



*Home of the Tualatin River National Wildlife Refuge*

## RESOLUTION 2016-017

### APPROVING BALLOT TITLE AND EXPLANATORY STATEMENT AND SUBMITTING TO THE VOTERS ORDINANCE 2016-002, DECLARING A BAN ON RECREATIONAL MARIJUANA PRODUCERS, RECREATIONAL MARIJUANA PROCESSORS, RECREATIONAL MARIJUANA WHOLESALERS, AND RECREATIONAL MARIJUANA RETAILERS

**WHEREAS**, Measure 91, which the voters adopted in November 2014, directs the Oregon Liquor Control Commission to license the production, processing, wholesale, and retail sale of recreational marijuana; and

**WHEREAS**, section 134 of HB 3400 (2015) provides that a city council may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of certain state-licensed marijuana businesses in the area subject to the jurisdiction of the city; and

**WHEREAS**, the Sherwood City Council wants to refer the question of whether to prohibit recreational marijuana producers, processors, wholesalers, and retailers to the voters of the City of Sherwood; and

**WHEREAS**, the Sherwood City Council, on January 19, 2016, adopted Ordinance 2016-002, Declaring a Ban on Recreational Marijuana Producers, Recreational Marijuana Processors, Recreational Marijuana Wholesalers, and Recreational Marijuana Retailers; Referring Ordinance;

### **NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:**

**Section 1.** An election is called for the City of Sherwood, Washington County, Oregon for the purpose of submitting to City voters Ordinance 2016-002, Declaring a Ban on Recreational Marijuana Producers, Recreational Marijuana Processors, Recreational Marijuana Wholesalers, and Recreational Marijuana Retailers.

**Section 2.** Tuesday, November 8, 2016 is designated as the date for holding the election for voting on the ordinance.

**Section 3.** The election will be conducted by the Washington County Elections Department.

**Section 4.** The precincts for this election will include all of the territory within the corporate limits of the City of Sherwood.

**Section 5.** The Ballot Title and Explanatory Statement attached as Exhibits 1 and 2, respectively, are hereby approved.

**Section 6.** The City Recorder will publish the Ballot Title as required by state law. The City of Sherwood authorizes the City Recorder or her 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.

**Section 7.** This Resolution shall be effective upon its approval and adoption.

**Duly passed by the City Council this 5<sup>th</sup> day of April, 2016.**

  
Krisanna Clark, Mayor

Attest:

  
Sylvia Murphy, MMC, City Recorder

**Exhibit 1**  
**Ballot Title**

**CAPTION:** Prohibits certain recreational marijuana facilities in Sherwood

**QUESTION:** Shall recreational marijuana producers, processors, wholesalers, and retailers be prohibited in Sherwood?

**SUMMARY:** State law allows operation of licensed recreational marijuana producers, processors, wholesalers, and retailers. State law also provides that a city council may adopt an ordinance to be referred to the city's voters to prohibit the establishment of one or more of those categories of facilities within the city's boundaries. The Sherwood City Council adopted such an ordinance and referred it to this election.

Approval of this measure would prohibit the establishment and operation of recreational marijuana producers, processors, wholesalers, and retailers within the city. Medical marijuana facilities would not be affected.

If this measure is approved, the city will be ineligible to receive distributions of state marijuana tax revenue and will be unable to impose a local tax or fee on the sale of recreational marijuana items by recreational marijuana retailers. A separate measure on this ballot would impose such a local tax. If this measure prohibiting recreational marijuana facilities is approved by voters, the local tax measure will therefore have no effect even if it is also approved.

**Exhibit 2**  
**Explanatory Statement**

Approval of this measure would prohibit the establishment and operation of certain recreational marijuana facilities within the City of Sherwood.

Measure 91, approved by Oregon voters in 2014, provides that the Oregon Liquor Control Commission will license recreational marijuana producers (those who manufacture, plant, cultivate, grow, or harvest marijuana), processors, wholesalers, and retailers. State law also provides that a city council may adopt an ordinance prohibiting the establishment of one or more of those categories of facilities within the city, but the council must refer the ordinance to the city's voters at a statewide general election. The Sherwood City Council has adopted an ordinance prohibiting the establishment and operation of recreational marijuana producers, processors, wholesalers, and retailers within the city and, as a result, has referred this measure to the voters.

If approved, this measure would prohibit recreational marijuana producers, processors, wholesalers, and retailers within the city. Medical marijuana facilities would not be affected by this measure.

Approval of this measure has revenue impacts. Currently, ten percent of state marijuana tax revenues will be distributed to cities to assist local law enforcement in performing their duties under Measure 91. If approved, this measure would make the city ineligible to receive those distributions of state marijuana tax revenues.

Additionally, state law provides that a city may impose up to a three percent local tax on the sale of recreational marijuana items by licensed recreational marijuana retailers in the city. However, state law also provides that a city that prohibits the establishment of recreational marijuana producers, processors, wholesalers, or retailers may not impose such a local tax. A separate measure on this ballot would impose a local tax on sales of recreational marijuana items by licensed recreational marijuana retailers. If this measure prohibiting certain recreational marijuana facilities is approved by voters, the local tax measure will have no effect even if it is also approved.