensed marijuana retailer. Approval of this measure would impose a three percent tax on the sale of marijuana items in the City of Lebanon by a licensed marijuana retailer. The tax would be collected at the point of sale and remitted by the marijuana retailer.

EXPLANATORY STATEMENT

Approval of this measure would impose a three percent tax on the sale of marijuana items by a marijuana retailer within the City of Lebanon. The amount of potential revenue from this tax is not known nor subject to reasonable estimates. There are no restrictions on how the City may use the revenues generated by this tax. Under Measure 91, adopted by Oregon voters in November 2014 and amended by the Legislature in 2015, the Oregon Liquor Control Commission must license the retail sale of recreational marijuana. The 2015 Legislation 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 voters at a statewide general election. The City of Lebanon City Council has adopted an ordinance imposing a three percent tax on the sale of marijuana items by a retail licensee in the City, and, as a result, has referred this measure to the voters.