

ORDINANCE NO. 575

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ADELANTO, COUNTY OF SAN BERNARDINO, CALIFORNIA, AMENDING ADELANTO MUNICIPAL CODE SECTION 3.60.041 REGARDING THE VOLUNTARY CONTRIBUTION ALTERNATIVE TO PERMIT CERTAIN VOLUNTARY CONTRIBUTORS TO QUALIFY FOR A REDUCED CONTRIBUTION RATE

WHEREAS, the City Council of the City of Adelanto (“City”) obtained voter approval to impose up to a five percent Cannabis Excise Tax on the gross receipts of businesses engaged in Commercial Cannabis Activities pursuant to the passage of “Measure R—Marijuana Excise Tax” at the General Municipal Election on November 8, 2016.

WHEREAS, on March 8, 2017, the City adopted Ordinance number 559—adding Adelanto Municipal Code (“AMC”) chapter 3.60 (Cannabis Excise Tax) to implement the Cannabis Excise Tax authorized by the voters.

WHEREAS, on May 24, 2017, the City adopted Ordinance number 569—amending AMC chapter 3.60 to allow Cannabis Cultivation Permittees to qualify for a zero percent Cannabis Excise Tax by paying a Voluntary Contribution to the City in the amount of \$5 per square foot of their respective Cultivation Facility.

WHEREAS, the City now wishes to further amend AMC chapter 3.60 through this Ordinance to allow Voluntary Contributors to qualify for a \$4.25 per square foot Voluntary Contribution rate (“Reduced Rate”) by committing in writing before July 1, 2017 to make their annual Voluntary Contribution payment to the City before January 1, 2018.

WHEREAS, the City intends for this Ordinance to encourage Voluntary Contributors to expeditiously commit to paying and pay their respective Voluntary Contribution payments to the City to help the City offset its current budget deficit.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ADELANTO DOES ORDAIN AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein.

SECTION 2. AMC section 3.60.041 is hereby amended, and is to read in its entirety as follows:

3.60.041 Voluntary Contribution Alternative.

A. Notwithstanding any other provision of this Chapter, Cultivation Permittees may voluntarily elect to pay the Voluntary Contribution described in this Section to qualify for a zero percent Cannabis Excise Tax.

B. Any Cultivation Permittee wishing to participate in the Voluntary Contribution alternative must first obtain the written approval of the City Manager's Designee before commencing participation. To obtain said approval, each Cultivation Permittee must submit to the City a written report ("Square Footage Report") detailing the square footage of its respective Cultivation Facility, upon forms prescribed by the City Manager's Designee. Every Square Footage Report shall be signed by the Cultivation Permittee, and shall contain a statement made under penalty of perjury that all information provided therein is true and correct to the best of the Cultivation Permittee's knowledge.

C. Each Voluntary Contributor shall pay an annual Voluntary Contribution to the City in the amount of \$5 per square foot of the Voluntary Contributor's Cultivation Facility. *Notwithstanding the preceding sentence, a Voluntary Contributor who commits in writing before July 1, 2017 to make its annual Voluntary Contribution payment to the City before January 1, 2018, and obtains written approval from the City Manager's Designee to participate in the Voluntary Contribution alternative, shall qualify for a \$4.25 per square foot Voluntary Contribution rate ("Reduced Rate").*

1. Square footage for purposes of this Section shall be based on the entire blueprint area of the Cultivation Facility, and not just the cannabis canopy or operational area of the Cultivation Facility.

2. If a Voluntary Contributor stacks cannabis plants or equipment vertically on top of each other at its Cultivation Facility, then the square footage of that canopy or equipment area shall be multiplied by the number of stacks of plants or equipment when determining the total square footage of the Cultivation Facility and, thereby, the amount of Voluntary Contribution owed.

3. The City Manager's Designee shall have the power to enter and inspect any Voluntary Contributor's Cultivation Facility at any time, upon reasonable advance notice, to verify the square footage used to determine the amount of Voluntary Contribution owed. No Voluntary Contributor shall refuse or fail to allow the City Manager's Designee to inspect its Cultivation Facility, or shall refuse or fail to provide such additional information as requested by the City Manager's Designee.

D. *Except for Voluntary Contributors qualifying for a Reduced Rate, each Voluntary Contributor shall pay the full amount of its annual Voluntary Contribution in advance within 30 days of receiving authorization from the City Manager's Designee to participate in the Voluntary Contribution alternative. Each year thereafter, each Voluntary Contributor shall pay the full amount of its annual Voluntary Contribution within 30 days of the anniversary of being authorized to participate in the Voluntary Contribution alternative.*

SECTION 3. Recognizing that there is a potential conflict between federal and State law, it is the City Council's intention that this Ordinance shall be deemed to comply with California law as established by the MCRSA.

SECTION 4. The provisions of this Ordinance shall apply retroactively to any Voluntary Contributor who satisfies the requirements specified herein to qualify for a Reduced Rate.

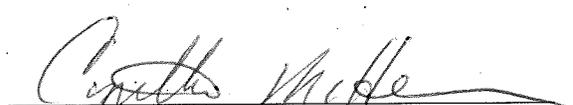
SECTION 5. The City Council finds that the actions contemplated by this Ordinance are exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the Guidelines, in that the Ordinance alone does not have the potential for causing a significant effect on the environment and is purely for revenue purposes.

SECTION 6. If any section or provision of this Ordinance is for any reason held to be invalid, unconstitutional, illegal, or unenforceable by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, then such section or provision shall be reformed to lawfully comply with the intent of the provision and to comport with the remainder of this Ordinance, and the remainder of this Ordinance shall remain in full force and effect.

SECTION 7. The Mayor shall sign and the City Clerk shall certify passage and adoption of this Ordinance, and the City Clerk shall cause the same to be published and posted pursuant to the provisions of law in this regard, and this Ordinance shall take effect 30 days after its final passage.

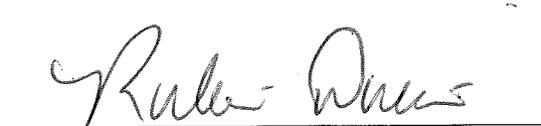
PASSED, APPROVED, and ADOPTED this 26th day of July, 2017.



Rich Kerr, Mayor

Cynthia M. Herrera, MMC, City Clerk

APPROVED AS TO FORM:



Ruben Duran, City Attorney

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I, Cindy Herrera, City Clerk of the City of Adelanto, California, do hereby certify that the foregoing Ordinance No. 575 was duly introduced for first reading on July 12, 2017 and adopted at a regular meeting of the City Council of the City of Adelanto on July 26, 2017 by the following vote, to wit:

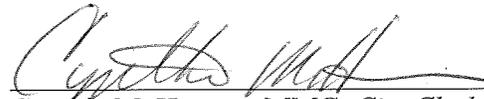
AYES: Council Members Camargo, Glasper, Woodard, Mayor Pro Tem Wright,
and Mayor Kerr

NOES: None

ABSENT: None

ABSTAIN: None

IN WITNESS THEREOF, I hereunto set my hand and affix the official seal of the City of Adelanto on this 26th day of July, 2017.


Cynthia M. Herrera, MMC, City Clerk

SEAL